



Annual Report 2006

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Vision Wawata

Fostering fair broadcasting for New Zealanders

Te ahunga pāhotanga pono mā Aotearoa

Mission Koromakinga

To support fairness and freedom in broadcasting through impartial complaints determination and effective research and stakeholder engagement.

Ko te tautoko i te pono me te rangatiratanga i roto i te pāhotanga mā te whakatau tōkeke i ngā whakapae, mā te rangahau hāngai tonu, mā te taute i te hunga whai pānga.



Diane Musgrave

MA (Hons), Dip. Tchg.

Diane Musgrave was appointed in August 2003 after consultation by the Minister with public interest groups. She has a special interest in the perspectives of various communities, including young people, in relation to broadcasting. Diane is a senior lecturer in Communication Studies at Auckland University of Technology, a mentor for the YWCA Future Leaders programme, and a former television producer and director. Diane is married, has an adult son and lives in Auckland.

Joanne Morris

OBE, LLM (Hons)

Joanne Morris has been chair of the BSA since October 2003, and was reappointed for a further three-year term in 2006. Formerly an academic lawyer and law commissioner, Joanne was a member of the BSA for five years from its establishment in 1989. Joanne is also a member of the Waitangi Tribunal, a position she has held for 17 years. She and her husband have two teenage children and live in Wellington.

Paul France

Paul France was appointed in December 2003 after consultation by the Minister with the broadcasting industry. Paul worked at TVNZ in news and current affairs in the 1970s and 1980s, including in the role of Northern Editor of Current Affairs. He produced the Eye Witness News late-night edition during the tumultuous political years of the 1980s. More recently, he was CEO of Asia Business News and CNBC Asia, and served on the Singapore Broadcasting Authority. Paul is married, has four grandchildren, and lives in the Bay of Islands.

Tapu Misa

Tapu Misa joined the BSA in December 2002, and was reappointed for a three-year term in June 2004. Tapu has worked for the New Zealand Herald, More Magazine, North & South, and Mana Māori Media, and has also served on a number of charitable trusts, with a particular focus on educational achievement and the media portrayal of Māori and Pacific people. She currently writes a weekly column for the New Zealand Herald. Tapu lives in Auckland with her husband and three children.

Members

Board report

We are privileged to serve the public of New Zealand by governing a Crown entity which encourages broadcasters to maintain broadcasting standards. We come to our positions via varying professional paths, yet we all agree that our work with the Broadcasting Standards Authority is one of the most professionally satisfying activities we undertake.

The BSA's role, in short, is to encourage broadcasting excellence on behalf of the public of New Zealand.

This supports the vision at the heart of the Government's broadcasting policy:

New Zealand Broadcasting – a shared space, informing and enriching a changing society.

One of our most stimulating tasks is setting the strategy for the organisation. We have made considerable progress this year, and the management report that follows outlines some exciting initiatives.

Complaints

The volume of complaints is down this year, a trend shared by some other complaints agencies. It is difficult to speculate accurately on the reason for this, but we expect this is a temporary trend. Certainly, the detail and complexity of many of the complaints we have determined this year has meant that we have not been under-worked.

The most high-profile and voluminous complaints we determined this year came from a range of people concerned about two animated satirical series on C4: *Popetown* and *South Park*. The complaints mostly focused on good taste and decency and the fairness (denigration) standards. Satire, almost by definition, is not universally funny, and can cause considerable hurt and distress. We discuss the application of the good taste and decency standard in the complaints report following and note that, even though the legislative requirement to consider freedom of expression carries considerable weight, it is not absolute.

Our decision not to uphold the complaints about these programmes was not because of a belief that 'anything goes.' We declined to uphold the complaints because, in these cases, an upheld complaint would have amounted to a statement that broadcasters offering satire, humour, and drama may not offend against the religious convictions of others. In our view, this would be an unreasonable limitation of a broadcaster's right to free speech, which includes the right to satirise religion.

In the South Park episode, there is no doubt that aspects of religion revered by Catholics were treated in a disrespectful and cavalier fashion, in particular a statue representing the Virgin Mary. But showing disrespect, in our view, does not amount to the sort of vicious or vitriolic attack normally associated with the denigration standard. The complaints section later in this report discusses this issue in more depth.

In March 2006 we made a written submission to the Justice and Law Reform select committee about an issue raised during the determination of a complaint about an 'election programme'. These are, largely, political advertisements. They differ from normal programming because the broadcaster often has little real ability to exercise editorial control, relying on the political party to comply with the broadcasting code. Breaching the code can expose the broadcaster to significant penalties.

As well, the Broadcasting Act obliges Television New Zealand and Radio New Zealand to broadcast political party opening and closing addresses, which creates a similar issue.

We believe it is unfair to penalise broadcasters for breaching a code for a broadcast over which they have little meaningful editorial control. We submitted that a solution would be to make separate statutory provision for unique orders in respect of complaints about election programmes.

In April 2006 we issued a new Advisory Opinion¹ detailing, for the first time, a comprehensive costs policy. The policy covers matters we will take into account when determining costs awards for successful complainants. We took this step so both complainants and broadcasters can have a degree of certainty about the matters we consider relevant when considering applications for costs.

Privacy principles

Last year the Chair noted that we were about to issue a discussion paper proposing amendments to the privacy principles, which were last amended in 1999. We released a substantive paper in August 2005 and received 10 responses. After careful consideration, we issued a further discussion paper in May 2006. This paper proposed further revisions to balance the competing principles involved. We considered submissions on that further paper, then issued a revised Advisory Opinion that took effect from 1 August 2006.²

The main changes are to principles 1 and 3.

Principle 1 has historically protected against the public disclosure of private facts, 'where the facts disclosed are highly offensive and objectionable to a reasonable person of ordinary sensibilities'. This test was taken directly from the common law tort of privacy framed in the United States. At the time the BSA was required to develop the principles in the early 1990s, America was leading the way internationally in privacy jurisprudence.

See http://www.bsa.govt.nz/complaints-costsawards.htm

² See http://www.bsa.govt.nz/privacy.htm

American decisions, however – and subsequent BSA decisions – focused not on the offensiveness of the facts disclosed, but instead on the offensiveness of the disclosure itself. This approach was confirmed by the New Zealand Court of Appeal in the *Hosking* case. Accordingly, we removed the ambiguity in the wording of the principle to make it clear that the important element, when private facts are disclosed, is whether the disclosure itself is highly offensive to an objective reasonable person.

Principle 3 creates a separate basis for a privacy action where a broadcaster has intruded upon a person's 'interest in solitude or seclusion'. Historically this protection has not extended to being filmed or recorded in a public place. In the revised principle, we recognise that even in a public place, a person who is 'particularly vulnerable' (for example, as the result of shock or injury) may continue to have some protection against being filmed or recorded.

The issue of adequate protection of children emerged as the most hotly debated during the review. When a programme breaches a child's privacy, broadcasters are required to assess whether the broadcast is in that child's 'best interests' (irrespective of whether or not the child or their guardian has consented to the broadcast). We proposed initially that the child's 'best interests' test be replaced with 'not contrary to the child's interests', as the former wording appeared to impose an unrealistically high obligation on broadcasters. The Human Rights Commission objected to this proposal and we sought legal opinions from two family law experts. Both opinions confirmed the view of the Human Rights Commission that the test should remain as 'best interests' and we therefore made no changes to this aspect of the principles.

Code Reviews

We reviewed the pay television code this year, which had not been considered in depth since 1999. The new code recognises the changes in the pay TV environment, including improvement in content filtering mechanisms (ways viewers can shield themselves or their children from unwanted content), and the fact that pay TV subscribers actively elect most of their viewing choices. Pay broadcasters have undertaken to ensure that their subscribers are actively kept informed about how to filter their viewing should they wish to do so. As well, explicit adult material is confined to premium content channels, (which require an additional fee), meaning the chances of accidental viewing are minimised.

We acknowledge the constructive approach taken during the process by SKY Television, and also the organisations that took time to make submissions on the draft during our public consultation process.

Outreach

Our small organisation spends much time developing new ways to tailor information about broadcasting standards for a variety of people. In February 2006 we were very pleased to see a project dear to our hearts come to completion. Minister of Broadcasting, the Hon Steve Maharey, launched an innovative media literacy resource funded by a unique partnership of the BSA, the Advertising Standards Authority, the Families Commission, and the CPIT Foundation.

www.mediascape.ac.nz is a clearinghouse of information about media, designed and managed by CPIT's New Zealand Broadcasting School in Christchurch. The site provides coordinated and

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Our small organisation spends much time developing new ways to tailor information about broadcasting standards for a variety of people.

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accessible information about media issues to a range of audiences – students, parents, teachers, researchers, and the generally curious. Increasing media literacy – knowledge of the pleasures and pitfalls of media access, and the areas that empirical research tells us require care – is increasingly important in a world where traditional safeguards are less effective. We are very pleased to be involved in this important partnership.

We also meet stakeholders as often as we can to discuss some of our more difficult and interesting issues. In December 2005 we were privileged to be welcomed on to the marae at Victoria University to talk with the team that researched and wrote a book published by us this year *The Portrayal of Māori and Te Ao Māori in Broadcasting*. It was a valuable forum and we left with renewed appreciation of the care the media need to take when reporting accurately on things Māori.

In May 2006 we ran a lively symposium with broadcasters and relevant experts analysing the principles behind the Broadcasting Act's requirement for 'balance'. While the word balance is widely used, interestingly, the Act does not use it. The Act requires that when controversial issues of public importance are discussed in a programme, a range of significant views is reported.

The current statutory wording has been present in consecutive broadcasting legislation since 1976, and we think it is timely to consider how the concept is faring in a diverse and fragmented broadcast environment. We will be publishing a record of the day's proceedings later this year, and will be considering this issue when we begin the radio and free to air television code reviews shortly.

In June 2006 we were pleased to present a session at the annual national conference of Ngā Aho Whakaari, Māori in film and television

Also in June we announced the names of the ten people comprising our first-ever community advisory panel. The board was delighted to have over 160 applicants, a further reminder of the interest the media and its issues attract in the community. We are looking forward to developing a useful and mutually beneficial relationship with our panel members in the year ahead.

During the year we have also spent time with representatives of the Press Council, the Advertising Standards Authority, the Radio Broadcasters Association and the Television Broadcasters' Council. These interactions give us the opportunity to ensure our knowledge

of various media matters remains current, as well as providing us with a forum to exchange ideas.

All these activities bring us into contact with a range of New Zealanders who share our keen interest in broadcast content. We are very grateful for the time and energy people put in to assist us with our work.

Governance

One of the objectives we set ourselves, as members, is to preside over a system which values impartiality and which produces soundly reasoned decisions. Because of this, we have a strict conflict of interest policy and clear meeting procedures.

We exercise quasi-judicial functions, and must follow established legal principles, but we are also aware that the primary audience for our written decisions is not lawyers. We decided to evaluate our written decisions this year by commissioning two Canterbury University specialists to critique our work: media lawyer Professor John Burrows, and the head of the political science and communication school, Jim Tully. Professor Burrows looked at quality and consistency of reasoning, and correct application of established legal principles. Jim Tully looked for clarity of expression, and a professional understanding of recognised journalistic principles and processes.

Professor Burrows wrote a detailed analysis of 10 years of BSA decisions. His report was extremely positive and we are grateful for his insights. Mr Tully's report was delayed and we are now due to receive it in September.

Appreciation

We are grateful to the following people for their help and advice: David Innes of the Radio Broadcasters Association; Bruce Wallace from the Television Broadcasters' Council and also chair of the Advertising Standards Authority; Hilary Souter of the ASA; broadcasters' complaints personnel, in particular TVNZ's David Edmunds, CanWest's Clare Bradley, Radio New Zealand's George Bignell, TRN's Bill Francis and Māori Television's Marc-Rene Ruakere; and the broadcasting team at the Ministry for Culture and Heritage.

We are also grateful for the hard work and dedication of our staff, ably led by chief executive Jane Wrightson. We are very fortunate to have their support and professional expertise.

Joanne Morris Chair

Diane Musgrave Member

Musacel

Tapu Misa Member

Paul France Member

Management report

This year we began to think seriously about the most appropriate form of content regulation in a digital environment. Our legislative framework is 17 years old, pre-dating widespread internet use and digital broadcasting. As we note in our statement of intent for the upcoming year, the key policy question is this: what restraints on the distribution of electronic content are desired by New Zealanders in the 21st century?

We are pleased the Minister of Broadcasting has included this matter in the Government's Programme of Action.⁴ To help focus our own thinking, we commissioned a think piece from web expert Russell Brown and media lawyer Steven Price on how technology developments might affect current law. Their paper, *The future of media regulation in New Zealand: is there one?*, is on our website.⁵ It is a very useful discussion on how audiovisual content delivery has been transformed, and the issues that transformation raises for New Zealanders.

Armed with that information, and in partnership with the Ministry for Culture and Heritage, we have since commissioned Millwood Hargrave Ltd, a small London-based consultancy working with two New Zealand media academics, to compare and contrast

how other countries are dealing with these issues. Their work will help inform policy development by the Ministry, and will be complete by the end of 2006. Looking at future options for content regulation frameworks is stimulating as we grapple with reconciling public good with individual freedom.

While we think about the future we must, of course, continue carrying out our existing responsibilities. We introduced a new outcomes framework this year so that we could consider our activities against some broader effectiveness measures.

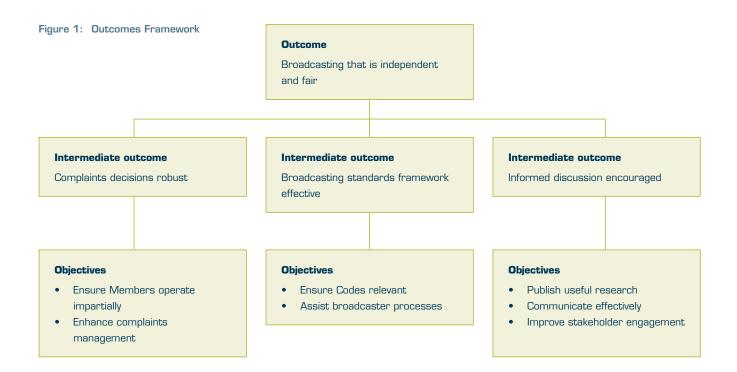
We describe the key outcome to which we wish to contribute very simply:

Broadcasting that is independent and fair.

This recognises the balancing act between freedom of expression and generally held community standards.

Figure 1 shows how we framed our work in our statement of intent for 2005–2008. The rest of this report provides an overview of performance against our three key goals:

- complaints decisions robust
- · broadcasting standards framework effective, and
- · informed discussion encouraged.



³ http://www.bsa.govt.nz/publications.htm

⁴ See www.mch.govt.nz

⁵ http://www.bsa.govt.nz/publications/futureofmediaregulation.htm

Intermediate outcome:

Complaints decisions robust

The bulk of our time and money is spent on determining complaints about a variety of radio and television programmes. BSA members make decisions on complaints exercising quasi-judicial powers conferred by the Broadcasting Act 1989.

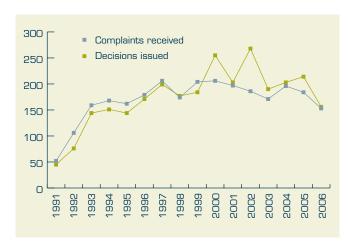
We have two objectives for this category (see Figure 1). The board discusses the first objective, impartiality, when noting governance matters. Effective complaints management, our second objective, continues to improve as we maintain a focus on the quality and readability of decisions.

This year we issued 156 decisions compared to 214 in 2004/5. We received 153 complaints, compared to last year's 184.

The marked downturn in complaints has been shared by several similar agencies. As the board notes, however, the drop in complaints does not mean that our small complaints team has been idle. We received several complex complaints during the year that involved considerable time and analysis. Complaints volume began to rise again in July 2006.

We comment on themes emerging from the complaints determined in the complaints report that follows. Appendix 1 sets out the numbers and Appendix 2 briefly describes each complaint. Trends are noted below.

Figure 2: Complaints received and decisions issued



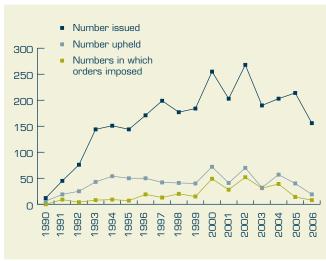
Source: BSA records as published in Appendix 1 in annual reports.

Decisions overview

Of the 156 decisions issued:

- 83% (129 decisions) concerned television programmes (77% or 165 in 2005)
- 17% (27) concerned radio broadcasts (23% or 49 in 2005)
- 12% of decisions (19) were upheld in full or in part (17% or 40 in 2005)
- 17 of the 19 upheld decisions concerned television broadcasts;
 2 concerned radio
- 50% of all TV and radio decisions concerned news, current affairs and talk radio (70% in 2005)
- 48 involved allegations of breaches of balance, fairness or accuracy standards. 23% were upheld (36% in 2005)
- 70 involved allegations of breaches of good taste and decency.
 4% were upheld (17% in 2005)
- 28% of decisions (44) were about the series South Park and Popetown where breaches of good taste and decency and other standards, notably denigration, were alleged. None was upheld.

Figure 3: Decisions issued,6 upheld, and orders imposed



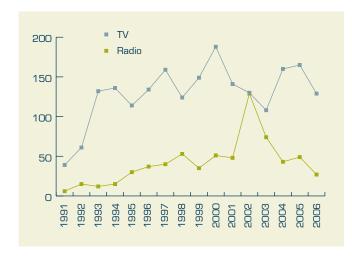
Source: BSA records as published in the Statement of Service Performance in annual reports.

Broadcaster data

Complaints about CanWest's *South Park* and *Popetown* programmes on C4 skewed the usual proportionality of complaints to market share and target audience:

- CanWest's TV3 and C4 programmes were the subject of around 39% of decisions. 8% were upheld. (13% in 2005, 30% upheld)
- TVNZ's TV One and TV2 programmes were the subject of 40% of decisions. 29% of those complaints were upheld. (61% in 2005, 20% upheld)
- Radio New Zealand's National Radio items comprised around 7% of decisions. None was upheld. (6% in 2005, of which two were upheld)
- TRN's Newstalk ZB comprised 4% of decisions, none upheld.
 (11% in 2005, of which two were upheld)
- CanWest's radio stations, which include Radio Pacific and Radio Live, added a further 4%. One was upheld. (4% in 2005, of which four were upheld)
- As usual, very few complaints were received about programmes on SKY TV, Māori Television and other television and radio channels.
- No complaints were received about programmes on Triangle TV or Access radio.
- Unusually, an iwi radio station received a complaint last September, under the election programmes code.

Figure 4: Complaints by broadcast medium 1991-2006

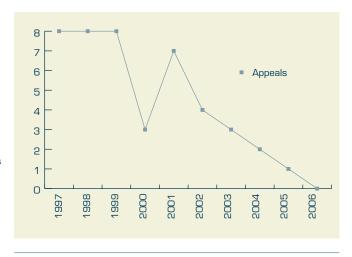


Source: BSA records as published in Appendix 1 in annual reports.

High Court Appeals

No new BSA decisions were appealed by a broadcaster or by a complainant during the year. This is the first time we have been able to report this for some years and may provide a small degree of comfort that our decisions, while sometimes unpopular, are not seen to be unprincipled.

Figure 5: High Court appeals/reviews underway by year end



Source: BSA Annual Reports - Statements of Contingent Liability

However, in July 2006, the month following this reporting year, an appeal was lodged against the *South Park* decision.

Practice Notes

We want to improve availability of more useful and generalised information on interpretation of standards and the various processes that we are likely to follow during the determination of a complaint. Since our establishment 17 years ago, we have issued 2,792 decisions. There is a need for accessible and digestible information of key trends, and interpretation of various aspects of the broadcasting codes that have been canvassed over time. We have approached this cautiously in recent years with digests about privacy decisions in two of our books, and on good taste and decency in this year's *Freedoms and Fetters*.

We have now introduced Practice Notes, practical guides to likely approaches BSA members will take in interpreting the standards. While each complaint will be considered on its facts, there are issues on which decisions have been consistent over time. Practice Notes are intended to help complainants and broadcasters (as well as future BSA members) in considering and assessing complaints.

Practice Note 1, on the law and order standard, was published in $\mbox{\rm April},^7$ and we hope to issue two more each year.

To help make the system effective, we get out and about as much as we can so broadcasters remain aware of their statutory obligations.

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Intermediate outcome: Broadcasting standards framework effective

The codes of broadcasting practice underpin broadcasting standards and the complaints process.

There are four separate codes: free to air television, radio, pay television, and election programmes. Codes are created by broadcasters for approval by the BSA. We review them every five years (more often if significant issues arise).

Pay TV code review

As the board notes, this year we reviewed the pay television codes. Formal complaints to the BSA about pay TV programmes are rare.

Two separate codes covered different forms of pay television. Since the last review in 1999, changes in the broadcasting and technology landscape had made several provisions in the codes obsolete. The challenge for this review was to reflect the current pay TV environment by creating a document sufficiently flexible to survive further technological change, while still complying with the definition of 'broadcasting' in the Broadcasting Act.

The new code is a single document covering all forms of pay TV broadcast content. The code maintains the original baseline position, that pay TV enjoys a less restrictive environment than free to air TV. This is because of the choice that subscribers make to receive the service.

The code also recognises the special protections digital technology can make available to viewers wishing to restrict access to particular content. Adult freedom is thus balanced with responsibility to the vulnerable and sensitive, in an environment where over 650,000 of New Zealand's 1.5 million households receive a pay TV service.

The new code took effect on 1 August 2006.

Broadcaster outreach

To help make the system effective, we get out and about as much as we can so broadcasters remain aware of their statutory obligations. Smaller channels, in particular, rarely come into contact with the formal complaints process, and the procedures required by the Act for handling complaints can be unfamiliar. It is in everyone's interests for broadcasters to know what to do, and what the codes cover.

As well as dealing with numerous telephone and email enquiries, this year staff visited five Access and community broadcasters so that station managers could put faces to names.

In addition, for the first time, we published guidelines for broadcasters to give smaller or newer companies easily accessible information about their role and responsibilities in maintaining broadcasting standards.⁸

Intermediate outcome: Informed discussion encouraged

This aspect of our work pulls together a number of information sources. We add to knowledge about New Zealand standards-related matters through commissioning formal research. We tell the general public about our work, and their rights, and we are increasing our public interaction to ensure that our decision making is informed by a variety of views.

All BSA decisions from 1995 are published on our website.

Stakeholder engagement

During the year, we were delighted to confirm members of our first community advisory panel (CAP). We have been seeking a way to consult effectively and regularly with a variety of New Zealanders in addition to our work with broadcasters and complainants. Improved community involvement of this type was also a key recommendation of the 2004 report into television violence.⁹

The CAP is not involved with complaints determination, but will give advice and feedback to the BSA board on wider issues. It will meet around three times a year, chaired by the BSA board member appointed after consultation with public interest groups (currently Diane Musgrave). Recent examples where a panel would have been useful include when the board was considering changes to the rules about scheduling early evening TV promos, and in discussing the viewing habits of children.

Early in 2006 we advertised nationwide for expressions of interest. We were staggered, and honoured, to receive over 160 replies. After much deliberation, the following people were asked to participate. They met formally for the first time in September 2006.

Tim Cadogan, solicitor, of Clyde
Fraser Campbell, retired principal, of Christchurch
Anna Carter, environmental planner, of Waikanae
Efeso Collins, public servant, of Auckland
Liz Hirst, self-employed, of Nelson
Huia Lloyd, communications consultant, of Wellington
Raj Mundi, electronics supervisor, of Hamilton
Jessica Ralph, student, of Auckland
Lynda Park, managing director, of Auckland
Rob Tuwhare, carpenter, of Waiheke Island

Research

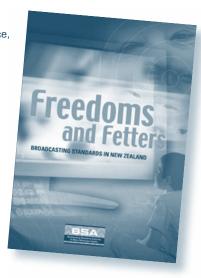
Freedoms and Fetters: broadcasting standards in New Zealand

Our flagship study published this year is a major public opinion survey of community attitudes to broadcasting standards. This longitudinal study follows on from *Monitoring Community Attitudes in Changing Mediascapes*, ¹⁰ published by us in 2000, and a prior 1993 study, now providing data across a twelve-year period.

Asked about what concerned them on TV, without prompting, two-thirds of over 500 New Zealanders surveyed spontaneously

cited the portrayal of violence, sex and nudity, and bad language. Compared with the results in *Changing Mediascapes*, this result indicates a higher level of concern about sexual content and bad language on television.

By contrast, just onethird of those surveyed had spontaneous concerns about what they heard on radio. The most common concern for that medium is bad language.



A different picture emerged when we asked people to consider the relative importance of particular broadcasting standards. Accuracy, especially in TV news, topped the list, followed closely by the standard requiring broadcasters to consider the interests of children. After that came balance, then fairness. Interestingly, the good taste and decency standard, which often attracts attention, was rated less important than standards requiring ethical journalism and a focus on the protection of children.

Portrayal of Māori and Te Ao Māori in Broadcasting

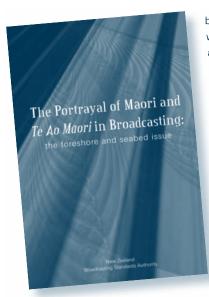
As signalled last year, and noted by the board, we commissioned a study of Māori attitudes to some mainstream media reporting from Victoria University's Te Kawa a Māui, School of Māori Studies. The VUW researchers elected to study a sample of items broadcast by TVNZ, TV3, and National Radio between June and September 2003 reporting on the seabed and foreshore controversy. Commercial radio coverage could not be included as broadcast tapes are not kept for a long enough period.



During the year, we were delighted to confirm members of our first community advisory panel (CAP).

Absent - Tim Cadogan

The researchers considered the items against the standards of balance, fairness, and accuracy, and against various Māori expectations. We published the book to considerable critical and academic interest in December 2005 and, due to demand, printed a second edition in June 2006.



Key findings about broadcasting standards are that while balance was not always achieved in individual news stories, broadcasters generally attained balance over a period of time. The programmes analysed were almost all found to be accurate, and mainly considered fair. Almost all of the broadcasts were judged to be appropriately serious and informative in tone.

Considering the material from a Māori worldview, there were few references to tikanga in the mainstream broadcasts, but they were generally

well-explained when they occurred. Tikanga was a more significant part of the broadcasts by-Māori for-Māori.

In terms of the pronunciation of Māori words, mainstream broadcasters were found to be generally very good, an improvement on the situation four to five years ago. In programmes by-Māori for-Māori, pronunciation was generally found to be excellent.

Communication

As noted by the board, our media literacy initiative went live in February 2006. www.mediascape.ac.nz provides access to a range of information, research, and viewpoints about media and its use. It is intended for parents, students, children and others with an interest in how the media operates and the research around its effects. We are proud to be foundation sponsors, alongside the Advertising Standards Authority, the Families Commission and the CPIT Foundation.

The New Zealand Broadcasting School, which runs the site, has complete editorial freedom and is planning some exciting enhancements. The site was a finalist in the TUANZ Innovation Awards in 2006.



www.mediascape.ac.nz

There is also increased demand from secondary-school students for BSA-related information. Topics such as violence on television, the effect of language and images in music videos, and how programmes are 'regulated' are regularly explored by growing numbers in media studies classes. To this end, we have commissioned Educating NZ to develop a set of web-based study guides. We will report more on this next year.

As well as individual initiatives, we provide ongoing services to the public so they can access information about the complaints system. We undertake public speaking engagements, issue publications, and maintain an 0800 infoline and website. Broadcasters are also required to advertise the formal complaints process.

General management

We are required by the Broadcasting Act to collect a levy on broadcasters' total operating revenue, as a contribution to funding the broadcasting standards system (not applied to broadcasters with a turnover under \$500,000). This levy comprises more than half of our income. Broadcasters are required to submit levy returns to the BSA by 31 July each year. This year we conducted a routine internal audit of these levy returns. The audit revealed a number of inconsistencies, both in completion of levy returns using the processes specified by the Act, and in interpretation of how to calculate the levy. A policy issue arose concerning whether all public funding received by broadcasters was income subject to the levy.

We sought advice from the Office of the Auditor-General so we could ensure we apply the requirements consistently and fairly. The OAG considered that the Act did not require some sources of public funding to be levied, but that other public funding should be. This creates a rather more complicated system and possibly creates some inequities. We were still working through the practical implications at year end.

Overall, our financial position remains healthy. Advertising revenue, a key indicator of levy income, traditionally cyclical, has been at high levels in recent years but appears to be plateauing. Notwithstanding this, we need to have reasonable reserves to counter unpredictable activities, such as litigation, and to act as a buffer in years when levy income reduces.

As a very small entity we have not previously had an equal employment opportunities programme (although we have had relevant policy for many years). Such a programme is now required by the Crown Entities Act 2004, and we will report on activities next year.

The BSA continues to operate efficiently and effectively. It is a credit to our dedicated and cheerful staff that they provide timely, professional services in a cost-effective way, which we trust is of benefit to the people of New Zealand.

Jane Wrightson Chief Executive

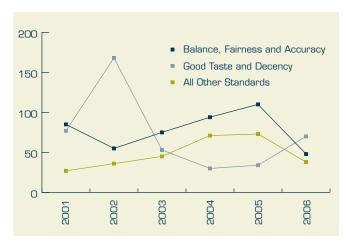
Complaints Report

This year, a high-profile theme emerged in complaints – the relationship between broadcasting standards and religious matters.

Nearly a third of decisions issued involved complainants offended by a satirical portrayal of religious practices or icons, or by the use of allegedly blasphemous language.

Figure 6 shows the rise in decisions about Standard 1, good taste and decency.

Figure 6: Decisions issued by standard



Source: BSA Annual Reports

Broadcasting standards and religious matters

First were the *Popetown* complaints¹¹, arising from programmes broadcast shortly after a print media controversy concerning the publication of Danish cartoons of the Prophet Mohammed. *Popetown* is an animated comedy series based around life in a fictional Vatican. It features a childlike and obnoxious pogo-stick riding 'Pope', a bumbling priest and three corrupt cardinals.

Following on from *Popetown*, the current affairs series *Close Up* ran an item that contrasted the right to free speech in Western society with the more restrictive approach in some other societies. It illustrated its point by showing a clip of a ludicrous 'Jesus', prancing through the street, singing a pop song, and getting hit by a bus. ¹²

Then, after much pre-broadcast controversy, CanWest, on its youth-culture channel C4, showed the controversial 'Bloody Mary' episode of *South Park*. The episode prompted protests outside CanWest's Auckland premises. Thirty-five complaints were lodged with us after CanWest declined to uphold them, a record for a single programme.¹³

Almost all alleged that the programmes breached standards of good taste and decency and denigrated Christians or Catholics. The essence of the complaints was that because the programmes caused religious offence, they must also breach broadcasting standards. In each case, BSA members were faced with the task of balancing, on the one hand, the obvious and significant offence caused, and on the other, the statutory protection of freedom of expression and information.

The BSA decision notes that disrespect for, or poking fun at, religious convictions is, by itself, an insufficient basis on which to find a breach of broadcasting standards. The right to lampoon society's institutions – including religious ones – is an integral aspect of the right of freedom of expression and information. This right cannot reasonably be abrogated simply because a programme causes offence.

The decisions on these complaints clarify two important principles. The first is that while there will be some things that will contravene standards of good taste and decency irrespective of the context in which they are broadcast, programmes causing religious offence will not necessarily fall into that category. To conclude that a programme will breach the standards simply because it disrespects or offends against a religious belief would be an unreasonable fetter on a broadcaster's right to free expression, and thus contrary to the New Zealand Bill of Rights Act 1990.

The denigration principle has also been clarified. To date, denigration has been defined as the 'blackening' of a reputation. However, this is not intended to prevent the broadcast of material offered in 'the legitimate context of a humorous or satirical work' (see guideline 6(g) of the free to air television code). The BSA decision concludes that while latitude given to satire and humour is not unlimited, a high threshold exists. This means that for satirical or humorous programmes to be judged as denigratory, in terms of the standards, the content will in effect amount to vitriol or hate speech.

¹¹ See Decision Nos 2005-111, 112, 097, 096 and 128

¹² See Decision No. 2006-012

¹³ See Decision No. 2006-022

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To conclude that a programme will breach the standards simply because it disrespects or offends against a religious belief would be an unreasonable fetter on a broadcaster's right to free expression, and thus contrary to the New Zealand Bill of Rights Act 1990.



Good taste and decency - the bottom lines

When determining complaints that a programme breached the good taste and decency standard, we always assess the context in which the material complained about was broadcast. For example, a free to air TV programme broadcast at 11pm, with an AO classification and a detailed warning beforehand, will inevitably be more challenging than a PGR-rated programme, even with a warning, shown at 7.30pm.

The underlying premise is that adults should be able to make an informed choice about the sort of material they wish to watch in AO time. If audience members are given enough information to make a choice, the BSA will usually consider this a significant point in the broadcaster's favour.

This approach, ensuring audience members are free to make informed viewing choices, accepts there are few universally accepted norms of taste and decency within the New Zealand population. Ideas differ among genders, ethnicities, age groups, communities and individuals. Language or images causing great offence in one home may go virtually unnoticed in another.

The good taste and decency standard is not primarily about prohibiting certain material. Its focus is mainly on ensuring that broadcasters schedule programmes carefully, and give viewers and listeners enough information to turn off should they choose.

Some complainants criticise this approach, saying that, in effect, it gives broadcasters license to broadcast anything as long as there is a market for the material and viewers are told what to expect. But two BSA decisions in the past year demonstrate that, in the context of free to air television, there are bottom lines, and that the standard can be breached even when all of the contextual factors weigh in the broadcaster's favour.

The first decision concerned an episode of *Eating Media Lunch*, a series well known for its edgy approach to current issues. The episode in question parodied 'naked news' broadcasts, purportedly seen overseas, and included explicit sexual material. TV2 broadcast the programme at 10pm, an hour and a half after the AO watershed. It began with a verbal and visual warning.

The BSA decision acknowledged the weight of these contextual factors, the fact that *Eating Media Lunch* is widely recognised as provocative, and the likely liberal expectations of the show's target audience. Nevertheless, it concluded that the item had simply gone too far for the free to air television environment, and had breached standards by its explicit and gratuitous portrayal of sexual activity.¹⁴

The second decision concerned an AO-rated film *Teenage Cavernan*, broadcast after midnight on TV2. The film was set in a post-apocalyptic world, and showed a group of young adults discovering sex, drugs and alcohol. The film contained nudity and simulated sexual activity, violence, drug and alcohol use, and swearing.

The decision noted that the nudity and sexual material were gratuitous, as was the violence, profanity, and excessive drug and alcohol use. The cumulative effect took the broadcast beyond the limits of what is acceptable on free to air television. There was a particular concern about a scene combining violence with sexual gratification. 15

These decisions emphasise that the good taste and decency standard still marks out limits on what can be broadcast.

¹⁴ See Decision No: 2005-137

¹⁵ See Decision No: 2006-037

Political advertising

A complaint under the election programmes code of broadcasting practice was upheld. Election programmes mostly comprise party political advertisements broadcast during the lead-up to a general election.

The Māori Party lodged a complaint about a Labour Party advertisement broadcast on Raukawa FM, an iwi radio station based in Tokoroa. The advertisement stated that the Māori Party had 'voted with National' 227 times. The Māori Party alleged that this figure was inaccurate, and that the advertisement implied that it had voted the same way as the National Party due to common policy considerations. The Māori Party also maintained that the advertisement was unfair as it had distorted the true picture of voting patterns, which showed that the Māori Party had more in common with the Green Party.

The accuracy complaint was upheld, but on different grounds to those alleged by the Māori Party. The figures provided by both parties demonstrated that, including at the Committee stage of bills, the Māori Party had voted the same way as National on at least 277 occasions – 50 more occasions than the 227 cited in the advertisement.

This decision gave considerable weight to the right to freedom of expression. It noted that 'the right to free political expression is one of the founding principles of democracy and thus, especially during a critical time for the democratic process in the run-up to a general election, limitations upon that right must be imposed only after careful consideration'. It also referred to the 'robust political context', and concluded that 'because political advertising is inherently biased, the Authority should be extremely reluctant to intervene on grounds of fairness simply because the advertisement did not present a complete picture'. ¹⁶

Figure 7: Complaints summary

	2001/02	2002/03	2003/04	2004/05	2005/06
Complaints Received	186	171	196	184	153
Total Decisions	268	181	203	214	156
Upheld (all or in part)	70	32	57	40	19
Not Upheld	189	131	133	166	127
Interlocutory Decisions	1	11	3	1	4
Declined to Determine	8	7	5	5	5
Declined Jurisdiction	15	12	15	2	1
Orders	52	31	39	14	8
Practice Notes	_	_	_	_	1
Decisions issued within 20 working days	86%	79%	74%	84%	100%17

¹⁶ See Decision No: 2005-103

¹⁷ From 2005/06 this percentage applies to the majority of complaints (those requiring only one board meeting for determination) as targets have been refined

office

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staff

> Chief Executive

> Complaints Manager

> Complaints Executive

> Complaints Executive (until 9 June)

Financial Statements

for the year ended 30 June 2006

Statement of Responsibility

for the year ended 30 June 2006

The board and management of the Broadcasting Standards Authority are responsible for the preparation of these financial statements and the judgments used herein.

The board and management of the Broadcasting Standards Authority are responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the board and management, these financial statements fairly reflect the financial position and operations of the Broadcasting Standards Authority for the year ended 30 June 2006.

Joanne Morris

Chair

27 October 2006

Jane Wrightson

Chief Executive 27 October 2006

Audit Report

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

To the readers of the Broadcasting Standards Authority's financial statements for the year ended 30 June 2006

The Auditor-General is the auditor of the Broadcasting Standards Authority (the Authority). The Auditor-General has appointed me, Clare Helm, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Authority, on his behalf, for the year ended 30 June 2006.

Unqualified opinion

In our opinion the financial statements of the Authority on pages 20 to 34:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect:
 - the Authority's financial position as at 30 June 2006;
 - 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 27 October 2006 and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board 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 the 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 our opinion.

The 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 Board:
- 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 our opinion above

Responsibilities of the Board and the Auditor

The Board 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 Authority as at 30 June 2006. 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 Board's responsibilities arise from the Public Finance Act 1989 and the Broadcasting Act 1989.

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 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.

Helm

Other than the audit, we have no relationship with or interests in the $\mbox{\sc Authority}.$

Clare Helm

lare

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

Matters relating to the electronic presentation of the audited financial statements

This audit report relates to the financial statements of Broadcasting Standards Authority for the year ended 30 June 2006 included on Authority's web site. The Authority's Board is responsible for the maintenance and integrity of the Authority's web site. We have not been engaged to report on the integrity of the Authority's web site. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 27 October 2006 to confirm the information included in the audited financial statements presented on this web site

Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Objectives and Service Performance

2005-2006

Intermediate Outcome 1

Complaints decisions robust Broadcasting Act 1989, s.21(1)(a) and (b)

Description

Decision making on formal complaints lodged under the Broadcasting Act is undertaken by the board, as set out in the Act, with administrative and legal support provided by staff. Decisions are subject to judicial review or appeal to the High Court.

Cost

	Budget*	Actual*
Total cost	\$834,680	\$847,033
% of total cost	66%	67.5%

Objective 1a

Ensure Members operate impartially

The following activities have quality, quantity and timeliness measures, in addition to standard activities such as in-house peer review by staff.

Performance Measures

Output 1a The BSA will:

 Convene formal board meetings ten times by 30 June 2006 in order that due process for complaints determination is followed.

Measure: 10/10 meetings formally recorded.

Actual: Achieved.

· Declare, decide and record conflict of interest formally at each meeting.

Measure: Conflicts register maintained.

Actual: Achieved.

 Include a board assessment of its own complaints determination processes as part of an annual board self-assessment exercise.

Measure: Exercise completed and recommendations actioned by 30 June 2006.

Actual: Achieved.

 Minimise threats to the integrity of the complaints regime by issuing soundly-reasoned decisions

Measure: Undertake an independent assessment of a sample of decisions and implement

recommendations by 30 June 2006.

Actual: Achieved in part. One consultant's report delivery delayed until September

2006; the other received and discussed by board in June 2006.

Measure: Less than 0.5% of decisions issued are successfully appealed to the High

Court by 30 June 2006.

Actual: Achieved. No decisions appealed.

^{*} Includes a portion of overheads

Objective 1b

Enhance complaints management

The following activities have quantity and timeliness measures.

Performance Measures

Output 1b The BSA will:

• Acknowledge formal complaints in writing within 3 working days.

Measure: 100% of complaints acknowledged in 3 working days.

Actual: 100% - achieved.

 Ensure complaints are placed on the agenda of the next board meeting following receipt of final correspondence (agenda closes on tape copying day).

Measure: 99% of processed complaints on next board agenda.

Actual: 100% - achieved.

 For complaints requiring only one board meeting for determination, issue completed decisions within 20 working days of first working day after board meeting.

Measure: 95% of single-meeting complaints decisions issued within 20 working days.

Actual: 100% - achieved.

 For complaints requiring more than one board meeting for determination, issue completed decisions within 15 working days of last board meeting.

Measure: 99% of multi-meeting complaints decisions issued within 15 working days of

last meeting.

Actual: 91% - not achieved. 52 out of 57 multi-meeting decisions met this target.

• Ensure only complaints involving complex issues or procedures, or where further information is required from the parties, require more than one board meeting for consideration.

Measure: 99% of non-complex complaints require one board meeting for decision.

Actual: 98% – not achieved. 96 out of 98 complaints met this target.

Apply the principles of natural justice by ensuring procedural fairness.

Measure: Less than 0.5% of decisions issued have adverse findings on judicial review of complaint determination procedures.

Actual: Achieved. No judicial reviews lodged.

• In election years, issue decisions on complaints about election programmes within 48 hours.

Measure: 100% of decisions issued within 48 hours.

Actual: Not achieved. One election programme complaint determined. The

complainant's counsel made a detailed submission within hours of the 48 hour deadline. The decision was issued within 24 hours of receipt of final $\frac{1}{2}$

correspondence.

Intermediate Outcome 2

Broadcasting standards framework effective Broadcasting Act 1989, s.21(1)(e) and (g)

Description

Formal complaints processes are followed by both broadcasters and the BSA as required by the Broadcasting Act. The codes underpin the system and the broadcasters understand and accept both the codes and the processes the Act requires them to follow when considering formal complaints.

Cost

	Budget*	Actual*
Total cost	\$43,183	\$47,864
% of total cost	3%	3.8%

Objective 2a

Ensure codes relevant

The following activity has a quantity, quality and timeliness measure.

Performance Measures

Output 2a The BSA will:

· Review the two Pay Television Codes.

Measure: Pay TV Codes reviewed and results published by 30 June 2006. Public

comment and broadcaster agreement sought and considered prior to

completion.

Actual: Code review completed with consultation as above in July 2006. New code

gazetted in July to take effect from 1 August 2006.

Complete the review of the privacy principles commenced in 2005.

Measure: Submissions considered and review completed by 30 September 2005.

Review completed in July 2006. Legal issues arose during process requiring

additional consideration and consultation. New Advisory Opinion took effect

from 1 August 2006.

Objective 2b

Assist broadcaster complaint processes

The following activities have quantity and timeliness measures.

Performance Measures

Output 2b The BSA will:

Actual:

 Publish and promote a 'fact sheet'/advisory opinion to assist small broadcast operators to operate best practice systems.

Measure: Fact sheet published on website and smaller broadcast operators advised by

30 June 2006.

Actual: Achieved. Fact sheet published in December 2005.

 Meet with five small broadcast operators to discuss and advise on complaints process matters.

Measure: 5 small broadcast operators visited by 30 June 2006. Feedback from

broadcasters on usefulness of exercise ascertained and documented by ${\bf 30}$

September 2006.

Actual: Achieved. 5 small operators visited. (bFM, CTV, Plains FM, Access Radio

Wgtn, Apna 990 AM)

Includes a portion of overheads

Intermediate Outcome 3

Informed discussion encouraged Broadcasting Act 1989, s.21(1)(c), (d) and (h)

Description

The broadcasting standards regime is more effective with public involvement as views other than the broadcasters' must be taken into account. This is achieved both by research, to ascertain community attitudinal trends, and outreach strategies.

Objective 3

Publish useful research

Cost

	Budget*	Actual*
Total cost	\$183,297	\$237,809
% of total cost	14%	19%

The following activities have quality, quantity and timeliness measures.

Performance Measures

Output 3 The BSA will:

Tender and commission significant (ie budget exceeds \$10k) external research in accordance with Audit Office purchasing guidelines.

Measure: All tendering and commissioning processes recorded using Audit Office

framework.

Actual: Achieved. One project tendered.

Edit and publish the third major public attitudes survey begun in 2004/5.

Measure: Publication released by 30 April 2006.

Actual: Freedoms and Fetters (Dunmore Press, 2006) launched 23 May 2006.

Organise a symposium on balance and fairness issues and publish a record of proceedings.

Measure: Symposium run by 31 March 2006. Publication draft completed by 30 June

2006. Peer review of draft completed by 30 September 2006.

Actual: Symposium held on 23 May. Publication draft completed by 30 June.

Publication scheduled for late 2006.

Includes a portion of overheads

Objective 4a

Communicate effectively

Cost

	Budget*	Actual*
Total cost	\$213,540	\$121,502
% of total cost	17%	9.7%

The following activities have quality, quantity and timeliness measures.

Performance Measures

Output 4a The BSA will:

· Maintain and promote an up-to-date and accurate website.

Measure: No complaints received regarding accuracy or timeliness of site content.

Actual: One complaint received about accuracy. Content amended immediately.

Publish decisions on website within 10 working days of sign-off by Chair.

Measure: 100% of decisions published within 10 working days.

Actual: Achieved.

Publish four editions of BSA Quarterly.

Measure: Four editions published by 30 June 2006.

Actual: Achieved.

• Continue to support a web-based media literacy project with other funding partners.

Measure: Website launched by 30 June 2006.

Actual: Achieved. www.mediascape.ac.nz launched in February 2006.

Objective 4b

Improve stakeholder engagement

The following activities have quality and timeliness measures.

Performance Measures

Output 4b The BSA will:

 Devise a pilot community advisory mechanism representative of various groups and specialist expertise in NZ.

Measure: Terms of Reference and panel members confirmed by 30 November 2005.

Action plan confirmed by 31 May 2006.

Actual: Partly achieved within financial year. Panel confirmed June 2006. Action plan

to be confirmed in 2006/7.

Meet formally with broadcaster associations annually.

Measure: Television Broadcasters' Council and Radio Broadcasters Association meet

with BSA board by 30 March 2006. Areas of cooperation identified and $\,$

documented.

Actual: Achieved.

Output Expenditure Summary

	Personnel	Direct	Overhead	Total	%	SOI Forecast
		Operating				%
Complaints	495,985	64,942	286,106	847,033	67.5%	66%
Codes	23,379	4,049	20,436	47,864	3.8%	3%
Research	64,287	112,213	61,308	237,809	19%	14%
Comms & Information	74,243	6,387	40,873	121,502	9.7%	17%
Total	657,894	187,591	408,723	1,254,208	100%	100%

Includes a portion of overheads

Statement of accounting policies

For the year ended 30 June 2006

Reporting Entity

The BSA was established by the Broadcasting Act 1989 which sets out the functions and responsibilities. These statements have been prepared in accordance with the Public Finance Act 1989, the Crown Entities Act 2004 and generally accepted accounting practice. The information in the financial statements may not be appropriate for purposes other than that required in these Acts.

Measurement System

The measurement base adopted is that of historical cost unless otherwise stated.

Accounting Policies

The following particular accounting policies that materially affect the measurement of financial performance and financial position have been applied:

1. Fixed Assets

Fixed assets are recorded at historical cost less accumulated depreciation.

2. Depreciation

Depreciation of fixed assets is provided on a straight-line basis, at rates which will write off the assets to their residual value over their useful lives:

Office Equipment5 year	rs
Furniture & Fittings5 year	rs
Leasehold Improvements	rs
Photocopier3 year	rs
Computer Equipment	rs

Artworks are fully depreciated in the year of purchase.

3. Receivables

Accounts receivable are stated at their estimated net realisable value.

4. Lease Payments

Operating lease payments, where lessors effectively retain substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating result in equal instalments over the lease terms.

5. Taxation

- a) Income tax: The BSA is exempt from the payment of income tax in accordance with Section 33 of the Broadcasting Act 1989.
- b) FBT: FBT is payable on all fringe benefits.
- c) GST: The BSA is a registered trader for GST purposes and is liable for GST on all goods and services supplied. The financial statements are prepared GST exclusive except for accounts receivable and accounts payable which are GST inclusive.

6. Financial Instruments

The BSA is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, accounts payable and accounts receivable. 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.

7. Employee Benefits

Annual leave is recognised as a cost on an entitlement basis and unused accumulated sick leave is recognised as a cost on an expected usage basis. Both costs are calculated using present values.

8. Forecast Figures

The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted for the preparation of the financial statements.

9. Revenue

Revenues are derived and recognised as follows:

- Crown revenue consists of a grant from the Government.
 This grant is recognised when it is received.
- ii The Broadcasting Levy is recognised upon receipt of the payment from the broadcaster.
- ii Interest is derived from held-to-maturity investments and is recognised on an accrual basis.
- iv Other income is recognised at the time the services are rendered.

10. Commitments for Contracted Services

The cost of contracted services is expensed when the contract for the services is signed.

11. Statement of Cash Flows

Cash means cash balances on hand, held in bank accounts, demand deposits and term deposits in which the BSA invests as part of its day-to-day cash management.

Operating activities include cash received from all income sources of the BSA and records the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financial activities comprise the change in our equity and debt capital structure.

12. Cost of Allocation

The cost of output classes reported in the Statement of Service Performance is the total cost of services allocated to each of our outputs. Cost allocation policy is to charge direct costs to output class and charge indirect costs to output classes based on estimated usage.

Changes in accounting policies and the impact of adopting the New Zealand International Financial Reporting Standards (NZIFRS)

The full requirements of Employee Benefits (NZ IAS 19) have been adopted for the year ended 30 June 2006. The application of this standard and the consequential change to the accounting policies has resulted in no changes to liabilities and expenditure.

The BSA will adopt NZIFRS for the first time for the year ending 30 June 2008. There would not have been any material difference in the financial results, and the assets and liabilities, had these financial statements been prepared using NZIFRS.

There have been no other changes in accounting policies. All other policies have been applied on a basis consistent with those used in previous years.

Statement of financial performance

For the year ended 30 June 2006

	NOTES	2006	2006	2005
		Actual \$	Budget \$	Actual \$
REVENUE				
Crown Revenue		608,889	609,000	608,889
Broadcasting Levy		661,098	625,000	601,494
Interest Income		56,693	40,000	51,368
Other		4,535	700	3,223
TOTAL REVENUE		\$1,331,215	\$1,274,700	\$1,264,974
LESS EXPENDITURE				
Personnel Expenses & Members Fees	1 & 2	657,894	693,000	663,650
Other Operating Expenses	3	533,270	514,600	511,540
Depreciation	5	63,044	67,100	30,567
TOTAL EXPENDITURE		\$1,254,208	\$1,274,700	\$1,205,757
NET SURPLUS				
Transferred to Equity		\$77,007	\$0	\$59,217

Statement of movements in equity

For the year ended 30 June 2006

	2006 Actual	2006 Budget	2005 Actual
	\$	\$	\$
Net surplus for the year	\$77,007	0	59,217
Public Equity as at 1 July 2005	473,576	428,359	414,359
PUBLIC EQUITY AS AT 30 JUNE 2006	\$550,583	\$428,359	\$473,576

Statement of financial position

As at 30 June 2006

	NOTES	2006 Actual	2006 Budget	2005 Actual
		\$	\$	\$
CURRENT ASSETS				
Cash, Bank & Term Deposits	4	583,844	315,270	493,257
Accounts Receivable & Accruals		25,477	6,000	3,798
Prepayments		1,415	3,000	1,988
GST Receivable		15,149	9,000	24,184
		625,885	333,270	523,227
LESS CURRENT LIABILITIES				
Accounts Payable & Accruals		184,686	72,000	185,089
Employee Entitlements		35,437	15,000	36,707
WORKING CAPITAL		405,762	246,270	301,431
FIXED ASSETS	6	144,821	182,089	172,145
NET ASSETS		550,583	428,359	473,576
Represented by PUBLIC EQUITY		\$550,583	\$428,359	\$473,576

Joanne Morris

Chair

Wellington 27 October 2006 Jane Wrightson

Chief Executive

Wellington 27 October 2006

Statement of cash flows

For the year ended 30 June 2006

NOT	ES	2006 Actual	2006 Budget	2005 Actual
CASH FLOWS FROM OPERATING ACTIVITIES		\$	\$	\$
Cash was provided from:				
Crown Revenue & Other		613,997	609,700	616,275
Broadcasting Levy		641,546	625,000	601,494
Interest Received		54,566	40,000	50,513
Net GST Received		9,035	0	0
Cash was disbursed to:				
Payments to Employees & Members		(659,164)	(693,000)	[641,743]
Payments to Suppliers & Other Operating Expenses		(533,673)	(514,600)	(443,240)
Net GST Paid		0	0	(15,310)
NET CASH FLOW FROM OPERATING ACTIVITIES	7	126,307	67,100	167,989
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was disbursed to:				
Purchase of Fixed Assets		(35,720)	(50,000)	(152,202)
Net Cash Flows From Investing Activities		(35,720)	(50,000)	(152,202)
NET INCREASE IN CASH HELD		90,587	17,100	15,787
PLUS Opening Cash Brought Forward		493,257	298,170	477,470
ENDING CASH CARRIED FORWARD	4	\$583,844	\$315,270	\$493,257

Statement of commitments

As at 30 June 2006

Leased Premises

The BSA leases office space from the A & AM Muollo Family Trust Partnership, comprising part of the second floor, 54-56 Cambridge Terrace, Wellington. The lease runs from 1 July 2005 until 30 June 2008.

	2006 \$	2005 \$
One year or less Years two and three	47,056 47,056	47,056 94,111
Total Rent Expenditure Committed	\$94,112	\$141,167

Statement of contingent liability

As at 30 June 2006

As at 30 June 2006, no High Court appeals had been lodged against the BSA's decisions. However, one appeal was subsequently lodged in July 2006.

(As at 30 June 2005, one appeal had been lodged.)

Notes to the financial statements

for the year ended 30 June 2006

	2006 Actual \$	2005 Actual \$
1 PERSONNEL EXPENSES		
Staff Remuneration	523,917	525,852
	\$523,917	\$525,852

One employee's remuneration exceeded \$100,000. It is in the band \$130,000 - \$140,000 (2005:\$130,000 - 140,000)

No cessation compensation or benefits were paid.

No indemnity was provided.

No liability insurance was effected

	2006 Actual \$	2005 Actual \$
2 MEMBERS' FEES		
J Morris	55,516	52,987
T Misa	25,205	28,666
D Musgrave	26,401	28,104
P France	26,855	28,041
	\$133,977	\$137,798

No cessation compensation or benefits were paid.

No indemnity was provided.

No liability insurance was effected

	2006 Actual \$	2005 Actual \$
3 OTHER OPERATING EXPENSES		
Audit of Financial Statements	14,159	13,994
Complaints	64,941	82,979
Communications & Information	97,874	87,355
Research	112,213	140,422
Travel, Accommodation & Training	82,149	75,237
Rent	47,056	34,212
Office Expenses	114,878	77,341
	533,270	\$511,540

Notes to the Financial Statements continued

for the year ended 30 June 2006

	2006 Actual \$	2005 Actual \$
4 CASH, BANK & TERM DEPOSITS		
Cash on hand:		
Petty Cash	100	100
Banks:		
Current Account	16,418	(1,967)
Ready Access and Term Deposit Accounts	567,326	495,124
	\$583,844	\$493,257

The BSA has an unsecured overdraft facility of \$5,000 (2005: \$5,000). The current interest rate on the bank overdraft is 15.70% p.a. (2005: 15.00%). This is a floating rate set quarterly by the bank.

The BSA has a Mastercard facility with Westpac Bank of \$15,000 (2005: \$20,000). The average interest rate for term deposits at year end was 6.96% per annum (2005: 6.8%).

	2006 Actual \$	2005 Actual \$
5 DEPRECIATION		
Asset Class		
Computer Equipment	24,265	21,781
Furniture & Fittings	7,347	3,544
Leasehold Improvements	18,483	2,266
Photocopier	7,755	0
Office Equipment	3,450	1,976
Art Works	1,744	1,000
TOTAL DEPRECIATION	\$63,044	\$30,567

Notes to the financial statements continued

for the year ended 30 June 2006

6 FIXED ASSETS

2006			2005
8,432	Artworks	At cost	6,687
(8,432)		Accumulated depreciation	(6,687)
0		Net current value	0
404 770	0		404.770
124,770 (104,333)	Computer Equipment	At cost Accumulated depreciation	124,770 (80,067)
		·	
20,437		Net current value	44,703
70 057	Furniture & Fittings	At cost	73,985
(50,286)	r di filicai e ex ficcings	Accumulated depreciation	(42,939)
		·	
28,571		Net current value	31,046
149,937	Leasehold Improvements	At cost	150,195
(86,107)	Loadonola improvemento	Accumulated depreciation	(67,624)
		Net current value	
63,830		Net current value	82,571
47,720	Photocopier	At cost	19,725
(27,480)		Accumulated depreciation	(19,725)
20,240		Net current value	0
37,758	Office Equipment	At cost	36,390
(26,015)		Accumulated depreciation	(22,565)
11,743		Net current value	13,825
447,474	TOTAL FIXED ASSETS	At cost	411,752
(302,653)		Accumulated depreciation	(239,607)
\$144,821		Net current value	\$172,145

Notes to the Financial Statements continued

for the year ended 30 June 2006

7 RECONCILIATION OF THE NET OPERATING SURPLUS / (DEFICIT) WITH NET CASH FLOWS FROM OPERATING ACTIVITIES FOR THE YEAR

	2006 Actual \$	2005 Actual S
Reported Surplus For The Year	77,007	59,217
Add Non-Cash Items:		
Depreciation	63,044	30,567
Add Movements in Other Working Capital Items:		
(Increase) / Decrease in Accounts Receivable and Accruals	(21,679)	2,174
Increase / (Decrease) in Accounts Payable	(403)	68,300
Increase / (Decrease) in Employee Entitlements	(1,270)	21,907
(Increase) / Decrease in Net GST Receivable	9,035	(15,310)
(Increase) / Decrease in Prepayments	573	1,134
NET CASH FLOW FROM OPERATING ACTIVITIES	\$126,307	\$167,989

8 FINANCIAL INSTRUMENTS

The BSA is party to financial instrument arrangements as part of its everyday operations. These financial instruments include instruments such as bank balances, investments and accounts receivable.

Credit Risk

In the normal course of its business, the BSA incurs credit risk from trade debtors, and transactions with financial institutions. The BSA does not require any collateral or security to support financial instruments with financial institutions that the BSA deals with, as these entities have high credit ratings. For its other financial instruments the BSA does not have significant concentrations of credit risk.

The fair value of financial instruments is equivalent to the carrying amount disclosed in the Statement of Financial Position.

Foreign Currency and Interest Rate Risk

The BSA does not have any significant exposure to interest rate or foreign currency risk.

9 RELATED PARTY INFORMATION

The BSA is a wholly owned entity of the Crown. The Government provides a major source of revenue via the Ministry for Culture and Heritage. The provision of these funds is on an arm's length basis and is not considered to be a related party transaction. There were no other related party transactions.

Appendix 1:

Decisions Statistics

Complaints Received and Decisions Issued: July 1990 - June 2006

July 2005 – June 2006	Complaints Received:	153	Decisions Issued:	156
July 2004 – June 2005	Complaints Received:	184	Decisions Issued:	214
July 2003 – June 2004	Complaints Received:	196	Decisions Issued:	203
July 2002 - June 2003	Complaints Received:	171	Decisions Issued:	190
July 2001 – June 2002	Complaints Received:	186	Decisions Issued:	268
July 2000 – June 2001	Complaints Received:	197	Decisions Issued:	203
July 1999 – June 2000	Complaints Received:	206	Decisions Issued:	255
July 1998 – June 1999	Complaints Received:	204	Decisions Issued:	184
July 1997 – June 1998	Complaints Received:	174	Decisions Issued:	177
July 1996 – June 1997	Complaints Received:	206	Decisions Issued:	199
July 1995 – June 1996	Complaints Received:	179	Decisions Issued:	171
July 1994 – June 1995	Complaints Received:	162	Decisions Issued:	144
July 1993 – June 1994	Complaints Received:	168	Decisions Issued:	151
July 1992 – June 1993	Complaints Received:	159	Decisions Issued:	144
July 1991 – June 1992	Complaints Received:	106	Decisions Issued:	76
July 1990 – June 1991	Complaints Received:	52	Decisions Issued:	45

Decisions by Main Standard

Figures in brackets are previous year's

	Balance Fairnes: Accura	s/	Good Taste & Decency		Children's Interests		Privacy		Denigration/ Discrimination		Violence		Other	1
Not upheld	37 ²	(81)	67	(29)	11	(19)	6	(17)	7	(14)	1	(4)	8	
Upheld	11	(29)	3	(5)	1	(3)	1	(1)	_	(4)	_	(-)	3	
Total	48	(110)	70	(34)	12	(22)	7	(18)	7	(18)	1	(4)	11	

Includes 4 interlocutory applications, 1 no jurisdiction, 2 social responsibility not upheld, 1 liquor not upheld, 2 programme classification upheld, 1 'action taken' upheld

⁵ were declined to determine

Decisions by Broadcaster

Figures in brackets are previous year's

	Decision	ns	Declined to determine/ Interlocutory		Not uph	eld	Upheld		Order	5
TVNZ	62	(131)	6	(6)	44	(105)	12	(20)	5	(5)
CanWest TVWorks	61	(28)	2	(-)	56	(20)	3	(8)	1	(3)
SKY TV	1	(2)	_	(-)	1	(1)	_	(1)	-	(1)
Telstra Clear	_	(1)	_	(-)	_	[-]	_	(1)	-	(1)
Māori Television	2	(1)	_	(1)	2	[-]	_	(-)	-	(-)
Prime TV	3	(–)	_	(-)	1	(-)	2	[-]	1	(-)
Other TV	_	(2)	_	(-)		(2)	_	[-]	-	(-)
CanWest RadioWorks	6	(8)	_	(-)	5	(4)	1	(4)	1	(1)
Radio NZ	11	(13)	1	(1)	10	(10)	_	(2)	-	(1)
The Radio Network	7	(24)	1	(-)	6	(22)	_	(2)	-	(1)
Other Radio	3	(4)	_	(-)	2	(2)	1	(2)	_	(1)
TOTAL	156	(214)	10	(8)	127	(166)	19	(40)	8	(14)

Decisions by Television Network and Genre 2005/06

Figures in brackets represent number of complaints upheld

	Tota		News		Current Affairs		Drama		Documentary		Promos		Other	
TVNZ	62	(12)	13	(4)	18	(3)	7	(1)	8	[1]	5	(1)	11	(2)
CanWest	61	(3)	3	(2)	12						2	(1)	44³	
Māori	2	(-)											2	
Prime	3	(2)			2	(1)					1	[1]		
Other	1	(-)											1	
	129	(17)	16	(6)	32	(4)	7	(1)	8	(1)	8	(3)	58	(2)

Decisions by Radio Station and Genre 2005/06

Figures in brackets represent number of complaints upheld

	Total		News	Current Affairs /	′ Talk	Music	Oth		
National Radio	11			11					
Newstalk ZB	3			2			,	l	
Radio Live	2	(1)		2	(1)				
Other	11	(1)	2	5			2	1	(1)
	27	(2)	2	20	(1)		5	5	(1)

Appendix 2:

Decisions Detail by finding and standard

Decision No.	Complainant	Broadcaster	Programme	Nature of the complaint	Standards	Finding	Order
		Up	held wit	h order (by standa	ard)		
2005-051	Calcinai	TVNZ	One News	Item on 'Black Power bullies' in Hawke's Bay school unfair and innaccurate	Accuracy, fairness	Upheld	Costs to the Crown of \$1500
2005-081	Continental Car Services Ltd	TVNZ	One News	Item on car importer certifying imported cars unfair as alleged that importer engaging in illegal trade practices	Balance, fairness, accuracy	Upheld (fairness, accuracy)	Broadcast of statement, legal costs of \$5283, costs to the Crown of \$2500
2005–115	Osmose New Zealand	TVNZ	Close Up	Item about T1.2 timber unbalanced, inaccurate and unfair as did not present argument supporting use of the product	Balance, fairness, accuracy	Upheld	Broadcast statement, legal costs \$5000, Costs to the Crown \$2000
2005–140	Osmose New Zealand	TVNZ	One News	Item about T1.2 timber inaccurate and unfair as it one-sidedly criticised the product	Fairness, accuracy	Upheld	Broadcast statement, legal costs \$1500, Costs to the Crown \$1000
2005-080	Network Communications Ltd	CanWest Radioworks	Radio Live	Unfair for host to make derogatory comments about a PR company and its director for its involvement in NZ Hockey rebranding, when he named the wrong company	Fairness, accuracy	Upheld (accuracy)	Broadcast statement
2005-049	Harris	CanWest TVWorks	3 News	3 News item showed complainant in same shot as person accused of child pornography offences – breach of privacy and unfair because suggested complainant was the accused	Privacy, fairness	Upheld (fairness)	Costs to the Crown of \$3000
2005-052	Dr X	Prime	Holmes	Item about accident during oral surgery unbalanced, inaccurate and unfair to surgeon involved	Action taken, law and order, fairness, accuracy	Upheld (fairness, accuracy)	Broadcast statement, legal costs of \$3000
2005–101	Tuwhangai	TVNZ	DNZ: Waiting Lists	Documentary on waiting lists unfair to members of pictured marae – should have broadcast correction	Action taken	Upheld	Broadcast statement

Decision No.	Complainant	Broadcaster	Programme	Nature of the complaint	Standards	Finding	Order
		L	Jpheld, r	no order (by stand	ard)		
2005-085	Dewar	TVNZ	One News	Statistics about number of deaths at Chernobyl inaccurate	Accuracy	Upheld	No order
2006-009	Hegarty on behalf of Auckland City Police	CanWest TVWorks	3 News	Item about positioning of police security camera unbalanced, unfair and inaccurate	Balance, fairness, accuracy	Upheld (accuracy)	No order
2005-077	Hoskin	CanWest TVWorks	Promo for The Mummy Returns	Promo during news hour contrary to children's interests	Children's interests	Upheld	No order
2005–103	The Māori Party	Raukawa FM	Labour Party Election Advertisement	Misrepresented Māori Party's voting in Parliament	Elections, accuracy	Upheld	No order
2005–109	McNaughton	Prime	Promo for A Thing Called Love	Promo at 7.10pm inappopriate due to sexual content	Good taste and decency, programme classification, children's interests	Upheld (programme class)	No order
2005–137	Valenta	TVNZ	Eating Media Lunch	Scenes showing naked news presenters engaging in sexual conduct	Good taste and decency	Upheld	No order
2005–137	Morrish	TVNZ	Eating Media Lunch	Scenes showing naked news presenters engaging in sexual conduct	Good taste and decency	Upheld	No order
2006-037	Lilley	TVNZ	Teenage Caveman	Sexual material and violence in movie breached standards of good taste and decency	Good taste and decency	Upheld	No order
2005–129	Balfour	TVNZ	20/20	Breach of privacy – broadcast footage taken while camera crew on complainant's property without permission	Privacy	Upheld	No order
2006-013	Toomer	TVNZ	Sunday	Item identifying complainant unfair and breached privacy	Privacy, fairness	Upheld (fairness)	No order
2005–119	Fletcher	TVNZ	Promo for Desperate Housewives	Promo shown during NZ Idol inappropriate due to sexual content	Programme classification, children's interests	Upheld (programme class)	No order

Decision No.	Complainant	Broadcaster	Programme	Nature of the complaint	Standards	Finding
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			Not u	pheld (by standard)		
2005–110	Pearson	CanWest RadioWorks	Solid Gold FM	Inaccurate explanation of why programme going off air	Accuracy	Not upheld
2005–108	Dunbar	TVNZ	One News	Poll predicting makeup of Parliament inaccurate as did not take into account likely overhang created by Maori Party (28 August)	Accuracy	Not upheld
2005–108	Dunbar	TVNZ	One News	Poll predicting makeup of Parliament inaccurate as did not take into account likely overhang created by Maori Party (4 September)	Accuracy	Not upheld
2005–134	Rangihuna	TVNZ	Frontier of Dreams	Assertions about the first people to settle Aotearoa inaccurate	Accuracy	Not upheld
2005-089	Shepherd	Radio New Zealand	Morning Report	Inaccurate to refer to coalition government as 'Labour government' or 'Labour-led government'	Accuracy, fairness	Not upheld
2005-098	Shepherd	TVNZ	Close Up	Inaccurate to refer to coalition government as 'Labour government'	Accuracy, fairness	Not upheld
2005-033	Philips	Radio New Zealand	The Treaty Debates	Unbalanced discussion of Treaty of Waitangi issues	Balance	Not upheld
2005-046	Toovey	Radio New Zealand	Morning Report	Unbalanced discussion of republicanism in NZ	Balance	Not upheld
2005-047	Gibson	SKY	Parliamentary Question Time	Unbalanced because showed deputy PM when he was not answering or asking questions	Balance	Not upheld
2005-082	Robinson	TVNZ	Sunday: The Monster of Berhampore	Item on now deceased alleged child abuser unbalanced because did not explore the possibility of the accused's innocence	Balance	Not upheld
2005–120	Boyce	TVNZ	Agenda	Unbalanced political discussion	Balance	Not upheld
2006-027	Jones	CanWest TVWorks	60 Minutes	Programme on street prostitution in Christchurch allegedly unbalanced	Balance	Not upheld
2005-059	Wishart	TVNZ	Agenda	Unbalanced discussion of John Tamihere – Investigate magazine controversy	Balance, accuracy	Not upheld
2005-051	Adams	TVNZ	One News	Item about Hawke's Bay school regarding 'Black Power bullies' lacked balance and was unfair to the pupils of the school	Balance, accuracy, fairness, children's interests	Not upheld
2005-075	Cahill	TVNZ	Michael Jackson's Mind	Unbalanced, and unfair to Michael Jackson	Balance, fairness	Not upheld
2005-057	Bercic	CanWest TVWorks	60 Minutes	Unbalanced discussion on causes of Māori youth offending	Balance, fairness, accuracy	Not upheld
2005–104	Sanders	TVNZ	Close Up	Programme on MeNZB vaccination campaign inaccurate, unbalanced and unfair to one participant	Balance, fairness, accuracy	Not upheld
2005–100	Road Transport Forum New Zealand Inc	CanWest TVWorks	60 Minutes	Item on truck safety and drug use among truck drivers unabalanced, unfair and inaccurate	Balance, fairness, accuracy	Not upheld
2005–125	Powell	CanWest TVWorks	Inside New Zealand: Leaving the Exclusive Brethren	Programme about people leaving Exclusive Brethren unbalanced and unfair	Balance, fairness, accuracy	Not upheld
2005–135	Kawas	TVNZ	One News	Unbalanced discussion about Turkey's entry to EU and human rights in Turkey	Balance, fairness, accuracy	Not upheld
2005-088	Hutchins	Māori TV	Toi Whakaari	Kapa haka violent and unsuitable for children	Children's interests	Not upheld
2005-077	Hoskin	CanWest TVWorks	Promo for The Mummy Returns	Promo broadcast after 7pm contrary to children's interests	Children's interests	Not upheld
2005-094	Mace	TVNZ	Invader Zim	Cartoon too violent and inappropriate for children	Children's interests	Not upheld

Decision No.	Complainant	Broadcaster	Programme	Nature of the complaint	Standards	Finding
2006-032	VoTE	TVNZ	Coronation Street	Storyline involving self-inflicted death of character 'Katy' was contrary to children's interests	Children's interests	Not upheld
2005–116	VoTE	TVNZ	One News	Violent material in item on killings in Kenya	Children's interests, violence	Not upheld
2006-033	VoTE	TVNZ	One News	Item showing naked Iraqi prisoners contrary to children's interests and too violent	Children's interests, violence	Not upheld
2005-058	Rigarlsford	The Radio Network	Newstalk ZB	Unfair of host to call caller 'bigoted silly old man'	Fairness	Not upheld
2005–118	Gibson	Radio New Zealand	Nine to Noon	Unfair of presenter to call politician a liar	Fairness	Not upheld
2005-093	Bisset	TVNZ	Te Karere	Comment about WTO all being pakeha denigratory of pakeha	Fairness (denigration)	Not upheld
2006-022	McKee	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Fairness (denigration)	Not upheld
2006-022	Ryan	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Fairness (denigration)	Not upheld
2005–055	Boyce	TVNZ	Expose: A Question of Justice	Documentary about David Bain murders unfair to David Bain	Fairness, violence	Not upheld
2006-022	Gibbs	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, balance, accuracy, fairness (denigration), children's interests	Not upheld
2006–022	O'Connor	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, law and order, fairness (denigration), violence	Not upheld
2005–124	Stratford	TVNZ	Facelift	Blasphemy in comedy programme inappropriate	Good taste and decency	Not upheld
2005–074	Salas	TVNZ	Seven Periods with Mr Gormsby	Offensive to show scene of boy being threatened with sodomy by teacher	Good taste and decency	Not upheld
2005–087	Mackie	TVNZ	Seven Periods with Mr Gormsby	Portrayal of female teachers and Māori teachers offensive	Good taste and decency	Not upheld
2005-054	Hadfield	Radio New Zealand	Nine to Noon	Inappopriate language [12 April]	Good taste and decency	Not upheld
2005-054	Hadfield	Radio New Zealand	Nine to Noon	Inappropriate language [14 April]	Good taste and decency	Not upheld
2005-054	Hadfield	Radio New Zealand	Today in Parliament	Inappropriate language	Good taste and decency	Not upheld
2005-054	Hadfield	Radio New Zealand	Saturday Morning	Inappropriate language	Good taste and decency	Not upheld
2005-054	Hadfield	Radio New Zealand	Nine to Noon	Inappropriate language	Good taste and decency	Not upheld
2005-092	McClean	TVNZ	Dancing with the Stars	Sexual comments offensive	Good taste and decency	Not upheld
2005–107	Porter	The Radio Network	Newstalk ZB	Inappropriate language in film review	Good taste and decency	Not upheld
2005–117	Wilkinson	TVNZ	Distraction	Comedy quiz show inappropriate due to nudity	Good taste and decency	Not upheld
2005–132	Anderson	TVNZ	Distraction	Language in comedy quiz show inappropriate	Good taste and decency	Not upheld
2006-002	Callman	Radio New Zealand	Afternoons with Jim Mora	Inappropriate language	Good taste and decency	Not upheld
2006-008	Steel	The Radio Network	Radio Sport	Inappropriate language by radio host	Good taste and decency	Not upheld
2006-009	Francis	TVNZ	The Gathering Storm	Use of swear word in movie	Good taste and decency	Not upheld
2006-017	Cook	The Radio Network	Radio Sport	Use of swear word	Good taste and decency	Not upheld
2006-015	Parkes	CanWest RadioWorks	The Edge	Discussion of giving girls herpes breached standards of good taste and decency	Good taste and decency	Not upheld

Decision No.	Complainant	Broadcaster	Programme	Nature of the complaint	Standards	Finding
2006-022	Bailey	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency	Not upheld
2006-022	Burrowes on behalf of Burrowes & Co	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency	Not upheld
2006-022	D'Souza	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency	Not upheld
2006-022	Duignan & Havell	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency	Not upheld
2006-022	Findlay	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency	Not upheld
2006-022	Fitzgibbon	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency	Not upheld
2006-022	Gibson	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency	Not upheld
2006-022	Kitchen	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency	Not upheld
2006-022	Matheson	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency	Not upheld
2006-022	O'Leary	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency	Not upheld
2006-022	Simmons	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency	Not upheld
2006-029	Ross	CanWest TVWorks	Campbell Live	Item showing picture of 'Bloody Mary' cocktail to refer to controversial South Park episode offensive	Good taste and decency	Not upheld
2006-022	Barker	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, accuracy	Not upheld
2006-022	Holland	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, balance, accuracy, fairness (denigration)	Not upheld
2005-091	Martin	CanWest TVWorks	Campbell Live	Offensive to call Duke of Edinburgh a 'dork'	Good taste and decency, balance, fairness	Not upheld
2005–141	Dixon	TVNZ	Close Up	Item on use of 'Jesus' as swear word – alleged breach of good taste and decency, balance, fairness	Good taste and decency, balance, fairness	Not upheld
2005–097	Richardson	CanWest TVWorks	Popetown	Popetown cartoon in breach of good taste and decency and denigratory of Catholics	Good taste and decency, balance, fairness (denigration)	Not upheld
2005–128	Berney	CanWest TVWorks	Popetown	Popetown cartoon in breach of good taste and decency and denigratory of Catholics	Good taste and decency, balance, fairness (denigration), children's interests	Not upheld
2006-012	Cox	TVNZ	Close Up	Clip showing 'Jesus' singing and dancing offensive	Good taste and decency, balance, fairness (denigration), programme information, children's interests	Not upheld
2006-012	Flinn	TVNZ	Close Up	Clip showing 'Jesus' singing and dancing offensive	Good taste and decency, balance, fairness (denigration), programme information, children's interests	Not upheld
2006-012	McPherson	TVNZ	Close Up	Clip showing 'Jesus' singing and dancing offensive	Good taste and decency, balance, fairness (denigration), programme information, children's interests	Not upheld
2006-012	Walker	TVNZ	Close Up	Clip showing 'Jesus' singing and dancing offensive	Good taste and decency, balance, fairness (denigration), programme information, children's interests	Not upheld

Decision No.	Complainant	Broadcaster	Programme	Nature of the complaint	Standards	Finding
2005-056	Wolf	TVNZ	Eating Media Lunch	Show unfair to celebrity flatmates	Good taste and decency, balance, fairness, accuracy, programme information	Not upheld
2005-064	Hutchins	Māori TV	Toi Whakaari	Kapa haka violent and unsuitable for children	Good taste and decency, children's interests	Not upheld
2005-079	Pollard	TVNZ	Border Patrol	Footage of cruelty to animals offensive	Good taste and decency, children's interests	Not upheld
2005–106	Duncan	CanWest TVWorks	60 Minutes	Footage of teenagers committing animal cruelty offences inappropriate and contrary to children's interests	Good taste and decency, children's interests	Not upheld
2005–112	Bishop Denis Browne on behalf of the New Zealand Catholic Bishops Conference	CanWest TVWorks	Popetown 'Trapped'	Cartoon set in fictional Vatican City breached standards of good taste and decency, fairness and denigration	Good taste and decency, denigration, fairness	Not upheld
2005–112	Bishop Denis Browne on behalf of the New Zealand Catholic Bishops Conference	CanWest TVWorks	Popetown 'Possessed'	Cartoon set in fictional Vatican City breached standards of good taste and decency, fairness and denigration	Good taste and decency, denigration, fairness	Not upheld
2005–112	Bishop Denis Browne on behalf of the New Zealand Catholic Bishops Conference	CanWest TVWorks	Popetown 'A Family Affair'	Cartoon set in fictional Vatican City breached standards of good taste and decency, fairness and denigration	Good taste and decency, denigration, fairness	Not upheld
2005–131	BP Oil NZ Ltd	CanWest RadioWorks	Radio Live	Comments by talkback host about BP and its Communications Manager unfair	Good taste and decency, fairness	Not upheld
2006-022	Brathwaite	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, fairness (denigration)	Not upheld
2006-022	Bishop Denis Browne on behalf of the New Zealand Catholic Bishops Conference	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, fairness (denigration)	Not upheld
2006-022	Corby	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, fairness (denigration)	Not upheld
2006-022	Devoy	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, fairness (denigration)	Not upheld
2006-022	Forsman	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, fairness (denigration)	Not upheld
2006-022	Joyce	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, fairness (denigration)	Not upheld
2006-022	McMurchy	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, fairness (denigration)	Not upheld
2006-022	Milne	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, fairness (denigration)	Not upheld
2006-022	Orange	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, fairness (denigration)	Not upheld
2005-096	Leaper	CanWest TVWorks	Popetown	Popetown cartoon in breach of good taste and decency and denigratory of Catholics	Good taste and decency, fairness (denigration)	Not upheld
2005-062	Bridson	TVNZ	Coke Countdown	Music videos in breach of good taste and decency, children's interest and denigration	Good taste and decency, fairness (denigration), children's interests	Not upheld
2006-022	Calvert	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, fairness (discrimination)	Not upheld
2006-022	Legg	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, fairness (discrimination)	Not upheld

Decision No.	Complainant	Broadcaster	Programme	Nature of the complaint	Standards	Finding
2006-022	Baird	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, fairness, fairness (denigration)	Not upheld
2005-063	Luiten	CanWest TVWorks	Campbell Live	Unfair to show animation of cream pie being pushed into face of cabinet minister Hon George Hawkins	Good taste and decency, fairness, violence	Not upheld
2005-060	Panasiuk	TVNZ	Eating Media Lunch	Offensive to show presenter putting cat in a microwave	Good taste and decency, law and order	Not upheld
2006-022	Pepping	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, law and order, balance, fairness (denigration)	Not upheld
2006-022	Hickman, on behalf of lan McCulloch, Cochrane & Co	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, law and order, fairness (denigration)	Not upheld
2006-022	Richardson	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, law and order, fairness (denigration), programme information, children's interests	Not upheld
2006-022	Malone on behalf of Family Life International (NZ)	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, law and order, fairness, fairness (denigration)	Not upheld
2006-022	van Osta	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, privacy, accuracy, fairness, fairness (denigration), programme information	Not upheld
2005–111	McArthur	CanWest TV Works	Popetown	Popetown cartoon in breach of good taste and decency and denigratory of Catholics	Good taste and decency, privacy, balance, fairness (denigration), accuracy, programme information	Not upheld
2006-022	Hayes	CanWest TV Works	South Park	Episode showing statue of Virgin Mary offensive	Good taste and decency, privacy, fairness (discrimination)	Not upheld
2005-065	Hadfield	TVNZ	Promo for How Normal Are You?	Inappropriate for children	Good taste and decency, programme classification, children's interests	Not upheld
2005-076	Bond	Prime	Holmes	ltem on strip club offensive	Good taste and decency, programme classification, children's interests	Not upheld
2005-065	Hadfield	TVNZ	Promo for <i>Bad</i> <i>Girls</i>	Inappropriate for children [18 April]	Good taste and decency, programme classification, children's interests, violence	Not upheld
2005-065	Hadfield	TVNZ	Promo for Bad Girls	Inappropriate for children [27 April]	Good taste and decency, programme classification, children's interests, violence	Not upheld
2005-065	Hadfield	TVNZ	Promo for Bad Girls	Inappropriate for children [2 May]	Good taste and decency, programme classification, children's interests, violence	Not upheld
2006-038	Sturt	The Radio Network	Radio Sport	Host's reference to 'thieving Arab bastards' breach of good taste and decency and denigratory	Good taste and decency, social responsibility (denigration)	Not upheld
2005–102	Cozens	TVNZ	Bogan's Heroes	Programme's violent and indecent content offensive	Good taste and decency, violence	Not upheld
2006-036	Orsulich	TVNZ	The Canterbury Tales	Scene with person getting branded on backside with red hot poker breach of standards	Good taste and decency, violence	Not upheld
2005–133	Gregory	TVNZ	Expose: After the Act	Programme on effect of Prostitution Law Reform Act on prostitution unbalanced as was supportive of prostitution	Law and order, balance, accuracy	Not upheld
2005-084	Gotlieb	CanWest TVWorks	60 Minutes	Item on Craig Jackson's killing of partner breach of law and order standard, unbalanced, unfair and inaccurate	Law and order, balance, fairness, accuracy	Not upheld

	Complainant	Broadcaster	Programme	Nature of the complaint	Standards	Finding
2005-084	Jackson	CanWest TVWorks	60 Minutes	Item on Craig Jackson's killing of partner breach of law and order standard, unbalanced, unfair and inaccurate	Law and order, balance, fairness, accuracy	Not upheld
2005–099	Jonson	CanWest RadioWorks	Various stations: News	Item on appeal against animal neglect convictions unfair, inaccurate and unbalanced	Law and order, privacy, balance, fairness, accuracy, tape retention	Not upheld
2006-003	McDonald	TVNZ	Close Up	Comments by presenter amounted to advocating liquor consumption	Liquor	Not upheld
2005-026	Grout	CanWest TVWorks	3 News	Breach of privacy to show striking workers at port	Privacy	Not upheld
2005-061	Venning	CanWest TVWorks	Sunday	Programme about marketing of 42 Below vodka breached privacy of participant	Privacy	Not upheld
2006-034	Malone	The Radio Network	Newstalk ZB	Use of name to abuse complainant on-air amounted to breach of privacy	Privacy	Not upheld
2005-095	Freedman	TVNZ	Close Up	Unfair, inaccurate and unbalanced item on funeral director	Privacy, balance, fairness, accuracy	Not upheld
2005–123	Cathro	George FM	Morning Show	Comments made about complainant's objections to local council allegedly breached privacy and unfair	Privacy, balance, fairness, accuracy	Not upheld
2005-034	Rupa	TVNZ	Renters	Unfair to show dispute between rental agent and tenant	Privacy, balance, fairness, accuracy	Not upheld
2005-022	Johnston	TVNZ	DNZ: Life on the Street	Breach of privacy and unfair to show homeless man living on street; also breached privacy of family	Privacy, fairness	Not upheld
2005-024	Barraclough	CanWest TVWorks	60 Minutes	Breach of privacy to show teenaged boys in shop with runaway teenaged girl	Privacy, fairness	Not upheld
2005-069	Anton	CanWest RadioWorks	More FM	Comment about caller to show unfair and breached privacy	Privacy, fairness	Not upheld
2005-090	McKenzie	95bfm	News	Inappropriate for dj to make lighthearted comments about murder in Feilding	Social responsibility	Not upheld
ID 2005-112	NZ Catholic	CanWest	Oth	ner (by standard) Interlocutory application requesting formal	Interlocutory application	Declined
10 2000 112	Bishops		т оровотт	interrection y application in equebiling formal	intochiodator y application	
	Conference (interlocutory)	TVWorks		hearing		
ID 2005– 112A	Conference	Twworks CanWest Twworks	Popetown	hearing Further interlocutory application requesting formal hearing	Interlocutory application	Declined
112A	Conference (interlocutory) NZ Catholic Bishops Conference (2nd	CanWest	Popetown Nine to Noon	Further interlocutory application requesting	Interlocutory application Interlocutory application	
112A 102005-083	Conference (interlocutory) NZ Catholic Bishops Conference (2 nd interlocutory) Benson-Pope	CanWest TVWorks	·	Further interlocutory application requesting formal hearing Interlocutory application for discovery of	,	Declined
112A D2005-083	Conference (interlocutory) NZ Catholic Bishops Conference (2nd interlocutory) Benson-Pope (interlocutory) Robinson	CanWest TVWorks Radio New Zealand	Nine to Noon	Further interlocutory application requesting formal hearing Interlocutory application for discovery of additional material Interlocutory application for discovery of	Interlocutory application	Declined Declined
112A 1D2005-083 1D2005-082 2006-011	Conference (interlocutory) NZ Catholic Bishops Conference (2nd interlocutory) Benson-Pope (interlocutory) Robinson (interlocutory)	CanWest TVWorks Radio New Zealand TVNZ	Nine to Noon Sunday	Further interlocutory application requesting formal hearing Interlocutory application for discovery of additional material Interlocutory application for discovery of additional material Inaccurate to state Osama Bin Laden	Interlocutory application Interlocutory application	Declined Declined Declined to determine (s11(b)) Declined
D2005-083 D2005-082 2006-011 2005-086	Conference (interlocutory) NZ Catholic Bishops Conference (2nd interlocutory) Benson-Pope (interlocutory) Robinson (interlocutory) Swinney	CanWest TVWorks Radio New Zealand TVNZ	Nine to Noon Sunday One News	Further interlocutory application requesting formal hearing Interlocutory application for discovery of additional material Interlocutory application for discovery of additional material Inaccurate to state Osama Bin Laden responsible for 9/11 attacks Inaccurate to refer to 'disputed territories'	Interlocutory application Interlocutory application Accuracy	Declined Declined Declined to determine (s11(b)) Declined jurisdicton (origonal complaint and referral made
112A 102005-083 102005-082 2006-011 2005-086	Conference (interlocutory) NZ Catholic Bishops Conference (2nd interlocutory) Benson-Pope (interlocutory) Robinson (interlocutory) Swinney Burns	CanWest TVWorks Radio New Zealand TVNZ TVNZ TVNZ	Nine to Noon Sunday One News One News Elections	Further interlocutory application requesting formal hearing Interlocutory application for discovery of additional material Interlocutory application for discovery of additional material Inaccurate to state Osama Bin Laden responsible for 9/11 attacks Inaccurate to refer to 'disputed territories' rather than 'occupied territories'	Interlocutory application Interlocutory application Accuracy Accuracy	Declined Declined Declined to determine (s11(b)) Declined jurisdicton (origon complaint and referral made by diff people) Decline to determine
	Conference (interlocutory) NZ Catholic Bishops Conference (2nd interlocutory) Benson-Pope (interlocutory) Robinson (interlocutory) Swinney Burns Cooper	CanWest TVWorks Radio New Zealand TVNZ TVNZ TVNZ	Nine to Noon Sunday One News One News Elections 2005	Further interlocutory application requesting formal hearing Interlocutory application for discovery of additional material Interlocutory application for discovery of additional material Inaccurate to state Osama Bin Laden responsible for 9/11 attacks Inaccurate to refer to 'disputed territories' rather than 'occupied territories' Format of election debates made programmes unbalanced Format of election debates made	Interlocutory application Interlocutory application Accuracy Accuracy Balance	Declined Declined Declined Declined to determine (s11(b)) Declined jurisdicton (origon complaint and referral made by diff people) Decline to determine (s11(b)) Decline to determine to determine

Decision No. Complainant Broadcaster Programme Nature of the complaint Standards Finding





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