

2019/20

**Te Pūrongo ā-Tau
Manatū Taonga**

**Annual Report
Ministry for Culture
& Heritage**



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Manatū Taonga**

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Ministry for Culture
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TRUST BUILDING

Ngā wāhanga o roto

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AKETI
RAE

HAUNUI AUCKLAND

AUCKLAND



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Haunui, one of the waka hourua that
took part in the Tuia 250 Voyage.
Photo: Erica Sinclair Photography

Tā te Tumu Whakarae Pūrongo

Tumu Whakarae Chief Executive's Report

Tērā te tāhu o te whare e tūhono nei i a tātou ki te rangi, ki a rātou mā e iri mai nā, ki te poho o Ranginui. Ka whai te karu i ōna heke, i ōna paetara, i ōna tukutuku, i ōna poupou kanorau, ka tau ki tōna papa, ki te uma o Papatūānuku. Ko ōna kōrero e hāngai ana ki te whakatipu; ka mau ki tōna aka matua, he aka tūhono ki ōna hoa, Te Tiriti mai, hapori mai, aha rānei mai, ko tōna iho, he titikaha, ko ōna hua, he nui. Ko tōna kaiāwhā kua haukerekere nei e ngā marangai, e ngā papatoieketanga o te tau kua taha ake nei, he whakapakaritanga māna. Ka waiho te tatau o tēnei whare kia tuwhera hei kuhunga mā te katoa. Koinei Te Whare o Te Manatū Taonga e tū atu nei e!

The 2019/20 year has been an extraordinary one. Responding to COVID-19 has seen Manatū Taonga and the wider cultural sector undertake a significant programme of activity aimed at recovery, regeneration and revitalisation. This work continues at pace as we deliver on the initiatives announced, including in Budget 2020. We also worked with media organisations to design and deliver immediate relief to ensure they were able to continue with their essential task of providing reliable and up-to-date news to keep New Zealanders connected. The work, and the funding underpinning this, recognises the contribution the whole culture sector makes to wellbeing in Aotearoa New Zealand.

Many other important initiatives were advanced during the year.

- In 2019 the Creatives in Schools programme kicked off with professional artists and creative practitioners partnering with schools and kura to share their expertise with students.
- Further Te Tai Treaty Settlement Stories were launched, enabling iwi and hapū to tell their settlement stories, providing an education resource for future generations.
- On 28 November 2019 we acknowledged the 40th anniversary of the Erebus accident—the worst civil accident in New Zealand's history. At an event for families and friends of victims, the Prime Minister and Air New Zealand Board Chair apologised for the accident and the treatment of families in the aftermath.
- From October to December 2019 the Tuia 250 commemoration marked the first onshore encounters between Māori and Pākehā in 1769 through a nationwide programme that included a three-month voyage of waka and tall ships around New Zealand. The commemoration generated discussion and debate throughout



Above AOTEAROA ONE, a twin-hulled waka hourua during Tuia 250. Photo: Manatū Taonga

Opposite Local artist Paul Forrest guided Newtown School students in the creation of butterfly art that represented their heritage as part of Creatives in Schools. Photo: Creative New Zealand

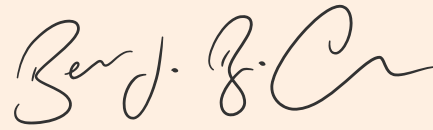
the country about our heritage and ancestry—conversations that are continuing today.

- The future of public media took another step forward with work undertaken on the viability of forming a new public media entity to ensure the benefits of strong public media are preserved for future generations.

These initiatives were delivered in partnership with many others—funded agencies, iwi, community groups, and the wider public service. We are grateful for the support of all our partners.

Government investment in the sector will ensure it can continue to make a significant economic contribution to the country, as well as stimulate new and innovative ways of working and engaging with New Zealanders. We welcome the government’s investment in Manatū Taonga as it enables us to better support the cultural sector and ensure we have the systems and processes in place to meet and deliver on our responsibilities.

Finally, I want to acknowledge the commitment and professionalism of Manatū Taonga staff. I am proud of their determination to make a difference for New Zealanders.



Bernadette Cavanagh
Tumu Whakarae | Chief Executive



Hāpaitia ana ngā wawata a te Māori e Te Arataki

Supporting Māori cultural aspirations through Te Arataki

Iwi are a key partner for the Ministry, reflecting our commitment to Te Tiriti o Waitangi. Māori culture, with its importance and uniqueness to Aotearoa, is a crucial part of the work we do.

One of our enduring priorities is creating opportunities for all New Zealanders to engage with Māori culture—creating an inclusive New Zealand whakapapa.

In response to the growing need for proactive engagement with Māori (including whānau, hapū, iwi, waka and Māori organisations), Te Manatū Taonga established a strategic framework in 2014—Te Arataki.

Te Pae Huarewa is responsible for the implementation of Te Arataki across the Ministry and provides advice to the Tumu Whakarae on the delivery of these outcomes.

Work has continued throughout the year to embed the updated strategy and reset the following three priorities:

- **He ngākau titikaha**—Striving for confidence across Manatū Taonga
- **He hononga tangata**—Creating opportunities for all New Zealanders to connect with Māori culture through the work we do
- **He hononga Tiriti**—Working collaboratively in line with Te Tiriti to support iwi and Māori priorities by working in partnership with iwi, sector, government and other external agencies.

The Ministry is now also considering a proactive approach to honouring Treaty settlement commitments. This work builds on the Te Ara Taonga partnership approach with iwi and other cultural heritage organisations and will better coordinate work across the Ministry.

Our work towards He hononga tangata and He hononga Tiriti is reported in the Our Performance

section of this report, starting on page 13. Our work towards He ngākau titikaha is reported in the Our Story section of this report, starting on page 65.

Other significant activities contributing to these outcomes are Te Tai Treaty Settlement Stories, protection of taonga tūturu, and delivery of the Tuia – Encounters 250 commemoration.

More information can be found on these activities in the Vote Arts, Culture and Heritage: Heritage Services section of this report, starting on page 36.





Above Waikato-Tainui Te Tai Treaty settlement story. Photo: Erica Sinclair Photography. Courtesy of Waikato-Tainui
Left Waka at rest in Te Tii Bay during the Tuia 250 voyage. Photo: Manatū Taonga

Uruparetia ana te MATE KŌWHEORI e tā mātou rautaki

Responding to COVID-19 through our strategy

The cultural sector is particularly susceptible to the crisis caused by the COVID-19 pandemic. Modelling commissioned by the Ministry based on Treasury forecasts suggests that without government intervention, the cultural sector would be hit roughly twice as hard as the rest of the economy. With the immediate drop in attendance at live events and ongoing cancellations, up to 11,000 job losses within a 12-month period are anticipated.

The Ministry has responded to the challenge of the COVID-19 pandemic by securing a significant funding injection across the cultural sector for the arts, heritage, screen, broadcasting and media. This funding recognises the many positive flow-on effects for other important parts of our economy, such as technical production, hospitality, venues and domestic tourism. The funding also acknowledges the importance of the news media as a vital mechanism for sharing up-to-date information during the pandemic, and its role in supporting participative democracy.

Securing this funding was a major shift in activity for the Ministry in the final quarter of the current financial year and will require new approaches and systems to allocate and monitor new funding over the coming years. This will be a key focus in 2020/21 as we develop new functions within the Ministry and ensure our organisation is able to deliver on priorities.

The Ministry is well-placed to deliver on the COVID-19 response through its current strategic priorities. The new funding will target activity that contributes to economic development and job creation, increases access for diverse and widespread communities, and encourages collaboration and new ways of working. These objectives support and build on our existing priorities in access and participation, sustainable growth, national identity and investing in news and stories.

Right Milly Tabak performing at the NZ On Air Showcase. Photo: Christian Tjandrawinata at Wyre Studio

Below Behind the scenes of *Lowdown Dirty Criminals*. Leanne Hoare (Makeup Designer), Rebecca Gibney (The Upholsterer), Lissy Turner (Key Costume Standby), Cohen Holloway (Roy). Photo: Chris Moss. Courtesy of Robin Murphy and the New Zealand Film Commission



NZ On Air
Irirangi Te Motu



nord stage 3

quest



Te Ekenga Our Performance

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Te kōkenga whakamuatanga ki ā mātou whāinga matua

Progress towards our strategic intentions

Our strategic intentions are based around our overall purpose: He ngākau titikaha, he hononga tangata—
Promoting a confident and connected culture

Promoting the importance of culture and heritage for all New Zealanders; our role within the sector, and the breadth and depth of our work.

Confident in what we do, as individuals and as an organisation; as a nation we are confident in our unique place in the world.

Connected across our organisation and across sectors; connecting communities through culture and heritage; connecting the past, present and future.

The opportunities the sector provides to connect people with each other are increasingly important, particularly as we face the global health crisis of COVID-19. The cultural sector has supported and continues to support New Zealanders as we navigate our 'new normal,' offering a range of activities and services that contribute not only to our wellbeing, but also to New Zealand's wider recovery.

This document explains:

- The cultural sector's contribution to wellbeing and recovery;
- Our contribution to a confident and connected culture; and
- How we have performed with the services and other outputs we deliver.

Culture's contribution to wellbeing and recovery

Culture is central to our wellbeing and at the heart of how we see ourselves and who we are as people. The cultural sector has had and will continue to

have a significant role in rebuilding New Zealand in the wake of COVID-19. International evidence shows a vibrant cultural sector has wide-ranging benefits for individuals, communities, and the nation, including:

- Contributing to a strong economy;
- Creating highly skilled workers;
- Improving health and wellbeing;
- Improving educational outcomes;
- Supporting democracy; and
- Fostering social inclusion and tolerance.

According to research commissioned by the Ministry, in 2019 the arts and creative sector contributed \$10.8 billion to New Zealand's GDP and created more than 92,000 jobs.

The cultural sector touches New Zealanders' lives in many ways, bringing meaning to people in different ways. Cultural activities promote engagement between and within communities, building understanding and social inclusion.

Creativity expresses and reflects who we are. Our understanding of ourselves and of each other finds expression in the stories we tell, the works we create and the performances we stage and view. Our built environment—the whare, heritage buildings, museums, libraries and galleries that we live, work and join together in—are an integral part of the physical and financial capital of New Zealand. This is reflected in our robust culture and heritage sector: Aotearoa New Zealand has approximately 476 public museums, art galleries, and heritage properties and over 12 million objects in collections.

COVID-19 highlighted the essential role of the media in Aotearoa New Zealand in providing ongoing access to important and up-to-date information to our communities. A functioning media is also a basic requirement for a healthy and participative democracy, scrutinising the actions of government and other institutions, connecting all of us to news and events that affect us and contextualising those stories through investigative and long-form journalism.

During 2019/20 the Ministry began work to look ahead to Aotearoa New Zealand in 2040, a milestone year in our history commemorating 200 years since the signing of Te Tiriti o Waitangi.

Many of the challenges we have identified in the sector are, like culture and identity, deeply connected. They include:

- Complex systems for delivering cultural products;
- Changing audience behaviours and expectations;
- Diverse funding models;
- Utilising digital models of communication;
- Equity of funding and access across population groups; and
- The ever-changing nature of how we see ourselves.

The Ministry is now turning its attention to developing a strategic framework through which we can address these matters. This will be a significant Ministry-wide piece of work in the coming year. As we develop the framework and activate the levers available to us more effectively, we will be able to tell a more in-depth story of the value of culture and the reach of the cultural sector.

The evidence shows the cultural sector contributes positively to New Zealanders' wellbeing and sense of identity, as well as a strong economy, and our strategic framework will further support this.

Our contribution to a Confident and Connected Culture

The Ministry is charged with overseeing the government's primary cultural interventions, to ensure these are working to the advantage of New Zealanders and in support of the government's broader goals.

In practice, this means that the Ministry has a number of different roles:

- Delivering cultural services the government has determined should be a priority (for example, national memorials and commemorations);

- Providing funding to organisations in a safe, timely and robust way, ensuring the best value for money for New Zealanders;
- Monitoring the effectiveness of interventions in the cultural sector through agencies owned or funded by the government (such as Creative New Zealand and Te Papa); and
- Advising Ministers on desirable adjustments to its interventions in the wider sector, given the government's broader goals, and giving effect to their decisions.



An ope performing during a pōwhiri at Umupuia Marae, Maraetai for Tuia 250. Photo: Manatū Taonga

The number of potential interventions in the sector is enormous. As we look ahead to 2040 and develop clarity around our strategic framework, we will provide greater clarity for decision-makers on the scope of the government’s role across the cultural sector including heritage and broadcasting. We will work with the sector and be clear in our respective roles and responsibilities as to how each part of the sector contributes to our shared outcomes.

What has been clear throughout the COVID-19 response is that New Zealanders are standing together with our cultural practitioners, recognising the value arts and culture provide to our sense of being who we are in times of crisis and recovery.

The Ministry’s role in the coming months and years will be to deliver the new funding efficiently and effectively, ensuring job creation and sustainability, encouraging new collaborative approaches to working, and expanding the reach of the sector to serve all New Zealanders.

Alongside this work, the Ministry must extend its own reach across government. Building relationships between our sector and potential partners in government will provide a critical means to embed cultural outcomes into government activity. Creatives in Schools is one example—a partnership between the Ministry, the Ministry of Education and Creative New Zealand.

Other partnerships will also be explored, including the cultural sector’s role in tourism, local government infrastructure, and mental health and wellbeing. In collaboration, we are best placed to ensure the government’s cultural interventions continue to make a difference to the lives of all New Zealanders.

Note—The following data represents the most current data available within the cultural sector. National-level research within the sector is typically repeated on a three- to four-yearly cycle. Within the next year, three significant surveys will go into the field: *New Zealanders and the Arts*, *Audience Atlas*, and the *General Social Survey*, with results available by the end of FY2021. In addition, the Ministry is currently undertaking national audience research on cultural participation as well as economic research to help address the gaps in the available data. Results from these two studies will be available in December 2020 and March 2021, respectively.





Opposite The Belgian Memorial at Pukeahu National War Memorial Park. Photo: Mark Tantrum

Above Māhoetahi, Taranaki. Part of the Te Pūtake o te Riri, He Rā Maumahara initiative that commemorates the New Zealand land wars. Manatū Taonga supported the preparation of the event. Photo: Martha van Drunen

All New Zealanders can access and participate in cultural experiences.

We recognise that accessible cultural activity is important to individuals and communities. This year, with the sudden drop of in-person attendance associated with the lockdown and the loss of international tourism has seen dramatic changes in New Zealanders' participation. At the same time, digital cultural programming and news media in particular have been reaching record-breaking numbers, as audiences shifted online.

In this way, the challenges of COVID-19 have fueled innovation within the sector. Organisations have developed new programming and means of transmission to reach audiences in new ways. The sector's digital presence continues to grow as both a longer-term strategy to maintain audience engagement and to mitigate some people's current reluctance to re-engage with cultural activities in person.

Uncertainty persists around the 'new normal' of access and participation. It is unclear at what point local audiences will feel comfortable resuming cultural activities fully, and how the lack of international audiences will impact across the sector in the future.

Access is the opportunity people have to participate in cultural experiences. When we measure access, we ask:

- Is the cultural activity available to everyone?
- What are the barriers to access?
- How can we address those barriers to increase access, particularly among under-served groups?

Participation refers to people's engagement in cultural experiences. When we measure participation, we ask:

- How many and what kinds of people participate in the cultural activity?
- What factors hinder or encourage people to participate?
- How meaningful is people's engagement in the cultural experience?

The Ministry's contribution

The Ministry has continued to prioritise access and participation in its own work and through cultural sector agencies. Our advice to Ministers and through Ministers' letters of intent to entities have made clear the government wants to ensure culture is widely available to many and diverse audiences. In the Ministry's own delivery work, it has made accessible multimedia histories such as Te Tai Treaty Settlement Stories and the publishing programme on NZ History and Te Ara—The Encyclopedia of New Zealand.

Through the government indemnity scheme, we have assisted in bringing significant touring cultural exhibitions to New Zealand, and, via the Regional Cultural Heritage Fund, we have contributed to capital projects at performing arts venues, exhibition venues and community buildings, ensuring communities have access to a broad range of arts, culture and heritage facilities.

The Ministry is supporting Te Papa Tongarewa's Ngākahu National Repatriation Partnership Project, strengthening the capability of New Zealand museums and iwi to engage on the repatriation of tupūna and karāpuna (ancestral human remains). This funding supports the development of best practice repatriation guidelines and ethics for the museum sector, engagement between iwi and museums on repatriation planning, and workshops to build repatriation awareness and capability. This funding

also strengthens provenance research to re-link ancestors with their place of origin and supports iwi to undertake the return of their ancestors.

Currently, the Ministry is undertaking research with Crown-funded agencies to operationalise and implement an access and participation indicators framework, so we can better understand their reach among diverse New Zealanders. The Ministry is also undertaking new nation-wide audience research so the cultural sector can better understand the needs and behaviours of New Zealand audiences post-COVID-19.

HIGH-LEVEL INDICATORS OF ACCESS AND PARTICIPATION IN NEW ZEALAND

01	General cultural participation In 2016, 78% of people aged 15 years and older had participated in at least one cultural activity in the last 4 weeks. (<i>General Social Survey, 2016*</i>)
02	Participation in sport In 2018, 94% of young people and 72% of adults were taking part in sport or active recreation in a given week. (<i>Active NZ, 2018</i>).
03	Participation in the arts In 2017, 80% of adults and 100% of young people had attended an arts event or participated in the arts in the previous 12 months. (<i>New Zealanders and the Arts, 2017**</i>)
04	Participation in heritage Pre-COVID-19, there were over 11 million visits annually to New Zealand’s museums, art galleries, and heritage properties, of which just under half were domestic visitors. (<i>National Visitor Survey, 2018</i>)
05	Participation in Māori cultural activity In 2016, 66.3% of people aged 15 and over had participated in a Māori cultural event or activity over the past 12 months (<i>General Social Survey, 2016</i>).
06	Participation among people with disabilities In 2016, 85% of people with a disability reported participating in at least one cultural or recreational activity, compared to 95% of those who did not report a disability. (<i>General Social Survey, 2016</i>)

* The *General Social Survey*, which provides the cultural participation supplement, was intended to be rerun in early 2020, but was postponed due to COVID-19. It will be rerun in 2021 with results in mid-2022.

** *New Zealanders and the Arts* will be rerun in late 2020.

Whāinga matua 2

He whakatiputipu toitū

Strategic priority 2

Sustainable growth

The cultural sector is supported and growing sustainably.

A thriving cultural sector contributes to a strong economy. According to the most recent available data the combined arts and creative and sport and recreation sectors provide over 153,000 jobs. However, research has shown many cultural sector workers face challenges in establishing and maintaining a sustainable career. For example, in 2019 creative professionals earned a median of \$35,800 per annum after expenses, well below the median New Zealand income of \$51,800.

Cultural sector workers have been heavily impacted by COVID-19. For example, in March and April 2020, participating creatives reported \$8.9 million in lost income via the *I Lost My Gig NZ* survey. Recent research commissioned by the Ministry has forecast that the cultural sector will experience greater job losses than the economy as a whole, with Māori at even higher risk.

The Ministry's contribution

Ensuring cultural sector workers have sustainable careers is a key priority for the Ministry. That's why providing support, opportunities for skill development, and new jobs is a key focus of the Ministry's upcoming recovery initiative programme. A key workstream this year was the launch of Creatives in Schools through a partnership with the Ministry of Education and Creative New Zealand, providing direct employment for arts practitioners. The programme is set to expand in 2021 as a result of Budget 2020.

The government has identified as a priority for the Arts, Culture and Heritage portfolio that the cultural sector is supported and growing sustainably.

In 2019/20 the Ministry investigated a number of policy initiatives to better support people to have sustainable cultural sector careers, including:

- increasing access to career development services for creative people (page 26);
- establishing an artists' resale royalty right for visual artists (page 27); and
- improving access to affordable legal services for creative people.

The Ministry is continuing to lead policy work on these initiatives and is also involved in cross-agency work to help support sustainable cultural sector careers. The urgency to address these three streams of activity has increased in the COVID-19 environment and the pace of response has accelerated.

The Ministry also commissioned research to better understand the size and scope of the arts and creative sector, coupled with the impact of COVID-19. In addition to informing the Ministry's development of cultural recovery initiatives, this research will help us to track our success as the initiatives are implemented.

HIGH-LEVEL INDICATORS OF SUSTAINABILITY IN THE CULTURAL SECTOR

01	Spending in cultural sector \$2.5 billion estimated total spend in 2017 on arts and culture in New Zealand's culture market, a 27% increase from 2014. (<i>Audience Atlas New Zealand</i> , 2017)
02	Cultural incomes Creative professionals earn a median \$35,800 per annum after expenses, below the median NZ income of \$51,800. (<i>A Profile of Creative Professionals</i> , 2019)
03	Cultural employment
03A	Arts and creative sector In 2019, there were 92,381 people employed and 29,258 business units in arts and creative areas. (<i>2019 Arts and Creative Sector Profile</i> , 2020)
03B	Sport and recreation sector In 2015, there were 61,734 people employed in sport and recreation (<i>Sport and Recreation Workforce to 2026</i> , 2015).

Students and staff from Wellington High School and Royal New Zealand Ballet, alongside Prime Minister and Minister for Arts, Culture and Heritage Hon Jacinda Ardern and Associate Minister for Arts, Culture and Heritage Hon Grant Robertson. Photo: Creative New Zealand



Whāinga matua 3

Te tuakiritanga ā-motu

Strategic priority 3

National identity

New Zealanders share a distinct and inclusive identity and value our history and traditions.

Evidence shows the cultural sector has a large role in fostering individual and collective identities, and social inclusion and tolerance. In the face of COVID-19, the sector has a significant role in helping New Zealanders stay informed and connected.

The Ministry's contribution

The Ministry works in association with monitored agencies such as Te Papa, Heritage New Zealand, and Ngā Taonga Sound & Vision to ensure our taonga and heritage are effectively protected and supported. We also have a substantial delivery role in this area ourselves, including:

- Leading the Aotearoa outcome in the Maihi Karauna Crown–Māori Language Strategy for New Zealanders to value te reo Māori as a core part of our national identity;
- Administering the Protected Objects Act 2006;
- Capturing at-risk knowledge through oral histories;
- Looking after war graves and memorials throughout the country;
- Providing public organisations and private owners with assistance to strengthen quake-vulnerable buildings through the Regional Culture and Heritage Fund and Heritage EQUIP, respectively;
- Working with iwi through Te Tiriti protocols and reviewing our protocol agreements and approach to reflect a stronger Crown–Māori approach; and

- Documenting our shared history through projects such as Te Tai Treaty Settlement Stories and Te Ara—The Encyclopedia of New Zealand.

The Ministry contributes substantially to this strategic intention across several work programmes. This includes administering the Protected Objects Act 2006 and the Flags, Emblems, and Names Protection Act 1981. We continue to look after national memorials and graves (including war graves), maintain Pukeahu National War Memorial, and oversee the construction of the Erebus National Memorial. In addition, our programme of commemorations (including Tuia – Encounters 250) acknowledges nationally significant events in our history. Through Heritage EQUIP we assist private owners to strengthen their earthquake-prone heritage buildings. We continue to research, write, and publish New Zealand history and reference works, including the online encyclopedia of New Zealand and online biographies.

HIGH-LEVEL INDICATORS OF NATIONAL IDENTITY IN THE CULTURAL SECTOR

01	Arts' contribution to identity More than half of New Zealanders believe the arts help define who we are as New Zealanders (54%) and reflect NZ's cultural diversity (67%). (<i>New Zealanders and the Arts, 2017</i>).
02	Sense of belonging In 2016, 88.4% of New Zealanders felt a strong sense of belonging to New Zealand. (<i>General Social Survey, 2016</i>)
03	Cultural participation and life satisfaction In 2016, Kiwis who had participated in at least one cultural or recreational activity in the last four weeks were more likely to rate their overall life satisfaction as 'high' (83%) than those who had not (75%) and to feel the things they do in life are worthwhile (88% vs 78%). (<i>General Social Survey, 2016</i>)
04	Place in the world New Zealand is ranked: <ul style="list-style-type: none">- 3rd in the world for global creativity. (<i>Global Creativity Index, 2015</i>)- 17th in the world for soft power. (<i>Soft Power 30 Index, 2019</i>)- 11th in the world for Best Country. (<i>Best Countries Index, 2020</i>)



The UK Memorial at Pukeahu National War Memorial Park.
Photo: Mark Tantrum

Whāinga matua 4 Te hāpai i te ao tuitui kōrero

Strategic priority 4 Investing in news and stories

This was a new priority in 2018/19 and reflected the government's intention to strengthen New Zealand's public media system to ensure an informed democracy. This priority has related national wellbeing links to the areas of civic engagement and governance, knowledge and skills, and social connections.

The media in New Zealand and overseas are increasingly challenged by new platforms and technologies. This is having an adverse impact on both government-owned and private media organisations, and their ability to contribute effectively to our national identity and ensure New Zealanders have access to high-quality information enabling democratic debate. According to NZ On Air research in November 2019, New Zealanders have high expectations the media will keep them informed about global affairs and local and community issues. New Zealanders also expect a high level of integrity from the media, with over three-quarters of respondents agreeing that 'free, independent, trustworthy news is critical for democracy in New Zealand'.

During 2019/20, the Ministry's work on options to strengthen public media became a significant area of activity. This and other initiatives are outlined on page 29.

The Ministry's contribution

Following Cabinet decisions in August 2019, the Ministry led policy work to investigate options to strengthen public media in New Zealand. The Minister of Broadcasting, Communications and Digital Media reported back to Cabinet in January 2020 with a preferred option, to establish a new public media entity, and Cabinet directed officials to undertake a detailed business case to test the viability of establishing the new entity.

Work on the detailed business case began, but COVID-19 has presented significant challenges not just to the public media system but to the entire

media industry. The Ministry's work on public media was temporarily paused while it concentrated on interventions across the wider media sector.

The Ministry supported the Minister of Broadcasting, Communications and Digital Media to develop a \$50 million support package for the media sector in recognition of the drastic impact of COVID-19 on revenue. The support package focused on providing immediate cashflow relief to media organisations. Since the support package was announced in April 2020, significant work has been undertaken to implement the initiatives and distribute funding, with \$20.6 million made available to the sector within a month of announcing the relief.

Photo: Pixabay



Te wāwāhinga

**Performance information
for appropriations**

Vote Arts, Culture and Heritage

Policy Advice, Monitoring of Funded Agencies and Ministerial Servicing

Scope—The overarching purpose of this appropriation is to provide policy advice and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities.

Policy advice

Specifically the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to arts, culture, heritage and broadcasting.

Monitoring of funded agencies

Monitoring the Crown's interests in sector agencies.

Ministerial servicing

Providing negotiated services to the Minister and Associate Ministers for Arts, Culture and Heritage, and the Minister of Broadcasting, Communications and Digital Media.

Policy advice and funded agency monitoring to support the government's interventions in the cultural sector

In 2019/20 we continued to work on established priorities across all our Ministers' portfolios. Early 2020 saw us realign our work programme to focus on the recovery and regeneration of the cultural and media sectors, which were impacted significantly by COVID-19. We will continue to work closely with Ministers and the sector to ensure the sector is resilient and ready to grow and innovate, to connect with new audiences, and to create rewarding employment during and after the recovery period.

Supporting sustainable arts and wellbeing

Creatives in Schools

Budget 2019 provided funding for a Creatives in Schools programme to be delivered to schools and kura. Professional artists and creative practitioners partner with schools to share specialist artistic knowledge and creative practice with students. We have been working closely with the Ministry of Education and Creative New Zealand in project planning, promotion, selection, implementation, and evaluation.

The first round of Creatives in Schools opened in September and October 2019 and there was an excellent response, with 157 applications being submitted. From these, 34 projects were chosen to take place in the first two terms of 2020. The projects include schools and kura throughout country, with a good mix of primary and secondary schools and kura, as well as a range of art forms. In June, the government announced an additional \$4 million to fund the programme from 2020 to 2023.

Career support for creative jobseekers

The former PACE (Pathways to Arts and Cultural Employment) programme assisted jobseekers willing and able to pursue a career in the arts and creative industries to move towards sustainable employment and self-sufficiency. This programme was run by the Ministry of Social Development but ceased in 2011.

One of our priorities for those working in these industries is employment and sustainable careers, and in 2019/20 work continued on considering options for an evolution of the PACE scheme. Budget 2020 provided \$7.9 million (via Vote Social Development) for a programme to provide career development for arts practitioners, supporting them to attain or regain sustainable work. We are working closely with the Ministry of Social Development to establish the pilot programme in Auckland in November 2020, and two other regions in 2021.

Artists' resale royalty

An artists' resale royalty (ARR) would require buyers of art works to pay a royalty when purchasing art through professional art market intermediaries on the secondary art market. During 2019/20 we undertook targeted engagement with stakeholders and delivered a public survey which found strong overall support for an ARR scheme in New Zealand. Further consultation and work on developing a proposal to Ministers, including a regulatory impact assessment, was underway when the project was paused in order to focus on the immediate COVID-19 response. This work will resume in 2020/21.

Screen sector strategy

The Ministry is supporting the screen sector to develop a 10-year industry-led strategy. In a time of substantial change in how people choose to make, watch, fund and even define screen content, the development of

this strategy has provided a forum for the industry to come together and have constructive discussions about the challenges and opportunities facing them. This clarity will help government and industry ensure we are doing what is needed for the New Zealand screen sector to continue to succeed in a post-COVID environment. The Screen Sector Strategy was finalised and delivered to the government in early 2020/21.

Strengthening the system for protecting heritage

The Strengthening Heritage Protection programme comprises three broad streams – the regulatory system, funding and incentives, and Crown management of heritage. During 2019/20 we undertook targeted engagement on the regulatory system, which included work to progress the national direction on historic heritage under the Resource Management Act 1991, the role of heritage orders under the Resource Management Act 1991, and how to address demolition by neglect.

We continue to progress work on funding and incentives, including working with other agencies on funding issues that can support heritage owners; and we are progressing a draft new policy for the Crown management of heritage. We will work closely with Ministers on a way forward for the consultation stages of this programme, which will need to be reviewed because of the effects of COVID-19.



Behind the scenes of *Educators*. Photo: South Pacific Pictures © 2020



Above Ngākahu Kaiārahi Project Lead, Dr Amber Aranui, Te Papa Iwi Engagement Workshop, Waikato Museum, Hamilton. Photo: Te Papa

Supporting New Zealand's heritage

Repatriation

In 2019/20 the Ministry continued to work alongside Te Papa Tongarewa and the New Zealand Repatriation Research Network on the approach to repatriation of ancestral human remains. This work has included a bone identification workshop for museums holding ancestral human remains.

Along with Te Papa, we reported to Te Papa's Karanga Aotearoa Repatriation Advisory Panel, which is very supportive of the domestic repatriation kaupapa. Te Papa advises the first major domestic repatriation of 2020/21 will be the return of Moriori ancestral human remains to Rēkohu (the Chatham Islands). Following this, Ngāti Kahungunu is likely to be the next iwi we work with. Discussions with both iwi are underway.

National Archives and Library Institutions

In 2019/20 we continued to work alongside the Department of Internal Affairs and the State Services Commission to support the National Archives and Library Institutions (NALI) Ministerial Group. The NALI Ministerial Group aims to strengthen the contributions that Archives New Zealand and the role of the Chief Archivist, the National Library of New Zealand and Ngā Taonga Sound & Vision make to democratic accountability and to the culture and heritage sector in New Zealand, and to consider how best to respond to the challenges and opportunities they face.

While the consensus is the current structural settings cannot continue, the Co-Chairs of the NALI Ministerial Group agreed that following investment in the institutions in Budget 2020, no structural changes would be made in the current term of this government. This will allow the institutions to focus on implementing the significant investments made, prior to the NALI work programme continuing.

Right Visitors in Rongomaraeroa, Te Papa. Photo by Johnny Hendrikus. Te Papa (136740)

Supporting sustainable media

Strong Public Media

Following Cabinet decisions in August 2019, the Ministry led policy work to investigate options to strengthen public media in New Zealand. The Minister of Broadcasting, Communications and Digital Media reported back to Cabinet in January 2020 with a preferred option, to establish a new public media entity, and Cabinet directed officials to undertake a detailed business case to test the viability of establishing the new entity. Work on the detailed business case was underway when the programme was paused in order to focus on the immediate COVID-19 response. Advice on the next steps for Strong Public Media will be considered shortly.

Content regulation

We continue to work closely with the Department of Internal Affairs on the wider review of New Zealand's content regulatory system.

Response to the impact of COVID-19 on media

The Ministry supported the Minister of Broadcasting, Communications and Digital Media to develop a \$50 million support package for the media sector in recognition of the far-reaching impact of COVID-19 on its revenue. The support package focused on providing immediate cashflow relief to media organisations. Since the support package was announced in April 2020, significant work has been undertaken to implement the initiatives and distribute the funding. Further work is expected to focus on the longer-term sustainability of the sector.



Our funded entities



Supporting and monitoring funded entities

With our goal of lifting sector performance, we support Ministers to oversee the performance of Crown-funded entities and non-government organisations across arts, culture and heritage; broadcasting, communications and digital media; and sport, active recreation and play.

To do this, we support and advise Ministers on:

- appointing Board members to ensure effective governance;
- setting expectations for entities, including in relation to new funding provided through the annual Budget cycle; and
- entity performance, including whether government expectations have been met.

We also facilitate information exchange through Chairs' forums and regular Chairs and Chief Executives meetings.

A key priority during the year has been supporting the response to COVID-19, including:

- scenario planning to understand financial viability and funding requirements to support survival of Crown entities and NGOs;
- ensuring financial viability of entities and sector recovery by seeking new funding through the Budget process; and
- seeking extensions to timeframes for statutory documents such as statements of intent and statements of performance expectations.

In 2019/20 we have updated our guidance on board self-evaluations. Ministers have asked Crown entity boards to self-evaluate their performance and provide summaries of the results.

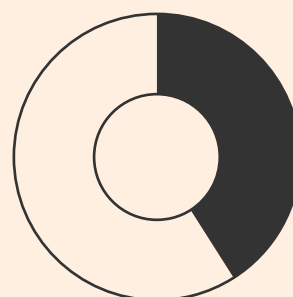
In the period March to May 2020 (during the COVID-19 high point) the Ministry was in regular contact with entities and they provided us with information on how COVID-19 was affecting their organisations. Through weekly reports, we provided information to the entities on the key messages and support from the government.

Advice and support were provided to Ministers for 38 board appointments and reappointments across 11 of the 17 Crown and other entities supported through the Ministers' portfolios. Through

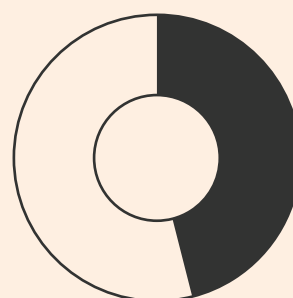
these appointments, female board membership across all boards increased from 46% to 50%, meeting the government's target.

We continue to receive more nominations of Māori and Pasifika candidates, and we are working closely with those nominating agencies (such as Te Puni Kōkiri, Ministry for Women and the Office of Ethnic Communities) to identify suitable people for boards. We have had an increase in applications from a wide range of ethnicities in 2019/20.

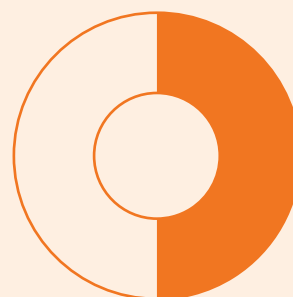
Female board appointments across Crown-funded entities supported by Ministers' portfolios



2018 41% female



2019 46% female



2020 50% female



Above The Royal New Zealand Ballet's production of *Hansel & Gretel*, 2019.

Photo: Stephen A'Court

Below *Ngā Manu Rōreka* by Apirana Taylor, Taki Rua Productions.

Photo: Philip Merry



How well we delivered it—This section provides an assessment of our delivery against the performance measures set out in the Information Supporting the Estimates for 2019/20.

POLICY ADVICE, MONITORING OF FUNDED AGENCIES AND MINISTERIAL SERVICING			
Performance measures	Actual performance 2019	Budget standard 2020	Actual performance 2020
Ministerial satisfaction with the quality of services and/or support provided by the Ministry for Culture and Heritage (see Note 1)	All Ministers were satisfied, average rating 8 out of 10	4	4.35

POLICY ADVICE			
Performance measures	Actual performance 2019	Budget standard 2020	Actual performance 2020
Ministerial satisfaction with the timeliness of advice for policy briefings, advice and reports (see Note 1)	All Ministers were satisfied, average rating 8 out of 10	4	4
Ministerial satisfaction with the quality of advice for policy briefings, advice and reports (see Note 1)	All Ministers were satisfied, average rating 8 out of 10	4	4.35
The average quality of written policy papers to the Ministers, as assessed annually by an expert panel (see Note 2)	7/10 70%	70%	56%

Note 1—Ministerial satisfaction measures

Ministerial satisfaction is calculated in accordance with Department of the Prime Minister and Cabinet guidance. This results in a ministerial satisfaction score between 1 and 5 with 1 being 'Never' and 5 being 'Always'. The budget standard of 4 means that the Minister(s) are satisfied 'Most of the time'.

Note 2—The quality of written policy papers to Ministers

The Ministry is now using the Policy Quality Framework to assess papers. This assesses papers on a scale of 1–5. While there were some individual examples of good practice, the final score for the exercise was 56%. Lessons from the review process will inform an ongoing process of improvement of policy advice.

MONITORING OF FUNDED AGENCIES

Performance measures	Actual performance 2019	Budget standard 2020	Actual performance 2020
Ministerial satisfaction with the timeliness of advice for agency related briefings, advice and reports (see Note 1)	All Ministers were satisfied, average rating 8 out of 10	4	4
Ministerial satisfaction with the quality of advice for agency related briefings, advice and reports (see Note 1)	All Ministers were satisfied, average rating 8 out of 10	4	4
Ministerial satisfaction with the quality of advice for board appointments to Crown-connected boards (see Note 1)	All Ministers were satisfied, average rating 8 out of 10	4	4.35
The average quality of new board member governance workshops, as assessed by survey of attendees	89%	80%	Not reported (see Note 2)

Note 1—Ministerial satisfaction measures

Ministerial satisfaction is calculated in accordance with Department of the Prime Minister and Cabinet guidance. This results in a ministerial satisfaction score between 1 and 5 with 1 being 'Never' and 5 being 'Always'. The budget standard of 4 means that the Minister(s) are satisfied 'Most of the time'.

Note 2—The quality of new board member governance workshops

A new members' workshop was unable to be held during the lockdown. Because no workshops had been held in the first half of the year, this measure was unable to be achieved. The team will explore ways to deliver workshops safely in the 2020/21 financial year.

MINISTERIAL SERVICING

Performance measures	Actual performance 2019	Budget standard 2020	Actual performance 2020
Percentage of Parliamentary questions responded to within agreed timeframes	100%	100%	100%
Ministerial satisfaction with the quality of Parliamentary question responses (see Note 1)	All Ministers were satisfied, average rating 8 out of 10	4	4.2
Percentage of speeches and draft replies to ministerial correspondence provided within agreed timeframes (see Note 2)	72%	95%	92%
Ministerial satisfaction with the quality of speeches and draft replies to Ministerial correspondence (see Note 1)	All Ministers were satisfied, average rating 8 out of 10	4	4.2
Percentage of Ministerial and Ministry OIA responses responded to within legislative timeframes	99.5%	100%	100%
Ministerial satisfaction with the quality and robustness of Ministerial OIA responses (see Note 1)	All Ministers were satisfied, average rating 8 out of 10	4	4.2

Note 1—Ministerial satisfaction measures

Ministerial satisfaction is calculated in accordance with Department of the Prime Minister and Cabinet guidance. This results in a ministerial satisfaction score between 1 and 5 with 1 being 'Never' and 5 being 'Always'. The budget standard of 4 means that the Minister(s) are satisfied 'Most of the time'.

Note 2—Ministerial servicing–correspondence

The team experienced an unexpected increase in workload compared to the previous year. To address this, Ministerial Services has increased staffing levels and undertaken to develop better coordination within the Ministry.

Vote Arts, Culture and Heritage

Heritage Services

Scope—Management of new memorial projects, national monuments, war and historic graves; promotion of cultural events; administration of legislation and grants; research, writing and publication of New Zealand history and reference works, including Te Ara—The Encyclopedia of New Zealand.

Te Tai Treaty Settlement Stories

In 2019/20 one of our major digital projects, Te Tai Whakaea Treaty Settlement Stories (Te Tai), published two new iwi-based audio-visual web stories, exploring the history and settlement journey of the major iwi Ngati Porou and Waikato-Tainui (see tetai.nz).

Te Tai aims to better inform New Zealanders about Te Tiriti settlements and their impact by connecting and engaging them with a diverse range of settlement stories. The project has a valuable role in deepening understanding of New Zealand's bicultural history, the evolving Māori-Crown relationship and the impact of Ngā Pakanga o Aotearoa (the New Zealand Wars) in their broadest context. Te Tai presents a package of online resources, including audio-visual oral history interviews, research articles, documentaries, multi-media web stories and educational resources in both te reo Māori and English that enable schools to engage with and explore our history in their own localities. Another key part of the project, and a matter of some urgency, is capturing first-hand the experiences and mātauranga of key figures involved in early Treaty settlements while they are still with us.

The Ministry is currently working closely with Ngāti Whātua Ōrākei and Raukawa on their settlement stories, as well as with Te Taura Whiri o te Reo Māori on a web story outlining the Te Reo Māori claim, and plans to publish this new content online in 2020/21.

Education programme

The Ministry has an important role in producing and promoting educational resources, as well as delivering an education programme at Pukeahu National War Memorial Park. The closure of Pukeahu due to COVID-19 in early 2020 has focused more attention on the value of our online education resources, which explore a range of historical topics and provide teachers with meaningful contexts for learning and teaching suggestions. Many of these resources and ideas follow strong place-based local history as a way of introducing and teaching bigger concepts.

New online education content has been published in 2019/20 and the 'Classroom' section of the NZ History website is currently being redeveloped. Manatū Taonga educators are also liaising with the Ministry of Education on the development of the new history curriculum.

Ngā Tāngata Taumata Rau Dictionary of New Zealand Biography

Since launching the Suffrage 125 biographies in 2018, the Ministry has established an ongoing Dictionary of New Zealand Biography (DNZB) programme, which aims to publish 20–25 new biographies each year (see teara.govt.nz/en/biographies). Twenty-four new biographies were launched in October 2019 and May 2020, including those of Barbara Angus, Ramai Hayward, Ralph Hotere, Bruce McLaren, Matiu Rata, Keith Sinclair, Kelly Tarlton and Selwyn Toogood. This brings the total of new biographies published since 2018 to 64.

These new biographies complement the more than 3000 DNZB biographies originally published in print form between 1990 and 2000 and subsequently made available online in the early 2000s. The 500 biographies on Māori figures are also available in te reo Māori.



Above Ramai Hayward, 1969, whose biography has been published by the DNZB. Photo: Stills Collection, Ngā Taonga Sound & Vision. Courtesy of Hayward Collection. S257702

Below The Te Tai team from Manatū Taonga and Huia Publishers at the launch of the Ngati Porou Te Tai Treaty Settlement Story at Te Poho-o-Rawiri in Tūranganui-a-Kiwa Gisborne. Photo: Manatū Taonga



Ministry of Foreign Affairs and Trade history

Manatū Taonga has been commissioned by the Ministry of Foreign Affairs and Trade to manage the research and writing of a major print history of New Zealand's diplomatic service. Work began in mid-2019 with the appointment of Dr Ian McGibbon as commissioning editor, and leading experts in the field have been engaged to write the publication's 10 chapters. The book is expected to be published in 2021/22.

Management of Pukeahu National War Memorial Park

Six international memorials now stand within Pukeahu. The seventh, a Pacific Islands Memorial symbolising our close relationship with the Pacific and the service of Pacific peoples alongside New Zealanders in the two World Wars and in other conflicts, was due for installation in April 2020 with leaders from around the Pacific attending. However, the travel restrictions imposed to prevent the spread of COVID-19 meant that the unveiling has been indefinitely postponed.

The memorial remains in storage in Wellington until a new date can be set.

In November 2019, a memorial plaque remembering the estimated 9000 New Zealanders who died in the 1918 global influenza pandemic was unveiled by the Prime Minister. As well as commemorating those who lost their lives in the pandemic, the memorial recognises those who risked their own lives to help others.

In February 2020, the Ministry received a detailed seismic assessment of the National War Memorial Carillon Tower. The report identified the tower as earthquake prone and it was immediately closed to staff and the public. This has meant the closure of the War Memorial until work can be carried out to strengthen the Carillon Tower.

Emeritus Professor Geoffrey Rice and Minister for Arts, Culture and Heritage Rt Hon Jacinda Ardern unveil the 1918 Influenza Pandemic Memorial Plaque at Pukeahu National Memorial Park. Photo: Mark Tantrum



National commemorations programme

Historical anniversaries commemorated in 2019/20 included the 75th anniversary of the end of the Second World War in Europe. Known as VE Day (Victory in Europe), the anniversary was marked in a low-key way in New Zealand due to the restrictions imposed by the response to COVID-19. The more significant anniversary, marking the end of the war in the Pacific, was marked in August 2020.

In October 2019, the annual He Rā Maumahara—National Commemoration Day was held in Taranaki in honour of those who made sacrifices in wars and conflicts within Aotearoa New Zealand.

The response to COVID-19 this year meant that, for the first time since it was introduced in 1916, Anzac Day could not be marked with public ceremonies. The Ministry worked with the New Zealand Defence Force, the Department of Internal Affairs and the Royal New Zealand Returned and Services Association on ways for New Zealanders to mark the day under lockdown. Video messages were recorded by the Prime Minister and the Governor-General. A short dawn service was broadcast on Radio New Zealand and members of the public were encouraged to stand at dawn at their front door or front gate.

National Erebus Memorial

In April 2019, the design for the National Erebus Memorial at Dove Myer Robinson Park, Auckland, was announced. Since then, the design team has developed the design to mitigate concerns expressed by community groups and prepare it for the necessary regulatory approval process. The effort made to ensure the memorial enhances the area and has no negative impact on the site or existing use is reflected in the granting of resource consent in March 2020. Landowner approval will be sought from Waitematā Local Board later in 2020.

On 28 November 2019, family members of those who died and members of Operation Overdue gathered at Government House in Auckland to mark the 40th anniversary of the accident. At this commemoration, the Prime Minister apologised on behalf of the government for the actions of an airline, then in full state ownership, which ultimately caused the aircraft to crash with the loss of all those on board. The Prime Minister was joined by the Chair of Air New



The 'Black November' performance at the unveiling of the 1918 Influenza Pandemic Memorial Plaque. Photo: Mark Tantrum

Zealand, Dame Therese Walsh, who also apologised for the actions of the airline which led to the accident and its treatment of the families in the aftermath of the accident.

National memorials and graves

The Ministry manages a triennial programme of inspections and planned repairs for the war graves and memorials included in its New Zealand portfolio. Conservation plans have been developed for a number of memorials across New Zealand in order to guide the Ministry in the ongoing care and management of significant sites. Planning for a major project (the restoration of the Seddon Memorial) is underway, with physical work due to start in the 2020/21 financial year. The Cook Monument at Kopu Bridge has been reinstalled and site interpretation will follow in 2020/21. Planned maintenance has been completed at key offshore memorials, ensuring that they are accessible and cared for.

Right Poppies and messages on the Tomb of the Unknown Warrior, Pukeahu National War Memorial Park. Photo: Manatū Taonga

Opposite right Home-made poppies on the streets of Te Whanganui-a-Tara Wellington. Photos: Manatū Taonga

Opposite left Candle-lit community Anzac Day dawn service, Te Atatū South. Photo: Monica Endemann

Below right The Governor-General, Dame Patsy Reddy and husband Sir David Gascoigne standing at dawn

Below left Anzac crosses on a Te Whanganui-a-Tara Wellington street. Photo: Manatū Taonga





Administering legislation

During the year, the Ministry processed 95 applications for and enquiries about the export of protected objects from New Zealand under the Protected Objects Act 1975. The objects included New Zealand artworks of the 19th and 20th century, historic traction engines and automobiles, and ngā taonga Māori. Temporary export permissions were processed to support the international loan and overseas exhibition of 132 artworks by Len Lye, scientific samples destined for international research and scientific study (including samples from salvaged parts of the *Endeavour* wrecked at Facile Harbour, Dusky Sound in 1795), and heritage machinery sent overseas for specialist restoration work to be undertaken. We also considered 110 applications and enquiries under the Flags, Emblems, and Names Protection Act 1981 on the use of New Zealand's sovereign symbols of nationhood.

The Ministry is also responsible for registering and ensuring appropriate care and custody of newly found taonga tūturu, and publicly notifying and seeking claims for ownership and custody of these taonga. As interim guardians, we processed 65 newly found taonga tūturu and informed the public and interested parties of their right to claim ownership of them. We have ensured that fragile waterlogged wooden taonga have been treated by specialist conservation services and have also supported iwi to build capacity and capability to assist in the long-term conservation of taonga tūturu. During the year, the Ministry appeared before the Māori Land Court on six occasions and in each case received orders determining traditional ownership of taonga tūturu.

COVID-19 has had an impact on this work. Archaeological work ceased and institutions such as museums that often care for and notify taonga tūturu found by the public were closed during COVID-19 Alert Levels 3 and 4. The Māori Land Court adjourned proceedings and the Ministry did not submit applications to the Court over this time.



Above New Zealand flag.
Photo: Manatū Taonga

Administering funds

Heritage EQUIP

Heritage EQUIP is a funding and advice programme for the seismic upgrade of heritage buildings. The Ministry has awarded more than \$11.2 million in funding for upgrade projects. In late 2018 the Ministry made changes to the fund to better target the needs of regional communities. Instead of only funding the works stage of upgrade projects, owners were also able to apply for funding for advice from structural engineers and heritage consultants. Since these changes were made to the programme, the building owner response has been impressive:

Since we made changes to the programme the response has been impressive:

- One third of all applications since late 2018 have been for advice;
- Applications per round have increased from six to 20;
- Half of the applications received have been for regional projects; and
- The share of funding awarded for regional projects has doubled from 30% to 60%.

Another significant catalyst for stronger regional activity has been engagement with local authorities. Supporting their engagement with building owners has been the biggest driver of increased regional activity. This year new models of engagement were

tested different with the Manawatū and Whanganui District Councils, while continuing to support many councils. In addition, the Ministry has developed an approach that pools professional advice requirements of building owners in similar circumstances. Owners of eight buildings in both Feilding and Whanganui were awarded funding for this approach to securing structural assessments, as were a group of 12 Invercargill building owners.

Case study—the Grosvenor Hotel

The Grosvenor Hotel was constructed in Timaru in 1915. It replaced a previous hotel with the same name which had occupied the site since 1875. Both hotels have made unique contributions to Canterbury history. The Canterbury Rugby Football Union was established in the basement of the original building in 1879. The Grosvenor hosted Queen Elizabeth during a royal visit in 1954 and again in the 1970s. Since 1983 the hotel has been recognised by Heritage New Zealand Pouhere Taonga as a Category 2 historic place.

The building owner was first awarded a Heritage EQUIP grant to secure structural design advice so the upgrade plans could be finalised. Those plans then formed the basis of an application to part-fund the upgrade works. In December 2019 \$300,000 was awarded to help strengthen the building—the largest grant awarded during the year. Once the upgrade is complete the owners plan to increase occupancy at the Grosvenor—including by hosting community and corporate events. The upgrade project will ensure the building’s past is highlighted for future visitors.

The Grosvenor Hotel, Timaru.
Photo: Manatū Taonga



The Regional Culture and Heritage Fund

The Regional Culture and Heritage Fund (RCHF) is a capital fund of last resort for public art galleries, museums, performing arts venues and whare taonga. Through the RCHF the government helps ensure buildings housing taonga, heritage and arts collections as well as performing arts venues throughout New Zealand are fit for purpose.

Not-for-profit entities and territorial authorities can apply, with priority given to regional projects outside the metropolitan areas of Christchurch, Wellington and Auckland.

In the four RCHF rounds announced to 30 June 2020, up to \$30.139 million was granted to 17 projects across 15 regions and \$28.170 million remains available for allocation to 30 June 2023.

Decisions on the fifth round of the RCHF were delayed to give applicants reasonable opportunity to respond to their COVID-19 circumstances and enable them to review their ongoing ability to proceed with their projects at this time. Round Five decisions were pushed out from early June to July 2020.



Monitoring of projects already underway

We will monitor the impact of COVID-19 on previously funded projects now underway as part of our monitoring practices.

Previously funded North Island projects already underway:

- Motutū Marae Trust's Raiātea Whare Taonga Resource and Archive Centre in Hokianga, Northland; *underway, RCHF grant of up to \$0.3 million awarded in Round 4;*
- Whanganui's Sarjeant Gallery—redevelopment and seismic strengthening of its heritage-listed Queen's Park building; *earthworks commenced, RCHF grant of \$10 million awarded in Round One;*
- Rotorua Museum redevelopment project; *shovel ready, RCHF grant of \$5 million awarded in Round Four; and*
- Upper Hutt's Expressions Whirinaki Arts and Entertainment Centre redevelopment project; *underway, RCHF Grant of up to \$1.280 million awarded in Round Four.*

Previously funded South Island projects already underway:

- Loons Club Performing Arts Venue Building, Lyttelton; *commenced, RCHF grant of \$0.981 million awarded in Round Four;*
- Gore's Eastern Southland Gallery project to establish a Muka Studio Wing for its arts centre. *The now completed RCHF-funded stage received a grant of \$0.11 million. Monitoring continues of the next phase of this multi-stage project; and*
- Rakiura Heritage Centre, Stewart Island, towards constructing a new building to house the Stewart Island Museum; *commenced, due to open in 2020; RCHF grant of \$1.088 million awarded.*

Stewart Brown shows Prime Minister and Minister for Arts, Culture and Heritage Rt Hon Jacinda Ardern the Rotorua Museum redevelopment project.
Photo: Manatū Taonga

Recently completed RCHF projects

ASB Trust Theatre Blenheim

\$0.900 million grant awarded in RCHF round three, 2018/19

The Ministry has monitored a Cabinet grant of \$1 million towards the ASB Theatre Blenheim's 701-seat MacLauchlan Family Lyric Theatre Auditorium and a \$0.900m RCHF grant (in RCHF round three, 2018/19) to complete the fit out of the Anderson Studio Theatre, a Black Box performance space capable of flexible set ups seating up to 150 persons. The Anderson Studio Theatre stage was completed in mid-2019.



Inside the Anderson Studio Theatre.
Photo: Andrew Scott

Nelson Centre of Musical Arts

\$1.5 million grant awarded in RCHF round one, 2016/17

In round one (2016/17), the Nelson Centre of Musical Arts (formerly Nelson School of Music) received \$1.5 million towards seismic-strengthening and redevelopment of its 1901 Category I heritage auditorium which has acoustics that are highly valued by performers and audiences alike. The project had an end cost of \$9.6 million.

The government's grant enabled the auditorium to reopen in 2018 as a state-of-the-art performing arts venue to host local, national and international performing artists.

The Trust also ensured that previously removed heritage features were reinstated on this Category I heritage building rescuing a local landmark so it can continue to be feature in the cultural fabric of the Nelson region.



Above Exterior of the Nelson Centre of Musical Arts. Photo: Oliver Weber Photography

Left Inside the Nelson Centre of Musical Arts. Photo: Oliver Weber Photography

Government Indemnity of the Tū te Whaihanga exhibition, Tairāwhiti Museum

In October 2019, as Te Tairāwhiti and Aotearoa New Zealand marked the start of the Tuia 250 commemorations, Tairāwhiti Museum opened a major exhibition of 37 historic taonga which had left the Te Tairāwhiti region following the first encounters of October 1769. For the first time in 250 years, these taonga returned home to Te Tairāwhiti to again stand with Te Tairāwhiti iwi; and their return on loan from British and German hosts was supported by the Government indemnity scheme of touring exhibitions administered by Manatū Taonga.

The 37 taonga are some of those which left on board the *HMS Endeavour* after its first voyage to Aotearoa in October 1769. The taonga were returned on loan from British institutions including

the British Museum, Pitt Rivers Museum at University of Oxford, Great North Museum Hancock and the University of Cambridge Museum of Archaeology and Anthropology. A centrepiece of the exhibition, Te Poupou o Hinematiaro—taken from Hinematiaro’s whare on Te Pourewa Island on October 28, 1769—was returned on loan from Tübingen University Museum, Germany.

The government indemnity scheme helps reduce the costs of insurance for international exhibitions visiting New Zealand. The scheme is based on the principle of accessibility: making significant touring cultural exhibitions available to New Zealanders. Under the scheme, the government assumes a large part of the risk of presenting exhibitions, minimising the amount of commercial insurance museums and galleries need to buy which may otherwise be a prohibitive cost.

This project was led by Hei Kanohi Ora Iwi Governance Group, which is made up of tangata whenua of Tūranganui-a-Kiwa and Te Aitanga-a-Hauiti and was developed in partnership with Tairāwhiti Museum. It was also a notable first for the indemnity scheme as the first occasion the scheme supported New Zealanders’ access to indigenous taonga returning home, rather than to overseas cultural material.

Tū te Whaihanga is currently scheduled to remain on display at Tairāwhiti Museum until mid-October 2020. The physical exhibition is accompanied by an online exhibition accessible through Tairāwhiti Museum’s website (see tairawhitimuseum.org.nz/exhibition/tu-te-whaihanga-online-exhibition).



Left Tū te Whaihanga exhibition.
Photo: Dudley Meadows.
Courtesy of Tairāwhiti Museum



Left Wānanga with the returned taonga at Tairāwhiti Museum, September 2019. Photo: Dudley Meadows. Courtesy of Tairāwhiti Museum

Below The arrival of the taonga at Te Poho-o-Rawiri, Tūranganui-a-Kiwa Gisborne, September 2019. Photo: Dudley Meadows. Courtesy of Tairāwhiti Museum





Above Tuia 250 flotilla arrives at Cook's Cove near Uawa/
Tolaga Bay in October 2019. Photo: Daneë Hazama Photography
Below Hongi shared during pōwhiri at Whakaraupō/ Lyttelton.
Photo: Manatū Taonga



Tuia – Encounters 250

The 2019 National Commemoration of Aotearoa

Tuia te muka tangata ki uta.

Weaving people together for a shared future.

The name Tuia – Encounters 250 is woven from the te reo Māori word 'tuia'—to weave or bind, a Pākehā concept of time (250 years), and the whakataukī, Te Tangi a te Mātūi. This proverb tells of the intangible bonds established between people when they listen, unite, and work together as one.

In 2019, Aotearoa New Zealand acknowledged 250 years since the first onshore meetings between Māori and Europeans. Tuia 250 encouraged honest kōrero (conversations) within communities about the Māori and European settlement of New Zealand.

Tuia 250 recognised the extraordinary voyaging traditions and cultures of Te Moananui a Kiwa (the Pacific), the exceptional feats of Pacific voyagers, their mātauranga (knowledge), innovation and non-instrument navigation prowess, and their decision to settle in Aotearoa many generations ago.

Tuia 250 also acknowledged the feats of European explorers, the technology they developed and their first encounters with the people of this place when James Cook, Tupaia and others on the *Endeavour* arrived and sailed around Aotearoa in 1769.

The Voyage

The Tuia 250 Voyage as the main national event was devised as a metaphor, a tangible experience for New Zealanders to participate in and think about our dual heritage and shared future. People were encouraged to think about what is unique about our dual heritage, our voyaging traditions and what binds us together as a people. The Voyage included a flotilla of traditional Māori and European vessels—waka and tall ships—sailing together as one flotilla to 14 places around the country. Communities hosted their own events to

mark Tuia 250 as the flotilla visited their towns and cities. The Voyage included open vessel days, voyaging education workshops including a stardome, and a dual heritage educational roadshow with a range of resources and activities for children.

Changing the present, changing the future

Knowledge changes attitudes about the past, creating a more positive future.

All around the country hundreds of thousands of people, in schools, community halls and wānanga, were able to learn something new about themselves, their communities, the history of Aotearoa, and the tradition of waka—from building, to navigation, to the importance of the environment and sustainability. This was reflected in analysis of national media coverage, community and vessel reports, and event research. Further, everyone who has worked on Tuia 250 has received feedback from others who took away a valuable learning from engagement with kaupapa Tuia.

Legacy

Tuia 250 has left a legacy for future generations. This has been created through voyaging and encounters education and conversations taking place during the commemoration, through new physical markers and signage at sites of significance, through the changing of place names to reflect dual heritage, and through the healing that has occurred in communities and the strengthening of relationships. It also provides a framework for the public and private sectors to think about how they approach telling our story, celebrating our precious and different dual heritage while building a shared society fit for the future.

Key statistics



Over

27,000

New Zealanders

visited the travelling roadshow at 42 events in 24 communities



12,950

nautical miles

sailed by the six Tuia 250 flotilla vessels, with at least 45 days at sea



28.4 million people

cumulatively were exposed to Tuia 250 coverage in the media



More than

64,000 people

took part in the Tuia 250 Voyage events



The vessels were visited more than

40,000 times

by the public during Open Days

Above and opposite Moments from the Tuia 250 commemoration. Photos: Danee Hazama Photography and Manatū Taonga



More than
400 crew
of waka hourua, va'a, tall ships
and Navy vessels participated



More than
70 kōhatu
or mauri stones from Tahiti and Haunui crew
were gifted to sites of significance to Pacific
voyaging around Aotearoa



Over
3,500 kilometres
driven by land crew supporting the
vessels (not including driving at
locations and stops in between ports)



More than
500 trainees
experienced life on board
a tall ship or waka hourua



**15 waka, ships
and Navy vessels**
were part of the flotilla or welcomes

Crowd size breakdown by location (estimated)



Source: BERL Post Event Evaluation Report
Tuia 250 evaluation final April 2020

What did Tuia 250 achieve?

TUIA 250 OBJECTIVES	DID TUIA 250 ACHIEVE THIS?
<p>Engagement—Positive nationwide engagement with Tuia 250.</p>	<p>Community engagement with Tuia 250 was overwhelmingly positive. The work that the Landing Site Trusts and host communities put in was crucial for the Tuia 250 experience to be overall positive.</p>
<p>Tuia 250 Voyage event—The Tuia 250 national voyaging event is developed and delivered safely and successfully for communities, vessels, crew and the New Zealand public.</p>	<p>The Tuia 250 Voyage was developed and delivered safely and successfully for all communities, vessels, crew and public involved.</p>
<p>Voyaging stories—Tuia 250 brings to life the exceptional feats of Pacific, Māori and European voyaging and empowers communities to tell their stories to regional, national and international audiences.</p>	<p>Tuia 250 highlighted the feats of voyagers of the ancestors of Pacific peoples as well as James Cook, particularly through media coverage, including international media coverage, and in education.</p>
<p>Rebalancing historical narratives—The national narrative about migration and settlement is balanced and people are more connected with and better understand New Zealand’s dual heritage and Aotearoa New Zealand’s unique identity.</p>	<p>Tuia 250 highlighted dual heritage and Aotearoa New Zealand’s unique identity through local wānanga, education and resources that particularly help New Zealanders understand migration before Cook’s arrival.</p>
<p>Acknowledgement of mamae—Māori communities, iwi, hapū and whānau feel that the historical context and mamae (pain) associated with the commemoration has been appropriately acknowledged.</p>	<p>Tuia 250 encouraged open conversation and dialogue in marae, in schools, in communities, acknowledging the subsequent effect of Cook’s arrival on Māori in particular. The Expression of Regret from the British High Commissioner to descendants of those killed during the first encounters is an example of acknowledgement and healing of historic hurt.</p>
<p>Empowering the next generation—All New Zealand children have an increased understanding of Aotearoa history, our place in the Pacific and see themselves and their heritage reflected positively and valued in our national identity and in their community landscapes.</p>	<p>Tuia 250 supported a number of initiatives for rangatahi to better understand New Zealand history and their heritage.</p>

Tuia privacy breach

During the course of planning for the Tuia voyage, a significant privacy breach occurred with the Voyage Trainee application process. The Ministry took immediate action to minimise the effect of the breach, which related to the incorrect and insecure storage of images of identity documents uploaded to the Tuia website. The Ministry accepted full responsibility for the breach and commissioned an independent review. The review made recommendations on how the Ministry can improve its processes to guard against similar incidents in future. The Ministry accepted all recommendations and has implemented recommendations where this was practicable and continues to progress longer-term recommendations.

How well we delivered it—This section provides an assessment of our delivery against the performance measures set out in the Information Supporting the Estimates for 2019/20.

ADMINISTRATION OF LEGISLATION TO PROTECT NEW ZEALAND AND TAONGA MĀORI AND CULTURAL HERITAGE

Performance measures	Actual performance 2019	Budget standard 2020	Actual performance 2020
Upheld appeals on an export application (see Note 1)	New Measure	0	No appeals
Māori Land Court makes orders sought by Manatū Taonga for ownership of newly found taonga tūturu	New Measure	100%	100%
Newly found taonga tūturu in prima facie Crown ownership have suitable care and custody arrangements in place	New Measure	100%	100%
Ministerial acceptance of advice in relation to the Flags, Emblems, and Names Protection Act 1981	100%	100%	100% (141/141)

Note 1—Upheld appeals on export applications

Applicants may appeal to the Minister against a determination of the Chief Executive. An appeal that is upheld may indicate an issue with the Manatū Taonga process.

PROMOTION OF CULTURAL EVENTS AND SIGNIFICANT COMMEMORATIONS

Performance measures	Actual performance 2019	Budget standard 2020	Actual performance 2020
Ministerial satisfaction with the co-ordination of anniversaries and the non-military commemorations programme (see Note 1)	Very Good	4	5
Ministerial satisfaction with the co-ordination of the Tuia Encounters 250 commemoration (see Note 1)	Fair	4	4
Ministerial satisfaction with the coordination of the WW100 programme (see Note 2)	Very Good	4	N/A
Public awareness and understanding of the Tuia 250 Baseline research commemoration (see Note 3)	Baseline research complete	Improvement on pre-commemorations baseline	Achieved
Social media reach for the Tuia Encounters 250 commemoration (see Note 4)	688,611	500,000	2,000,000

Note 1—Ministerial satisfaction measures

Ministerial satisfaction is calculated in accordance with Department of the Prime Minister and Cabinet guidance. This results in a ministerial satisfaction score between 1 and 5 with 1 being 'Never' and 5 being 'Always'. The budget standard of 4 means that the Minister(s) are satisfied 'Most of the time'.

Note 2—Ministerial satisfaction with the coordination of the WW100 programme

This commemoration concluded in the 2018/19 financial year and no further feedback was sought in 2019/20.

Note 3—Public awareness and understanding of the Tuia 250 commemoration

The pre-commemoration and post-commemoration research differed in approach. The pre-commemoration baseline research consisted of a nationally-representative online survey of 2,089 New Zealanders aged

15 or over. The post event research was an online survey of 616 people who registered on the ground at events or through social media.

Overall we are satisfied the results of the surveys support our conclusion that an increase in awareness has occurred. The awareness of the commemoration and its key messages was markedly higher among respondents to the post-commemoration survey (50% awareness compared to a pre-commemoration baseline of 6%).

Note 4—Social media reach

Reach is assessed as the number of people who had any content from or about Tuia 250 enter their social media platform. This includes posts, check-ins, ads and social information from people who interact (calculated by daily unique users). The Budget Standard was calculated based on the social media reach achieved between 1 February to 30 April 2019. This figure was then annualised and rounded up to 500,000.

MAINTAIN WAR GRAVES AND ACCESS TO MEMORIALS AND OTHER PLACES OF NATIONAL SIGNIFICANCE

Performance measures	Actual performance 2019	Budget standard 2020	Actual performance 2020
The National Erebus Memorial is delivered by May 2020 and within budget (see Note 1)	New measure	Delivered by May 2020 within budget	Not met
Pukeahu National War Memorial commemorative programme is promoted	New measure	Achieved	Achieved
After visiting the National War Memorial, visitors report they have a better understanding of the history and impact of war on New Zealand and how it is commemorated (see Note 2)	92%	90%	92%
After participating in the Pukeahu Education Programme, teachers report students have a better understanding or awareness of New Zealand's history, heritage, nationhood or citizenship (see Note 3)	90%	90%	100%
Monuments and graves managed by Manatū Taonga, including at Pukeahu, are maintained to the standards required: clean, legible, safe and structurally sound (see Note 4)	New measure	95% of the planned maintenance schedule completed	Not achieved

Note 1—National Erebus Memorial

Although installation of the memorial was deferred, work continues on obtaining consents.

Note 2—Visitor experience

National War Memorial has been closed since February 2020 due to the Carillon Tower being earthquake-prone. The results are for quarters 1 and 2. The results from quarter 3 are not retrievable and are still inside the building.

Note 3—Education programme

The sudden closure of the education programme due to COVID-19 and its impact on schools has meant schools who visited in February

2020 and the first half of March have failed to complete this survey.

These results therefore are for to the first half of the financial year.

Of the teachers that responded to the survey during this time, 100% reported a level of satisfaction 'High' or 'Extremely High' and that their experience had increased their students' understanding or awareness of New Zealand's history, heritage, nationhood or citizenship.

Note 4—Monuments and graves

The COVID-19 lockdown has had a significant impact on the maintenance programme, with many contractors unable to complete their contracted work by 30 June 2020. All contractors have been issued a 12-month contract extension and will complete their work by 30 June 2021.

INFORMATION ON AND COMMUNICATION OF NEW ZEALAND AND MĀORI HISTORY, SOCIETY AND CULTURE

Performance measures	Actual performance 2019	Budget standard 2020	Actual performance 2020
Manage annual programme to collect, preserve, and provide information on New Zealand and Māori history, society and culture (see Note 1)	Not achieved	Delivered against plan	Not achieved
Annual number of total visits to the Ministry's websites	11,125,324	11 million	10,993,217
Annual number of page impressions for the Ministry's websites (see Note 2)	26,408,820	30 million	25,143,525
Number of returning visitors to the Ministry's websites	3,660,960	3.5 million	3,910,678
Social media reach for Te Ara and NZHistory (see Note 3)	Average monthly reach of 362,036	Average monthly reach of 150,000	Average monthly reach of 248,071

Note 1—Manage annual programme to collect, preserve, and provide information on New Zealand and Māori history, society and culture

While considerable progress was made on research and preparing content for publication, this measure was not achieved due to delays with some iwi projects largely due to COVID-19. For example, travel, marae-based hui, visits to research institutions and other tasks were unable to be undertaken, meaning that delivery milestones had to be rescheduled.

Note 2—Annual number of page impressions

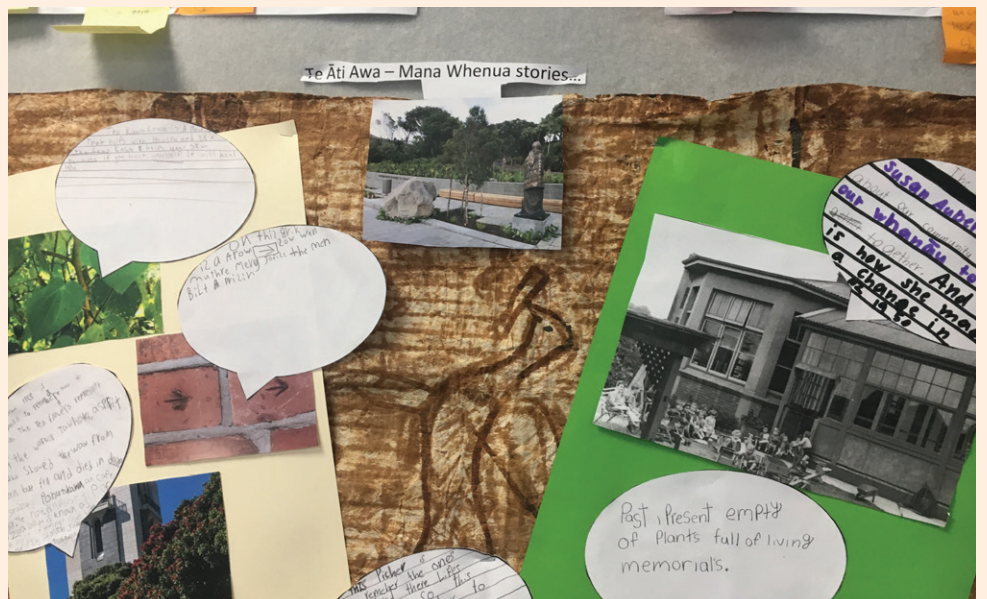
The sites have recently seen a general decline, but the lockdown period had a positive impact on the number of people visiting our sites, and the number of page impressions.

Note 3—Social Media Reach

Reach is assessed as the number of people who had any content from or about Te Ara or NZHistory enter their social media platform. This includes posts, check-ins, ads and social information from people who interact (calculated by daily unique users).



Above A Tuia 250 trainee working on the *Haunui* mast rigging. Photo: Manatū Taonga
Right Newtown Primary School students' reflections on mana whenua and their visit to Pukeahu. Photo: Manatū Taonga



Vote Arts, Culture and Heritage

Cultural Diplomacy International Programme

Scope—Management and delivery of an international cultural diplomacy programme through a series of projects and activities primarily focused on Asia and other regions where New Zealand is pursuing free-trade agreements.

The Ministry works with a range of other government agencies to support the Cultural Diplomacy International Programme (CDIP).

In 2019/20 CDIP supported three significant cultural diplomacy activities:

- Tours of the *Tuku Iho: Living Legacy* exhibition to China and Japan, led by the Ministry of Foreign Affairs and Trade
- *Project Rippa*, a cultural festival during the six weeks of Rugby World Cup 2019, led by Tourism New Zealand.

Anticipated further activities in 2020 and planning for outyears were disrupted by the COVID-19 pandemic and international travel restrictions. Underspent funds from the Multi-Year Appropriation ending 30 June 2020 were transferred into a new Multi-Year Appropriation beginning 1 July 2020. Planning for future CDIP activity will resume in late 2020.

How well we delivered it—This section provides an assessment of our delivery against the performance measures set out in the Information Supporting the Estimates for 2019/20.

CULTURAL DIPLOMACY INTERNATIONAL PROGRAMME			
Performance measures	Actual performance 2019	Budget standard 2020	Actual performance 2020
Percentage of approved projects completed and evaluated (see Note 1)	New measure	100%	33%
Extent to which the desired outcomes for these projects have been achieved (see Note 2)	N/A (no projects concluded)	80%	80%
Ministerial satisfaction with the quality and timeliness of advice is consistently high (see Note 3)	Minister was satisfied, rating of 8 out of 10	4	4

Note 1—Percentage of projects completed and evaluated

MFAT was unable to provide final evaluation reports for two CDIP projects (due in October and December 2019 respectively) before the end of the financial year. MFAT advises that the activity took place as planned, and the funds were used for the intended purpose, as reports from MFAT diplomatic posts confirm this.

Note 2—Extent to which the desired outcomes for these projects have been achieved

All quantitative targets set by Tourism New Zealand were exceeded and Tourism NZ regarded the project as a success, noting “This was one of the most successful campaigns TNZ has ever run in Japan.” However, one of the three consumer events was cancelled due to

the arrival of Typhoon Hagibis. Moreover, the project had a greater emphasis on sporting, diplomatic and branding elements and the music, fashion and design components of the project were less significant than anticipated. Based on this, the Ministry considered that the extent to which outcomes were achieved was 80%.

Note 3—Ministerial satisfaction measures

Ministerial satisfaction is calculated in accordance with Department of the Prime Minister and Cabinet guidance. This results in a ministerial satisfaction score between 1 and 5 with 1 being 'Never' and 5 being 'Always'. The budget standard of 4 means that the Minister(s) are satisfied 'Most of the time'.

Vote Arts, Culture and Heritage

Purchase Advice and Monitoring of Sport and Recreation Crown Entities

Scope—Provision of purchase advice and monitoring of Sport New Zealand and Drug Free Sport New Zealand, including advice in relation to appointments to boards.

Purchase advice and monitoring of sport and recreation Crown entities

We advised and assisted the Sport and Recreation portfolio Crown entities on their responsiveness to Ministerial expectations. We provided the Minister with advice on the performance of Sport New Zealand and Drug Free Sport New Zealand.

In 2019/20 we also made board appointments to Sport New Zealand, Drug Free Sport New Zealand, the Sports Tribunal of New Zealand and the Eden Park Trust Board.



Photo: Ihi Aotearoa Sport New Zealand

How well we delivered it—This section provides an assessment of our delivery against the performance measures set out in the Information Supporting the Estimates for 2019/20.

PURCHASE ADVICE AND MONITORING OF SPORT AND RECREATION CROWN ENTITIES			
Performance measures	Actual performance 2019	Budget standard 2020	Actual performance 2020
Ministerial satisfaction with the quality and timeliness of advice is consistently high (see Note 1)	Minister was satisfied, rating of 8 out of 10	4	4

Note 1—Ministerial satisfaction measures

Ministerial satisfaction is calculated in accordance with Department of the Prime Minister and Cabinet guidance. This results in a ministerial satisfaction score between 1 and 5 with 1 being 'Never' and 5 being 'Always'. The budget standard of 4 means that the Minister(s) are satisfied 'Most of the time'.



Tā Mātou Kōrero

Our Story

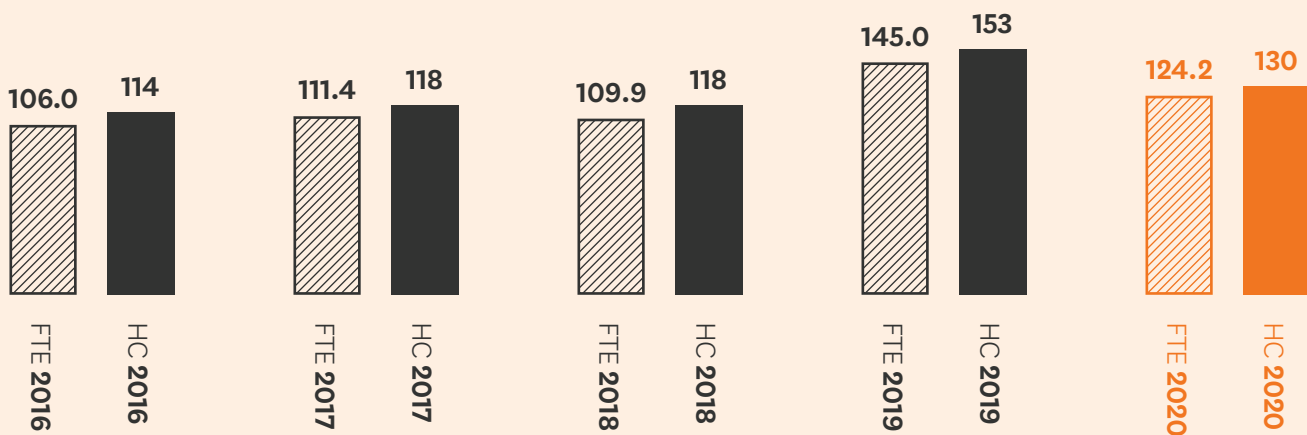
- 66 Ngā tatauranga ā-turanga mahi
Workforce statistics
- 68 Te kanorau me te whai wāhitanga
Diversity and inclusion

Ngā tatauranga ā-turanga mahi

Workforce statistics

Employee numbers

Number of employees, full time equivalent (FTE) and headcount (HC) as at 30 June.



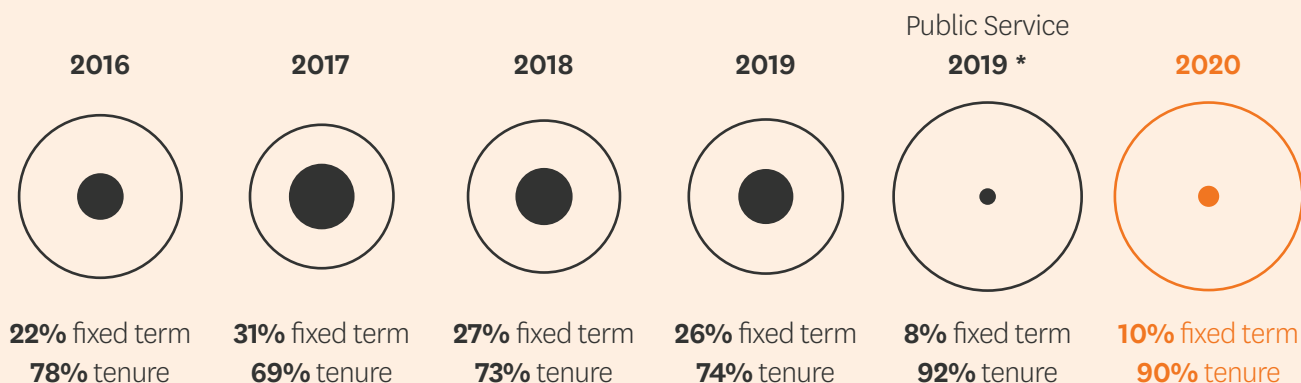
Annual leave and sick leave

Average annual leave balance per employee as at 30 June and the average sick leave taken per employee during the year, including leave for care of dependents.

2016	2017	2018	2019	2019 *	2020
12.9 days annual leave	11.5 days annual leave	12.0 days annual leave	9.7 days annual leave	15 days annual leave	14.0 days annual leave
4.4 days sick leave	6.1 days sick leave	5.1 days sick leave	4.5 days sick leave	8 days sick leave	4 days sick leave

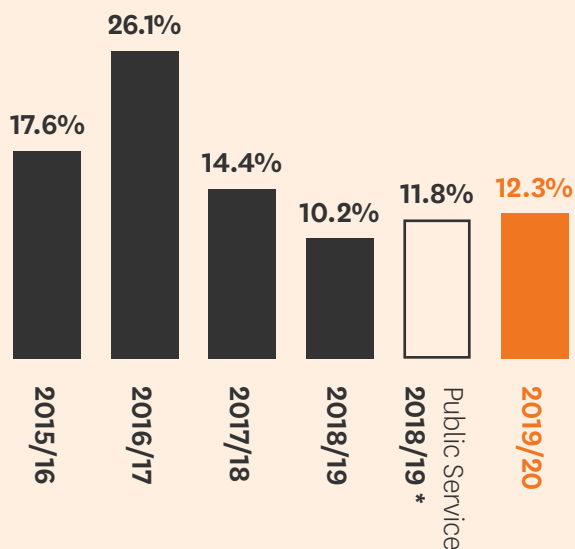
Tenure

Proportion of fixed term symbolised by the inner circle ● and ongoing tenure (permanent) employees symbolised by the outer circle ○ as at 30 June.



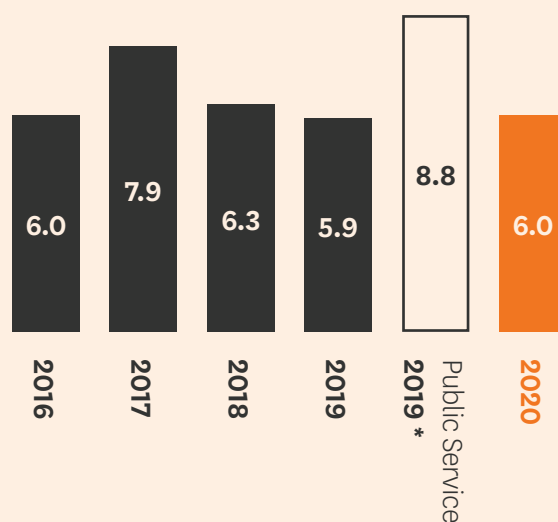
Turnover

Core unplanned turnover for the year. This covers permanent employees only and excludes cessations due to end of fixed term.



Length of service

Average length of service for permanent employees by number of years as at 30 June.



* Public Service figures as at 30 June 2019

Demographic information is provided in the Diversity and Inclusion section on pages 68–75

Te kanorau me te whai wāhitanga

Diversity and inclusion

Our vision is to 'connect more people with New Zealand's culture'. Proactively engaging with and including an increasingly diverse population is fundamental to how we achieve this.

A diverse and inclusive workforce enables Manatū Taonga to better promote the diversity of Aotearoa in the cultural sector, so all New Zealanders can connect to and see themselves reflected in it.

Māori culture is central to New Zealand's uniqueness as a place, a society and a nation. Strong partnerships between iwi Māori and the Crown are essential to ensure that Māori culture is protected and flourishes.

Te Manatū Taonga is deliberate in acknowledging our commitment as Te Tiriti partners before focusing more broadly on diversity and inclusion. This is important for a Ministry with responsibility for and stewardship of New Zealand's culture and heritage.



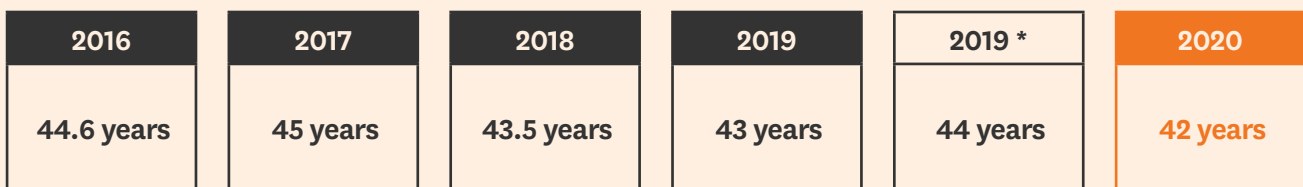
Right Manatū Taonga staff creating zines for Mahuru Māori. Photos: Manatū Taonga
Below Ōko speaker, Hana O'Regan, and Te Pae Huarewa after her presentation. Photo: Manatū Taonga



Demographic profile of the Ministry

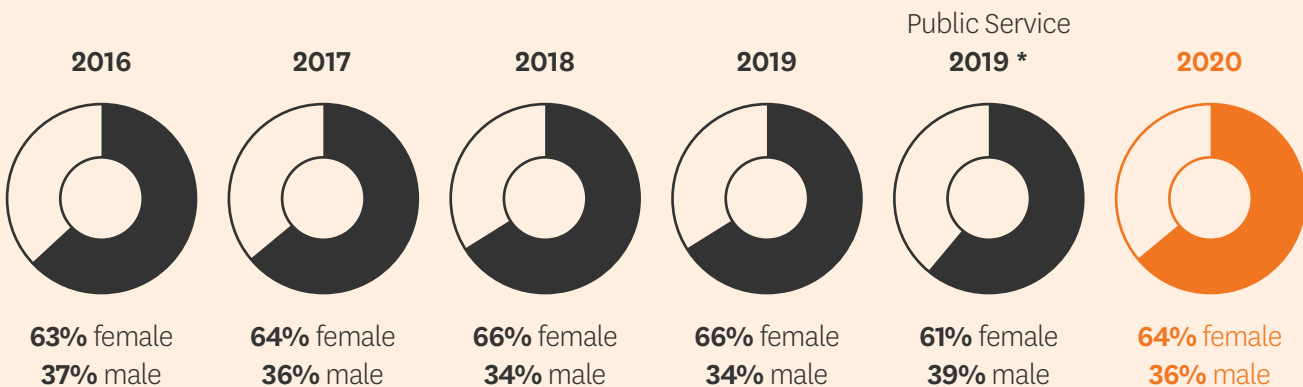
Age

Average age of employees as at 30 June.



Gender

Proportion of females and males as at 30 June. The Ministry asks new employees to complete a Personnel and Payroll Details form. In that form we recently added a *gender diverse* option to the question 'what gender do you identify as?', alongside *female* and *male*.

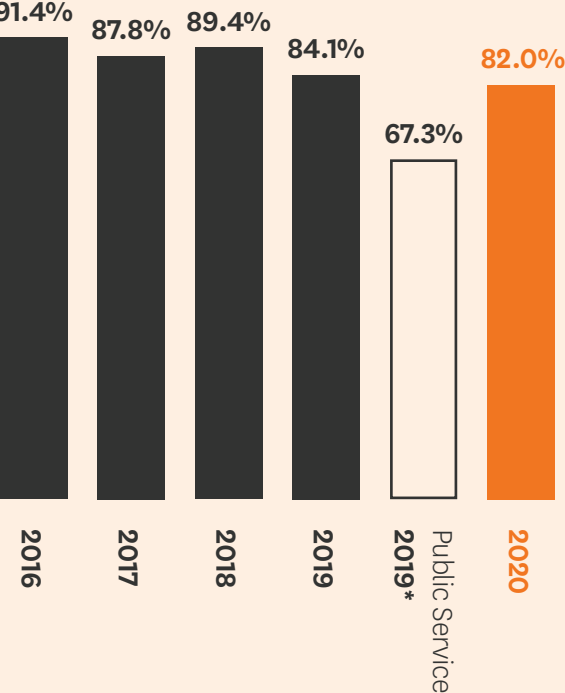


* Public Service figures as at 30 June 2019

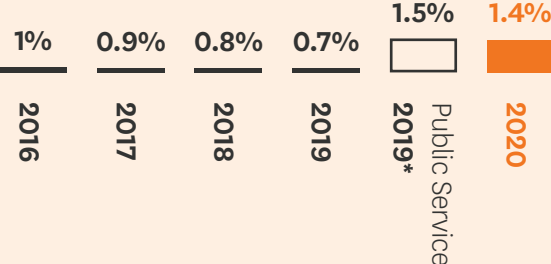
Ethnicity

Ethnicity of employees as at 30 June.

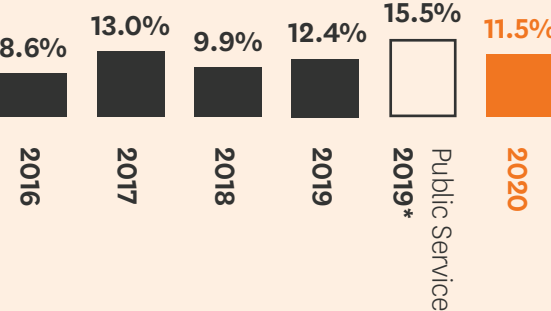
European



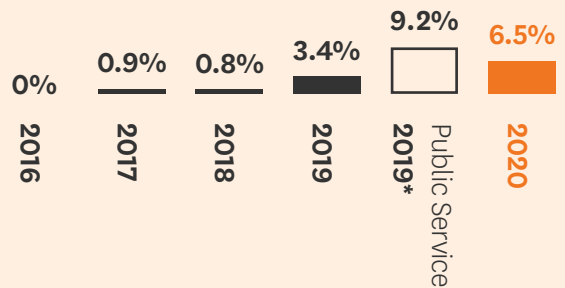
Middle Eastern, Latin American and African (MELAA)



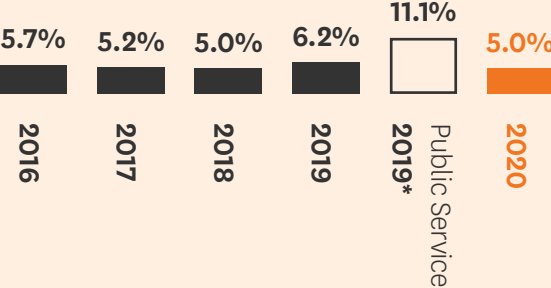
Māori



Pacific



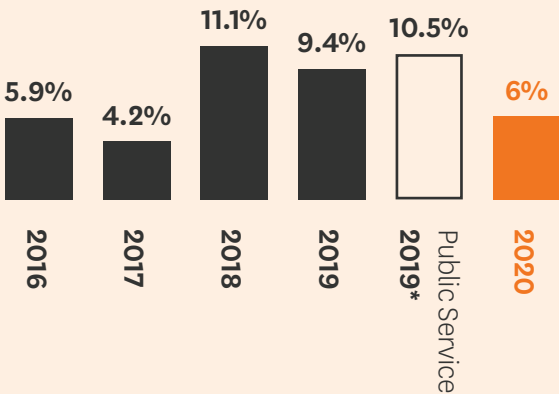
Asian



Ethnicity numbers do not add up to 100% as people can identify with more than one ethnicity.

Gender pay gap

Gap between average female FTE salary and average male FTE salary as at 30 June. In a relatively small Ministry this figure can fluctuate as people come and go from our organisation.



Drivers of the gender pay gap

Apart from fluctuations due to size, the primary driver of the gender pay gap in the Ministry has been identified as occupational segregation (i.e. occupations that are predominantly one gender).

While 64% of the Ministry is female and 50% of our management is female, 81% of the lowest paid employees (n=31, under \$75K) are female (25 female versus 6 male). We currently have only two male staff below Grade 4.

The Ministry is part of a Public Service wide pay equity claim for administrative and clerical staff. This will contribute to a sector-wide conversation on occupational segregation, i.e. the very high proportion of females in these occupations, which is a system-wide issue to be addressed.

* Public Service figure as at 30 June 2019

Progress against the Public Service Gender Pay Gap Action Plan 2018–2020

The Ministry has committed to the [Public Service Gender Pay Gap Action Plan](#) to eliminate the Public Service gender pay gap.

Manatū Taonga has already achieved two of the Public Service Gender Pay Gap Action Plan milestones and we are well on track to achieve the remaining two (flexible work by default and ensuring there is no bias in human resource practices) by the end of 2020.

The impact of the COVID-19 pandemic lockdown tested our Ministry in different ways. Working remotely in a crisis is not the same as flexible working, but the experience has assured us we have the technology in place to work flexibly. It fast-tracked how we help our people to work safely away from the office and gave all our people the opportunity to experiment with remote working.

A consistent theme from surveys is that people feel supported to work flexibly in the Ministry. Our flexible work survey completed in December 2019 found 71% of our people work flexibly and 82% of those were satisfied with their current flexible work arrangement; that's worth celebrating. Flexible working practices play an important part in enabling a more diverse workforce as well as reducing the gender pay gap.

ELIMINATING THE PUBLIC SERVICE GENDER PAY GAP—PROGRESS AGAINST MILESTONES IN 2019/20

01	Equal pay	Achieved
01A	By the end of 2019 two-thirds of agencies will have closed any gender pay gaps within the same roles	
01B	By the end of 2020 all agencies will have closed any gender pay gaps within the same roles	
01C	Pay Equity Principles are used to address Pay Equity claims in the Public Service (and State sector)	
02	Flexible Work by Default *	On Track—Key activity in 2019/20
02A	Trialled flexible-by-default practices	<ul style="list-style-type: none"> – A survey completed December 2019 showed 71% of people in Manatū Taonga work flexibly and of those 82% are satisfied with their current arrangement. – 100% of jobs advertised state we are open to flexible working. – Leaders completed a series of 7 flexible-by-default webinars in 2020 in readiness to move to flexible by default. – MCH has been part of the flexible work sector-wide working group which has shared learnings and contributed to development of the Flexible-Work-by-Default Guidance for the Sector.
02B	Flexible-by-default policies and systems in place, aligned with the Flexible-Work-by-Default Guidance, which is now publicly released.	
03	No Bias or Discrimination in Remuneration Systems or Human Resources Practices *	On Track—Key activity in 2019/20
03A	By the end of 2020, agencies will: have engaged with Taskforce guidance	<ul style="list-style-type: none"> – Taskforce guidance is being reviewed and aligned as it is released. – Detailed plan to review bias under development. – All managers completed bias training 2018/19
03B	have a plan and target date for completing their review of their remuneration and HR policies and practices	
03C	ensure all managers have completed bias training	
03D	have a plan in place to provide all relevant staff with bias training on an ongoing basis.	
04	Gender Balanced Leadership	Achieved
04A	By the end of 2019 women will hold at least 50 per cent of the roles in the Public Service’s top three tiers of leadership	
04B	By the end of 2019 all agencies will set a target date and plan for achieving gender balance in their own top leadership positions	

* These milestones were updated by Ministers in 2020 from the original milestones set in 2018 due to Covid-19.

Ethnic diversity

Information on employee ethnicity is provided in the Demographic Profile on page 71. Though it is pleasing to see some improvements over the past five years, the ethnic diversity of our workforce continues to be a priority for our People and Culture strategy.

During 2019/20 we placed emphasis on our recruitment practices, position descriptions and leadership expectations. Further information on specific actions is incorporated in the Gender Pay Gap Action Plan and below.

Addressing bias and discrimination

In 2019/20 the Ministry focused on addressing bias and discrimination primarily through actions related to the Gender Pay Gap Action Plan. The Ministry's goals within the Plan were widened to eliminate general bias in our people practices as opposed to focusing solely on gender bias.

Over the course of 2019/20 the Ministry planned to build greater awareness and understanding around race and inclusion. This began in December 2019 with a webinar and follow up kōrero. Unfortunately working remotely during the COVID-19 pandemic lockdown led to a postponement of the next phase for this development. The pilot has been rescheduled for September 2020.

Commitment to the Accessibility Charter

Our organisation is working towards ensuring all information intended for the public is accessible to everyone and that everyone can interact with our services in a way that meets their individual needs and promotes their independence and dignity.

Progress against this commitment includes:

- Created an alternative text and accessibility guide for Manatū Taonga websites.
- Prioritised accessibility for interactive content on Te Ara and NZHistory, which now includes keyboard-only support.
- Closed captions all video published on Te Tai and DNZB.

- Continuing to translate DNZB and Te Ara content related to Māori subjects, with 15 entries commissioned in te reo Māori for the DNZB.
- The Te Tai website is presented in English and te reo Māori, and this financial year included an education resource published for kura kaupapa by Ngati Porou.

Continued professional development and awareness-raising of our employees will better enable them to fulfil Manatū Taonga's commitment to the charter.

Strengthening cultural competency

Manatū Taonga now has nine different development offerings to help strengthen our Māori cultural competency. These include time on a marae, Māori-Crown engagement via Te Arawhiti and Oko—a speaker series about Māori culture, te reo Māori and tikanga with Māori speakers from the arts, culture and heritage sectors. Most development has been aimed at an introductory level. In 2019 we introduced Te Pikinga—an intensive intermediate-level te reo course taken over 20 weeks. The Ministry is currently piloting an approach to embed Māori cultural competency into development goals for all our people in 2020/21 via 'Coaching for Success'.

Te Manatū Taonga continues to embed our Te Arataki strategy goals into core documents and processes. This includes our people and culture strategy and reporting frameworks for new projects.

Building inclusive leadership

In 2019 the Ministry's Chief Executive along with other Chief Executives from across the Public Service committed to He Taurangi—The Panel Pledge to achieve more inclusive and diverse panels in Aotearoa. In the year ahead the Ministry intends to build on this momentum and engage all leaders in the Ministry in He Taurangi.

Due to the COVID-19 pandemic lockdown some inclusion initiatives have been delayed. Building inclusive leadership has been incorporated into our flexible-by-default training for managers and development for managers supporting Tupu Tai interns.

Supporting and engaging with employee-led networks

Manatū Taonga supports several employee-led networks, including Ngā Uri o Kiwa the Māori and Pacific network, the Women’s Network, Kanorau Tīrama—Rainbow Network and an active Social Club. Throughout the year our networks engage with the wider Ministry through events such as Te Wiki o te Reo Māori, Pink Shirt Day and lunch and learn sessions.

Future directions and aspirations

Over the course of 2020–21 and beyond Manatū Taonga will continue to give effect to the following five sector-wide commitments:

- Addressing bias and discrimination
- Strengthening cultural competency
- Building inclusive leadership
- Developing relationships that are responsive to diversity
- Supporting and engaging with employee-led networks.

We will do this through assessment against a system-wide maturity framework, building on current progress and setting collective Ministry wide goals to commit to under each of these core areas for the years ahead.

2019–2020 interns Kris Rao (GHSL), Therese Fatu (Tupu Tai), Tiana Ah Sam (Tupu Tai), Rosalina Sitagata (Tupu Toa), Matahana Calman, (Tupu Toa) and Jehoon Mun (GLN).
Photo: Manatū Taonga







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Above Photo: Ihi Aotearoa Sport New Zealand
Right Behind the scenes of *Head High*. Photo: South Pacific Pictures © 2020



Ngā tauākī wāwāhinga

Appropriation statements

The following statements report information about the expenses and capital expenditure incurred against each appropriation administered by the Ministry for the year ended 30 June 2020. They are prepared on a GST exclusive basis.

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations

for the year ended 30 June 2020

	Actual expenditure 2019 \$000	Appropriation voted* \$000	Actual expenditure 2020 \$000	Location of end-of-year performance information**
VOTE ARTS, CULTURE AND HERITAGE				
Appropriations for output expenses				
Heritage services	12,481	19,796	18,015	1
Policy Advice, Monitoring of funded agencies and ministerial services MCOA	9,257	-	-	
First World War Centenary	1,224	200	-	1
Total Vote Arts, Culture and Heritage	22,962	19,996	18,015	
VOTE SPORT AND RECREATION				
Appropriations for output expenses				
Purchase advice and monitoring of sport and recreation Crown entities	427	394	386	1
Total Vote Sport and Recreation	427	394	386	
Total Vote Arts, Culture & Heritage and Vote Sport and Recreation	23,389	20,390	18,401	
Appropriation for capital expenditure				
Ministry for Culture and Heritage—Permanent Legislative Authority	564	650	393	

* This includes adjustments made in the Supplementary Estimates and Cabinet decisions made before 30 June 2020.

** The numbers in this column represent where the end-of-year performance information has been reported for each appropriation administered by the Ministry, as detailed below:

- 1 The Ministry's 2019/20 annual report.
- 2 Sport New Zealand's 2019/20 annual report.
- 3 Drug Free Sport New Zealand's 2019/20 annual report.
- 4 Te Papa's 2019/20 annual report.
- 5 To be reported by the Minister for Arts, Culture and Heritage in the 2019/20 Minister's Report on Non-Departmental Appropriations.
- 6 No reporting due to an exemption obtained under section 15D of the PFA.
- 7 New Zealand Symphony Orchestra's 2019/20 annual report.
- 8 Radio New Zealand Limited's 2019/20 annual report.
- 9 To be reported by the Minister of Broadcasting, Communications and Digital Media in the 2019/20 Minister's Report on Non-Departmental Appropriations.

	Actual expenditure 2019 \$000	Appropriation voted* \$000	Actual expenditure 2020 \$000	Location of end-of-year performance information**
VOTE ARTS, CULTURE AND HERITAGE				
Appropriations for non-departmental output expenses				
Management of historic places				
Antarctic Heritage Trust	526	526	526	5
Heritage New Zealand	13,838	17,720	17,720	5
	14,364	18,246	18,246	
Museum services				
Museum of New Zealand Te Papa Tongarewa	29,574	42,074	42,074	5
Ngā Taonga	5,020	6,670	6,670	5
	34,594	48,744	48,744	
Performing arts services				
New Zealand Symphony Orchestra	14,646	16,326	16,326	5
Royal New Zealand Ballet	5,384	5,479	5,479	5
Te Matatini	1,948	2,128	2,128	5
New Zealand Music Commission	2,228	4,628	4,628	5
	24,206	28,561	28,561	
Promotion and support of the arts and film				
Creative New Zealand	15,689	16,689	16,689	5
New Zealand Film Commission	5,401	8,101	8,101	5
	21,090	24,790	24,790	
Protection of taonga tūturu				
Museums and conservation service providers	494	605	569	6
	494	605	569	
Public broadcasting services				
NZ On Air	146,766	147,266	147,266	9
Radio New Zealand International	1,900	1,900	1,900	9
Broadcasting Standards Authority	609	609	609	9
	149,275	149,775	149,775	
Total appropriations for non-departmental output expenses	244,023	270,721	270,685	

	Actual expenditure 2019 \$000	Appropriation voted* \$000	Actual expenditure 2020 \$000	Location of end-of-year performance information**
Appropriation for other expenses to be incurred by the Crown				
Commonwealth war graves	2,745	2,843	2,825	6
Development and maintenance of war graves, historic graves and monuments	1,405	949	7,662	6
Treaty of Waitangi commemorations	279	404	382	6
Contribution to Waitangi National Trust	1,000	-	-	
Depreciation on Crown-Owned Assets	-	1,000	3,275	6
COVID-19: Transmission and Other Fees on Behalf of Media Organisations	-	7,700	6,147	9
Total appropriations for other expenses to be incurred by the Crown	5,429	12,896	20,291	
Appropriations for capital expenditure				
Museum of New Zealand Te Papa Tongarewa	3,000	3,000	3,000	4
Museum of New Zealand Te Papa Tongarewa—Capital Works	10,000	-	-	
National War Memorial Park	301	204	174	5
National Erebus Memorial	-	2,100	644	6
Acquisition and repurposing of heritage properties	450	4,550	4,550	6
New Zealand Symphony Orchestra—National Centre for Music	-	1,000	1,000	7
Radio New Zealand—distribution platforms	-	1,800	1,800	8
Capital injection to the New Zealand Symphony Orchestra	-	1,800	1,800	7
Total appropriations for capital expenditure	13,751	14,454	12,968	
Multi-Category Appropriation				
COVID-19: Media Sector Response and Recovery MCA	-	11,400	-	
Non-departmental other expenses				
Grants and subsidies	-	2,400	-	9
Non-departmental capital expenses				
Advances and investments	-	9,000	-	9
Total multi-category appropriations	-	11,400	-	
Total non-departmental Vote Arts, Culture and Heritage	263,203	309,471	303,944	

	Actual expenditure 2019 \$000	Appropriation voted* \$000	Actual expenditure 2020 \$000	Location of end-of-year performance information**
VOTE SPORT AND RECREATION				
Appropriations for non-departmental output expenses				
Sports anti-doping	3,239	3,239	3,239	3
Sport and recreation programmes	19,151	27,394	27,394	2
High-performance sport	62,192	62,192	62,192	2
Total appropriation for output expenses	84,582	92,825	92,825	
Appropriations for other expenses to be incurred by the Crown				
Miscellaneous grants	44	44	44	6
Prime Minister's Sport Scholarships	4,250	4,250	4,250	6
Total appropriations for other expenses to be incurred by the Crown	4,294	4,294	4,294	
Total non-departmental Vote Sport and Recreation	88,876	97,119	97,119	

* This includes adjustments made in the Supplementary Estimates and Cabinet decisions made before 30 June 2020.

** The numbers in this column represent where the end-of-year performance information has been reported for each appropriation administered by the Ministry, as detailed below:

- 1 The Ministry's 2019/20 annual report.
- 2 Sport New Zealand's 2019/20 annual report.
- 3 Drug Free Sport New Zealand's 2019/20 annual report.

4 Te Papa's 2019/20 annual report.

5 To be reported by the Minister for Arts, Culture and Heritage in the 2019/20 Minister's Report on Non-Departmental Appropriations.

6 No reporting due to an exemption obtained under section 15D of the PFA.

7 New Zealand Symphony Orchestra's 2019/20 annual report.

8 Radio New Zealand Limited's 2019/20 annual report.

9 To be reported by the Minister of Broadcasting, Communications and Digital Media in the 2019/20 Minister's Report on Non-Departmental Appropriations.

Details of departmental multi-year appropriations for the year ended 30 June 2020

Policy Advice, Monitoring of Funded Agencies and Ministerial Advice MCMYA

The Ministry's policy activities are now funded through a multi-year, multi-category appropriation. This appropriation commenced on 1 July 2019 and expires on 30 June 2024.

	Actual 2020 \$000	Location of end-of-year performance information
VOTE ARTS, CULTURE AND HERITAGE Policy Advice, Monitoring of Funded Agencies and Ministerial Advice		
Original appropriation	51,880	
Cumulative adjustments	11,128	
Total adjusted appropriation	63,008	
Cumulative actual expenditure 1 July 2019	-	
Current year actual expenditure	11,085	
Cumulative actual expenditure 30 June 2020	11,085	
Appropriation remaining 30 June 2020	51,923	
Ministerial Servicing		
Original appropriation	7,264	
Cumulative adjustments	-403	
Total adjusted appropriation	6,861	
Cumulative actual expenditure 1 July 2019	-	
Current year actual expenditure	1,757	
Cumulative actual expenditure 30 June 2020	1,757	
Appropriation remaining 30 June 2020	5,104	1
Monitoring of Funded Agencies		
Original appropriation	16,601	
Cumulative adjustments	-920	
Total adjusted appropriation	15,681	
Cumulative actual expenditure 1 July 2019	-	
Current year actual expenditure	2,433	
Cumulative actual expenditure 30 June 2020	2,433	
Appropriation remaining 30 June 2020	13,248	1

1 The Ministry's 2019/20 annual report.

Table continues on the following page

Policy Advice		
Original appropriation	28,015	
Cumulative adjustments	12,451	
Total adjusted appropriation	40,466	
Cumulative actual expenditure 1 July 2019	-	
Current year actual expenditure	6,895	
Cumulative actual expenditure 30 June 2020	6,895	
Appropriation remaining 30 June 2020	33,571	1

Cultural Diplomacy International Programme

The Ministry has a Departmental multi-year appropriation for the Cultural Diplomacy International Programme. This appropriation is for management and delivery of an international cultural diplomacy

programme through a series of projects and activities primarily focused on Asia and other regions where New Zealand is pursuing free-trade agreements. This appropriation commenced on 1 July 2015 and expired on 30 June 2020.

	Actual 2020 \$000	Location of end-of-year performance information
VOTE ARTS, CULTURE AND HERITAGE		
<i>Cultural Diplomacy International Programme</i>		
Original appropriation	8,345	
Cumulative adjustments	-800	
Total adjusted appropriation	7,545	
Cumulative actual expenditure 1 July 2019	3,875	
Current year actual expenditure	2,887	
Cumulative actual expenditure 30 June 2020	6,762	
Appropriation remaining 30 June 2020	783	1

1 The Ministry's 2019/20 annual report.

Details of non-departmental multi-year appropriations for the year ended 30 June 2020

Earthquake-prone heritage buildings

The Ministry has a non-departmental multi-year appropriation for supporting earthquake strengthening of privately-owned heritage buildings. This appropriation commenced on 1 July 2016 and expired on 30 June 2020.

	Actual 2020 \$000	Location of end-of-year performance information
VOTE ARTS, CULTURE AND HERITAGE Earthquake-prone Heritage Buildings		
Original appropriation	10,200	
Cumulative adjustments	-4,000	
Total adjusted appropriation	6,200	
Cumulative actual expenditure 1 July 2019	1,342	
Current year actual expenditure	1,378	
Cumulative actual expenditure 30 June 2020	2,720	
Appropriation remaining 30 June 2020	3,480	1

¹ Reported by the Minister for Arts, Culture and Heritage in the 2019/20 Minister's Report on Non-Departmental Appropriations.

New Zealand Screen Production Grant— New Zealand

The Ministry has a non-departmental multi-year appropriation for providing grant assistance or equity investments for New Zealand screen productions

that meet the qualifying tests as determined by the New Zealand Film Commission. This appropriation commenced on 1 July 2017 and expires on 30 June 2021.

	Actual 2020 \$000	Location of end-of-year performance information
VOTE ARTS, CULTURE AND HERITAGE New Zealand Screen Production Grant—New Zealand		
Original appropriation	63,940	
Cumulative adjustments	110,518	
Total adjusted appropriation	174,458	
Cumulative actual expenditure 1 July 2019	58,940	
Current year actual expenditure	30,512	
Cumulative actual expenditure 30 June 2020	89,452	
Appropriation remaining 30 June 2020	85,006	1

1 Reported by the New Zealand Film Commission in its annual report 2019/20.

Regional Culture and Heritage Fund

The Ministry has a non-departmental multi-year appropriation for providing contributions to capital projects at regional cultural and heritage institutions. This appropriation commenced on 1 July 2019 and expires on 30 June 2023.

	Actual 2020 \$000	Location of end-of-year performance information
VOTE ARTS, CULTURE AND HERITAGE Regional Culture and Heritage Fund		
Original appropriation	26,668	
Cumulative adjustments	19,064	
Total adjusted appropriation	45,732	
Cumulative actual expenditure 1 July 2019	-	
Current year actual expenditure	17,261	
Cumulative actual expenditure 30 June 2020	17,261	
Appropriation remaining 30 June 2020	28,471	1

1 Reported by the Minister for Arts, Culture and Heritage in the 2019/20 Minister's Report on Non-Departmental Appropriations.

Statement of departmental capital injections

for the year ended 30 June 2020

The Ministry has not received any capital injections during the year (2019: nil)

Statement of expenses and capital expenditure incurred without or in excess of appropriation or other authority

for the year ended 30 June 2020

Expenses and capital expenditure incurred in excess of appropriation

During February 2020 the Carillon Tower, part of the National War Memorial, was identified as earthquake-prone and closed to the public. The asset has been assessed as impaired.

- The impairment charge of \$2.333 million resulted in actual depreciation costs exceeding those appropriated by \$2.275 million.
- A provision for seismic strengthening of the structure has resulted in actual maintenance costs exceeding those appropriated by \$6.713 million.

Expenses and capital expenditure incurred without appropriation or outside scope or period of appropriation

In response to the impact of COVID-19 the Crown agreed to provide payments in advance to local media businesses for advertising that will be placed during 2020/21. The advances will be returned during 2020/21 as advertising is placed and paid for. The advance payments are interest-free and accounted for as concessionary loans.

The accounting adjustments to recognise the fair value of the loan agreements were outside the scope of the Grants and Subsidies category of the COVID-19: Media Sector Response and Recovery Multi-Category Appropriation.

	Expenditure after remeasurements 2020 \$'000	Approved appropriation 2020 \$'000	Unappropriated expenditure 2020 \$'000
VOTE ARTS, CULTURE AND HERITAGE			
<i>Other expenses to be incurred by the Crown</i>			
Depreciation on Crown-Owned Assets	3,275	1,000	2,275
Development and Maintenance of War Graves, Historic Graves and Monuments	7,662	949	6,713
Fair value adjustment on recognition of concessionary loans	121	-	121

Statement of departmental capital injections without, or in excess of, authority

for the year ended 30 June 2020

The Ministry has not received any capital injections during the year without, or in excess of, authority (2019: nil)



Above Becky Masters-Ramsay inspecting a West Coast war grave. Dunedin. Photo: Manatū Taonga

Below Māhoetahi New Zealand Wars memorial cross. Photo: Becky Masters-Ramsay



Ngā tauākī pūtea

Financial statements

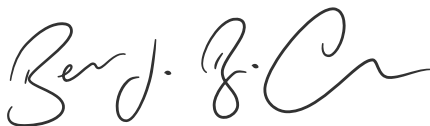
Statement of responsibility

I am responsible, as Chief Executive of the Ministry for Culture and Heritage for:

- the preparation of the Ministry's financial statements, and statements of expenses and capital expenditure, and for the judgements expressed in them;
- having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting;
- ensuring that end-of-year performance information on each appropriation administered by the Ministry is provided in accordance with sections 19A to 19C of the Public Finance Act 1989, whether or not that information is included in this annual report; and
- the accuracy of any end-of-year performance information prepared by the Ministry, whether or not that information is included in the annual report.

In my opinion:

- the financial statements fairly reflect the financial position of the Ministry as at 30 June 2020 and its operations for the year ended on that date; and
- the forecast financial statements fairly reflect the forecast financial position of the Ministry as at 30 June 2021 and its operations for the year ending on that date.



Bernadette Cavanagh
Tumu Whakarae | Chief Executive
9 October 2020





Above Puhi Kai Iti/Cook Landing Site
National Historic Reserve, Tūranganui-a-Kiwa
Gisborne. Photo: Manatū Taonga
Below Visitors in Te Taiao Nature exhibition.
Photo: Maarten Holl. Te Papa (136297)



Statement of comprehensive revenue and expense

for the year ended 30 June 2020

	Note	Actual 2019 \$000	Budget* 2020 \$000	Actual 2020 \$000	Forecast* 2021 \$000
Revenue					
Revenue Crown	2	27,097	25,735	31,377	28,011
Revenue from other departments	2	947	-	2,881	-
Revenue from third parties	2	1,218	1,842	50	-
Total revenue		29,262	27,577	34,308	28,011
Expenditure					
Personnel costs	3	14,080	14,835	15,740	16,651
Other operating expenses	4	9,977	12,226	15,555	10,844
Depreciation and amortisation expenses		164	430	247	430
Capital charge	6	87	86	87	86
Total expenditure		24,308	27,577	31,629	28,011
Net surplus/(deficit)		4,954	-	2,679	-
Other comprehensive revenue and expense		-	-	-	-
Total comprehensive revenue and expense		4,954	-	2,679	-

* The statement of accounting policies provides explanations of these figures, which are not subject to audit

Explanations of major variances against budget are provided in Note 13. The accompanying notes form part of these financial statements.

Statement of financial position

as at 30 June 2020

	Note	Actual 2019 \$000	Budget* 2020 \$000	Actual 2020 \$000	Forecast* 2021 \$000
ASSETS					
Current assets					
Cash and cash equivalents		5,381	1,072	4,419	1,446
Debtors and other receivables		149	250	124	250
Debtor Crown		2,159	-	53	-
Prepayments		3,475	100	1,176	100
Total current assets		11,165	1,422	5,772	1,796
Non-current assets					
Property, plant and equipment	5	820	1,173	1,006	1,005
Intangible assets		117	252	46	46
Total non-current assets		937	1,425	1,052	1,051
Total assets		12,102	2,847	6,824	2,847
LIABILITIES					
Current liabilities					
		-	-	-	-
Creditors and other payables	7	2,412	900	1,621	900
Provisions	8	2,503	-	-	-
Repayment of surplus to the Crown	9	4,954	-	2,679	-
Employee entitlements	10	706	500	1,004	500
Total current liabilities		10,575	1,400	5,304	1,400
Non-current liabilities					
Employee entitlements	10	80	-	73	-
Total non-current liabilities		80	-	73	-
Total liabilities		10,655	1,400	5,377	1,400
Taxpayers' funds		1,447	1,447	1,447	1,447

* The statement of accounting policies provides explanations of these figures, which are not subject to audit.

Explanations of major variances against budget are provided in Note 13. The accompanying notes form part of these financial statements.

Statement of changes in equity

for the year ended 30 June 2020

	Note	Actual 2019 \$000	Budget* 2020 \$000	Actual 2020 \$000	Forecast* 2021 \$000
Taxpayers' funds					
Balance at 1 July		1,447	1,447	1,447	1,447
Total comprehensive revenue and expense for the year		4,954	-	2,679	-
Repayment of surplus to the Crown	9	(4,954)	-	(2,679)	-
Balance at 30 June		1,447	1,447	1,447	1,447

* The statement of accounting policies provides explanations of these figures, which are not subject to audit.

Explanations of major variances against budget are provided in Note 13. The accompanying notes form part of these financial statements.

Statement of cash flows

for the year ended 30 June 2020

	Actual 2019 \$000	Budget* 2020 \$000	Actual 2020 \$000	Forecast* 2021 \$000
Cash flows from operating activities				
Receipts from the Crown	32,110	33,334	33,483	28,011
Receipts from other departments/third parties	1,990	1,842	2,840	-
Payments to employees	(13,995)	(14,935)	(15,448)	(16,751)
Payments to suppliers	(18,234)	(19,825)	(16,219)	(10,844)
Goods and services tax (net)	220	-	(183)	-
Payments for capital charge	(87)	(86)	(87)	(86)
Net cash flows from operating activities	2,004	330	4,386	330
Cash flows from investing activities				
Purchase of property, plant and equipment	(477)	(390)	(391)	(390)
Receipts from sale of property, plant and equipment	-	-	-	-
Purchase of intangible assets	(87)	(40)	(3)	(40)
Net cash flows from investing activities	(564)	(430)	(394)	(430)
Cash flows from financing activities				
Repayment of surplus	(1,413)	(3,322)	(4,954)	(3,290)
Net cash flows from financing activities	(1,413)	(3,322)	(4,954)	(3,290)
Net increase/(decrease) in cash held	27	(3,422)	(962)	(3,390)
Cash at the beginning of year	5,354	4,494	5,381	4,836
Cash at the end of year	5,381	1,072	4,419	1,446

* The statement of accounting policies provides explanations of these figures, which are not subject to audit.

Explanations of major variances against budget are provided in Note 13. The accompanying notes form part of these financial statements.

Statement of commitments

as at 30 June 2020

Non-cancellable operating lease commitments

The Ministry leases property, plant and equipment in the normal course of its business, with the main commitment relating to the premises.

The Ministry has entered into a lease of the Old Public Trust building, with a commencement date of

31 October 2015 and expiry on 30 October 2030. The lease term includes two further rights of renewal, each for a three-year term, meaning a final expiry date of 30 October 2036.

There are no restrictions placed on the Ministry by any of its leasing arrangements.

	Actual 2019 \$000	Actual 2020 \$000
Non-cancellable operating lease commitments		
The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:		
Not later than one year	762	887
Later than one year and not later than five years	3,049	3,548
Later than five years	4,830	4,732
Total non-cancellable operating lease commitments	8,641	9,167

Capital commitments

Capital commitments are the aggregate amount of capital expenditure contracted for the acquisition of property, plant and equipment and intangible assets that have not been paid for or not recognised as a liability at balance date.

Cancellable commitments that have penalty or exit costs explicit in the agreement on exercising

the option to cancel are included in the statement of commitments as the lower of the remaining contractual commitment and the value of the penalty or exit cost.

The Ministry has \$87,000 of capital commitments relating to leasehold improvements at the Old Public Trust building (2019: \$12,000 relating to an upgrade to document management systems).

	Actual 2019 \$000	Actual 2020 \$000
Capital commitments		
Later than one year and not later than five years	12	87
Total non-cancellable capital commitments	12	87

The accompanying notes form part of these financial statements.

Statement of contingent assets and liabilities

as at 30 June 2020

Contingent assets

The Ministry has no contingent assets at 30 June 2020 (2019: nil).

Contingent liabilities

The Ministry has no contingent liabilities at 30 June 2020 (2019: nil).

Right The National War Memorial seen from the Pukeahu Education Centre. Photo: Mark Tantrum
Below Pukeahu Education Centre. Photo: Mark Tantrum



**Ngā whakamārama
tauāki pūtea**

**Notes to the financial
statements**

Note 1

Statement of accounting policies

Reporting entity

The Ministry for Culture and Heritage (the Ministry) is a government department as defined by section 2 of the Public Finance Act 1989 and is domiciled and operates in New Zealand. The relevant legislation governing the Ministry's operations includes the Public Finance Act 1989. The Ministry's ultimate parent is the New Zealand Crown.

In addition, the Ministry has reported on Crown activities and Trust monies that it administers starting on page 125.

The Ministry has designated itself as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting practice.

The financial statements of the Ministry are for the year ended 30 June 2020. The financial statements were authorised for issue by the Chief Executive of the Ministry on 9 October 2020.

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.

Statement of compliance

The financial statements of the Ministry have been prepared in accordance with the requirements of the Public Finance Act 1989, which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP) and Treasury Instructions.

These financial statements have been prepared in accordance with Tier 2 PBE standards and disclosure concessions have been applied.

The criteria under which an entity is eligible to report in accordance with Tier 2 PBE Standards are:

- The Ministry is not large as defined in paragraph 38 of XRB A1. With the Ministry's total expenses rising above \$30 million during 2019/20, the tier classification will be reviewed for 2020/21.
- The Ministry does not have public accountability as defined in paragraph 9 of XRB A1.

These financial statements comply with Tier 2 PBE accounting standards.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of the Ministry is New Zealand dollars.

Changes in accounting policies

There have been no changes in the Ministry's accounting policies since the date of the last audited financial statements.

Summary of significant accounting policies

Foreign currency transactions

Foreign currency transactions (including those for which forward foreign exchange contracts are held) are converted into \$NZ (the functional currency) using the spot exchange rates at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions, and

from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the surplus or deficit.

Goods and services tax

All items in the financial statements, including appropriation statements, are stated exclusive of goods and service tax (GST), except for receivables and payables, which are stated on a GST-inclusive basis.

Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

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

Income tax

The Ministry is a public authority and consequently is exempt from income tax. Accordingly, no provision has been made for income tax.

Critical accounting estimates and assumptions

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances. There are no 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.

Budget and forecast figures

Basis of the budget and forecast figures

The budget figures are those included in the Estimates of Appropriations (Budget) for the year ended 30 June 2020. The Budget is 2019 Budget Economic and Fiscal Update (BEFU 2019).

The forecast figures are those included in the Pre-Election Fiscal and Economic Update for the year ending 30 June 2021.

The forecast financial statements have been prepared as required by the Public Finance Act 1989 to communicate forecast financial information for accountability purposes.

The budget and forecast figures are unaudited and have been prepared using the accounting policies adopted in preparing these financial statements.

The 30 June 2021 forecast figures have been prepared in accordance with PBE FRS 42 Prospective Financial Statements and comply with PBE FRS 42.

The forecast financial statements were approved for issue by the Chief Executive on 23 July 2020. The Chief Executive is responsible for the forecast financial statements, including the appropriateness of the assumptions underlying them and all other required disclosures.

While the Ministry regularly updates its forecasts, updated forecast financial statements for the year ended 30 June 2021 will not be published.

Significant assumptions used in preparing the forecast financials

The forecast figures contained in these financial statements reflect the Ministry's purpose and activities and are based on a number of assumptions on what may occur during the 2020/21 year. The forecast figures have been compiled on the basis of existing government policies and Ministerial expectations at the time the Main Estimates were finalised.

The main assumptions, which were adopted on 23 July 2020, were as follows:

- The Ministry's activities and output expectations will expand in 2020/21 to implement a funding package across the Arts, Culture and Heritage sector. The estimated costs to perform this work are included in forecasts. At the time the forecasts were prepared the timing and nature of this work programme was still being determined and the actual costs may vary from those forecast.
- Operating costs were based on historical experience and other factors that are believed to be reasonable in the circumstances and are the Ministry's best estimate of future costs that will be incurred. Remuneration rates are based on current wage and salary costs, adjusted for anticipated remuneration changes.
- Estimated year-end information for 2019/20 was used as the opening position for the 2020/21 forecasts.

The actual financial results achieved for 30 June 2021 are likely to vary from the forecast information presented, and the variations may be material.

Since the approval of the forecast, no significant events have occurred which would have a material impact on forecast revenue and expenditure.

Note 2

Revenue

Revenue is measured at the fair value of consideration received or receivable.

Revenue Crown

Revenue from the Crown is measured based on the Ministry's funding entitlement for the reporting period. The funding entitlement is established by Parliament when it passes the Appropriation Acts for the financial year. The amount of revenue recognised takes into account any amendments to appropriations approved in the Appropriation (Supplementary Estimates) Act for the year and certain other unconditional funding adjustments formally approved prior to balance date.

There are no conditions attached to the funding from the Crown. However, the Ministry can incur expenses only within the scope and limits of its appropriations.

The fair value of Revenue Crown has been determined to be equivalent to the funding entitlement.

Other revenue

Other departmental and third-party revenue is predominantly derived from work performed on a full cost-recovery basis, contributions to other one-off projects, and reimbursement for costs of staff on secondment to other agencies. Revenue is recognised when earned and is reported in the financial period to which it relates.

The sale of publications such as history books is recognised when the product is sold to the customer. The recorded revenue is the gross amount of the sale.

The majority of revenue recognised in 2019/20 is \$2.516 million in departmental funding associated with the Tuia Encounters 250 commemoration.

Note 3

Personnel costs

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services.

Superannuation schemes

Defined contribution schemes

Obligations for contributions to the State Sector Retirement Savings Scheme, Kiwisaver, and Government Superannuation Fund are accounted for as defined contribution schemes and are recognised as an expense in the surplus or deficit as incurred.

	Actual 2019 \$000	Actual 2020 \$000
Salaries and wages	13,220	14,695
Training and development	206	159
Employer contributions to defined contribution plans	388	424
Other personnel costs	266	462
Total personnel costs	14,080	15,740

Note 4

Other operating expenses

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 lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Critical judgements in applying accounting policies

Determining whether a lease agreement is a finance lease or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to the Ministry. The Ministry has exercised its judgement on the appropriate classification of property and equipment leases, and has determined all lease arrangements to be operating leases. This is after consideration of the fair value of the leased asset and the lease term compared to the economic life of the asset.

	Actual 2019 \$000	Actual 2020 \$000
Fees to Audit New Zealand for audit of financial statements	71	80
Rental and leasing expenses*	1,310	894
Other occupancy expenses	278	295
Publicity and research	663	243
Professional and specialist services - Consultancy	1,133	902
Professional and specialist services - Contractors	2,084	2,957
Travel and associated expenses	499	820
Information communications technology	839	1,202
Transfers to agencies*	1,196	3,175
Net foreign exchange loss	25	51
Reversal of unutilised provision (see Note 8)	-	(875)
Vessel and other voyaging costs associated with the Tuia 250 commemoration	825	3,958
Contributions to community events for the Tuia 250 commemoration	220	914
Other operating expenses	834	939
Total operating expenses	9,977	15,555

* Transfers to agencies relates to work undertaken in conjunction with other agencies, primarily the Cultural Diplomacy International Programme.

Note 5

Property, plant and equipment

Property, plant and equipment consists of the following asset classes: works of art, leasehold improvements, office furniture, office equipment and computer equipment.

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

Individual assets, or groups of assets, are capitalised if their cost is greater than \$2,000. The value of an individual asset that is less than \$2,000 and is part of a group of similar assets is capitalised. In addition, information communications technology (ICT) assets that individually cost more than \$1,000 each and have a useful life greater than 12 months are capitalised.

Additions

An item of property, plant or 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 the Ministry and the cost of the item can be measured reliably. Work in progress is recognised at cost less impairment and is not depreciated.

Disposals

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

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment, 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 assets have been estimated in the table below:

Office furniture	5 – 12 years	8.5% – 20%
Office equipment	5 – 15 years	6.67% – 20%
Computer equipment – PC based	3 – 5 years	20% – 33%
Computer equipment – other than PCs	2 – 5 years	20% – 50%
Artwork	100 years	1%

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Impairment

The Ministry does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

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

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

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

	Computer equipment \$000	Office equipment \$000	Office furniture \$000	Leasehold improvements \$000	Works of art \$000	Total \$000
Cost						
Balance at 30 June and 1 July 2018	444	96	271	249	21	1,081
Additions	410	-	43	6	-	459
Disposals	(53)	-	-	-	-	(53)
Work in progress *	18	-	-	-	-	18
Balance at 30 June 2019	819	96	314	255	21	1,505
Additions	174	-	106	2	-	282
Disposals	(88)	-	-	-	-	(88)
Work in progress *	-	-	-	108	-	108
Balance at 30 June 2020	905	96	420	365	21	1,807
Accumulated depreciation and impairment losses						
Balance at 30 June and 1 July 2019	326	57	163	53	3	602
Depreciation expense	97	6	14	16	-	133
Elimination on disposal	(50)	-	-	-	-	(50)
Balance at 30 June 2019	373	63	177	69	3	685
Depreciation expense	163	5	19	18	-	205
Elimination on disposal	(89)	-	-	-	-	(89)
Balance at 30 June 2020	447	68	196	87	3	801
Carrying amounts						
At 30 June and 1 July 2018	118	39	108	196	18	479
At 30 June 2019	446	33	137	186	18	820
At 30 June 2020	458	28	224	278	18	1,006

* Work in progress relates to leasehold improvements at the Old Public Trust building (2019: installation of database hardware for the Te Tai project, \$18,700)

There are no restrictions over the title of the Ministry's assets. No assets are pledged as security for liabilities

Note 6

Capital charge

The capital charge is recognised as an expense in the financial year to which the charge relates.

The Ministry pays a capital charge to the Crown on its equity as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2020 was 6% (2018/19: 6%).

Note 7

Creditors and other payables

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of creditors and other payables approximates their fair value.

	Actual 2019 \$000	Actual 2020 \$000
Payables and deferred revenue under exchange transactions		
Trade creditors	650	403
Accrued expenses	1,156	1,073
Total payables and deferred revenue under exchange transactions	1,806	1,476
Payables and deferred revenue under non-exchange transactions		
GST payable	327	145
PAYE payable	161	-
Deferred revenue	118	-
Total payables and deferred revenue under non-exchange transactions	606	145
Total payables and deferred revenue	2,412	1,621

Note 8

Provisions

A provision for future expenditure of uncertain amount or timing is recognised when:

- there is a present obligation (either legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Lease make-good provision

The Ministry leased part of the Dominion Museum Building to provide a venue for the Great War Exhibition. Following the closure of the exhibition in December 2018, the Ministry undertook works to make good the alterations to the premises, remove any fixtures and fittings installed for the exhibition, and restore the building to the condition it was in at the commencement of the lease.

The make-good actions have been completed and the remaining balance has been reversed.

	Actual 2019 \$000	Actual 2020 \$000
Lease make-good		
Opening balance	8,857	2,503
Additional provisions made	-	-
Amounts used	(6,354)	(1,628)
Unused amounts reversed during the period	-	(875)
Closing balance	2,503	-
Total provisions	2,503	-
Current portion	2,503	-
Non-current portion	-	-
Total provisions	2,503	-

Note 9

Return of operating surplus

The Ministry's operating surplus to the Crown is required to be paid by 31 October each year.

	Actual 2019 \$000	Actual 2020 \$000
Net surplus/(deficit)	4,954	2,679
Approved retention of surplus	-	-
Total provisions	4,954	2,679

The Ministry recorded a \$2.679 million surplus for the 2019/20 year. The surplus primarily relates to various underspends and rephasing of the Ministry's work programme.

The most significant reasons for the surplus were:

- Unutilised contingencies held for the delivery of the voyaging event that was part of the Tuia – Encounters 250 commemoration.
- The reversal of the unspent portion of the Great War Exhibition as described in Note 8.

Note 10

Employee entitlements

Short-term employee entitlements

Employee entitlements expected to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave and time off in lieu earned but not yet taken at balance date, and retirement and long service leave entitlements expected to be settled within 12 months.

A liability and an expense are recognised for bonuses where the Ministry has a contractual obligation or where there is a past practice that has created a constructive obligation.

The Ministry does not recognise any provision for sick leave as employees are not entitled to accrue sick leave during their period of employment.

Long-term employee entitlements

Employee entitlements that are due to be settled beyond 12 months after the end of the reporting period in which the employee renders the related service, such as long service leave and retirement leave, are 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 entitlements information; and
- the present value of the estimated future cash flows.

The measurement of the long service and retirement leave obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

The discount rate is based on New Zealand government bond data at 30 June 2020. The salary inflation factor has been determined after considering historical patterns and after obtaining advice from an independent actuary. The Ministry uses the risk-free discount rates and consumer price index assumptions published annually by The Treasury.

	Actual 2019 \$000	Actual 2020 \$000
Current portion		
Annual leave	635	940
Long service leave	71	64
Total current portion	706	1004
Non-current portion		
Long service leave	80	73
Total non-current portion	80	73
Total employee entitlements	786	1,077

Note 11

Financial instruments

The Ministry is party to financial instruments entered into in the course of its normal operations. All financial instruments are measured at amortised cost in the statement of financial position. All associated revenue and expenses are credit to or charged against the net surplus/deficit.

The carrying amounts of financial assets and financial liabilities in each financial instrument category are as follows:

	Actual 2019 \$000	Actual 2020 \$000
Financial assets measured at amortised cost		
Cash and cash equivalents	5,381	4,419
Debtors and other receivables	149	124
Total financial assets	5,530	4,543
Financial liabilities measured at amortised cost		
Creditors and other payables (excluding GST and PAYE payable)	1,924	1,476
Total provisions	2,411	1,620

Note 12

Related parties

The Ministry is a wholly owned entity of the Crown. The government significantly influences the roles of the Ministry, as well as being its major source of revenue.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship, on terms and conditions no more or less favourable than those that it is reasonable to expect the Ministry would have adopted in dealing with the party at arm's length in the same circumstances.

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

Transactions with key management personnel and their close family members

KEY MANAGEMENT PERSONNEL COMPENSATION		
	Actual 2019 \$000	Actual 2020 \$000
Leadership team, including the Chief Executive	1,135	1,214
Total key management personnel compensation	1,135	1,214

Key management personnel of the Ministry comprise the Minister for Arts, Culture and Heritage, the Minister of Broadcasting, Communications and Digital Media, the Minister for Sport and Recreation, the Chief Executive, and the members of the Ministry Leadership Team.

The key management personnel compensation stated above reflects remuneration and other benefits of 5.5 FTEs, being the Chief Executive and Ministry Leadership Team. It excludes the remuneration and other benefits received by the Minister for Arts, Culture and Heritage, the Minister of Broadcasting,

Communications and Digital Media and the Minister for Sport and Recreation. The Ministers' remuneration and other benefits are not received only for their roles as key management personnel of the Ministry. The Ministers' remuneration and other benefits are set by the Remuneration Authority under the Members of Parliament (Remuneration and Services) Act 2013 and are paid under Permanent Legislative Authority, and not paid by the Ministry.

There are no close family members of key management personnel employed by the Ministry.

Note 13

Explanation of major variances against budget

Explanations for major variances from the Ministry's budgeted figures in the Information Supporting the Estimates are as follows:

Statement of comprehensive revenue and expense

Crown revenue

Crown revenue was higher than budget by \$5.642 million. The primary drivers were:

- transfers from the 2018/19 year of \$2.677 million to align funding with the significant contracts associated with the Tuia – Encounters 250 commemoration,
- \$1.296 million reflecting the timing of activities in the 2019/20 year for the Cultural Diplomacy International Programme.
- \$1.123 additional funded spending on the Ministry's policy work programme, with emerging work around strong public media and response to the COVID-19 pandemic.

Revenue from other departments

Revenue from other departments was \$2.881 million higher than budget, primarily arising from \$2.516 million in funding from other departments to support the Tuia Encounters 250 commemoration. The remainder of the variance is staff secondments to other agencies.

Personnel costs

Personnel costs were \$0.905 million higher than budget. This was due to the additional staff associated with the Ministry's emerging work programme described under Crown revenue above.

Other operating expenses

Other operating expenditure was \$3.329 million higher than budget, mainly due to expenses for the vessels that participated in the voyaging event component of the Tuia – Encounters 250 commemoration. A greater proportion of these expenses was recognised in the 2019/20 financial year than forecast in the budget. The budget was revised during the year to recognise this. There were also additional consultancy and contractor costs related to the strong public media and COVID-19 pandemic work programme.

Statement of financial position

Cash

Cash at 30 June 2020 is higher than budgeted by \$3.347 million because of the underspends on the Tuia – Encounters 250 commemoration and other areas. There were also higher payables at year-end than expected.

Prepayments

Prepayments are \$1.076 million higher than budgeted due to amounts paid for cultural diplomacy activity associated with the Dubai World Expo, which has been postponed to 2021.

Creditors and other payables

Payables were higher than budgeted by \$0.721 million due to unbudgeted accruals for the strong public media and COVID-19 pandemic work programmes as well as remaining amounts for the Tuia – Encounters 250 commemoration.

Note 14

Events after balance date

No event has occurred since the end of the financial period (not otherwise dealt with in the financial statements) that has affected, or may significantly affect, the Ministry's operations or position as at 30 June 2020 (2019: nil).

Ngā whakamārama tauākī pūtea ā-hinonga

Non-departmental schedules and statement of trust monies

For the year ended 30 June 2020

The following non-departmental schedules record the revenue, expenses, assets, liabilities, commitments, contingent liabilities, contingent assets, and trust accounts that the Ministry manages on behalf of the Crown.

Schedule of non-departmental revenue for the year ended 30 June 2020

	Actual 2019 \$000	Budget* 2020 \$000	Actual 2020 \$000
Broadcasting Standards Authority – fines	7	-	5
Miscellaneous	1,250	-	58
Total non-departmental revenue	1,257	-	63

* The statement of accounting policies provides explanations of these figures, which are not subject to audit.

Explanations of major variances against budget are provided in Note 9.

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2020.

Schedule of non-departmental expenses for the year ended 30 June 2020

	Actual 2019 \$000	Budget* 2020 \$000	Actual 2020 \$000
Grants, subsidy and benefit expenses	47,425	68,017	59,713
Other operating expenses	333,101	350,908	374,379
Depreciation – buildings	933	931	3,275
GST input expense	53,460	62,978	64,124
Total non-departmental expenses	434,919	482,834	501,491

* The statement of accounting policies provides explanations of these figures, which are not subject to audit

Explanations of major variances against budget are provided in Note 9.

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2020.

Schedule of non-departmental assets

as at 30 June 2020

	Note	Actual 2019 \$000	Budget* 2020 \$000	Actual 2020 \$000
ASSETS				
Current assets				
Cash and cash equivalents		10,680	14,039	29,419
Prepayments		-	-	11,985
Debtors and other receivables		1,760	20	1,090
Total current assets		12,440	14,059	42,494
Non-current assets				
Property, plant and equipment				
Land	3	4,360	4,865	4,360
Buildings	2	38,159	40,075	35,744
Leasehold improvements	4	590	544	543
Total non-current assets		43,109	45,484	40,647
Total non-departmental assets		55,549	59,543	83,141

* The statement of accounting policies provides explanations of these figures, which are not subject to audit

Explanations of major variances against budget are provided in Note 9.

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2020.

Schedule of non-departmental liabilities

as at 30 June 2020

	Note	Actual 2019 \$000	Budget* 2020 \$000	Actual 2020 \$000
LIABILITIES				
Current liabilities				
Creditors and other payables		329	5,000	495
Grants payable	6	-	-	9,772
Provisions	7	44,502	-	50,656
Total current liabilities		44,831	5,000	60,923
Total non-departmental liabilities		44,831	5,000	60,923

* The statement of accounting policies provides explanations of these figures, which are not subject to audit

Explanations of major variances against budget are provided in Note 9.

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2020.

Schedule of non-departmental contingent liabilities and contingent assets

as at 30 June 2020

Contingent liabilities

From October 2019 to October 2020 the Tairāwhiti Museum is hosting the exhibition *Tū te Whaihanga*. The exhibition is indemnified under the Government Indemnity of Touring Exhibition Scheme from 7 October 2019 to 11 October 2020 to cover the period of transit and display of these valuable taonga. The value indemnified for the exhibition is \$37.037 million.

In 2019 there were no contingent liabilities.

Contingent assets

The Ministry, on behalf of the Crown has no contingent assets (2019: nil).

Schedule of non-departmental commitments

as at 30 June 2020

The Ministry, on behalf of the Crown, has a non-cancellable capital commitment of \$29,000 for the installation of the Pacific Island Memorial at Pukeahu National War Memorial Park (2019: nil).

	Actual 2019 \$000	Actual 2020 \$000
Capital commitments		
Not later than one year	-	29
Total non-cancellable capital commitments	-	29

The Ministry has no non-cancellable lease commitments (2019: nil).

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2020.

Statement of trust monies

For the year ended 30 June 2020

	Opening balance 2020 \$000	Contributions \$000	Distributions \$000	Revenue \$000	Expenditure \$000	Closing balance 2020 \$000
New Zealand Historical Atlas	106	-	-	3	(64)	45
New Zealand History Research	630	-	(105)	15	-	540
New Zealand Oral History Awards	1,328	-	(28)	34	-	1,334
War History	21	-	-	1	(5)	17
Total	2,085	-	(133)	53	(69)	1,936

New Zealand Historical Atlas Trust

This trust was established to hold New Zealand Lottery Grants Board funds, donations and royalties from sales, to be used for the production of the New Zealand Historical Atlas and subsidiary volumes.

New Zealand History Research Trust

This trust was established to hold New Zealand Lottery Grants Board funds to be used to make awards to individuals and groups for historical research and writing projects.

New Zealand Oral History Awards

This trust was established to hold funds from the Government of the Commonwealth of Australia, gifted to New Zealand in 1990 specifically to gather oral histories of importance to this country. The income from these funds is used to promote oral history in New Zealand.

War History Trust

This trust was established to hold funds bequeathed to the Ministry by the estate of Mr J B Watson, a long-time supporter of research into New Zealand's military history. The funds and any interest income are to be used for the researching and writing of works on New Zealand's involvement in overseas conflicts.



Above Photo: Ihi Aotearoa
Sport New Zealand

Below Crew discussing a stunt scene for *The Legend of Baron To'a*, directed by Kiel McNaughton.
Photo: Tom Hollow, courtesy of BSAG Productions Ltd and the New Zealand Film Commission



**Ngā whakamārama i ngā
tauākī pūtea ā-hinonga**

**Notes to the non-departmental
schedules**

Note 1

Statement of accounting policies

Reporting entity

These non-departmental schedules present financial information on public funds that are managed by the Ministry on behalf of the Crown.

These non-departmental balances are consolidated into the Financial Statements of the Government for the year ended 30 June 2020. For a full understanding of the Crown's financial position, results of operations, and cash flows for the year, refer to the Financial Statements of the Government for the year ended 30 June 2020.

Basis of preparation

The non-departmental schedules have been prepared in accordance with the accounting policies of the Financial Statements of the Government, Treasury Instructions, and Treasury Circulars.

Measurement and recognition rules applied in the preparation of these non-departmental statements and schedules are consistent with New Zealand generally accepted accounting practice (Tier 1 Public Sector Public Benefit Entity Accounting Standards) as appropriate for public benefit entities.

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.

Goods and services tax

All items in the financial statements, including appropriation statements, are stated exclusive of goods and services tax (GST), except for receivables

and payables, which are stated on a GST-inclusive basis. In accordance with Treasury Instructions, GST is returned on revenue received on behalf of the Crown, where applicable. However, an input tax deduction is not claimed on non-departmental expenditure. Instead, the amount of GST applicable to non-departmental expenditure is recognised as a separate expense and eliminated against GST revenue on consolidation of the Financial Statements of the Government.

Property, plant and equipment

Property, plant and equipment administered by the Ministry on behalf of the Crown includes land, non-residential buildings and leasehold improvements. These assets are carried at fair value less subsequent impairment losses and, for non-land assets, less subsequent accumulated depreciation. Land and buildings are revalued every three years. If it is established during the intervening period that an item of plant, property or equipment's carrying value may be materially different from its fair value, a revaluation will be sought.

Additions

The cost of an item of property, plant or 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 the Ministry and the cost of the item can be measured reliably. Work in progress is recognised at cost less impairment and is not depreciated.

Disposals

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

Depreciation

Depreciation is charged on a straight-line basis at rates calculated to allocate the cost or valuation of an item of property, plant or equipment, less any estimated residual value, over its estimated useful life.

The Ministry, on behalf of the Crown, currently depreciates non-residential buildings at 2% per annum. Leasehold improvements are depreciated at 6.67% per annum.

Impairment

The Ministry does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

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

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

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

Budget figures

The budget figures are those included in the Estimates of Appropriations (Budget) for the year ended 30 June 2020. The Budget is 2019 Budget Economic and Fiscal Update (BEFU 2019). The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements.

Critical accounting estimates and assumptions

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the

subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in respect of:

- Useful lives of non-residential buildings (see Note 2)
- Revaluation and impairment of non-residential buildings (see Note 2)
- Provisions (see Note 7)

Trust monies

The Ministry administers trust monies on behalf of the Crown under Part VII of the Public Finance Act 1989. Under the Act, and by delegation from the Secretary to the Treasury, trust money can only be invested on deposit with New Zealand registered banks or in New Zealand Government stock. Trust money is also managed so that there is no significant concentration of credit risk. Interest rate risk is managed by investing across a wide range of maturity dates, subject to liquidity requirements.

Note 2

Non-residential Buildings

	Massey Memorial \$000	National War Memorial \$000	Canterbury Earthquake Memorial \$000	Pukeahu National War Memorial Park \$000	Erebus Memorial \$000	Total buildings \$000
Cost or valuation						
Balance at 30 June / 1 July 2018	498	5,347	9,528	23,418	-	38,791
Additions	-	14	-	6	-	20
Work in progress	-	-	-	281	-	281
Balance at 30 June 2019	498	5,361	9,528	23,705	-	39,092
Additions	-	-	-	26	-	26
Work in progress	-	-	-	145	643	788
Balance at 30 June 2020	498	5,361	9,528	23,876	643	39,906
Accumulated depreciation and impairment losses						
Balance at 30 June / 1 July 2018	-	-	46	-	-	46
Depreciation expense	21	146	191	529	-	887
Depreciation reversal on revaluation	-	-	-	-	-	-
Balance at 30 June / 1 July 2019	21	146	237	529	-	933
Depreciation expense	21	156	191	528	-	896
Impairment losses	-	2,333	-	-	-	2,333
Balance at 30 June 2020	42	2,635	428	1,057	-	4,162
Carrying amounts						
At 30 June and 1 July 2018	498	5,347	9,482	23,418	-	38,745
At 30 June 2019	477	5,215	9,291	23,176	-	38,159
At 30 June 2020	456	2,726	9,100	22,819	643	35,744

Revaluations

The National War Memorial and Massey Memorial were revalued as at 30 June 2018 by Aon Risk Solutions (an independent registered valuer) using depreciated building cost in accordance with the New Zealand Accounting Standards Board's Public Benefit Entity standards. The Ministry on behalf of the Crown revalues the memorials every three years. The balance of the revaluation reserve at 30 June 2020 is nil (2019: nil). The cumulative value of revaluations in this asset class is a reduction of \$2.664 million.

Impairment

The impairment loss recognised in 2019/20 relates to the Carillon Tower, part of the National War Memorial. In February 2020 the building was identified as earthquake-prone and closed to the public. The impairment charge of \$2.333 million represents the asset being written down to its value in use of nil. The value in use was determined using the restoration cost approach.

Note 3

Land

	Massey Memorial \$000	National War Memorial \$000	Total Land \$000
<i>Cost or valuation</i>			
Balance at 30 June / 1 July 2018	410	3,950	4,360
Balance at 30 June / 1 July 2019	410	3,950	4,360
Balance at 30 June 2020	410	3,950	4,360

The National War Memorial, Pukeahu National War Memorial Park and the Massey Memorial were revalued as at 30 June 2018 by Aon Risk Solutions (an independent valuer) using market-based evidence in accordance with NZ IPSAS accounting standards.

The Ministry on behalf of the Crown revalues the land every three years. The balance of the revaluation reserve at 30 June 2020 is nil (2019: nil).

Note 4

Leasehold improvements

	Queen Elizabeth II Pukeahu Education Centre \$000	Total Leasehold Improvements \$000
<i>Cost or valuation</i>		
Balance at 30 June / 1 July 2018	695	695
Balance at 30 June / 1 July 2019	695	695
Balance at 30 June 2020	695	695
<i>Accumulated depreciation and impairment losses</i>		
Balance at 30 June / 1 July 2018	59	59
Depreciation expense	46	46
Balance at 30 June / 1 July 2019	105	105
Depreciation expense	47	47
Depreciation reversal on revaluation	-	-
Balance at 30 June 2020	152	152
<i>Carrying amounts</i>		
At 30 June and 1 July 2018	636	636
At 30 June and 1 July 2019	590	590
At 30 June 2020	543	543

Note 5

Intangible assets

Intangible heritage assets

In 2014 Television New Zealand (TVNZ) transferred to the Crown a substantial collection of audio-visual material. This material, referred to as the TVNZ archive, has a heritage importance arising from its diverse range of broadcast news and current affairs, documentaries, TV series, along with films, music, oral histories, and live recordings of community events. The TVNZ archive captures the issues and experiences of people through the decades, unique cultural events and defining moments, New Zealand's environment and scenery, and New Zealand successes and tragedies over the last century.

The Crown obtained title and possession (but not the underlying intellectual property) of the TVNZ archive, as well as a restricted right to make the content publicly available. The content is largely held on aging analogue physical media. Ngā Taonga Sound & Vision has been appointed to maintain and provide for the long-term preservation of the assets.

Rights of this nature are generally considered to be intangible assets. No amount is recognised in the schedule of non-departmental assets because the Ministry has assessed that the value of the asset cannot be reliably measured. This is because of:

- The Crown's unique and restricted rights to the TVNZ archive, with limitations placed on how the content can be used. As a result, market-based comparisons to determine value are not appropriate.
- The aging physical media and unavailability of playback equipment constrains the Crown's ability to realise the service potential embodied in the assets.

The Crown and Ngā Taonga Sound & Vision have begun a multi-year project to digitally preserve the TVNZ archive to improve its public availability.

Note 6

Grants payable

Grant expenditure

Non-discretionary grants are those awarded if the grant application meets specified criteria. They are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are grants which the Ministry has no obligation to award on receipt of the grant application. They are recognised as expenditure when conditions are approved by the grants approvals committee and the approval has been communicated to the applicant.

Grants with substantive conditions are recognised as an expense at the earlier of the grant payment date or when the grant conditions have been satisfied.

The most significant grant schemes operated by the Ministry are:

1 The Regional Culture and Heritage Fund (RCHF)

The RCHF is a capital fund of last resort for the performing arts and the broader art gallery,

museums, and whare taonga sectors. These grants are for the purpose of renovating, restoring, adding to, and constructing buildings in which cultural and/or heritage activities take place.

2 The Heritage Earthquake Upgrade Incentive Programme (Heritage EQUIP)

The Heritage EQUIP scheme provides information and funding to assist private building owners to seismically strengthen their earthquake-prone heritage buildings.

3 New Zealand Screen Production Grants—Domestic (NZSPG)

Details of these grants are provided in Note 7: Provisions on the next page.

The expenses and liabilities associated with RCHF and EQUIP are summarised below.

	Heritage EQUIP \$000	RCHF \$000	Total grants \$000
Grants payable			
Balance at 30 June / 1 July 2018	213	2,006	2,219
Grants expensed during period	998	-	998
Payments made during period	(1,211)	(2,006)	(3,217)
Balance at 30 June / 1 July 2019	-	-	-
Grants expensed during period	1,378	17,261	18,639
Payments made during period	(1,356)	(7,511)	(8,867)
Balance at 30 June 2020	22	9,750	9,772

Note 7

Provisions

A provision is recognised 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 resources embodying economic benefits or service potential will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

New Zealand Screen Production Grants— Domestic (NZSPG)

The purpose of the NZSPG scheme is to build the sustainability, scale and critical mass of the domestic film industry and support the development of New Zealand creatives. The scheme also provides cultural benefits to New Zealand by supporting the creation of New Zealand content and stories. NZSPG grants are administered by the New Zealand Film Commission.

NZSPG grants are non-discretionary in nature as they are available to any applicants who meet the scheme's eligibility criteria. The amount of each grant is calculated as a percentage of the 'qualifying New Zealand production expenditure' incurred by the applicant.

Public Works Act 1981

Claims have been made to the Ministry on behalf of the Crown, under the Public Works Act 1981, for compensation resulting from the acquisition of the easement taken under section 18 of the National War Memorial Park (Pukeahu) Empowering Act 2012, enabling part of the Park to be constructed on land owned by the claimants. Landscaping related to the Park has been undertaken on this land.

Section 18 of the National War Memorial Park (Pukeahu) Empowering Act 2012 entitles the landowners to compensation under the Public Works Act 1981 for the taking of this easement. The compensation claimed is \$4.604 million. This amount is accruing interest and the total claim expected is approximately \$6 million.

There is uncertainty over the claims process. A number of steps have yet to be undertaken to assess and agree the compensation payable. The Ministry has provided for \$3.000 million, being the mid-point between nil and the amount claimed. This acknowledges the wide range in possible outcomes as at 30 June 2020.

Seismic strengthening

The Ministry has a legal and constructive obligation to seismically strengthen the Carillon Tower, part of the National War Memorial. This obligation arises primarily from the Building Act 2004 and the structure's heritage status.

The provision was estimated using an independent assessment of cost, based on an early concept design for the necessary strengthening works. As at 30 June 2020 there is uncertainty about both the scope and cost of the final strengthening that will be performed.

	NZSPG Grants \$000	Public Works Act \$000	Seismic strengthening \$000	Total provisions \$000
Balance at 1 July 2018	21,409	3,000	-	24,409
Additional provisions made	38,306	-	-	38,306
Amounts used	(18,213)	-	-	(18,213)
Balance at 30 June / 1 July 2019	41,502	3,000	-	44,502
Additional provisions made	30,512	-	7,195	37,707
Amounts used	(31,553)	-	-	(31,553)
Balance at 30 June 2020	40,461	3,000	7,195	50,656
Current portion	40,461	3,000	7,195	50,656
Non-current portion	-	-	-	-
Total provisions	40,461	3,000	7,195	50,656

Note 8

Financial instruments

The activities managed by the Ministry on behalf of the Crown involve financial instruments in the course of normal operations. All financial instruments are measured at amortised cost in the statement of financial position. All associated revenue and expenses are credited to or charged against the net surplus/deficit.

The carrying amounts of financial assets and financial liabilities in each financial instrument category are as follows:

	Actual 2019 \$000	Actual 2020 \$000
Financial assets measured at amortised cost		
Cash and cash equivalents	10,680	29,419
Debtors and other receivables	1,760	1,090
Total financial assets	12,440	30,509
Financial liabilities measured at amortised cost		
Creditors and other payables	329	495
Total financial liabilities	329	495

Concessionary loans

The Ministry is administering a number of Crown initiatives to provide relief to those in the media sector in response to the impact of COVID-19.

One initiative is to make payments in advance to local media businesses for advertising that will be placed during 2020/21 by core government organisations. The advances will be returned during 2020/21 as advertising is subsequently placed and paid for.

The advance payments are interest-free and accounted for as concessionary loans.

At 30 June 2020 \$1.554 million in loans had been agreed, but none had been drawn down.

\$0.121 million has been recognised in the schedule of non-departmental expenses as an initial fair value adjustment on the nominal value of agreements entered into at balance date. The fair value adjustment is calculated using estimated cash flows and a discount rate of 10%.

Financial instrument risks

Credit risk

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

Credit risk arises from deposits with banks and receivables.

Note 9

Explanations of major variances against budget

The major variances from the Ministry's non-departmental estimated figures in the Main Estimates are as follows:

Schedule of non-departmental expenses

Grant, subsidy and benefit expenses

Grant, subsidy and benefit expenses were \$8.260 million lower than budgeted. This is due to lower amounts recognised for NZ Screen Production Grants (NZSPG), with \$30.512 million recognised against a budget of \$50.070 million. This is mainly due to delays in productions arising from the COVID-19 pandemic and restrictions in March-May 2020. See Note 7 for further details on the NZSPG scheme.

This lower spending was partially offset by:

- Greater expenditure in the Regional Culture and Heritage Fund (RCHF), with new grants of \$17.261 million awarded against a budget of \$6.667 million. These arose from a new round of RCHF grants approved in July 2019.
- Grant spending of \$6.628 million associated with the COVID-19 pandemic response not included in the original budget.

Other operating expenses

Other operating expenses were \$16.276 million greater than budget due to a variety of additional funding that was approved during the year. This includes funding as a result of the COVID-19 pandemic response, such as \$4.700 million for planned film and television productions that have been shut down or delayed by COVID-19 restrictions, and \$4.600 million for community sport. Full details are contained in the Addition to the Supplementary Estimates of Appropriations 2019/20, available on Treasury's website.

Schedule of non-departmental assets

Cash and cash equivalents

Cash at 30 June is higher than budgeted by \$15.380 million due to funding drawn down for the COVID-19 pandemic response that will be paid early in the 2020/21 financial year.

Prepayments

Prepayments of \$11.985 million relate to transmission fees paid by the Crown in advance in support of broadcasters as part of the COVID-19 pandemic response.

Property, plant and equipment

The value of buildings was \$4.331 million lower than budget due to a write down in the value of the Carillon Tower and lower than expected spending on the Erebus Memorial.

Schedule of non-departmental liabilities

Grants payable

Grants payable of \$9.772 million is primarily Regional Culture and Heritage Fund grants approved but unpaid at balance date. The budget assumed all grants would be paid at balance date.

Provisions

No budget was originally set for provisions as the accounting treatment for the NZSPG scheme was changed after the budget was set. In addition, the budget assumed \$3.000 million of Public Works Act 1981 claims recorded in the prior financial year would be settled.

Tā te kaitātari kaute motuhake

Independent auditor's report

To the readers of Manatū Taonga Ministry for Culture and Heritage's annual report for the year ended 30 June 2020

The Auditor General is the auditor of the Ministry for Culture and Heritage (the Ministry). The Auditor General has appointed me, Rehan Badar, using the staff and resources of Audit New Zealand, to carry out, on his behalf, the audit of:

- the financial statements of the Ministry on pages 94 to 118, that comprise the statement of financial position, statement of commitments, statement of contingent assets and liabilities as at 30 June 2020, the statement of comprehensive revenue and expense, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information;
- the performance information prepared by the Ministry for the year ended 30 June 2020 on pages 14 to 63;
- the statements of expenses and capital expenditure of the Ministry for the year ended 30 June 2020 on pages 80 to 89; and
- the schedules of non departmental activities which are managed by the Ministry on behalf of the Crown on pages 120 to 139 that comprise:
 - the schedules of non departmental assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2020;
 - the schedules of non departmental expenses; and revenue for the year ended 30 June 2020;
 - the statement of trust monies for the year ended 30 June 2020; and

- the notes to the schedules that include accounting policies and other explanatory information.

Opinion

In our opinion:

- the financial statements of the Ministry on pages 94 to 118:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2020; and
 - its financial performance and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards Reduced Disclosure Regime
- the performance information of the Ministry on pages 14 to 63:
 - presents fairly, in all material respects, for the year ended 30 June 2020:
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure; and
 - complies with generally accepted accounting practice in New Zealand.

- the statements of expenses and capital expenditure of the Ministry on pages 80 to 89 are presented fairly, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.
- the schedules of non departmental activities which are managed by the Ministry on behalf of the Crown on pages 120 to 139 present fairly, in all material respects, in accordance with the Treasury Instructions:
 - the non departmental assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2020; and
 - non departmental expenses; and revenue for the year ended 30 June 2020; and
 - the statement of trust monies for the year ended 30 June 2020.

Our audit was completed on 9 October 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 the Ministry. In addition, we outline the responsibilities of the Chief Executive and our responsibilities relating to the information to be audited, 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 the Ministry as set out in note 13 to the financial statements, note 9 to the schedules of non departmental activities and pages 14 to 63 of the performance information.

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 Chief Executive for the information to be audited

The Chief Executive is responsible on behalf of the Ministry for preparing:

- financial statements that present fairly the Ministry’s financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand.
- performance information that presents fairly what has been achieved with each appropriation, the expenditure incurred as compared with expenditure expected to be incurred, and that complies with generally accepted accounting practice in New Zealand.
- statements of expenses and capital expenditure of the Ministry, that are presented fairly, in accordance with the requirements of the Public Finance Act 1989.
- schedules of non departmental activities, in accordance with the Treasury Instructions, that present fairly those activities managed by the Ministry on behalf of the Crown.

The Chief Executive is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Chief Executive is responsible on behalf of the Ministry for assessing the Ministry’s ability to continue as a going concern. The Chief Executive 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 Ministry, or there is no realistic alternative but to do so.

The Chief Executive’s responsibilities arise from the Public Finance Act 1989.

Responsibilities of the auditor for the information to be audited

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is 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 the information we audited.

For the budget information reported in the information we audited, our procedures were limited to checking that the information agreed to the Ministry's Estimates and Supplementary Estimates of Appropriations 2019/20, and the 2019/20 forecast financial figures included in the Ministry's 2018/19 Annual Report.

We did not evaluate the security and controls over the electronic publication of the information we audited.

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 information we audited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive.
- We evaluate the appropriateness of the reported performance information within the Ministry's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Chief Executive and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Ministry'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 information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Ministry to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Chief Executive 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 Chief Executive is responsible for the other information. The other information comprises the information included on pages 1 to 139, but does not include the information we audited, and our auditor's report thereon.

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

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

Independence

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

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



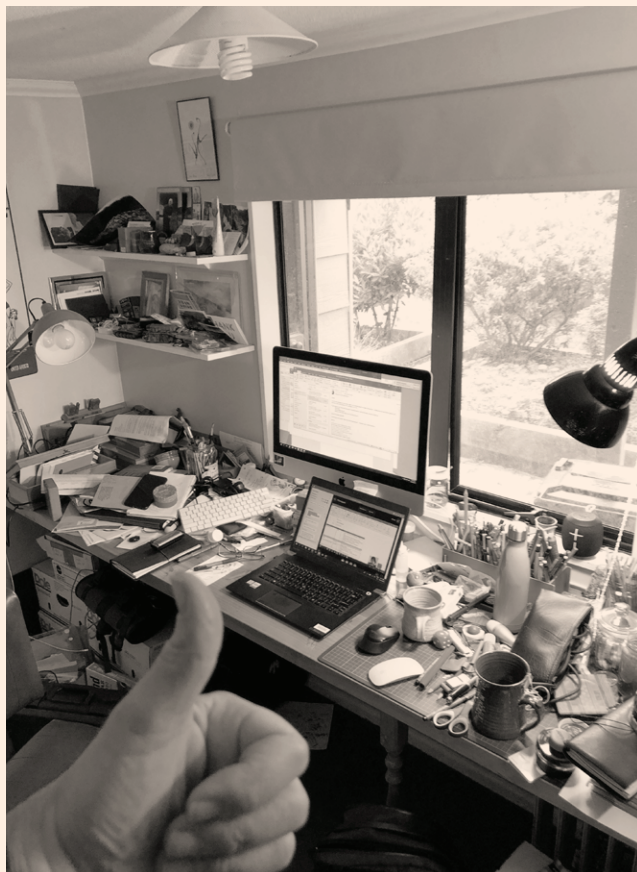
Rehan Badar
Audit New Zealand
On behalf of the Auditor General
Wellington, New Zealand

AUDIT NEW ZEALAND
Mana Arotake Aotearoa



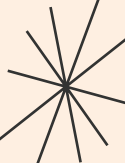
This page and opposite Scenes of Manatū Taonga staff working from home during COVID-19 Alert Level 4, March 2020. Photos: Manatū Taonga





Manatū Taonga

Ministry
for Culture
& Heritage



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Ministry
for Culture
& Heritage

New Zealand Government