

For the year ended 30 June

2004

ARTS COUNCIL OF NEW ZEALAND TOI AOTEAROA

annual report

Presented to the House of Representatives pursuant
to section 44a of the Public Finance Act 1989

Cover: Sonia Yee in her solo show, *The Wholly Grain*, premiered at BATS Theatre
Photo: Luke Calder

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introduction

Shona McCullagh, recipient of the 2003 Creative New Zealand Choreographic Fellowship, with Ralph Buck of the University of Otago. Creative New Zealand in partnership with the University of Otago offered a pilot choreographic residency in 2003, which was awarded to Daniel Belton

Photo: Lance Lawson



Peter Biggs ... "Our artists are the coiled spring within our nation" Photo: Neil Mackenzie



The late Dr Michael King and Hone Tuwhare with Prime Minister Helen Clark at the 2003 Prime Minister's Awards for Literary Achievement Photo: Neil Mackenzie



CENTRE RIGHT: Malcolm Harrison, *Day of the Equinox*, Te Papa Collection ... Malcolm Harrison received the 2004 Creative New Zealand Craft/Object Art Fellowship

RIGHT: *The Navigator* by West Coast artist Rhys Hall ... featured on Tai Poutini Arts Project's website (www.westcoastarts.co.nz) Photo: Wayne Lorimer



from the Chair

I love that piece in A.R. D. Fairburn's long poem, *Dominion*. It's a section in the poem called "Conversation in the Bush" and it goes like this:

*Observe the young and tender frond
of this punga: shaped and curved
like the scroll of a fiddle: fit instrument
to play archaic tunes.*

*I see
the shape of a coiled spring.*

When I think of the rich and deep artistic talent and creative expression in our country, I am convinced more than ever that our artists are the coiled spring within our nation - powerfully propelling its beauty and its unique voice to the world, at the same time making our cities, towns and communities vibrant and special.

For me, this recognition of the special role that our artists play was captured in the national outpouring of sorrow when two of our literary icons, Janet Frame and Michael King, died earlier this year. Like

other artists, these very fine writers showed us what it means to be of this country. They made our lives better because of their craft and creative calling.

It was fitting that Janet and Michael, along with poet Hone Tuwhare, were recipients of the inaugural 2003 Prime Minister's Awards for Literary Achievement, presented in recognition of their outstanding contribution to New Zealand literature.

Over the past three years of our strategic plan, *Arts at the centre: Kei te pūtahī ngā mahi toi*, Creative New Zealand established several fellowships and awards to support artists creating outstanding work. This included major fellowships for choreographers and craft/object artists. Along with other initiatives, these fellowships were a direct response to recommendations in strategies developed by Creative New Zealand in consultation with the two sectors. They are just two examples that illustrate the role of Creative New Zealand as the leading arts

development organisation in this country, with a large mandate to encourage, promote and support the arts in New Zealand for all New Zealanders.

A feature of the past three years has been the closer working relationships that our staff and board members have built with the professional arts organisations we support on an annual or three-year basis. These organisations play a pivotal role in the development of a strong New Zealand voice, provide employment opportunities for professional artists and enrich the lives of New Zealanders.

We've continued to build partnerships with other organisations to enhance resources to the arts. Over the past year, this has included a new partnership with Fulbright New Zealand and the University of Hawai'i to establish a three-month residency for Pacific writers in Hawai'i. The inaugural recipient was filmmaker Sima Urale. We also announced a partnership with the Asia 2000 Foundation

Damon Andrews and David Fane in *Niu Sila*, written by Oscar Kightley and Dave Armstrong, premiered at Downstage Theatre in 2004



of New Zealand to offer what are the first Creative New Zealand residencies in Asia: this year at the Sanskriti Foundation in New Delhi and the Red Gate Gallery in Beijing.

Sometimes, Creative New Zealand plays a facilitating role in developing the arts. A key feature of our *Regional Strengths* strategy from 2001 to 2003 was the way in which local authorities, community organisations, artist communities, Māori and businesses worked in partnership and developed innovative arts projects spanning regional boundaries. Although Creative New Zealand provided some funding to each of the partnerships, the strategy also stimulated investment and support from other sources. Altogether, ten regional partnerships covering 29 cities and districts were supported through *Regional Strengths*.

It's been another busy, rewarding year for Creative New Zealand. I would like to pay tribute to our Chief Executive, Elizabeth Kerr, who has a remarkable ability to manage a wide range of roles,

while maintaining a clear overview of both the organisation and the arts sector. She is ably supported by her committed and knowledgeable staff.

I'd also like to acknowledge the contributions made by the members of the Arts Council, the Arts Board, Te Waka Toi and Pacific Arts Committee. In particular, my sincere thanks to those who have moved on: Marilyn Waring, Pita Sharples, Mika, Murray Shaw, Vaeluaga Iosefa and Siniva Moli. And I welcome the following new members: James Ng, Alick Shaw, Rev. Suamalie Naisali Tafaki Iosefa and Mele Vete.

As we head into the next three years of our new Strategic Plan, we will continue to work with our partners to ensure that New Zealand artists can flourish in an environment that values the arts as an essential part of their daily lives.

In a year that saw us mourn the loss of Janet Frame, it's appropriate to end with a quotation from one of New Zealand's finest

fiction writers. Janet's insightful words sum up the importance of continuing to celebrate and nurture this country's art and artists:

"Unless we have the courage to use our inherited human riches to name, name, name things visible, things visible, things invisible in our land, to play the thought game from time to time, to raise a few more rich fat dreams and poems and get a fair price for them, we'll be spiritually hungry and poor; we may not even survive."

Kia hora te marino, kia whakapapa pounamu te moana, kia tere kārohirohi.

Peter Biggs

Chair
Creative New Zealand

Elizabeth Kerr ... "Exciting new challenges for Creative New Zealand over the next three years"

Photo: Neil Mackenzie



John Psathas' *Fragments*, Classical Album of the Year at the 2004 Vodafone New Zealand Music Awards

Travelling River, an exhibition at The Suter Te Aratoi o Whakatu in Nelson, was the result of a partnership between Creative New Zealand and the Ministry of Research, Science and Technology aimed at encouraging artists and scientists to work collaboratively



from the Chief Executive

New Zealand's outstanding artists are constantly profiling this country's creativity to the world, winning awards and presenting their work to international acclaim.

While the fine achievements of our sporting heroes at the recent Olympic Games were lauded in our media, there was another hero whose extraordinary achievement received less media attention. John Psathas of Wellington composed and arranged much of the music for both the opening and closing ceremonies of the Games, including the key moment when the Olympic flame was lit.

Psathas, whose work Creative New Zealand has supported over a number of years, epitomises artistic excellence – in the same way New Zealand's gold medallists epitomise excellence in sport.

At Creative New Zealand, we're committed to supporting artistic excellence. Our vision for the next three years, outlined in our

new Strategic Plan for 2004 to 2007, is about New Zealand arts being excellent, distinctive and essential in our lives.

Preparing the new Strategic Plan has been a significant milestone of this financial year. During May and June, Chair Peter Biggs, other members of Creative New Zealand and I presented our draft Strategic Plan at public meetings in Dunedin, Christchurch, Auckland and Wellington.

Talking with our partners in the arts sector and the wider community was a valuable experience, and we received a great deal of positive and constructive feedback about our plan for the next three years. The 87 submissions, representing more than 3000 people from throughout New Zealand, were analysed and taken into consideration when we finalised the plan. This new Strategic Plan was adopted by Council in September 2004 and published in October.

There are exciting new challenges for Creative New Zealand over the next three

years. Along with our commitment to artistic excellence, we'll be building on our work to develop international audiences and markets for New Zealand arts. A third priority with this new Strategic Plan is responding to New Zealand's growing ethnic diversity by developing and implementing a policy on cultural diversity. To do this, we'll be working with tāngata whenua and consulting with artists and leaders from New Zealand's diverse communities.

Responding to cultural diversity, developing international markets, ensuring the arts are valued, and supporting new technologies and career development for artists are common issues that arts development organisations around the world are facing. At the end of 2003, Peter Biggs, Te Waka Toi Chair Elizabeth Ellis and I were able to discuss these and other issues with our international colleagues at the second World Summit on the Arts and Culture in Singapore. Hosted by the National Arts Council of Singapore, the Summit was attended by membership



Comedy theatre group Naked Samoans

organisations of the International Federation of Arts Councils and Cultural Agencies. As a founding member, we've been able to consult and work with our international colleagues on a number of common issues. Our ongoing membership will continue to grow in importance as we work to build international markets and audiences for New Zealand arts.

We especially value our long-standing relationship with the Australia Council for the Arts. For instance, we work with the Australia Council to support New Zealand artists wanting to develop audiences and markets across the Tasman. A particular highlight in the past year was New Zealand's outstanding presence at the 6th Australian Performing Arts Market in Adelaide in February. The work of three New Zealand companies featured among the spotlight performances: comedy theatre group Naked Samoans, choreographer and dancer Raewyn Hill's Soap Box Productions and percussion group Strike. New Zealand's



New Zealand writers share their work with Te Anau readers as part of the New Zealand Book Council's Words on Wheels programme Photo: Alan Knowles

presence at this important market since 1996 has helped a number of New Zealand companies build new markets not only in Australia but also further afield.

As part of our *International Strategy*, we're also building bridges with Asia and developing markets for New Zealand artists in Asian countries. As well as offering artist residencies in Asia for the first time, we will be showcasing New Zealand performing arts at the Asian Arts Mart in Singapore in June 2005.

I'd like to thank Peter Biggs for his wonderful support to the organisation. As Chair of Creative New Zealand, he gives unstintingly of his time and knowledge. His passion for the



Work by Michael Parekowhai and John Pule in *Paradise Now?* at the Asia Society Museum in New York Photo: Elsa Ruiz

arts and their contribution to this country is both infectious and inspirational. I'd also like to thank Creative New Zealand staff, who carry out their roles with professionalism, expertise, enthusiasm and commitment.

Finally, I'd like to acknowledge both the Government and the New Zealand Lottery Grants Board for their funding. This enables us to carry out our work, which reaches diverse communities throughout New Zealand and extends to developing international audiences and markets for New Zealand's distinctive and outstanding arts.

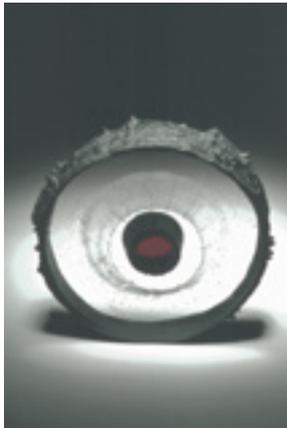
Nāu te rourou, naaku te rourou, ka oro ai te ao toi.

Elizabeth Kerr
Chief Executive
Creative New Zealand

**The Checks,
Takapuna Grammar,
competing in the 2003
cokesmokefreerockquest**
Photo: Chris Trill



**Transmit (www.transmit.co.nz), an interactive
website profiling New Zealand arts and artists**



**Liz Sharek, *Slice*, 2003 ...
featured in *Southern Exposure*, a
survey show of New Zealand glass
in Denmark**



**Rosario La Spina as
the Duke of Mantua in
the NBR New Zealand
Opera production of
*Rigoletto***
Photo: Dean Tremi



about Creative New Zealand

Creative New Zealand is this country's leading arts development organisation. It works in a range of ways to foster and promote New Zealand's arts and artists, both in New Zealand and internationally.

A crown entity, Creative New Zealand was established under the Arts Council of New Zealand Toi Aotearoa Act 1994.

Creative New Zealand's funding comes from the Government through Vote Arts, Culture and Heritage (\$13.5 million excl. GST in 2003/2004) and the New Zealand Lottery Grants Board (\$18.5 million excl. GST in 2003/2004).

Its governing body is the Arts Council and its funding decision-making bodies are Te Waka Toi, the Arts Board and the Pacific Arts Committee. Staff of Creative New Zealand are based in the national office in Wellington, the Auckland Office (Northern Arts Services) and the Christchurch Office (Southern Arts Services). They offer a range of services, including specialist artform and funding advice, professional development opportunities, arts advocacy, communications and information services.

Creative New Zealand develops a new strategic plan every three years. This plan guides the annual business plan and Creative New Zealand's funding decisions.

The organisation achieves its vision and goals through its work in arts advocacy, special initiatives and a range of funding programmes. It works in partnership with the arts sector, central and local government, the business sector and communities to enhance resources and increase opportunities for New Zealand arts and artists.

For more information about Creative New Zealand's work and to order or download its publications and other resources, visit its website. You can also contact any of the three offices and staff will send you information.

www.creativenz.govt.nz



Te Mātārae i o Rehu, performing in *Toi Mana* at the New Zealand International Arts Festival 2004
Photo: Robert Catto (www.catto.co.nz)



Creative New Zealand's Council and board members

The following is a list of Creative New Zealand's Council and board members as at 30 June 2004. Brief biographical details about each member are available in the About Us section of the organisation's website.

Arts Council

Peter Biggs (Chair),
Paddy Austin, Peter Brunt, James Ng,
Alick Shaw, Ngahuia Te Awekotuku

Te Waka Toi

Elizabeth Ellis (Chair),
Sandy Adsett, Suzanne Ellison,
Patu Hohepa, Keri Kaa, Moana Tipa

Arts Board

Alastair Carruthers (Chair),
Judith Fyfe, Graeme Gorton,
Marilyn Kohlhase, Helen Schamroth,
Lydia Wevers

Pacific Arts Committee

Marilyn Kohlhase (Chair),
Rev. Suamalie Naisali Tafaki Iosefa,
Stephanie Oberg, Fulimalo Pereira,
Taualeo'o Stephen Stehlin, Mele Vete,
Glenda Vilisoni, Tarisi Vunidilo

statement of
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2003 – 2004

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OBJECTIVES

Creative New Zealand will provide arts advisory services to artists and arts organisations by liaising and networking with artists and arts organisations, and providing advice about Creative New Zealand's funding programmes and projects.

Creative New Zealand will also maintain existing and develop new

liaison and networking relationships across the whole of Government with regard to arts development goals. As a result of these activities:

- development needs and partnership opportunities in the wider arts sector will be identified;
- strategies, policies, special initiatives and partnerships for developing New Zealand arts and artists will be based on sound, up-to-date sector knowledge;
- artists and arts organisations will be informed about funding opportunities, assessment criteria and expected outcomes;
- assessors and boards will be able to make informed evaluations and funding decisions.

arts advisory services

ACHIEVED

Creative New Zealand initiated several new strategic arts development activities and enhanced its service delivery to clients following an organisational restructure in 2002.

Liaising and networking with artists and arts organisations

Creative New Zealand's arts advisors and managers have maintained contact with artists and arts organisations in many different ways. Their attendance at meetings, hui, fono, workshops, performances and events has kept Creative New Zealand well-informed about sector needs and trends, and enabled them to provide information to artists and arts organisations. Development needs are also identified by the arts boards at the conclusion of each funding round. Up-to-date sector knowledge has played an important role in informing funding decisions, whole of government initiatives, and the design and implementation of Creative New Zealand's programmes, strategies and initiatives as reported in other sections of this *Statement of Service Performance*.

Progress has been made towards addressing the following issues:

- the impact and benefits of new technologies on contemporary arts practice;
- the limited number of opportunities in the craft/object art sector and the visual arts sector to develop curatorial skills;
- an apparent lack of fellowships, residencies and awards in the performing arts;
- the need to establish formal relationships with international institutions to provide residencies for senior Māori artists;
- the need to support the recording and sharing of the traditional knowledge of senior Māori artists of tohunga status;
- the balance between investment in project funding and support for infrastructure in the theatre and dance sectors;
- the balancing of project funding across the various stages of artists' careers from emerging to mid-career to senior practitioner;
- regional orchestras;
- audience and market development;
- the particular needs of artists who generate income through their arts work.

"I never realised what was involved with the decision-making until I heard from a Creative New Zealand staff member. It changed my whole perspective on the waiting time. Honestly, until I knew what happened I just assumed they received the applications, sort of marked them really slowly and then got around to letting people know in their own sweet time."

– a comment from the Stakeholder Evaluation on contestable project funding

New media

Creative New Zealand has worked with artists, arts organisations and others working with new technologies to gather information about developments in this fast-growing area. Staff members participated in workshops with other government agencies and sector interest groups working on digital content strategies.

Project spaces

Creative New Zealand is developing closer working relationships and more effective processes for supporting the sustainability of the visual arts project spaces in the four main centres. This is the result of a series of meetings with their representatives about the current role and changing character of such spaces within the wider gallery environment. The discussions have also included ways to improve the funding application process.

Informing artists and arts organisations about funding opportunities

The 2002-2003 Stakeholder Evaluation of Creative New Zealand's service delivery to applicants for contestable project funding¹ showed the importance that applicants attached to having direct communication with arts advisors. Half of all applicants already make contact by telephone, email

or face-to-face meetings. A further 20%, mostly first-time applicants, were unaware they could do so. The availability of this service has since been given a higher profile in *The Funding Guide/Ngā Pūtea 2004-2005* and is mentioned more frequently by arts advisors when liaising with the sector. Additional funding workshops for Māori applicants have been held in response to other requests for more face-to-face contact with staff.

The evaluation also showed that many applicants valued the opportunity to talk to arts advisors about reasons why their projects did not receive financial support. Presenting more generic feedback on Creative New Zealand's website is being investigated as a way of providing this information to all applicants, whether they are successful in their funding applications or not. (Also see page 35)

Informal feedback indicates that increased communication about the role of peer assessment committees and arts practitioners with relevant specialist knowledge and experience is also contributing to increased sector confidence in Creative New Zealand and its decision-making processes.



Grace Hoet, Assistant Arts Advisor, provides advice to artists and arts organisations about Creative New Zealand's funding programmes.
Photo: Miranda Wells

1. This evaluation was conducted by the independent research company Colmar Brunton in 2003. Colmar Brunton initially conducted in-depth, face-to-face qualitative interviews with a representative sample of applicants to identify the range of applicants' perceptions. This was followed by a quantitative telephone survey of 400 applicants.

OBJECTIVES

The development of a strong professional arts infrastructure will be supported by delivering \$12,790,000 to recurrently funded organisations in 2003-2004 (on an annualised basis) in accordance with the signed agreement with each organisation. As part of this programme:

- funding agreements will be negotiated with the twenty seven organisations that are currently funded on an annual basis, as well as any other organisations that are offered annual funding for the first time;
- funding agreements will be renegotiated with the eleven organisations that are currently funded on a three-year basis;
- recurrently funded organisations will be effectively monitored for compliance with funding agreements and reporting requirements;
- the working capital and net asset position of the recurrently funded organisations will be monitored as indicators of enhanced financial sustainability of the arts infrastructure.

annual and multi-year recurrently funded organisations



The Tower New Zealand Youth Choir receives annual funding from Creative New Zealand. The Choir won several awards at the prestigious 43rd International Choral Competition in Gorizia, Italy in 2004.
Photo: Oamaru Mail

ACHIEVED

In August 2003, Te Waka Toi and the Arts Board assessed applications from 27 organisations for funding in the 2004 calendar year, and applications from 11 organisations for the 2004-2006 calendar years. Contracts totalling \$12,858,110 were subsequently negotiated with 38 organisations.

Two organisations, Auckland Theatre Company and Centrepoint Theatre, were withdrawn from multi-year funding and placed on annual contracts.

The boards aligned their funding decisions with Creative New Zealand's goals. NBR New Zealand Opera received additional funding to provide opportunities for national audiences to experience quality professional opera. The significant role of the Auckland Philharmonia in contributing to the artistic life of Auckland was also acknowledged. Dance Aotearoa New Zealand (DANZ) and Objectspace, a new craft/object art centre in Auckland, received additional funding to support the implementation of sector strategies. Te Waka Toi increased funding to Toi Māori Aotearoa, commending the organisation for its progress in capability and sustainability.

Creative New Zealand has monitored all organisations for compliance with their contracts and reporting requirements. Ongoing monitoring of the working capital and net asset positions of the recurrently funded organisations demonstrated that many organisations experienced financial difficulties.

Service organisations continued to provide support to specific artforms, including assisting with development of professional careers for artists. For example, the Artists Alliance website provided advice to artists on copyright, award opportunities and residencies for visual artists.

Some recurrently funded organisations also provided opportunities for practitioners to develop new work in a range of genre that explored a distinctive New Zealand voice. Examples include the multi-disciplinary work *Timeless Land*, composed by Anthony Ritchie for the Southern Sinfonia; *Surface*, choreographed by Neil Jeremia of Black Grace Dance Company; *Falling Free*, a group exhibition curated by Jae Hoon Lee at the Physics Room; and *Mum's Choir*, written by Alison Quigan and premiered at Centrepoint Theatre.

TYPE OF PROVIDER	RECURRENTLY FUNDED ORGANISATION	FUNDING OFFERS FOR 2003 (GST EXCL)	FUNDING OFFERS FOR 2004 (GST EXCL)	2004 CHANGE (GST EXCL)
Dance	Black Grace Dance Company	\$ 341,000	\$ 362,000	\$ 21,000
Dance	DANZ Aotearoa	\$ 200,425	\$ 250,000	\$ 49,575
Dance	Footnote Dance Company	\$ 204,000	\$ 208,500	\$ 4,500
Dance	Kahurangi Māori Dance Theatre	\$ 133,700	\$ 147,710	\$ 14,010
Literature	Booksellers Association of New Zealand	\$ 132,500	\$ 127,500	-\$ 5,000
Literature	New Zealand Book Council	\$ 140,000	\$ 145,000	\$ 5,000
Māori arts	Te Whanau Paneke Inc*	\$ 104,000	\$ 104,000	\$ 0
Māori arts	Te Whare Tu Taua o Aotearoa Inc†	\$ 100,000	\$ 100,000	\$ 0
Māori arts	Toi Māori Aotearoa†	\$ 614,000	\$ 665,000	\$ 51,000
Museums	Museums Aotearoa ²	\$ 160,000	\$ 50,000	-\$ 110,000
Music	Auckland Philharmonia	\$1,301,416	\$1,500,000	\$ 198,584
Music	Canterbury Regional Opera	\$ 265,000	\$ 325,000	\$ 60,000
Music	Centre for New Zealand Music (SOUNZ)	\$ 146,000	\$ 142,600	-\$ 3,400
Music	Chamber Music New Zealand	\$ 539,734	\$ 594,000	\$ 54,266
Music	Christchurch Symphony Trust ³	\$ 425,000	\$ 475,000	\$ 50,000
Music	NBR New Zealand Opera	\$ 791,666	\$1,150,000	\$ 358,334
Music	New Zealand Choral Federation	\$ 135,000	\$ 135,000	\$ 0
Music	New Zealand String Quartet	\$ 152,500	\$ 165,000	\$ 12,500
Music	Southern Sinfonia	\$ 250,000	\$ 250,000	\$ 0
Music	Tower New Zealand Youth Choir	\$ 146,666	\$ 160,000	\$ 13,334
Music	NGC Wellington Sinfonia	\$ 230,000	\$ 230,000	\$ 0
Music/Theatre	Arts on Tour NZ	\$ 127,000	\$ 127,000	\$ 0
New media/Digital	Moving Image Centre	\$ 147,657	\$ 155,000	\$ 7,343
Participation	Arts Access Aotearoa	\$ 262,364	\$ 278,000	\$ 15,636
Theatre	Auckland Theatre Company	\$ 626,666	\$ 690,000	\$ 63,334
Theatre	BATS Theatre	\$ 195,000	\$ 200,000	\$ 5,000
Theatre	Capital E National Theatre for Children	\$ 200,500	\$ 262,000	\$ 61,500
Theatre	Centrepont Theatre	\$ 348,334	\$ 383,000	\$ 34,666
Theatre	Circa Theatre	\$ 188,800	\$ 207,500	\$ 18,700
Theatre	Downstage Theatre	\$ 460,000	\$ 490,000	\$ 30,000
Theatre	Fortune Theatre	\$ 372,500	\$ 385,800	\$ 13,300
Theatre	Playmarket	\$ 258,000	\$ 266,500	\$ 8,500
Theatre	Theatre Arts Charitable Trust (TACT) ⁴	\$ 307,166	\$ 308,000	\$ 834
Theatre	Taki Rua Productions*	\$ 305,000	\$ 315,000	\$ 10,000
Theatre	The Court Theatre	\$ 626,666	\$ 700,000	\$ 73,334
Visual arts	Artists Alliance	\$ 100,000	\$ 110,000	\$ 10,000
Visual arts	Artspace	\$ 265,000	\$ 290,000	\$ 25,000
Visual arts	Objectspace ⁵	\$ 0	\$ 155,000	\$ 155,000
Visual arts	Tautai Contemporary Pacific Arts Trust	\$ 90,000	\$ 100,000	\$ 10,000
Visual arts	The Physics Room Trust	\$ 137,000	\$ 149,000	\$ 12,000
TOTAL		\$11,530,926	\$12,858,110	\$1,327,850

Creative New Zealand is seeking to work more constructively with recurrently funded organisations to achieve mutual goals. The Partnership Code provides transparency about expectations. More regular communication at the board level also builds mutual understanding. The capability of organisations is being enhanced through the *Future Strengths* programme (see page 26).



Brent Thawley and Belinda Jones, Arts Infrastructure Services, work with Creative New Zealand's recurrently funded organisations.
Photo: Miranda Wells

2. Museums Aotearoa was offered a funding contract until June 2004.
 † Fully funded by Te Waka Toi.
 * Te Whanau Paneke Inc and Taki Rua Productions are jointly funded by Te Waka Toi and the Arts Board.
 3. Total support to the Christchurch Symphony Trust for 2004 was \$475,000 of which \$400,000 was a grant to deliver the annual programme of activities and \$75,000 was a conditional loan.
 4. A separate grant was offered to TACT but will be administered through Circa Theatre.
 5. Objectspace was first funded as a recurrently funded organisation in 2004.

OBJECTIVE

The creative and professional development of artists, the creation of new work, and the promotion and presentation of work to audiences will be supported

by the delivery of Arts Board contestable funding programmes according to established procedures. Approximately 1400 applications will be processed and an estimated \$5,325,000 will be delivered to artists and arts organisations.

Arts Board funding programmes



The Arts Board supported a number of strong contemporary dance projects to create work or undertake tours to New Zealand centres. Scrambled Legs Dance Theatre Company received a \$25,700 grant to tour its work, 7, to Christchurch, Auckland and Dunedin in 2004.

ACHIEVED

The Arts Board received 1070 applications seeking \$17.5 million.

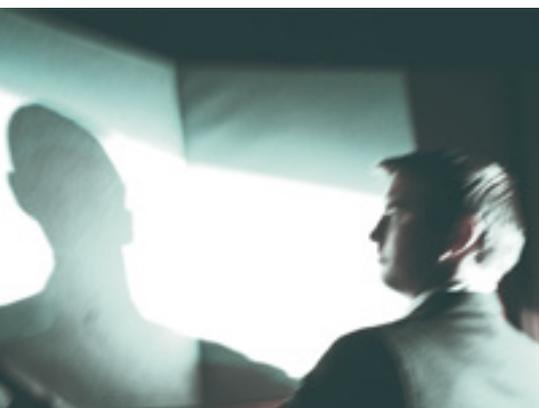
Every application was checked by an arts advisor and assessed by a committee made up of leading practitioners and chaired by an Arts Board member. The committees' recommendations were reviewed and finalised by the Arts Board.

The Arts Board approved 418 applications, 56 more than in 2002-2003 as a result of additional funding.

New acquittal analysis and reporting protocols are being developed to provide the Arts Board with more information about completed projects.

Arts Board funding applications/grants:

FUNDING PROGRAMME	NUMBER OF APPLICATIONS RECEIVED	NUMBER OF APPLICATIONS APPROVED	AMOUNT REQUESTED	AMOUNT APPROVED 2004 (GST EXCL)	AMOUNT APPROVED 2003 (GST EXCL)
Creative and Professional Development	266	113	\$ 2,869,365	\$ 1,083,396	\$1,004,349
New Work	408	131	\$ 7,075,229	\$ 1,869,103	\$2,003,100
Presentation, Promotion and Audience Development	396	174	\$ 7,573,528	\$ 2,547,605	\$1,948,758
TOTAL	1,070	418	\$17,518,122	\$ 5,500,104	\$4,956,207



Martyn Roberts received a \$20,000 grant from the Arts Board to tour *The Telescope* to Wellington, Auckland and Hamilton.

OBJECTIVE

The maintenance of Māori heritage arts, the use of te reo across art forms, the creation of new works by Māori artists, the provision of new

opportunities for experiencing Māori arts and the strengthening of links between tāngata whenua artists and indigenous peoples will be supported by the delivery of Te Waka Toi contestable funding programmes

according to established procedures. Approximately 200 applications will be processed and an estimated \$1,423,000 will be delivered to Māori artists and organisations.

Te Waka Toi funding programmes

ACHIEVED

Te Waka Toi received 189 applications seeking close to \$4.8 million.

All applications were assessed by one of three assessment committees made up of tohunga in Māori artforms and chaired by a Te Waka Toi member. The committees noted the increasing pressure on the Heritage Arts and the Experiencing Māori Arts funding programmes.



Atamira Dance Collective received a \$10,000 grant from Te Waka Toi to choreograph and perform new work in the Auckland Matariki Festival 2004.

Te Waka Toi funding applications/grants:

FUNDING PROGRAMME	NUMBER OF APPLICATIONS RECEIVED	NUMBER OF APPLICATIONS APPROVED	AMOUNT REQUESTED	AMOUNT APPROVED 2004 (GST EXCL)	AMOUNT APPROVED 2003 (GST EXCL)
Heritage Arts	39	23	\$1,453,077	\$ 419,465	\$448,555
Te Reo	11	7	\$ 225,914	\$ 84,509	\$86,500
New Work	35	10	\$ 642,758	\$ 131,100	\$289,459
Indigenous Links	19	8	\$ 435,436	\$ 143,820	\$115,563
Experiencing Māori Arts	85	42	\$1,982,741	\$ 636,370	\$400,500
TOTAL	189	90	\$4,739,926	\$1,415,264	\$1,340,577

“There is a thirst throughout the land among people of all ages for knowledge and information on traditional Māori arts and Te Waka Toi is responding to that demand,” said Te Waka Toi Chair Elizabeth Ellis, commenting on the project funding round.

OBJECTIVES

The participation of Pacific Islands peoples in their arts, and the development of Pacific Islands arts and artists will be supported by the delivery of Pacific Arts Committee contestable funding programmes according to established procedures.

The profile and awareness of Pacific Islands arts and artists will be developed by the delivery of Pacific Arts Committee contestable funding programmes according to established procedures.

The links between Pacific Islands artists and the tāngata whenua will be strengthened.

Approximately 100 applications will be processed and an estimated \$335,000 will be delivered to New Zealand-based Pacific Islands artists and arts organisations according to established procedures.

Pacific Arts Committee funding programmes



Sefa Enari received a \$4,970 grant from the Pacific Arts Committee to hold a two-week dance/film workshop. Photo: Sean Coyle

ACHIEVED

The Pacific Arts Committee processed 94 applications and approved 63 grants totalling \$351,609.

The Committee reported that the quality of applications continues to improve with each funding round, and artists from smaller island groups – Niue, Fiji, Tokelau and Tuvalu – are now applying regularly. The Committee supported a number of Pacific artists to create new work in a variety of artforms.

The profile of Pacific arts and artists resident in New Zealand was enhanced by funding a range of projects, including grants of \$12,000 towards the costs of presenting *Vula* at the Pacific Wave festival in Sydney, and \$8,000 towards the promotional costs of the 5th annual Pacific Arts Festival in Christchurch.

The programme Tāngata Whenua Links, which supports collaborations between Pacific Islands artists and tāngata whenua, continues to attract a low number of applications.



Anton Carter, Arts Advisor, Pacific Islands Arts, works with Pacific artists and communities. Photo: Miranda Wells

Pacific Arts Committee funding applications/grants:

FUNDING PROGRAMME	NUMBER OF APPLICATIONS RECEIVED	NUMBER OF APPLICATIONS APPROVED	AMOUNT REQUESTED	AMOUNT APPROVED 2004 (GST EXCL)	AMOUNT APPROVED 2003 (GST EXCL)
Heritage Arts	22	14	\$ 268,693	\$ 51,000	\$34,200
Pacific Arts Development	45	31	\$ 419,091	\$ 163,809	\$114,250
Pacific Arts Promotion	25	16	\$ 420,400	\$ 128,700	\$112,595
Tāngata Whenua Links	2	2	\$ 10,000	\$ 8,000	\$16,000
TOTAL	94	63	\$1,118,184	\$ 351,609	\$277,045

OBJECTIVE

Innovative moving image productions will be made by emerging or experienced moving image-makers through the

investment of \$500,000 from the Screen Innovation Production Fund, a partnership between Creative New Zealand and the New Zealand Film Commission.

Screen Innovation Production Fund funding programme

ACHIEVED

Screen Innovation Production Fund funding applications/grants:

FUNDING PROGRAMME	NUMBER OF APPLICATIONS RECEIVED	NUMBER OF APPLICATIONS APPROVED	AMOUNT REQUESTED	AMOUNT APPROVED 2004 (GST EXCL)	AMOUNT APPROVED 2003 (GST EXCL)
Screen Innovation Production Fund	185	34	\$2,927,677	\$ 490,114	\$482,941
Receipts, retirements and administration				\$ 9,886	\$17,059
TOTAL	185	34	\$2,927,677	\$ 500,000	\$500,000



Documentary-maker Sandor Lau's *Behaviours of the Backpacker* has screened twice on Television New Zealand and at the Raetihi Film Festival in 2004. It was produced with support from a \$10,826 grant from the Screen Innovation Production Fund.



Linda Halle, Advisor, Screen Innovation Production Fund, works with emerging and established filmmakers. Photo: Miranda Wells

The New Zealand Film Commission has increased its contribution to the Screen Innovation Production Fund by \$100,000 for 2004-2005 in recognition of the Fund's contribution to innovation and experimentation.

OBJECTIVE

The three annual Prime Minister's Awards for Literary Achievement will be promoted and administered.

Prime Minister's Awards for Literary Achievement



Prime Minister Helen Clark presented Hone Tuwhare with a Prime Minister's Award for Literary Achievement for poetry in 2003.
Photo: Neil Mackenzie

Early in 2004, Creative New Zealand mourned the passing of Janet Frame and Michael King.



Creative New Zealand Chief Executive Elizabeth Kerr visited Janet Frame, recipient of the Prime Minister's Award for Literary Achievement for fiction in 2003, at her home in Dunedin because the author was unable to attend the ceremony at Parliament.

ACHIEVED

The Prime Minister presented the three inaugural Prime Minister's Awards for Literary Achievement.

The recipients were Janet Frame for fiction, Michael King for non-fiction, and Hone Tuwhare for poetry. Each writer received \$60,000. The award ceremony was held at Parliament on 6 October 2003. Extensive media coverage enhanced the profile of the awards and public appreciation of the writers' contribution to New Zealand.

Creative New Zealand initiated promotion of the 2004 awards in March 2004 and 30 public nominations were received.

OBJECTIVES

New Zealand authors will receive annual compensation payments totalling \$1,500,000 for the loss of income where more than 50 copies of any of their titles are held in New Zealand libraries.

Eligibility criteria for the Authors' Fund will be reconfirmed or revised in consultation with key stakeholders.

New Zealand Authors' Fund

ACHIEVED

Payments totalling \$1.5 million were disbursed to 1409 authors on 14 December 2003. The payment per eligible book was \$2.66 and the average payment made to authors was \$1,064.58.

At the request of the Minister, the eligibility criteria for the Authors' Fund were also reviewed in consultation with the sector.

New criteria included the introduction of a \$20,000 maximum cap (excl GST) from 2004 for authors currently receiving less than \$20,000 per annum from the Fund. Other changes included increasing the frequency of the survey of every book covered by the Fund from five years to three years and altering the sampling methodology for estimating book numbers in the intermediate years. All Authors' Fund recipients were advised of the new criteria shortly after they were approved by the Arts Council in December 2003.

"I've written seven books and I realise now that it wasn't for the money. Every year, when the Authors' Fund cheque arrives, it reminds me that my books are still out there and people are reading them. It's a nice recognition."

– Colin Hogg, writer

The consultative group included representatives of the New Zealand Society of Authors, the Library Information Association of New Zealand, the National Library, Statistics New Zealand, the Ministry for Culture and Heritage and Creative New Zealand staff.

OBJECTIVE

Participation in arts activities at the local level will be supported through the Creative Communities Scheme by devolving \$2,612,000 to local authorities in 2003–2004 for distribution through a localised

grants assessment process in accordance with signed agreements between local authorities and Creative New Zealand. Local authorities' compliance with Creative New Zealand's procedures and guidelines will be monitored effectively.

Creative Communities Scheme



The Whitestone Arts Collective of Oamaru held a Summer Art Carnevale with the support of a Creative Communities Scheme grant.



An exhibition of snapshots, taken by people living in the Whangarei Heads community, was supported by a Creative Communities Scheme grant. The grant also supported the publication of a catalogue.



Nicola Robb, Manager, Southern Arts Services, left, and Kay McDowall, are based in Christchurch and work with the arts sector throughout the South Island. They also oversee the Creative Communities Scheme on a national basis. Photo: Miranda Wells

ACHIEVED

Approximately 2637 community arts projects were supported by the Creative Communities Scheme through the devolution of \$2,612,094 to 74 local authorities under three-year contracts signed in 2002.

Grant decisions were made by local assessment committees in accordance with local priorities and Creative New Zealand's policy guidelines. Approximately 1000 assessors, mostly volunteers, served on these committees.

Compliance with Creative New Zealand's procedures and guidelines was monitored through annual reports on grants activity for 2002–2003, which were supplied by all 74 local authorities.

Approximately \$1 is allocated for every \$3 requested. The funding formula of \$5,000 per council plus \$0.60c per head of population has been static since 1997.

The national summary of grants activity for 2002–2003 and the Creative Communities Scheme Benefits Survey 2003⁶ of administrators showed that:

- 28% or \$694,930 of Creative Communities Scheme projects involved people under 25 years, with more than 50% of Territorial Local Authorities supporting a high percentage of youth engagement;

- 99% of administrators felt that a greater diversity of people are involved in the arts;
- 90% said audiences viewing local or "imported" art presentations had increased;
- 100% saw the voluntary sector as critical for the delivery of the Creative Communities Scheme and arts presentations (e.g. performances and exhibitions);
- 90% indicated that amateur artists were involved in the Creative Communities Scheme;
- 60% indicated that semi-professional/professional artists were also involved in the Creative Communities Scheme;
- Māori applications increased to represent 9.5% of all grants.

Creative New Zealand supported the local administrators and assessors through electronic newsletters, 12 regional professional development meetings and new induction materials. Possible solutions to issues identified by local administrators and assessors at regional meetings in 2003–2004 are now being investigated.

Māori involvement in the Creative Communities Scheme as applicants and assessors was encouraged through three hui held in Christchurch, Dunedin and the Chatham Islands. The effectiveness of this intervention will be monitored through annual returns.

6. The Creative Communities Scheme Benefits Survey was conducted by Creative New Zealand staff in November 2003. A short, self-completion survey form was sent to all 74 scheme administrators (local authority staff). The response rate was 50%.

OBJECTIVE

The participation of the New Zealand delegation comprising Māori artists and New Zealand-based Pacific Islands artists in the 9th Festival of Pacific Arts in Palau in July 2004 will be planned, managed and funded.

9th Festival of Pacific Arts

ACHIEVED

Careful planning and support from several government organisations resulted in a very successful delegation from Aotearoa New Zealand to the 9th Festival of Pacific Arts in Belau, the Micronesian Republic of Palau.

Te Arikini Dame Te Atairangikaahu, Associate Minister for Arts, Culture and Heritage Hon Judith Tizard, and Te Waka Toi Chair Elizabeth Ellis led the delegation to the Festival, which took place from 22-31 July 2004. Forty-five Māori artists and 15 Aotearoa-based Pacific artists were chosen in November 2003 by members of Te Waka Toi and the Pacific Arts Committee. National kapa haka champions Waihirere were also included in the delegation with financial assistance from Te Matatini (formerly the Aotearoa Traditional Māori Performing Arts Society).

A doctor and two chefs were included in the delegation to reduce risks to health and safety in the very hot climate. Artists and support staff were accommodated in classrooms at the Palau High School alongside delegations from Guam, Norfolk Island, American Samoa and Yap.

Early feedback from artists showed that they appreciated the opportunities provided by the Festival to showcase their work and network with other indigenous artists. They also commented on the superb hospitality provided by host country Belau, a country with a resident population of only 19,000 people. Approximately 30 countries participated in the Festival.



Clay artist Wi Taepa was a member of the Aotearoa New Zealand delegation, supported by Creative New Zealand to take part in the 9th Festival of Pacific Arts. He worked with local people to help rejuvenate the clay artform once practised there but now largely lost. Photo: Norman Heke



The Conch Shell's production of *Vula*, directed by Nina Nawalowalo, was presented at the 9th Festival of Pacific Arts with Creative New Zealand support. Photo: Norman Heke

OBJECTIVE

A draft three-year Strategic Plan for 2004-2007 will be prepared after public consultation for publication early in the 2004-2005 financial year.

Strategic Plan 2004–2007

Comments from submissions to the draft Strategic Plan:

- "Congratulations on producing a very inspiring, forward thinking and proactive Strategic Plan, which indicates commitment to development and leadership in the sector."
- "Nice format of plan – simple, easy to follow."
- "Please support local initiatives and projects. Participation in the arts locally develops social and personal growth, skills and confidence both in the people and communities' grassroots."
- "Creative New Zealand needs to develop relationships with ethnic communities (including national organisations)."

ACHIEVED

During 2003-2004, Creative New Zealand developed its draft Strategic Plan for 2004-2007 through a process that included an environmental scan and several internal workshops.

The draft Strategic Plan was released for public consultation in May 2004. A robust consultation process resulted in the views of more than 3000 people being represented. Stakeholders provided valuable feedback at four well-attended public meetings and through feedback forms. The final Strategic Plan will be published in October 2004.



Creative New Zealand's Strategic Plan 2004-2007, published in October 2004.

OBJECTIVE

Selected regional projects that support the development of the arts through partnerships which span local authority boundaries will be funded through the

Regional Strengths strategy at \$150,000. Resources provided will support projects and initiatives that enable the arts to contribute to regional cultural, social and/or economic outcomes.

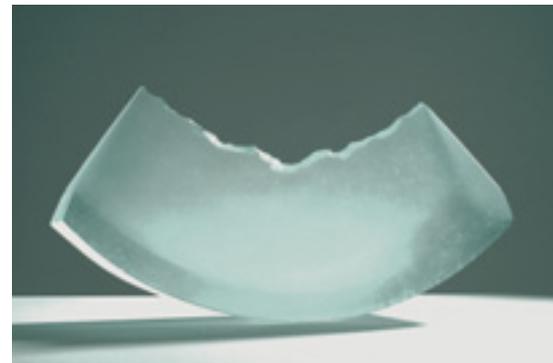
Regional Strengths strategy

ACHIEVED

Ten regional partnerships were established during 2003-2004 to position the arts sector in regional development strategies and to enhance regional arts infrastructure and arts participation.

Stories about the partnerships and their contribution to local and regional development were disseminated to local media, specialist magazines, regional development agencies and government departments.

In February 2004, Creative New Zealand and the Community Employment Group (CEG) signed a Memorandum of Understanding for a new partnership fund named *Regional Strengths Maurangi Toi*. The parties have agreed to contribute \$150,000 per year for three years to support regional partnerships between local authorities, the creative sector, iwi and artist communities to strategically position creative enterprise within regional development strategies. In 2003-2004, *Regional Strengths* contributed \$150,000 and the Community Employment Group contributed \$75,000 to give a total of \$225,000.



Cradle by Wanganui glass artist David Murray. Wanganui, a centre for New Zealand glass, was one of ten regional partnerships supported through Creative New Zealand's *Regional Strengths* strategy.

Organisations in the following regions received \$5,000 each to undertake approved Partnership Formation activities:

- **Auckland** – Arts Advocates Inc. for Arts About Auckland (arts marketing strategy);
- **Northland/Tai Tokerau** – Arts Promotion Trust for Northland's creative industries strategy development;
- **Wellington** – Arts Wellington Trust for Wellington arts marketing strategy;
- **Kapiti** – Cultural Tourism Kapiti Horowhenua Inc. for building relationships with local iwi, hapu and rūnanga to enable the development of authentic cultural tourism experiences in the region;
- **Hauraki/Coromandel** – Hauraki Enterprise Agency Inc. for a feasibility study to prepare the foundation for arts/creative industries development in the region;
- **Otago** – Otago Arts Trust for consultation-driven arts infrastructure development.

Regions receiving Initiative Funding were:

- **Wanganui** – Whanganui Arts, Culture and Heritage Development Trust, \$40,000 for a suite of interrelated activities to support the development of arts/creative industries sector in the region;
- **Hawkes Bay** – Creative Hawkes Bay, \$65,000 for a suite of activities that support cultural tourism cluster development through the establishment of the Hawkes Bay Creative Enterprise Agency;
- **Nelson/Top of the South** – Nelson Bays Arts Advocacy and Marketing Trust, \$17,200 for professional development programme to maximise arts sector participation in cultural tourism opportunities;
- **Southland** – Creative Southland, \$50,000 for the development of the Southern Odyssey cultural tourism trail.

"*Regional Strengths* is all about positioning arts and culture as a key driver of economic growth. That's the approach we've taken in Hawkes Bay, and our success has meant we've been able to leverage funding and other support from several government agencies."

– Ros Stewart, Chairman of Creative Napier, one of ten regional partnerships supported through the *Regional Strengths* strategy

OBJECTIVE

Significant progress will be made towards establishing toi iho™ as the recognised and respected brand for authentic quality Māori arts and crafts as evidenced by increases in a number of indicators including the number of participating artists and retailers.

toi iho™



Sculpture by Lyonel Grant, an artist licensed to use toi iho™.



Work by Kahu Te Kanawa, an artist licensed to use toi iho™.

ACHIEVED

15 new artists and seven retailers were added to the toi iho™ register during 2003-2004, taking the total to 129 artists and 20 retailers.

The Arts Council has agreed to continue to waive fees for artists until there are 180 registered users and will reconsider the introduction of fees for retailers in December 2004.

Key findings of an independent evaluation of toi iho™⁷ conducted with artists and retailers included high levels of satisfaction with the application process and feelings of pride from their association with toi iho™. Recommendations included increased marketing activity and fostering the development of relationships between artists and retailers.

Major achievements during the year included:

- targeting buyers of indigenous art at the Sydney Aboriginal Arts Fair;
- increasing tourism industry awareness by supplying artworks to enhance Tourism New Zealand's display at the Tourism Industry conference in Queenstown in September 2003;
- educating Māori tourism operators about ways of incorporating toi iho™ into their business at six regional Māori tourism workshops arranged by the Associate Minister for Māori Affairs;
- working with Toi Māori Aotearoa and Centreport Wellington to support a retail presence on the wharf targeting the passengers and crew of the 13 cruise ships that visited Wellington last summer.

7. The evaluation was conducted by the Pareārau Group in August-September 2004. Methodologies included a review of documentation and the website, a focus group with nine artists, a focus group with six retailers and an interview with the toi iho™ administrator.

OBJECTIVE

Creative New Zealand will have better information about ways it can work with Māori as a result of a review of the Iwi Arts Management Plan strategy.

Iwi Arts Management Plan

ACHIEVED

The Arts Council set aside further implementation of the Iwi Arts Management Plan strategy to evaluate projects undertaken from 2001-2003.

The evaluation report⁸ affirmed the benefits of the programme, including arts development, capability-building, festivals, exhibitions, and a resurgence of cultural pride and identity. Suggested improvements focused on redesign of the delivery model and ways to address issues such as other iwi priorities, the disparity of capability, separation of arts leadership, separation from iwi management and human resource constraints.

A revised delivery model called *Toi Ake* has been developed in consultation with previous participants and will be implemented in 2004-2005. The model will maintain the iwi focus of the initiative and will include development of both customary and contemporary Māori art through contestable project funding, consultancy advice and development of resource materials.



Te Puo o Te Kani exhibition resident artist Fiona Collis co-ordinated rāanga workshops, which ran throughout the 12-week exhibition, a project developed through Te Aitanga a Hauiti's involvement in the Iwi Arts Management Plan.

Photo: Alice Te Puni, *Gisborne Herald*

8. The evaluation was conducted by independent researchers Pam Oliver and Nan Wehipeihana during 2003 through a series of hui, individual interviews with key stakeholders and a review of documents generated as part of the programme.

OBJECTIVE

The capability of the recurrently funded organisations will be enhanced by:

- the provision of capability-building and development opportunities that are well-supported by the portfolio and generate positive participant feedback;
- the provision of information about key sectoral trends that facilitates analysis, peer discussion and benchmarking.

Future Strengths strategy



Actor Helen Moulder, pictured with Sir Jon Trimmer in the play *Meeting Karpovsky*, which toured to eight New Zealand centres in 2004. "The Touring Manual was my security blanket, reassuring me that I'd covered all the bases. For me, the chapters on legal structures, managing finances and administration were especially helpful."

"There is no doubt that some enormous challenges face professional arts organisations as they balance their arts priorities with the need to broaden their financial base. Initiatives such as the Strategic Leadership Programme go a long way towards meeting and overcoming those challenges."

– Maggie Gresson, Executive Director, Artists Alliance

ACHIEVED

Key achievements included:

- Recurrently funded organisations were provided with a revised edition of *Getting on Board: a governance guide for arts organisations* written by Graeme Nahkies, Director, BoardWorks International;
- New board members of recurrently funded organisations participated in governance orientation forums in September 2003 and workshops on Strategic Direction in October 2003. Feedback was very positive;
- General managers and board chairs of 19 organisations responded to a survey on governance issues between board and general managers, including communication and performance tools and processes. The findings will inform the next series of workshops in the second half of 2004;
- In February 2004, 12 managers participated in the repeat of the one-day workshop on Leadership Development, which was originally held as part of the Strategic Leadership pilot programme in 2003;
- Twenty-four managers from the recurrently funded organisations attended the three-day Strategic Leadership programme Part Two in March 2004, and rated the content and delivery highly for its relevance and effectiveness;
- Nineteen choreographers discussed current research on dance audiences from Australia and Creative New Zealand's audience and market development opportunities at a seminar in November 2003;
- General and marketing managers of the recurrently funded organisations attended a presentation by staff from the Australia Council for the Arts. The group also discussed the findings of three pilot audience development projects, which had been funded by Creative New Zealand in 2003;
- Two new projects from the Auckland Theatre Company and Chamber Music New Zealand were supported to assist these organisations to address audience and market development in an innovative way. The findings will be shared with the other recurrently funded organisations later in 2004;
- Ways of continuing the development of new New Zealand opera were identified by the Wild Opera Reference Group following the initial performances of its first intervention, *The Prodigal Child*, a collaborative work staged at the Taranaki Festival and the Christchurch Festival of the Arts in 2003;
- *The Touring Manual: a guide to touring the performing arts in New Zealand*, written by Fenn Gordon, was published by Creative New Zealand in October 2003. It provides practical information on all areas of touring, including legal structures, financing, hiring vehicles and marketing. Copies have been distributed to professional arts organisations and touring companies.

OBJECTIVE

An on-going audience development initiative for New Zealand authors and literature will be designed and implemented following receipt of the results of research initiated by the Ministry for Culture and Heritage in 2002-2003.

audience development – literature

PARTIALLY ACHIEVED

In March 2004, Creative New Zealand was formally asked by the Minister for Arts, Culture and Heritage to develop and implement an audience development strategy for literature in association with the sector.

The strategy represents the final stage of the additional \$1 million support package for New Zealand literature and authors, which was approved by government in 2002 and led to the decision to undertake more planning before fully committing the \$90,000 available in 2003-2004. Consequently, \$187,000 will be available for strategy implementation in 2004-2005.

Creative New Zealand was asked to take responsibility for this initiative in March 2004. A sector reference group, facilitated by Arts Board member Dr Lydia Wevers, recently confirmed a strategy with five priority areas:

- writers are enabled to position themselves and their books in the international marketplace by the most effective means;
- publishers are enabled to increase their capability in order to market New Zealand literature effectively in selected international markets;

- international publishers and agents are provided with incentives to build networks and markets for New Zealand writers;
- the New Zealand audience for New Zealand literature is developed and expanded;
- excellent research, promotional materials, branding and communications underpin the strategy.

Activity approved for implementation during 2004-2005 includes:

- a presence at the Frankfurt and London Book Fairs;
- a contestable funding programme for publishers wishing to undertake international market development projects;
- market/export-ready workshops for publishers (in partnership with New Zealand Trade and Enterprise);
- a targeted campaign to international literary festivals to increase the programming of New Zealand writers;
- a visiting international publishers/ literary agents and media programme;
- a feasibility study on a New Zealand book month.



Rosemary Wildblood, Arts Advisor, Literature, and Cath Cardiff, Projects Manager, Audience and Market Development, are working with the literary sector to develop and implement the audience development strategy for literature. Photos: Miranda Wells

OBJECTIVE

The creative and professional development of artists, the creation of new work, and the promotion and

presentation of work to audiences will be supported by the delivery of Arts Board special opportunities, including fellowships, residencies and scholarships in New Zealand

and overseas, according to established procedures. Feedback from recipients will be positive.

Arts Board: special opportunities for artists



Wild Creations artist-in-residence Fiona Pardington, female inanga heitiki, Little River, Ngai Tahu, 2002.
Photo courtesy of Bartley Nees Gallery

"I feel total freedom to focus solely on my new project for a whole year. It's also wonderful to have my peers say, 'You've done a good job and just keep going!'"

– Malcolm Harrison, inaugural recipient of the Creative New Zealand Craft/Object Art Fellowship



Rob Garrett, Manager, Arts Services, leads a Creative New Zealand team who manage special opportunities for artists.
Photo: Miranda Wells

ACHIEVED

Recipients of special initiatives in 2003-2004 were:

- The inaugural Creative New Zealand Choreographic Fellowship (\$65,000): Shona McCullagh;
- The pilot choreographic residency (\$15,000): Daniel Belton – in partnership with the University of Otago;
- The inaugural Creative New Zealand Craft/Object Art Fellowship (\$65,000): Malcolm Harrison;
- Creative New Zealand visual arts residency, Künstlerhaus Bethanien, Berlin (\$60,000): Ronnie Van Hout;
- International Studio Curatorial Program, biennial visual arts residency, New York (\$45,000): Christopher Braddock;
- Creative New Zealand Writer's Fellowship (\$100,000): Vincent O'Sullivan. The Award has been renamed the Creative New Zealand Michael King Writer's Fellowship to honour the passing of Michael King.
- Artists to Antarctica Programme:
 - Laurence Fearnley, writer;
 - David Trubridge, furniture designer (this residency was postponed until 2004 due to an accident).
- Creative New Zealand-Department of Conservation *Wild Creations* residencies:

- theatre performer and puppeteer Rebekah Wild at Franz Josef;
- musician Jordan Reyne at Karamea;
- photographer Fiona Pardington in Central Otago.

The *Wild Creations* residencies last six weeks and each artist receives a stipend of \$5,000, plus an allowance of \$1,000 for travel and materials.

The following enhancements were made to the scope of the Arts Board's special opportunities:

- Following an external evaluation of the first three Creative New Zealand Berlin Writer's Residencies, the Arts Board agreed to continue this initiative until 2009 on a biennial basis, alternating with the Berlin visual arts residency at the Künstlerhaus Bethanien. Potential benefits include more suitable accommodation and greater co-ordination with various literary organisations in Berlin;
- Creative New Zealand, Fulbright New Zealand and the University of Hawai'i have established a residency for New Zealand-based Pacific Islands writers. Sima Urale, an award-winning writer and film director, received the inaugural \$40,000 award;
- Creative New Zealand and the Blumhardt Foundation have established a curatorial internship for the craft/object art sector, which will be co-ordinated by The Dowse in Lower Hutt.

OBJECTIVE

The work of New Zealand artists will be promoted and presented to international audiences as evidenced by support for the Melbourne Art Fair and the Australian International Performing Arts Market. Feedback from participants will be positive.

international market development

ACHIEVED

Creative New Zealand completed its *International Strategy*, which sets out priorities and key actions to promote and market New Zealand work to international audiences. (Also see page 36)

6th Australian Performing Arts Market:

- Creative New Zealand developed promotional materials and operated a booth at the 6th Australian Performing Arts Market in Adelaide from 23-27 February 2004 to promote New Zealand performing arts companies to international presenters. Creative New Zealand also supported showcase performances by three New Zealand companies: Strike, Soapbox Productions (Raewyn Hill) and Naked Samoans. The performances

attracted high levels of interest from a number of international presenters and festival directors.

- Creative New Zealand, the Ministry of Foreign Affairs and Trade and the New Zealand International Arts Festival subsequently hosted a visit by four international festival directors to Wellington to see the New Zealand work programmed in the festival. As a result, several companies received invitations to appear in Mexico at the Cervantino Festival.

Melbourne Art Fair:

- Four of the eight New Zealand galleries invited to participate in the Melbourne Art Fair from 29 September – 3 October 2004 agreed to Creative New Zealand's requirement that subsidised galleries present exclusively New Zealand work. Bowen Galleries, Bartley Nees Gallery, Gow Langsford Gallery and Michael Lett Gallery have each received a subsidy of NZ\$11,000 to support their participation.

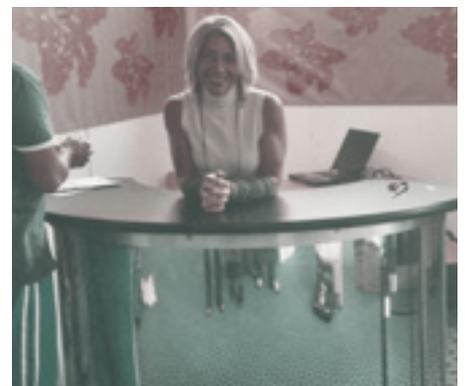
Choreographer/dancer Raewyn Hill of Soap Box Productions performed at the Sydney Opera House in August 2004 following her appearance at the Australian Performing Arts Market in Adelaide in February 2004. Promotion through publications and networking by Creative New Zealand representatives at the Market resulted in invitations to three leading Pacific artists (Makerita Urale, Lemi Ponifasio and King Kapisi) to take part in panel discussions and showcase their work at the Planet IndigenUs Festival in Toronto in August 2004.

Following their spotlight performance at the previous Australian Performing Arts Market in Adelaide in February 2002, Black Grace Dance Company received bookings for tours of Australia and Holland in 2003 and an appearance at the Jacob's Pillow Dance Festival in the United States in 2004.



Percussion group Strike performed in the spotlight programme at the 6th Australian Performing Arts Market with Creative New Zealand support.

Photo: Rob Garrett



Rose Campbell, Arts Advisor, Music worked on the New Zealand booth at the 6th Australian Performing Arts Market, February 2004. Photo: Rob Garrett

OBJECTIVE

The profile of Māori arts and artists will be raised through the Te Waka Toi Awards and attendance at an overseas arts and cultural event, activity or conference.

Te Waka Toi projects: promoting and profiling Māori arts



Te Waka Toi Awards 2003 raised the profile of Māori arts and celebrated the achievements of Māori artists. Te Waka Toi Chair Elizabeth Ellis and Associate Minister for Arts, Culture and Heritage Judith Tizard at the Awards ceremony in Wellington with recipients of Ngā Tohu a Tā Kingi Ihaka/Kingi Ihaka Awards. From left: Reihana Parata, Elizabeth Ellis, Patricia Grace, Waiariki Grace, Hana Cotter, Tama Tomoana and Judith Tizard. Photo: Michael Hall

The Asia Society was offered grants for the *Paradise Now?* exhibition totalling \$164,900 across Creative New Zealand's three boards – the Arts Board, Te Waka Toi and the Pacific Arts Committee. The grants are:

- \$100,000 from the Arts Board towards freight, artists' travel, exhibition costs and curatorial development;
- \$30,000 from Te Waka Toi towards the Māori arts component of the exhibition;
- \$34,900 from the Pacific Arts Committee towards exhibition and artist costs, and an inter-media performance by Island Divas.

ACHIEVED

The achievements and contributions of eleven artists were celebrated at the annual Te Waka Toi Awards in Wellington on 22 August 2003.

Recipients of Te Waka Toi Awards 2003:

- **Te Tohu Tiketike a Te Waka Toi/Te Waka Toi Exemplary Award** (\$20,000): Dr Cliff Whiting (Whanau-a-Apanui)
- **Ngā Tohu a Tā Kingi Ihaka/Sir Kingi Ihaka Awards** (five awards at \$3,000 each): Hana Cotter (Ngāti Kahungunu); Tama Tomoana (Ngāti Kahungunu); Patricia Grace (Ngāti Toa, Ngāti Raukawa, Te Ati Awa); Kerehi Waiariki (Dick) Grace (Ngāti Porou); Reihana Parata (Ngai Tahu)
- **Te Tohu Mahi Hou a Te Waka Toi/Te Waka Toi Award for New Work** (\$5,000): Christina Wirihana (Ngāti Maniapoto, Raukawa, Ngāti Pikiao)
- **Te Tohu mō te reo Rangatira a Te Waka Toi** (\$5,000): renamed in honour of Ngoi Pewhairangi, the late Ngāti Porou composer/educator for her contribution to te reo Māori, **Te Tohu Aroha mō Ngoi Kumeroa Pewhairangi/Te Waka Toi Annual Award for Te Reo**: Professor Timoti Karetu (Tūhoe)

- **Ngā Karahipi a Te Waka Toi/Te Waka Toi Scholarships** (three scholarships at \$2,500 each): Hemi Macgregor (Ngāti Kahungunu, Ngaariki, Ngai Tūhoe); Shane James (Maupoko, Rangitāne, Te Ati Awa, Te Arawa, Ngai Tahu); Ngawai Simpson (Ngāti Porou, Ngai Te Rangihouhiri)

Creative New Zealand supported a New Zealand presence at the *Paradise Now?* exhibition at New York's prestigious Asia Society Museum from February – May 2004. The exhibition was organised by the Asia Society, an institution dedicated to enhancing public understanding of the Asia-Pacific region.

Creative New Zealand participated in a meeting at the Secretariat of the Pacific Community, Noumea in October 2003, which developed legal guidelines to help Pacific nations protect their traditional knowledge and expressions of culture.

OBJECTIVES

The capability and sustainability of Pacific Arts will be fostered through a residency in the Cook Islands.

The achievements of emerging and established Pacific Islands artists will be celebrated through the Arts Pasifika Awards for Pacific Islands artists resident in New Zealand.

Pacific Arts Committee: special opportunities for artists

ACHIEVED

Cook Islands Visual Arts Residency

Evaluation: The external evaluation of the first three Cook Islands Artist's Residencies demonstrated that the principal purposes of the residency are being achieved.

These include allowing an established New Zealand-based Pacific artist to interact, teach and share with a community in the Cook Islands; and encouraging the development of the skills of local school students and established Cook Islands artists. Positive outcomes were identified for the visiting artists, the arts and wider community in Rarotonga as well as agencies and government departments in the Cook Islands and New Zealand. The report also recommended ways to enhance the benefits and operation of any future residencies.

The Pacific Arts Committee subsequently agreed to negotiate with the Ministry for Cultural Development in the Cook Islands to continue the residency.

2003 Cook Islands Artist's Residency

(\$20,000): Auckland visual artist Sylvia Marsters.

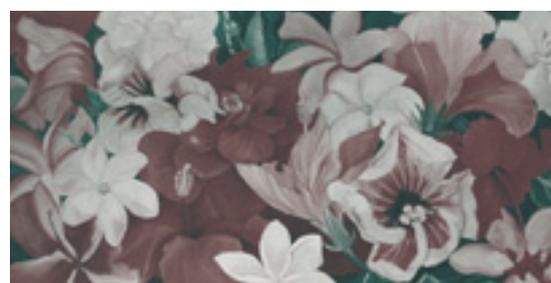
Arts Pasifika Awards: the Pacific Arts Committee and Pacific Business Trust organised the annual Arts Pasifika Awards in Auckland on 17 November 2003. The recipients for 2003 were:

- **Senior Pacific Islands Artist Award** (\$6,000): Auckland writer Albert Wendt;
- **Pacific Innovation and Excellence Award** (\$5,000): New Plymouth sculptor Filipe Tohi;
- **Emerging Pacific Islands Artist Award** (\$3,000): Auckland multi-media artist Shigeyuki Kihara;
- **Iosefa Enari Memorial Award** (\$6,500): Auckland opera singer Daphne Collins (currently studying in Queensland).

Creative New Zealand generated enthusiastic media coverage for the event in mainstream and Pacific Islands media.



The 2003 Arts Pasifika Awards celebrated the achievements of emerging and established Pacific Islands artists. The recipients were: From left, Filipe Tohi, Shigeyuki Kihara, Pacific Arts Committee Chair Marilyn Kohlhase, Daphne Collins, Albert Wendt.



Sylvia Marsters was the recipient of the 2003 Cook Islands Artist's Residency. She held workshops with local artists and secondary school students, and also created work for an exhibition at the Cook Islands National Museum.

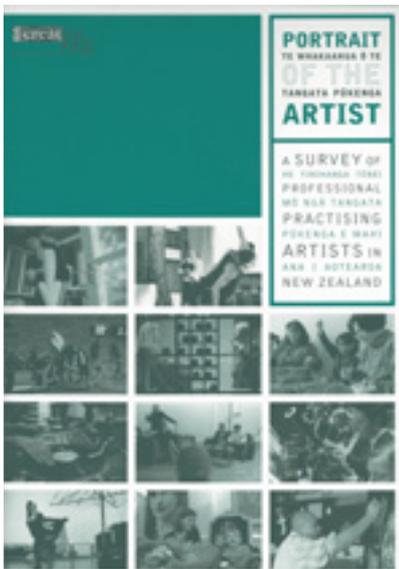
OBJECTIVES

New Zealanders will have access to publications that profile the arts as being at the heart of an innovative, vibrant society and growing economy. These publications

will generate a positive response from readers.

Stakeholders will have access to information about Creative New Zealand's programmes and activities. In particular, The Funding Guide will be revised.

communications and publications



Creative New Zealand produced *Portrait of the Artist*, which contains findings from the organisation's survey of the living and working conditions of professional practising artists in New Zealand (also see page 37).



Creative New Zealand produced two issues of *Celebrating the Arts* in 2003-2004. These booklets highlight 20 projects that Creative New Zealand has initiated or supported.

ACHIEVED

New Zealanders had access to stories that profiled the arts as a result of:

- media coverage generated by press releases about:
 - major promotional events, including the Arts Pasifika Awards, the Te Waka Toi Awards and the Prime Minister's Awards for Literary Achievement;
 - grants, residencies, fellowships and other opportunities;
 - offshore successes of New Zealand artists.
- two booklets profiling Pacific arts and artists of New Zealand;
- regional packs produced through a partnership between Creative New Zealand and New Zealand Lotteries Commission. The 56 stories covered 14 regions, illustrating the ways in which artists and their work enhance communities – all with Creative New Zealand funding;
- a television promotion featuring Creative New Zealand's support for music, produced in partnership with the New Zealand Lotteries Commission and screened on TV2 during New Zealand Music Week;
- the inaugural July to June calendar *Te Maramataka a Te Waka Toi*, featuring works of Māori artists;
- three issues of *On Arts* and two issues of *Celebrating the Arts*, which were mailed to subscribers;
- two issues of *Arts Pasifika*, a newsletter for the Pacific communities of New Zealand.
- Other publications produced to assist the arts sector included:
 - *Portrait of the Artist: a survey of professional practising artists in New Zealand*;
 - reprint of *Smart Arts: marketing the arts in New Zealand/Toi Huatau: Te hāpai i ngā mahi toi i Aotearoa*;
 - *Go International!* (also see page 29).

An *On Arts* survey⁹ that asked readers to offer feedback about the publication was conducted and feedback was incorporated into subsequent publications.

Stakeholders had access to information about Creative New Zealand's programmes and activities through its website, its *Funding Guide/Ngā Pūtea 2004-2005* and lists of grant recipients. *The Funding Guide/Ngā Pūtea 2004-2005* was revised as a result of feedback received from artists during the 2002-2003 Stakeholder Evaluation.

Positive response from readers generated by Creative New Zealand's publications was tracked through the *On Arts* survey, anecdotal comments and demand for publications. *Smart Arts*, which had an initial print run of 1000, required a reprint of a further 2000 copies in late 2003.

"It's well put together, cleverly designed and should prove useful to those new to the arts/event world. Creative New Zealand is to be congratulated for putting its money behind such a useful venture."

– *New Zealand Business*, October 2003, commenting on the Creative New Zealand publication *Smart arts/Toi huatau*



Moerangi Vercoe, Iona McNaughton and Undine Marshfield are members of Arts Advocacy and Communications Services, which promotes New Zealand arts and artists and Creative New Zealand's activities. They achieve this by liaising with local and international media, and producing publications for a wide readership. Photo: Miranda Wells

9. The *On Arts* survey was conducted by staff and consisted of a questionnaire enclosed in all 7500 copies of the issue of *On Arts*, distributed in July 2003. The response rate was 3% (or 140 readers).

OBJECTIVE

Creative New Zealand will make a contribution to cross-government agency partnerships in the areas of cultural tourism, cultural diplomacy and creative industries.

arts advocacy



The Creative New Zealand Artistic Excellence Award in the Montana World of WearableArt™ Awards was established in 2003 to celebrate artistic excellence and provide a creative platform for established artists. Letty MacPhedran's *Yoi Yasa* won the inaugural 2003 Creative New Zealand Artistic Excellence Award.

Photo: World of WearableArt Ltd



Creative New Zealand recognised the New Plymouth District Council's outstanding contribution to the arts when the Council won the 2003 Premier Creative Places Award for its new flagship museum and information centre, Puke Ariki.

ACHIEVED

Creative New Zealand contributed to the creation of new opportunities for the arts sector by:

- working actively as a member of the cultural tourism interagency team that designed the cultural tourism development initiative and strengthened relationships between the tourism and cultural sectors by delivering several regional workshops;
- contributing to the development of the national Major Events Strategy and a concept paper for the creative sector employment forum;
- working with Tourism New Zealand, New Zealand Trade and Enterprise, and the Ministry of Foreign Affairs and Trade to leverage opportunities off the *Paradise Now?* exhibition in New York (also see page 30);
- facilitating dialogue between the arts advocacy network and New Zealand Trade and Enterprise about the development of the creative industries;
- compiling and distributing to New Zealand's embassies and consulates a list of offshore New Zealand arts events and artists travelling overseas;

- proposing that the Inland Revenue Department identify and address tax issues and information needs in the arts sector.

Creative New Zealand also undertook a range of arts advocacy activities with the private and local government sectors, including:

- establishing a new award for artistic excellence at the Montana World of WearableArt™ Awards;
- continuing its sponsorship of the Creative New Zealand Award for Bravery at the NBR Awards for Sponsorship of the Arts;
- celebrating the innovative contributions of local authorities to arts development in their communities through the Creative Places Awards;
- supporting the dissemination of information about work and income opportunities in the arts through *The Big Idea* website;
- continuing its sponsorship of the QANTAS Media Awards to recognise and profile excellence in arts journalism.

OBJECTIVE

Future decision-making, policy frameworks and strategic directions will be informed by at least eight strategic, policy and arts development projects and evaluations. In particular scoping work will be done to identify ways of supporting the arts of the diverse cultures of New Zealand.

strategy and advice

ACHIEVED

Twelve strategy, policy and arts development projects and evaluations were completed.

i) Cultural diversity

Creative New Zealand's knowledge and understanding of the ways that other agencies and councils support the arts of diverse ethnic cultures in New Zealand have been enhanced through meetings with the New Zealand Federation of Ethnic Councils, the Human Rights Commission, the Office of Ethnic Affairs, Asia 2000 Foundation of New Zealand and Local Government New Zealand. The development and implementation of a policy on cultural diversity has been identified as a strategic priority in Creative New Zealand's draft Strategic Plan for 2004-2007.

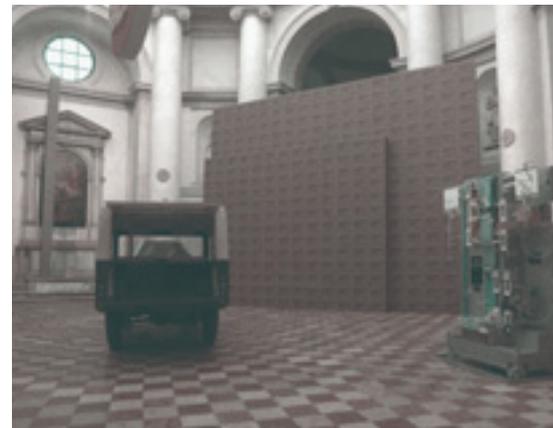
ii) Evaluation of the 2003 Venice Biennale¹⁰

An independent evaluation of New Zealand's participation in the 2003 Venice Biennale identified substantial positive progress in audience development, market development and in the creative

and professional development of the participants. Other findings have enhanced the planning for the 2005 Venice Biennale

iii) Evaluation of service delivery to applicants for contestable project funding¹¹

A survey of 400 recent applicants for contestable project funding from Creative New Zealand revealed that one-third rated their perception of the overall process as excellent; one-half as average; and one-fifth as poor. There was a strong correlation between these perceptions and the result of the application. Of those surveyed, 35% had obtained grants and 65% had not. Most applicants rated staff favourably for their knowledge, responsiveness and friendliness but noted some difficulties in contacting staff. Māori applicants wanted more face-to-face contact with Māori staff. Many applicants suggested improvements to *The Funding Guide* and these were incorporated into *The Funding Guide/ Ngā Pūtea 2004-2005*. Suggestions for improvement by those who rated the process relatively poorly included more funding rounds per year, quicker notification of results and better explanations of why applications were not successful.



The New Zealand exhibition at the 2003 Venice Biennale, Michael Stevenson's *This is the Trekka*, was seen by 58,375 people. An evaluation of New Zealand's participation in the 2003 event identified the benefits and enhanced planning for the 2005 Venice Biennale. Photo: Jennifer French

10. The independent evaluation of New Zealand's participation in the 2003 Venice Biennale was conducted by William McAloon in late 2003 and early 2004. The first report focused on the selection processes for the artist/curator and was based on a questionnaire completed by members of the 2003 selection committee. The second report identified the impacts and outcomes of New Zealand's participation. It was based on interviews, questionnaires, project documentation, debriefing reports prepared by the project team, and an examination of local and international media coverage. The final report included a detailed examination of all aspects of New Zealand's participation and associated recommendations.

11. This evaluation was conducted by the independent research company Colmar Brunton in 2003. Colmar Brunton initially conducted in-depth, face-to-face qualitative interviews with a representative sample of applicants to identify the range of applicants' perceptions. This was followed by a quantitative telephone survey of 400 applicants.

strategy and advice *continued*

"I was on tenterhooks from the time the application went in to the time I heard."

"To be honest, I had no idea that there would be any competition until I got the letter telling me how many applications had been made and how many had received grants."

– comments from the Stakeholder Evaluation on contestable project funding



One of the projects supported through the Smash Palace Collaborations Fund was a collaboration between children's writer and illustrator Gavin Bishop, pictured, and the Human Interface Technology (HIT) Lab. The result was a virtual, 3-D representation of a picture book. When viewed through a special hand-held camera, characters on a flat page stand up and walk around. Photo: Martin Hunter

This survey followed detailed qualitative research with applicants in 2002-2003.

iv) Evaluation of Creative New Zealand's relationships with government agencies¹²

An in-depth qualitative evaluation of Creative New Zealand's partnerships and working relationships with 16 government agencies identified the benefits of interagency work and provided valuable information that will be used to inform the design, development and management of future interagency partnerships in the context of the strategic plan for 2004-2007.

v) Evaluation of the Smash Palace Collaborations Fund¹³

Creative New Zealand and the Ministry of Research, Science and Technology hosted an evaluative forum of the three pilot arts-science projects funded in 2003 through the Smash Palace Collaborations Fund. An independent written evaluation concluded that the pilot projects had resulted in new ideas, products, services and techniques as artists and scientists developed mutual respect and understanding through collaborative approaches to problem solving.

vi) International Strategy

Creative New Zealand completed its *International Strategy*, which sets out its priorities and key actions for international activity over the next three years. The strategy has been disseminated on the website and has informed the Council's strategic planning process.

vii) International contemporary Māori arts exhibition

Creative New Zealand has agreed in principle to contribute towards the presentation of a major contemporary Māori arts exhibition in Europe, possibly in 2007-2008. Discussions have commenced with public galleries about potential partnerships.

viii) Contemporary Māori visual arts hui

Following three hui facilitated by Creative New Zealand, Māori arts educators and curators have agreed to establish a new national body called Matakura to advance the development of contemporary Māori visual arts.

12. The evaluation was conducted by independent researcher Dr Bev James in 2004. The methodology included a review of relevant strategic documents and the collection and analysis of data relating to the perceptions of 27 agency staff and 16 Creative New Zealand staff about their experiences of working together.

13. The independent evaluation was prepared by Caroline Boyd in May 2004. The methodology was based on project documentation, attendance at the evaluative forum at which the participants presented their findings and described their experiences, discussions with staff at the Ministry of Research Science and Technology and Creative New Zealand, and comment from Siân Ede, Arts Director of the Gulbenkian Foundation in Britain.

ix) The place of the arts in the Local Government Act 2002

Creative New Zealand increased awareness of the contribution of the arts and culture to the cultural, social, environmental and economic well-beings at a Think Tank in July 2003, through a presentation at the Local Government Conference in July 2003 and at several cross-government regional workshops.

x) Local authority arts advisors

Improved mutual understanding of roles, an enhanced knowledge base and closer working relationships have been developed as a result of a one-day forum held in June 2004 for local authority arts advisors and Creative New Zealand specialist staff. The forum was arranged in response to ongoing requests for professional development opportunities from arts advisors with policy, strategic or delivery roles with local authorities.

xi) Greater sector co-operation: Creative Producers' Reference Group

A reference group of experienced theatre and dance producers convened by Creative New Zealand in October 2003 and March 2004 addressed concerns about the effects of an apparent lack of experienced producers on the ability of dance and

theatre practitioners to present and tour work successfully. Following the meetings, a practitioner-driven working party commissioned a scoping study that has since been completed.

xii) Research

Portrait of the Artist: a survey of professional practising artists in New Zealand was published in December 2003. The 86-page report was based on a survey of 1010 professional practising artists in New Zealand, drawn from a database of more than 9000 artists. The findings of the survey paint a picture of New Zealand artists in a changing world as they deal with the challenges of self-employment, entrepreneurship and the impact of new technologies.

Research for this major survey began in 1999 when Creative New Zealand recognised the lack of detailed information available about the living and working conditions of professional artists in New Zealand.

Creative New Zealand has used the findings in its strategic planning and advocacy work. This research also provides baseline data for future studies.

OBJECTIVE

Creative New Zealand's long-term organisational capability will be developed and maintained through continuous improvements in governance, creative and entrepreneurial thinking, knowledge management, research and skills development.

organisational development



Creative New Zealand's first artist residencies in Asia are the result of a partnership with the Asia 2000 Foundation of New Zealand. Visual artist Simon Kaan will spend three months at the Red Gate Gallery in Beijing.



Creative New Zealand's Wellington Office is in the historic Old Public Trust Building. Photo: Bruce Connew

ACHIEVED

Creative New Zealand continued its practice of reviewing its operations with a view to making continuous improvements in its organisational processes and delivery of services and support to the arts sector.

Examples of improvements not mentioned in other parts of this report include:

- amendments to the Conflict of Interest Code of Practice to provide greater clarity to members of the arts boards and Council;
- greater focus on internal strategic alignment following a self-assessment by Council members¹⁴;
- consideration of the own/lease options for Creative New Zealand's Wellington premises¹⁵;
- identification of future options for using technology as a key strategic tool to enhance the reach and quality of Creative New Zealand's services¹⁶;
- the creation of a new position (initially

for a 12-month period) for a Projects Manager Audience and Market Development to provide additional capacity to enhance sector skills and leverage international opportunities with other government agencies;

- the development of an international alliance, *fuel4arts*, which will provide New Zealand artists and arts organisations with customised web-based services in audience and market development;
- enhanced understanding and responsiveness to Māori through Te Rito (a desk-top package with information about te reo and tikanga Māori), weekly emails to staff to develop skills in te reo, and hui in Wellington and Dunedin in February and March 2004.
- the establishment of *The Big Idea* as a charitable trust and entrepreneurial vehicle to support arts employment and capability development on 1 July 2003;
- the establishment of partnerships to support residencies for New Zealand artists at the Sanskriti Centre in New Delhi and the Red Gate Gallery in Beijing.

14 .The questionnaire for the self-assessment process was developed internally. The analysis and feedback to Council members were conducted by independent researcher Dr Bev James in 2003.

15. Creative New Zealand commissioned an independent valuation and commercial property market research report from CB Richard Ellis Ltd in March 2004.

16. Two reviews, the Strategic Technology Review and the Grants Process Review Phase I, were completed with external consultancy assistance in 2003.

OBJECTIVES

Good working relationships will be maintained with the Ministry for Culture and Heritage and the Minister and Associate Minister for Arts, Culture and Heritage, including a "no surprises policy".

Creative New Zealand will meet all Crown accountability and reporting requirements and comply with relevant legislation.

An expanded suite of indicators will be developed for the outcomes to which Creative New Zealand contributes.

services to Government

ACHIEVED

Good working relationships were maintained throughout the year with the Ministry for Culture and Heritage, the Minister and the Associate Minister for Arts, Culture and Heritage.

The Associate Minister's strong and active support at the 6th Australian Performing Arts Market in Adelaide and the 9th Festival of Pacific Arts in Belau received favourable comment from many artists in the New Zealand delegations and from overseas colleagues in Australia and the Pacific.

The Business Plan and Memorandum of Understanding for 2003-2004 were delivered to the Ministry for Culture and Heritage on 11 July 2003.

The *Statement of Service Performance* and the *Financial Statements* for 2002-2003 were prepared, checked by the Ministry and formally signed by all parties on 15 September 2003. Creative New Zealand's *Annual Report* was tabled in Parliament as scheduled on 9 October 2003.

Creative New Zealand has enhanced its commitment to Equal Employment Opportunity (EEO) in all its employment

practices by joining the Employers Group of the EEO Trust. This will enable Creative New Zealand to generate and implement a customised action plan during the 2004-2005 financial year.

Steady progress has been made towards developing an expanded suite of indicators for the outcomes to which Creative New Zealand contributes. The completion of several major evaluations has provided better descriptions and evidence of the actual outcomes of several major activities, including the Venice Biennale, the *Regional Strengths* strategy, the Iwi Arts Management Plan, *toi iho*TM and Creative New Zealand's interagency work. Additional data entry and analysis of the acquittal forms completed by grant recipients is providing better information about the achievement of the aims of contestable project funding programmes. In addition, work on the intervention logic underpinning the strategic priorities in the draft Strategic Plan has been commenced and several possible indicators have been identified. Creative New Zealand also contributed to a research project commissioned by the Ministry for Culture and Heritage to develop a suite of indicators for the arts, culture and heritage sectors.



Associate Minister for Arts, Culture and Heritage Judith Tizard attended the 9th Festival of Pacific Arts. From left: Te Waka Toi Chair Elizabeth Ellis, senior artist Te Aue Davis, Te Arikiniui Dame Te Atairangikaahu, Judith Tizard and senior artist Kereti Rautangata. Photo: Norman Heke

"It was very exciting being there even for a few days and I was immensely proud of you all."

– Associate Minister for Arts, Culture and Heritage Judith Tizard on her return to New Zealand from the 9th Festival of Pacific Arts

financial statements

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Audit report

to the readers of the Arts Council of New Zealand Toi Aotearoa's financial statements for the year ended 30 June 2004

The Auditor-General is the auditor of the Arts Council of New Zealand Toi Aotearoa. The Auditor-General has appointed me, Ajay Sharma, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Arts Council of New Zealand Toi Aotearoa, on his behalf, for the year ended 30 June 2004.

Unqualified opinion

In our opinion the financial statements of Arts Council of New Zealand Toi Aotearoa on pages 10 to 39 and 45 to 60:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect:
 - the Arts Council of New Zealand Toi Aotearoa's financial position as at 30 June 2004;
 - the results of its operations and cash flows for the year ended on that date; and
 - its service performance achievements measured against the performance targets adopted for the year ended on that date.

The audit was completed on 28 October 2004 and is the date at which our opinion is expressed.

The basis of the opinion is explained below. In addition, we outline the responsibilities of the Council and the Auditor, and explain our independence.

Basis of opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed our audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in the opinion.

Our audit involved performing procedures to test the information presented in the financial statements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support the opinion above.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the Arts Council of New Zealand Toi Aotearoa as at 30 June 2004. They must also fairly reflect the results of its operations and cash flows and service performance achievements for the year ended on that date. The Council's responsibilities arise from the Public Finance Act 1989 and the Arts Council of New Zealand Toi Aotearoa Act 1994.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 43(1) of the Public Finance Act 1989.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

In addition to the audit we carried out a review of the accounting treatment used on multi-year funding contracts, which is compatible with those independence requirements. Other than the audit and the aforementioned review, we have no relationship with or interests in the Arts Council of New Zealand Toi Aotearoa.



Ajay Sharma

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

Statement of responsibility

for the year ended 30 June 2004

The Council and management of Creative New Zealand accept responsibility for the preparation of the financial statements and the judgements used in them.

The Council and management of Creative New Zealand accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non-financial reporting.

In the opinion of the Council and management of Creative New Zealand, the annual financial statements for the year ended 30 June 2004 fairly reflect the financial position and operations of Creative New Zealand.



Elizabeth Kerr
Chief Executive
28 October 2004



Peter Biggs
Chair
28 October 2004

Statement of accounting policies

for the year ended 30 June 2004

1 REPORTING ENTITY

The Arts Council of New Zealand Toi Aotearoa was established on 1 July 1994 by the Arts Council of New Zealand Toi Aotearoa Act 1994. Its purpose, as defined under the Act, is to encourage, promote and support the arts in New Zealand for the benefit of all New Zealanders. The Council has chosen to operate under the name Creative New Zealand.

These financial statements are prepared in accordance with the requirements under section 11 of the above Act and section 41 of the Public Finance Act 1989.

2 MEASUREMENT BASE

These financial statements have been prepared on an historical cost basis, modified by the revaluation of certain fixed assets.

3 ACCOUNTING POLICIES

The following particular accounting policies, which materially affect the measurement of financial performance and financial position, have been applied.

BUDGET FIGURES

The budget figures are those approved by the Council at the beginning of the financial year.

They have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Council for the preparation of the financial statements.

RECOGNITION OF REVENUE AND EXPENDITURE

Funding from the Government and the New Zealand Lottery Grants Board is recognised as revenue on an accrual basis.

Grants made by the Council but not uplifted at balance date are shown as a liability in the *Statement of financial position*.

When grants that were committed by the Council in previous years are no longer required for the purpose for which they were committed, they are retired and treated as revenue in the current financial year.

Revenue received from third parties on the condition that it be used for a particular purpose is matched with expenditure for that purpose and the difference is included in accumulated funds at balance date, as restricted equity.

During the year funds may be set aside for Council or board-led projects, known as initiatives. If these funds are not fully expended at the end of the financial year they are carried forward to the next financial year as restricted equity.

GOOD AND SERVICES TAX (GST)

All items in the financial statements are exclusive of GST, with the exception of accounts receivable and accounts payable, which are stated with GST included.

INCOME TAX

The Council is approved exempt from income tax in accordance with the Income Tax Act 1994.

ACCOUNTS RECEIVABLE

Accounts receivable are stated at their expected realisable value after providing for doubtful and uncollectable debts.

INVESTMENTS

Investments are stated at the lower of cost and net realisable value. Any write-downs are recognised in the *Statement of financial performance*.

PROPERTY, PLANT AND EQUIPMENT

Land and buildings are stated at fair value as determined by an independent registered valuer. Fair value is determined using market-based evidence. Land and buildings are revalued every three years. Additions between revaluations are recorded at cost.

The results of revaluing land and buildings are credited or debited to an asset revaluation reserve for that class of asset. Where a revaluation results in a debit balance on the revaluation reserve, the debit balance will be expensed in the *Statement of financial performance*.

All other fixed assets, or groups of assets forming part of a network, which are material in aggregate, are capitalised and recorded at cost. Any write-down of an item to its recoverable amount is recognised in the *Statement of financial performance*.

DEPRECIATION

Depreciation is provided on a straight line basis on all fixed assets, other than freehold land, at a rate which will write off the cost (or valuation) of the assets to their estimated residual value over their useful lives.

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

Building	50 years	2%
Building improvements	10 or 50 years	10% or 2%
Furniture, equipment and fittings	5 years	20%
Computer equipment	4 years	25%
Motor vehicles	5 years	20%

WORKS OF ART

Works of art are valued every three years. The results of revaluing works of art are credited or debited to an asset revaluation reserve for that class of asset, in the same way as land and buildings.

EMPLOYEE ENTITLEMENTS

Provision is made in respect of the Council's liability for annual, long service and retirement leave. Annual leave and other entitlements that are expected to be settled within 12 months of reporting date are measured at nominal values on an actual entitlement basis at current rates of pay.

Entitlements that are payable beyond 12 months, such as long service leave and retirement leave, have been calculated on an actuarial basis based on the present value of expected future entitlements.

GRANTS COMMITTED

This amount disclosed in the *Statement of financial position* represents financial grants to New Zealand artists and arts organisations committed by the Council relating to the 2003/2004 financial year or prior years, but not paid out at year end.

LEASES

OPERATING LEASES

The Council leases office premises in Christchurch and Auckland, photocopiers, facsimile machines and printers.

These leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating leases. Operating lease expenses are recognised on a systematic basis over the period of the lease.

FINANCIAL INSTRUMENTS

The Council is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, long-term deposits, debtors and creditors. All financial instruments are recognised in the *Statement of financial position* and all revenues and expenses in relation to financial instruments are recognised in the *Statement of financial performance*.

Except for those items covered by a separate accounting policy, all financial instruments are shown at their estimated fair value.

FOREIGN CURRENCY EXCHANGE DIFFERENCES

Monetary assets in foreign currencies at balance date are translated at the exchange rates ruling at balance date. Exchange differences arising on the translation of monetary assets in foreign currencies are recognised in the *Statement of financial performance*.

COST OF SERVICE STATEMENTS

The cost of service statements, as reported in the *Statement of service performance*, report the net cost of services for the outputs of the Council and are represented by the costs of providing the output less all the revenue that can be allocated to these activities.

The Council has only one output class, which includes 25 key activities.

4 CHANGES IN ACCOUNTING POLICIES

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

All policies have been applied on a basis consistent with previous years.

Statement of financial performance

for the year ended 30 June 2004

BUDGET 2004 \$000		NOTE	ACTUAL 2004 \$000	ACTUAL 2003 \$000
REVENUE				
13,536	Crown revenue		13,536	4,954
18,553	New Zealand Lottery Grants Board		18,553	18,553
250	New Zealand Film Commission		250	250
10	The Todd Trust		10	10
309	Interest		366	613
100	Retirement of grants		346	253
–	Gain on foreign exchange		3	–
39	Other		55	68
32,797	Total operating revenue		33,119	24,701
EXPENDITURE				
25,061	Grants and initiatives		25,149	17,115
223	Advocacy		147	235
3,235	Personnel		3,211	3,000
303	Depreciation	1	169	299
127	Council and board fees	2	139	131
28	Audit fees		36	28
–	Other audit services		1	–
75	Operating lease rentals		70	63
2,014	Other administration costs		1,785	1,758
1,500	New Zealand Authors' Fund		1,507	1,500
32,566	Total operating expenditure	3	32,214	24,129
231	Net operating surplus/(deficit)		905	572

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

Statement of movements in equity

for the year ended 30 June 2004

BUDGET 2004 \$000	NOTE	ACTUAL 2004 \$000	ACTUAL 2003 \$000
231	Net operating surplus/(deficit) for the year	905	572
Other recognised revenues and expenses:			
–	Increase in revaluation reserves	5 405	–
231	<i>Total recognised revenue and expenses</i>	1,310	572
231	<i>Movement in equity for the year</i>	1,310	572
2,103	<i>Taxpayers' funds as at 1 July 2003</i>	2,169	1,597
2,334	<i>Taxpayers' funds as at 30 June 2004</i>	3,479	2,169

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

Statement of financial position

as at 30 June 2004

BUDGET 2004 \$000		NOTE	ACTUAL 2004 \$000	ACTUAL 2003 \$000
PUBLIC EQUITY				
2,251	Revaluation reserve	5	2,656	2,251
83	Accumulated funds	6	823	(82)
2,334	Total public equity		3,479	2,169
Represented by:				
ASSETS				
Current assets				
–	Cash and bank		164	7
6,791	Short-term deposits		8,747	6,376
–	Prepayments		140	41
5	Interest receivable		7	377
–	GST receivable		–	49
42	Accounts receivable		60	28
6,838	Total current assets		9,118	6,878
Non-current assets				
3,329	Fixed assets	7	3,360	3,435
1,919	Works of art	8	2,276	1,871
5,248	Total non-current assets		5,636	5,306
12,086	Total assets		14,754	12,184
LIABILITIES				
Current liabilities				
222	GST payable		301	–
263	Accounts payable	9	966	629
174	Employee entitlements		249	187
9,093	Grants committed		9,759	9,199
9,752	Total current liabilities		11,275	10,015
9,752	Total liabilities		11,275	10,015
2,334	Net assets		3,479	2,169

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



Elizabeth Kerr
Chief Executive
28 October 2004



Peter Biggs
Chair
28 October 2004

Statement of cash flows

for the year ended 30 June 2004

BUDGET 2004 \$000		ACTUAL 2004 \$000	ACTUAL 2003 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was provided from:			
13,536	Crown revenue	13,536	4,954
18,553	New Zealand Lottery Grants Board	18,553	18,553
309	Third-party revenue	348	426
231	Net Goods and Services Tax	350	(119)
634	Interest received	736	1,326
33,263		33,523	25,140
Cash was applied to:			
3,235	Payments to employees	3,149	2,975
26,926	Payments of grants	25,915	25,119
2,467	Payments of operating expenses	1,841	1,953
32,628		30,905	30,047
635	<i>Net cash flows from operating activities</i>	2,618	(4,907)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was applied to:			
227	Purchase of fixed assets	93	238
(227)	<i>Net cash flows from investing activities</i>	(93)	(238)
–	<i>Net cash flows from financing activities</i>	–	–
408	<i>Net increase (decrease) in cash held</i>	2,525	(5,145)
Add opening cash brought forward:			
7	Cash	7	3
6,376	Short-term investments	6,376	10,225
–	Long-term investments	–	1,300
–	Effect of exchange rate fluctuations on cash	3	–
6,791	<i>Balance at end of year</i>	8,911	6,383
Represented by:			
Closing cash carried forward:			
–	Cash and bank	164	7
6,791	Short-term investments	8,747	6,376
6,791		8,911	6,383

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

Reconciliation of the net surplus from operations with the net cash flows from operating activities

for the year ended 30 June 2004

BUDGET 2004 \$000		ACTUAL 2004 \$000	ACTUAL 2003 \$000
231	Net surplus/(deficit) from operations	905	572
	Add (less) non-cash items:		
303	Depreciation	169	299
–	Net gain on foreign currency balance	(3)	–
–	Increase (decrease) in non-current grants committed	–	(1,723)
(90)	Retirement of grants	(313)	(219)
213		(147)	(1,643)
	Add (less) movements in working capital items:		
41	Decrease (increase) in prepayments	(99)	(31)
(14)	Decrease (increase) in accounts receivable	(32)	(20)
372	Decrease (increase) in interest receivable	370	713
271	Increase (decrease) in GST payable	350	(119)
(366)	Increase (decrease) in accounts payable	337	288
	Increase (decrease) in provision for employee entitlements	62	25
(13)			
	Increase (decrease) in current grants committed	872	(4,692)
(100)			
191		1,860	(3,836)
635	Net cash flow from operating activities	2,618	(4,907)

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

Statement of commitments

as at 30 June 2004

	ACTUAL 2004 \$000	ACTUAL 2003 \$000
Capital commitments approved and contracted	–	–
NON-CANCELLABLE OPERATING LEASE COMMITMENTS, PAYABLE:		
Not later than one year	81	34
Later than one year and not later than two years	48	24
Later than two years and not later than five years	30	15
	159	73
GRANT COMMITMENTS, PAYABLE:		
Not later than one year	6,279	–
Later than one year and not later than two years	5,887	–
Later than two years and not later than five years	–	–
	12,166	–
Total commitments	12,325	73

Grant commitments

Contracts are entered into with organisations, which the Council funds on a three-year basis. Amounts granted under these contracts are disclosed in the *Statement of financial performance* to the extent that they relate to the financial year.

Amounts totalling \$12,166,400 relate to future financial years. These contracts contain a clause to the effect that future years' funding is dependent on the Council receiving the necessary appropriations.

Statement of contingent liabilities

as at 30 June 2004

There were no contingent liabilities as at 30 June 2004 (2003: nil)

	ACTUAL 2004 \$000	ACTUAL 2003 \$000
BANK GUARANTEES		
Bank of New Zealand	100	350
	100	350

Notes to the financial statements

1 DEPRECIATION

	2004 \$000	2003 \$000
Building	47	48
Building improvements	11	11
Furniture, equipment & fittings	49	39
Computer equipment	62	201
Motor vehicle	–	–
Total	169	299

2 COUNCIL / BOARD FEES

Arts Council, Arts Board, Te Waka Toi and Pacific Arts Committee members earned the following fees/honoraria during the year for attendance at Council, board and/or assessment committee meetings

MEMBER	2004 FEES \$	2003 FEES \$
P Biggs (Chair, Arts Council)	30,000	30,000
M Shaw (Chair, Arts Board)	13,750	15,000
E Ellis (Chair, Te Waka Toi)	15,000	15,000
P Austin	2,100	1,400
N Te Awekotuku	2,975	1,400
M Kohlhase	10,230	7,700
H Schamroth	5,775	4,550
M Maniapoto	–	1,400
F Pereira	1,225	1,750
S Ellison	4,200	1,750
V Iosefa	875	1,750
S Moli	350	1,750
M Waring	1,400	1,575
S Cotton	–	1,050
G Huria	–	350
P Sharples	175	700
P Brunt	2,625	2,275
A Carruthers (acting Arts Board Chair June 04)	6,150	5,075
J Fyfe	5,425	4,550
R Garrett	–	350
G Gorton	5,950	5,075
K Kaa	4,025	5,425
Mika	–	2,993
N Nawalowalo	–	1,400
J Ng	1,575	–
S Stehlin	700	1,400
A Shaw	1,575	–
L Wevers	4,900	5,775
P Hohepa	4,200	1,400
S Adsett	3,500	2,625

MEMBER	2004 FEES \$	2003 FEES \$
T Sorovi-Vunidilo	2,530	700
M Tipa	2,800	1,575
M Vete	525	–
G Vilisoni	2,005	1,750
S Oberg	2,530	1,750
	139,070	131,243

3 STATEMENT OF EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2004

	BUDGET 2004 \$000	ACTUAL 2004 \$000	ACTUAL 2003 \$000
COUNCIL			
Creative Communities Scheme	2,637	2,621	2,612
<i>Regional Strengths</i> (Note 4)	150	150	100
<i>Seriously Māori</i>	320	336	309
New Zealand Authors' Fund	1,500	1,507	1,500
Venice Biennale (Note 4)	–	(13)	500
9th Festival of Pacific Arts (Note 4)	500	448	74
Prime Minister's Awards for Literary Achievement	180	180	180
Strategic initiatives	40	28	40
	5,327	5,257	5,315
ARTS BOARD			
New Work	2,598	2,606	2,606
Creative & Professional Development	2,448	2,498	2,145
Presentation, Promotion & Audience Development	12,711	12,774	5,852
Screen Innovation Production Fund	500	500	500
<i>Future Strengths</i> initiatives	150	148	158
	18,407	18,526	11,261
TE WAKA TOI			
Heritage Arts	686	686	574
Te Reo	224	224	192
New Work	258	258	347
Indigenous Links	164	164	126
Experiencing Māori Arts	1,110	1,129	473
	2,442	2,461	1,712
PACIFIC ARTS COMMITTEE			
Heritage Arts	51	51	34
Arts Development	167	184	164
Arts Promotion	159	169	113
Tāngata Whenua Links	8	8	16
	385	412	327
Total grants and initiatives	26,561	26,656	18,615
Advocacy (Note 4: joint initiative details only)	223	147	235
Governance	330	324	299
Management	5,452	5,087	4,980
	6,005	5,558	5,514
Total expenditure	32,566	32,214	24,129

4 JOINT INITIATIVES FOR THE YEAR ENDED 30 JUNE 2004

	BUDGET 2004 \$000	ACTUAL 2004 \$000	ACTUAL 2003 \$000
Council			
REGIONAL STRENGTHS			
<i>Revenue:</i>			
Community Employment Group	–	75	–
	–	75	–
Less			
<i>Expenditure:</i>	150	225	100
Net cost	150	150	100
VENICE BIENNALE			
<i>Revenue:</i>			
Personal donations	–	–	140
ANZ Bank	–	–	3
Trade New Zealand	–	–	8
	–	–	151
Less			
<i>Expenditure:</i>	–	(13)	651
Net cost	–	(13)	500
9TH FESTIVAL OF PACIFIC ARTS			
<i>Revenue:</i>			
Te Matatini – contribution to Waihirere Māori Club travel	140	54	–
Sponsorship	–	6	–
Other income	–	9	–
	140	69	–
Less			
<i>Expenditure:</i>	640	517	74
Net cost	500	448	74
Advocacy			
SMASH PALACE COLLABORATIONS FUND			
<i>Revenue:</i>			
Ministry of Research, Science and Technology	–	–	50
Less			
<i>Expenditure:</i>	–	–	100
Net cost	–	–	50
ARTS WORK PROJECT			
<i>Revenue:</i>			
Auckland City Council	10	–	26
Ministry of Social Development	84	124	145
	94	124	171
Less			
<i>Expenditure:</i>	129	159	205
Net cost	35	35	34

5 ASSET REVALUATION RESERVES

	OPENING BALANCE \$000	VALUATION \$000	CLOSING BALANCE \$000
2004			
Land and building	380	–	380
Works of art	1,871	405	2,276
	2,251	405	2,656
2003			
Land and building	380	–	380
Works of art	1,871	–	1,871
	2,251	–	2,251

The artworks were last valued at 30 June 2004 by Chris Moore, a valuer specialising in New Zealand art.

The craftworks were last valued at 31 August 2003 by Carol McKirdy, a dealer in applied art.

6 ACCUMULATED FUNDS

Accumulated funds of \$823,000 include a restricted equity amount of \$184,299:

	OPENING BALANCE \$000	THIRD PARTY INCOME	EXPENDITURE	CLOSING BALANCE \$000
Screen Innovation Production Fund	5	250	257	(2)
Tup Lang bequest	75	5	5	75
Butland Music Foundation	39	2	2	39
Louis Johnson bequest	53	3	3	53
The Todd Trust	–	10	10	–
Old Public Trust Body Corporate	–	124	105	19
Total	172	394	382	184

The Screen Innovation Production Fund is a joint venture with the New Zealand Film Commission.

The Tup Lang bequest is held in trust and the income is given towards a grant for research and choreographic development of a new work.

The Butland Music Foundation appointed the Arts Council as their trustees in 1994. Income from trust funds is given towards a grant to a music student to assist and encourage their studies within or beyond New Zealand.

The Louis Johnson bequest is held in trust and the income is given towards financing the Louis Johnson New Writer's Bursary.

The Todd Trust contribution goes towards the Todd New Writer's Bursary.

The Old Public Trust Body Corp owns the Wellington premises occupied by Creative New Zealand.

7 PROPERTY, PLANT AND EQUIPMENT

	COST \$000	VALUATION \$000	ACCUM DEP \$000	NET BOOK VALUE \$000
2004				
Land		700	–	700
Building		2,365	139	2,226
Building improvements		634	553	81
Furniture, equipment & fittings	609		496	113
Computer equipment	1,051		811	240
Motor vehicle	22		22	–
Total	1,682	3,699	2,021	3,360
2003				
Land		700	–	700
Building		2,365	92	2,273
Building improvements		629	545	84
Furniture, equipment & fittings	601		461	140
Computer equipment	1,065		827	238
Motor vehicle	22		22	–
Total	1,688	3,694	1,947	3,435

Valuation

The land and building assets represent the ownership of four floors of the Creative New Zealand building.

The revalued building is stated at fair value as determined by Michael Sellars (registered valuer) of Sellars Valuation Ltd as at 19 March 2002.

8 WORKS OF ART

	VALUATION \$000	NET BOOK VALUE \$000
2004		
WORKS OF ART		
Artworks	2,192	2,192
Craftworks	84	84
	2,276	2,276
2003		
WORKS OF ART		
Artworks	1,833	1,833
Craftworks	38	38
	1,871	1,871

Valuation

The artworks are stated at fair value as determined by Chris Moore of Chris Moore Gallery as at 30 June 2004. Mr Moore is an art dealer and an experienced valuer of artworks. There is no formal qualification for valuing artworks in New Zealand.

The craftworks are stated at fair value as determined by Carol McKirdy of Avid Gallery as at 31 August 2003. Ms McKirdy is a dealer in applied art and an experienced valuer of craftworks. There is no formal qualification for valuing craftworks in New Zealand.

9 ACCOUNTS PAYABLE

	2004 \$000	2003 \$000
Trade creditors	819	293
Accrued expenses	147	336
Total	966	629

10 RELATED PARTIES

The Council is a wholly owned entity of the Crown.

The Council has entered into a number of transactions with government entities on an arms-length basis. As those parties were acting in the course of their normal dealings with the Council, related party disclosures have not been made for transactions of this nature.

There were no other related party transactions.

11 FINANCIAL INSTRUMENTS

The Council is risk averse and seeks to minimise its exposure from its treasury activities. Its policies do not allow any transactions which are speculative in nature to be entered into.

CREDIT RISK

Credit risk is the risk that a third party will default on its obligations to the Council, causing the Council to incur a loss. Financial instruments, which potentially subject the company to risk, consist principally of cash, bank deposits and trade receivables.

The Council has minimal credit risk in its holdings of financial instruments, which include bank deposits and accounts receivable.

There is no significant concentration of credit risk.

FAIR VALUE

The recorded value of financial assets and liabilities equates to their fair market value.

CURRENCY RISK

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

This year the Council has opened a US currency account with Bank of New Zealand in order to fix costs for the 9th Festival of Pacific Arts. The balance is valued monthly and the effect of exchange rate changes reported in the financial statements. The balance of US dollars in this currency account included in the *Statement of financial position* is US\$84,997.

The Council's exposure to currency risk is limited to the fluctuation in value of the US currency account. As all other financial instruments are in New Zealand dollars, the Council's exposure to currency risk is minimal.

INTEREST RATE RISK

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

As the Council has no borrowings and has adopted the policy of holding short-term investments until maturity, the interest rate risk is considered to be minimal.

INTEREST RATES

The interest rates for fixed-rate deposits are between 5.80% and 6.13%. Call deposits are invested at the Reserve Bank cash rate, 5.75% at 30 June 2004.

12 EMPLOYEES' REMUNERATION

Total remuneration and benefits \$000	Number of employees 2004	2003
100-110	Nil	Nil
110-120	Nil	Nil
120-130	Nil	Nil
130-140	Nil	Nil
140-150	Nil	1
150-160	Nil	Nil
160-170	Nil	Nil
170-180	1	Nil

The Chief Executive's remuneration and benefits is in the \$170,000 to \$180,000 band (2003: \$140,000 to \$150,000).

