



**New Zealand
FILM COMMISSION**



Te Tumu Whakaata Taonga

Annual Report 2016 - 2017





One Thousand Ropes

Report of the New Zealand Film Commission

for the year ended 30 June 2017

In accordance with Sections 150 to 157 of the Crown Entities Act 2004, on behalf of the New Zealand Film Commission we present the Annual Report covering the activities of the NZFC for the 12 months ended 30 June 2017.



Kerry Prendergast



Tom Greally

.....
CHAIR BOARD MEMBER



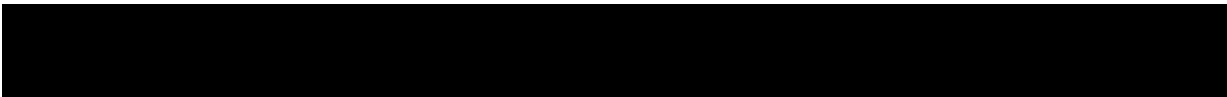
Highlights

- Twelve new feature film projects including five documentaries received production financing offers in the period.
- Fourteen Fresh Shorts were funded for production across two funding rounds.
- The third annual gender scholarship, the Ramai Hayward Wahine Māori Directors' Scholarship was awarded to two Māori women, Rachel House and Briar Grace Smith, to develop their scripts and move toward making their feature film debuts.
- Eleven feature films including six documentaries with NZFC production financing were released theatrically in New Zealand in the period with a total of 508,272 admissions. The title which generated the highest box office was *Chasing Great: Richie McCaw*, with a gross of \$1,828,941, making it the highest ever grossing New Zealand documentary in local cinemas.
- A new fund, the Interactive Development Fund, was piloted to encourage the development of interactive content with strong story content.
- A new studio, complete with two water tanks – the first in New Zealand – was developed in Kumeu, West Auckland, increasing the region's capacity for large-scale productions. The studio facility was developed for the filming of international production, *The Meg*, which received the NZSPG's 5% Uplift.
- Thirty final NZSPG certificates were issued, 11 to New Zealand productions and 19 to international productions.
- Fresh Short, *The World in Your Window*, won the Prix Étudiant de la Jeunesse (Youth Jury Award) at the 2017 Clermont Ferrand Short Film Festival.
- Nine New Zealand feature films and eight shorts were selected to take part in a travelling roadshow through eleven cities in seven Latin American countries.
- Three projects being funded through devolved development scheme, He Ara, were selected for further funding through the newly-introduced He Ara Plus programme.
- Two short horror films written and directed by women were funded through a one-off initiative designed to give women filmmakers the opportunity to make a genre short film.



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Chair's Introduction

Kerry Prendergast

I am pleased to introduce the annual report for the New Zealand Film Commission for the year ended 30 June 2017.

I joined the Board a year ago, and was immediately impressed by the commitment of the staff and Board to addressing difficult issues facing the industry. So I'm overjoyed to be able to report that the NZFC's gender policy, now in its third year, appears to be making a significant difference, with more women participating and remaining in the industry. This is an excellent result, but there is still work to do, and we intend to add to the initial five policy planks in the year ahead.

I am also proud of the work the NZFC has been doing in working with Māori filmmakers to create a strategy to support greater participation of Māori in film. With so many of our most successful films having distinct Māori voices, it is critical that we encourage, enable and embrace Māori filmmakers and their industry aspirations. Our three Māori Board members are solidly behind our new Māori strategy and will be vocal champions as it surges forward into the future.

There have been some significant changes to our Board during the 2016/17 financial year. Four Board members – Charles Finny, Chris Hampson, Ross McRobie and Cameron Harland – have retired. I thank each of them for their valuable contributions to the Board and toward the production of amazing, original and satisfying New Zealand films.

I am delighted to introduce our four new Board members – Pania Tyson-Nathan, Tom Greally, Brett O'Riley and Paula Jalfon. Each of them has significant expertise and a wealth of diverse experience to contribute to the Board.

I am also grateful for the support of our ministers, the Honourables, Maggie Barry and Simon Bridges, who, in the period, remained tireless advocates of our work and our industry.

Dave Gibson, our Chief Executive for the last four years, is leaving at the end of the calendar year. His contribution to the NZFC and the wider industry cannot be underestimated. His many years of production experience, combined with his dedication to discovering the freshest and most exciting New Zealand stories and voices have seen him become a trusted leader for the filmmaking community. It is no coincidence that some of New Zealand's most successful films of all time were released under his tenure. We – the Board and myself – will miss Dave. We thank him for his hard work and wish him all the best for his future endeavours.

I would also like to acknowledge all the NZFC staff for their passion, their skill and their desire to assist filmmakers in building careers, telling their stories and realising their dreams.

CHAIR, NZFC BOARD

From the Chief Executive

Dave Gibson

This is the last annual report I will pen as I will be leaving the NZFC in early January after four exciting years at the helm. I'm pleased at what we, and the industry, have achieved in that time. Most of these achievements can be measured against the planets we promulgate as being the way in which we gauge the success of the industry, and is elaborated on in the following report.



Our Mission: to champion the film industry of Aotearoa

Pathways & careers for people Increased economic activity More eyeballs on films here & overseas Culturally significant films Amazing, original satisfying, films

Lining up the planets for our industry and our stakeholders

This mission “to champion the film industry of Aotearoa” and our use of the planets is the piece of work I am personally most proud of from my time at the Film Commission.

To have a mission that people can relate and aspire to, and measure themselves against, is critical.

It's no surprise that I'm also proud of the films - how diverse and good they are, how they speak to us culturally and how they are reaching increasingly wider audiences on a variety of platforms, in New Zealand and overseas. I'm excited by the slate of films currently at some point in the development or production pipeline and look forward to enjoying them in cinemas as an audience member.

I'm also pleased with the economic growth fueled by the NZSPG that has resulted in a more stable and growing work force backed by private enterprise facilities built in Kumeu and Miramar.

I wish to extend my thanks to the Board, staff and Government for your fantastic support of the film industry and the work we do at Te Tumu Whakaata Taonga. I wish my successor and the industry all the best for the future. I hope everybody continues to work well together.

Nāku te rourou, nau te rourou ka ora ai te iwi

With your food basket and my food basket the people will thrive

CEO

The Year in Review

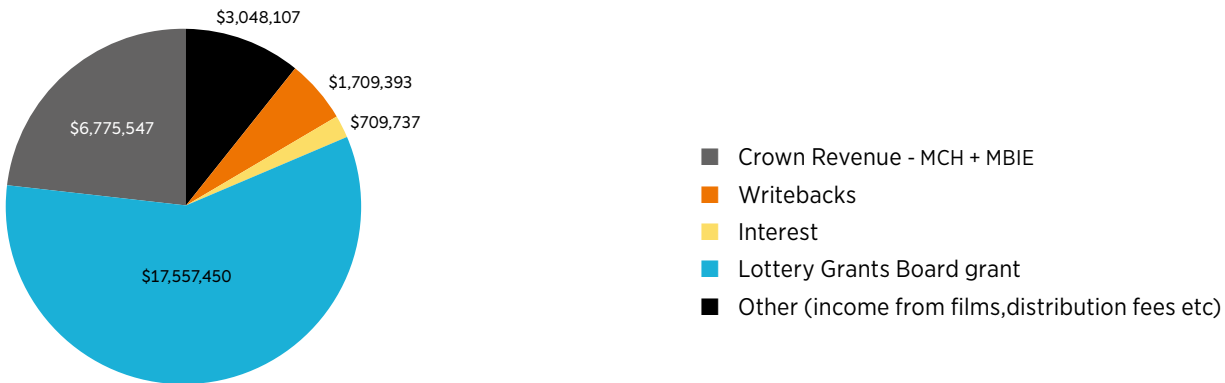
Overview

In the 2016/17 financial year, the NZFC received \$29.8M to fund its discretionary programmes. We spent \$29.2 in the period, across 17 programmes.

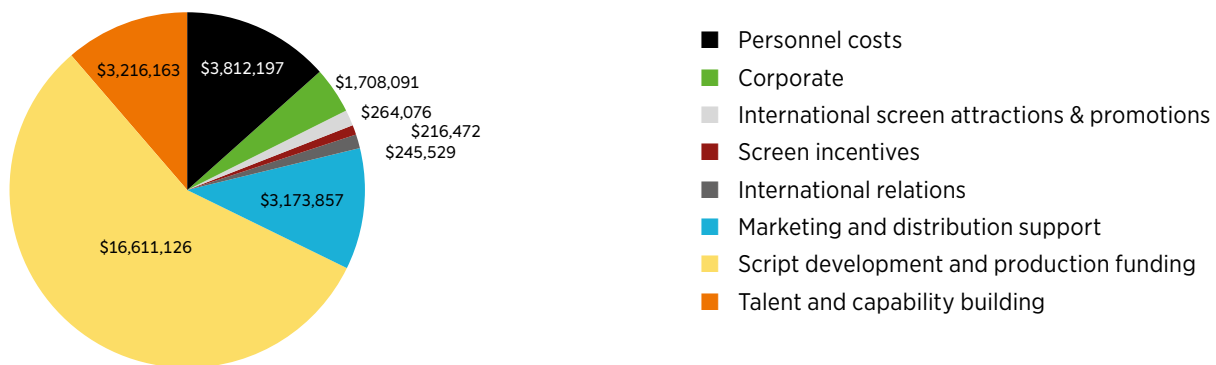
Approximately half of the discretionary funding was allocated to feature film production (\$14M). We also collected and on-paid \$24.8M of NZSPG-NZ grants to film and television projects which obtained final approval from the NZSPG panel.

The following graphs give an overview of where funding comes from, and how it was allocated.

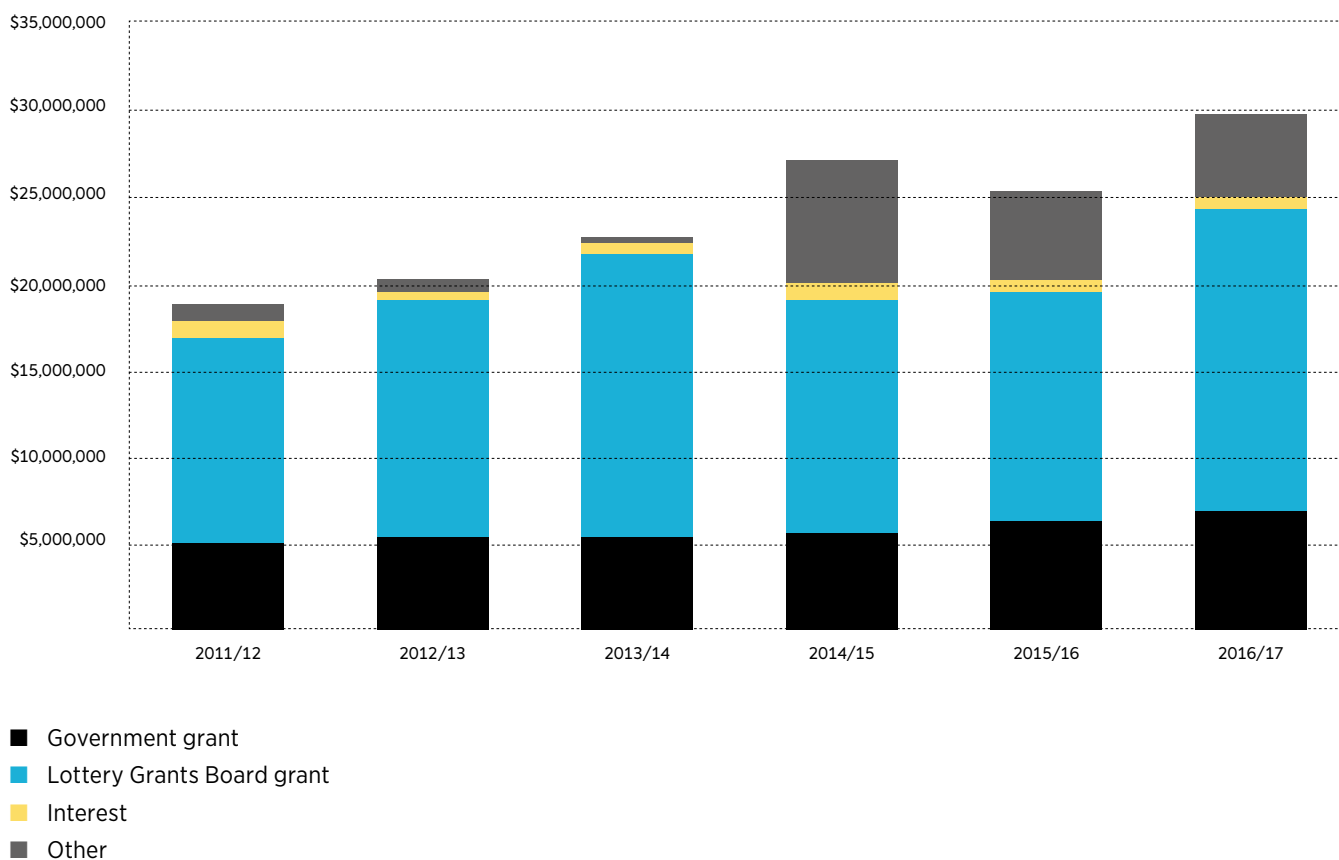
Funding sources



Funding allocation by programme



Funding sources trend



The Statement of Service Performance (SSP) measuring results against targets set in the Statement of Performance Expectations (SPE) for the year ended 30 June 2017, is on page 68.

The SSP shows we met or exceeded over 80% of both our impact and output targets for the year under review. Notably we report:

- 508,272 total domestic theatrical audience for NZFC-funded feature films
- 12 new feature films were offered production funding by the NZFC
- 58% of talent development grants provided by NZFC to women
- 9 NZFC funded feature films selected for A list festivals.
- 14 Fresh Shorts funded by NZFC

In July 2014 we published our multi-year Statement of Intent (SOI) for the period 2014/15 to 2017/18. This sets out how we will assess our performance in the period to 2018 in the four areas of our staff structure that contribute to helping the New Zealand screen industry grow. The multi-year SOI is complemented by annual SPEs, which set out the detailed impact and output measures for the particular year.

The following section of the Annual Report reviews our work in each of our four operating units in 2016/17.



The World in Your Window

Talent Development

Our work covers finding, fostering, connecting and progressing filmmaking talent along a career pathway. Our Talent Development team supports filmmakers through a mix of bespoke one-on-one support, developmental programmes and through travel to key festivals, markets and events.

Short Films

Making short films is a valuable stepping stone to feature filmmaking. This year we had 161 applicants across two rounds of Fresh Shorts funding, down from 170 in 2015/16. From these, we have funded 14, seven at the \$10,000 level and seven at the \$30,000 level. The applicants came from a variety of backgrounds with projects spanning a diverse range of genres and subject matter. Seven films have female directors attached, which is in line with the NZFC's objective of having 50% female representation across all talent development initiatives.

For the second year, shortlisted Fresh Shorts applicants have taken part in a development lab to assist in making their scripts and applications as strong as possible before final assessment. Response to the lab process, and mentoring afterward, has been overwhelmingly positive and the opportunity for filmmakers at similar stages in their careers to network is considered hugely beneficial.

Short films continue to have success at international film festivals. Some highlights from the 2016/17 year are:

- *Each to their Own*, written and directed by Maria Ines Manchego and produced by Lani-rain Feltham, screened in competition at the Locarno Film Festival.
- *Schmeat*, written and directed by Matasila Freshwater and produced by Thomas Coppell, screened in competition at the Sitges Film Festival.
- *Do No Harm*, written and directed by Roseanne Liang and produced by Hamish Mortland, had its premiere at Sundance. The film was one of the 93 short films selected from 9,300 entries. The short was funded through Premiere Pathways as a proof of concept for Roseanne's feature film, *Black Lotus*.
- Writer/director Zoe McIntosh and producer Hamish Mortland's film *The World in Your Window* screened in competition at Clermont Ferrand, and was awarded the Prix Étudiant de la Jeunesse 2017 (Youth Jury award).
- Animated Fresh Short *Spring Jam*, written and directed by Ned Wenlock and produced by Georgiana Plaister, screened at Clermont-Ferrand Youth, Flickerfest and Anima Brussels.
- Four Fresh Shorts, *The Couple*, *Moving*, *Wait* and *Madam Black* were accepted to screen at the Melbourne International Film Festival's Accelerator.

Over the year, the Talent Development team has done two series of roadshows around the country to engage with filmmakers in different regions. The first focused entirely on the South Island with workshops held in Blenheim, Christchurch and Dunedin. The second took the team to Auckland, Rotorua, Wellington, Christchurch and Dunedin. These roadshows provided information about the Fresh Shorts programme, offered guidance to applying for funding and story development workshops.

Premiere Pathways

Premiere Pathways exists to assist feature-focused filmmakers in moving forward on their career path, by creating material to showcase or support the concept for a feature film. This could be a short film, proof-of-concept reel or scenes from a feature script being developed. In the 2016/17 financial year, six projects have been awarded Premiere Pathways funding.

Professional Development

Helping filmmakers develop their skills is essential to building a sustainable industry.

A total of 179 Professional Development awards of up to \$5,000 were given to individuals to put toward a significant professional development opportunity in their specialist area.

In response to an identified skills shortage in the area of location scouting and management, locations role workshops were held in Auckland and Wellington in December 2016. Following these, three internships were successfully set up with productions, *Kiwi Christmas*, *Vermilion* and *Ash vs Evil Dead*.

To ensure industry events are accessible to a broad audience of filmmakers and potential filmmakers, we support a number of initiatives developed by industry partners. In 2016/17 some of these included:

Big Screen Symposium (BSS)

The Big Screen Symposium is the annual event that puts filmmakers in one venue for the purpose of debate, discussion, information and inspiration.

Outlook for Someday

Outlook for Someday inspires, empowers and upskills young people to share their stories and perspectives.

48 Hours

48 hours is the ultimate talent identification portal as teams attempt to make a short film from script to finished product in just 48 hours.

Loading Docs

Loading Docs is a joint initiative with NZ On Air where filmmakers make very short documentaries that are viewed online by an increasingly large audience.

Industry Support

The NZFC continues to offer core funding or support to a number of industry guilds and organisations including the Screen Producers and Directors Association (SPADA), the Directors and Editors Guild of New Zealand, (DEGNZ), the New Zealand Writers' Guild (NZWG), NZ Film & Video Technicians Guild, Women in Film and Television (WIFT), Pacific Islanders in Film & Television (PIFT), Asia New Zealand Film Foundation and Ngā Aho Whakaari.

We offer further funding to these organisations, and others, for specialist training initiatives. In 2016/17, the Strategic Training Fund has been awarded to:

- DEGNZ to run Rehearsal Room, Directors' Masterclass, Editors' Masterclass, Directors' Toolkit, Working with Actors and Rehearsal Dynamics;
- Documentary Edge Trust to run Doc Edge, Screen Edge Forum and Doc Pitch;
- Equity Foundation NZ to run Acting Masterclasses and self-tape training;
- NZWG to run Brown & Asian Ink in partnership with Playmarket;
- Script to Screen to run Aotearoa Writers Lab, Film Up and a Grass Roots Programme;
- PIFT to run a Directors' Development Initiative and Coco-net Shorts New Talent Programme.

Diverse Voices

To accurately represent New Zealand's culture on screen, we need filmmakers from all New Zealand's diverse

communities to participate. To encourage underrepresented voices to participate more fully in the industry, we have put a number of programmes, policies and initiatives into play.

Women in Film

To encourage more women to participate and remain in the industry, the NZFC introduced a gender policy in 2015 based around five main objectives:

- Collecting and publishing information and statistics on women working in the screen industry.
The latest feature film development statistics show an increase to the number of women directors, producers and writers attached to applications.
- A 50% participation rate for women filmmakers in the talent development area.
Since 2015, we have met or exceeded the 50% target, not just across professional development grants, but across all our talent development grants.
- Identifying and engaging with women filmmakers.
In the 2016/17 financial year, 53% of the Talent Development team's engagements have been with female filmmakers.
- Encouraging proposals from guilds and industry organisations that support and enhance their work in upskilling women.
In the period, we have supported several initiatives designed to upskill women in the industry including supporting DEGNZ's female talent incubator which has supported ten women directors as they work toward making their first feature film, increasing core funding to WIFT, supporting PIFT in running a directing internship programme for six Pacific Island women directors and we have made it mandatory that guilds and other industry organisations receiving funding from the NZFC report on the gender mix in their talent development programmes.
- An annual award for women in the industry.
The third scholarship, in memory of pioneering wahine Māori filmmaker, Ramai Hayward was awarded to two wahine Māori filmmakers, Briar Grace Smith and Rachel House.

Māori in Film

An internal working group has been established to develop a Māori strategy. The group has identified three key areas that they feel need to be developed in order to encourage, enable and embrace Māori aspirations within the sector. The working group, along with CEO Dave Gilson and Board members, will engage with external stakeholders in August and aim to have an implementation plan in place by the end of 2017.

New initiatives

Interactive Development Fund

The Interactive Development Fund was introduced at the 2016 SPADA Conference to support the development of storytelling for VR, AR and MR projects, including games. The pilot programme received 59 applications from which 12 projects were supported: six Virtual Reality, four Games, one Augmented Reality/Live action and one Interactive novel.

Women's Horror Short Film Grant

The Women's Horror Short Film Grant was initially devised to support a New Zealand female short film director to be included in an Australian women's horror feature anthology. There were 31 applications, from which two were selected to receive \$60,000 to make their films, which will no longer be part of a feature, but stand-alone short films.



Kiwi Christmas

Development and Production

We aim to facilitate the production of between eight and 12 feature films a year. The exact number funded in any annual financial period depends on the quality of applications received and quantum of financing requested.

Script and Project Development

In the 2016/17 year we continued to support the development of New Zealand feature film projects, through both direct and devolved funding for scripts. Our team of Development Executives provided creative feedback on many of the projects in active direct development.

A total of 93 Early Development Fund (EDF) and Advanced Development Fund (ADF) applications were processed in the 12 months to 30 June. This compares to 75 in the previous year. The turnaround for EDF, which receives the majority of development applications, averaged six weeks, which is in line with our published target. Our overall script development (EDF and ADF) approval rate in the period was 51%.

Nine of the 13 feature film projects offered NZFC production financing in the year under review received NZFC script development support in prior years. Five of the films were documentaries.

Production Financing – Feature Films

Thirteen offers of production financing were made to feature projects in the period, of which twelve were offers to new projects (detailed below). One offer of post-production equity financing was made to a film made independently of the NZFC – *The Stolen*.

The new feature projects offered financing are:

The Guinea Pig Club

Maverick Kiwi surgeon Archie McIndoe risks his career, his reputation and his marriage to heal the horribly burned bodies and – most importantly – the tortured souls of heroic RAF fighter pilots in WWII. A historical drama directed by Roger Donaldson, written by Mike Riddell and produced by Tim Sanders.

Daffodils

A young couple's love and marriage is celebrated and tested in a heart-aching musical drama featuring original versions of iconic New Zealand songs. Directed by David Stubbs, written by Rochelle Bright, and produced by Richard Fletcher.

Northland

When his beloved wife dies unexpectedly, a curmudgeonly farmer attempts to transfer control of their humble Northland dairy farm to his reluctant son. Written and directed by Hamish Bennett, and produced by Orlando Stewart.

Martin Phillipps and The Chills (documentary)

The story of lyrical genius Martin Phillipps and his iconic New Zealand indie rock band The Chills is a cautionary tale, a triumph over tragedy, and a manifestation of music's importance in our lives, all at once. A documentary directed by Julia Parnell and Rob Curry, written by Nicola Peeperkoorn and produced by Peeperkoorn, Tim Riley and Parnell.

Untitled David White/James Ashcroft Project

After being acquitted of murdering his family, a young man tries to rebuild his life while an obsessive ex-cop turned llama farmer attempts to prove his guilt. Directed by David White, written by White and Henry Feltham, and produced by Kelly Martin, White and James Ashcroft.

Colours (documentary)

The complex and layered world of China approached through the motif of colour. A documentary directed by Mike Single, written by Marilyn McFadyen and produced by James Heyward.

Herbs: Songs of Freedom (documentary)

Only one New Zealand band fought with their music against nuclear power, land theft, apartheid, poverty, police and the government – and in the next breath sang ballads about the magic of a kiss. We meet Herbs once more at their 40th anniversary concert at Bastion Point in this documentary written and directed by Tearepa Kahi, and produced by Reikura Kahi and Cliff Curtis.

Kiwi Christmas

Fed up with the materialism of Christmas, Santa runs away to New Zealand for a summer holiday; it's up to two Kiwi kids to work out who he is and get him back to the North Pole in time for Christmas. Produced by Tim Sanders, directed by Tony Simpson and written by Simpson, Dave Armstrong and Andrew Gunn.

Yellow is Forbidden (documentary)

In this documentary written and directed by Pietra Brett Kelly, a brave, daring and diminutive Chinese fashion designer, Guo Pei, blazes onto the world stage chasing a dream – to become part of the exclusive world of Haute Couture.

Reunion

A pregnant woman returns to her recently deceased grandparents' home for time alone only to find her estranged mother is already there. What begins as an unplanned reunion turns into a terrifying fight for survival. *Reunion* is written and directed by Jake Mahaffy and produced by Georgina Conder and Ainsley Gardiner.

Paper Run (documentary)

An ageing Tongan father battles the demands of his beloved church and culture, while risking the love of his children and losing his grip on the Kiwi dream. Directed by Ve'a Mafile'o and Jerry Tauamiti and produced by Sandra Kailahi.

Waru

Produced by Kerry Warkia and Kiel McNaughton, *Waru* is an anthology feature film made up of eight 10-minute short films around the tangi (funeral) of a small boy named Waru who died at the hands of his caregiver. Each vignette is written and directed by Māori wahine filmmakers, writer/directors Briar Grace-Smith, Casey Kaa, Ainsley Gardiner, Katie Wolfe, Renae Maihi, Chelsea Cohen and Paula Jones, director Awanui Simich-Pene and writer Josephine Stewart-Te Whiu.

Devolved Development

To better facilitate and track mid-range projects in devolved development schemes like Boost, the Business Development Scheme and He Ara, a new role, Devolved Development Coordinator was introduced in March 2017.

Boost

Boost is the NZFC's devolved development scheme aimed at allowing producers with compelling slates of projects to accelerate their development to suit their own timelines, with a view to pushing at least one project on their slate into production within 12 – 18 months.

This year's recipients of Boost funding are:

- **Firefly Films** -Emma Slade
- **Miss Conception Films** -Georgina Conder and Ainsley Gardiner

- **Semi-Professional Pictures** -Luke Sharpe
- **McKegg Entertainment** -William McKegg
- **Four Knights Film** -Tom Hern
- **The downlowconcept** -Matt McPhail
- **Monsoon Pictures International** -Alexander Behse

He Ara - Māori and Pasifika Pathways

He Ara is aimed at assisting established New Zealand writers, producers and directors of Māori and Pasifika heritage to create distinctive feature films.

In December 2016 we announced He Ara Plus, a grant to assist existing He Ara teams to move their projects to market-ready status.

A He Ara Plus workshop took place at Silverstream Retreat in May 2017, with four teams (11 filmmakers) in attendance: Brown Sugar Apple Grunt, Awa Films, South Pacific Pictures, and Matapuna Films. Sydney-based script assessor and story consultant Karel Segers led the workshop.

The teams were invited to re-submit their He Ara Plus applications, utilising their learnings from the workshop, and from these applications, three projects were selected for further funding:

The Educator (FKA *2 Percent*), written by John Argall, directed by Kiel McNaughton and produced by Kerry Warkia and Owen Black for Brown Sugar Apple Grunt.

When a savage gang rule over a suburban cul-de-sac, the academic son of a pro-wrestler must reason with his fists in order to repossess his stolen property.

Daylight Robbery, written and directed by Damon Fepulea'i and produced by Rachel Jean for South Pacific Pictures.

When the squabble between a trio of inept brothers leaves their father's prized furniture moving truck at the bottom of the harbour, they must work together to pull off the greatest heist, to save the family business and regain their father's respect.

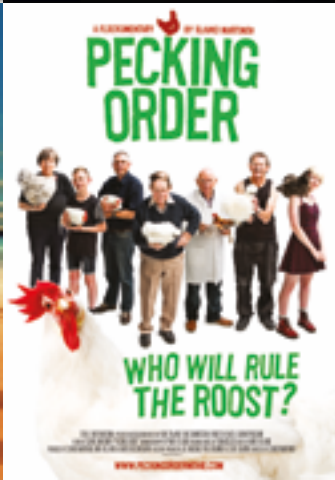
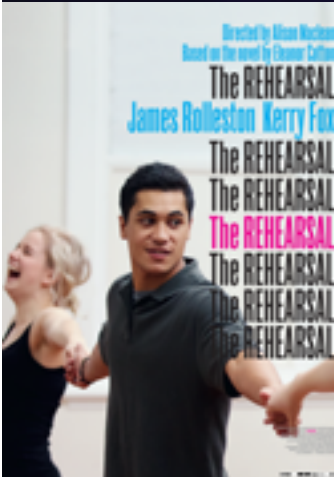
Mau (FKA *King*), written by Jamie McCaskill and produced by Brandon Te Moananui and Mina Mathieson for Matapuna Films.

When he is wrongfully imprisoned for a ridiculous crime, a new Samoan immigrant must befriend his narcissistic cellmate to prove his innocence.

The A-Z of Producing

The A-Z of Producing course is a training and development initiative for emerging producers led by CEO Dave Gibson, which has been coordinated as a devolved scheme since March 2017. A total of 12 producers (50/50 gender split) are involved in the course, run by well-known producer Sue Maslin in association with the Australian Film, Television and Radio School (AFTRS).

Two of the five workshops took place during the 2016/17 year, and topics covered included budgeting, pitching and packaging, and working with writers.



Marketing

We aim to increase the number of people seeing New Zealand films, in cinemas and on other screens, both here and overseas.

We provide marketing grants to distributors to enhance domestic cinema releases and also to independent filmmakers to complete and screen their films. We are also continuing our back-catalogue digitisation project, to ensure classic New Zealand films can continue to be enjoyed by future generations.

We maintain a presence at key festivals and markets, nurture relationships with overseas players and create networking opportunities for people within the industry, both in New Zealand and overseas.

Feature Films – Domestic Release

Eleven new NZFC-financed features achieved commercial release domestically in the period. The gross box office results were:

- ***Poi E: The Story of Our Song*** August 2016 – October 2016 **\$1,199,830**
Directed and executive produced by Tearepa Kahi and produced by Alexander Behse and Reikura Kahi, *Poi E* traces the story of a song, released in 1984, that has become New Zealand's unofficial national anthem. The only song in Te Reo Māori to have reached number one on the charts, *Poi E* was composed by colourful and visionary musician, Dalvanus Prime and Māori language expert Ngoingoi Pēwhairangi, and performed by the Patea Māori Club. Through archival footage, interviews and home movies, the performers, supporters and creators of this iconic song are brought vividly to life.

Poi E had its world premiere in July 2016 as the opening night film at the New Zealand International Film Festival (NZIFF). Released on 85 screens in New Zealand by Sony Pictures, the film's box office take makes it one of the top five New Zealand documentaries of all time.

- ***A Flickering Truth*** August 2016 – September 2016 **\$7,301**
A Flickering Truth, directed and produced by Pietra Brettkelly, documents the preservation of Afghanistan's film archive. The film follows three men who have dedicated decades to protecting this important vessel of Afghan culture through 100 years of war, hiding it from the Taliban, protecting it from the ravages of war and Kabul's extreme weather. Now their project is to restore the archive and save the thousands of hours of film revealing cinema from the time of King Amanullah Khan in the 1920s, the invasion of the Russians, and the days when women wore miniskirts. *A Flickering Truth* unwraps a world literally frozen in time and dust.

In 2016/17 *A Flickering Truth* was New Zealand's submission for the Best Foreign Language film category of the 89th Academy Awards. Umbrella Entertainment gave the film a limited release on four New Zealand screens.

- ***Chasing Great: Richie McCaw*** September 2016 – November 2016 **\$1,828,941**
Directed by Justin Pemberton and Michelle Walshe, and produced by Cass Avery, *Chasing Great* is an insightful film that weaves Richie McCaw's life story into his final season as an All Black, revealing the determination and mental toughness of an international sporting legend who still sees himself as an 'ordinary guy' from small town New Zealand.

Chasing Great broke the 10-year record set by *The Topp Twins: Untouchable Girls* to become the highest grossing local documentary of all time. Transmission Films released the film on 102 New Zealand screens to coincide with the Fathers' Day weekend.



- ***The Rehearsal*** September 2016 – November 2016 **\$70,989**

Directed by Alison Maclean and produced by Bridget Ikin *The Rehearsal* is adapted from the novel by Man Booker award-winner Eleanor Catton. The script was written by Maclean and writer Emily Perkins. *The Rehearsal* tells the story of Stanley, a naïve first-year drama student who seeks to impress his charismatic tutor, Hannah. When Stanley's group hits on a sex scandal involving his young girlfriend, Isolde as the inspiration for their end-of-year show, Stanley finds himself in morally tricky territory.

The Rehearsal had its world premiere at the 2016 NZIFF and was released by Footprint Films and Transmission Films on 14 New Zealand screens.

- ***Pork Pie*** January 2017 – April 2017 **\$1,148,831**

Pork Pie is a re-imagining of 1981's Geoff Murphy hit, *Goodbye Pork Pie* written and directed by Matt Murphy and produced by Tom Hern. Jon, a charming but out-of-luck novelist, musters the bravery needed to try and win back the love of his life by surprising her at a friend's wedding. One problem: he's in Auckland and the wedding is in Wellington. After a failed attempt to make the journey south in his bomby Holden, Jon hitches a ride with Luke, a sparky young dude driving a fancy new (and unbeknownst to Jon, stolen) yellow Mini Cooper...thus beginning the most epic road trip of their lives.

Pork Pie was released by Studio Canal on 105 New Zealand screens.

- ***Gary of the Pacific*** March 2017 – May 2017 **\$266,955**

The directorial debut for New Zealand based comedy team thedownlowconcept, *Gary of the Pacific* is produced by Fiona Copland. When struggling real-estate agent Gary Vasisi is called back to his homeland in the Pacific, he's handed a great opportunity – the chance to take his dying father's crown and become Chief of an island that is rapidly sinking into the ocean. With a treasury and a tropical paradise to his name, Gary hopes to give his girlfriend Chloe the wedding she wants, and finally attain the success he's yearned for. Even if it is at the expense of his people.

Gary of the Pacific was released by Rialto Entertainment on 87 New Zealand screens.

- ***One Thousand Ropes*** March 2017 – May 2017 **\$193,271**

One Thousand Ropes, written and directed by Tusi Tamasese and produced by Catherine Fitzgerald tells the story of a father re-connecting with his youngest daughter and putting to rest the ghosts that haunt them. A former boxer, Maea now uses his hands to knead bread and to ease the pain of child-bearing. When his youngest daughter returns to him, beaten and heavily pregnant, he struggles on the one hand with inner temptation and encouragement from the men in his life to take revenge in the way he knows best, and on the other, to build the new family and companionship missing from his life.

One Thousand Ropes was released by Transmission Films on 26 New Zealand screens.

- ***Beyond the Known World*** March 2017 – June 2017 **\$50,582***

A New Zealand-India co-production, *Beyond the Known World* is directed by Pan Nalin, written by Dianne Taylor and produced by Kristian Eek, Matthew Horrocks and Gaurav Dhingra. A young woman's search for her destiny leads her parents on a journey that will take them beyond the known world.

Curious Films released *Beyond the Known World* on nine New Zealand screens.

- ***Meat*** April 2017 – June 2017 **\$29,208***

Written, directed and produced by David White, *Meat* is the modern story of the animals we eat, as told by



the people who never get to say their piece – from the solitary hunter who believes everyone needs to be educated about their food, to an industrial pig farmer who argues that money isn't his primary driver. *Meat* is a revealing and thought-provoking documentary that doesn't tell you what to think – but shines a new light on the people, the land and everything that lies behind the supermarket shelves.

Meat was released by Caramel Canine on 12 New Zealand screens.

- **Pecking Order** May 2017 – June 2017 **\$462,235***

Pecking Order, written and directed by Slavko Martinov and produced by Martinov, David Brechin-Smith and Mike Kelland is a feel-good, feather-ruffling flockumentary following the fierce rivalries, club infighting, problematic birds, irregular judging and other challenges facing a group of zealous chicken breeders hell-bent on victory at the 2015 National Poultry Show.

Pecking Order was released by Vendetta Films on 46 New Zealand screens.

- **McLaren** June 2017 – June 2017 **\$650,476***

Directed by Roger Donaldson, written by Matthew Metcalfe, Tim Woodhouse and James Brown and produced by Metcalfe and Fraser Brown, *McLaren* is the story of Bruce McLaren, the New Zealander who founded the McLaren Motor Racing team and who showed that a man from humble beginnings could take on the elite world of motor racing and win.

McLaren was released by Transmission Films on 77 New Zealand screens.

*Box office gross as at 30 June 2017

In addition, the following titles continued their releases from the previous financial year and grossed the sums detailed below in the period under review:

Hunt for the Wilderpeople July 2016 – December 2016 **\$558,802**

Tickled July 2016 – November 2016 **\$28,741**

Free In Deed screened at the 2016 NZIFF, but did not receive a wider theatrical release.

There were 508,272 admissions in total for the 12 months under review, against a target of 400,000 admissions.

The best performing feature was *Chasing Great*, which achieved 141,612 admissions through to 30 June 2017. It ranks as the highest domestic grossing NZFC financed documentary feature film of all time (not adjusted for inflation). *Poi E* was the next best performer with total admissions of 93,010.

Test Screenings and Audience Research

In 2014 we introduced test screenings for all feature films we invest in. Response to the test screenings continues to be positive and filmmakers benefit greatly from the information gathered and analysed. The test screenings are also valuable to distributors in terms of defining the audience for each film. For the period under review, we test-screened 11 feature films: *The Changeover*, *My Year With Helen*, *McLaren*, *100 Men*, *Kim Dotcom: Caught in the Web*, *The Inland Road*, *Human Traces*, *Pork Pie*, *Pecking Order* and *Spookers*.

We have analysed the aggregated results of 24 completed test screenings across comedy, drama and documentary audiences. On average, 64% of test target audiences rate the films as excellent or very good. The films rated highly for being 'Kiwi', emotionally engaging, having good stories, humour (where relevant), interesting characters, and for being entertaining. These factors also drive excellence ratings.



International Marketing

The NZFC participated in six major international film events promoting New Zealand films and filmmakers during the period under review.

- **2016 Toronto International Film Festival** 8 - 18 September

The Rehearsal and *The Patriarch/Mahana* both screened in the opening four days of the festival to capacity audiences. The NZFC co-hosted with the New Zealand High Commission in Ottawa, a very successful evening event after the premiere screening of *The Rehearsal* attended by many businesses with an expat connection to New Zealand.

The NZFC took a stand at the Industry Centre where the two NZFC staff attending the festival met with sales agents, buyers, distributors and film festival programmers. Head of Marketing, Jasmin McSweeney also participated on a panel discussion about Pathways and Protocols – Collaborating with Indigenous Communities. Also on the panel were Jesse Wentz, Zack Kunuk, Jonathan Frantz and Ian Ludwick.

- **2016 American Film Market** 2-9 November

Five NZFC staff attended AFM with representatives from the Marketing, Development and Production and International teams. The International team managed a stand at the market while other staff met with sales agents attached to New Zealand projects or those interested in working with New Zealand filmmakers.

- **2017 Berlinale** 9 - 19 February

One Thousand Ropes had its world premiere in the Berlin Film Festival's Panorama section as a Panorama Special, the first New Zealand film to be selected for Panorama since *No. 2* in 2006, and only the third New Zealand feature ever to have screened in the section.

The Inland Road had its world premiere at the Berlinale too, in the festival's Generation 14+ section, and *Poi E* had its international premiere in the same section.

All three films received strong reviews from international media, including The Hollywood Reporter, Variety and Screen International. Two NZFC staff attended the festival to support the filmmakers and to meet with sales agents and film festival programmers.

- **2017 SXSW** 10 - 19 March

Kim Dotcom: Caught in the Web had its world premiere at SXSW. Head of Marketing, Jasmin McSweeney attended the festival to support director Annie Goldson and producer Alexander Behse. The film generated good reviews and discussion in international media including Ars Technica UK and Gizmodo.

- **2017 Cannes International Film Festival** 17 - 28 May

Around 67 New Zealanders attended the market, supported by six NZFC staff. Networking events hosted this year included a welcome to Cannes event for New Zealanders at Cannes, a film festival programmer's afternoon tea, a joint NZFC/FFA New Zealand/Germany industry networking event and our annual sales agents lunch.

A line-up of 19 New Zealand features and seven short films were at Cannes market this year. As well as assisting filmmakers with introductions and advice, NZFC staff met with film festival programmers, journalists and sales agents.



- **2017 Sydney Film Festival** 7 - 18 June

Four New Zealand features and two short films screened at the Sydney International Film Festival. *My Year with Helen* had its world premiere at the festival with both director Gaylene Preston, and subject, Helen Clark, in attendance.

Spookers had its Australasian premiere, while *One Thousand Ropes* and *McLaren* had their Australian premieres. Short films *Do No Harm* and indie-produced *Drumming Like Thunder* also screened. Three NZFC staff attended the festival to support the filmmakers.

Other International Festivals and Releases

- *Pecking Order* and *Spookers* had their world premieres at the Hot Docs International Film Festival in Toronto, Canada in May. *Kim Dotcom: Caught in the Web* also screened in the festival.
- *Gary of the Pacific* had its international premiere at the Hawaii International Film Festival as part of its Spring Showcase.
- *The Rehearsal* had its US premiere at the New York Film Festival, the first time a New Zealand feature has screened at the festival since *An Angel at My Table* in 1990.
- *Poi E* and *Ever the Land* were both invited to screen at the 2017 CAAMfest in San Francisco. *Poi E* was also selected to screen at the San Diego Asian Film Festival, and *Ever the Land* screened at the Seoul International Film Festival in November.
- *One Thousand Ropes* screened in the Shanghai International Film Festival.
- *The Inland Road* screened in the New Directors competition of the Seattle International Film Festival where lead actress Gloria Popata received a special mention from the jury for her performance.
- *100 Men* had its world premiere at San Francisco's Frameline Film Festival and followed this with screenings at LA's Outfest where LGBTQ publication, LA Blade named it as one of the festival's 'best bets'.
- *Pork Pie* opened the Gold Coast Film Festival in April. New Zealand-India co-production. *Beyond the Known World* also screened in the festival.
- *Belief: The Possession of Janet Moses* had its US premiere at Fantastic Fest in Austin, Texas in September. The film also screened at Australia's Pasifika Film Festival where it received the Pasifika Warrior Award. The Award is given to a documentary that highlights relevant and current issues in the Pacific region. The Festival held screenings in both Sydney and Brisbane in November.
- *Born to Dance* screened at Toronto's ImagineNATIVE, along with a number of New Zealand shorts.
- *The Art of Recovery* opened the New Urbanism Film Festival in Los Angeles where it won Best Feature and the overall Best of the Fest award. The film also screened at the Lund International Architecture Film Festival in Sweden where it won the grand prize of Best Documentary.
- *25 April* was selected to screen at Korea's Bucheon International Animation Film Festival, and was one of two New Zealand features screened out of competition at the Festival des Antipodes in St. Tropez, as was Jemaine Clement and Taika Waititi's *What We Do In The Shadows*.

Cultural Showcases

- *The World's Fastest Indian* and *Eagle vs. Shark* screened as part of an outdoor summer film festival in Warsaw.
- *Mahana* opened the inaugural WINDA Indigenous Film Festival with an outdoor screening at Circular Quay, beside the Sydney Opera House, in November.
- *Mr Pip* screened in Suva as part of a Human Rights Film Festival organised by the UN Office of the High Commissioner for Human Rights for the Pacific.
- In January 2017, the Skabmagovat Film Festival in Finland featured a spotlight on New Zealand films and screened a retrospective of Taika Waititi's films. The festival is notable for projecting the films onto an outdoor screen made of snow.
- Five feature films screened at the Sherbrooke Film Festival in Sherbrooke, Canada in April; *An Angel at My Table*, *25 April*, *The Dark Horse*, *The Rehearsal* and *A Flickering Truth* which won the Golden Circle for Best Documentary.
- A special screening of *Poi E* was hosted by the Smithsonian Mother Tongue Festival in Washington DC.
- *Utu Redux* was screened as part of the Aotearoa Film Festival in May in Honolulu, Hawaii.
- *Boy*, *Hunt for the Wilderpeople* and *What we do in the Shadows* screened at the Danish Film Institute in Copenhagen in April as part of a retrospective on Taika Waititi.
- *The Quiet Earth* played at the Irish Film Institute in Dublin in May.
- Nine New Zealand feature films and eight shorts are taking part in a traveling roadshow through eleven cities in seven Latin American countries. The roadshow will travel through Argentina, Cuba, Mexico, Brazil, Chile, Paraguay and Colombia. Features *Mahana*, *The Dead Lands*, *The Dark Horse*, *Born to Dance*, *Hip Hop-eration*, *Boy*, *Whale Rider*, *White Lies* and *The Ground We Won* have been subtitled in Spanish and Portuguese and short films *Ahi Kā*, *Ellen is Leaving*, *Feeder*, *Madam Black*, *Maria*, *Ross and Beth*, *Spring Jam* and *Tits on a Bull* into Spanish.



Latin American Roadshow -Mapuche, Chile

NZ Film On Demand

Our video-on-demand platform, NZ Film On Demand, continues to add new titles. The number of films available now totals over 100, and films range from recent cinema releases to newly digitised classics. The platform is currently available to viewers in New Zealand, Australia and the UK. As the number of film titles and territories expands, it will generate increased revenues for filmmakers and investors, with 70% of the collected gross receipts being returned to the film owners. The most popular feature film in the period was *Goodbye Pork Pie*, and the most popular short was *Night Shift*.

A monthly newsletter informs subscribers about newly released films and highlights another feature and a short film or documentary already on the platform. A new section for films produced independently of the NZFC has recently been added to give filmmakers another platform on which to reach audiences for their films.

Vista Foundation Partnership

The Vista Film Marketing Programme, launched in 2015 in partnership with the Vista Foundation, saw creative teams of filmmakers participate in a series of workshops run by industry professionals, covering areas of financing, licensing, distribution, marketing, release and exhibition strategies. A grant of \$75,000 to support the marketing campaign of their feature film was awarded to the team responsible for *Pecking Order* after teams made presentations to a panel of industry experts on completion of the workshops.

Digital Preservation Scheme

After a brief hiatus, the digitisation programme was resurrected in the second half of the period under review, and we completed the digitisation of eight feature films: *Te Rua*, *Hotere*, *Moonrise* (aka *Grampire*), *The Returning*, *Jack Be Nimble*, *The Silent One*, *Leave All Fair*, and *It's Lizzie To Those Close* (aka *A Woman of Good Character*).

Feature Film Finishing Grants

Feature film finishing grants of up to \$50,000 each were offered to seven independent films, all documentaries. The seven films are: *Kobi*, *No Ordinary Sheila*, *Swagger of Thieves*, *Bill Dieren*, *Team Tibet*, *Free Theatre* and *Where There is Life* all of which screened in the 2017 New Zealand International Film Festival.

Distribution Grants

We want as many people as possible to see great New Zealand films. Distribution grants help distributors and filmmakers find and connect with audiences for those great films. We support distributors with four grants to assist with a variety of costs associated with a film's theatrical release. In the 2016/17 financial year we offered distribution support to ten films, *Wayne*, *Chasing Great*, *The Rehearsal*, *Gary of the Pacific*, *One Thousand Ropes*, *The Catch*, *Pork Pie*, *Meat*, *Pecking Order* and *McLaren*.



Ghost in the Shell

International Screen Business Attraction, Incentives and International Relations

International Screen Business Attraction

New Zealand continues to enjoy its successful reputation as one of the world's most effective screen production destinations. To encourage incoming productions to choose New Zealand, the Attractions team provides a range of marketing, technical and bespoke advisory and introduction services to US studios and international and local companies. The country's strengths have been well promoted including ease of access to locations, competitive incentives, creative and technical expertise, and the growth of facilities including studio infrastructure. Assisting producers with advice and connections to key government agencies as well other considerations like New Zealand's favourable exchange rates, business integrity and lack of fringes are also highly valued by our international clients.

Business Attraction

Enquiries remained strong from high profile studios and producers. Incentives and a favourable exchange rate remained critical to securing international interest and was reinforced by testimonials from past productions filming in New Zealand citing stand-out crews and creative collaborators.

During the past year international productions filming in New Zealand included five feature films.

Warner Brothers/Gravity Pictures' *The Meg* based production in Auckland and made a valuable contribution to infrastructure with the building of water tank facilities and the development of Kumeu Film Studios.

High profile location shoots included major sets and sequences in the South Island for Paramount Pictures' *M:I:6 Mission Impossible* and Disney's *A Wrinkle In Time*. High profile cast in these films like Oprah Winfrey, Reese Witherspoon, Mindy Kaling, Tom Cruise, Simon Pegg and Henry Cavill created huge exposure for New Zealand via their spontaneous Instagram posts.

20th Century Fox's *Murder On The Orient Express* also shot scenics in the South Island with an innovative and hi-tech approach to filming on and from train tracks.

Universal Pictures backed the New Zealand production of dystopian drama *Mortal Engines* based at Stone Street Studios in Wellington and using largely New Zealand crew. During their New Zealand set visit, Universal's executive producers also visited Kumeu Film Studios.

Nine international television series shot in New Zealand with continuing series from the United States including *The Shannara Chronicles*, *Power Rangers* and season two of *Ash vs Evil Dead* from executive producer Rob Tapert. Stephen David Entertainment - part of the global Banijay group and one of the world's biggest independent distributors - produced their third and fourth series of historic biopics; *1953* shot in Auckland and *Palisades* in Wellington and committed to filming a second series of *Roman Empire*. Two Chinese television productions featuring famous cast also shot in New Zealand, *Star April* and *Legend of Zu 2*.

New digital projects enhanced opportunities for New Zealand's global screen production exposure. United Kingdom company, Surround Vision created the virtual reality *Finding Haka* project launched via SKY TV in conjunction with the Lions Rugby Tour. WildBear TV shot for an Australian government funded 360 video to be exhibited within the Sir John Monash Centre to be opened in France next year. WW1 sequences were filmed in Oamaru and Masterton. Chinese web series *Legend of the Ravaging Dynasty* shot on location in the North and South Islands.

International Communications and Publicity

The NZFC's International team's communications and publicity work focused on leveraging major international productions including Disney's *Pete's Dragon* and *Ghost in the Shell* which received provisional approval for the 5% uplift. Work was done in partnership with Tourism New Zealand and other NZ Inc agencies.

Disney's *Pete's Dragon* was entirely filmed in New Zealand; Tapanui in West Otago in the South Island was transformed into the Pacific Mid-West town of Millhaven and forestry scenes were shot in Rotorua/Tokoroa in the North Island's Bay of Plenty. NZFC's offshore marketing activity was voiced by director David Lowery, highlighting how New Zealand added "a little bit of magic" to the production. Good Morning America/Nightline visited New Zealand for a set visit with coverage broadcast at the time of the film's release. The coverage profiled both tourism and filmmaking in New Zealand, reaching over 1.6m people. Following this leverage activity, 33% of USA consumers researched say they are aware Disney's *Pete's Dragon* was filmed in New Zealand. Amongst those who have seen the film, awareness of New Zealand as the home of Disney's *Pete's Dragon* leaps to 59%.

New Zealand's partnership also led to a new Tourism New Zealand brand ambassador in the US, Bryce Dallas Howard. The Disney's *Pete's Dragon* and *Jurassic World* star teamed up with National Geographic Travel, directing a trip across New Zealand, exploring spectacular parts of the country. Bryce's New Zealand adventures have also been covered by several large US media outlets including the Associated Press, People.com, *The Hollywood Reporter*, *Access Hollywood Live* and *The Talk*.

Ghost in the Shell was 90% filmed in New Zealand including pivotal scenes shot in the Wellington CBD. The urban Wellington locations doubled for a futuristic version of Hong Kong, showcasing urban New Zealand locations as a sci-fi setting. Twenty-four international media visited New Zealand during filming. Results included eight Entertainment Tonight stories which reached over 28 million people. *Ghost in the Shell* provided Weta Workshop with the opportunity to showcase a new side of their capability in physical effects when it comes to science fiction films. Weta Workshop's work was profiled as a part of the film's international media programme including a series of 20-minute presentations to the 100 international media in attendance, and international media visits to Weta Workshop in Wellington including from Adam Savage's *Tested*.

The NZFC's international promotional work in LA also included attendance at the American Film Market (AFM) (November 2016) and the AFICI Locations, Global Production & Finance Conference (April 2017). The NZFC were sponsors at AFM, with activity including a New Zealand Networking function bringing together US based studio and production clients with New Zealanders in the industry. At AFICI, the NZFC connected with decision making production executives through a New Zealand stand and participated in panels in the Finance Conference programme.

Incentives

Funding and facilitating screen production in New Zealand leads to increased economic activity, which in turn results in strong, sustainable screen businesses that create jobs. NZFC discretionary investment funding ensures between eight and twelve New Zealand films are made annually. This funding is supplemented by the New Zealand Screen Production Grant (NZSPG), which offers grants for New Zealand productions and co-productions, and grants for international projects filmed in New Zealand.

The NZFC administers the NZSPG on behalf of the Ministry for Culture and Heritage (MCH) and the Ministry of Business, Innovation and Employment (MBIE).

Productions accessing the grant support economic activity in the screen sector directly by employing New Zealand

crew and cast, as well as generating business for New Zealanders and New Zealand companies that provide a wide range of products, from timber for sets, to hospitality and catering services. And often in the regions.

Since 2014, almost 50 international productions have qualified for a grant accounting for approximately \$1.1 billion spent on goods and services provided in New Zealand.

New Zealand productions facilitated by the NZSPG continue to increase and are resulting in the increased creation of New Zealand content and stories.

NZSPG New Zealand and International Grants

During 2016/17, the Combined NZSPG Panel met 12 times. During these meetings:

- Eight New Zealand provisional certificates were issued by the Panel: *We Alone*, *Rachel's Tour of Beauty - Series 2*, *The Changeover*, *Wayne*, *Capital in the 21st Century*, *The Legend of Monkey*, *Kiwi Christmas* and *800 Words - Series 3*.
- 11 New Zealand final certificates were issued during the year. Projects achieving final certification were: *Hunt for the Wilderpeople*, *The Rehearsal*, *One Thousand Ropes*, *Chasing Great*, *Gary of the Pacific*, *800 Words - Series 2*, *Into the Rainbow*, *Pork Pie*, *McLaren*, *The Free Man* and *The Desert Sea*.

Of these New Zealand Grant applications three are intended to be official co-productions, two with Australia and one with France.

- Three International provisional certificates were issued during the year: *Blade Runner 2049*, *Power Rangers Ninja Steel - (seasons 24 and 25)* and *Mortal Engines*.
- Nineteen International final certificates were issued during 2016/17. The projects achieving final certification were: *Batman v Superman: Dawn of Justice*, *Deadpool*, *Guardians of the Galaxy - Series 1*, *Pete's Dragon**, *The Shannara Chronicles*, *Power Rangers Dino Charge & Dino Super Charge*, *Central Intelligence*, *Ghost in the Shell**, *The Jungle Book*, *Marvel Avengers Assemble - Season 3*, *The BFG*, *Independence Day: Resurgence*, *American Playboy: The Hugh Hefner Story*, *Ash vs Evil Dead - Season 2*, *League of Gods*, *Bilal: A New Breed of Hero*, *Shopkins*, *Chef Club*, *Power Rangers* (feature film) and *Animal Archive*.

*Interim certificates

NZSPG Significant Economic Benefits Panel

There were three meetings of the Significant Economic Benefits Verification Panel to consider applications for the 5% Uplift.

The panel considered three initial assessment applications, of which two were approved subject to the negotiation of a Memorandum of Understanding (MOU). Within the reporting period a MOU was signed for the Warner Bros. Pictures and Gravity Pictures feature film *The Meg*.

A key component of the *The Meg* MoU included a partnership between the New Zealand Film Commission (NZFC), Auckland Tourism, Events and Economic Development (ATEED), Warner Bros. Pictures and Gravity Pictures to develop a new film studio in West Auckland.

The privately owned Kumeu Film Studios sit on a 27ha site and include the first two film studio water tanks ever built in New Zealand: an indoor 5m deep, 1.3 million litre dive tank with pure heated water; and an outdoor 3m deep, 2.5 million litre ocean horizon tank backed by an 864-sq. m green screen wall. A new sound stage is currently being built at Kumeu Film Studios, due to be completed in 2018 which will double Auckland's screen studio

infrastructure and provide a major transformational shift for the industry in Auckland, increasing the region's capacity for large scale screen productions.

Changes to the New Zealand Screen Production Grant

Three years after its introduction in April 2014, demand for the NZSPG has been high. To manage the increase in demand, a review of the grants was completed and announced to the screen industry in March 2017.

The new NZSPG criteria apply from 1 July 2017.

Changes to the NZSPG – New Zealand

Changes to improve certainty, lower expenditure and reduce the risk of significant unbudgeted expenditure in the NZSPG – NZ:

- Requiring production companies to have undertaken business in New Zealand for a pre-qualifying period before they are eligible to apply for the NZSPG – NZ;
- Requiring a second New Zealand content test for access to the Additional Grant;
- Tightening distribution requirements, and requiring plans to engage with New Zealand audiences;
- Bringing in new qualifying New Zealand production expenditure (QNZPE) exclusions – wardrobe and props not made in New Zealand, production insurance, completion bond fees, freight and fringes; and
- A registration process for all applicants prior to undertaking production activity in New Zealand.

Changes to the NZSPG – International

The changes have been designed to balance the call on the grant while maintaining industry momentum.

- The introduction of a 20 per cent of qualifying New Zealand production expenditure (QNZPE) cap on above-the-line (ATL) personnel costs;
- Bringing in new qualifying New Zealand production expenditure (QNZPE) exclusions – wardrobe and props not made in New Zealand, production insurance, completion bond fees, freight and fringes;
- Post Digital and Visual Effects (PDV) Grant of 20 per cent for the first \$25 million of QNZPE, and thereafter at 18 per cent;
- a tightened 5% Uplift application threshold and significant economic benefits points test, including introduction of an invitation-only feature and the 'value add' of proposals to be approved by the Significant Economic Benefits (SEB) Verification Panel; and
- A registration process for all applicants prior to undertaking production activity in New Zealand.

International Relations

We assist filmmakers to connect with the best local and international partners, projects and career development opportunities. To do so, we attend international festivals and markets with the goal of connecting New Zealand and international filmmakers for co-production or other collaboration, and also host international filmmakers in New Zealand. Our International Relations team is a first point of contact for New Zealand's overseas diplomatic posts, foreign diplomatic posts here, and the NZFC's sister agencies internationally.

Developing relationships and partnerships between people and organisations is a long-term strategy that does not always bear immediate or short-term results. International activities, particularly with China, serve to strengthen our ties with the Chinese industry and to underline our commitment to working with our Chinese partners.

In early May 2016, the NZFC hosted acclaimed Chinese director, Wuershan and producer, Du Yang and their teams, in relation to a large budget Chinese feature film trilogy with the potential to involve New Zealand. We worked with Screen Auckland, Screen Wellington and Film Otago Southland and New Zealand Māori Tourism on a bespoke programme of industry and cultural activities in Auckland, Wellington and Queenstown.

Tourism New Zealand subsequently engaged Wuershan as one of two stars for its 'Discover the Heart of the Long White Cloud' online campaign showcasing New Zealand's central regions. As at early August 2017, more than 11 million people had viewed the series of eight videos, broadcast on China's leading social media platforms Weibo and WeChat, video sites Tencent TV and Iqivi. The videos were promoted by 36 online key opinion leaders on various digital platforms, and by early August 2017 had generated 504 stories on television, print, and online sites equating to NZ\$12.6 million in equivalent advertising revenue.

After being introduced to this delegation in May 2016, Park Road Post Production secured a considerable sound post-production job on another large budget Chinese feature film, *Wolf Warrior 2* that involved members of the delegation. *Wolf Warrior 2* has since gone on to become the highest grossing Chinese feature film of all time, earning over NZ\$1 billion at the box office.

Some key engagements in the 2016/17 year were:

- **Major Chinese Industry Delegations:** We hosted senior representatives from the Chinese screen sector, including China Media Capital (CMC), Shanghai Media Group, China Film Group (CFG) and Guangdong Province, in collaboration with regional film offices/economic development agencies. Our reception for CFG Chairman La Peikang was attended by government ministers, senior screen industry and NZ Inc representatives. New Zealand companies continue to secure work as a result of personal introductions we made during these and other visits.
- **SPA Screen Forever 2016:** Two staff represented the NZFC at Australia's annual producers' conference and partnered with Film Victoria on a co-production speed-dating event for Victorian and New Zealand producers, with the best projects eligible to apply for special Film Victoria and NZFC matched development funding.
- **AFM 2016:** Approximately 30 New Zealand industry attended AFM and related events, and five LA-based emerging New Zealand filmmakers assisted the NZFC on our booth. New Zealand was also well-represented at the U.S.-China Film Summit and U.S.-China Film & TV Industry Expo that ran alongside AFM.
- **China Film Festival, Dunedin:** We worked with the New Zealand Consulate-General in Shanghai, Enterprise Dunedin and the Shanghai Art Film Federation (SAFF) on their inaugural China Film Festival in Dunedin and hosted a day of networking activities.
- **AFCI Global Production and Finance Conference:** Head of International Relations, Chris Payne, spoke on two panel sessions at this annual summit, one on the Global Film, Television and Digital Marketplace, and the other on China: Working in The Middle Kingdom.
- **Cannes Film Festival and Market 2017:** 67 New Zealand producers and other industry—both domestic and expats—attended Cannes 2017. We co-hosted a successful NZ-Germany producer networking event in

partnership with the German Federal Film Board (FFA) and met with a range of sister agencies, talent/management companies and producers with projects seeking co-production or other production/post-production opportunities with/in New Zealand. A number of potential co-production projects were also discussed and progressed. In partnership with Resn, the NZFC gave a presentation at Winston Baker's inaugural Immersive Summit, which subsequently led to Hollywood studio work for at least one Auckland company.

A new position, Asia Outreach Executive, was established to focus on connecting storytellers from New Zealand's Asian communities, with the goal of raising awareness of the NZFC and New Zealand screen sector. In May, the Asia Outreach Executive, in partnership with Future Dragonz – a networking organisation for young Chinese professionals in New Zealand – hosted a series of panel discussions across the country focusing on Asian representation and opportunities in film, drama and television.

Helping filmmakers develop their skills is essential to building a sustainable industry. We have facilitated and supported a number of internships and mentorships in the last year. These have included a directors' internship on Pukeko Pictures' 3D animated series, *Kiddets*, a marketing internship on feature film *Kiwi Christmas* and a producer's internship on feature film *The Breaker Upperers*. Four mentorship opportunities were offered on international feature film, *The Meg*, Associate Producer Mentorship (Tom Hern with Barrie Osborne), Unit Production Manager Mentorship (Bonnie Frires with Simon Ambridge), Cinematography Mentorship (Laetitia Belen with Tom Stern and Kina Scollay) and Actor Mentorship (James Rolleston with Cliff Curtis).

To highlight the success of these programmes, Becca Barnes, one of the writing interns on *Power Rangers* in 2015/16 has been promoted to Lead Writer for the next series.





BTS: *The Shannara Chronicles*

NZFC Governance

Board

The NZFC Board is a statutory body and provides governance and policy direction. In the 2016/17 financial year the Board held four scheduled meetings in Wellington and one scheduled meeting in Auckland.

Members for the year to 30 June 2017 were:

Kerry Prendergast *Chair*, Charles Finny (*to December 2016*), Chris Hampson, Cameron Harland (*to December 2016*), Ross McRobie, Ian Taylor, Jane Hastings, John McCay, Tom Greally (*from December 2016*) and Pania Tyson-Nathan (*from December 2016*).

All members are appointed by the Minister for Arts, Culture and Heritage.

Finance, Audit and Risk Committee

This committee of Board members oversees financial issues and risk management. The committee works in accordance with rules formulated by the NZFC. Members for the year to 30 June 2017 were Cameron Harland (*to December 2016*), Ross McRobie, Kerry Prendergast and Tom Greally (*from December 2016*).

Human Resources and Remuneration Committee

This committee of Board members considers human resources and remuneration issues. The committee works in accordance with rules formulated by the NZFC. The members for the year to 30 June 2017 were Charles Finny (*to December 2016*), Kerry Prendergast and Chris Hampson.

NZSPG Combined Panel

The combined NZSPG panel met 24 times in the 2016/17 financial year to consider applications for both the International and New Zealand and co-production NZSPG grants. The panel is made up of one member of the NZFC Board, one senior NZFC staff member (CEO, CFO or Head of Business Affairs), one representative from MBIE, one representative from MCH and two industry specialists.

NZFC Board

Kerry Prendergast *Chair*

Kerry is the former mayor of Wellington and former Vice President of Local Government New Zealand. She is currently chair of the Environmental Protection Authority and Tourism New Zealand. She is also a director /trustee /board member of several organisations including Oceania Healthcare Ltd, New Zealand Community Trust and the Phoenix Football Club.

Ian Taylor *Ngāti Kahungunu*

Ian is an award-winning writer, director and producer whose career in television spans more than 35 years. He established his own production company, Taylormade Productions in 1989. He was named a Companion of the NZ Order of Merit in the 2012 New Year Honours for services to television and business. He is also currently a board member of New Zealand On Air.

Jane Hastings

Jane is Chief Executive Officer for Event Hospitality and Entertainment, based in Sydney. Previously she has been Chief Executive Officer of NZME and General Manager Group Sales, Marketing and Cinemas at SkyCity Entertainment Group.

John McCay

John is a commercial lawyer and a partner at the law firm Minter Ellison Rudd Watts. John's experience in the screen sector includes having acted for the NZFC for more than 15 years. He also served as chair of Film New Zealand (now absorbed within the NZFC). He is also currently a board member of New Zealand On Air.

Pania Tyson-Nathan *Ngāti Rongomaiwahine*

Pania is the Chief Executive Officer of New Zealand Māori Tourism, a national organisation based in Wellington. She brings to the NZFC board an extensive trade and investment network with a particular focus on China. She is currently a director of Kahungunu Asset Holding Company and the Māori Economic Development Advisory Board, and a member of the Ministerial Advisory Group on Trade.

Tom Greally

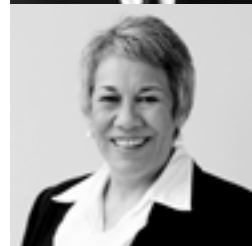
Tom is the CEO of Wellington craft brewery, Garage Project and an independent management consultant working in the field of business and technology strategy, research and innovation. He is a member of the Callaghan Innovation Stakeholder Advisory Group. Prior to 2015 he spent ten years as chair of Park Road Post Productions and was also General Manager of visual effects studio Weta Digital Limited.

Brett O'Riley

Brett has recently completed a term as Chief Executive of Auckland Tourism, Events and Economic Development (ATEED). He has been involved in the development of the digital and hi-tech economy in New Zealand over the past decade through senior roles in the public sector, following 20 years in the ICT sector.

Paula Jalfon - *Ngāi Tahu*

Paula has worked in the film industry for 25 years both in New Zealand and the United Kingdom. She has extensive experience as a producer and executive producer working on both independent and studio films. Paula also worked for 10 years at the British Film Institute before setting up her own production company.



NZFC Operations

Staff

As at 30 June 2017 we had 40 staff (5 part-time, 35 full-time). Our workplace profile shows that our workforce has an average age of 42 years and is predominantly female (72.5%).

Excluding maternity leave, staff turnover for the 12-month period to 30 June was 12.5%. Of the 5 staff who left in the period, two left to take up roles outside the industry, while three left to pursue or return to roles within the industry. Some of these roles have not been directly replaced.

Collaboration

We work collaboratively with a number of central and local government agencies in addition to our primary funder the Ministry for Culture and Heritage. In particular, we work with the Ministry of Business, Innovation and Employment, New Zealand Trade and Enterprise, Tourism New Zealand as well as the Ministry of Foreign Affairs and Trade in order to promote the New Zealand screen sector internationally.

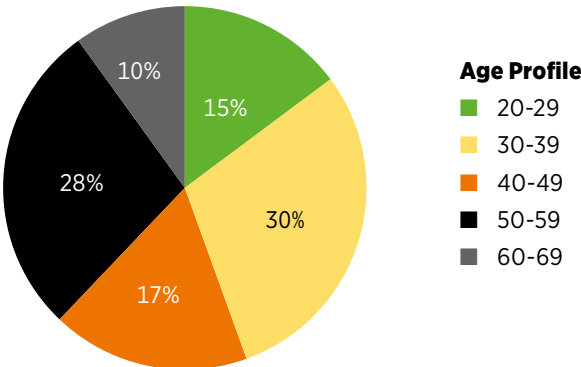
Within the screen sector itself we continue to work particularly closely with NZ on Air, with whom we share a building.

Screen NZ, the two-way 'virtual agency' with NZ On Air continued to work on a number of initiatives.

As well, we partnered with a number of industry organisations including Script to Screen, SPADA and WIFT in order to provide professional development opportunities for filmmakers.

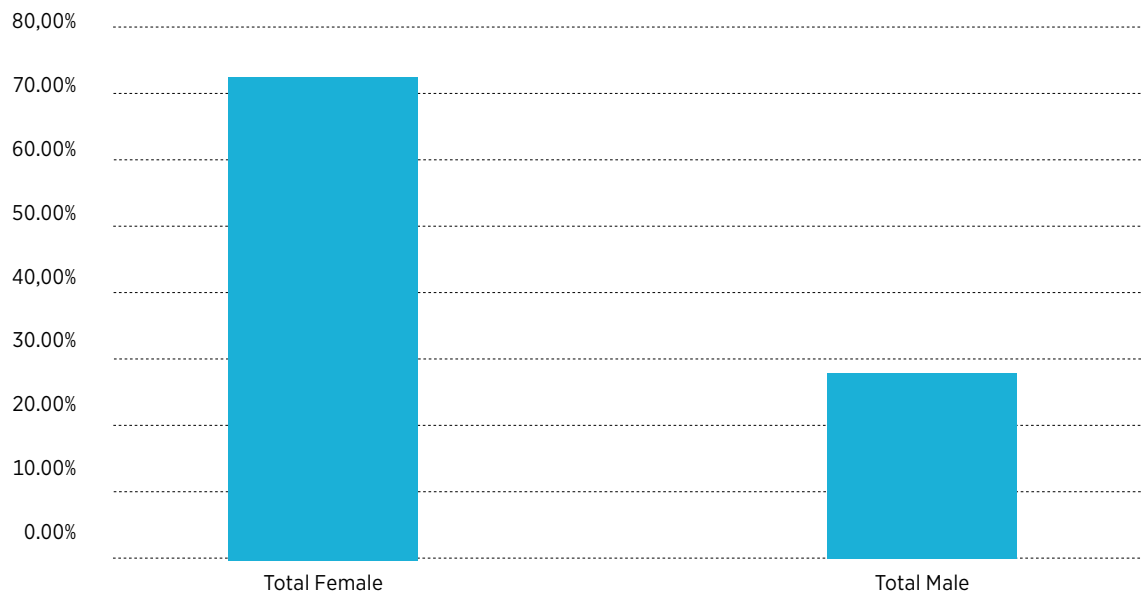
Age Profile

Total Count of Age Profile



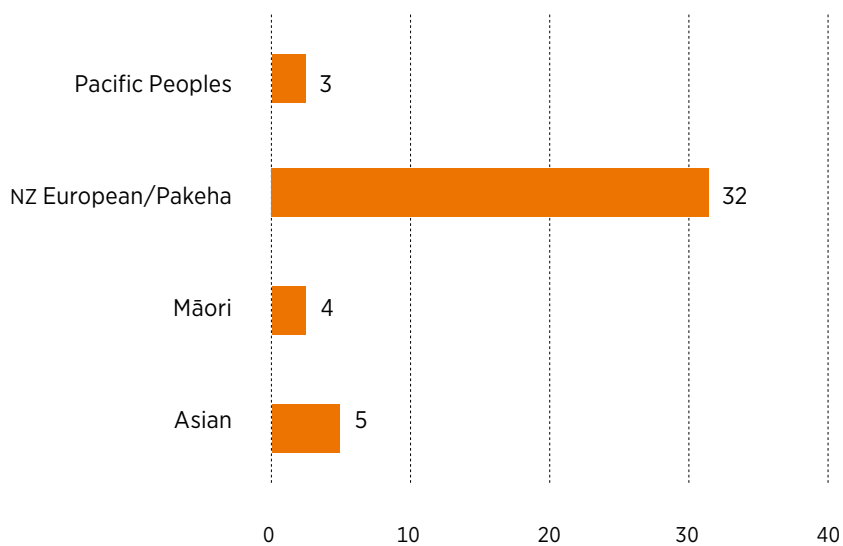
Gender profile

Total Count of Gender



Ethnicity Profile

Total Count of Ethnicity Group for Stats



Disability Profile

Nil



Pecking Order

Organisational Health and Capability

Our culture and work environment reflects a genuine commitment to the principles and policies of being a good employer and the Crown Entities Act requires us to report on these policies. We maintain a positive, dynamic and safe environment to enable the employment and retention of skilled staff with recent industry experience.

We demonstrate our commitment to the principles of equal employment opportunities (EEO) by elimination of all aspects of procedures, practices or any institutional barriers that may cause or perpetuate inequalities in respect of employment opportunities for any person or group of persons.

Staff engagement is very important to us and we encourage staff to be involved in the development, review and renewal of policies. An independent engagement survey was conducted by Kudos Organisational Dynamics in March 2017. Overall, the vast majority of NZFC staff believe in what NZFC is trying to accomplish, are proud to work for NZFC, have confidence in the leadership, think the organisation expects high standards of performance from its people, delivers on the promises it makes to its customers, day to day decisions demonstrate that quality of products/services are top priorities, and they feel they are working for a successful organisation. Staff ratings at the individual, team and organisational level are mostly similar to or increased from the previous year. There are a few areas at the individual or team level that have slightly decreased. Now that these have been identified, there is a strategy in place to address them.

Good Employer Policies

The NZFC's activities against the seven key elements of being a 'good employer', as defined by the Human Rights Commission, are summarised below:

1. Leadership, accountability and culture We are committed to being a good employer and as such, work to manage and lead employees fairly and equally in all aspects of employment. Our management and leadership team is committed to the principles of equal employment opportunities by elimination of all aspects of procedures, practices or any institutional barriers that may cause or perpetuate inequalities in respect of employment opportunities for any person or group of persons. Employees are treated fairly. Different skills, talents, experiences and perspectives are recognised and valued, and different cultural values and beliefs are respected. The needs of Māori, ethnic or minority groups, women, and persons with disabilities, are recognised. We do not tolerate harassment, bullying and discrimination.

2. Recruitment, selection and induction

We appoint the best candidates after a fair and rigorous recruitment and selection process, which incorporates equal opportunity principles. Staff selection is on the basis of merit – for any position the best available person is appointed irrespective of gender, race, ethnic or national origins, religious or ethical beliefs, disability, marital or family status, age, sexual orientation or any other irrelevant factor. However, we are keen to ensure our workplace reflects New Zealand's diversity and take this into account where we are able.

Industry development programmes have a secondary benefit for us because they provide a talent pool from which staff can be recruited. Internal applications are encouraged for job vacancies, recruitment to senior positions in the NZFC is a mix of internal promotions (including to acting roles) and external appointments to ensure a freshness of approach. Some contract positions exist to meet criteria of recent industry experience and these recruits often return to the industry after a period with us. We believe this porous border between the organisation and the industry is healthy and we encourage it.

All new staff are involved in an induction programme, which provides useful information about the NZFC and assists new staff in settling in.



3. Employee development, promotion and exit

We offer staff a range of development opportunities and staff are encouraged and supported to undertake training and professional development. We provide individually tailored professional development opportunities for all staff based on identified needs. We have supported accounting staff to study for professional qualifications by paying for exams and allowing for study leave. We also supported all staff to participate in team management workshops, leading to better understanding of individuals' work-preferences and how to manage them. We also supported staff to travel to festivals and markets for a better understanding of the international environment and to network with other similar agencies.

We encourage our staff to attend industry functions, gain industry experience in their spare time and we organise regular screenings so that all staff are familiar with the films we have invested in. All staff have an opportunity to attend courses on Te Reo Māori and tikanga.

We are committed to developing and up-skilling staff to work towards our objectives. The effectiveness of training and development activity is evaluated to ensure that key objectives are met.

All staff undertake an annual performance review, providing opportunities for feedback and specific work-related appraisals. All departing staff were given the opportunity to complete an exit interview.

4. Flexibility and work design

We allow flexible working hours for staff, where possible, and support staff working from home, working part-time, taking leave to care for sick family members and taking leave during the school holidays.

5. Remuneration, recognition and conditions

Pay parity is an important aspect of developing long-term capability at the NZFC. The remuneration framework balances competitive pay and reward with affordability. Remuneration policies are focused on attracting and retaining skilled, flexible and knowledgeable staff. In order to ensure we continue to maintain high standards in this area, a sub-committee of the board meets as required to consider human resources and remuneration issues.

6. Harassment and bullying prevention

We have a zero-tolerance position and respond promptly to all accusations of harassment and bullying. We use reasonable endeavours to recognise and address unacceptable behavior that may lead to harassment and bullying. All staff are required to adhere to the State Services code of conduct as well as that set out in our Policy Manual which is revised and updated from time to time.

7. Safe and healthy environment

We are committed to providing a safe and healthy work environment and take a proactive health and safety approach including fire and earthquake preparedness. Health and safety policy and procedures were reviewed and updated to comply with the new Health and Safety at Work Act 2015.

Statement of Responsibility

for the year ended 31 June 2017

We are responsible for the preparation of the New Zealand Film Commission's financial statements and statement of performance, and the judgements made in them.

We are responsible for any end-of-year performance information provided by the New Zealand Film Commission under section 19A of the Public Finance Act 1989.

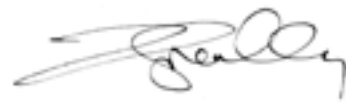
We have the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of the New Zealand Film Commission for the year ended 30 June 2017.

Signed on behalf of the Board:



Kerry Prendergast



Tom Greally

CHAIR
31 October 2017

BOARD MEMBER
31 October 2017

Statement of Financial Position

as at 30 June 2017

	NOTE	2017 ACTUAL \$	2017 BUDGET \$	2016 ACTUAL \$
Equity				
Accumulated Comprehensive Revenue/(Expenses)		9,092,773	3,352,000	8,540,050
Total Equity		9,092,773	3,352,000	8,540,050
<i>Represented by:</i>				
Current Assets				
Cash and Cash Equivalents	13	4,085,039	3,000,000	4,090,295
Investments	14	9,758,375	8,000,000	9,970,737
Trade and Other Receivables	15	12,848,685	2,500,000	4,925,333
Total Current Assets		26,692,099	13,500,000	18,986,365
Non-Current Assets				
Investments	14	5,209,152	4,550,000	4,796,686
Property, Plant & Equipment	16	194,735	200,000	155,295
Intangible Assets	17	91,518	150,000	104,645
Total Non-Current Assets		5,495,405	4,900,000	5,056,626
Total Assets		32,187,504	18,400,000	24,042,991
<i>Less liabilities:</i>				
Current Liabilities				
Trade and Other Payables	18	5,732,325	1,288,000	1,938,474
Employee Entitlements	19	220,387	150,000	155,118
Film Income Account	3	191,633	650,000	472,354
Project Commitments	20	16,942,047	12,960,000	12,920,317
Total Current Liabilities		23,086,392	15,048,000	15,486,263
Non-Current Liabilities				
Rent Incentive Liability	21	8,339	0	16,678
Total Non-Current Liabilities		8,339	0	16,678
Total Liabilities		23,094,731	15,048,000	15,502,941
Net Assets		9,092,773	3,352,000	8,540,050

Explanations of significant variances against budget are detailed in note 30. The accompanying notes on pages 46 to 67 form part of these financial statements.

Statement of Comprehensive Revenue and Expense

for the year ended 30 June 2017

	NOTE	2017 ACTUAL \$	2017 BUDGET \$	2016 ACTUAL \$
Revenue				
Crown revenue	2	6,775,547	6,701,000	6,326,000
Lottery Grants Board grant		17,557,450	12,400,000	13,403,093
Income from films	3	3,008,265	1,980,000	1,622,198
Distribution fee	3	25,106	20,000	53,165
Interest		709,737	500,000	758,608
Writebacks		1,709,393	0	3,668,797
Other income		14,736	5,000	298,955
Operating income		29,800,234	21,606,000	26,130,816
Government NZSPG-NZ grant	4	24,812,263	23,466,000	15,368,787
Total Income		54,612,497	45,072,000	41,499,603
Expenditure				
Talent development	5	3,216,163	2,548,000	2,437,048
Script development and production funding	6	16,611,126	13,326,500	12,742,691
Marketing and distribution support	7	3,173,857	1,383,000	1,580,763
International screen business attraction	8	264,076	381,500	402,376
International relations	9	245,529	337,500	184,692
Screen incentive scheme administration	10	216,472	168,000	147,812
Corporate	11	1,708,090	1,859,000	1,733,323
Personnel costs	12	3,812,197	3,549,500	3,458,580
Operating expenditure		29,247,510	23,553,000	22,687,285
Government NZSPG-NZ grant	4	24,812,263	23,466,000	15,368,787
Total expenditure		54,059,773	47,019,000	38,056,072
Surplus/(deficit)		552,724	(1,947,000)	3,443,531
Other comprehensive revenue and expense		0	0	0
Total comprehensive revenue and expense		552,724	(1,947,000)	3,443,531

Explanations of significant variances against budget are detailed in note 30. The accompanying notes on pages 46 to 67 form part of these financial statements.

Statement of Changes in Equity

for the year ended 30 June 2017

	2017 ACTUAL \$	2017 BUDGET \$	2016 ACTUAL \$
Equity at 1 July	8,540,049	5,299,000	5,096,518
Total Comprehensive Revenue and Expense for the Year	552,724	(1,947,000)	3,443,531
Equity at 30 June	9,092,773	3,352,000	8,540,049

Explanations of significant variances against budget are detailed in note 30. The accompanying notes on pages 46 to 67 form part of these financial statements.

Statement of Cash Flows

for the year ended 30 June 2017

	NOTE	2017 ACTUAL \$	2017 BUDGET \$	2016 ACTUAL \$
Cash flows from operating activities				
Receipts from the Crown & other income		45,445,807	44,956,000	39,601,281
Interest received		646,465	420,000	810,601
Payments for production funding, marketing, industry support, to suppliers and employees		(45,591,326)	(47,406,000)	(42,258,519)
Goods and services tax (net)		(112,073)	0	349,838
Net cash from operating activities	28	388,873	(2,030,000)	(1,496,798)
Cash flows from investing activities				
Sale of investments		29,500,000	700,000	31,010,816
Purchase of investments		(29,700,104)	(100,000)	(30,771,704)
Sale of property, plant & equipment		0	0	0
Film New Zealand investment		0	0	368,704
Purchase of property, plant & equipment		(125,843)	(50,000)	(71,552)
Purchase of intangible assets		(68,182)	(20,000)	(41,780)
Net cash from investing activities		(394,129)	530,000	494,484
Cash flows from financing activities				
Short term loans issued		0	0	0
Short term loans repaid		0	0	0
Net cash from financing activities		0	0	0
Net Increase /(decrease) in cash at bank		(5,256)	(1,500,000)	(1,002,314)
Cash and cash equivalents at the start of the year		4,090,295	4,500,000	5,092,609
Closing cash and cash equivalents at year end		4,085,039	3,000,000	4,090,295

The GST (net) component of operating activities reflects the net GST paid to and received by the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

The accompanying notes on pages 46 to 67 form part of these financial statements.

Explanation of significant variances against budget are detailed in note 30

Notes to the Financial Statements

for the year ended 30 June 2017

1. STATEMENT OF ACCOUNTING POLICIES

Reporting entity

Pursuant to the New Zealand Film Commission Act 1978, the New Zealand Film Commission (the NZFC) was established on 13 November 1978 as a Crown Entity in terms of the Crown Entities Act 2004. NZFC's ultimate parent is the New Zealand Crown.

These are the NZFC's financial statements. They are prepared subject to the New Zealand Film Commission Act 1978 and the Crown Entities Act 2004.

The primary objective of the NZFC is to encourage and also participate and assist in the making, promotion and exhibition of films. It has been established exclusively for charitable purposes in New Zealand. Accordingly, the NZFC has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements of the NZFC are for the year ended 30 June 2017. The financial statements were authorised for issue on 31 October 2017.

Basis of preparation

Statement of compliance

The financial statements of the NZFC have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

The financial statements have been prepared in accordance with Tier 1 PBE accounting standards. These financial statements comply with PBE accounting standards.

These financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar.

Foreign currency transactions are translated into NZ\$ (the functional currency) using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Prior year comparative figures

The comparative figures presented in the financial statements are the consolidated group figures from the 2015/16 Financial year. The group being the New Zealand Film Commission and its disestablished subsidiary Film New Zealand Limited.

Standards issued and not yet effective and not early adopted

Standards and amendments, issued but not yet effective that have not been early adopted, and which are relevant to the NZFC are:

Financial Instruments

In January 2017, the External Reporting Board issued PBE IFRS 9 Financial Instruments. This replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. PBE IFRS 9 is effective for annual periods beginning on or after 1 January 2021, with earlier application permitted. The main changes under the standard are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.
- A new impairment model for financial assets based on expected losses, which may result in the earlier recognition of impairment losses.
- Revised hedge accounting requirements to better reflect the management of risks.

The Treasury has decided to adopt PBE IFRS 9 in 2018/19 when preparing the Financial Statements of Government. For this reason the NZFC is also likely to adopt early. The NZFC has not yet assessed the effects of the new standard.

Significant accounting policies

Goods and services tax (GST)

All items in the financial statements are presented exclusive of goods and services tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as an input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

The NZFC is exempt from income tax in accordance with Section 29 of the New Zealand Film Commission Act 1978. Accordingly, no provision has been made for income tax.

Budget figures

The budget figures are derived from the Statement of Performance Expectations (SPE) as approved by the Board at the beginning of the financial year.

The budget figures have been prepared in accordance with NZ GAAP and are consistent with the accounting policies adopted by the NZFC for the preparation of the financial statements.

Cost allocations

The NZFC has determined the cost of outputs using the cost allocation system outlined below.

Direct costs are those costs directly attributed to an output. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific output.

Direct costs are charged directly to outputs. Indirect costs are charged to outputs based on the proportion of direct costs for each output of total direct costs.

There have been no changes to the cost allocation methodology since the date of the last audited financial statements.

Film New Zealand

Film New Zealand (FNZ); a controlled entity of the NZFC acquired in the 2015-16 financial year has been disestablished. During the 2016-17 financial year FNZ received no income and incurred no expenditure, its bank accounts were closed and IRD approval to deregister the company was received. Film New Zealand's deregistration was finalised on 8 June 2017.

Critical judgements in applying the NZFC's accounting policies and critical accounting estimates and assumptions

In preparing these financial statements the NZFC has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Estimating useful lives and residual values of property, plant and equipment

At each balance date the NZFC reviews the useful lives and residual values of its property, plant and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires the NZFC to consider a number of factors such as the physical condition of the asset and expected period of use of the asset by the NZFC.

An incorrect estimate of the useful lives and residual values will affect the depreciation expense recognised in the surplus or deficit, and carrying amount of the asset in the statement of financial position. The NZFC minimises the risk of this estimation uncertainty by:

- physical inspection of the asset
- asset replacement programs.

The NZFC has not made significant changes to past assumptions concerning useful lives and residual values.

Funding expenditure

We have exercised judgement in developing our funding expenditure accounting policy as there is no specific accounting standard for funding expenditure.

A challenging area in particular is accounting for funding arrangements that include conditions or milestones. Although our feature film production funding contracts may set out milestones, these are primarily for administrative purposes, and on this basis we recognise the full commitment as expenditure. Furthermore, our assessment is that the recipient and other related parties have a valid expectation that funding will be paid in full.

With the recent introduction of the new PBE Accounting Standards, there has been debate on the appropriate framework to apply when accounting for such expenditure.

We are aware that the need for a clear standard or authoritative guidance on accounting for grant expenditure has been raised with the New Zealand Accounting Standards Board. We will keep the matter under review and consider any developments.

Further information about funding expenditure is disclosed in note 20 and in the statement of service performance on pages 68 to 78.

Funding liabilities

We recognise a liability for funding expenditure when the following conditions have been met:

- a The funding has been approved by the relevant NZFC decision making body;
- b The funding recipient has been advised; and
- c It is probable (more likely than not) that the funded proposal will be completed.

At 30 June funding liabilities in the balance sheet include both contracted and uncontracted liabilities. The amount recorded for the uncontracted liabilities is the amount approved by the relevant NZFC decision making body. Our expectation is that most of the contracted and uncontracted liabilities will be paid out over the next 12 months.

Film Income account

Note 3 provides an explanation in relation to estimates and uncertainties surrounding the Film Income Account liability.

2. REVENUE

Revenue from the Crown

The NZFC has been provided with funding from the Crown for specific purposes as set out in its founding legislation and the scope of the relevant government appropriations. Apart from these general restrictions, there are no unfulfilled conditions or contingencies attached to government funding (2016 = \$Nil).

	2017	2016
	\$	\$
Crown Revenue - MCH	5,401,000	5,401,000
Government grant - NZSPG NZ	74,547	0
Crown Revenue - MBIE	1,300,000	925,000
	6,775,547	6,326,000

Accounting policy:

The NZFC is primarily funded through revenue received from the Crown, which is restricted in its use for the purpose of the NZFC meeting its objectives as specified in the Statement of Intent. Revenue from the Crown is recognised as revenue when earned and is reported in the financial period to which it relates. The fair value of revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements.

Interest

Interest revenue is recognised using the effective interest method which recognises interest as it is earned.

Other grants

Non-government grants are recognised as revenue when they become receivable.

Writebacks

Writebacks represent commitments for film investments and advances treated as expenditure in previous years and subsequently revised or cancelled and therefore written back to the current year's revenue.

3. FILM INCOME ACCOUNT

Returns from film investments are recognised as revenue when either a sales contract is executed or in the case of film royalty "overages", when the royalties have been reported and become receivable.

The film income account is used to collect and distribute to investors film proceeds received by the NZFC in its role as collection agent and / or trustee of certain films. The balance at 30 June represents film income receivable or collected but not yet distributed.

	2017	2016
	\$	\$
Opening balance 1 July	472,354	351,897
Income from sales of NZFC films	5,582,492	3,391,228
Total Film Income	6,054,846	3,743,125
Less: NZFC distribution fees	(25,106)	(53,165)
Less: marketing & other expenses	(4,970)	(1,253)
	6,024,770	3,688,707
Less: distributed to investors	(2,775,953)	(1,723,790)
Less: distributed to NZFC	(3,008,265)	(1,622,198)
Less: loan repayment to NZFC	(68,794)	(72)
	171,759	342,647
Provision for unrecovered expenses increase/(decrease)	0	128,580
Balance 30 June	171,759	471,227
Unpaid invoices increase /(decrease)	19,874	1,127
Balance (including unpaid invoices)	191,633	472,354

Accounting policy:

The preparation of the film income account in conformity with NZ Public Sector Accounting Standards requires judgements, estimates and assumptions, which are based on historical experience. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

4. GOVERNMENT NZSPG-NZ GRANT

Although the NZFC is not directly responsible for the NZSPG-NZ scheme it is the entity that administers it and ensures grants are paid on time to the productions eligible.

Funds requested from MCH and paid on to productions were:

	2017	2016
	\$	\$
Feature films	20,011,191	6,883,360
TV series	4,801,072	8,485,427
	24,812,263	15,368,787

Expenditure

5. TALENT DEVELOPMENT

	2017	2016
	\$	\$
Short films	1,356,696	641,083
Training	848,681	1,086,315
Industry support	1,010,786	709,650
	3,216,163	2,437,048

6. SCRIPT DEVELOPMENT AND PRODUCTION FUNDING

	2017	2016
	\$	\$
Feature film development (incl. feature docos)	1,468,023	1,443,764
Devolved development	697,118	327,240
Feature film production financing	14,374,883	10,981,937
Other costs	71,102	(10,250)
	16,611,126	12,742,691

Accounting policy:

Non-discretionary grants are those grants awarded if the grant application meets the specified criteria and are recognised as expenditure when an application is approved.

Discretionary grants are those grants where the NZFC has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the relevant NZFC committee and the approval has been communicated to the applicant.

This is a current area of interest and the accounting treatment may change in the future.

7. MARKETING AND DISTRIBUTION SUPPORT

	2017	2016
	\$	\$
Domestic/media distribution	1,103,664	642,554
Digital preservation scheme	423,333	137,022
NZ Film Heritage Trust grant	900,000	0
International festivals	213,496	208,161
International marketing and market attendance	273,599	252,955
Other costs	259,765	340,071
	3,173,857	1,580,763

The NZ Film Heritage Trust grant is a conditional grant provided to enable the Trust to manage rights for New Zealand screen productions with a view to ensuring the continued preservation and accessibility of those screen productions into the future.

8. INTERNATIONAL SCREEN BUSINESS ATTRACTION

	2017	2016
	\$	\$
International promotion	164,016	75,179
International business attraction	100,060	327,197
	264,076	402,376

9. INTERNATIONAL RELATIONS

	2017	2016
	\$	\$
Key market attendances and delegation costs	245,529	184,692
	245,529	184,692

10. FILM INCENTIVE SCHEME ADMINISTRATION

	2017	2016
	\$	\$
Administration	216,472	147,812
	216,472	147,812

11. CORPORATE

	2017	2016
	\$	\$
Board costs	186,197	183,811
Communications	48,510	53,409
Office overheads	182,975	190,996
Depreciation and amortisation expense:		
Leasehold alterations	33,241	59,804
Computer equipment - hardware	35,896	37,737
Computer equipment - software	81,310	206,453
Office equipment	10,377	7,203
Furniture & fittings	6,889	9,892
Rent	340,834	362,968
Audit fees		
for the audit of the financial statements	50,535	55,842
Other costs	731,326	565,208
	1,708,090	1,733,323

12. PERSONNEL COSTS

	2017	2016
	\$	\$
Talent development	299,716	282,802
Script and production funding	571,261	526,803
Marketing and international relations	601,036	494,338
International screen business attractions & promotion	410,184	278,684
Screen incentive scheme administration	259,988	348,942
Corporate	1,335,838	1,323,132
Consultants	246,148	133,070
Defined contribution plan employer contributions	88,026	70,809
	3,812,197	3,458,580

Accounting policy:

Employer contributions to Kiwisaver are accounted for as a defined contribution superannuation scheme and are expensed in the surplus or deficit as incurred.

13. CASH AND CASH EQUIVALENTS

	2017	2016
	\$	\$
Cash at bank and on hand	744,753	3,685,612
Cash held through portfolio investments	340,286	404,683
Term deposits with maturities of 3 months or less	3,000,000	0
	4,085,039	4,090,295

Accounting policy:

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

The carrying value of cash at bank and short term deposits with maturities of less than three months approximates their fair value.

Any bank deposits held in foreign currencies at balance date are valued at the quoted mid-rate at the close of business on 30 June. The unrealised gain or loss resulting from the valuation is recognised in the surplus or deficit.

14. INVESTMENTS		
	2017	2016
	\$	\$
Current portion		
Term deposits with maturities of 4-12 months	9,006,372	9,000,000
Portfolio investments	752,003	970,737
Total current portion	9,758,375	9,970,737
Non-current portion		
Portfolio investments	5,209,152	4,796,686
Total non-current portion	5,209,152	4,796,686
	14,967,527	14,767,423

There were no impairment provisions for investments.

Accounting policy:**Bank deposits**

Investments in bank term deposits are initially measured at the amount invested.

Investments

The NZFC accounts for the investment portfolio by recognising movements in its fair value through the surplus or deficit. This meets the requirements of PBE IPSAS 29 in accounting for investments using this method, as the portfolio is managed and its performance evaluated on a fair value basis in accordance with the NZFC investment policy.

Portfolio investments are measured at fair value with fair value determined by valuation techniques using observable inputs.

Investment impairment:

A significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment. If impairment evidence exists, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) is recognised in the surplus or deficit.

15. TRADE AND OTHER RECEIVABLES

	2017	2016
	\$	\$
Trade debtors	627,108	269,592
Lotteries Grants Board grant	7,187,350	4,439,403
Government grant - NZSPG NZ	4,228,075	0
Crown revenue - MBIE	373,750	0
Prepayments	131,692	27,701
Net GST receivables	300,710	188,637
Less: provision for impairment	0	0
Total receivables	12,848,685	4,925,333

The carrying value of receivables approximates their fair value.

The ageing profile of receivables at year end is detailed below:

	2017			2016		
	Gross	Impairment	Net	Gross	Impairment	Net
	\$	\$	\$	\$	\$	\$
Current	12,727,327	0	12,727,327	4,880,323	0	4,880,323
Past due 31-60 days	48,127	0	48,127	12,084	0	12,084
Past due 61-90 days	6,768	0	6,768	10,680	0	10,680
Past due >91 days	66,462	0	66,462	22,246	0	22,246
	12,848,685	0	12,848,685	4,925,333	0	4,925,333

Movements in the provision for impairment of receivables

All receivables greater than 30 days in age are considered to be past due.

Movements in the provision for impairment of receivables are as follows:

	2017	2016
	\$	\$
Balance at 1 July	0	0
Additional provisions made during the year	0	0
Receivables paid	0	0
Receivables written off against provision	0	0
Balance at 30 June	0	0

Accounting policy:

Trade and other receivables are recorded at their face value, less any provision for impairment.

Impairment of a receivable is established on a case by case basis, when there is objective evidence that the NZFC will not be able to collect amounts due according to the original terms of the receivable. Indicators that the debtor is impaired include significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments. If the receivable relates to a film sale the carrying amount of the asset is reversed and written off against the unpaid invoices account in the Film Income Account.

16. PROPERTY, PLANT & EQUIPMENT

Movements for each class of property, plant and equipment are as follows:

	Leasehold Alterations	Computer Equipment-Hardware	Office Equipment	Furniture & Fittings	Total
	\$	\$	\$	\$	\$
Cost or Valuation					
Balance at 1 July 2015	534,506	372,693	150,968	342,455	1,400,622
Additions	4,069	34,509	33,423	12,939	84,940
Disposals	0	(91,559)	(59,412)	0	(150,971)
Balance at 30 June 2016	538,575	315,643	124,979	355,394	1,334,591
Balance at 1 July 2016	538,575	315,643	124,979	355,394	1,334,591
Additions	68,158	45,042	6,955	5,688	125,843
Disposals	0	0	0	0	0
Balance at 30 June 2017	606,733	360,685	131,934	361,082	1,460,434
Accumulated Depreciation					
Balance at 1 July 2016	441,181	317,987	139,897	316,565	1,215,631
Depreciation expense	59,804	37,737	7,203	9,892	114,636
Eliminate on disposal	0	(91,559)	(59,412)	0	(150,971)
Balance at 30 June 2016	500,985	264,166	87,688	326,457	1,179,296
Balance at 1 July 2016	500,985	264,166	87,688	326,457	1,179,296
Depreciation expense	33,241	35,896	10,377	6,889	86,404
Eliminate on disposal	0	0	0	0	0
Balance at 30 June 2017	534,226	300,062	98,065	333,346	1,265,700
Carrying Amounts					
1 July 2015	93,325	54,706	11,071	25,890	184,991
1 July 2016	37,590	51,477	37,291	28,937	155,295
As at 30 June 2017	72,506	60,623	33,870	27,736	194,735

Accounting policy:

Property, plant & equipment consists of the following asset classes: leasehold alterations, computer hardware, office equipment and furniture and fittings. All classes are measured at cost, less accumulated depreciation and impairment losses.

Additions:

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the NZFC and the cost of the item can be measured reliably.

Disposals:

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit.

Subsequent costs:

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the NZFC and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation:

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Computer hardware	3 years	33.33%
Office equipment	5 years	20%
Furniture and fittings	7 years	14.29%
Leasehold alterations	3 - 9 years	11.11%-33.33%

Leasehold alterations are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the alteration, whichever is the shorter. The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

17. INTANGIBLE ASSETS

Movements for intangible assets are as follows:

	Computer Equipment - Acquired Software
	\$
Cost or Valuation	
Balance at 1 July 2015	659,447
Additions	103,617
Disposals	(152,259)
Balance at 30 June 2016	610,805
Balance at 1 July 2016	610,805
Additions	68,182
Disposals	0
Balance at 30 June 2017	678,987
Accumulated Amortisation	
Balance at 1 July 2015	451,966
Amortisation expense	206,453
Eliminate on disposal	(152,259)
Balance at 30 June 2016	506,160
Balance at 1 July 2016	506,160
Amortisation expense	81,310
Eliminate on disposal	0
Balance at 30 June 2017	587,470
Carrying Amounts	
1 July 2015	207,481
1 July 2016	104,645
As at 30 June 2017	91,518

Accounting policy:

Software acquisition and development:

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Amortisation:

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software	3 years	33.33%
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There are no restrictions over the title of the NZFC's intangible assets, nor are any intangible assets pledged as security for liabilities.

Based on our annual review of the useful life of the NZFC's intangible assets, we have assessed that there is no indication of impairment.

Impairment of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is the depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the NZFC would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written-down to the recoverable amount.

The total impairment loss is recognised in the surplus or deficit.

18. TRADE AND OTHER PAYABLES

	2017	2016
	\$	\$
Trade creditors	833,872	528,482
Government Grant - NZSPG NZ	4,228,075	0
Sundry accruals	584,127	1,384,276
Rent incentive liability	8,339	8,339
PAYE	77,911	17,377
	5,732,325	1,938,474

Accounting policy:

Trade and other payables are recorded at the amount payable.

Trade and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of trade and other payables approximates their fair value.

19. EMPLOYEE ENTITLEMENTS

	2017	2016
	\$	\$
Accrued salaries and wages	0	1,580
Annual leave	220,387	153,538
	220,387	155,118

Accounting policy:

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

20. PROJECT COMMITMENTS

	2017	2016
	\$	\$
Feature films	14,876,292	11,135,917
Short films	906,500	450,500
Devolved development and Business Development Scheme	1,159,255	1,333,900
	16,942,047	12,920,317

Accounting policy:

This amount represents financial commitments and advances for film development, devolved development schemes and production committed by the NZFC, but not paid out at year end.

21. CAPITAL COMMITMENTS AND OPERATING LEASES

Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Operating leases as a lessee

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

	2017	2016
	\$	\$
Not later than one year	221,138	221,138
Between one and two years	221,138	221,138
Between two and five years	0	221,138
Later than five years	0	0
	442,276	663,414

The NZFC leases two floors of an office building. The lease expires on 2 July 2019.

The NZFC does not have an option to purchase the asset at the end of the lease term.

The NZFC received a rent-free period on renewal of the lease on 2 July 2013. This is recognised as a reduction of the rental expense on a straight-line basis over the lease term.

The NZFC had no capital commitments as at 30 June 2017 (2016=\$Nil).

22. CONTINGENCIES

Contingent liabilities

There were no contingent liabilities at balance date (2016=\$Nil).

Contingent assets

There were no contingent assets at balance date (2016=\$Nil).

23. FINANCIAL INSTRUMENTS

23A. Financial Instrument Categories

The carrying amounts of financial assets and financial liabilities in each of the PBE IPSAS 30 categories are as follows:

	2017	2016
Loans and receivables	\$	\$
Cash and cash equivalents	4,085,039	4,090,295
Investments	9,006,372	9,000,000
Trade and other receivables	12,716,993	4,897,632
<i>Total loans and receivables</i>	25,808,404	17,987,927
Financial assets at fair value through surplus and deficit		
Investments - portfolio investments	5,961,155	5,767,423
Financial Liabilities		
Trade and other payables	5,732,325	1,938,474
Film income account	191,633	472,354
Project commitments	16,942,047	12,920,317
<i>Total financial liabilities</i>	22,866,005	15,331,145

23B. Fair Value Hierarchy

The carrying amounts of financial instruments included in the statement of financial position reflect the fair values of the financial instruments at balance date. The fair values are determined according to the following hierarchy:

- Quoted market prices (level 1) - Financial instruments with quoted prices for identical instruments in active markets.
- Valuation techniques using observable inputs (level 2) - Financial instruments with quoted prices for identical instruments in active markets or similar instruments in inactive markets and financial instruments values using models where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs (level 3) - Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position:

	Total	Quoted Market Place	Observable Inputs	Significant Non-Observable Input
	\$	\$	\$	\$
30 June 2016				
Portfolio Investments	5,767,423	0	5,767,423	0
30 June 2017				
Portfolio Investments	5,961,155	0	5,961,155	0

23C. Financial Instrument Risks

The NZFC's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk.

The NZFC has a series of policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

Market risk

Price Risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. NZFC's portfolio investments are exposed to price risk because they are listed investments. NZFC's portfolio investments are held for strategic purposes in addition to generating a financial return.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate, due to changes in market interest rates. The NZFC's exposure to fair value interest rate risk is limited to its bank deposits and portfolio investments which are held at fixed and variable rates of interest. The NZFC does not actively manage its exposure to fair value interest rate risk.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Investments issued at variable interest rates expose the NZFC to cash flow interest rate risk.

The NZFC's investment policy requires a spread of investment maturity dates to limit exposure to short-term interest rate movements.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The NZFC purchases goods and services overseas which require it to enter into transactions denominated in foreign currencies. As a result of these activities, exposure to currency risk arises.

In addition if the NZFC has reasonable assurance that a foreign exchange debtor will pay on a due date and if the sum is material then the NZFC will use a foreign currency contract to manage the foreign currency exposure.

The forward exchange contracts outstanding at 30 June 2017 amounted to \$Nil (2016=\$Nil).

Credit risk

Credit risk is the risk that a third party will default on its obligation to the NZFC, causing the NZFC to incur a loss.

In the normal course of business the NZFC is exposed to credit risk from cash and term deposits with banks, debtors and other receivables. For each of these, the maximum credit exposure is best represented by the carrying amount in the statement of financial position.

Due to the timing of its cash inflows and outflows, the NZFC invests surplus cash with registered banks that have a Standard and Poor's credit rating of at least A-. These banks are: Kiwi Bank, ASB, BNZ, Rabobank and ANZ. The NZFC also holds a portfolio of investments in high quality bonds with NZ banks, NZ government and local government. The NZFC has experienced no defaults of interest or principal payments for term deposits.

The NZFC's Investment policy limits the amount of credit exposure to any one institution to no more than 40% of total investments held.

The NZFC's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents (Note 13), short term deposits (Note 14) and trade debtors (Note 15).

There are no major concentrations of credit risk with respect to trade debtors and exposure to them is monitored on a regular basis. The NZFC does not require any collateral or security to support financial instruments due to the quality of the financial institutions dealt with.

The NZFC does not have any significant credit risk exposure to a single counterparty or any group of counterparties having similar characteristics due to the large number of customers included in the NZFC's customer base.

As at 30 June 2017 the NZFC had a credit limit of \$86,000 (2016 = \$80,500) over the combined company credit cards.

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates:

	2017	2016
	\$	\$
COUNTERPARTIES WITH CREDIT RATINGS		
Cash at bank, term deposits and portfolio investments (notes and bonds)		
AA+	1,584,792	1,597,519
AA-	12,966,091	10,899,398
AA	208,657	210,983
A+	0	3,500,000
A	4,285,091	2,643,554
<i>Total counterparties with credit ratings</i>	19,044,632	18,851,454
COUNTERPARTIES WITHOUT CREDIT RATINGS		
Debtors and other receivables		
Existing counterparty with no defaults in the past	12,848,685	4,925,333
Existing counterparty with defaults in the past	0	0
<i>Total debtors and other receivables</i>	12,848,685	4,925,333

Liquidity risk

Liquidity risk is the risk that the NZFC will encounter difficulty raising liquid funds to meet commitments as they fall due.

In meeting its liquidity requirements the NZFC closely monitors its forecast cash requirements with expected cash drawdowns for film productions and ensures that term investments mature in time to meet any obligations. In addition the NZFC maintains a target level of available cash to meet liquidity requirements.

Contractual maturity analysis of financial liabilities

The table below analyses the NZFC's financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cashflows.

	Carrying Amount	Contractual Cashflows	Less than 6 Months	6 months - 1 Year	More than 1 Year
	\$	\$	\$	\$	
2016					
Trade and other payables	1,938,474	1,938,474	1,938,474	0	0
2017					
Trade and other payables	5,732,325	5,732,325	5,732,325	0	0

24. CAPITAL MANAGEMENT

The NZFC's capital is its equity, which is accumulated funds. Equity is represented by net assets.

The NZFC is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities and the use of derivatives.

The NZFC manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities, investments, and general financial dealings to ensure the NZFC effectively achieves its objectives and purpose, whilst remaining a going concern.

25. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT PERSONNEL

The NZFC is a wholly owned entity of the Crown.

Related party disclosures have not been made when the transactions have been entered into on normal supplier/client relationship terms and conditions that are no more or less favourable than those that NZFC would have adopted in dealing with the party at arm's length in the same circumstances.

Significant transactions with government-related entities

Transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and are undertaken on the normal terms and conditions for such transactions.

	2017	2016
	\$	\$
Board Members		
Remuneration	146,932	145,333
Full-time equivalent members at 30 June	0.65	0.65
Senior Management Team		
Remuneration	1,509,079	1,400,931
Full-time equivalent members at 30 June	9.00	9.00
Total key management personnel remuneration	1,656,011	1,546,264
Total full-time equivalent personnel	9.65	9.65

Key management personnel at 30 June 2017 includes all board members, the Chief Executive, Chief Financial Officer, Head of Business Affairs, Head of Marketing, Head of Development and Production, Head of Talent Development, Head of International Relations, Head of Incentives, Head of International Screen Attraction.

26. BOARD MEMBER REMUNERATION

The total value of remuneration paid or payable to each board member during the year was:

	2017	2016
	\$	\$
Kerry Prendergast (Chair from July 2016)	33,600	0
Patsy Reddy (Chair to June 2016)	0	40,000
Cameron Harland (to November 2016)	6,666	16,000
Charles Finny (to December 2016)	8,000	16,000
Chris Hampson	16,000	16,000
Ian Taylor	16,000	14,667
Jane Hastings	16,000	14,667
Ross McRobie	16,000	14,667
John McCay	16,000	12,000
Pania Tyson-Nathan (from December 2016)	9,333	0
Rhiannon McKinnon	0	1,333
Tom Greally (from December 2016)	9,333	0
	146,932	145,333

\$4,500 excl. GST in total was paid to three members of the NZ-SPG Committee who were not board members in the year under review (2016=\$6,500 in total to four members). No other payments have been made to committee members appointed by the Board who were not board members in 2017 (2016=\$Nil).

The NZFC has effected Directors and Officers Liability and Professional Indemnity insurance cover during the financial year in respect of the liability or costs of board members and employees.

No board members received compensation or other benefits in relation to cessation (2016=\$Nil).

27. EMPLOYEE REMUNERATION

During the year the number of employees of the NZFC, not being Board members, who received remuneration and other benefits in excess of \$100,000 were:

Total remuneration	Number of employees	
	2017	2016
	\$	\$
\$320,000 - \$329,999	1	0
\$290,000 - \$299,999	0	1
\$190,000 - \$199,999	1	0
\$180,000 - \$189,999	0	1
\$170,000 - \$179,999	1	1
\$150,000 - \$159,998	1	0
\$140,000 - \$149,999	2	0
\$130,000 - \$139,999	1	2
\$120,000 - \$129,999	1	3
\$110,000 - \$119,999	1	0
\$100,000 - \$109,999	1	2
	10	10

During the year ended 30 June 2017 no employees received compensation and other benefits in relation to cessation (2016=\$Nil).

28. RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES WITH THE NET SURPLUS FOR THE YEAR

	2017	2016
	\$	\$
Net surplus/(deficit)	552,724	3,443,531
Add back: non cash items		
(Gain)/loss on disposals	0	0
(Gain) on bargain purchase	0	(246,543)
Doubtful debts	0	0
Bad debts written off	0	0
STAR loan	(85,540)	(62,388)
Rent incentive	(8,339)	(8,339)
Depreciation and amortisation	167,713	297,382
	626,558	3,423,643
Movements in Working Capital		
Decrease/(increase) in accounts receivable after excluding capital items	(7,725,740)	(1,550,219)
(Decrease)/increase in accounts payable after excluding capital items	3,793,851	(29,002)
(Decrease)/increase in employee entitlements	65,269	10,983
(Decrease)/increase in GST payable	(112,073)	204,206
(Decrease)/Increase in film income account	(280,722)	120,452
(Decrease)/increase in project commitments	4,021,730	(3,676,860)
Total movements in working capital	(237,685)	(4,920,440)
Net cash flows from operating activities	388,873	(1,496,798)

29. EVENTS AFTER BALANCE DATE

There are no events after balance date.

30. MAJOR BUDGET VARIANCES

Explanations for major variances from the NZFC's budgeted figures in the 2016/17 statement of performance expectations are as follows:

Statement of comprehensive income

Lottery Grants Board (LGB) Grant

Income received from the LGB was \$5.15M higher than budgeted as actual profits generated by Lotto New Zealand were higher than initial projections.

Writebacks

This primarily reflects writing back two feature film projects that NZFC offered production funds to in prior years. The conditional funding offers on these projects have lapsed in the current year due to insufficient progress in meeting NZFC's key conditions of funding.

Income from films

Film revenue is higher than budget, driven by the international success of *Hunt for the Wilderpeople* in addition to stronger than projected results across the back catalogue films.

Expenditure

Expenditure increased from \$23M to \$29M largely because higher than projected LGB grant and film income revenue allowed the NZFC to rebudget part way through the financial year.

Statement of financial position

Investments

Current investments were \$1.95M higher than budget and non-current investments were \$659K higher than budget due to higher than anticipated income received during the year.

Trade Receivables

Trade receivables were \$10.35M higher than budget at year-end, due to funding revenue received after balance date which related to the 2016-17 financial period.

Trade Payables

Trade payables were \$4.44M higher than budget at year-end, due to NZSPG grants payable paid after balance date which related to the 2016-17 financial period.

Project commitments

Project commitments at year end were \$3.98M higher than budget. This is largely due to higher than anticipated demand for NZFC feature film production funding in the financial period.

Statement of cashflows

Receipts from the Crown & other income

Receipts were higher than budgeted due to higher than anticipated income received, as noted in the statement of comprehensive income budget variance note above.

Payments for production funding, marketing, industry support, to suppliers and employees

Payments were higher than budgeted due to increased expenditure, as noted in the statement of comprehensive income budget variance note above.

Statement of Service Performance: For the year ended 30 June 2017

1. Effective/Diverse Pathways and Careers

	ACTUAL 2015/16	TARGET 2016/17	ACTUAL 2016/17	NOTES/RESULTS
Identify and support NZ screen talent				
1a. Number of writers who move from a NZFC talent development initiative to NZFC funded feature film development or identified alternative pathway (three year rolling target: 1 July 2014 – 30 June 2017)	17 ¹	25 ²	27	<p>2016/17: DAVID WHITE <i>Untitled David White/James Ashcroft Project</i>; MARTHA HARDY-WARD <i>Night Vision</i>; KIM WEBBY <i>Whale Harvesters</i>; IVAN BARGE <i>Edwin & Matilda (An Unlikely Love Story)</i>; GEORGIANA TAYLOR <i>The Odds</i>; VICTOR RODGER <i>Black Faggot</i>; DIANNE TAYLOR <i>Robert Martin</i>; MICHAEL BENNETT <i>Untitled Kerry Fox & Michael Bennett Feature Film</i>; YAMIN TUN <i>Burma Story</i>; MATTHEW SAVILLE <i>The Last Year/Juniper</i>; JOE LONIE <i>Flagfall</i>; DEAN HEWISON <i>Everyone Dies</i></p> <p>2015/2016: DUSTIN FENELEY <i>Stray</i>; STUART MCKENZIE <i>The Changeover</i>; JACK NICOL <i>No.1 Stand</i>; VEA MAFILE'O <i>Paper Run</i>; LOREN TAYLOR <i>Hawk, Mountain</i>; NIC GORMAN <i>Human Traces</i>; LOUISE LEITCH <i>Unseen</i></p> <p>2014/15: SIMON PRICE <i>Be Wildebeast</i>; SLAVKO MARTINOV <i>Branson/Pecking Order</i>; DAVID WHITE <i>We Kill</i>; HONE KOUKA <i>Puawai's Flowers</i>; ANT SANG <i>Wero</i>; MICHAEL BENNETT <i>Pokarekare Ana</i>; JUSTIN PEMBERTON <i>Hilda</i>; RACHEL HOUSE <i>Hui</i>; ELI KENT <i>The Rule of Jenny Pen</i>; MICHELLE SAVILL <i>Millie Lies Low</i></p>
1b. Number of producers who move from a NZFC talent development initiative to NZFC funded feature film development or identified alternative pathway (three year rolling target: 1 July 2014 – 30 June 2017)	18 ¹	25 ²	34	<p>2016/17: NICOLA PEEPERKOORN <i>Martin Phillipps – Chills</i>; TIM RILEY <i>Martin Phillipps – Chills</i>; ORLANDO STEWART <i>Northland</i>; JAMES ASHCROFT <i>Untitled David White/James Ashcroft Project</i>; JACOB THOMAS <i>Perfect Ten -UK</i>; DAVID STUBBS <i>Daffodils</i>; THOMAS ROBINS <i>Night Vision</i>; FRASER BROWN <i>Guilt</i>; GEORGINA CONDER <i>No 1 Stand/The Odds/At The End of the World</i>; CHLOE SMITH <i>COME</i>; KELLY KILGOUR <i>A Love Story with Me in It</i>; SOPHIE HENDERSON <i>Baby, Done</i>; AINSLEY GARDINER <i>Cousins</i>; LEELE MENON <i>Flagfall</i>; DESRAY ARMSTRONG <i>Stray/Juniper</i>; SADIE WILSON <i>Lowdown Dirty Criminals</i>; ALEX CLARK <i>Everyone Dies</i>; EMMA SLADE <i>One Winter</i>; KERRY WARKIA <i>Waru</i>; KIEL MCNAUGHTON <i>Waru</i></p> <p>2015/2016: SANDRA KILAHU <i>Paper Run</i>; KERRY WARKIA <i>He Ara</i>; KIEL MCNAUGHTON <i>He Ara</i></p> <p>2014/15: NADIA MAXWELL <i>Human Traces</i>; FRASER BROWN <i>McLaren</i>; POLLY FRYER <i>Hilda</i>; LUKE SHARPE <i>Pushing It</i>; GEORGINA CONDER <i>Be Wildebeast</i>; AARON WATSON <i>Puawai's Flowers/Inland Road</i>; JULIA PARNELL <i>Sol3 Mio</i>; VIRGINIA WRIGHT <i>Back from the Death Zone</i>; SLAVKO MARTINOV <i>Branson/Pecking Order</i>; TUI RUWHIU <i>Wero</i>; TOM HERN <i>A Long Way Home/Shearing the Love</i>; KARL ZOHRAB <i>The Conductor</i>; JAMES CUNNINGHAM <i>Shelved</i>; MHAIREAD CONNOR <i>Random Acts of Violence</i></p>
1c. Number of directors who move from a NZFC talent development initiative to NZFC funded feature film development or identified alternative pathway (three year rolling target: 1 July 2014 – 30 June 2017)	14 ¹	18 ²	23	<p>2016/17: DAVID STUBBS <i>Daffodils</i>; JULIA PARNELL <i>Martin Phillipps – Chills</i>; DAVID WHITE <i>Untitled David White/James Ashcroft Project</i>; KIM WEBBY <i>Whale Harvesters</i>; IVAN BARGE <i>Edwin & Matilda (An Unlikely Love Story)</i>; YAMIN TUN <i>Burma Story</i>; HAMISH BENNETT <i>Ross and Beth</i>; MATTHEW SAVILLE <i>Juniper</i>; JOE LONIE <i>Flagfall</i>; CHRISTIAN RIVERS <i>Mortal Engines</i></p> <p>2015/2016: JACK NICOL <i>No.1 Stand</i>; DUSTIN FENELEY <i>Stray</i>; ALYX DUNCAN <i>Lonely Girl/Maui's Hook</i>; PAORA JOSEPH <i>Maui's Hook</i>; STUART MCKENZIE <i>The Changeover</i>; MIRANDA HARCOURT <i>The Changeover</i>; LOREN TAYLOR <i>Hawk, Mountain</i>; NIC GORMAN <i>Human Traces</i>; KIEL MCNAUGHTON <i>He Ara</i>; LOUISE LEITCH <i>Unseen</i></p> <p>2014/2015: JASON LEI HOWDEN <i>Deathgasm</i>; JACKIE VAN BEEK <i>The Inland Road</i>; DAVID WHITE <i>We Kill AKA Meat</i>; TAMMY DAVIS <i>Born to Dance</i></p>
Connect NZ and international screen talent				
1d. Number of international project collaborations with confirmed development or production funding secured in New Zealand or offshore	40	50	64	

Notes: ¹The measurement period covers the time period 1 July 2013 - 30 June 2016.

²This is a three year rolling target commencing from 1 July 2014 which more accurately reflects the time period required for progress to be demonstrated.

2. Increased Economic Activity

	ACTUAL 2015/16	TARGET 2016/17	ACTUAL 2016/17	NOTES/RESULTS
Position New Zealand as a leading destination for screen production				
2a. New Zealand is considered a world leading destination for screen production ³	New measure	75%	N/A	International industry professionals including studio reps will be asked for their opinion in the annual NZFC stakeholder survey due to be conducted in May/June 2018.
Promote and administer the screen incentives				
2b. Total annual value of approved QNZPE for NZSPG (NZ productions)	\$38.4M	\$35M	\$62M	
2c. Total annual value of approved QNZPE for NZSPG (international SPG productions)	\$293.9M	\$350M	\$409M	
Attract a regular and diverse range of international productions				
2d. Total international screen production spend in New Zealand (rolling three-year average for international SPG productions)	\$397M	\$280M	\$355M	
2e. Number of countries of origin for international productions (including co-productions)	New measure	5	8	United States, Australia, China, United Kingdom, Canada, Korea, France and Denmark.
Facilitate strategic relationships, especially with North America and Asia				
2f. Private investment in NZFC-funded feature films over time (rolling three-year average)	39%	40%	41.43%	Calculated as at 30 June 2017 for the calendar years 2014-16.
2g. Number of NZFC supported feature film projects in development with partners from North America attached	4	5	8	<i>A Long Way Home</i> IRELAND/US <i>Black Lotus</i> US <i>Greenhawks</i> CANADA <i>Guns Akimbo</i> GERMANY/US <i>My Dear I Wanted to Tell You</i> US <i>Petrol Head</i> US <i>Raven</i> US <i>Reunion</i> US
2h. Number of NZFC supported feature film projects in development with partners from Asia attached	20	20	20	<i>Breaking Up Diary</i> CHINA/KOREA <i>Creation of the Gods</i> CHINA <i>Dear Mary Anne</i> CHINA <i>Dreaming</i> JAPAN/KOREA <i>Gap Year Romance</i> CHINA <i>Ghost of Christchurch</i> KOREA <i>Lotto Family</i> CHINA/KOREA <i>Missu Peace</i> JAPAN <i>Oak</i> KOREA <i>Once Upon a Time in San Francisco</i> CHINA <i>Perfect Chemistry</i> CHINA <i>Pokarekare Ana: Yeon-Ga</i> KOREA <i>The Colours of China</i> CHINA <i>The Graduation</i> CHINA <i>The Monument aka Angel of Lotus Hill</i> CHINA <i>The Story About Ping</i> CHINA <i>The Surrogate</i> THAILAND <i>Two Dragons</i> CHINA <i>Viet Kieu</i> VIETNAM <i>Wowllington</i> CHINA

Notes: ³Percentage of MBIE-administered exit survey respondents (producers of completed NZSPG international productions) who strongly agree or agree with the statement: New Zealand is a world leading destination for screen production.

3. More Eyeballs on Films (Here and Overseas)

	ACTUAL 2015/16	TARGET 2016/17	ACTUAL 2016/17	NOTES/RESULTS	
Provide effective marketing support for domestic cinema releases & additional release platforms					
3a.	Total domestic viewership for NZ feature films across all screens in the year (including cinema, TV, DVD and other platforms) ⁴	4.0M	8.5M	6.0M	2016/2017 target was based on a three year rolling average and measure has since been altered to reflect an annual figure
3b.	Total annual admissions at the NZ box office for all NZFC-funded films (Admissions during 1 July - 30 June financial year based on an average ticket price of \$12.90 as provided by the Motion Picture Distributors Association)	1,160,472	400,000	508,272	<i>Hunt for the Wilderpeople</i> 43,318 SINCE 1 JULY 2016 <i>NZIFF titles</i> 4,848 <i>Mahana</i> 17 SINCE 1 JULY 2016 <i>Tickled</i> 2,223 SINCE 1 JULY 2016 <i>Poi E</i> 93,010 <i>Chasing Great</i> 141,612 <i>A Flickering Truth</i> 566 <i>The Rehearsal</i> 5,503 <i>Pork Pie</i> 89,050 <i>One Thousand Ropes</i> 14,989 <i>Gary of the Pacific</i> 20,694 <i>Beyond the Known World</i> 3,921 <i>Meat</i> 2,264 <i>Pecking Order</i> 35,832 <i>McLaren</i> 50,424
Manage a focused international festival strategy					
3c.	Number of NZFC-funded feature films that are selected for A-list film festivals	10	5	9	<i>Belief</i> MELBOURNE 2016 <i>A Flickering Truth</i> NZIFF 2016 <i>Free in Deed</i> NZIFF 2016 <i>The Rehearsal</i> TORONTO 2016 <i>Mahana</i> TORONTO 2016 <i>One Thousand Ropes</i> VENICE 2016, TORONTO 2016, BERLIN 2017 <i>Poi E</i> BERLIN 2017 <i>The Inland Road</i> BERLIN 2017 <i>Kim Dotcom: Caught in the Web</i> SXSW 2017
3d.	Number of NZFC-funded short films that are selected for A-list film festivals	5	3	6	<i>Midwinter</i> fka <i>Cabin</i> VENICE 2016 <i>The Couple</i> MIFF 2016 <i>Madam Black</i> MIFF 2016 <i>Wait</i> MIFF 2016 <i>Moving</i> MIFF 2016 <i>Do No Harm</i> SUNDANCE 2017, SXSW 2017

Notes: ⁴Total viewership estimations are based on three data sources.

1. Box-office data is hard-data based on ticket sales, nationwide. This has been used, where possible.

2. Nielsen ratings are used to populate Free-to-Air or SKY viewership figures where applicable.

3. Finally a third layer of figures is based on data from a 2017 survey conducted online, nationwide of 1000 New Zealanders aged 18+ asking about recall of movies and claimed viewership. These figures should be treated as estimates, but they enable NZFC to gain an understanding of the reach of NZ movies through media not measured by Nielsen or the Cinemas. Causes of variance may be due to normal margins of error, imperfect recall of viewership by respondents, and misattribution of where movies were actually seen.

The viewership estimations have been compiled by an independent research company Kudos Organisational Dynamic

4. More Culturally Significant Films

	ACTUAL 2015/16	TARGET 2016/17	ACTUAL 2016/17	NOTES/RESULTS	
Fund the production of culturally significant films⁵					
4a.	Number of culturally significant NZFC feature films selected by international festivals/showcased internationally	19	10	22	<i>Belief</i> MELBOURNE 2016, FANTASTIC FEST 2016, HAWAII IFF <i>Born to Dance</i> CASA ASIA BARCELONA 2016, MFAT LATIN AMERICAN ROADSHOW 2017 <i>Boy</i> SKÁBMAGOVAT IFF 2016, DANISH FILM INSTITUTE 2017 <i>Eagle vs. Shark</i> WARSAW SUMMER FILM FESTIVAL 2016, SKÁBMAGOVAT IFF 2016, BUENOS AIRES IFF 2017 <i>Ever the Land</i> CAAMfest 2017 <i>How Far is Heaven</i> HOLA AUNZ FESTIVAL MEXICO <i>Hunt for the Wilderpeople</i> BERLIN DOWN UNDER 2016, CASA ASIA BARCELONA 2016 <i>Mahana</i> TORONTO 2016, BERLIN DOWN UNDER 2016, CASA ASIA BARCELONA 2016, LATIN AMERICAN ROADSHOW 2017 <i>Mr Pip</i> HUMAN RIGHTS FESTIVAL, FIJI <i>One Thousand Ropes</i> VENICE 2016, TORONTO 2016, BERLIN 2017 <i>Poi E: The Story of Our Song</i> SMITHSONIAN MOTHERTONGUE FF 2017, CAAMFEST 2017, THESSALONIKI IFF 2017, SAN DIEGO FF 2017 <i>The Rehearsal</i> TORONTO 2016, NEW YORK 2016, LONDON 2016, SHERBROOKE 2017 <i>The World's Fastest Indian</i> WARSAW SUMMER FILM FESTIVAL 2016 <i>The Dark Horse</i> SHERBROOKE 2017, LATIN AMERICAN ROADSHOW 2017 <i>25 April</i> SHERBROOKE 2017 <i>An Angel at My Table</i> SHERBROOKE 2017 <i>The Dead Lands</i> LATIN AMERICAN ROADSHOW 2017 <i>Whale Rider</i> LATIN AMERICAN ROADSHOW 2017 <i>Hip-Hoperation</i> LATIN AMERICAN ROADSHOW 2017 <i>The Ground We Won</i> LATIN AMERICAN ROADSHOW 2017 <i>The Quiet Earth</i> IRISH FILM INSTITUTE 2017 <i>White Lies</i> LATIN AMERICAN ROADSHOW 2017
4b.	Proportion of NZFC feature films released theatrically in New Zealand that are culturally significant (over a three-year time-frame) ⁶	89%	80%	86%	Number of NZFC feature films released since July 2014: 30 Titles not considered culturally significant: <i>I Survived a Zombie Holocaust, Slow West, A Flickering Truth, Turbo Kid</i>
4c.	Percentage of feature films financed by NZFC that are culturally significant	New measure	80%	86%	<i>Herbs, Kiwi Christmas, Paper Run, Reunion, The Stolen, Waru, The Guinea Pig Club, Daffodils, Northland, Martin Phillipps and the Chills, Untitled David White/James Ashcroft Project</i> Not culturally significant: <i>Yellow Is Forbidden, Colours</i>
4d.	Percentage of New Zealanders who agree that New Zealand films are important ⁷	75%	75%	80%	Representative online omnibus survey of New Zealanders conducted by Consumer Link/Colmar Brunton in June 2017
Provide devolved film development schemes for Māori and Pasifika filmmakers					
4e.	Number of Māori and Pasifika feature filmmaking teams funded (rolling three-year total)	7	7	7	AWA FILMS, BLACKLANDS, BROWN SUGAR APPLE GRUNT, PIKI, MATAPUNA FILMS, MULTINESIA PRODUCTIONS, SOUTH PACIFIC PICTURES

Notes: ⁵Culturally significant films are those that NZ audiences will recognise as reflecting NZ identity and culture. Minority co-productions set in another country are unlikely to meet these criteria.

⁶Average percentage over a three year time frame.

⁷Independent representative population online survey of New Zealanders aged 18+ (conducted in mid-2016 by Colmar Brunton).

5. More Amazing, Original, Different, Satisfying Films

	ACTUAL 2015/16	TARGET 2016/17	ACTUAL 2016/17	NOTES/RESULTS	
Facilitate film development and production opportunities					
5a.	Number of NZFC-funded feature films ⁸	12	12	13	<i>Herbs, Kiwi Christmas, Paper Run, Reunion, The Stolen, Waru, The Guinea Pig Club, Daffodils, Northland, Martin Phillipps and the Chills, Untitled David White/James Ashcroft Project, Yellow is Forbidden, Colours</i>
5b.	Number of feature film projects developed through devolved development schemes judged as being at advanced development stage – as determined by the producers of the projects ⁹	23	25	20	<i>The Guinea Pig Club, Kiri & Boo, Croak, The Ministry: Rode the 600, Whina, The Ship, From NZ With Love, Gap Year/Once A Life, Tuvalu, The Going, Tip Top Taj Mahal, Cleo, Hannah & Rebecca, Rosa, Charlie – The Charles Upham Project, O'Jerusalem, Shearing the Love, Manhunt, Monogam-ish, Savage.</i>
5c.	Number of feature film projects developed through direct NZFC development funding judged as being at advanced development stage – as determined by NZFC staff ⁹	15	15	19	<i>Black Lotus, Colours, Daffodils, Guilt, Herbert, Juniper, Untitled David White/James Ashcroft Project, Lowdown Dirty Criminals, Martin Phillipps and The Chills, No. 1 Stand, Northland, Paper Run, Pokarekare Ana: Yeon Ga, Punch, Reunion, The Road to Broad Bay, Seventh Symphony fka The Conductor, The Song Room, Tender Age.</i>
5d.	Number of feature films produced with NZFC development funding support (direct or devolved) ¹⁰	8	7	7	<i>Mau's Hook MOST RECENT POST-BOARD SHOOTING BLOCK COMMENCED ON 5 JULY 2016; The Changeover PRINCIPAL PHOTOGRAPHY [PP] COMMENCED ON 19 SEPTEMBER 2016; Yellow is Forbidden PP FOR PARIS FILMING BLOCK COMMENCED ON 23 JANUARY 2017; Vermilion PP COMMENCED ON 20 FEBRUARY 2017; Kiwi Christmas PP COMMENCED ON 1 MARCH 2017; The Breaker Upperers PP COMMENCED ON 2 APRIL 2017; Paper Run PP FOR MOST RECENT POST-FUNDING BLOCK COMMENCED ON 27 MAY 2017</i>
Encourage connection with audiences					
5e.	Number of NZFC-funded films in the past three financial years that have secured more than 100,000 admissions at the NZ box office (Admissions during 1 July 2014-30 June 2017 financial years)	4	3	5	<i>What We Do in the Shadows, The Dark Horse, Mahana, Hunt for the Wilderpeople, Chasing Great</i>
5f.	Number of NZFC-funded films that secured more than 50,000 admissions at the NZ box office (Admissions during 1 July-30 June financial year)	3	2	4	<i>Poi E, Chasing Great, Pork Pie, McLaren</i>
5g.	Percentage of positive domestic review star ratings for all NZFC-funded feature films released in the year (3.5 star out of 5 or equivalent)	76%	75%	92%	<i>Poi E NZ HERALD-4½ stars-"a warm, funny, touching movie"</i> <i>Chasing Great TV3-4 stars-"paints an appealing picture of a Kurow farm boy."</i> <i>The Rehearsal NZ HERALD-3.5 stars-"A film that dares to be different"</i> <i>Pecking Order STUFF-4 stars-"A key to the success of Pecking Order is that director Slavko Martinov plays it straight, never undercutting his subjects for the sake of a cheap giggle."</i> <i>McLaren METRO-4 stars-"it's a hell of a tale"</i>
Encourage more film co-productions					
5h.	Number of feature film official co-productions (based on films that are in production during this financial year)	1	3	3	<i>Beast of Burden, Wayne, Capital in the 21st Century</i>

Notes: ⁸Measured from the date a commitment to fund made.

⁹In order to determine whether a project is at advanced development stage we apply the following criteria: a) director attached; b) script at a stage that is advanced; c) project overall is market-ready/currently being packaged or financed.

¹⁰Definition of "feature films produced": First day of principal photography falls within the period of the financial year.

Operational and Output Measures

1. Effective/Diverse Pathways and Careers

	ACTUAL 2015/16	BUDGET 2016/17	ACTUAL 2016/17
Revenue	3,176,310	3,025,000	3,974,993
Direct Expenditure – note 5	2,437,048		3,216,163
Direct expenditure -note 12 (personnel)	282,802		299,716
Indirect expenditure – admin/depreciation	242,672		232,145
Indirect expenditure - personnel	213,788		226,969
Total expenditure	3,176,310	3,025,000	3,974,993

	ACTUAL 2015/16	TARGET 2016/17	ACTUAL 2016/17	NOTES/RESULTS
TALENT DEVELOPMENT – Operational Measures				
1a. Percentage of talent development grants provided by the NZFC to women	58%	50%	58%	
1b. Average overall satisfaction rating in dealing with team responsible for talent development	3.9	≥ 4.0	N/A	The stakeholder survey is biennial and will next be conducted in June 2018
1c. Participant satisfaction with NZFC-funded and/or NZFC-led international film festival or market delegations ¹¹	92%	85%	88%	Reflects feedback from producers supported via Producer International Travel Assistance to attend Cannes 2017

TALENT DEVELOPMENT – Output Targets				
1d. Number of Fresh Shorts funded by the NZFC	17	14	14	<i>Memory Foam, Behold! The Ghost, Democracy, Ways to See, Chalk, Cuckoo, Arrow, Daniel, The Messiah, Sail Away, Southland's Home, Māori Time, The Gravedigger of Kapu, Liliu</i>
1e. Number of NZFC-funded talent development initiatives	91	50	113	
1f. Total number of attendees at NZFC funded talent development initiatives	1,603	3,000	4,114	
1g. Number of filmmakers actively engaging with the NZFC talent development team ¹²	New measure	100	282	

Notes: ¹¹Satisfaction is calculated from the percentage of participants who are satisfied with their overall experience on a NZFC funded and/or NZFC-led international film festival or market delegation.

¹²Two of more of the following types of engagement between the Talent Development team and filmmakers: face to face meeting, phone call, funding engagement, referral, introduction.

2. Increased Economic Activity

	ACTUAL 2015/16	BUDGET 2016/17	ACTUAL 2016/17
Revenue	1,714,463	1,633,000	1,770,238
Direct Expenditure – note 8, 9, 10	734,880		726,077
Direct expenditure -note 12 (personnel)	733,202		839,698
Indirect expenditure – admin/depreciation	130,986		103,384
Indirect expenditure - personnel	115,395		101,079
Total expenditure	1,714,463	1,633,000	1,770,238

	ACTUAL 2015/16	TARGET 2016/17	ACTUAL 2016/17	NOTES/RESULTS
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SCREEN INCENTIVES, INTERNATIONAL ATTRACTIONS & RELATIONS – Operational Measures

2a.	Percentage of complete provisional and final NZSPG applications for New Zealand productions processed within three months	100%	100%	100%	
2b.	Percentage of complete final NZSPG applications for international productions processed within three months	100%	100%	100%	
2c.	Percentage of complete official co-production applications processed within three months	100%	100%	100%	Nine provisional certificates: <i>Colours of China, NZ/CHINA/GERMANY, Over the Horizon NZ/CANADA, Nori Rollercoaster Boy NZ/KOREA, Anon NZ/GERMANY, Wayne NZ/AUS, The Kiddets NZ/CHINA, China's Horizons NZ/CHINA, How the Silk Road Made the World NZ/CHINA, Capital in the 21st Century NZ/FRANCE, One final certificate:</i> <i>6 Days NZ/UK</i>
2d.	Percentage of NZSPG 5% uplift applicants with NZFC monitoring processes in place to facilitate successful delivery of the initiatives outlined in memoranda of understanding ¹³	New measure	100%	100%	
2e.	Acknowledge international production enquiries within 24 hours/one business day	100%	100%	99%	Achievement close to 100% for most enquirers and in the remaining cases, 48-hour acknowledgement is achieved 100%.
2f.	Average overall satisfaction rating in dealing with team responsible for screen incentives, co-productions and international screen attractions	4.0	≥ 4.0	N/A	The stakeholder survey is biennial and will next be conducted in June 2018

SCREEN INCENTIVES & INTERNATIONAL RELATIONS – Output Targets

2g.	Number of final NZSPG certificates issued for NZ productions	11	10	11	Hunt for the Wilderpeople, The Rehearsal, One Thousand Ropes, Chasing Great, Gary of the Pacific, 800 Words - Series 2, Into the Rainbow, Pork Pie, McLaren, The Free Man, The Desert Sea
2h.	Number of final NZSPG certificates issued for international production	16	10	19	Batman v Superman: Dawn of Justice, Deadpool, Guardians of the Galaxy - SERIES 1, Pete's Dragon*, The Shannara Chronicles, Power Rangers Dino Charge & Dino Super Charge, Ghost in the Shell*, The Jungle Book, Marvel Avengers Assemble - SEASON 3, The BFG, Independence Day: Resurgence, American Playboy: The Hugh Hefner Story, Ash vs Evil Dead - SEASON 2, League of Gods, Bilal: A New Breed of Hero, Shopkins, Chef Club, Power Rangers FEATURE FILM and Animal Archive

	ACTUAL 2015/16	TARGET 2016/17	ACTUAL 2016/17	NOTES/RESULTS	
SCREEN INCENTIVES & INTERNATIONAL RELATIONS – Output Targets					
2i.	Number of international market travel grants	31	40	46	
INTERNATIONAL ATTRACTIONS – Output Target					
2j.	Number of international screen business markets/ major screen tradeshows attended by NZFC staff	2	2	3	AFCI CINEPOSIUM, AFM, AFCI LOCATIONS, GLOBAL PRODUCTION & FINANCE CONFERENCE

Notes: ¹³The monitoring process for each project will be mutually agreed with each NZSPG 5% uplift applicant.

3. More Eyeballs on Films (Here and Overseas)

	ACTUAL 2015/16	BUDGET 2016/17	ACTUAL 2016/17
Revenue	2,137,723	2,036,000	3,859,184
Direct Expenditure – note 7	1,441,754		2,981,936
Direct expenditure -note 12 (personnel)	388,762		431,510
Indirect expenditure – admin/depreciation	163,323		225,381
Indirect expenditure – personnel	143,884		220,357
Total expenditure	2,137,723	2,036,000	3,859,184

	ACTUAL 2015/16	TARGET 2016/17	ACTUAL 2016/17	NOTES/RESULTS	
MARKETING – Operational Measures					
3a.	Number of NZFC-funded feature films presented to international or A-list festivals by the NZFC	11	12	24	100 Men BERLIN 2017, SUNDANCE 2017, TORONTO 2016 6 Days TORONTO 2016, BERLIN 2017, DIRECTORS' FORTNIGHT 2017 Caught in the Web BERLIN 2017, SUNDANCE 2017, SXSW 2017 Chasing Great TORONTO 2016, LONDON 2016, ROTTERDAM 2017, TRIBECA 2017 Gary of the Pacific SUNDANCE 2017, SXSW 2017 Human Traces BERLIN 2017, SUNDANCE 2017, TRIBECA 2017 Mahana TORONTO 2016 McLaren SUNDANCE 2017, CANNES 2017 Meat VENICE 2016, BERLIN 2017, SUNDANCE 2017, ROTTERDAM 2017 On an Unknown Beach ROTTERDAM 2017 One Thousand Ropes VENICE 2016, TORONTO 2016, BERLIN 2017 Pecking Order BERLIN 2017, SUNDANCE 2017 Poi E TORONTO 2016, LONDON 2016, BERLIN 2017, SXSW 2017 Pork Pie BERLIN 2017, SUNDANCE 2017, TRIBECA 2017, HAWAII 2017 Spookers BERLIN 2017, SUNDANCE 2017, SXSW 2017 The Inland Road BERLIN 2017 The Rehearsal TORONTO 2016, LONDON 2016, BERLIN 2017, SUNDANCE 2017, SXSW 2017 A Flickering Truth PALM SPRINGS 2017 Belief: The Possession of Janet Moses MIFF 2016 Beyond the Known World BERLIN 2017 Eagle vs Shark BUENOS AIRES FILM FESTIVAL 2017 How Far is Heaven HOLAUNZ FILM FESTIVAL 2017 My Year With Helen FIFO 2017 Sleeping Dogs DOWN UNDER BERLIN 2016
3b.	Conduct audience research (including test audience screenings)	Yes	Yes	Yes	TEST SCREENINGS: Pecking Order, McLaren, The Inland Road, Pork Pie, Human Traces, 100 Men, Kim Dotcom: Caught in the Web, My Year with Helen, The Changeover, Kiwi Christmas, EXIT SURVEYS: Gary of the Pacific, One Thousand Ropes, McLaren, Pecking Order, Chasing Great, Pork Pie, The Rehearsal

	ACTUAL 2015/16	TARGET 2016/17	ACTUAL 2016/17	NOTES/RESULTS
3c. Average overall satisfaction rating in dealing with the team responsible for feature and short film marketing	3.9	≥ 3.75	N/A	The stakeholder survey is biennial and will next be conducted in June 2018

MARKETING – Output Targets

3d. Number of key international festivals/markets attended by NZFC staff	5	3	7	MELBOURNE INTERNATIONAL FILM FESTIVAL JULY 2016, TORONTO SEPT 2016, AFM NOV 2016, SPAA NOV 2016, BERLIN FILM FESTIVAL FEBRUARY 2017, SXSW MARCH 2017, CANNES MAY 2017
3e. Number of NZFC-funded feature films and short films newly digitally preserved and publicly accessible ¹⁴	7	1	9	<i>Desperate Remedies</i> COMPLETED. PREMIERE: 28 NOVEMBER 2016. <i>Te Rua</i> , <i>Hotere</i> , <i>Moonrise</i> (aka <i>Grampire</i>), <i>The Returning</i> , <i>Jack Be Nimble</i> , <i>The Silent One</i> , <i>Leave All Fair</i> , <i>It's Lizzie to Those Close</i> (aka <i>A Woman of Good Character</i>)
3f. Number of feature film domestic release print and advertising grants made	11	10	10	Applications Approved For: <i>Wayne</i> (INNOVATION GRANT), <i>Chasing Great</i> , <i>The Rehearsal</i> , <i>Gary of the Pacific</i> , <i>One Thousand Ropes</i> , <i>The Catch</i> , <i>Pork Pie</i> , <i>Meat</i> , <i>Pecking Order</i> , <i>McLaren</i>

Notes: ¹⁴The previous targets reflected the budget allocated to digital preservation. Additional budget allocation allowed more films to be digitised than anticipated.

4. More Culturally Significant Films

	ACTUAL 2015/16	BUDGET 2016/17	ACTUAL 2016/17
Revenue	1,755,768	1,672,000	1,716,800
Direct Expenditure – note 6 (see also output 5)	1,443,764		1,468,023
Direct expenditure -note 12 (personnel)	59,687		50,486
Indirect expenditure – admin/depreciation	134,142		100,263
Indirect expenditure - personnel	118,175		98,028
Total expenditure	1,755,768	1,672,000	1,716,800

	ACTUAL 2015/16	TARGET 2016/17	ACTUAL 2016/17	NOTES/RESULTS
DEVELOPMENT & PRODUCTION – Operational Measures				
4a. Percentage of scripts at advanced development stage that receive NZFC development funding that are culturally significant ¹⁵	New measure	75%	84%	Daffodils , <i>Guilt</i> , <i>Herbert</i> , <i>Juniper</i> , Untitled David White / <i>James Ashcroft Project</i> , <i>Lowdown Dirty Criminals</i> , <i>Martin Phillipps and The Chills</i> , <i>No. 1 Stand</i> , <i>Northland</i> , <i>Paper Run</i> , Pokarekare Ana : <i>Yeon Ga</i> , <i>Punch</i> , <i>Reunion</i> , <i>The Road to Broad Bay</i> , <i>The Song Room</i> , <i>Tender Age</i> . Not culturally significant: <i>Black Lotus</i> , <i>Colours</i> , <i>Seventh Symphony</i> .

Notes: ¹⁵In order to determine whether a project is at advanced development stage we apply the following criteria: **a** director attached; **b** draft at a stage that is advanced; and **c** project overall is market-ready/currently being packaged or financed. For this measure NZFC development funding includes all devolved development funding.

5. More Amazing, Original, Different, Satisfying Films

	ACTUAL 2015/16	BUDGET 2016/17	ACTUAL 2016/17
Revenue	17,346,552	13,240,000	18,479,020
Direct Expenditure – note 6 (see also output 4)	11,437,936		15,335,024
Direct expenditure -note 12 (personnel)	467,116		520,775
Indirect expenditure – admin/depreciation	1,062,200		1,046,919
Indirect expenditure – personnel	935,769		1,023,578
Total expenditure	13,903,021	15,187,000	17,926,296

	ACTUAL 2015/16	TARGET 2016/17	ACTUAL 2016/17	NOTES/RESULTS
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DEVELOPMENT & PRODUCTION – Operational Measures

5a.	Production investment applications are processed within eight weeks ¹⁶	100%	100%	100%	
5b.	Average overall satisfaction rating in dealing with team responsible for development and production funding	3.70	≥ 3.75	N/A	The stakeholder survey is biennial and will next be conducted in June 2018

DEVELOPMENT & PRODUCTION – Output Target

5c.	Number of application rounds for feature film development and production funding	12	11	11	EDF 4 JULY, Board 9/10 AUG, EDF 5 SEPT, Board 12/13 OCT, EDF 7 NOV, Board 5/6 DEC, EDF 13 FEB, Board 21/22 MAR, EDF 27 MARCH, EDF 22 MAY, Board 13/14 JUNE
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MARKETING – Output Target

5d.	Number of feature film finishing grants made	7	6	7	<i>Kobi, No Ordinary Sheila, Swagger of Thieves, Bill Direen, Team Tibet, Free Theatre, Where There is Life</i>
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Notes: ¹⁶Measured from the due date for the relevant funding round (usually the 20th of the month) to notification of decision.

Prior year comparatives

The prior year comparative figures for revenue and expenditure have been restated compared with the prior year annual report to reflect the new output classes in the 2016/17 statement of Service Performance, except for Output 1: effective/diverse pathways and careers which shows the 2015/16 Talent Development output figures, and Output 2: increased economic activity which shows the 2015/16 Screen Incentives, International Attractions and International Relations output figures.

2.3 Organisational health

MEASURE	ACTUAL 2015/16	TARGET 2016/17	ACTUAL 2016/17	NOTES/RESULTS
Employee engagement survey – overall weighted mean score ¹⁷	71.9	74	72.3	

Notes: ¹⁷Overall weighted mean score is calculated using methodology consistent with similar agencies including NZ on Air and Heritage New Zealand

Scope of appropriation and expenses

Type, Title, Scope and Period of Appropriation	Appropriation, Adjustments and Use	Supplementary Estimates 2016/17 \$000	Actual 2016/17 \$000
Vote Arts Culture Heritage - New Zealand Screen Production Grant - New Zealand (M4)	Original appropriation	83,750	83,750
	Cumulative adjustments	(38,440)	(38,440)
	Total Adjusted appropriation	45,310	45,310
This appropriation is limited to providing grant assistance or equity investments for New Zealand screen productions that meet the qualifying tests as determined by the New Zealand Film Commission		Estimates	Actuals
	Cumulative actual expenditure 1 July 2016	19,905	19,905
	Current year actual expenditure	25,405	24,887
	Cumulative actual expenditure 30 June 2017	45,310	44,792
	Appropriation remaining 30 June 2017	0	518

Commences: 1 July 2014
Expires: 30 June 2017

The adjustment of \$38.44M reflects a transfer of funding to a new multi-year New Zealand Screen Production Grant appropriation commencing 1 July 2017 of \$63.94M.

How performance will be assessed and end of year reporting requirement

Assessment of Performance	2015/16		2016/17	
	Budgeted Standard	Actual	Budgeted Standard	Actual
Total annual value of approved QNZPE for NZSPG NZ productions	New measure	\$38.4 million	\$59 million	\$62 million
Number of NZSPG certificates issued (provisional and final) for NZ productions	10 provisional and 10 final	13 provisional and 11 final	10 provisional and 10 final	8 provisional and 11 final



100 Men

To the readers of New Zealand Film Commission's financial statements and performance information for the year ended 30 June 2017

The Auditor-General is the auditor of New Zealand Film Commission (the Commission). The Auditor-General has appointed me, Robert Cox, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information, including the performance information for appropriations, of the Commission on his behalf.

Opinion

We have audited:

- the financial statements of the Commission on pages 42 to 67, that comprise the statement of financial position as at 30 June 2017, the statement of comprehensive revenue and expenses, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information of the Commission on pages 68 to 78

In our opinion:

- the financial statements of the Commission on pages 42 to 67 :
 - presents fairly, in all material respects:
 - its financial position as at 30 June 2017; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- the performance information on pages 68 to 78:
 - presents fairly, in all material respects, the Commission's performance for the year ended 30 June 2017, including:
 - for each class of reportable outputs:
 - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
 - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year; and
 - what has been achieved with the appropriations; and
 - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure.
 - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 31 October 2017. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Board for the financial statements and the performance information

The Board is responsible on behalf of the Commission for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board is responsible for such internal control as it determines is necessary to enable them to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board is responsible on behalf of the Commission for assessing the Commission's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Commission, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Crown Entities Act 2004 and the Public Finance Act 1989.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Commission's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the reported performance information within the Commission's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 3 to 41 and 82 to 92, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Commission in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Commission.

Robert Cox
 Audit New Zealand
 On behalf of the Auditor-General
 Wellington, New Zealand

Annual Report 2016 - 2017

KEY: P: Producer D: Director W: Writer

A/NEW FEATURE FILMS WITH INVESTMENT FROM NZFC

Colours Conditional
P: James Heyward
D: Mike Single
W: Marilyn McFadyen

Daffodils Conditional
P: Richard Fletcher
D: David Stubbs
W: Rochelle Bright

Guinea-Pig Club, The Conditional
P: Tim Sanders
D: Roger Donaldson
W: Mike Riddell

Herbs: Song of Freedom \$824,897
P: Cliff Curtis, Reikura Kahi
D/W: Tearepa Kahi

Kiwi Christmas \$1,650,000
P: Tim Sanders
D: Tony Simpson
W: Andrew Gunn, Dave Armstrong

Martin Phillipps and the Chills Conditional
P: Tim Riley, Nicola Peeperkoorn
D: Julia Parnell
W: Nicola Peeperkoorn

Northland Conditional
P: Orlando Stewart
D/W: Hamish Bennett

Paper Run - DOCO Conditional
P: Sandra Kailahi
D/W: Jerry Tauamiti, Ve'a Mafile'o

Reunion Conditional
P: Ainsley Gardiner, Georgina Allison Conder
D/W: Jake Mahaffy

Stolen, The \$45,000
P/W: Emily Corcoran
D/W: Niall Johnson

Untitled David White/James Ashcroft Project Conditional
P: James Ashcroft, Kelly Martin
D/W: David White
W: Henry Feltham

Yellow is Forbidden Conditional
P: Richard Fletcher
P/D/W: Pietra Brett Kelly

Waru \$105,000
P: Kerry Warkia, Kiel McNaughton
D: Ainsley Gardiner, Awanui Simich-Pene, Briar Grace-Smith, Casey Kaa, Chelsea Winstanley, Katie Wolfe, Paula Jones, Renae Maihi
W: Josephine Stewart Tewhiu

B/ FEATURE FILMS WITH ADDITIONAL INVESTMENT FROM NZFC

Breaker-Upperers, The \$100,000
P: Carthew Neal
D/W: Jackie van Beek, Madeleine Sami

Inland Road, The \$4,200
P: Aaron Watson
D/W: Jackie van Beek

6 Days \$62,000
P: Matthew Metcalfe
D: Toa Fraser
W: Glenn Standing

Kim Dotcom: Caught in the Web \$192,340
P: Alexander Behse
D/W: Annie Goldson

C/ FEATURE FILM FINISHING GRANTS

Bill Dieren - DOCO \$20,000
P/D: Simon Ogston

Free Theatre - DOCO \$18,900
P/D: Shirley Horrocks

KOBI - DOCO \$30,000
P/D: Andrea Bosshard

No Ordinary Shelia - DOCO \$38,210
P/W: Christine Dann
D: Hugh Macdonald

Swagger of Thieves - DOCO \$25,000
P/D: Julian Boshier

Team Tibet: Home Away from Home - DOCO \$24,929
P/D: Robin Greenberg

Where there is Life - DOCO \$25,000
P/D: Gwen Isaac

D/ NZFC DEVELOPMENT FINANCE FOR FEATURE FILM PROJECTS Early Development Fund

At the End of the World \$25,000
P: Georgina Allison Conder
D/W: Ghazaleh Golbakhsh

Bad House \$20,000
P: Sue Thompson
D/W: Andrew Beattie

Banana \$23,000
P: Alex Clark
D/W: Charlie Bleakley

Black Faggot \$13,725
P: Carthew Neal
W: Victor Rodger

Black Lotus \$35,000
P: Tim White
D: Roseanne Liang
W: Angeline Loo

Chop, The \$10,000
P: Ant Timpson
D/W: thedownlowconcept

Come \$20,000
P: Chloe Smith
D/W: Yvette Thomas

Cousins \$20,500
P: Ainsley Gardiner, Georgina Allison Conder
D: Sima (Karen) Urale
W: Briar Grace-Smith, Patricia Grace

<i>Daffodils</i>	\$21,500	<i>Night Vision</i>	\$20,000
P: David Stubbs, Thomas Robins		P: David Stubbs, Thomas Robins	
W: Rochelle Bright		W: Martha Hardy-Ward	
<i>Dead Fabulous</i>	\$21,500	<i>No 1 Stand</i>	\$28,860
P: Craig Gainsborough-Waring		P: Georgina Allison Conder	
W: Thomas Sainsbury		D: Jack Nicol	
<i>Demolition of the Century, The</i>	\$18,000	<i>Odds, The</i>	\$15,000
P: Vicky Pope		P: Georgina Allison Conder	
D/W: Robert Sarkies		D/W: Georgina Taylor	
W: Duncan Sarkies		W: Chris Brandon	
<i>Edwin and Matilda (An Unlikely Lovestory)</i>	\$15,000	<i>One Winter</i>	\$18,500
P: Gregory Bailey		P: Emma Slade	
D/W: Ivan Barge		D: Paul Middleditch	
<i>Everyone Dies</i>	\$24,000	W: Sonia Whiteman	
P: Alex Clark		<i>Robert Martin (A Tiger Tamed)</i>	\$22,000
D/W: Dean Hewison		P: Robin Scott-Vincent, Emma Calveley	
<i>Flagfall</i>	\$20,000	W: Dianne Taylor	
P: Leela Menon		<i>Rise and Fall of Tricky Ricky, The</i>	\$25,000
D/W: Joe Lonie		P: Michele Fantl	
<i>Fox Boy, The</i>	\$25,000	D/W: Silvana Jakich	
P: Cliff Curtis		<i>Savage</i>	\$17,300
D/W: Himiona Grace		P: Vicky Pope	
<i>Guilt</i>	\$40,000	D/W: Sam Kelly	
P: Fraser Brown		<i>Small World</i>	\$16,000
D/W: Brendan Donovan		P: Harriet Crampton	
<i>Juniper</i>	\$14,000	W: Lucy Schmidt, Stayci Taylor	
P: Desray Armstrong		<i>Untitled Florian Habicht Project</i>	\$10,000
D/W: Matthew Saville		P/D/W: Florian Habicht	
<i>Justice of Bunny King, The</i>	\$20,000	P: Carthew Neal	
P: Emma Slade		W: Peter O'Donoghue	
D: Gaysorn Thavat		<i>Songs from the Inside</i>	\$20,000
W: Sophie Henderson		P: Julian Arahanga	
<i>Life in Subtitles</i>	\$17,250	W: Kelly Kilgour	
P: Luke Robinson		<i>Under a Full Moon</i>	\$25,000
D/W: Max Currie		P/D/W: Florian Habicht	
<i>Lucky</i>	\$25,000	P: Lani-rain Fletham	
P: Nadia Maxwell		<i>Untitled David White/James Ashcroft Project</i>	\$5,000
D/W: Abigail Greenwood		P/D/W: David White	
W: Josephine Stewart Tewhiu		D: James Ashcroft	
<i>Luna</i>	\$25,000	W: Henry Feltham	
P: Mhairead Connor		<i>Untitled Kerry Fox/Michael Bennett Project</i>	\$25,000
D/W: Stephen Kang		P: Juliet Dowling	
<i>Mana</i>	\$10,000	D: Kerry Fox	
P: Stan Fong		W: Michael Bennett	
W: Hone Kouka		<i>Untitled Robin Laing Documentary</i>	\$19,500
<i>Martin Phillipps and the Chills</i>	\$10,000	P: Robin Laing	
P: Nicola Peeperkoorn, Tim Riley		D/W: Rebecca Tansley	
W: Julia Parnell, Rob Curry		<i>Whale Harvesters - DOCO</i>	\$10,000
<i>Millie Lies Low</i>	\$20,000	P: Vincent Burke	
P/D/W: Michelle Savill		D: Kim Webby	
P: Desray Armstrong		<i>Why We March - DOCO</i>	\$40,000
<i>Mind Games</i>	\$20,000	P: Fiona Copland	
P: Lizzie Gillett		D: Annie Goldson, Kate Stevenson, Leanne Pooley	
D: Louise Osmond			
<i>Mountain</i>	\$22,500		
P: Alex Clark			
D: Louise Leitch			
W: Gregory King			

Advanced Development Fund

Punch \$30,000
P: Robin Murphy
D/W: Welby Ings

Daffodils \$30,000
P: Richard Fletcher
D: David Stubbs
W: Rochelle Bright

Love Song, The (Pokarekare) \$30,000
P: Catherine Fitzgerald, Sebastian Dong Hun Lee
D: Il-Gon Song
W: Jane Holland, Michael Bennett

Road to Broad Bay, The \$30,000
P: Philippa Campbell
D/W: Craig Freimond

Board development decisions:

Herbert \$17,500
P: William McKegg
D: Dan Coutts
W: Amanda Beatson

Lowdown Dirty Criminals \$20,000
P: Paul Murphy
D: Sadie Wilson
W: David Brechin-Smith

Pillow Club, The \$70,000
P/D: Slavko Martinov
W: Carthew Neal

Devolved development decisions:

Co-Production Development Fund

Colours – CHINA CO-PRODUCTION DEVELOPMENT FUND \$20,450
P/W: James Heyward

En Quete All Blacks – CO-PRODUCTION DEVELOPMENT FUND \$19,716
P: Virginia Wright

He Ara

Daylight Robbery \$15,900
P: Rachel Jean
D/W: Damon Fepulea'i

Educator, The \$22,500
P: Kerry Warkia, Owen Black
D: Kiel McNaughton
W: John Argall

Haka \$2,500
P: Julian Arahanga
D: Himiona Grace

Mau \$15,900
P: Brandon Te Moananui, Mina Mathieson
D: Jamie McCaskill

Boost

FIREFLY FILMS \$100,000
P: Emma Slade

FOUR KNIGHTS FILM \$100,000
P: Tom Hern

MCKEGG ENTERTAINMENT \$100,000
P: William McKegg

MISS CONCEPTION FILMS \$100,000
P: Ainsley Gardiner, Georgina Allison Conder

MONSOON PICTURES INTERNATIONAL \$100,000
P: Alexander Behse

SEMI-PROFESSIONAL PICTURES \$50,000
P: Luke Sharpe

THEDOWNLOWCONCEPT \$30,000
P: Matt McPhail

Interactive Development Fund

Fan Girl \$25,000
THROUGH THE FIRE - Lanita Ririnui Ryan

Green Fairy, The \$50,000
CONICAL - Alejandro Davila

Guardian \$25,000
METIA INTERACTIVE - Maru Nihoniho

Jerry and the Magical Cave \$25,000
HIGHITCHED STUDIOS - Reagan Morris

Omega \$25,000
SNOW - Robert Appierdo

Last Ocean Virtual Expedition, The \$25,000
FISHEYE FILM - Peter Young

Wake \$25,000
WRESTLER - Kat Lintott

Wanderer \$25,000
METHOD/ODDBOY - Samantha Ramlu

Worst Journey In the World, The \$25,000
DOT DOT - Kate Stevenson

Shoobox \$25,000
DINOSAUR POLO CLUB - Navi Brouwer

Dynacorp. We Come in Peace \$25,000
ROX FLAME - Rox Flame

Ngati Awa – Te Tahi O Te Rangi \$25,000
TE WANANGA/WRESTLER - Kat Lintott

E/ PREMIERE PATHWAYS FUNDING FROM THE NZFC

Daffodils \$28,580
P: Richard Fletcher
D: David Stubbs
W: Rochelle Bright

In Zone \$14,000
P: Jill Macnab
D: Robyn Paterson

Man Made \$63,500
P: Tom Hern
D: Curtis Vowell
W: Sophie Henderson

Martin Phillipps and the Chills \$67,570
P: Tim Riley
D: Rob Curry, Julia Parnell
W/P: Nicola Peeperkoorn

Monogam-ish \$55,000
P: Alexander Behse, Alex Reed
D/W: J. Ollie Luck

Te Tautohio ite Moana – The Old Man and the Sea \$28,750
P/W: Aileen O'Sullivan
P/D/W: Toby Mills

F/ SHORT FILMS**Fresh Shorts funding scheme through NZFC**

Arrow \$30,000

P: Hamish Mortland, Monica Mu

D: Yamin Tun

W: Jodie Hillock

Behold! The Ghost \$10,000

P: David Goldthorpe

D/W: Jesse Taylor Smith

Chalk \$30,000

P: Thomas Coppell

D/W: Matasila Freshwater

Cuckoo \$30,000

P: Sam McCauley

D: Matt Holmes

W: Kirsti Barnett

Daniel \$10,000

P: Alix Whittaker

D/W: Claire Van Beek

Democracy \$10,000

P: Bevin Linkhorn

D/W: Finnius Teppett

Gravedigger of Kapu, The \$30,000

P: Tainui Stephens

D/W: Libby Hakaraia

Liliu \$30,000

P: Ngaire Fuata

D/W: Jeremiah Tauamiti

Māori Time \$30,000

P: Cliff Curtis

D/W: Tim Worrall

Memory Foam \$10,000

P: Elspeth Grant

D/W: Paloma Schneideman

Messiah, The \$10,000

P: Sandra Kailahi

D/W: Vela Manusaute

Sail Away \$10,000

P: Ella Becroft, Ilai Amir

D/W: Tama Jarman

Southland's Home \$10,000

P: Lisa Scott

D: Alice Ralston

W: Rosie Howells

Ways to See \$30,000

P: Desray Armstrong, Tweedie Waititi

D/W: Jessica Sanderson

Short film projects with post production finance from NZFC

Each to Their Own \$7,546

P: Lani-rain Feltham

D: Maria Ines Manchego

Live Fast, Draw Yung \$9,000

P/D: Stacey Lee

D: Anthony Mathile

Mannahatta \$8,810

D/W/P: Renae Maihi

Midwinter \$15,000

P: Mike Ryan, Georgina Allison Conder, Payton Dunham

D/W/P: Jake Mahaffy

Wait \$680

P: Vicky Pope

D/W: Yamin Tun

G/ PROFESSIONAL DEVELOPMENT**Producer travel**

37 DEGREES SOUTH MARKET 2016 Maile Daugherty \$2,500

37 DEGREES SOUTH MARKET 2016 Leela Menon \$2,458

37 DEGREES SOUTH MARKET 2016 Alexander Behse \$2,500

37 DEGREES SOUTH MARKET 2016 David Stubbs \$915

37 DEGREES SOUTH MARKET 2016 Orlando Stewart \$2,500

37 DEGREES SOUTH MARKET 2016 Tui Ruwhiu \$2,500

37 DEGREES SOUTH MARKET 2016 Fraser Brown \$2,500

37 DEGREES SOUTH MARKET 2016 Thomas Robins \$2,500

37 DEGREES SOUTH MARKET 2016 Robin Murphy \$2,000

37 DEGREES SOUTH MARKET 2016 Morgan Leigh Stewart \$2,500

AFM 2016 Mika X \$4,000

AFM 2016 Simon Mark Brown \$4,000

AFM 2016 Tim White \$5,000

AFM 2016 William McKegg \$5,000

AFM 2016 Zoe Sua Cho \$770

AUSTIN FILM FESTIVAL & AFM 2016 Steve Barr \$5,000

FANTASTIC FEST 2016 David Stubbs \$1,906

FANTASTIC FEST 2016 Luke Sharpe \$4,900

NO BORDERS INDEPENDENT FILM WEEK 2016 Tui Ruwhiu \$5,200

PRODUCERS LAB TORONTO 2016 Fraser Brown \$6,500

PRODUCERS LAB TORONTO 2016 Nadia Maxwell \$6,500

TORONTO INTERNATIONAL FILM FESTIVAL 2016 Trevor Haysom \$6,020

TORONTO INTERNATIONAL FILM FESTIVAL 2016 Bridget Ikin \$6,060

SPA SCREEN FOREVER 2016 Tui Ruwhiu \$2,500

SPA SCREEN FOREVER 2016 Arani Cuthbert \$2,500

SPA SCREEN FOREVER 2016 Thomas Robins \$2,500

SPA SCREEN FOREVER 2016 Fraser Brown \$2,500

SCREEN SINGAPORE 2016 John Blick \$5,000

BERLIN FILM FESTIVAL 2017	Alexander Behse	\$5,000
BERLIN FILM FESTIVAL 2017	Aaron Watson	\$5,000
BERLIN FILM FESTIVAL 2017	Catherine Fitzgerald	\$4,500
BERLIN FILM FESTIVAL 2017	Tui Ruwhiu	\$462
SXSW 2017	Alexander Behse	\$5,000
INDEPENDENT SPIRIT AWARDS 2017/LA MEETINGS	Georgina Allison Conder	\$5,000
CANNES 2017	Nadia Maxwell	\$7,000
CANNES 2017	Fraser Brown	\$7,000
CANNES 2017	Murray Francis	\$7,000
CANNES 2017	Tui Ruwhiu	\$7,000
CANNES 2017	James Heyward	\$7,000
CANNES 2017	Robin Murphy	\$7,000
CANNES 2017	Tom Hern	\$7,000
CANNES 2017	Nicola Peeperkoorn, Tim Riley	\$7,000
CANNES 2017	Emma Slade	\$7,000
SYDNEY FILM FESTIVAL 2017	Lani-rain Feltham	\$863

Talent Development Grants

ACCELERATOR PROGRAMME 2016	Eli Kent	\$2,500
ACCELERATOR PROGRAMME 2016	Leon Wadham	\$2,500
ACCELERATOR PROGRAMME 2016	Yamin Tun	\$2,500
ACCELERATOR PROGRAMME 2016	Ivan Barge	\$2,500
AFTRS	David Goldthorpe	\$2,809
AFTRS DISTRIBUTION, EXHIBITION & SALES WORKSHOP	Edward Sampson	\$1,255
AIDC ATTENDANCE	Nicola Peeperkoorn	\$2,500
AIDC ATTENDANCE	Julia Parnell	\$2,500
AOTEAROA SHORT FILM LAB	Gina Dellabarca	\$1,500
ARTELES RESIDENCY & EUROPE MEETINGS	J. Ollie Lucks	\$5,000
ASC MASTERCLASS	Adam Hogg	\$2,100
ASC MASTERCLASS	Dominic Fryer	\$5,000
AUSTIN FILM FESTIVAL & AFM	Hayden Weal	\$5,000

AUSTIN FILM FESTIVAL & LA MEETINGS	Gerard Johnstone	\$5,000
BERLINALE TALENTS	Nikki Si'ulepa	\$4,175
BIG SCREEN SYMPOSIUM 2016	SCRIPT TO SCREEN	\$50,000
BIG SCREEN SYMPOSIUM SCHOLARSHIPS	Jane Mahoney	\$200
BIG SCREEN SYMPOSIUM SCHOLARSHIPS	Louise Tu'u	\$200
BIG SCREEN SYMPOSIUM SCHOLARSHIPS	Nikki Si'ulepa	\$200
BIG SCREEN SYMPOSIUM SCHOLARSHIPS	Kelly Lyndon	\$200
BIG SCREEN SYMPOSIUM SCHOLARSHIPS	Maddy Maxwell	\$200
BIG SCREEN SYMPOSIUM SCHOLARSHIPS	Sarah Hunter	\$200
BIG SCREEN SYMPOSIUM SCHOLARSHIPS	Benjamin Teh	\$200
BIG SCREEN SYMPOSIUM SCHOLARSHIPS	Dave Murray	\$200
BIG SCREEN SYMPOSIUM SCHOLARSHIP	Matthew Caradus	\$200
BIG SCREEN SYMPOSIUM TRAVEL SUPPORT	Maddy Maxwell	\$213
BIG SCREEN SYMPOSIUM TRAVEL SUPPORT	Dave Murray	\$195
BRAD MCGANN SCHOLARSHIP CONTRIBUTION	VICTORIA UNIVERSITY	\$1,000
BRITA MCVEIGH ACTING FOR HUMANS TRAVEL SUPPORT	Matt Inns	\$800
CANNES MARKET	Sam Kelly	\$5,000
COMPOSING FOR FILM MENTORING SESSION	Vince Harder	\$3,500
EARLY WINTER SCREENING, Q & A WITH MICHAEL ROWE & DEGNZ	FRESHWATER PRODUCTIONS LTD	\$1,750
EAVE	Tui Ruwhiu	\$5,900
GAYLENE PRESTON DIRECTORS' AWARD	Gillian Ashurst	\$25,000
GAYLENE PRESTON DIRECTORS' AWARD	Alyx Duncan	\$25,000
GAYLENE PRESTON DIRECTORS' AWARD	Armagan Ballantyne	\$25,000
GAYLENE PRESTON WORKSHOP		\$2,500
GAYLENE PRESTON WORKSHOP TRAVEL SUPPORT	Kim Webby	\$212
GAYLENE PRESTON WORKSHOP TRAVEL SUPPORT	Gillian Ashurst	\$217
GAYLENE PRESTON WORKSHOP TRAVEL SUPPORT	Margaret Gordon	\$250
GAYLENE PRESTON WORKSHOP TRAVEL SUPPORT	Gaylene Barnes	\$156
GAYLENE PRESTON WORKSHOP TRAVEL SUPPORT	Constance Gervasi	\$205
GAYLENE PRESTON WORKSHOP TRAVEL SUPPORT	Sarah Hunter	\$205
GAYLENE PRESTON WORKSHOP TRAVEL SUPPORT	Stephanie Sinclair	\$250

GAYLENE PRESTON WORKSHOP TRAVEL SUPPORT	Katherine McRae	\$189	PRODUCER INTERNSHIP - PIKI FILMS	Morgan Waru	\$9,925
GAYLENE PRESTON WORKSHOP TRAVEL SUPPORT	Andrea Bosshard	\$199	PILOT SEASON IN LA	Shara Connolly	\$5,000
GAYLENE PRESTON WORKSHOP TRAVEL SUPPORT	Beatrice Joblin	\$212	PRODUCER INTERNSHIP - <i>Wayne</i>	Leela Menon	\$10,000
GCAP MELBOURNE	Matthew Caradus	\$1,629	PRODUCER INTERNSHIP - <i>The Breaker-Upperers</i>	Simone Ashton	\$10,000
INDEPENDENT SPIRIT AWARDS ATTENDANCE	Jake Mahaffy	\$5,000	PRODUCTION ACCOUNTANT INTERNSHIP	Andrew Morrison	\$10,000
INSIDE PICTURES COURSE	Naomi Wallwork	\$10,000	PUKEKO PICTURES INTERNSHIP	Mata Freshwater	\$10,000
INTERDOC	Hiona Henare	\$5,850	ROXY FIVE MENTOR PROGRAMME	WELLINGTON MUSEUMS TRUST	\$6,000
INTERNATIONAL MEETINGS	Leo Koziol	\$1,400	S2S SHORT FILM WORKSHOP	Victoria Vanderlinden	\$400
JOAN SCHECKEL FILMMAKING LAB	Jessica Grace Smith	\$2,710	SHOW ME SHORTS AWARD SPONSORSHIP	SHOW ME SHORTS	\$3,000
KATHRYN BURNETT WRITERS' WORKSHOP	Jeremiah Tauamiti	\$299	STRENGTH IN NUMBERS WORKSHOPS	Alex Reed	\$851
KATHRYN BURNETT WRITERS' WORKSHOP	Eryn Wilson	\$319	SUNDANCE, TRIBECA, CLERMONT & US MEETINGS	Hamish Mortland	\$10,000
KATHRYN BURNETT WRITERS' WORKSHOP	Lennie Hill	\$299	ImagineNATIVE	Jessica Hansell	\$2,262
KATHRYN BURNETT WRITERS' WORKSHOP	Fabia Oliveria	\$699	ImagineNATIVE	Renae Maihi	\$1,000
KATHRYN BURNETT WRITERS' WORKSHOP	Ed Lust	\$299	TALENT EXPRESS ACCELERATOR TRAVEL SUPPORT	Nathalie Bolt	\$970
KATHRYN BURNETT WRITERS' WORKSHOP	Dean Hewison	\$299	TALENT EXPRESS ACCELERATOR TRAVEL SUPPORT	Renae Maihi	\$1,165
KATHRYN BURNETT WRITERS' WORKSHOP	Rosie Howells	\$299	TALENT EXPRESS ACCELERATOR TRAVEL SUPPORT	Kirsty Hamilton	\$1,120
KATHRYN BURNETT WRITERS' WORKSHOP	Maraea Rakuraku	\$299	TALENT EXPRESS PROGRAMME	Nathalie Bolt	\$2,667
LOCATIONS INTERNSHIP - <i>Ash vs Evil Dead</i>	Morgan Harrison	\$2,500	TALENT EXPRESS PROGRAMME	Kirsty Hamilton	\$2,667
LOCATIONS INTERNSHIP - <i>Ash vs Evil Dead</i>	Moira Grant	\$2,500	TALENT EXPRESS PROGRAMME	Renae Maihi	\$2,667
LOCATIONS INTERNSHIP - <i>Kiwi Christmas</i>	Nic Lermoth	\$2,500	TORONTO INTERNATIONAL FILM FESTIVAL, INTERNATIONAL ACTORS' PROGRAMME & LA MEETINGS	Caren Pistorious	\$5,000
LOCATIONS INTERNSHIP - <i>Vermilion</i>	Jozef Wright	\$2,500	TRAINEE PRODUCER PROGRAMME	Lisa Taouma	\$10,000
MĀORILAND NATIVE SLAM	Libby Hakaraia	\$10,000	5 CREATORS DIRECT FROM THE TRENCHES TRAVEL SUPPORT	Emma Schranz	\$250
MARK TRAVIS DIRECTORS' WORKSHOP	Tammy Davis	\$5,000	ACCELERATOR PROGRAMME TRAVEL SUPPORT	Yamin Tun	\$1,200
MARKETING INTERNSHIP - <i>Kiwi Christmas</i>	Chris Matthews	\$10,000	ACCELERATOR PROGRAMME TRAVEL SUPPORT	Ivan Barge	\$1,200
MENTORING ATTACHMENTS FOR SOMEDAY STORIES	CONNECTED MEDIA TRUST	\$8,000	DMITIR DAVYDOV TRAVEL SUPPORT	Libby Hakaraia	\$3,749
NAPA VALLEY FILM FESTIVAL & US MEETINGS	Rebecca Tansley	\$3,500	TRAVEL ASSISTANCE TO MANA PASIFIKA AWARDS	PIFT	\$750
NEW YORK FILM ACADEMY SCREENWRITING WORKSHOP	Rachel Ross	\$9,940	TRAVEL ASSISTANCE TO SHANGHAI FILM FESTIVAL	Hayden Weal	\$3,000
NEW YORK MEETINGS	Ido Drent	\$3,000	TRAVEL ASSISTANCE TO LEANNE POOLEY WORKSHOP	Belinda Pflaum	\$250
NZMPIC CONFERENCE 2017	Martin Sagadin	\$500	TRAVEL ASSISTANCE TO LEANNE POOLEY WORKSHOP	Vanessa Wells	\$250
ON LOCATION WORKSHOP TRAVEL ASSISTANCE	Maddy Maxwell	\$238	TRAVEL TO VISTA EDITING WORKSHOP	Catherine Bisley	\$200
ON LOCATION WORKSHOP TRAVEL ASSISTANCE	Jonathan Gilks	\$250			

VENICE BIENNALE CINEMA COLLEGE	David White	\$3,333
VENICE BIENNALE CINEMA COLLEGE	James Ashcroft	\$3,334
VENICE BIENNALE CINEMA COLLEGE	Henry Feltham	\$3,333
VR WORKSHOPS FOR FILMMAKERS	Alejandro Davila	\$10,000
WIFT INTERNATIONAL LONDON CONFERENCE	Patricia Watson	\$10,000
WRITING FOR HUMAN STORIES WORKSHOP	Alex Backhouse	\$250

Strategic Training Fund

DIRECTORS AND EDITORS GUILD NZ		\$51,500
DOCUMENTARY EDGE TRUST		\$35,000
EQUITY FOUNDATION	ACTORS EQUITY NZ	\$40,000
NEW ZEALAND WRITERS' GUILD		\$15,000
OUTLOOK FOR SOMEDAY WORKSHOP PROGRAMME	CONNECTED MEDIA TRUST	\$50,000
PACIFIC ISLANDERS IN FILM AND TELEVISION		\$20,000
SCRIPT TO SCREEN		\$200,000

Industry Support

Asia New Zealand Film Foundation		\$10,000
Directors and Editors Guild NZ		\$85,000
New Zealand Writers Guild		\$85,000
Ngā Aho Whakaari		\$85,000
New Zealand Film & Video Technicians Guild		\$65,000
Pacific Islanders in Film & Television		\$20,000
Screen Production & Development Association		\$85,000
Script to Screen		\$85,000
Women in Film and Television		\$85,000

Film Festival Support

Doc Edge Film Festival Funding 16/17		\$20,000
Māoriland Film Festival Funding 16/17		\$20,000
New Zealand International Film Festival 16/17		\$90,000
Screenies Children's International Film Festival 16/17		\$20,000
Show Me Shorts Film Festival 16/17		\$15,000
Wairoa Māori Film Festival 16/17		\$20,000

H/ FESTIVAL TRAVEL

Features

Lee Tamahori	TORONTO	\$8,817
Kerry Fox	TORONTO & NEW YORK	\$7,472
Tearepa Kahi	BERLIN	\$2,481
Jackie van Beek	BERLIN	\$2,265
Frankie Adams	BERLIN	\$2,955
Uelese Petaia	BERLIN	\$3,635
Tusi Tamasese	BERLIN	\$2,770
Annie Goldson	SXSW	\$3,562
Slavko Martinov	HOT DOCS	\$6,000
Huia	SYDNEY FILM FESTIVAL	\$1,580
Slavko Martinov	EDINBURGH FILM FESTIVAL	\$2,900

Shorts

Jeremiah Tauamiti	ImagineNATIVE	\$2,500
Lanita Ririnui Ryan	ImagineNATIVE	\$4,678
Jason Taylor	ImagineNATIVE	\$2,000
Mike Jonathan	ImagineNATIVE	\$2,500
Kararaina Rangihau	ImagineNATIVE	\$4,817
Renae Mahi	ImagineNATIVE	\$2,821
Maria Ines Manchego	LOCARNO FILM FESTIVAL	\$3,421
Mata Freshwater	SITGES FILM FESTIVAL	\$3,000
Thomas Coppell	SITGES FILM FESTIVAL	\$3,000
Zoe McIntosh	CLERMONT FERRAND FILM FESTIVAL	\$5,000

I/ DOMESTIC THEATRICAL DISTRIBUTION GRANTS

Film	Distributor	Amount
<i>Catch, The</i>	RIALTO DISTRIBUTION LTD	\$43,150
<i>Chasing Great</i>	TRANSMISSION FILMS PTY LTD	\$80,500
<i>Gary of the Pacific</i>	RIALTO DISTRIBUTION LTD	\$89,725
<i>Pork Pie</i>	STUDIO CANAL	\$103,017
<i>McLaren</i>	TRANSMISSION FILMS PTY LTD	\$64,167
<i>One Thousand Ropes</i>	TRANSMISSION FILMS PTY LTD	\$73,399
<i>Pecking Order</i>	VENDETTA FILMS LTD	\$54,073
<i>Meat</i>	CARAMEL CANINE	\$26,605
<i>Rehearsal, The</i>	FOOTPRINT FILMS	\$42,500
<i>Beyond the Known World</i>	CURIOUS FILM	\$10,000
<i>Wayne</i>	FB PICTURES	\$25,000

The amounts shown above are conditional offers. Final grants paid are linked to actual P & A spend.

J/ PRODUCTIONS CERTIFIED AS OFFICIAL CO-PRODUCTIONS

Name of Production	Format	Co-production Country	Applicant Company	State
<i>Wayne</i>	FEATURE FILM	AUSTRALIA	FB PICTURES	Provisional
<i>Capital in the 21st Century</i>	FEATURE FILM	FRANCE	GFC (CAPITAL)	Provisional
<i>The Kiddets</i>	TV SERIES	CHINA	PUKEKO PICTURES	Provisional
<i>Over the Horizon</i>	TV SERIES	CANADA	GO WILD PRODUCTIONS	Provisional
<i>Colours of China</i>	FEATURE FILM/TV SERIES	CHINA	CHINA COLOUR	Provisional

K/NEW ZEALAND SCREEN PRODUCTION GRANT (NEW ZEALAND PRODUCTIONS)

Project	Format	Co-production	Applicant company	State	QNZPE	Grant
<i>Hunt for the Wilderpeople</i>	FEATURE FILM	No	MAJESTICAL PICTURES LTD	Final	4,135,055	1,654,022
<i>The Rehearsal</i>	FEATURE FILM	No	REHEARSAL FILMS LTD	Final	3,453,044	1,381,218
<i>One Thousand Ropes</i>	FEATURE FILM	No	ONE THOUSAND ROPES LTD	Final	3,310,028	1,324,011
<i>Chasing Great</i>	FEATURE FILM	No	DARK DORIS ONE LTD	Final	2,566,697	1,026,678
<i>Gary of the Pacific</i>	FEATURE FILM	No	CHIEF GARY LTD	Final	2,729,035	1,091,614
<i>800 Words - Series 2</i>	TV SERIES	No	WELD PRODUCTIONS LTD	Final	11,385,016	4,554,006
<i>Into the Rainbow</i>	FEATURE FILM	No	TW FILMS LTD	Final	10,978,447	4,391,379
<i>Pork Pie</i>	FEATURE FILM	No	BLONDINI ENTERPRISES LTD	Final	6,345,661	2,538,264
<i>The Desert Sea (Wild Wild West)</i>	TV SERIES	No	LIFE FORCE PRODUCTIONS LTD	Final	617,665	247,066
<i>McLaren</i>	FEATURE FILM	No	GFC (MCLAREN) LTD	Final	3,565,992	1,426,397
<i>The Free Man (Welcome to the Thrill)</i>	FEATURE FILM	No	GFC (MCLAREN) LTD	Final	2,560,216	1,024,086
<i>We Alone</i>	FEATURE FILM	No	WE ALONE FILM LTD	Provisional		
<i>Rachel's Tour of Beauty - Series 2</i>	TV SERIES	No	TOUR OF BEAUTY LTD	Provisional		
<i>The Changeover</i>	FEATURE FILM	No	CHANGEOVER FILMS LTD	Provisional		
<i>Capital in the 21st Century</i>	FEATURE FILM	NZ/France	GFC (CAPITAL)LTD	Provisional		
<i>Wayne</i>	FEATURE FILM	No	FB PICTURES LTD	Provisional		
<i>800 Words - Series 3</i>	TV SERIES	No	WELD PRODUCTIONS LTD	Provisional		
<i>The Legend of Monkey</i>	TV SERIES	NZ/Australia	MONKEY NEW ZEALAND LTD	Provisional		
<i>Kiwi Christmas</i>	FEATURE FILM	No	FIELD THEORY LTD	Provisional		

L/ NEW ZEALAND SCREEN PRODUCTION GRANT (INTERNATIONAL PRODUCTIONS)

Project	Format	PDV	Applicant company	State	QNZPE	Grant
<i>Deadpool</i>	FILM	PDV	NEW UPSTAIRS PRODUCTIONS LTD	Final	1,087,212	217,442
<i>Batman v Superman: Dawn of Justice</i>	FILM	PDV	WARNER BROS. FEATURES NZ LTD	Final	15,327,797	3,065,559
<i>The Shannara Chronicles</i>	TV		MTV NZ LTD	Final	44,296,452	8,859,290
<i>Pete's Dragon</i>	FILM		TYNDALL PRODUCTIONS LTD	Interim	58,144,612	11,628,922
<i>Guardians of the Galaxy - Series 1</i>	TV	PDV	ASSEMBLED PRODUCTIONS NZ LTD	Final	1,408,994	281,799
<i>Power Rangers Dino Charge & Dino Super Charge</i>	TV		POWER RANGERS PRODUCTIONS LTD	Final	32,473,154	8,053,335
<i>Central Intelligence</i>	FILM	PDV	WARNER BROS. FEATURES NZ LTD	Final	1,691,686	338,337
<i>Ghost in the Shell</i>	FILM		LBO PRODUCTIONS	Final	62,974,968	12,594,994
<i>The Jungle Book</i>	FILM	PDV	AKELA PRODUCTIONS NZ LTD	Final	26,985,351	5,397,070
<i>Marvel Avengers Assemble - Season 3</i>	TV	PDV	ASSEMBLED PRODUCTIONS NZ LTD	Final	1,474,410	294,282
<i>The BFG</i>	FILM	PDV	BIG VALLEY PRODUCTIONS	Final	89,196,371	17,839,274
<i>Independence Day: Resurgence</i>	FILM	PDV	NEW UPSTAIRS PRODUCTIONS LTD	Final	11,972,743	2,394,549
<i>American Playboy: The Hugh Hefner Story</i>	TV		1953 LIMITED	Final	7,253,587	1,450,717
<i>Ash vs Evil Dead - Season 2</i>	TV		STARZ EVIL DEAD NEW ZEALAND LIMITED	Final	43,609,842	8,721,969
<i>League of Gods</i>	FILM	PDV	PARK ROAD POST PRODUCTION LTD	Final	1,248,403	249,681
<i>Bilal: A New Breed of Hero</i>	FILM	PDV	PARK ROAD POST PRODUCTION LTD	Final	1,054,726	210,945
<i>Shopkins Chef Club</i>	TV	PDV	FLUX ANIMATION STUDIO LTD	Final	501,970	100,394
<i>Power Rangers</i>	FILM	PDV	CONTRARIAN PRODUCTIONS LTD	Final	3,325,839	665,168
<i>Animal Archive</i>	TV		ANIMAL ARCHIVE PRODUCTIONS LTD	Final	5,134,213	1,026,84
<i>Valerian and the City of a Thousand Planets</i>	Feature Film	PDV	VALERIAN NZ LTD	Provisional		
<i>Power Rangers Ninja Steel</i>	TV		POWER RANGERS PRODUCTIONS LTD	Provisional		
<i>Blade Runner 2049</i>	Feature Film	PDV	ACID ZOO NEW ZEALAND PRODUCTIONS LTD	Provisional		
<i>Mortal Engines</i>	Feature Film		HUNGRY CITY LTD	Provisional		

NZFC Operational Units and Staff

Corporate

Dave Gibson	CHIEF EXECUTIVE
Antoinette Wilcox	EXECUTIVE ASSISTANT TO THE CHIEF EXECUTIVE
Chloe McLoughlin	HEAD OF BUSINESS AFFAIRS
Larissa Barbour	BUSINESS AFFAIRS EXECUTIVE (TO FEBRUARY 2017) — MATERNITY LEAVE
Rochelle Cooney	BUSINESS AFFAIRS EXECUTIVE (FROM JANUARY 2017)
Conal Thompson	BUSINESS AFFAIRS EXECUTIVE
Chanel Christie	TE AHI KĀ ASSISTANT
Rufus Richardson	FRONT OF HOUSE COORDINATOR (TO MARCH 2017)
Haley Hewer	FRONT OF HOUSE COORDINATOR (FROM MARCH 2017)
Mladen Ivancic	CHIEF FINANCIAL OFFICER
Catherine Robinson	ACCOUNTANT (TO SEPTEMBER 2016)— MATERNITY LEAVE MANAGER OF SPECIAL PROJECTS (FROM APRIL 2017) — PART-TIME
Bonnie Tonkin	ACCOUNTANT (FROM SEPTEMBER 2016)
Carole Wang	ASSISTANT ACCOUNTANT (FROM SEPTEMBER 2016)
Bonnie Tonkin	ASSISTANT ACCOUNTANT (TO SEPTEMBER 2016)
Dominique Fromont	FILM INCOME MANAGER — PART-TIME
Roxane Gajadhar	DIRECTOR OF SPECIAL PROJECTS (TO JUNE 2017) — PART-TIME
Nick Anderson	INFORMATION COORDINATOR
Rowan Aitken	SYSTEMS ADMINISTRATOR (FROM SEPTEMBER 2016)

Development and Production

Leanne Saunders	HEAD OF DEVELOPMENT AND PRODUCTION
Marc Ashton	PRODUCTION EXECUTIVE
Christina Andreef	DEVELOPMENT EXECUTIVE
Karin Williams	DEVELOPMENT EXECUTIVE
Linda Halle	DEVELOPMENT COORDINATOR
Cassandra Tse	PA DEVELOPMENT AND PRODUCTION (FROM SEPTEMBER 2016)
Adrianne Roberts	DEVOLVED DEVELOPMENT COORDINATOR (FROM APRIL 2017)

Talent Development and Relationships

Dale Corlett	HEAD OF TALENT DEVELOPMENT
Bonnie Slater	PROFESSIONAL DEVELOPMENT EXECUTIVE (TO AUGUST 2016)
Jude McLaren	TALENT PATHWAYS MANAGER
Paul Fagamalo	TALENT DEVELOPMENT MANAGER (FROM OCTOBER 2016)
Fran Carney	TALENT DEVELOPMENT COORDINATOR (FROM JUNE 2016) — PART-TIME
Amy Tarleton	TALENT DEVELOPMENT COORDINATOR (FROM JUNE 2016 TO APRIL 2017) — PART-TIME

Incentives, International Relations and International Screen Attractions

Catherine Bates	HEAD OF INCENTIVES
Chris Payne	HEAD OF INTERNATIONAL RELATIONS
Philippa Mossman	HEAD OF INTERNATIONAL SCREEN ATTRACTIONS
Chris Tyson	INCENTIVES EXECUTIVE
Kristin Rowe	INCENTIVES COORDINATOR (TO JUNE 2017)
Jacqui Wood	ENQUIRIES MANAGER
Jemma Taylor	INTERNATIONAL PR AND PROMOTIONS SPECIALIST (FROM JANUARY 2017)
Raymond Suen	ASIA OUTREACH EXECUTIVE (FROM MARCH 2017)
Pam McCabe	OFFICE COORDINATOR — PART-TIME

Marketing

Jasmin McSweeney	HEAD OF MARKETING
Selina Joe	STRATEGY & INSIGHTS ADVISOR — PART-TIME
Kate Larkindale	MARKETING EXECUTIVE
Tracey Brown	FILM MATERIALS MANAGER
Lesa MacLeod-Whiting	MARKETING AND FESTIVAL COORDINATOR
Nick Garrett	COMMUNITY MANAGER — PART-TIME
Rachel Corley	DIGITISATION COORDINATOR — PART-TIME



Do No Harm



New Zealand
FILM COMMISSION



Te Tumu Whakaata Taonga

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