

**HE  
WAKA  
EKE  
NOA**



Kei te paemua hoki Te Reo Irirangi o Aotearoa i te wānanga nui mō te āpōpō o te ao pāpāho tūmatanui i Aotearoa. Ka mahi tahi tonu mātou me te Kāwanatanga ki ngā kōwhiringa mō te taha ki tana kaupapa Pou Pāpāho Tūmatanui Pakari, ka mutu, ka whakapakarihia anō tā mātou tuku kaupapa ki ētahi kāhui apataki whānui ake, kanorau anō.

RNZ has been at the forefront of the debate on the future of public media in Aotearoa. We will continue to work with the Government on its Strong Public Media opportunities and further strengthen our content delivery to wider and diverse audiences.

**Dr Jim Mather / Tākuta Jim Mather**  
Chair / Heamana, RNZ

## **RNZ IS PERCEIVED AS THE MOST TRUSTED MEDIA ORGANISATION IN NEW ZEALAND**

COLMAR BRUNTON VALUE INDICES RESEARCH 2020

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# HOE

## RNZ REPRESENTATION for ANNUAL REPORT 2019/20

Four key areas of strategy and governance are represented by the parts of the hoe/ paddle used to guide and steer the waka.

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### CULTURE / KOINGA

The koinga/tip is the point of impact of the hoe as it meets the water. It represents RNZ's commitment to staff as a good employer, ensuring the RNZ culture is modern, flexible and reflective of Aotearoa.

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### ACCOUNTABILITY / KAKAU

The kakau/handle must be sturdy without cracks that can weaken it. It represents the accountability of the Board in meeting Charter obligations to provide a multimedia public broadcasting service that is important to, and valued by, New Zealanders.

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### LEADERSHIP / TINANA

The tinana/body can take many shapes and lengths and is used to drive the hoe through the water. It represents effective leadership that accelerates progress and achievement within the business.

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### REPRESENTATION / RAPA

The rapa/blade is the most visible part of the hoe. It represents RNZ's commitment to produce and publish a unique range of services that appeals to diverse audiences and is available when and how they choose to access it. It represents and reflects Aotearoa.





**NZ Wars: Stories of Waitara** host Mihingarangi Forbes  
Photo: RNZ / Great Southern Television



RNZ reporter Ben Strang about to talk to **Checkpoint**



Talei Anderson: **RNZ Pacific** sports journalist



**Our Changing World** presenter/producer Alison Ballance recording an emperor penguin colony for the eight-part series **Voices from Antarctica**  
Photo: Antarctica NZ



# HIGHLIGHTS of the YEAR

## VALUE INDICES RESEARCH

**Most New Zealanders agree** it is important to have a public service broadcaster.

RNZ is perceived to be **the most trusted media organisation in New Zealand.**

(RNZ ranks 1st equal with TVNZ as the most trusted media organisation.)

**“ IT’S RELIABLE,  
WELL THOUGHT  
OUT and INTELLIGENT  
JOURNALISM ”**

COLMAR BRUNTON VALUE  
INDICES RESEARCH REPORT  
JULY 2020

COLMAR BRUNTON VALUE INDICES RESEARCH 2020

# 78%

Awareness of RNZ continues to grow. 78% of New Zealanders aged 18 or over are aware of RNZ



UP from 77% LAST YEAR

# 59%

of New Zealanders agree RNZ provides a valuable service for New Zealanders



UP from 57% LAST YEAR

# 75%

of New Zealanders agree it is important to have a public service broadcaster



UP from 73% LAST YEAR

# 63%

of New Zealanders engage with RNZ on a typical week. Every channel or platform has experienced growth in the past year



UP from 52% LAST YEAR

## COLLABORATIVE PARTNERSHIPS



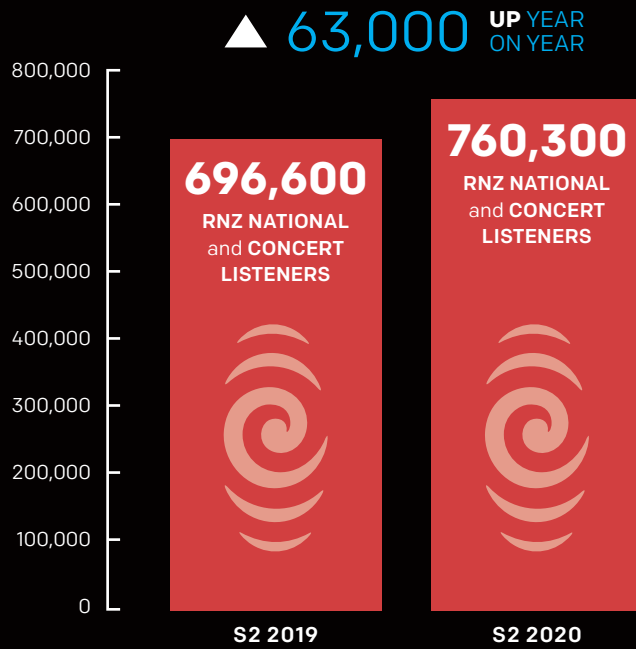
**RNZ content** is made available to more than 50 other print, radio, television and online media services. This service improves access to RNZ content for all New Zealand and overseas audiences while also providing a valuable source of unique local New Zealand content for other media.



# HIGHLIGHTS of the YEAR

## AUDIENCES: ON-AIR LIVE RADIO

WEEKLY CUMULATIVE AUDIENCE for  
RNZ NATIONAL and CONCERT RADIO



▲ 654,300

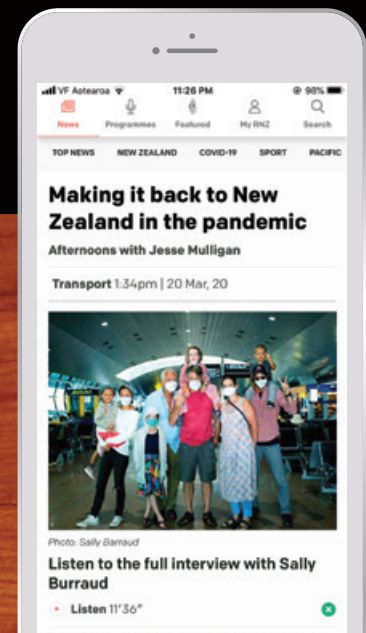
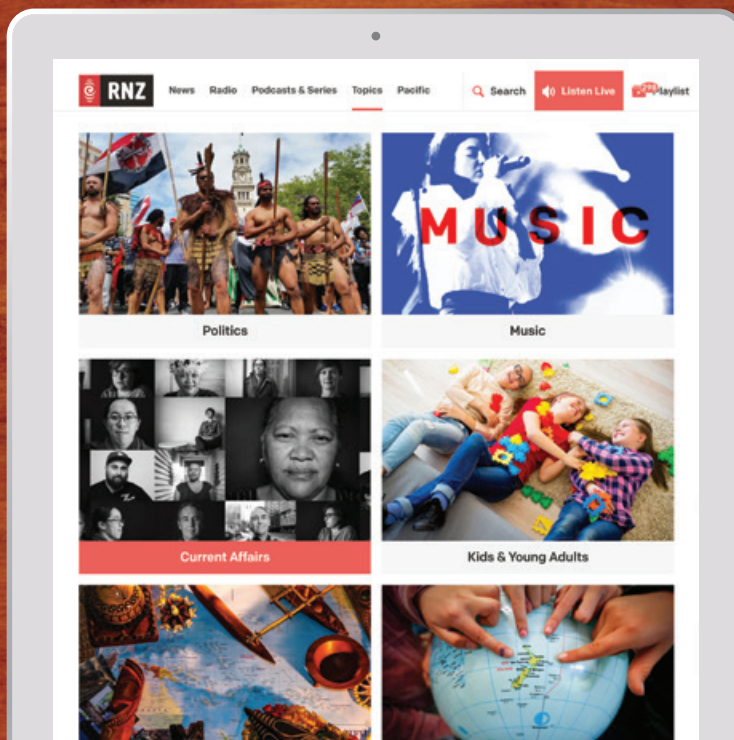
RNZ NATIONAL WEEKLY  
NEW ZEALAND LISTENERS

38,000 UP YEAR ON YEAR

▲ 242,600

RNZ CONCERT WEEKLY  
NEW ZEALAND LISTENERS

59,000 UP YEAR ON YEAR



**Listen to the full interview with Sally Burraud**

• Listen 11'56"

"The usual kind of travel things, children getting sick and adjusting to the heat in India. It was a wonderful adventure and we were going to be volunteer teaching in Sri Lanka."

It was around a month ago the family started looking at getting masks just in case of coronavirus.

"We were surprised to see just how difficult it was to get masks. At that stage it still seemed like a very strange thing to wear a mask, it seemed quite extreme."

A few weeks ago, the family started to think about what point they might pull the plug on their adventure.

"We said we'd finish India then go to Sri Lanka and, at that point, there were two cases in India. The day before we arrived in Sri Lanka, our volunteering was cancelled so we arrived in Colombo not sure what to do."





Kotahitanga at the Matangireia launch. Left to right: Māni Dunlop, Te Aniwa Hurihanganui, Shannon Haunui-Thompson, Mihingarangi Forbes, Meriana Johnsen

## RNZ NATIONAL PROGRAMMES

**500,800**

**MORNING REPORT** with  
Susie Ferguson and Corin Dann  
MON - FRI / 0600 - 0900



**36,800** UP YEAR  
ON YEAR

**336,800**

**NINE TO NOON**  
with Kathryn Ryan  
MON - FRI / 0900 - 1200



**5,500** UP YEAR  
ON YEAR

**280,200**

**CHECKPOINT**  
with Lisa Owen  
MON - FRI / 1700 - 1830



**12,300** UP YEAR  
ON YEAR

## NUMBER of WEEKLY NZ LISTENERS

**306,300**

**AFTERNOONS**  
with Jesse Mulligan  
MON - FRI / 1300 - 1600



**14,500** UP YEAR  
ON YEAR

**287,500**

**SATURDAY MORNING**  
with Kim Hill  
SAT / 0800 - 1200



**12,800** UP YEAR  
ON YEAR

**316,000**

**SUNDAY MORNING**  
with Jim Mora  
SUN / 0700 - 1200



**28,100** UP YEAR  
ON YEAR

INNOVATION / COLLABORATION / INCLUSIVITY

# HIGHLIGHTS of the YEAR



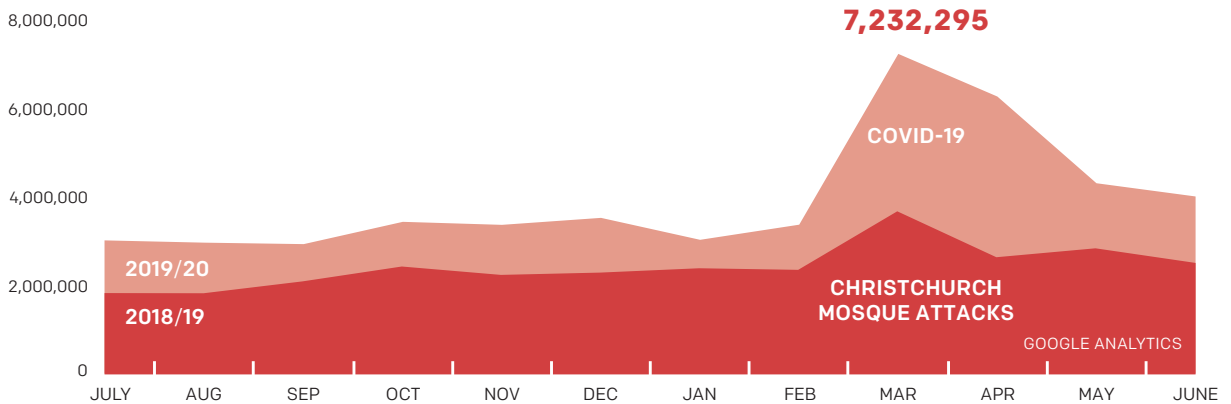
**DIGITAL AND WEBSITE** RNZ offers a range of archived audio, podcasts and series, all free for download.

## RNZ.CO.NZ CONTINUES to EXPERIENCE AUDIENCE GROWTH

Users accessing **rnz.co.nz** continue to grow year on year. During the COVID-19 outbreak audiences

peaked at **7.23m** in March 2020.

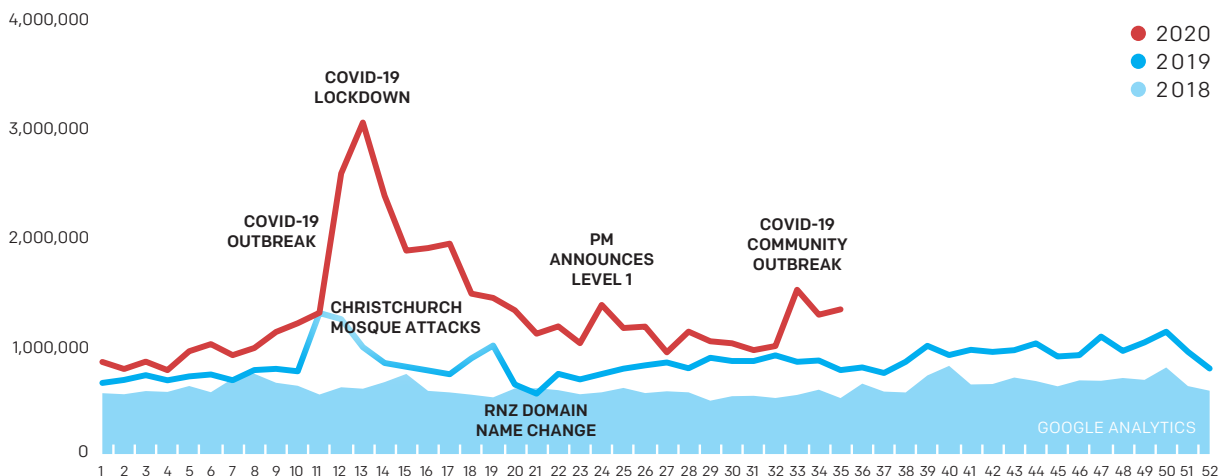
SOURCE: GOOGLE ANALYTICS



## RNZ.CO.NZ'S WEEKLY AUDIENCE CONTINUES to OUTSTRIP 2019

In 2019, 847k users visited **rnz.co.nz** each week, an increase of 234k, **38%** year on year.

In 2020 user numbers peaked at **2.57m** and **3.03m** in weeks 12 and 13 respectively and remain above last year's levels.





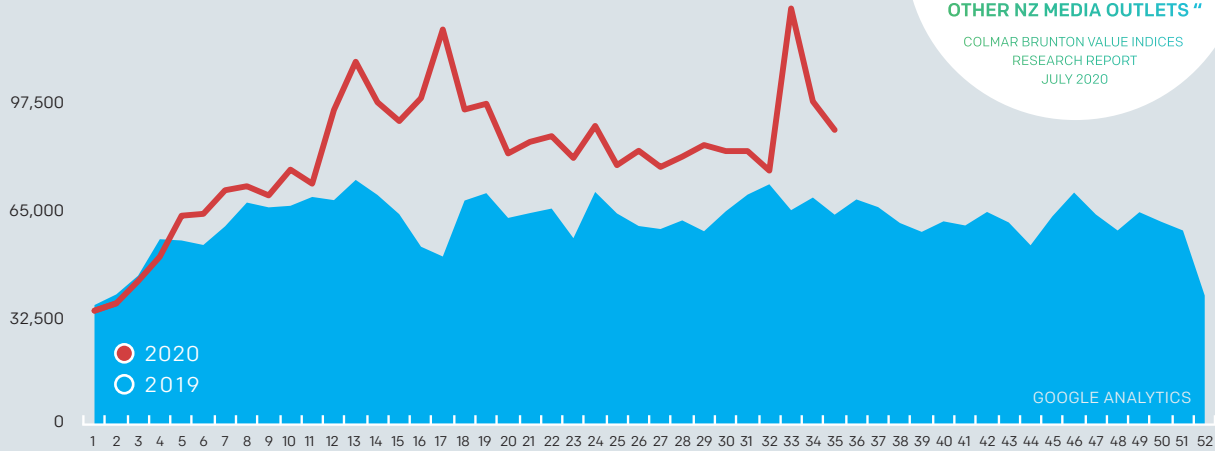
**STREAMING of AUDIO FROM RNZ.CO.NZ HAS ALSO GROWN**

In 2019, users of **rnz.co.nz** streamed 61k pieces of audio content each week, consistent with 2018 figures.

Since mid-March 2020 streamed audio has increased to more than **90k**, about **50% higher** than last year.

**"I HAVE THE NOTIFICATIONS ON MY PHONE FROM THE APP SO IT IS HOW I LEARN ABOUT MOST NEWS STORIES. I TRUST RNZ AS BEING MORE RELIABLE THAN OTHER NZ MEDIA OUTLETS"**

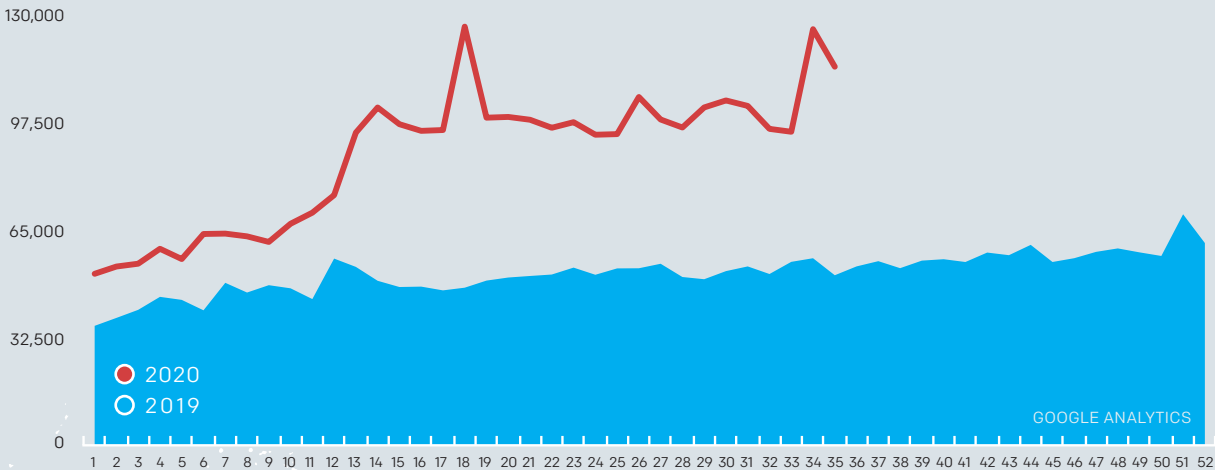
COLMAR BRUNTON VALUE INDICES RESEARCH REPORT JULY 2020



**USAGE of RNZ'S APP CONTINUES to GROW**

During 2019 the RNZ app typically attracted 52,000 users each week, this has increased to **87k** in 2020.

Since late March 2020 this has increased to more than 101k, three days during one week reached more than 80k alone.



**PACIFIC PROGRAMMING**

RNZ Pacific provides comprehensive coverage with the very latest Pacific stories and an extensive online news archive.

**10,490,370**

RNZ Pacific website pageviews

**31.3% up** ON THE SAME PERIOD LAST YEAR

MULTI-AWARD-WINNING PODCAST  
RNZ / Stuff

# WHITE SILENCE



voyager.



StopPress®

# AWARDS and RECOGNITION

## 2019 ASSOCIATION FOR INTERNATIONAL BROADCASTING (AIB) AWARDS

The prestigious AIB awards are judged by an international panel of experts nominated by broadcasters from round the world. They cover factual television, radio, audio and online productions in any language. RNZ's reporting of the Christchurch terror attacks, and the podcast *Gone Fishing*, won awards at the 2019 AIB gala dinner in London.

## 2020 VOYAGER MEDIA AWARDS

The Voyager Media Awards celebrate the very best in print, digital and broadcast journalism on all media platforms across New Zealand. RNZ journalists won an unprecedented seven Voyager awards in 2020 and received judging commendations as runners-up in two categories.

### REPORTING

**REPORTER OF THE YEAR**  
Guyon Espiner / RNZ

**BEST REPORTING MĀORI AFFAIRS**  
Te Aniwa Hurihanganui / RNZ

**BEST JUNIOR REPORTER**  
Logan Church / RNZ

### FEATURE WRITING

**FEATURE WRITER OF THE YEAR – LONG FORM**  
Aaron Smale / RNZ

### VIDEO JOURNALISM AND BROADCASTING

**BEST FEATURE OR CURRENT AFFAIRS VIDEO – SINGLE JOURNALIST**  
Luke McPake

### DIGITAL

**BEST NARRATIVE PODCAST**  
*White Silence*:  
RNZ / Stuff

**BEST EPISODIC PODCAST**  
*He Kākano Ahau*:  
RNZ / Ursula Grace Films

## RNZ COMMENDED RUNNERS-UP:

**Runner-up: Reporter of the Year**  
Phil Pennington

**Runner-up: Best Team Investigation**  
RNZ

## 2020 NEW YORK FESTIVALS AWARDS

With entries from over 30 countries, the New York Festivals Radio Awards recognise the very best in the world of radio, celebrating programming of the highest quality that is at the forefront of audio innovation. RNZ's seven international winners in 2020 were:

### GOLD RADIO WINNERS

**DOCUMENTARY PODCAST**  
*White Silence*  
RNZ / Stuff

### LIVE SOUND

*Music Alive: Christchurch Symphony Orchestra Phoenix*

### SILVER AWARD WINNERS

**COVERAGE OF BREAKING NEWS STORY**  
*Christchurch Terror Attacks*  
RNZ Networks

### PERSONAL LIVES PODCAST

*Black Sheep – The Story of White Supremacy*

### BRONZE AWARD WINNERS

**RADIO PERSONALITY: NETWORK**  
Kim Hill

### BEST COVERAGE ONGOING NEWS STORY

*RNZ News on the Christchurch Terror Attacks*:  
Conan Young

### COMEDY PODCAST

*The Worst Sitcom Ever Made*

## 2020 NEW ZEALAND RADIO AWARDS

The New Zealand Radio Awards celebrate the very best of New Zealand radio, honouring personalities, programming, news and sports reporting, production and creativity within the industry. They are open to all commercial and non-commercial radio networks. RNZ received eight awards in 2020:

## BEST NEWS / CURRENT AFFAIRS PODCAST

*White Silence*:  
RNZ / Stuff: Katy Gosset, Michael Wright, Alex Harmer, Jeremy Ansell, Adam Dudding, Justin Gregory, Tim Watkin, Carol Hirschfeld

## BEST SHOW PRODUCER – TALK SHOW

*RNZ Checkpoint*:  
Pip Keane, Catherine Wallbridge, Bridget Burke

## BEST NEW BROADCASTER – JOURNALIST

Katie Scotcher / RNZ

## BEST NEWS OR SPORTS JOURNALIST

Guyon Espiner / RNZ

## BEST CHILDREN'S PROGRAMME

*Moe Makes Music*:  
Briar Coleman, Jeremy Dillon, Adam Macaulay

## BEST DAILY OR WEEKLY FEATURE – FACTUAL

*RNZ Insight*:  
Philippa Tolley

## BEST DOCUMENTARY OR FACTUAL TALK FEATURE

*White Silence*:  
Katy Gosset, Michael Wright: RNZ / Stuff

## BEST MARKETING CAMPAIGN

RNZ National:  
Stephen Smith, Nick Campbell

## NZ MARKETING MAGAZINE STOP PRESS HOT LIST

## BEST CREATOR 2019

RNZ National Promotion Campaign





# The Radio New Zealand CHARTER

## PURPOSE:

1. As an independent public service broadcaster, the public radio company's purpose is to serve the public interest.
2. Freedom of thought and expression are foundations of democratic society and the public radio company as a public service broadcaster plays an essential role in exercising these freedoms.
3. The public radio company fosters a sense of national identity by contributing to tolerance and understanding, reflecting and promoting ethnic, cultural, and artistic diversity and expression.
4. The public radio company provides reliable, independent, and freely accessible news and information.

## DELIVERY:

5. In achieving its purpose, the public radio company must endeavour to provide services of the highest quality, which —
  - (a) are predominantly and distinctively of New Zealand;
  - (b) inform, entertain, and enlighten the people of New Zealand;
  - (c) are challenging, innovative, and engaging;
  - (d) foster critical thought, and informed and wide-ranging debate;
  - (e) stimulate, support, and reflect the diversity of cultural expression, including drama, comedy, literature, and the performing arts;
  - (f) stimulate, support, and reflect a wide range of music, including New Zealand composition and performance;
  - (g) reflect New Zealand's cultural identity, including Māori language and culture;
  - (h) provide awareness of the world and of New Zealand's place in it;
  - (i) provide comprehensive, independent, accurate, impartial, and balanced regional, national, and international news and current affairs;
  - (j) provide programmes which balance special interest with those of wide appeal, recognising the interests of all age groups;
  - (k) contribute towards intellectual and spiritual development;
  - (l) include an international service to the South Pacific in both English and Pacific languages;
  - (m) take account of services provided by other broadcasters;
  - (n) take advantage of the most effective means of delivery;
  - (o) preserve and archive broadcasting material of historical interest.

# TE TŪTOHINGA MENGĀ MĀTĀPONO

## o Te Reo Irirangi o Aotearoa

### TE PŪTAKE:

1. Nā runga i tana tū hei kaipāpāho ratonga tūmatanui motuhake, ko te pūtake o te kamupene reo irirangi tūmatanui he ū ki ngā take whai tikanga ki a ngāi tūmatanui.
2. Ko te noho herekore o te mana whakaaro me te mana whakapuaki hei tūāpapa mō te pāpori manapori, ā, nā runga i tana tū hei kaipāpāho ratonga tūmatanui, he tūranga mātuatua tō te kamupene reo irirangi tūmatanui hei kaiwhakaū i ēnei mana.
3. Ka whakatītina te kamupene reo irirangi tūmatanui i tētahi tuakiri ā-motu mā te whakaū i ngā tikanga o te noho manawa nui me te māramatanga, otirā, ka whakaatu, ka whakatairanga anō i te whakapuakanga me te kanorautanga o ngā kaupapa ā-iwi, ā-ahurea, ā-toi hoki.
4. Ka whakarotongia e te kamupene reo irirangi tūmatanui he pārongo, otirā, he rongo o te wā, he tika, he motuhake, he māmā hoki te torohia atu.

### TE TUKUHANGA:

5. Hei whakatutuki i tōna pūtake, me mātua whai te kamupene reo irirangi tūmatanui kia whakarotongia e ia he ratonga kounga nui, e pēnei ana —
  - (a) ko te nuinga, e mārama kehokeho ana, he mea pupū ake i Aotearoa:
  - (b) e whakamōhio ana, e whakangahau ana, e whakapūrangiaho anō ana i ngā uri o Aotearoa:
  - (c) e wero ana i te hinengaro, e auaha ana, e pārekareka anō ana:
  - (d) e whakatītina ana i te whakaaro hōhonu me te momo tautohetohe e whai mōhio ana, ā, e aro ana ki ētahi kaupapa whānui:
  - (e) e whakatenatena ana, e taunaki ana, e whakaatu anō ana i te kanorau o ngā momo whakapuakanga ā-ahurea, tae atu ki te whakaari, te whakakatakata, ngā momo tuhinga, me ngā mahi a Rēhia:
  - (f) e whakatenatena ana, e taunaki ana, e whakaatu anō ana i ētahi momo pūoru whānui, tae atu ki ngā titonga me ngā whakapuakanga o Aotearoa:
  - (g) e whakaatu ana i te tuakiri ahurea o Aotearoa, tae atu ki te reo me te ahurea Māori:
  - (h) e whai whakaaro ana ki te ao, otirā, ki te tūnga o Aotearoa ki te ao:
  - (i) e whakarato ana i ētahi rongo o te wā me ētahi kaupapa mohoa ā-rohe, ā-motu, ā-ao anō, he aro whānui, he motuhake, he tika, he tōkeke, he whārite hoki:
  - (j) e whakarato hōtaka ana e noho whārite ai ngā kaupapa aronga whāiti me ērā e arongia whānuitia ana, e whai wāhi mai ai ngā kaupapa whai take ki ngā reanga katoa:
  - (k) e whakaū ana i te whakawhanaketanga ā-hinengaro, ā-wairua hoki:
  - (l) e kapi ana i a ia he ratonga ā-ao ki Te Moana-nui-a-Kiwa, ki te reo Pākehā, ki ngā reo o Te Moana-nui-a-Kiwa hoki:
  - (m) e aro ana ki ngā ratonga e whakarotongia ana e ētahi kaipāpāho kē atu:
  - (n) e whai hua ana i te/ngā ara tuku whai take nui:
  - (o) e tiaki ana, e whakaputu anō ana i ngā kōrero pāpāho ka noho hei taonga tuku iho.

# RNZ LEADERSHIP TEAM



**Paul Thompson**  
Chief Executive and  
Editor-in-Chief



**Megan Whelan**  
Head of Content



**Richard Sutherland**  
Head of News



**Stephen Smith**  
Head of Strategy



**Sarah Neilson**  
Head of People



**Karen Larsen**  
Chief Financial Officer



**David Allan**  
Head of Radio and Music



**Mark Bullen**  
Chief Technology and  
Operations Officer



# RNZ **BOARD** of **GOVERNORS**



Dr Jim Mather  
Chair



Melissa Clark-Reynolds  
Deputy Chair



Caren Rangi  
Audit and Risk Committee Chair



Irene Gardiner



Bill Francis



Mike O'Donnell



Peter Parussini

**The last year has been unprecedented in terms of the impact of COVID-19 and the resultant disruption across both the media sector and within RNZ itself. It is therefore appropriate that I acknowledge the efforts of our management and staff in navigating our way through that very challenging period and reinforcing the importance of high-quality journalism and trusted media reporting.** Dr Jim Mather

# CHAIR'S REPORT

## Te Pūrongo a te Heamana

WE WILL CONTINUE  
TO WORK WITH THE  
GOVERNMENT ON ITS  
STRONG PUBLIC MEDIA  
OPPORTUNITIES AND  
FURTHER STRENGTHEN  
OUR CONTENT DELIVERY  
TO WIDER AND DIVERSE  
AUDIENCES.

### E rau rangatira mā, tēnā rā koutou katoa.

On behalf of my Board colleagues and the wider whānau of Te Reo Irirangi o Aotearoa, it gives me great pleasure to present the RNZ Annual Report for 2019 to 2020.

The last year has been unprecedented in terms of the impact of COVID-19 and the resultant disruption across both the media sector and within RNZ itself. It is therefore appropriate that I acknowledge the efforts of our management and staff in navigating our way through that very challenging period and reinforcing the importance of high-quality journalism and trusted media reporting.

RNZ has also been at the forefront of the debate on the future of public media in Aotearoa. We will continue to work with the Government on its Strong Public Media opportunities and further strengthen our content delivery to wider and diverse audiences.

Underpinning our public media ethos is the RNZ Charter which is scheduled for review in 2021. This review provides the opportunity to ensure our organisation remains relevant to all New Zealanders across all sectors of our society.

In our 2020 financial year RNZ reported a modest operating deficit result of \$213,625 before taxation benefit and after depreciation. This is a result of a decision to suspend a capital project beyond its consent dates, thus expenses incurred on this project being recognised in this year. The baseline funding increase from Budget 2017 began to flow through in 2018 – 2019 and enabled RNZ to explore new initiatives. This has now been confirmed as part of RNZ's long-term baseline funding. Moreover, the Government Media Support Package provided financial relief to RNZ transmission customers with RNZ also receiving support via this fund. It should also be noted that in keeping with past practice Shareholding Ministers have waived their right to a dividend from Radio New Zealand.

There have also been several changes at the Board level over the last financial year and I acknowledge the significant contribution made by both Rodger Finlay and Melissa Clark-Reynolds. We have also been privileged to have Peter Parussini, Irene Gardiner and Caren Rangi join the Board.

I also wish to acknowledge all of my fellow Governors and most importantly the Chief Executive Paul Thompson, our leadership team and all of the dedicated, multi-talented staff at RNZ.

Finally, to all of our listeners, viewers and fellow New Zealanders, we thank you for your continued trust and support of RNZ as we continue our transformation as a modern public media organisation.

**REINFORCING** the **IMPORTANCE**  
of **HIGH-QUALITY JOURNALISM**  
and **TRUSTED MEDIA REPORTING.**

## E rau rangatira mā, tēnā rā koutou katoa.

Nōku e noho nei hei māngai mō ōku hoa o te Poari me te whānau whānui o Te Reo Irirangi o Aotearoa, e rewā ana te ngākau i te tukuhanga o tēnei Pūrongo ā-Tau a Te Reo Irirangi o Aotearoa mō te tau 2019 ki te 2020.

He tuatahitanga te tau kua pahemo ake nei i te āhua o te pānga mai o te mate karauna COVID-19, ā, me ngā tauwhatinga i hua ake huri i te rāngai pāpāho, otirā, i roto tonu i Te Reo Irirangi o Aotearoa. Nā konei, e tika ana kia mihiā ngā whakapaunga kaha a tō mātou pae whakahaere, a ō mātou kaimahi anō, i puta ai tō mātou ihu i taua wā pakeke mārika, otirā, i whakaūngia ai te whai take o ngā mahi kawē pūrongo kouna nui me te whakaponotia o ngā pūrongo a te ao pāpāho.

## KEI TE PAEMUA HOKI TE REO IRIRANGI O AOTEAROA I TE WĀNANGA NUI MŌ TE ĀPŌPŌ O TE AO PĀPĀHO TŪMATANUI I AOTEAROA. KA MAHI TAHI TONU MĀTOU ME TE KĀWANATANGA KI NGĀ KŌWHIRINGA MŌ TE TAHA KI TANA KAUPAPA POU PĀPĀHO TŪMATANUI PAKARI, KA MUTU, KA WHAKAPAKARIHIA ANŌ TĀ MĀTOU TUKU KAUPAPA KI ĒTAHI KĀHUI APATAKI WHĀNUI AKE, KANORAU ANŌ.

Hei tūāpapa mō ō mātou whakaaro hei pou pāpāho tūmatanui ko Te Tūtohunga o Te Reo Irirangi o Aotearoa, tōna tikanga ka arotakengia hei te tau 2021. Mā tēnei arotakenga e whai wāhi ai mātou ki te mātua whakarite kia tika tonu te hāngai o tō mātou whakahaere ki ngā tāngata katoa o Aotearoa, huri i ngā wāhi katoa o tō tātou pāpori.

I tō mātou tau ā-pūtea 2020 i pūrongoia e Te Reo Irirangi o Aotearoa tētahi hua tarepa whakahaere iti nei, e \$213,625 te nui, i mua atu i ngā hua tāke, i muri mai hoki i te hekenga uara. He mea hua tēnei i te whakatau kia hīkina tētahi kaupapa rawa pūtea i tua atu o ana rangi whakaaetanga, nā konei, ko ngā nama mō tēnei kaupapa ka tohua mō tēnei tau. I te tau 2018 - 2019 i tīmata te tukuhanga mai o te pūtea tūāpapa nui ake, tērā i tohua i te Tahua 2017. Nā konei i taea ai tā Te Reo Irirangi o Aotearoa whakatewhatewha kaupapa hōu. Kua whakapūmautia tēnei i āiane nā hei wāhi o te pūtea tūāpapa auroa o Te Reo Irirangi o Aotearoa. Me te aha anō, i whai oranga hoki Te Reo Irirangi o Aotearoa me āna kiritaki pāoho i te Kōpaki Taunaki Pou Pāpāho a te Kāwanatanga. E tika ana hoki kia kīia i konei, pēnei i ngā tikanga i whāia i mua, i whakatahangia e ngā Minita Whai Hea te mana whiwhi moni hua i Te Reo Irirangi o Aotearoa.

Kua hua ake hoki he panonitanga i te taumata Poari i te tau ā-pūtea kua hori, ā, e mihiā ana ngā mahi nui i oti i a Rodger Finlay rāua ko Melissa Clark-Reynolds. Nō mātou hoki te whiwhi i te piri mai a Peter Parussini rātou ko Irene Gardiner, ko Caren Rangī ki te Poari.

E rere ana hoki aku mihi ki aku hoa kāwana katoa, tae pū atu hoki ki te Kaiwhakahaere Matua, ki a Paul Thompson, ki te kāhui whakahaere, otirā, ki ngā kaimahi manawanui, pūkenga-rau hoki o Te Reo Irirangi o Aotearoa.

Hei whakakapi ake, ngāi whakarongo, ngāi mātaki, ngāi apataki e, otirā, ngāi Aotearoa whānui, e rere nei ā mātou mihi i tā koutou whakapono tonu mai, i tā koutou taunaki tonu mai i Te Reo Irirangi o Aotearoa, i tō mātou panonitanga hei whakahaere pāpāho tūmatanui o morokī noa nei e haere tonu ana.

Nāku iti nei, nā



**Dr Jim Mather / Tākuta Jim Mather**  
Chair / Heamana, Radio New Zealand



# CEO'S REPORT

## Te Pūrongo a te Kawhaka- haere Matua

MORE THAN EVER WE  
WILL BE REQUIRED  
TO CONNECT AND  
INFORM THE PEOPLE  
OF AOTEAROA.

### Kia ora koutou

2019/20 was extraordinarily challenging, at times confronting and ultimately successful for RNZ.

As New Zealand's independent commercial-free public service broadcaster, we continue to successfully implement our multimedia strategy and this is seeing audiences hit record levels across all our platforms.

Building on our strengths in radio and audio, we expanded on digital platforms and through content sharing to now reach 63% of New Zealanders every week.\*

The thirst for RNZ's trusted, independent and high-quality news, information and entertainment has never been stronger.

The coronavirus pandemic has intensified this demand for our services. Once again, in a time of crisis, New Zealanders sought out RNZ's trusted journalism and current affairs. We are indeed a trusted information lifeline.

RNZ operated seamlessly through the lockdowns thanks to the professionalism and expertise of our talented and dedicated staff. Everyone contributed brilliantly.

Innovation, technology and new expertise has made RNZ more resilient and adaptive, vital qualities in these challenging times.

Audiences keep a close eye on everything we do and their vigilance, feedback and high engagement are appreciated. This was evident in early 2020 in the strong public response to proposed changes to the RNZ Concert service. We have listened and in the months and years ahead will look to revitalise RNZ Concert and build on the audience growth the station achieved this year.

Looking ahead, three major challenges and opportunities are upon us.

First, the Government continues to explore options for strengthening public media, including RNZ. We are open to this challenge as, more than ever, New Zealand needs a trusted and comprehensive public media system which provides a commercial-free space for New Zealanders to receive and impart information as informed citizens in our participatory democracy.

Second, the pandemic will have a profound impact on people's lives, society, politics and the economy. A priority will be ensuring RNZ has the capability to report, explain and reflect these tumultuous changes that will affect our world forever. More than ever we will be required to connect and inform the people of Aotearoa.

Finally, to truly reflect Aotearoa, RNZ must live the Principles of the Treaty of Waitangi and embed Māori perspectives, culture, stories, and te reo in everything we do. This will be a priority in the months and years ahead.

RNZ's audiences have grown strongly in both size and diversity. But we have so much more to do to achieve our vision of forming lifelong relationships with all the people of Aotearoa. The catalyst for this will be how successfully we ensure our staff and content reflect our diverse nation.

My thanks again to our wonderful staff for their support. I am grateful for the impressive work of the RNZ Executive Team during a demanding year and for the wise counsel and guidance provided by the Chair, Dr Jim Mather, and the rest of the RNZ Board.

**INNOVATION, TECHNOLOGY and NEW EXPERTISE  
HAS MADE RNZ MORE RESILIENT and ADAPTIVE,  
VITAL QUALITIES IN THESE CHALLENGING TIMES.**

### Kia ora koutou

He tau pakeke mārika te tau 2019/20 i rangona ai te manawarau i ōna wā, heoi anō rā, i angitu anō ai Te Reo Irirangi o Aotearoa.

I tā mātou tū hei pou pāpāho e noho nei hei ratonga tūmatanui mō Aotearoa, otirā, he whakatairanga-kore, he motuhake anō, e angitu ana tā mātou whakatinana i tā mātou rautaki rongorau, ā, nā konei e piki ana te nui o ngāi apataki ki ā mātou pae pāpāho katoa ki taumata angitu hōu.

Hei whakawhanaketanga ki ō mātou pūmanawa ā-irirangi, ā-oro anō, i whakawhānuihia ā mātou mahi ki ngā pae pāpāho matihiko, mā ngā whakaaetanga whakahoahoa kaupapa hoki, kia piki ai te nui o ngā uri o Aotearoa e torohia ana e mātou ki te 63% i ia wiki\*

Kāore tonu i pēnei te kaha o te hiakai ki ngā pūrongo, ki ngā mōhiohio, ki ngā kaupapa whakangahau anō a Te Reo Irirangi o Aotearoa e whakaponotia ana, e noho motuhake ana, otirā, e kouna nui ana.

Nā te urutā mate karauna huri i te ao i nui ake ai te hiakai ki ā mātou ratonga. Kua kitea anō, i te wā o te mōrearea, kua hoki anō ngā uri o Aotearoa ki te whaiwhai i ngā pūrongo me ngā kawenga kōrero o mohoa nei a Te Reo Irirangi o Aotearoa e whakaponotia ana. He ara mōhiohio whakaora tonu mātou e whakaponotia nuitia ana.

I tōtika pai ngā whakahaere a Te Reo Irirangi o Aotearoa i te wā o te noho rāhui nā runga i te ngaio me te tohungatanga o ā mātou kaimahi pūkenga nui, manawanui anō. Inā te rangatira o ngā mahi a te katoa.

## NĀ TE AUHATANGA, NĀ TE HANGARAU, NĀ TE TOHUNGATANGA HŌU I MANAWAROA AKE AI, I URUTAU ANŌ AI TE REO IRIRANGI O AOTEAROA, KA MUTU, HE ĀHUATANGA MĀTUATUA ĒNEI I ĒNEI WĀ TAIMAHA.

Ka āta whāia e ngāi apataki ā mātou mahi katoa, me te aha, e mihi ana tō rātou mataara, ā rātou whakahokinga kōrero, ā, me tō rātou kaha ki te aro mai. I kitea māramatia tēnei āhua i te pito tōmua o te tau 2020 i te kaha o tā ngāi tūmatanui tuku whakahoki mai ki ngā panonitanga i marohitia mō te ratonga Concert a Te Reo Irirangi o Aotearoa. Kua rangona e mātou, me te aha, hei ngā marama me ngā tau kei tua, ka whai mātou ki te whakahōu i te ratonga Concert a Te Reo Irirangi o Aotearoa, ā, ki te whakawhanake tonu i te kāhui apataki a te teihana i nui haere i tēnei tau.

Aro atu ana ki tua, e toru ngā wero nui, ngā ara whai hua anō, kei te aroaro.

Tuatahi ake, e whakatewhatewha tonu ana te Kāwanatanga i ngā ara e pakari ake ai ngā pou pāpāho tūmatanui, tae atu hoki ki Te Reo Irirangi o Aotearoa. E tuwhera ana ō mātou ngākau ki tēnei wero, inā rā, kāore pea he wā i tua atu i tēnei i pēnei ai te nui o tō Aotearoa hiahia ki tētahi pūnaha pāpāho tūmatanui e whakaponotia ana, e matawhānui ana hoki, ka mutu, e whakawātea ana i tētahi ara whakatairanga-kore e rangona ai, e tukuna anō ai e ngāi Aotearoa he mōhiohio, nō rātou ka tū hei kirirarau whaimōhio i te manapori e whai wāhi atu nei tātou.

Tuarua ake, ka pākia nuitia te āhua o tā te tangata noho, te pāpori, te ao tōrangapū, ā, me te ōhanga anō, e te urutā nui. Ko tētahi aronga matua ko te mātua whakarite kia mau i Te Reo Irirangi o Aotearoa te āheinga ki te pūrongo, ki te whakamārama, ki te whakaata anō i ēnei panonitanga hūkerikeri ka pā kaha mai ki tō tātou ao haere ake nei. Kāore tonu i pēnei te nui o te here ki a mātou kia whakahonohono, kia whakamōhio anō i ngā uri o Aotearoa.

Hei whakaoti ake, e tika mārika ai te whakaatāhia o Aotearoa, me mātua whakatinana e Te Reo Irirangi o Aotearoa ngā mātāpono o Te Tiriti o Waitangi, otirā, me whakaū ngā tirohanga Māori, te ahurea Māori, ngā kōrero Māori, ā, me te reo Māori anō ki ā mātou mahi katoa. Hei aronga matua tēnei i ngā marama me ngā tau kei te aroaro.

Kua tino tupu ngā kāhui apataki a Te Reo Irirangi o Aotearoa, ā-rahinga nei, ā-kanorau nei anō. Heoi anō rā, he nui tonu ngā mahi e oti ai tō mātou aronga roa, arā, kia whanakehia he whanaungatanga taumano ki ngā uri katoa o Aotearoa. Hei kōkiri i tēnei ko te āhua e whakaatāhia ai tō tātou iwi kanorau e ā mātou kaimahi, e ā mātou kaupapa anō.

E rere ana anō ngā mihi ki ā mātou kaimahi rangatira i tā rātou taunaki mai. E whakawhetāi ana au i ngā mahi whakamāharo a te Pae Urungi o Te Reo Irirangi o Aotearoa i tēnei tau taimaha, otirā, i ngā akoako me ngā tohutohu mātau i tukuna mai e te Heamana, e Dr Jim Mather me te whānuitanga o te Poari o Te Reo Irirangi o Aotearoa.

\*COLMAR BRUNTON RNZ VALUE INDICES, JULY 2020

\*NGĀ TATAURANGA A COLMAR BRUNTON MŌ TE REO IRIRANGI O A AOTEAROA HŪRAE 2020.



**Paul Thompson**

Chief Executive and Editor-in-Chief  
Kaiwhakahaere Matua, Kaiētita Matua



***RNZ Pacific*** reporter Dominic Godfrey reports from the PRIDE March



## Radio New Zealand Limited

# FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2020

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## STATEMENT OF CORPORATE GOVERNANCE

### Role of the Board

Radio New Zealand's Shareholding Ministers, the Minister Responsible for Radio New Zealand (RNZ) and the Minister of Finance, appoint a Board of Governors. The Radio New Zealand constitution sets the size of the Board at a minimum of two and a maximum of nine Governors. The Board is made up of seven (2019: 5) Governors at 30 June 2020, with two new appointments and one retired term occurring after 30 June 2020 and before the signing of this Annual Report.

The Board is responsible under the company's constitution to direct and supervise the company's business and affairs in accordance with the Radio New Zealand Charter set out in section 8 of the Radio New Zealand Act 2016. In practice, the day-to-day management of the company is delegated to the Chief Executive/Editor-in-Chief.

The Board, on the advice of the Executive, establishes the company's strategic, business and programming plans, ratifies annual budgets and monitors management's performance against established goals. The Board also considers and approves new policies and business initiatives, authorises transactions outside prescribed delegated authorities of management and appoints the Chief Executive/Editor-in-Chief. Procedures are in place at Board, corporate and business unit levels to safeguard the company's assets and its wider commercial interests. A well-established regime of regular reporting is designed to maintain a high standard of internal communication and to ensure the Board remains appropriately informed of all aspects of the company's business and activities.

Board fees are set by the Shareholding Ministers each year.

### Board changes

Rodger Finlay's term ended 31 August 2019.

Peter Parussini joined as a Governor 1 August 2019.

Irene Gardiner joined as a Governor 1 October 2019.

Caren Rangī joined as a Governor and Chair of the Audit and Risk Committee 1 November 2019.

Melissa Clark-Reynolds' term ended 31 July 2020.

Two new appointments to the Board occurred after 30 June 2020 and before the signing of this Annual Report.

Jane Wrightson joins as a Governor and Mihimaraea Parata Gardiner joins as an Associate Director. Both appointments commence 1 September 2020.

### Board meetings

The Board met on nine scheduled occasions this year (2019: 8).

In response to the COVID-19 challenges the Board met weekly from 24 March 2020 until 26 May 2020. Regular out-of-cycle meetings resumed during the month of August as New Zealand applied differing alert levels regionally.

### Board committee meetings

The Audit and Risk Committee had a change in Chair during the term and remained focused on audit and risk management issues. This committee met on five occasions during the year (2019: 4). Members of the Board on the Audit & Risk Committee were Rodger Finlay (Chair) until August 2019, Caren Rangī (Chair) commencing November 2019 and Bill Francis. Jim Mather and Melissa Clark-Reynolds were in attendance at one or more Audit and Risk Committee meetings during the year.

The Leadership and Culture Committee was chaired by Melissa Clark-Reynolds with Dr Jim Mather and Peter Parussini as members. The committee met four times in the year to 30 June 2020 (2019: 3).

### Subsidiaries

A fully owned subsidiary company, Sound Archives Ngā Taonga Kōrero Limited, was incorporated in August 1998. The subsidiary's sole director is Radio New Zealand's Chief Executive (Paul Thompson). The subsidiary's operations were transferred to the New Zealand Film Archive on 1 October 2012 and there was no trading activity during the year.

Radio New Zealand sold its shares in Kinga Voxpop Limited on 31 December 2019.

ATTENDANCE FOR THE YEAR ENDED 30 JUNE 2020	BOARD MEETINGS	AUDIT COMMITTEE	LEADERSHIP AND CULTURE
<b>Dr Jim Mather</b> – Chair	9	2	3
<b>Melissa Clark-Reynolds</b> – Deputy Chair	8	1	4
<b>Rodger Finlay</b>	1	1	N/A
<b>Bill Francis</b>	9	5	N/A
<b>Mike O'Donnell</b>	9	N/A	1
<b>Irene Gardiner</b>	8	N/A	N/A
<b>Caren Rangī</b> – Audit & Risk Committee Chair	7	4	N/A
<b>Peter Parussini</b>	9	N/A	2

### Management and operating structure

RNZ's organisational structure reflects its core business activities. The structure is reviewed regularly and adjusted where necessary to accommodate new business and to ensure that it remains relevant in a changing trading and operational environment.

The Chief Executive is responsible for the day-to-day management of the company, its organisational structures, developing and recommending initiatives to the Board, implementing Board decisions and policies, achieving objectives, ensuring the company is properly equipped with skilled personnel, and for various interfaces between the company, its stakeholders and the public. The Chief Executive has a dual role as Editor-in-Chief. In that role he is responsible to the Board for Radio New Zealand's editorial matters.

**Auditor**

Audit New Zealand, acting on behalf of the Controller and Auditor-General, is the auditor of Radio New Zealand Limited in accordance with section 32 of the Public Audit Act 2001.

**Legislative compliance**

The Board acknowledges its responsibility to ensure the organisation complies with all legislation. The Board has delegated responsibility to the Chief Executive for the development and operation of a programme to systematically identify legislative compliance issues and ensure applicable staff are aware of relevant legislative requirements.

**Compliance with the Crown Entities Act 2004**

RNZ prepared a draft Statement of Service Performance Expectations for 2020/21 which was delivered on time to the responsible Minister's office but without official signatures from RNZ Governors. This was in breach of section 149E 3 (b) of the Crown Entities Act 2004 and has been subsequently corrected.

**STATEMENT OF RESPONSIBILITY**

We are responsible for the preparation of Radio New Zealand Limited'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 Radio New Zealand 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 a 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 Radio New Zealand for the year ended 30 June 2020.

Signed on behalf of the Board:


**Dr Jim Mather**

Chair

15 DECEMBER 2020


**Caren Rangi**

Audit and Risk Chair

15 DECEMBER 2020


**Paul Thompson**Chief Executive  
and Editor-in-Chief

15 DECEMBER 2020

**IMPACT OF COVID-19**

RNZ is New Zealand's independent public broadcaster and provides trusted news, information and entertainment to New Zealanders. Its role is becoming more important as the commercial media outlets face increasing financial challenges. The impact of the COVID-19 pandemic is putting the media sector under further pressure and this underlines the importance of RNZ's capability to provide trusted journalism at a time of crisis. RNZ's ability to be flexible and continue to meet its Charter obligations under incredibly difficult circumstances has been well tested throughout the period of response to the COVID-19 pandemic. RNZ has proven to be a resilient and strong organisation. Audience numbers are at record levels, with RNZ connecting with more than 60% of New Zealanders a week (source: Colmar Brunton Value Indices Research July 2020). This figure is up from 52% on the year earlier and a four-fold increase on where we were at five years ago.

The impact of the COVID-19 response on RNZ's non-financial indicators is largely uncertain. Record audience numbers are suggestive of high levels of trust in the information we deliver and engagement our audience has with the content being delivered.

Statutory time frames for reporting on the annual financial performance for the year ended 30 June 2020 have been extended by two months for all organisations reporting under the Crown Entities Act 2004. This has meant a delay in the annual financial audit conducted by Audit New Zealand and a delay in this reporting being made available to our stakeholders and other interested people.

The financial pressures of providing additional content, bringing on board and engaging additional journalists and migrating the RNZ workforce to operate from their home environments have been largely offset by the delay in some activity, reduced travel during the alert level 4 and level 3 response periods and assistance from the Government Media Support Package (refer to Notes 3 and 4).

The Government Media Support Package (Note 2) has provided support to RNZ's transmission customers towards transmission costs in addition to assisting with RNZ's transmission costs. This support will provide valuable resource into more content and improved business operations.

Key assumptions made within the financial statements that may have a significant risk of causing a material adjustment lie within the carrying amounts of assets and liabilities. RNZ engaged a valuation report across its non-current assets and believes that these values are a true reflection of RNZ's asset book values (Note 8).

Whilst RNZ has assessed that its overarching strategy remains valid and relevant, some aspects of the environment in which we operate may have permanently changed and therefore can be catalysts for future change at RNZ. We will continue to work with the Government on its Strong Public Media opportunities and further strengthen our content delivery to wider, diverse audiences.

# INDEPENDENT AUDITOR'S REPORT

## To the readers of Radio New Zealand Limited and group's financial statements and performance information for the year ended 30 June 2020

The Auditor-General is the auditor of Radio New Zealand Limited and group (RNZ). The Auditor-General has appointed me, Kelly Rushton, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information, of RNZ on his behalf.

### Opinion

We have audited:

- the financial statements of RNZ on pages 26 to 45 that comprise the statement of financial position as at 30 June 2020, 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 RNZ on pages 46 to 54.

In our opinion:

- the financial statements of RNZ on pages 26 to 45:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2020; 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; and
- the performance information on pages 46 to 54:
  - presents fairly, in all material respects, RNZ's performance for the year ended 30 June 2020, 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
  - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 15 December 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw attention to the impact of COVID-19 on RNZ. 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.

### Emphasis of matter – Impact of COVID-19

Without modifying our opinion, we draw attention to the disclosures about the impact of COVID-19 on RNZ as set out on page 23 and 46.

### 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 RNZ for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board are responsible for such internal control as they determine 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 RNZ for assessing RNZ'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 Board, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Crown Entities Act 2004, Radio New Zealand Act 1995 and the Companies Act 1993.

### 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 RNZ'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 RNZ'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 RNZ'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 RNZ'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 RNZ 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 obtain sufficient appropriate audit evidence regarding the financial statements and the performance information of the entities or business activities within the group to express an opinion on the consolidated financial statements and the consolidated performance information. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 are responsible for the other information. The other information comprises the information included on pages 2 to 23 and 56 to 58 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 RNZ in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International 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 RNZ.

**Kelly Rushton**

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

## STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

FOR THE YEAR ENDED 30 JUNE 2020

	Note	Group Actual 2020 \$000	Group Budget 2020 \$000	Group Actual 2019 \$000
Government funding and fees	2	47,633	46,013	43,375
Other revenue	2	2,001	2,629	2,263
<b>Total revenue</b>		<b>49,634</b>	<b>48,642</b>	<b>45,638</b>
Personnel expenses	3	29,753	29,937	27,485
Operating expenses	4	17,113	15,681	15,709
Depreciation and amortisation expenses	8,9	2,982	3,007	2,909
<b>Total expenditure</b>		<b>49,848</b>	<b>48,625</b>	<b>46,103</b>
<b>Net operating surplus/(deficit) before taxation</b>		<b>(214)</b>	<b>17</b>	<b>(465)</b>
Income tax (expense)/benefit	11	256	0	0
<b>Net surplus/(deficit) after taxation</b>		<b>42</b>	<b>17</b>	<b>(465)</b>
<b>OTHER COMPREHENSIVE REVENUE AND EXPENSE</b>				
Gain on property revaluations	16	6,280	0	0
Tax on revaluations		(256)	0	0
<b>Total Other Comprehensive Revenue and Expense</b>		<b>6,024</b>	<b>0</b>	<b>0</b>
<b>Total Comprehensive Revenue and Expense</b>		<b>6,066</b>	<b>17</b>	<b>(465)</b>

Explanations of major variances against budget are provided in Note 20.

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

	Note	Group Actual 2020 \$000	Group Budget 2020 \$000	Group Actual 2019 \$000
<b>Balance at 1 July</b>		<b>58,352</b>	<b>57,549</b>	<b>58,817</b>
Total Comprehensive Revenue and Expense		6,066	17	(465)
Increase in capital	16	1,800	1,800	0
<b>Balance at 30 June</b>		<b>66,218</b>	<b>59,366</b>	<b>58,352</b>

The accompanying notes and accounting policies form an integral part of the financial statements.

## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	Note	Group Actual 2020 \$000	Group Budget 2020 \$000	Group Actual 2019 \$000
<b>EQUITY</b>				
Share capital	16	18,492	18,493	16,692
Revaluation reserve	16	46,724	39,900	40,700
Retained earnings	16	1,002	974	960
<b>Total equity</b>		<b>66,218</b>	<b>59,367</b>	<b>58,352</b>
<b>CURRENT LIABILITIES</b>				
Creditors and other payables	10	2,924	2,183	2,468
Provisions	14	160	0	0
Employee entitlements	13	3,486	2,342	2,602
Revenue received in advance		1,044	500	141
<b>Total current liabilities</b>		<b>7,614</b>	<b>5,025</b>	<b>5,211</b>
<b>NON-CURRENT LIABILITIES</b>				
Employee entitlements	13	64	79	79
Provisions	14	1,042	1,041	1,042
<b>Total non-current liabilities</b>		<b>1,106</b>	<b>1,120</b>	<b>1,121</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>74,938</b>	<b>65,512</b>	<b>64,684</b>
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	5	6,464	3,643	3,193
Investment	7	3,000	2,000	2,000
Receivables and prepayments	6	40	234	179
Other receivables		614	406	563
Assets held for sale	8	562	0	0
<b>Total current assets</b>		<b>10,680</b>	<b>6,283</b>	<b>5,935</b>
<b>NON-CURRENT ASSETS</b>				
Intangibles	9	2,040	1,777	1,866
Property, plant and equipment	8	62,218	57,452	56,883
<b>Total non-current assets</b>		<b>64,258</b>	<b>59,229</b>	<b>58,749</b>
<b>TOTAL ASSETS</b>		<b>74,938</b>	<b>65,512</b>	<b>64,684</b>

Explanations of major variances against budget are provided in Note 20.  
The accompanying notes and accounting policies form an integral part of the financial statements.

For and on behalf of the Board:



**Dr Jim Mather**  
Chair  
15 DECEMBER 2020



**Caren Rangi**  
Audit and Risk Chair  
15 DECEMBER 2020

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	Group Actual 2020 \$000	Group Budget 2020 \$000	Group Actual 2019 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash was provided from:</b>			
Receipts from customers	2,001	2,365	2,349
Government funding and fees	48,536	46,060	43,375
Interest earned	88	159	149
GST	0	0	52
	<b>50,625</b>	<b>48,584</b>	<b>45,925</b>
<b>Cash was applied to:</b>			
Payments to employees	28,329	28,500	27,093
Payments to suppliers	16,799	17,073	15,555
GST	253	0	0
	<b>45,381</b>	<b>45,573</b>	<b>42,648</b>
<b>Net cash inflow/(outflow) from operating activities</b>	<b>5,244</b>	<b>3,011</b>	<b>3,277</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash was provided from:</b>			
Receipts from investments	1,000	0	3,000
	<b>1,000</b>	<b>0</b>	<b>3,000</b>
<b>Cash was applied to:</b>			
Acquisition of term investments	2,000	500	1,500
Purchase of intangible assets	732	1,500	427
Purchase of property, plant and equipment	2,041	2,080	4,532
	<b>4,773</b>	<b>4,080</b>	<b>6,459</b>
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(3,773)</b>	<b>(4,080)</b>	<b>(3,459)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Share capital contribution	1,800	1,800	0
<b>Net cash inflow/(outflow) from financing activities</b>	<b>1,800</b>	<b>1,800</b>	<b>0</b>
<b>Net increase/(decrease) in cash and equivalents</b>	<b>3,271</b>	<b>731</b>	<b>(182)</b>
Add – opening bank balance at 1 July	3,193	2,912	3,375
<b>Cash and cash equivalents at year end</b>	<b>6,464</b>	<b>3,643</b>	<b>3,193</b>
<b>CASH AND TERM DEPOSITS</b>			
Cash and cash equivalents	6,464	3,643	3,193
Term deposits	3,000	2,000	2,000
<b>Total cash and term deposits</b>	<b>9,464</b>	<b>5,643</b>	<b>5,193</b>

The GST (net) component of operating activities reflects the net GST paid and received from 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 and accounting policies form an integral part of the financial statements.



## RECONCILIATION OF NET DEFICIT WITH NET CASH FLOWS FROM OPERATING ACTIVITIES

FOR THE YEAR ENDED 30 JUNE 2020

	Group Actual 2020 \$000	Group Actual 2019 \$000
<b>NET SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>(214)</b>	<b>(465)</b>
<b>Add/(less) non-cash items:</b>		
Depreciation and amortised expenses	2,982	2,909
Bad debts written off	12	3
Change in provision for impaired debts	<b>(27)</b>	<b>(16)</b>
Impaired property, plant and equipment	1	16
Other	159	<b>(1)</b>
	<b>3,125</b>	<b>2,911</b>
<b>Add/(less) movements in working capital items:</b>		
Decrease/(increase) in receivables	139	130
Decrease/(increase) in prepayments and other receivables	<b>(50)</b>	53
Increase/(decrease) in creditors and other payables	455	159
Increase/(decrease) in current employment entitlements	884	349
Increase/(decrease) in revenue received in advance	903	140
<b>Working capital movement – net</b>	<b>2,331</b>	<b>831</b>
<b>Net cash flow from operating activities</b>	<b>5,244</b>	<b>3,277</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1. STATEMENT of ACCOUNTING POLICIES

#### Reporting entity

Radio New Zealand Limited (RNZ) is a Crown entity in terms of the Crown Entities Act 2004 and is domiciled and operates in New Zealand. The relevant legislation governing RNZ's operations include the Radio New Zealand Act 1995, the Crown Entities Act 2004 and the Companies Act 1993. RNZ's ultimate parent is the New Zealand Crown. RNZ's primary objective is to provide broadcasting services to the New Zealand public, as outlined in the Charter which forms part of the Radio New Zealand Act 1995.

The Group consists of Radio New Zealand Limited and its subsidiary Sound Archives Ngā Taonga Kōrero Limited (SANTK) which is 100% owned.

RNZ has been designated a Public Benefit Entity (PBE) for financial reporting purposes as it operates for the benefit of the public good as prescribed in its Charter, is independent of political influences, is funded through NZ On Air and receives no advertising revenue from RNZ platforms.

#### Basis of preparation

The financial statements have been prepared on a going-concern basis, and the accounting policies have been applied consistently throughout the year. There have been no changes in the year.

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

#### Significant accounting policies

Significant accounting policies are included in the notes to which they relate.

Significant accounting policies that do not relate to a specific note are outlined below.

**Income tax:** Income tax expense or benefit comprises of current tax and deferred tax, and is calculated using tax rates that have been enacted or substantively enacted by balance date. Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses.

Temporary differences are differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Current tax and deferred tax is charged or credited to the Statement of Comprehensive Revenue and Expense, except when it relates to items recognised directly through equity, in which case the tax is recognised with in equity.

**Budget figures:** The budget figures are derived from the Statement of Performance Expectations as approved by the Board and Shareholding Ministers at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

**Functional and presentation currency:** The financial statements are presented in New Zealand dollars, which is the currency of RNZ. They are presented and rounded to the nearest thousand dollars.

**Cost allocation:** RNZ produces one output, namely the production and distribution of content that meets our purpose and optimises our Charter performance. This reflects the convergence of media platforms externally and the sharing of content and resources inside RNZ. Consequently there are no cost allocations required between different classes of output.

**Critical accounting estimates and assumptions:** In preparing these financial statements, RNZ has made estimates and assumptions concerning the future. The estimates and assumptions may differ from the subsequent actual results. 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 as follows:

**Estimating the fair value of land and buildings:** The significant assumptions applied in determining the fair value of land and buildings are disclosed in Note 8.

**Estimating useful lives and residual values of property, plant and equipment:** Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires a number of factors to be considered, such as the physical condition of the asset, the expected period of use of the asset by RNZ, and the expected disposal proceeds from the future sale of the asset. An incorrect estimate of the useful life or residual value will affect the depreciation expense recognised in the surplus or deficit, and the carrying amount of the asset in the Statement of Financial Position.

**Long service leave:** Note 13 provides an analysis of the exposure in relation to estimates and uncertainties surrounding long service leave liabilities.

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

RNZ has no finance leases.

**Standards issued and not yet effective and not early adopted:** Standards and amendments, issued but not yet effective, that have not been early adopted are:

#### AMENDMENT TO PBE IPSAS 2 STATEMENT OF CASH FLOWS

An amendment to PBE IPSAS 2 Statement of Cash Flows requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including changes arising from both cash flows and non-cash changes. This amendment is effective for annual periods beginning on or after 1 January 2021, with early application permitted. RNZ does not intend to early adopt the amendment.

#### PBE IPSAS 41 FINANCIAL INSTRUMENTS

The XRB issued PBE IPSAS 41 Financial Instruments in March 2019. This standard supersedes PBE IFRS 9 Financial Instruments, which was issued as an interim standard. It is effective for reporting periods beginning on or after 1 January 2022. Although RNZ has not assessed the effect of the new standard, it does not expect any significant changes as the requirements are similar to PBE IFRS 9.

#### PBE FRS 48 SERVICE PERFORMANCE REPORTING

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 and is effective for reporting periods beginning on or after 1 January 2021. RNZ has not yet determined how application of PBE FRS 48 will affect its statement of performance.

## 2. REVENUE

The specific accounting policies for significant revenue items are explained below:

<b>FUNDING AND REVENUE FROM THE CROWN</b>	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
NZ On Air – operating funding	42,606	39,856
NZ On Air – contestable funding	857	116
Ministry for Culture and Heritage	2,667	1,900
Office of the Clerk	1,503	1,503
<b>TOTAL</b>	<b>47,633</b>	<b>43,375</b>

RNZ is primarily funded from the Crown, for the specific purposes as set out in its Charter in the Radio New Zealand Act 1995 (and 2016 Amendment Act) and the Crown Entities Act 2004. Operating funding is recognised as revenue at the point of entitlement. Contestable funding is recognised at stage of completion, with any balance for funds held in revenue received in advance.

NZ ON AIR – CONTESTABLE FUNDING	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Local Democracy Reporting services	521	0
Innovation Fund - Fast Starts	326	65
The Service	10	0
The Wireless	0	51
<b>TOTAL</b>	<b>857</b>	<b>116</b>

MINISTRY FOR CULTURE AND HERITAGE	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Vote appropriation	1,900	1,900
Government media support package	767	0
<b>TOTAL</b>	<b>2,667</b>	<b>1,900</b>

<b>OTHER REVENUE</b>	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Rental revenue from property leases	328	327
Co-siting revenue	1,166	1,407
Interest income	88	149
Other income	419	380
<b>TOTAL</b>	<b>2,001</b>	<b>2,263</b>

**Interest revenue**

Interest revenue is recognised using the effective interest method.

**Rental revenue**

Lease receipts are recognised in accordance with the lease contracts.

**Provision of services**

Services provided to third parties on commercial terms are exchange contracts. Revenue from these services is recognised in proportion to the stage of completion at balance date.

**3. PERSONNEL EXPENSES**

	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Salaries and wages	27,457	25,738
Superannuation	894	815
Redundancy costs and other payments on cessation of employment	434	43
Other employee costs	478	569
Increase/(decrease) – employee entitlements	490	320
<b>TOTAL</b>	<b>29,753</b>	<b>27,485</b>

**Employee remuneration**

The remuneration range for employees whose remuneration for the year ended 30 June 2020 was in excess of \$100,000 are:

Remuneration Range for Employees	Number of Employees <b>2020</b>	Number of Employees <b>2019</b>
\$100,000 – 109,999	28	21
\$110,000 – 119,999	7	7
\$120,000 – 129,999	5	9
\$130,000 – 139,999	10	4
\$140,000 – 149,999	1	2
\$150,000 – 159,999	1	2
\$160,000 – 169,999	2	2
\$170,000 – 179,999	2	1
\$180,000 – 189,999	1	1
\$190,000 – 199,999	2	1
\$200,000 – 209,999	1	2
\$210,000 – 219,999	4	0
\$220,000 – 229,999	0	0
\$230,000 – 239,999	2	1
\$240,000 – 249,999	0	0
\$250,000 – 259,999	0	0
\$260,000 – 269,999	0	0
\$270,000 – 279,999	0	0
\$280,000 – 289,999	0	0
\$290,000 – 299,999	1	1
\$430,000 – 439,999	0	0
\$440,000 – 449,999	0	0
\$450,000 – 459,999	0	0
\$460,000 – 469,999	0	0
\$470,000 – 479,999	0	0
\$480,000 – 489,999	0	0
\$490,000 – 499,999	0	0
\$500,000 – 519,999	1	1
<b>Total number of employees in these ranges</b>	<b>68</b>	<b>55</b>



During the year ended 30 June 2020, eight employees received compensation and other benefits in relation to cessation totalling \$459,868 (2019: 1 received, \$42,621).

#### Key management personnel

<b>DIRECTORS</b>	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Remuneration	184	187
Full-time equivalent current members	0.17	0.19

During the year one term ended (2019: 2) and three new Governors were appointed (2019: 1). As at 30 June 2020 there were seven Governors on the RNZ Board (2019: 5).

#### KEY SENIOR LEADERSHIP PERSONNEL COMPENSATION

Remuneration	2,257	2,187
Full-time equivalent current members	10	11

A total of 10 members make up the Executive Team consisting of nine executives reporting to the Chief Executive and Editor-in-Chief.

#### Superannuation schemes

##### DEFINED CONTRIBUTION SCHEMES

Employer contributions to KiwiSaver and other superannuation schemes are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit as incurred.

##### DEFINED BENEFIT SCHEMES

RNZ makes employer contributions to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

#### Board member remuneration

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

	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Dr Jim Mather – Chair	48	48
Melissa Clark-Reynolds – Deputy Chair	29	24
Mike O'Donnell	24	24
Bill Francis	24	24
Peter Parussini – appointed 19 August 2019	22	0
Irene Gardiner – appointed 1 October 2019	18	0
Caren Rangi – Audit and Risk Chair appointed 1 November 2019	16	0
Rodger Finlay – term ended 31 August 2019	4	24
Jane Taylor – term ended 30 April 2019	0	24
Graham Pryor – term ended 30 April 2019	0	19
<b>TOTAL</b>	<b>184</b>	<b>187</b>

RNZ has provided a deed of indemnity to Governors for certain activities undertaken in the performance of RNZ functions. RNZ has taken out 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.

#### 4. OTHER OPERATING EXPENSES

<b>BREAKDOWN OF OTHER EXPENSES</b>	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Audit fees for audit of financial statements	109	107
Operating lease expenses	2,017	2,063
Property	990	677
Travel	327	638
Distribution and transmission	4,598	4,121
Programming	4,002	3,012
Advertising and publicity	1,156	1,347
Insurance	329	315
Impairment property, plant and equipment	1	16
Legal expenses	437	278
Consultancy fees	590	533
Other	2,557	2,602
<b>TOTAL</b>	<b>17,113</b>	<b>15,709</b>

##### Operating leases

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

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

	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Not later than one year	1,732	1,769
Later than one year and less than five years	2,314	3,449
Later than five years	240	562
<b>TOTAL</b>	<b>4,286</b>	<b>5,780</b>

#### 5. CASH and CASH EQUIVALENTS

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

	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Cash and call deposits	6,464	3,193

## 6. RECEIVABLES

Short-term receivables are recorded at their face value, less any provision for impairment. A receivable is considered impaired when there is evidence that RNZ will not be able to collect the full amount due.

	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Receivables	85	196
Provision for impairment	(45)	(17)
<b>TOTAL</b>	<b>40</b>	<b>179</b>

As at 30 June 2020, all overdue receivables have been assessed for impairment and appropriate provision applied as follows:

	2020 \$000			2019 \$000		
	Gross	Impairment	Net	Gross	Impairment	Net
Not past due	23	0	23	103	0	103
Past due 1-30 days	11	0	11	43	0	43
Past due 31-60 days	6	0	6	11	0	11
Past due 61-90 days	26	(26)	0	16	0	16
Past due > 91 days	19	(19)	0	23	(17)	6
<b>TOTAL</b>	<b>85</b>	<b>(45)</b>	<b>40</b>	<b>196</b>	<b>(17)</b>	<b>179</b>

## 7. INVESTMENTS

### Bank term deposits

Bank term deposits are initially measured at the amount invested.

	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Current	3,000	2,000
Non-current	0	0
<b>TOTAL TERM DEPOSITS</b>	<b>3,000</b>	<b>2,000</b>

### Investments

RNZ is a 5% shareholder in Freeview Limited, a joint venture company formed to provide free-to-air digital broadcasting in New Zealand; capital is unpaid, value is nil.

Sound Archives Ngā Taonga Kōrero Limited is a 100% owned subsidiary; capital is unpaid, value is \$800,000.

On 31 December 2019 RNZ sold its 50% of the shares in Kīnga Voxpop Limited.

## 8. PROPERTY, PLANT and EQUIPMENT

### Accounting policy

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses.

Land and buildings are revalued with sufficient regularity to ensure that the carrying amount does not differ materially from fair value, and at least every three to five years.

### Revaluations

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, the balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

The most recent valuation of land and buildings was performed by an independent registered valuer, Absolute Value Limited, effective 30 June 2020. The basis of valuation is fair value in an open market or when not assessed, then on depreciated replacement cost. Fair value is the estimated amount between a willing buyer and a willing seller in an arm's-length transaction.

### Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to RNZ and the cost of the item can be measured reliably.

### Work in progress

Work in progress is recognised at cost less impairment and is not depreciated.

### Capital commitments

The amount of commitments for the acquisition of property, plant and equipment at 30 June 2020 is \$1,281,062 (2019: \$1,231,823). Notable capital commitments at 30 June 2020 include the Titahi Bay transmitter mast rebuild and new telephone system.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that the future economic benefit or service potential associated with the item will flow to RNZ 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.

When revalued assets are sold, the amounts included in revaluation reserves in respect of those assets are transferred to the retained earnings.

### Depreciation

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

Buildings (including components) – 5 to 50 years (20% to 2%)

Leasehold improvements – Term of lease

Plant and equipment – 5 to 20 years (20% to 5%)

Furniture and office equipment – 5 to 10 years (20% to 10%)

Motor vehicles – 5 years (20%)

Computer hardware – 3 to 5 years (33% to 20%)

Library – 10 to 15 years (10% to 6.7%)

RNZ has not made significant changes to past assumptions concerning useful lives.

### Impairments

Property, plant and equipment assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.



	Land \$000	Buildings \$000	Leasehold Improvements \$000	Plant and Equipment \$000	Libraries \$000	Computer Hardware \$000	Furniture and Fittings \$000	Total \$000
<b>COST OR VALUATION</b>								
<b>Balance 1 July 2018</b>	<b>40,225</b>	<b>4,214</b>	<b>7,578</b>	<b>24,330</b>	<b>699</b>	<b>7,716</b>	<b>4,052</b>	<b>88,813</b>
Work in progress 30 June 2019	0	0	410	3,212	0	1,027	469	5,118
<b>Balance 1 July 2018</b>	<b>40,225</b>	<b>4,214</b>	<b>7,988</b>	<b>27,542</b>	<b>699</b>	<b>8,743</b>	<b>4,521</b>	<b>93,931</b>
Additions	0	0	101	2,888	0	1,299	687	4,975
Revaluation movement	0	0	0	0	0	0	0	0
Disposals	0	0	0	(56)	0	(2)	(37)	(95)
Adjustments	0	0	453	(18)	0	0	14	449
Impairment	0	0	0	0	0	0	0	0
Work in progress transfer	0	0	(37)	(11)	0	(397)	15	(430)
<b>Closing balance 30 June 2019</b>	<b>40,225</b>	<b>4,214</b>	<b>8,505</b>	<b>30,345</b>	<b>699</b>	<b>9,643</b>	<b>5,200</b>	<b>98,830</b>
<b>Balance 1 July 2019</b>	<b>40,225</b>	<b>4,214</b>	<b>8,505</b>	<b>30,345</b>	<b>699</b>	<b>9,643</b>	<b>5,200</b>	<b>98,830</b>
Movement in Work in progress 30 June 2020	0	0	(396)	341	0	(932)	(430)	(1,418)
Additions	0	0	232	1,228	0	1,328	593	3,381
Revaluation movement	5,365	915	0	0	0	0	0	6,280
Disposals	0	0	0	0	0	(1,380)	(21)	(1,400)
Adjustments	(385)	(65)	(15)	(3)	0	0	0	(468)
Impairment	0	0	0	0	0	0	0	0
Work in progress transfer	0	0	0	0	0	0	0	0
<b>Balance 30 June 2020</b>	<b>45,205</b>	<b>5,064</b>	<b>8,326</b>	<b>31,910</b>	<b>699</b>	<b>8,659</b>	<b>5,342</b>	<b>105,205</b>
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES</b>								
<b>Balance 1 July 2018</b>	<b>0</b>	<b>652</b>	<b>5,857</b>	<b>21,173</b>	<b>658</b>	<b>6,830</b>	<b>3,981</b>	<b>39,151</b>
Depreciation expense	0	153	246	1,282	14	550	194	2,439
Eliminate on disposal	0	0	0	(55)	0	0	(36)	(91)
Adjustments	0	0	453	(7)	0	2	1	449
Eliminate on revaluation	0	0	0	0	0	0	0	0
Impairment losses	0	0	0	0	0	0	0	0
<b>Balance 30 June 2019</b>	<b>0</b>	<b>805</b>	<b>6,556</b>	<b>22,393</b>	<b>672</b>	<b>7,382</b>	<b>4,140</b>	<b>41,948</b>
<b>Balance 1 July 2019</b>	<b>0</b>	<b>805</b>	<b>6,556</b>	<b>22,393</b>	<b>672</b>	<b>7,382</b>	<b>4,140</b>	<b>41,948</b>
Depreciation expense	0	155	258	1,181	11	605	215	2,426
Eliminate on disposal	0	0	0	0	0	(1,381)	(11)	(1,392)
Adjustments	0	0	2	4	(1)	0	0	5
Eliminate on revaluation	0	0	0	0	0	0	0	0
Impairment losses	0	0	0	0	0	0	0	0
<b>Balance 30 June 2020</b>	<b>0</b>	<b>960</b>	<b>6,816</b>	<b>23,578</b>	<b>682</b>	<b>6,606</b>	<b>4,344</b>	<b>42,987</b>
<b>CARRYING AMOUNTS</b>								
<b>At 30 June 2019</b>	<b>40,225</b>	<b>3,409</b>	<b>1,949</b>	<b>7,952</b>	<b>27</b>	<b>2,261</b>	<b>1,060</b>	<b>56,883</b>
<b>At 30 June 2020</b>	<b>45,205</b>	<b>4,104</b>	<b>1,510</b>	<b>8,332</b>	<b>17</b>	<b>2,053</b>	<b>998</b>	<b>62,218</b>

The total amount of property, plant and equipment in the course of construction is \$3,699,104 (2019: \$5,117,178).

### Assets held for sale

In the 2019/20 year land and buildings at the Springvale transmission site in Alexandra were classified as held for sale following the removal of the transmission mast. The site is no longer required for broadcasting.

### Valuation

RNZ has significant library and property, plant and equipment assets. Values are reflected in the Statement of Financial Position at their fair value. Land and buildings were valued by Absolute Value Limited, a registered valuer, in 2020.

The company's 100% owned subsidiary, Sound Archives Ngā Taonga Kōrero Limited, has a substantial archival collection of valuable radio recordings, which is valued at \$800,000. This valuation was reviewed by the Director of Sound Archives Ngā Taonga Kōrero Ltd as at 30 June 2020, and as no impairment was assessed it has been left unchanged from the last valuation effective 30 June 2013.

Amortisation has not been charged on the archival assets collection this year.

## 9. INTANGIBLE ASSETS

	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Software	1,240	1,066
Sound archive collection/other	800	800
<b>TOTAL INTANGIBLE ASSETS</b>	<b>2,040</b>	<b>1,866</b>

### Accounting policy

Software acquisition and development costs that are directly associated with the development of software, including RNZ's website, are recognised as an intangible asset.

Costs associated with the maintenance of RNZ's website are expensed when incurred.

### Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. The charge for each financial year is expensed in the surplus or deficit.

The useful lives are estimated as follows:

Computer software 2 to 5 years (50% to 20%)

The sound archive is treated as a heritage asset and has not been amortised during the year.

Movements for each class of intangible asset are as follows:

	Software <b>2020</b> \$000	Software <b>2019</b> \$000	Other <b>2020</b> \$000	Other <b>2019</b> \$000
<b>COST</b>				
Balance at 1 July	5,800	5,569	800	800
Additions	731	430	0	0
Disposals	0	<b>(199)</b>	0	0
<b>Balance at 30 June</b>	<b>6,531</b>	<b>5,800</b>	<b>800</b>	<b>800</b>
<b>ACCUMULATED AMORTISATION</b>				
Balance at 1 July	4,734	4,450	0	0
Amortisation expense	557	470	0	0
Disposals/impairment losses	0	<b>(186)</b>	0	0
<b>Balance at 30 June</b>	<b>5,291</b>	<b>4,734</b>	<b>0</b>	<b>0</b>
<b>Carrying amounts at 30 June</b>	<b>1,240</b>	<b>1,066</b>	<b>800</b>	<b>800</b>

## 10. CREDITORS and OTHER PAYABLES

### Accounting policy

Short-term payables are recorded at the amount payable or face value.

	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Creditors	1,808	1,588
Accrued expenses	1,116	880
<b>TOTAL</b>	<b>2,924</b>	<b>2,468</b>

## 11. TAXATION

Relationship between tax and accounting profit:

	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Net surplus/(deficit) before tax	(214)	(465)
Tax @ 28%	(60)	(130)
<b>Plus/(less) the effect of:</b>		
Non-deductible expenditure	10	7
Non-taxable revenue	(7)	0
Reintroduction of tax depreciation on buildings	(79)	0
Unrecognised tax losses	(542)	0
Deferred tax adjustment	422	123
<b>Tax expense/(benefit)</b>	<b>(256)</b>	<b>0</b>
Components of tax expense		
Current tax expense	0	0
Deferred tax	(256)	0

### Group deferred tax asset/(liability):

	Property, Plant and Equipment	Employee Entitlements	Other Provisions	Tax Losses	Total \$000
Balance at 30 June 2018	(1,715)	479	304	932	0
Charged to surplus or deficit	211	64	222	(497)	0
Charged to comprehensive income	0	0	0	0	0
<b>Balance at 30 June 2019</b>	<b>(1,504)</b>	<b>543</b>	<b>526</b>	<b>435</b>	<b>0</b>
Charged to surplus or deficit	34	154	(210)	278	256
Charged to comprehensive income	(256)	0	0	0	(256)
<b>Balance at 30 June 2020</b>	<b>(1,726)</b>	<b>697</b>	<b>316</b>	<b>713</b>	<b>0</b>

A deferred tax asset has not been recognised in relation to \$3,675,461 (2019: \$5,609,511) of RNZ's tax losses available to carry forward.

### Imputation credit account

\$166,000 at 30 June 2020 (2019: \$166,000).

## 12. BORROWINGS

### Accounting policy

Borrowings on normal commercial terms are recognised at the amount borrowed and classified as current liabilities.

Borrowings are classified as current liabilities unless RNZ has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

During the year RNZ cancelled a loan credit facility with the limit of \$3,500,000. RNZ holds an overdraft facility of \$250,000. The overdraft was not used in the current reporting period (2019: twice). In addition RNZ has a credit card facility limit of \$400,000.

## 13. EMPLOYEE ENTITLEMENTS

### Accounting policy

#### Short-term employee entitlements – current liabilities

Employee entitlements 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 and annual leave earned but not yet taken at balance date.

A liability and an expense are recognised for performance-based entitlements where there is a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

#### Long-term employee entitlements – non-current liabilities

Employee entitlements that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave, has been calculated on an actuarial basis.

The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Current	3,486	2,602
Non-current	64	79
<b>TOTAL</b>	<b>3,550</b>	<b>2,681</b>
This is represented by:		
Annual leave and other leave entitlements	2,657	2,207
Accrued salaries	759	373
Long service leave	134	101
<b>TOTAL</b>	<b>3,550</b>	<b>2,681</b>



## 14. PROVISIONS

### Accounting policy

A provision is made for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Represented by:

	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Current	160	0
Non-current – lease make-good	1,042	1,042
<b>TOTAL</b>	<b>1,202</b>	<b>1,202</b>

With respect to three of its leased premises, at the expiry of the lease term RNZ is required to make good any damage caused from installed fixtures and fittings and to remove any fixtures or fittings installed.

## 15. CONTINGENCIES

Contingent liabilities are nil at 30 June 2020 (2019: \$30,000).

RNZ holds insurance cover for possible defamation.

There are no quantifiable contingent assets at 30 June 2020 (2019: nil).

## 16. EQUITY

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components.

### Share capital

	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Share capital – ordinary \$1 shares		
Balance at 1 July	16,692	16,692
Issue of ordinary shares	1,800	0
<b>Balance at 30 June</b>	<b>18,492</b>	<b>16,692</b>

Ordinary shares have the following rights:

- (a) Normal voting rights
- (b) No fixed dividend rights.

**Revaluation reserve**

This reserve relates to the revaluation of property, plant and equipment to fair value.

Movements:	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Balance at 1 July	40,700	40,700
Gain on revaluations	6,280	0
Tax on revaluations	(256)	0
<b>Balance at 30 June</b>	<b>46,724</b>	<b>40,700</b>
Made up of:		
Revaluation – land	43,220	37,855
Revaluation – buildings	2,666	2,007
Sound Archive collection	800	800
Reference library	38	38
<b>Balance at 30 June</b>	<b>46,724</b>	<b>40,700</b>

**Retained earnings**

Movements:	Group Actual <b>2020</b> \$000	Group Actual <b>2019</b> \$000
Balance at 1 July	960	1,425
Net surplus/(deficit) after tax	42	(465)
<b>Balance at 30 June</b>	<b>1,002</b>	<b>960</b>

**17. RELATED PARTY TRANSACTIONS**

RNZ is controlled by the Crown. Related party disclosures have not been made for transactions with related parties that are:

- within a normal supplier or client/recipient relationship; and
- on terms and conditions no more or less favourable than those that it is reasonable to expect RNZ would have adopted in dealing with the party at arm's length in the same circumstances.

Further, transactions with other government agencies are not disclosed as related party transactions when they are on normal terms and conditions consistent with the normal operating arrangements between government agencies.

**Significant transactions with government-related entities requiring disclosure**

RNZ received funding of \$42.606 million (2019: \$39.856 million) from NZ On Air for the year ended 30 June 2020. The contract between the two parties prescribes what RNZ is expected to provide in relation to its delivery of services and principles of operation as outlined in the RNZ Charter.

Additional funding of \$1.12 million was received from the NZ On Air Contestable Fund during the financial year ended 30 June 2020. This funding supports the Local Democracy Reporting service and Fast Start productions. Of this funding the amount recognised as revenue (\$685,090) in the financial year ended 30 June 2020 is based on the time of completion method with the balance recognised as revenue in advance (\$434,386).

The Ministry for Culture and Heritage provided funding of \$1.90 million (2019: \$1.90 million) to support RNZ Pacific (International) services to the Pacific region.

RNZ charges for the use of its transmission services in the normal course of business. As a result of the COVID-19 response by the Government a media support package was granted, which financially contributes the costs of transmission services. This funding is provided by the Ministry for Culture and Heritage and is recognised as being received by the Crown. The media support package covers the period of charges applied between May 2020 and October 2020. Only that portion relative for the year ended 30 June 2020 has been recognised through the Statement of Comprehensive Revenue and Expense.

### Key management and directors

There are no material transactions between directors and senior management and RNZ in any capacity other than that for which they are employed.

The Chief Executive, Paul Thompson, is a director of Sound Archives Ngā Taonga Kōrero Limited, a 100% owned subsidiary company of Radio New Zealand Limited. Paul Thompson is the president of the Public Media Alliance. RNZ is a member of the Public Media Alliance and paid \$14,241 (2019: \$13,307) to the organisation this year.

The Head of Business Transformation and Strategy, Alan Withrington, is a director of Freeview Limited. RNZ has 5% of the shares in the company.

RNZ paid Freeview Limited \$58,734 for its 5% share of operational funding in the current year (2019: \$18,466).

Any conflicts of interest are declared by managers. If a conflict exists, then the manager is removed from discussions with the related party.

All material transactions are on an arm's-length basis, with the interest of each party being completely independent.

## 18. FINANCIAL INSTRUMENTS

RNZ's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. RNZ has policies to manage the risks to minimise exposure. These policies do not allow any transactions that are speculative in nature to be entered into.

### Market risk

RNZ has no significant equity investments exposed to price risk as at 30 June 2020.

### Fair value interest rate risk

RNZ's exposure to fair value interest rate risk is limited to its bank deposits, which are held at fixed rates of interest. RNZ does not actively manage its exposure to fair value interest rate risk.

### Cash flow interest rate risk

Investments and borrowings issued at variable interest rates could expose RNZ to cash flow interest rate risk. RNZ currently has no variable interest rate investments.

### Currency risk

Currency risk is the risk that the fair value will fluctuate due to changes in foreign exchange rates.

RNZ's policy is to manage foreign currency risks arising from significant contractual commitments and liabilities by entering into foreign exchange forward contracts.

RNZ purchases goods and services overseas that require it to enter into transactions denominated in foreign currencies.

### Credit risk

Credit risk is the risk that a third party will default on its obligation to RNZ, causing it to incur a loss. Due to the timing of its cash inflows and outflows, RNZ invests surplus cash with registered banks. In the normal course of business, RNZ 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 represented by the carrying amount in the Statement of Financial Position.

RNZ invests funds only with registered banks that have a Standard & Poor's credit rating of at least A2 for short-term and A- for long-term investments. RNZ has experienced no defaults of interest or principal payments for term deposits.

### 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 & Poor's credit ratings or to historical information about counterparty default rates:

	Group Actual 2020 \$000	Group Actual 2019 \$000
<b>Counterparties with credit ratings</b>		
Cash at bank and term deposits (AA- rating)	9,458	5,193

**Liquidity risk**

Liquidity risk is the risk that RNZ will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and the ability to close out market positions. RNZ has no borrowings or loans.

RNZ mostly manages liquidity risk by continuously monitoring forecast and actual cash flow requirements.

**19. EVENTS AFTER BALANCE DATE**

Parliament passed legislation on 5 August 2020 to extend the statutory timeframes by up to two months for those organisations with 30 June 2020 balance dates that report under the Crown Entities Act 2004. This includes RNZ.

This extension ensures there is no reduction in the quality of the financial and performance reporting of audits conducted by auditors appointed by the Controller and Auditor-General, due to the impacts of COVID-19.

Jane Wrightson was appointed as a Governor to the RNZ Board commencing on 1 September 2020 and Mihimaraea Parata Gardiner was appointed as an Associate Director commencing on 1 September 2020.

**20. EXPLANATIONS of SIGNIFICANT VARIANCES AGAINST BUDGET****Statement of Comprehensive Revenue and Expense**

RNZ achieved a \$213,625 pre-tax deficit compared to a \$17,000 budget surplus.

Key variances between actual and budgeted performance are as follows:

Funding from the Ministry for Culture and Heritage as a result of the Government Media Support Package has been recognised as funding from the Crown. A decline in other revenue represents this funding that would have otherwise been received from RNZ customers.

Funding from NZ On Air was received to support the Local Democracy Reporting service. An offsetting expense is recognised through other operating expenses to account for funding paid to regional newsrooms who employ the reporters engaged under this programme.

Personnel expenditure was down against budget, mainly due to the delay in appointments during the year. COVID-19 interrupted many planned annual leave commitments significantly increasing the leave liability.

Other operating expenditure includes the Local Democracy Reporting expenditure discussed above, more features than budgeted and higher costs of APRA fees. In addition, a decision to delay capital works and a lapsed consent resulted in expenditure incurred being recognised in this financial year.

**Statement of Financial Position**

Equity increased during the year due to a revaluation of core infrastructure assets, which resulted in an increase of \$6.28 million in book value. These asset values were not known at the time of budgeting and therefore were not recognised within the budget.

Increases in current assets against budget, in particular cash and cash equivalents correlate with the increase in liabilities, specifically creditors and employee entitlements. In part this is due to the timing of settling debts, which fell after the close of the financial period, and the effects that COVID-19 had on employees' ability to take annual leave. As an essential service RNZ ensured that its workforce was fully positioned to tackle the lifeline nature of RNZ. In addition, funding was received in advance for the Local Democracy Reporting programme which is recognised as both an asset (cash & cash equivalents) and a liability (revenue in advance).

A reallocation of non-current assets to assets held for sale was not a factor in the budget process. This asset was readied for sale during the year as it is surplus to requirements.

## 21. INNOVATION FUND

From Budget 2018, \$6 million was allocated to a joint RNZ / NZ On Air Joint Innovation Fund out of \$15 million put towards public media. The purpose of this fund is to meet the production costs of a range of new public media content for eventual broadcast and publishing by RNZ. The funding is allocated by NZ On Air in conjunction with RNZ to individual projects on a contestable basis and is administered by NZ On Air.

Except where RNZ is the producer of any of these projects, none of this funding is received by RNZ. It is received by NZ On Air, who in turn pay it out to the independent producers of each project in accordance with a set of milestones and delivery requirements set out in a production funding agreement.

Funding is recognised at the stage of completion of production. For the year ending 30 June 2020, RNZ recognised the total revenue received from NZ On Air for support of production of new content at \$326,529 (2019: \$64,805). Funds received for the Joint Innovation Fund programme, held in revenue in advance is nil (2019: \$137,503).

## 22. LOCAL DEMOCRACY REPORTING

The Local Democracy Reporting (LDR) pilot programme commenced on 1 July 2019. The programme's goal is to engage with host newsrooms around New Zealand and support the employment of at least eight multimedia reporters to provide high-quality coverage of civic matters. The programme employs a service manager and is funded through the RNZ / NZ On Air Joint Innovation Fund. The pilot programme has an approved budget of \$1.0 million and is expected to conclude on 31 December 2020.

Funding is recognised at the stage of completion. For the year ending 30 June 2020, RNZ recognised total revenue received from NZ On Air for support of LDR \$520,721 (2019: Nil).





2020 Voyager Media Award winner, **He Kāhano Ahau**, a six-part podcast series commissioned for RNZ/NZ On Air Joint Innovation Fund.

Photo: RNZ/NZ On Air Joint Innovation Fund

## Radio New Zealand Limited

# STATEMENT OF PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2020

**Optimising Charter performance underpins all RNZ's planning and our reporting framework has been designed with this in mind and has formed the basis of RNZ's Statement of Performance Expectations.**

This statement reports on RNZ's Charter performance against the measures set out in the Statement of Performance Expectations for the year ended 30 June 2020.

### EFFECT of COVID-19 ON TARGETED PERFORMANCE MEASURES and OUTCOMES

The COVID-19 pandemic made significant demands of RNZ operationally. There was a high degree of uncertainty as to the extent and timeframe of the impact of COVID-19 on RNZ and the economic and social environment in which it operates.

During the pandemic RNZ had two overriding priorities:

- 1 Keep our staff safe and ensure continuity of essential services.**
- 2 Be the best we can be in fulfilling our critical function of keeping New Zealanders connected and informed in a time of crisis.**

The RNZ technology team worked tirelessly to get our people up and running from their home environments. Additional technology was required, with the costs of this being offset by savings in reduced travel, delayed staffing appointments and delayed development activity. Revenue streams of RNZ are largely from the Crown and have not been negatively impacted as a result of the pandemic. The Government Media Support Package provided RNZ transmission customers with funding from May 2020 to October 2020 to apply against the transmission charges, thus mitigating the threat of reduced third-party revenue to RNZ in the financial years 2019/20 and 2020/21. In addition, RNZ will also benefit from the subsidised transmission fees, which will further support the continued efforts of RNZ to achieve its key initiatives as outlined in the Statement of Performance Expectations 2020/21.

Online audience numbers climbed dramatically during the months of March to June, which we believe to be a direct impact of our audience needs to keep informed of the impacts and responses to COVID-19, not just domestically but also internationally.

In order to track and measure the live audience targets reported in objective 4, RNZ is part of a radio industry ratings survey that assesses live listening in the New Zealand market. This is a collaborative survey involving commercial radio stations and RNZ and is run by the respected research company GfK, which manages Australian radio industry research. The GfK survey did not take place from April to June 2020. The result provided is the actual result as at March 2020.

### OBJECTIVES and PERFORMANCE

There are five key elements that RNZ sees as integral to achieving its statutory and strategic objectives. They are:

- 1 Attracting and retaining audiences**
- 2 Providing a multi-media public broadcasting service that is important to, and valued by, New Zealanders**
- 3 Producing, publishing and broadcasting a diverse and unique range of services**
- 4 Making our services available where and when New Zealanders want**
- 5 Being financially viable.**

These five objectives form the basis of RNZ's performance assessment framework, with outputs and targets as follows:

## Objective 1 ATTRACTING and RETAINING DIVERSE AUDIENCES

To remain relevant and meet its statutory and strategic objectives, RNZ must not only make its services available but also ensure that the programming on those services appeals to a diverse range of audiences.

This is especially important in the current media environment where audiences have so much more choice around not just the type of content, but also where, when and how they consume that content.

To respond to this, RNZ must continue to provide a range of diverse services that meets the needs of both traditional radio listeners and new audiences seeking new multimedia content.

To contribute to reaching new audiences with new content, RNZ and NZ On Air have been commissioning new types of programme content from the \$6 million Joint Innovation Fund established in 2018/19. This funding has been allocated to three categories of project:

### **SIGNATURE PROJECTS**

Major productions of national significance, scale and interest to a broad audience.

### **GROWTH AUDIENCES**

Content for four target audiences: Pasifika, Māori, Regional, and Younger New Zealanders.

### **DIVERSE JOURNALISM**

News, current affairs & factual content and related supporting activities and initiatives.

The funding for these projects was managed via NZ On Air and not RNZ, and although not planned to be repeated beyond 2019/20, RNZ will have the benefit of the programmes produced via this fund in the previous year.

RNZ is part of a radio industry ratings survey that assesses live listening in the New Zealand market. It is a collaborative survey involving commercial radio stations and RNZ. It is run by the respected research company GfK, which manages Australian radio industry research. RNZ also has access to a range of data tools that report on the online activity of its audiences.

The audience measures that RNZ will use to assess its success in achieving this objective are detailed in the schedule of performance targets for 2019/20.

### **2019/2020 Performance: Attracting and retaining audiences**

Objective	Measure	Actual 2019/2020	Target 2019/2020	Actual 2018/2019
Maintain our traditional radio listeners	Combined RNZ National and RNZ Concert weekly cumulative audience*	760,300	650,000	694,700
Build our online audiences	Average monthly users of RNZ's websites**	4,012,897	2.4 million	2,555,310
Maintain our current Pacific Island radio audience	Number of Pacific Island radio stations taking the RNZ service†	24 stations	17 stations	21 stations
Grow RNZ Pacific's (International's) online audience.	Pageviews of RNZ Pacific (International) section of website**	10,490,246	4 million	7,990,370
Grow the total number of people who use our services	Combined weekly unique radio and online people who use any of our services‡	1,061,021	1 million	1,017,393

\* GfK Survey 1 2020, Note Survey 2 2020 was cancelled due to COVID-19.

\*\* Google Analytics.

† RNZ internal data.

‡ This is a hybrid calculation developed by RNZ to estimate the total number of unique (unduplicated), people engaging with any RNZ service or platform. The calculation uses the audience data from both the GfK radio surveys, and the website user data provided by Google Analytics. To amalgamate the results from these two different sources, estimates have been made to convert online user results for each website into individual people, and further estimates to eliminate the double counting of people who access RNZ services from a range of different access points and whose usage may turn up in more than one result. Some of the assumptions used may vary from year to year as better data comes to hand or to reflect changing audience behaviour, so the results are not necessarily comparable with those of previous years.

Content accessed using some other sources (eg Facebook, YouTube, Spotify, Face TV, Freeview) is not included in this calculation because we do not receive the necessary audience or user data on a regular basis and/or there is insufficient data on which to make reasonable estimates for the above conversion factors. As such, this measure is not intended to be a precise calculation but an approximation only and an indicator as to the overall growth (or decline) in RNZ's total audience.

## Objective 2 PROVIDING a PUBLIC BROADCASTING SERVICE that is IMPORTANT TO, and VALUED BY, NEW ZEALANDERS

As a Crown owned and funded organisation, how the New Zealand taxpayer views and values the services we provide is a critical measure of success. It is also very important in determining how we shape the content we deliver and the means of its delivery.

RNZ undertook research during the year to assess its success in achieving this objective and this is detailed below.

RNZ is a designated Civil Defence Lifeline Utility in accordance with the Civil Defence Emergency

Management Act 2002. This places extra social and legislative responsibilities on RNZ in the event of a civil defence emergency.

In addition, RNZ Pacific (International) provides a reliable source of information to the Pacific region in the event of natural disasters or a breakdown of local communication services.

RNZ assesses its performance in this area by the extent to which it can maintain essential services that keep the public informed when/if a civil emergency event occurs.

### 2019/2020 Performance: Providing a service that New Zealand values

Objective	Actual 2019/2020	Target 2019/2020	Actual 2018/2019
A majority of New Zealanders agree that Radio New Zealand provides a valuable service to New Zealand.	59%	At least 7 out of 10	6 out of 10 (57%)
A majority of New Zealanders agree that it is important for New Zealand to have a public radio broadcaster.	75%	At least 7 out of 10	7 out of 10 (75%)

Source: Colmar Brunton Value Indices Research 2020



**Country Life** reporter Sally Round buzzing around a Masterton bee business

## Objective 3 PRODUCING and BROADCASTING a DIVERSE and UNIQUE RANGE of SERVICES

To respond to the increasing competition for audience attention and to optimise its Charter performance, RNZ must deliver its own range of unique and exclusive content. To achieve this, RNZ offers six main services each with its own unique content range and with different audiences in mind.

Rather than analysing and measuring by genre, RNZ looks to achieve its diversity by providing a variety of services and a mix of programmes within each service. RNZ's assessment of its success in achieving this objective is based on the amount of content made available from each of the services that appeal to their respective target audiences. The individual services that currently make up RNZ's portfolio, and the types of programme and content provided by each service, are as follows:

### RNZ NATIONAL

RNZ National is a nationwide radio network providing a diverse range of live content comprising news, current affairs, feature documentaries and entertainment programmes.

This includes music programmes featuring both New Zealand and international artists. Many of the quality programmes featured on RNZ National are not available on commercial radio because they are not considered commercially viable.

**MORNING REPORT** Authoritative and comprehensive coverage of local and world events.

**SUMMER REPORT** Authoritative and comprehensive coverage of local and world events during the New Zealand summer holiday period.

**MIDDAY REPORT** Comprehensive coverage of local and world events, with in-depth news bulletins, business news, rural news, sports news, long-range weather forecasts and Worldwatch.

**AFTERNOONS** An interactive audience show to stimulate, enlighten and entertain the listener.

**NINE TO NOON** Provides in-depth debate with newsmakers on topical national and international news, with feature interviews, expert commentators and reviewers.

**COMPREHENSIVE HOURLY NEWS BULLETINS**

**MUSIC 101** Showcasing the best of music for New Zealanders.

**TE MANU KORIHI** Agenda-setting Māori news and current affairs.

**CHECKPOINT** Hard-hitting daily news-focused multimedia programme, broadcast on radio and TV and live streamed.

**NIGHTS** Dedicated to encouraging fresh ideas and music along with the best radio documentaries and features from here and overseas.

**STANDING ROOM ONLY** Celebrating the diversity of creativity, both here and overseas, with views, reviews, previews, interviews, a regular comedy slot and the play of the week.

**SATURDAY MORNING** A magazine programme with long-form, in-depth feature interviews on current affairs, science, modern life, history, music and the arts.

**SUNDAY MORNING** A thought-provoking range of interviews, documentaries and music, including Mediawatch.

**TE AHI KAA** A weekly programme focusing on Māori lives, voices and perspectives.

**TAGATA O TE MOANA** Pacific Island news, issues and current affairs.

### RNZ CONCERT

RNZ Concert brings fine music in stereo to all New Zealanders, through a network of FM transmitters and digital satellite. Musical, dramatic and performing arts comprise the core of RNZ Concert's broadcasts, with a repertoire featuring mainly classical music but also including jazz and special interest music.

*Notable programme elements include:*

**MUSIC ALIVE / ONSTAGE** RNZ live and recorded concerts featuring local and international artists, and a

selection of top performances from our international partners, including the BBC Proms.

**DAYBREAK** Music with a focus on melody, with news and weather on the hour to start our listeners' day.

**THE WORKS** A selection of beautiful classics and lesser known gems with a focus on the great works of the classical genre.

**CLASSICAL CONNECTION** Our afternoon drive-time programme with a variety of classics to accompany our listeners on the move.

**UPBEAT** Music, arts and culture news and interviews with New Zealand and international musicians, composers, choreographers, dancers, actors, directors and artists.

**SETTLING THE SCORE / FROM THE TOP** The audience votes for their favourite classical music in New Zealand's annual classical music poll.

**MUSIC OMNIVORE** A diverse mix of classic and unusual historical performances featuring great artists, including the latest remastered recordings.

**OPERA ON SUNDAY** The selection includes the annual season from the Metropolitan Opera House, New York as well as new recordings from the world of opera.

**SOUND LOUNGE** Contemporary, early 20th century, avant-garde music and atmospheric soundscapes, a touch of art pop, with an emphasis on new New Zealand composition.

**HYMNS ON SUNDAY** Traditional and modern hymns.

**SANCTUARY / GRACE NOTES** Spiritual and uplifting music serving faithful and secular listeners alike.

**INSIDE OUT** Classic recordings and modern masterpieces from the world of jazz.

**WORLDS OF MUSIC** Leading world music artists including interviews and exclusive recordings from events like WOMAD.

**NEW HORIZONS** A selection of rock, pop, country and folk music contextualised by William Dart.



## RNZ PACIFIC (was known as RNZ International)

RNZ provides an international radio and online service to the Pacific. This service broadcasts innovative, comprehensive and independent news and programming of interest to the Pacific region. We aim to encourage an awareness and understanding of New Zealand policies on regional issues of concern, foreign relations, development assistance, immigration, human rights, economic developments, the environment and trade opportunities. RNZ Pacific provides a reliable account of Pacific and New Zealand affairs for relay and use by broadcasters, listeners and online users within the Pacific and beyond. It provides an essential source of information in the event of natural disasters or breakdowns in local communication services.

*Notable programme elements include:*

**DATELINE PACIFIC** A daily current affairs programme covering the major Pacific stories of the week, with background and reaction from the people making the news.

**NEWS ABOUT NEW ZEALAND** A review of the week's events in New Zealand.

**NEWS IN PACIFIC LANGUAGES** News bulletins read in Pacific languages (Niuean, Samoan, Tongan and French).

**PACIFIC CORRESPONDENT** A weekly programme in which regional correspondents discuss political and social issues in their Pacific countries.

**TAGATA O TE MOANA** A weekly Pacific magazine programme featuring New Zealand and regional Pacific news, issues, information and music. This programme is simulcast domestically on RNZ National.

**THE WORLD IN SPORT** Highlights of the world's sporting week, with emphasis on New Zealand and Pacific interviews, reviews and reaction, plus previews of upcoming games.

**TRADEWINDS** Reviews the week's top business stories from the Pacific region.

**WORLD and PACIFIC NEWS** A bulletin of Pacific news and a sports report.

**REBROADCASTS of RNZ PROGRAMMING** Including Morning Report, Checkpoint, Focus on Politics, News, Te Manu Korihi (news on Māori issues), Insight, Midday Report and Hymns on Sunday.

## RNZ PARLIAMENTARY RADIO and PROCEEDINGS

Follow Parliament live, when the House is sitting, through this channel on RNZ's AM Network or audio live stream online.

*Additional RNZ coverage of Parliament can be found at [rnz.co.nz](http://rnz.co.nz), through:*

**PODCASTS** Choose the day and listen to Question Time.

**PODCASTS** Listen to programmes about Parliament presented by long-standing parliamentary reporters.

**ACCESS ON-DEMAND** From the RNZ In Parliament web page.

## RNZ DIGITAL

The website [rnz.co.nz](http://rnz.co.nz) and RNZ's app and social media provide access to a suite of RNZ content including news and current affairs, features, and simultaneous livestreams of RNZ's on-air stations on a digital platform as well as a comprehensive portal to all its content. The audience has access to comprehensive, up-to-the-minute news and analysis as well as hundreds of thousands of on-demand audio items from RNZ's vast online collection of back catalogue programming and web-only collections.

*Notable programme elements include:*

**LIVE STREAMS and ON-DEMAND AUDIO** Live and time-shifted audio from RNZ's broadcast channels: RNZ National, RNZ Concert and RNZ Pacific.

**COMPREHENSIVE NEWS and CURRENT AFFAIRS** Including breaking news, analysis, explainers, live coverage of rolling stories, opinion and documentaries. In 2019/20 this included up-to-the-minute and exhaustive coverage of the Christchurch terror attacks, the Whakaari eruption, COVID-19 and the 2020 general election.

**IN-DEPTH JOURNALISM** Led by award-winning journalists, RNZ's In Depth team has broken stories on prisons in New Zealand, the New Zealand First Foundation and Pharmac, and investigated the death of a New Zealand man in a Japanese psychiatric hospital. It covered climate change, the fight for and against an Erebus memorial, inequities in New Zealand's health system for Māori, and closed adoption. Guyon Espiner and Aaron Smale won awards for their work this year.

**PODCASTS & SERIES** RNZ produces dozens of series and podcasts. The RNZ/Stuff production *White Silence* won Best Narrative Podcast at the Voyager Media Awards and won at the New Zealand Radio Awards, and the Voyager Media Awards for Best Episodic Podcast was won by *He Kāhano Ahau*, a collaboration with Ursula Grace Films funded by the RNZ/NZ On Air Joint Innovation Fund. *The Service*, a collaboration with Bird of Paradise Productions, told the important story of NZSIS raids on foreign embassies. We produced two separate coronavirus podcasts, a daily news podcast in collaboration with Newsroom, The Detail, and podcasts on topics as broad as mental health, sport, personal finance, Māori health and gaming. Sa'ili Mālō told the story of early settlers who came to Aotearoa to seek opportunities in the Samoan language, while *Nanogirl's Great Science Adventures* introduced kids to the wonder of science.

**ABOUT RNZ** RNZ's History, Frequencies and How to Listen, Corporate Publications, Media Releases, Audience Research, Board of Governors.





## 2019/2020 Performance: Producing and broadcasting a diverse and unique range of services

Service	Objective	Actual 2019/2020	Target 2019/2020	Actual 2018/2019
<b>RNZ NATIONAL</b>	Broadcast a nationwide network providing news, current affairs, feature documentaries and entertainment programmes, including music programmes featuring both New Zealand and international artists	8,784 broadcast hours of RNZ National content  (24 additional hours are recorded for leap year)	8,760 broadcast hours of RNZ National content	8,760 broadcast hours of RNZ National content
<b>RNZ CONCERT</b>	Broadcast fine music in stereo with a repertoire featuring mainly classical music but also including jazz, world, spiritual and special interest music, and current affairs coverage of music, dramatic and performing arts and culture	8,784 broadcast hours of RNZ Concert content  (24 additional hours are recorded for leap year)	8,760 broadcast hours of RNZ Concert content	8,760 broadcast hours of RNZ Concert content
<b>RNZ PACIFIC (International)</b>	Provide an international radio service to the Pacific consisting of innovative, comprehensive and independent news and programming of interest to the Pacific region to encourage an awareness and understanding of New Zealand and providing a reliable source of information in the event of natural disasters or breakdowns in local communication services	8,743 broadcast hours of RNZI content  99.68% Transmission and Service availability (other than time lost for planned maintenance): Analogue and Digital Short-Wave network	8,520 broadcast hours of RNZI content  99% Transmission and Service availability (other than time lost for planned maintenance): Analogue and Digital Short-Wave network	8,723 broadcast hours of RNZI content  99.57% Transmission and Service availability (other than time lost for planned maintenance): Analogue and Digital Short-Wave network
<b>PARLIAMENTARY RADIO and PROCEEDINGS</b>	Live audio broadcast of Parliament live, when the House is sitting	Covered 88 Parliamentary sitting days	Coverage of 90 Parliamentary sitting days	Covered 92 Parliamentary sitting days
<b>RNZ.CO.NZ</b>	Provide a comprehensive portal to its News, National, Concert and Pacific content, allowing users access to live streaming services for RNZ National, RNZ Concert and RNZ Pacific (International). In addition to this, users have access to comprehensive, up-to-the-minute news coverage as well as access to in excess of 230,000 on-demand audio items (over 37,000 hours) from RNZ's vast online collection of back catalogue programming and web-only collections	69,393 hours  (445,930, items) of audio content for RNZ's services available online at any time	48,000 hours  (310,000 items) of audio content for RNZ's services available online at any time	61,434 hours  (395,022 items) of audio content for RNZ's services available online at any time
<b>RNZ NEWS AGENCY &amp; CONTENT SHARING</b>	RNZ is the trusted backbone of collaborative journalism in New Zealand. RNZ content is made available to more than 30 other media partners ranging from small, independently owned regional newspapers and websites through to most of New Zealand's major commercial media businesses. Without RNZ support via the sharing of written, audio and visual material, many of these smaller outlets would not survive to keep telling the stories that are important to their communities	RNZ shared its content with 58 other media services	Share RNZ content with at least 30 other media services	This was a new measure introduced in 2019/20

## Objective 4 MAKING OUR SERVICES AVAILABLE and ACCESSIBLE WHERE and WHEN NEW ZEALANDERS WANT

With the impact of new technologies and changing audience habits, the number and variety of platforms that audiences can use to access RNZ programming are growing rapidly and this expansion is expected to continue for many years to come.

Not only must RNZ produce compelling content, it must also make that content available to audiences in ways that suit their needs and preferences.

It is expected that the diversity of access points will be added to over the course of the next five years, especially through new online services and partnerships with other content providers designed to increase our audience reach.

With so many new delivery mechanisms becoming available, and with fixed funding, it is not possible for RNZ to be on every available platform, nor can

it continue to rely on just one or two platforms. The challenge for RNZ is to determine which combination of delivery platforms that provides the optimal outcomes across a range of key criteria, including audience availability and preferences, consumer device penetration, population coverage, infrastructure requirements, and capital and operating costs.

The migration of audiences to new technologies will, over time, result in a decline in audiences relying solely on traditional radio equipment. As we introduce new options for audiences to access our programming, existing delivery platforms will also need to be reviewed to ensure these are still optimal.

Providing a range of delivery methods to make our content accessible will form the basis for measuring our success in achieving this objective.

### 2019/2020 Performance: Using most effective means of delivery

During the 2019/2020 year RNZ services were distributed on the following platforms:

	AM radio (NZ)	FM radio (NZ)	Digital shortwave DRM (Pacific)	Freeview terrestrial (NZ)	Freeview satellite (NZ)	SKY satellite (NZ)	RNZ Mobile phone APP supporting streaming and on demand (NZ)	Multi device browser Internet streaming and on demand (NZ + Worldwide)	Third party distribution (including social media of RNZ content (NZ + Worldwide) *
<b>RNZ NATIONAL</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>RNZ CONCERT</b>		✓		✓	✓	✓	✓	✓	✓
<b>RNZ PACIFIC (International)</b>			✓				✓	✓	✓
<b>PARLIAMENT</b>	✓				✓	✓	✓	✓	
<b>RNZ.CO.NZ</b>							✓	✓	✓
<b>RNZ PODCASTS</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>STORYTIME</b>	✓	✓		✓	✓	✓	✓	✓	

\* RNZ services are available on a fast-growing number and variety of third-party platforms. This includes providing content to other media organisations such as TVNZ, Newshub, Newsroom, Stuff.co.nz, NZ Herald and MSN, other radio partners such as the Pacific Media Network, Te Whakaruru hui iwi stations and iHeartRadio. RNZ also distributes and shares its content on social media platforms such as Facebook, YouTube, Instagram and Twitter.

Notable additions to services in 2019/20 include Storytime and RNZ Podcasts.

## Objective 5 BEING FINANCIALLY VIABLE

RNZ is funded through NZ On Air and the Ministry for Culture and Heritage to deliver Public Broadcasting Services (M8) in accordance with the Estimates and Appropriations for the Government of New Zealand. Whilst remaining a commercial-free public broadcaster a small proportion of its income is generated through third-party revenue such as rental on property leases and co-siting.

A continuing theme for RNZ in 2019/20 is the modernisation of operations, changes to organisational structure and cost control to maintain a financial break-even position.

### 2019/2020 Performance: Being financially viable

Objective	Actual 2019/2020	Target 2019/2020	Actual 2018/2019
Operate within our available funding.	<p>\$213,625 operating deficit before tax</p> <p><i>A decision to delay a capital project and expense costs relating to the planning and consent process predominantly represents this deficit position</i></p>	Operating breakeven before tax	<p>\$465,000 operating deficit before tax</p> <p><i>Extensive coverage of the Christchurch terror attacks in March impacted on costs for the year</i></p>
Retain funds to re-invest in asset upgrade and modernisation programme.	\$2.68 million EBITDA*	Achieve an EBITDA in excess of \$2.0 million	\$2.3 million EBITDA*

\*EBITDA – Earnings Before Interest, Tax, Depreciation and Amortisation

The negative financial impact of COVID-19 has been largely offset by savings in reduced activity in travel, staff appointments and delays in other planned activities. Of huge benefit to RNZ and its transmission customers is the Government's Media Support Package which provides for financial relief of transmission costs for six months ending

October 2020. The largest impact of COVID-19 was the high volume of cancelled annual leave that was planned to be taken by RNZ team members during the months of March to May 2020. This leave would have reduced the provision of leave resting on the Statement of Financial Position.

## CHARTER PERFORMANCE ASSESSMENT Use of research

RNZ uses a range of ongoing research and analytics data sources throughout the year, and for the 2019/20 financial year this included the following.

**COLMAR BRUNTON VALUE INDICES** Surveys attitudes to RNZ from the total New Zealand population, not just RNZ audiences. This surveying was extended in 2019 to include additional measures to assess the achievement of more specific Charter objectives.

**GfK RADIO AUDIENCE MEASUREMENT** Industry-wide survey of live radio listening. It surveys all New Zealanders aged 10 and older and includes RNZ, commercial and community radio stations. 40 weeks of surveying reported quarterly.

**YOUR MEDIA MATTERS** RNZ’s audience panel. This is used to generate insights about media habits and content preferences of existing audiences. Managed by Ipsos.

**FACEBOOK ANALYTICS** For online consumption of RNZ content on the Facebook platform. Monthly, weekly and daily results.

**FIREBASE ANALYTICS** For app consumption of RNZ content on Apple and Android devices. Monthly, weekly and daily results.

**GOOGLE ANALYTICS** For online consumption and audio download metrics, for users of RNZ content. Monthly, weekly and daily results.

**NIELSEN DIGITAL CONTENT RATINGS** Used to measure the number of people visited the RNZ website and other major websites. Monthly reporting.

**THIRD PARTIES** RNZ also receives reports from third parties as to the audience usage of RNZ content via their media. Monthly reporting.

**YouTube ANALYTICS** For online viewing of RNZ content on the YouTube platform. Monthly and daily results.

Results from all this research provides RNZ with insights and information to assess the size and demographic make-up of its audience, to understand audience preferences and attitudes across different programmes, time zones and platforms, to see how RNZ compares to other media, to

see how the wider New Zealand population views RNZ, and to measure RNZ’s performance against various strategic and statutory objectives.

These results are used to continuously monitor performance throughout the year and make informed decisions on an ongoing basis. Unless a need for significant or immediate change is indicated, responses tend to be subtle and gradual throughout the course of the year.

Occasionally, where a particular area of interest is identified, more specific and detailed research projects are also initiated to provide more in-depth information about a particular aspect of RNZ.

Results from these research projects provide a range of insights that help the respective areas to reshape their outputs to better meet the preferences of their target audiences.

### Charter Performance assessment

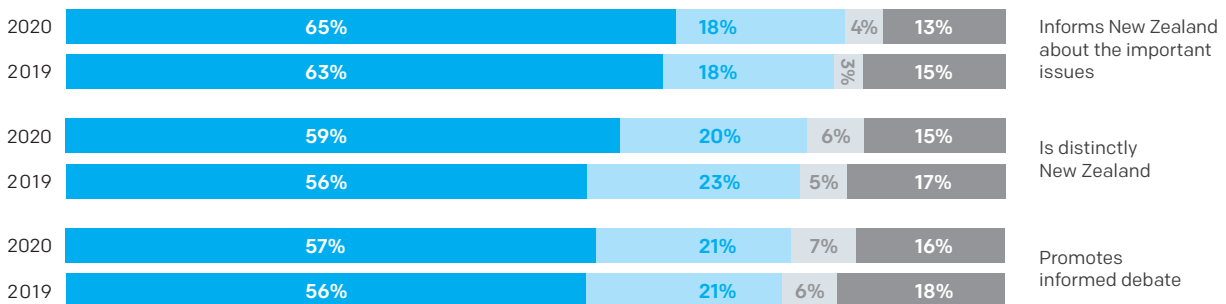
RNZ’s whole reporting framework has been designed to measure performance against the Charter, and to do so, the objectives of the Charter have been grouped into five categories:

- 1 Producing and broadcasting a diverse and unique range of services
- 2 Making our services available and accessible where and when New Zealanders want
- 3 Providing a public broadcasting service that is important to, and valued by, New Zealanders
- 4 Attracting and retaining audiences
- 5 Being financially viable.

RNZ’s view is that if it is successful in these five key areas it will be achieving its ultimate goal of optimising its Charter Performance. This Statement of Performance contains measures that report on our achievement against these objectives.

For the 2019/20 year, to further enhance its performance assessment against some of the more subjective objectives in Section 8(5), RNZ has commissioned Colmar Brunton to survey RNZ audiences about these.

### People who have read, listened or watched RNZ content in the past week agree that RNZ content is informative, distinctly New Zealand, and promotes informed debate.



● AGREE ● NEITHER ● DISAGREE ● DON'T KNOW

SOURCE: Colmar Brunton Value Indices Research 2019 and 2020. BASE: All people aged 18 or over who have read, listened or watched RNZ content in the past week.



*Our Changing World* presenter/producer Alison Ballance recording under the sea ice for the eight-part series *Voices from Antarctica*  
Photo: Antarctica NZ



## CONTRIBUTION TOWARDS THE GOVERNMENT'S PUBLIC MEDIA OBJECTIVES

There are six public media objectives for the broadcasting portfolio and RNZ contributes to these as follows:

# 1

### **SUPPORTING QUALITY NZ CONTENT IN ALL GENRES ACROSS a VARIETY of PLATFORMS**

- RNZ's core purpose is the creation and distribution of diverse high-quality New Zealand news, current affairs and information.
- That content is now more widely available on all platforms and through partnerships with other outlets.

# 2

### **BETTER CATERING TO MĀORI, PACIFIC and OTHER UNDERSERVED AUDIENCES**

- The new Innovation Fund has created new content specifically for underserved audiences.
- RNZ Pacific is connecting with more Pacific People living in New Zealand while maintaining its core Pacific-wide service.
- RNZ's Māori strategy is building capability in Te Reo and tikanga Māori throughout RNZ.

# 3

### **ENHANCING NATIONAL IDENTITY**

- RNZ's purpose is a connected and informed Aotearoa.
- Coverage of arts and culture, music, and regional New Zealand is growing.

# 4

### **SUPPORTING THE PROVISION of NEWS and CURRENT AFFAIRS ACROSS NEW ZEALAND**

- RNZ news audiences are growing on all platforms.
- RNZ content sharing supports a range of websites, newspapers and broadcasters.
- RNZ works collaboratively with other media to support a sustainable news industry.

# 5

### **PROMOTING an INFORMED DEMOCRACY**

- RNZ is renowned for its trusted and impartial news and current affairs on matters of public interest.
- RNZ has increased its focus on investigative journalism.

# 6

### **SAFEGUARDING the MEDIA'S INDEPENDENCE**

- Editorial independence is fundamental to RNZ's purpose of a connected and informed Aotearoa.
- RNZ works with other media to champion the vital importance of a free press.

# RNZ MĀORI RAUTAKI (strategy)

“ EMBRACES and PROMOTES TE REO MĀORI CONSTANTLY and CONSISTENTLY ”

COLMAR BRUNTON VALUE INDICES RESEARCH REPORT JULY 2020

**RNZ has a strong commitment to creating high-quality Māori content, supporting Te Reo Māori and fostering Māori journalism.**

Since implementing our Māori rautaki, our partnerships within the Māori media sector have increased, which has provided RNZ with great-quality Māori content. This includes content we have shared with Māori Television, such as:

**MATANGIREIA / NZ WARS: STORIES OF WAITARA**  
**WHITIKI / NZ WARS: STORIES OF WAIKATO**  
**AKE AKE AKE / NEGOTIATORS SERIES 2**

## 2019/20 Performance

- RNZ continues to have Māori-specific broadcasts and online content with an emphasis on the integration and normalisation of te reo Māori across all RNZ platforms.
- The podcast series about Māori health is being released in July and we have just had funding approved for *NZ Wars: Stories of Waikato* and a second series of *Matangireia*.
- The Henare te Ua Māori Journalism internship has been the most successful component of the current strategy. The Māori journalism internship programme launched in 2017 continues to advance and promote young Māori journalists within RNZ. Our previous two interns now have full-time jobs at RNZ and we are currently recruiting for our third intern.
- Te reo Māori continues to be heard in almost every RNZ bulletin, and reporters continue to sign-off in Māori. The use of te reo on air has been strengthened by presenters using the language when introducing stories and interviewing talent.
- The RNZ website continues to be a strong platform to promote Māori language, culture and stories.

Measure	Actual 2019/2020	Target 2019/2020	Actual 2018/2019
Māori language and culture programming (radio broadcast hours)*	108 hours	80 hours	88 hours
Māori language and culture (number of items uploaded to website)* †	1,248	1,000	906
Māori language and culture (online pageviews – Google Analytics)** ‡	2,886,224	1.1 million	1,597,670

\* This measure relates solely to stand-alone scheduled on-air programmes broadcast on RNZ National that focus exclusively on Māori content, and excludes Māori language and culture content that is broadcast as part of other programming content.

† The number of story-telling items that are published on the [rnz.co.nz](http://rnz.co.nz) website during the year which relate to the Māori world.

\*\* Both the measures are focused on material (audio, written, visual) which appear in the Te Manu Korihi and Te Ahi Kaa sections of the website. This is where the bulk of Māori-related story-telling is published. It will not include material that turns up in other broader-interest programmes and shows, as it is too difficult to track at this time.

‡ The number of times a piece of story-telling relating to the Māori world is viewed on the website.

# GOOD EMPLOYER Report 2020

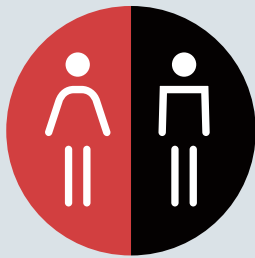
RNZ continues to be a good employer maintaining our success in providing equal opportunities, attracting women to the organisation at all levels (50% men and 50% women). Both RNZ's Board and Executive Team have increased the representation of women to 43% and 40% respectively. We continue to do well against the gender pay gap at 2.8% and have turned our attention to measuring and closing our ethnicity pay gap.

Investment has been made in the People Team to help RNZ achieve our aspiration to be New Zealand's best media employer to work for. This year the focus has been on increasing awareness of our Dignity at Work policy and changing the dialogue to a culture of inclusion.

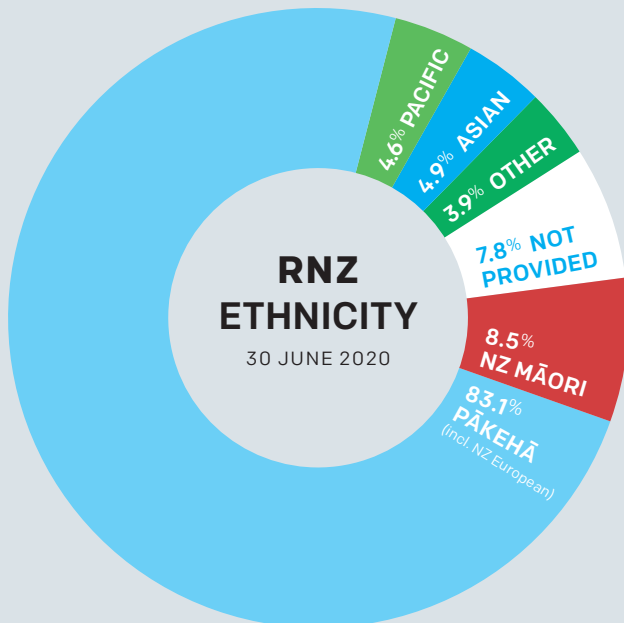
We are changing the diversity of our teams to be more representative of our audiences and Aotearoa.

RNZ's team members continue to be at the forefront of New Zealand's big reporting events, which sees us placing increasing emphasis on individual wellbeing. This year we provided increased support following the Whakaari tragedy and introduced online mindfulness resources during the extended and unprecedented COVID-19 reporting period. We have also increased our focus on health and wellbeing overall with a refresh of our policies and procedures following the lessons from COVID-19, particularly working from home and providing flexibility in how and where our people work.

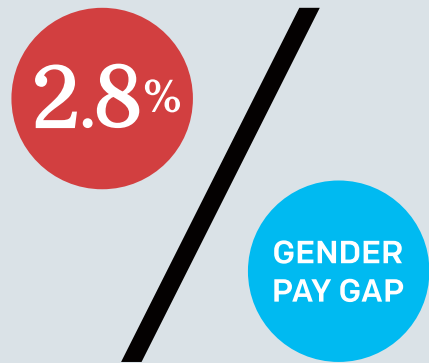
## RNZ EMPLOYEES: KEY STATISTICS / 30 JUNE 2020



**50% WOMEN**  
and **50% MEN**



**NB** Sums to more than 100% due to individuals identifying with more than one ethnicity.



**NB** Gender pay gap measurement. The measurement methodology changed between 2018/19 and 2019/20 from nominal base to total fixed remuneration. This change was made as total remuneration includes superannuation rates that may fluctuate, causing a greater gender pay gap. If we were to compare 2018/19 results using the same total fixed remuneration, it would be a comparison of 2.8%. This means there has been no movement between years.

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