

2025

**TE PŪRONGO  
MŌ NGĀ MAHI  
MŌ TE TAU  
STATEMENT OF  
PERFORMANCE  
EXPECTATIONS**

**MŌ TE TAU KA MUTU 30 PIPIRI 2025  
FOR THE YEAR ENDING 30 JUNE 2025**

# TAUĀKĪ WHAKAMANA STATEMENT OF AUTHORISATION

This SPE sets out our proposed performance targets and forecast financial information for the year ahead. It is produced in accordance with section 149E of the Crown Entities Act 2004 and should be read together with our Statement of Intent 2023-2027 (SOI).

The forecast financial statements and underlying assumptions in this document have been authorised as appropriate for issue by the board of the Broadcasting Standards Authority in accordance with its role under the Crown Entities Act 2004. It is not intended to update the forecast financial statements subsequent to presentation.



**Susie Staley**  
Toihau | Chair  
June 2024



**Pulotu Tupe Solomon-Tanoa'i**  
Mema | Member  
June 2024

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# TE ANGA RAUTAKI STRATEGIC FRAMEWORK



## Sector vision

Ki te puāwai te ahurea, Ka ora te iwi | Culture is thriving, The people are well



## BSA vision & purpose

**Our vision** is freedom in broadcasting without harm

**Our purpose** is to prevent harm to New Zealanders, while fairly balancing the broadcasters' right to freedom of expression and reflecting the values of New Zealand's liberal democratic society



## Overarching outcome/goal

**What we intend to achieve:**

New Zealanders can confidently engage with broadcast content that does not cause harm



## Impacts over time

**How we contribute and influence:**

- Providing an efficient complaints service which is accessible, agile and modern
- Making decisions about complaints that are fair, clear, robust and timely
- Ensuring decisions reflect the culture, attitudes and values of our diverse communities
- The standards and decisions are fit for purpose in a changing media environment

- Engaging with and educating broadcasters so that they understand and meet their standards obligations
- Engaging with and educating the public so they make informed decisions and safely manage broadcast content in their homes
- Working collaboratively on regulatory sector reform which reduces the risk of harm, protects free speech and promotes a healthy broadcasting industry



## Measuring our impact

- The public are aware of the broadcasting standards system
- Broadcasters and the public understand the standards
- Broadcasters and the public have a high level of trust and confidence in the system

- The public are aware of and use the tools available to safely manage broadcast content
- Broadcaster conduct, practices, policies and/or procedures are improved following the issue of a decision
- Our decisions reflect the attitudes and values of our diverse liberal democratic society



## Activities & services

**How we deliver:**

### Oversight and development of the broadcasting standards system

We oversee the broadcasting standards regime, work with broadcasters and others to set clear broadcasting standards, keep codes under review to reflect the contemporary environment, issue guidance, and undertake research which is relevant to the broadcasting standards regime.

### Complaints determination

We make determinations on breaches of the Codes of Broadcasting Practice and aim to offer an efficient service and issue robust, soundly reasoned, timely decisions that reflect the boundaries between freedom of expression and harm.

### Engagement and education

We engage with, and educate, the public and broadcasters so that they understand and can use the protections and guidance provided through the broadcasting standards system.

# TE WHAKATAKINGA INTRODUCTION

This SPE sets out how we measure our performance, and reports on progress against our targets. Results against these and the longer-term goals set out in our SOI are reported in our Annual Report.

## The year ahead

The BSA faces a challenging year ahead as we wait for regulatory reform. Over the last three years we have received increases to our Crown funding, the first increases in 20 years. This has allowed us to meet challenges posed by declining industry levies, inflation, and the reality that we are operating under increasingly obsolete legislation. Industry levies have remained higher than expected in the last two years, but this is not expected to continue. Recent industry closures, and signals that some broadcasters intend to move their operations to purely digital platforms, indicate the sector is facing difficult times as media consumption trends continue to evolve.

Each year it becomes more of a challenge to reach and engage with the public to educate them on broadcasting standards and ensure the Authority is reflecting community standards in its decision-making. Audiences are continuing to move away from linear television and radio at pace. Traditional broadcasting fulfils a vital role in presenting our national voice, and acting as a lifeline during emergencies, but people in Aotearoa now access the majority of their media content through online channels, whether that is YouTube, TikTok, Google, or other streaming sites and social media platforms. With our jurisdiction limited by statute, these online spaces remain largely unregulated, making it difficult to quantify the potential harm New Zealanders are experiencing.

Regulation remains fragmented, shared between a range of statutory, industry and other bodies in a manner that is confusing for the public. Some media providers are subject to multiple regulatory regimes and others subject to very little regulation. In the last three years, consultation was undertaken by the Department of Internal Affairs on the Safer Online Services and Media Platforms framework, which was intended to resolve some of this fragmentation. However, it remained unclear to us whether it would in fact simplify the currently confusing landscape, or simply

add another regulatory layer. With the SOSMP project now concluded with no further action to be taken, we look forward to further announcements about the Government's plans for modernising regulation of the media sector.

A strong and diverse news media is a cornerstone of a healthy democracy, contributing to transparency, social cohesion and informed debate on matters of public interest. The Fair Digital News Bargaining Bill is currently before Parliament and we continue to work with stakeholders and Manatū Taonga to support its progress. The Bill is designed to ensure New Zealand news media can bargain fairly with digital platforms, helping maintain a sustainable, independent media sector. News media companies are, to our knowledge, unanimous in their support, saying – while the Bill is not a silver bullet – it would make a positive difference.

If the BSA is appointed to administer and monitor the new framework, we will need to increase our capability and capacity, bringing on board the right skills and operational capacity to effectively administer the new regime. This will of course require us to work closely with the Government to ensure sustainable funding into the future.

Until legislative reform arrives, we will continue to fulfil our statutory functions to a high standard. Despite the shift away from traditional linear channels, there continues to be a role for broadcasting media. Our co-regulatory system serves the objective of free speech without harm, by upholding the standards New Zealanders expect to see reflected in their media.

**With our jurisdiction limited by statute ... online spaces remain largely unregulated, making it difficult to quantify the potential harm New Zealanders are experiencing.**

## Our focus

We will continue to support progress towards regulatory reform, and work closely with Manatū Taonga and our Minister to prepare for any proposed new roles and responsibilities. In the meantime, we continue to perform our core activities with excellence and continue the work we have done to streamline and optimise them to ensure value for money.

Our three key levers are complaints determination; oversight and development of the broadcasting standards system; and education and engagement.

Over the next year, we will give particular focus to:

### Ngā whakaminenga | Audiences

We want New Zealanders to have the information they need to make good decisions about the content they consume. Confident engagement with content is relevant to the safety, security, connectedness, wellness and development of communities.

Our streamlined Codebook, available in seven languages, has been well-received since its release in July 2022. We continue to look for new ways to engage with communities who we may not reach through traditional communication channels.

### Ngā whakapae | Complaints

We need to be excellent at our core job – maintaining an effective, responsive and quality complaints service. We will deliver robust, well-reasoned, timely and relatable decisions with the appropriate level of resource. Our decisions are informed by expert advice where appropriate, and tested through internal and external review.

### Mahitahi | Working collaboratively

At the heart of what we are trying to achieve is our work with a wide group of people – complainants, broadcasters, similar bodies, officials and community groups. While we are an independent regulator, change and impact comes through working with others.

Fragmentation of our content regulatory system is making it increasingly difficult to mitigate harm. We need a refreshed, modern regulatory system which reflects the contemporary environment, supports public media and a healthy democracy, and promotes the wellbeing of all New Zealanders. A simplification of the regulatory landscape, with flexibility to follow audiences to new territory, is our vision for the future, and we will support regulatory reform to achieve this.

### Ngā mahi pāhekoheko | Education and engagement

We need to ensure our external communications are appropriate, help educate people and show the value of free speech without harm. Awareness and informed engagement in the broadcasting standards system are particularly important for tamariki and rangatahi, and their parents and caregivers, who are faced with navigating a wide range of content. This includes ongoing work to build our cultural capability and reflect our commitment to the principles of Te Tiriti o Waitangi and Maihi Karauna. Most of our recurring research is now conducted on an alternating, biennial basis. Doing this allows us to target more funding towards externally focused work like engaging with audiences and broadcasters to find out what's important to them. We recognise that the ability to access and share stories about ourselves is an important part of cultural identity.

### Te tahua pūtea | Value for money

The trend for levy returns is downward over the long term (though they have remained more buoyant than predicted in the last two years). The major broadcasters and media companies are reporting falling profits, increased funding pressures, and continued struggles to drive digital advertising revenue. The closure of Newshub, and cuts to current affairs programming at TVNZ, show the difficulties the sector is facing.

We are forecasting a deficit in the next year. Systemic and ongoing audience migration will have an ongoing impact on broadcasters and their revenue, in addition to the challenges they are already facing. We will continue to keep a watchful eye on the levy trend over the next year and manage our costs to maintain reserves in line with prudent financial policy. We will work with Manatū Taonga to ensure our work preparing for contemplated reform is appropriately resourced.

### Te huringa o te rangi | Climate change

While a small agency, we have and will continue to make changes to reduce waste and our climate footprint. This includes measures such as use of digital filing systems, reducing flights, choosing EV rental vehicles, encouraging the use of shared and public transport, virtual meetings, operating office lighting on motion sensors, sharing office space with associated entities, flexible working arrangements and recycling.

**Ā mātou tāngata | Our people**

The wellbeing of those we interact with, our staff and board are of utmost importance. Internally, we have built an open, supportive and trusting environment which encourages the exchange of ideas. Put simply, our people care, and we care about our people. We value our reputation for professionalism, which we benchmark regularly, and we seek external advice to help us make the best decisions.

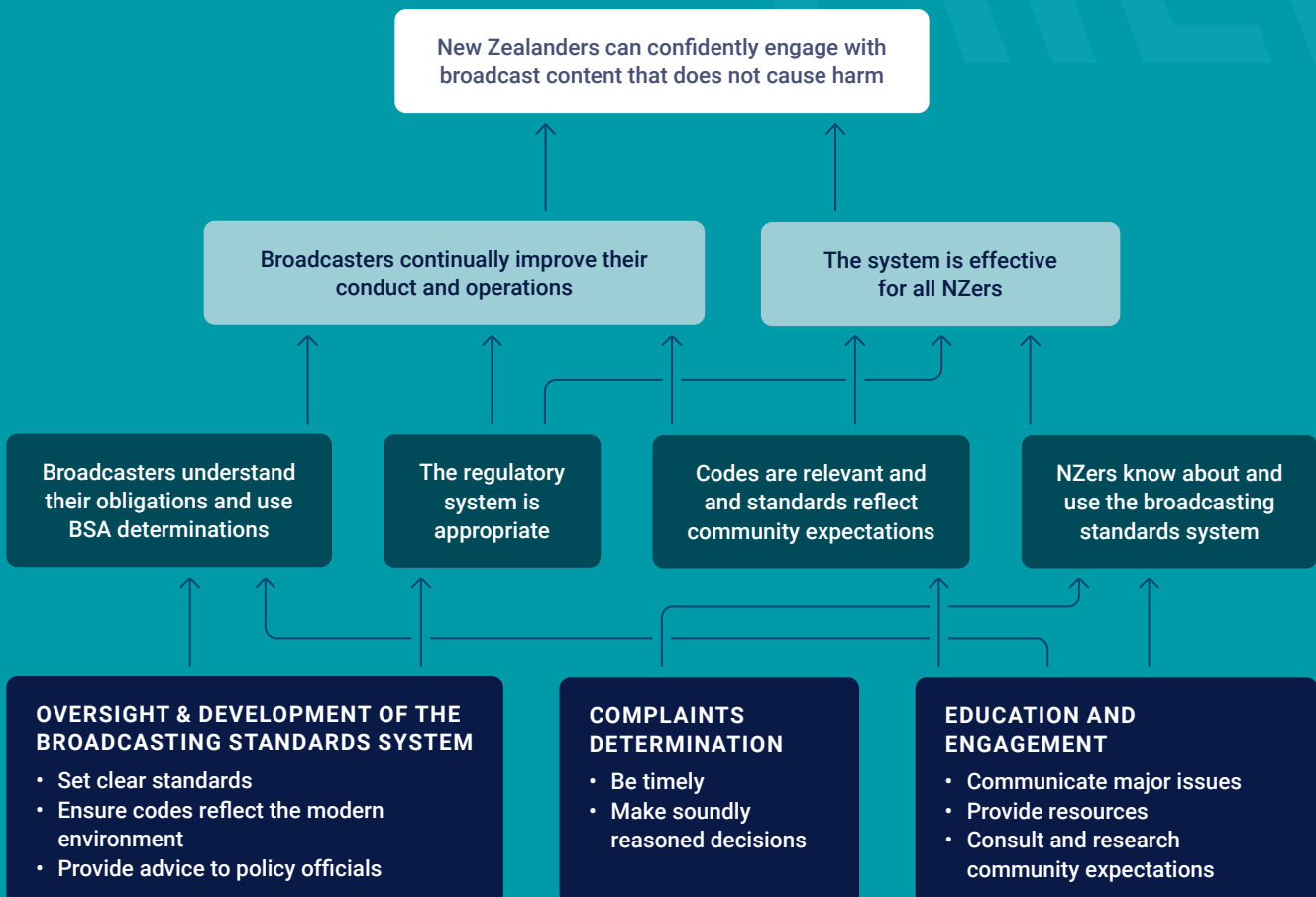
**Ā mātou paearu mahi | Performance measures**

This section sets out performance measures, targets, estimates and budgets for the year ending 30 June 2025, in accordance with the Crown Entities Act 2004, in relation to our core activities and services. It explains how our activities link to, influence and contribute to longer-term outcomes and the impact we intend to achieve as per our strategic framework (page 2).

**Te matapae pūtea | Forecast financial statements**

The forecast financial statements provide all appropriate information and explanations needed to fairly reflect the forecast financial operations and financial position of the BSA for the year ending 30 June 2025 in accordance with s149G of the Crown Entities Act 2004.

A simplification of the regulatory landscape, with flexibility to follow audiences to new territory, is our vision for the future, and we will support regulatory reform to achieve this.



# TE PAEARU MAHI ME NGĀ KAWATAU

## PERFORMANCE ASSESSMENT AND ANNUAL EXPECTATIONS

### 1

#### TE HĀTEPE WHAKAPAE COMPLAINTS DETERMINATION

We deal with complaints that broadcasters have breached the Codes of Broadcasting Practice. Most complaints go first to the broadcaster, and may be referred to the Authority if the complainant is not satisfied with the broadcaster's decision.

It is important that our decisions are of a high quality, fair, clear, robust, soundly reasoned and timely. They need to reflect the boundaries between freedom of expression and harm, and the changing media environment. They provide guidance to broadcasters and the public about how the standards apply. They should reflect the attitudes and values of our diverse liberal democratic society.

Through our decisions, we aim to maintain a high level of trust and confidence in the system so New Zealanders can willingly and safely engage with content. Performance of this class of outputs will be assessed through the measures below.

Output	Measure	Target 2024/25	Target 2023/24	Actual 2022/23	Actual 2021/22
1.1 Complaints management	Number of complaints and enquiries received	An estimated 150-180 formal complaints	An estimated 150-180 formal complaints	Achieved: 169 formal complaints	Achieved: 185 formal complaints
		800-950 enquiries*	800-950 enquiries*	593 enquiries	849 enquiries*
1.2 Complaints management	Timeliness	(a) 95% of complaints acknowledged within 3 working days	(a) 95% of complaints acknowledged within 3 working days	(a) Achieved – 100%	(a) Achieved – 100%
		(b) 90% of decisions issued within 20 working days of the board meeting at which the final decision is made	(b) 90% of decisions issued within 20 working days of the board meeting at which the final decision is made	(b) Achieved – 99%	(b) Achieved – 100%
1.3 Decisions are soundly reasoned	Quality	(a) External assessor agrees that the BSA's reasoning, process and/or interpretation in up to 5 decisions are appropriate and reasonable. Will take place biennially	(a) N/A this year – undertaken biennially	(a) Achieved An external review was undertaken on the BSA's reasoning and interpretation in decline to determine decisions under section 11 of the Broadcasting Act	(a) Achieved An external review was undertaken on the BSA's reasoning and interpretation of the accuracy standard



Output	Measure	Target 2024/25	Target 2023/24	Actual 2022/23	Actual 2021/22
		(b) High Court judgments on appeals taken against BSA decisions are analysed and applied in subsequent decisions to enable improvements to the BSA's reasoning and process	(b) High Court judgments on appeals taken against BSA decisions are analysed and applied in subsequent decisions to enable improvements to the BSA's reasoning and process	(b) Achieved One appeal upheld – decision analysed to enable improvements to the BSA's reasoning and process in future similar cases	(b) Achieved One appeal determined – dismissed in part with some specific issues referred back to the Authority in light of new evidence (resulting in amended decision)  A second appeal (which is ongoing) notified to the BSA in July 2021
1.4 Level of service	Quality	N/A this year – undertaken biennially	70% of complainants are satisfied with the BSA's service, processes and working relationships including telephone contact, written correspondence and staff professionalism. Will take place biennially	N/A this year – undertaken biennially.	Achieved Average of: 86% rated BSA's telephone contact as good or very good 87% rated BSA's staff professionalism as good or very good 81% rated BSA's written correspondence as good or very good
1.5 BSA decisions reflect community standards and are understood by the public	Quality	N/A this year – undertaken biennially	75% of a diverse group we litmus test decisions on relating to a particular standard, rank them as acceptable, good or very good on a 5-point scale in terms of how well they understand the reasoning and support the complaint outcome. Will take place biennially	N/A this year – undertaken biennially.	Achieved – 83% 5 decisions relating to accuracy tested

\* These numbers are an estimate based on recent averages. As the BSA cannot control the number of complaints it receives, the figure is being used as a measure to monitor workload and the resourcing needed to match it over time.

## TE UTU MŌ NGĀ MAHI WHAKAPAE COST OF COMPLAINTS DETERMINATION

	2023/24 Budget	2023/24 Estimated actual	2024/25 Budget
Total Revenue	\$895,520	\$980,780	\$956,420
Total Expenditure	\$1,087,233	\$903,377	\$1,079,830
% of Total Budget	58%	58%	58%

## 2

## TE TIROHANGA WHĀNUI ME TE WHAKAWHANAKETANGA O TE PUNAHA WHANONGA KAIPĀHO OVERSIGHT AND DEVELOPMENT OF THE BROADCASTING STANDARDS SYSTEM

We oversee the broadcasting standards regime, work with broadcasters and others to set clear broadcasting standards, and review Codes so they reflect the modern media and a diverse audience environment.

We undertake research and, where appropriate, provide resources to support broadcasters to understand their obligations. We work co-operatively and openly with other regulators and provide advice to policy officials on reform issues.

Our research enables us to understand the changing attitudes and expectations of our diverse communities, so these can be reflected in our decisions and the standards. Maintaining public awareness of the BSA, the standards and complaints system is critical. We measure our impact through a biennial survey.

Our decisions should lead to improvements in broadcaster conduct, policies, practices and/or procedures. Performance of this class of outputs will be assessed through the measures below.

Output	Measure	Target 2024/25	Target 2023/24	Actual 2022/23	Actual 2021/22
2.1 Codes remain relevant to the media environment to which they apply	Quality	Any issues raised in relation to the Codes of Broadcasting Practice are analysed and any issues for future improvement identified	Any issues raised in relation to the new Broadcasting Code are analysed and any issues for future improvement identified	Achieved <ul style="list-style-type: none"> <li>• 57% of broadcasters surveyed rated the new Code as better, or much better</li> <li>• Only 4% rated it as worse</li> <li>• The balance considered it 'the same' or ticked 'don't know/not applicable'</li> </ul>	Achieved Final version of new Code released in June to take effect 1 July 2022
2.2 Research is commissioned that is relevant to ensuring the standards are contemporary and community expectations are understood	Quality	One research and/or public consultation project is undertaken to explore community expectations and/or broadcasting standards requirements relevant to supporting a diverse media system	One research and/or public consultation project is undertaken to explore community expectations and/or broadcasting standards requirements relevant to supporting a diverse media system. This year's research investigates how harm in broadcasting affects different ethnic communities in Aotearoa New Zealand.	Achieved in part Research project undertaken in collaboration with Manatū Taonga (Ministry of Culture and Heritage) and Te Puni Kōkiri relating to use of Mātauranga Māori in the media. Report findings inform decisions regarding standards requirements in this area and offer content that will contribute to a future regulatory system. Report and summary material for the guidance of stakeholders has been published on our website.	Achieved Language that may offend in broadcasting report published in March 2022. Annual broadcaster survey indicates that 94% of the (18) broadcasters who reported having read the report found it valuable or very valuable

Output	Measure	Target 2024/25	Target 2023/24	Actual 2022/23	Actual 2021/22
2.3 Awareness of BSA and complaint process	Impact	65% of New Zealanders who consume broadcast media <sup>1</sup> are aware of the BSA and that they can make a formal complaint. Undertaken biennially.	N/A this year – undertaken biennially	Achieved in part 68% of New Zealanders are aware of the BSA and 61% aware they can make a formal complaint	N/A this year
2.4 Broadcasters are satisfied with the BSA's processes, services and working relationships	Impact	80% or more of broadcasters surveyed biennially rank BSA services (including processes) and working relationships as good or very good on a 5-point scale. Issues raised are analysed and addressed. Undertaken biennially.	N/A this year – undertaken biennially	Not achieved 78% – working relationships rated good or very good (N = 27) 72.4% rank services (including processes) good or very good (N=28) <sup>2</sup> Issues raised were analysed and addressed	Achieved 81% – working relationships rated good or very good (N = 31) 88.9% rank processes good or very good (N=9 broadcasters who had a complaint determined by the BSA in the previous 12 months)
2.5 Broadcasters understand the standards and meet their obligations	Impact	Broadcaster conduct, practices, and/or procedures are improved following issue of a decision or new guidelines. Assessed via 3 case studies	Broadcaster conduct, practices, and/or procedures are improved following issue of a decision or new guidelines. Assessed via 3 case studies	Achieved 3 case studies	Achieved 3 case studies
2.6 An agent for change in relation to the regulatory sector	Impact	Advice on regulatory sector reform is provided to and considered by officials. Evidence of collaborative work with others in the sector. Assessed via case study	Advice on regulatory sector reform is provided to and considered by officials. Evidence of collaborative work with others in the sector. Assessed via case study	Achieved 1 case study	Achieved 1 case study

## TE UTU MŌ NGĀ MAHI O TE PUNAHA WHANONGA KAIPĀHO

### COST OF OVERSIGHT AND DEVELOPMENT OF THE BROADCASTING STANDARDS SYSTEM

	2023/24 Budget	2023/24 Estimated actual	2024/25 Budget
Total Revenue	\$277,920	\$287,740	\$280,330
Total Expenditure	\$337,417	\$264,783	\$316,502
% of Total Budget	18%	17%	17%

1. Broadcast media means media delivered via 'broadcasting' as defined in the Broadcasting Act 1989. Measure adjusted this financial year to assess the percentage of New Zealanders "who consume broadcast media" as opposed to the general population, as a more effective measure of whether the BSA is reaching relevant audiences.
2. Measure adjusted in 2022/23 financial year to assess the broader 'services (including processes)' rather than simply 'processes' (the ratings for which were only sourced from the limited number of broadcasters who had had complaints determined by the BSA over the period). The expanded scope encompasses ratings for BSA's complaints processes/determination, communications, research and information provided.

## 3

## NGĀ MAHI PĀHEKOHEKO EDUCATION AND ENGAGEMENT

To ensure the broadcasting standards system is effective for all New Zealanders we have an important role in engaging with and educating broadcasters and the public on the standards and how they apply.

We also advise and inform the Government on issues relevant to the content regulatory framework. We strive to make our services accessible to all of New Zealand's diverse communities through digital and non-digital channels. We provide information and guidance through our website, BSA Pānui, X (Twitter) and LinkedIn, media releases, seminars and public consultation processes. We undertake activities to raise awareness of the BSA, broadcasting standards, and the complaints system. Our focus in this area is to prevent harm and to assist broadcasters to meet the standards.

Our aim is that all people from different cultures, backgrounds and abilities can access and benefit from the broadcasting standards system in New Zealand. Performance of this class of outputs will be assessed through the measures below.

Outcomes	Measure	Target 2024/25	Target 2023/24	Actual 2022/23	Actual 2021/22
3.1 Success of Communication and Engagement	Impact	Decisions and issues of high public interest or that provide particular guidance on the application of the standards are communicated effectively – whether via feedback to broadcasters; media releases; newsletters or social media. Assessed via a case study	Decisions and issues of high public interest or that provide particular guidance on the application of the standards are communicated effectively – whether via feedback to broadcasters; media releases; newsletters or social media. Assessed via a case study	Achieved 1 case study	Achieved 1 case study
3.2 Broadcasters understand the standards and meet their obligations	Quality	The BSA meets with, provides workshops and/or seminars 15 times annually to broadcasters or training institutions on issues relating to broadcasting standards so they understand them and meet their obligations	The BSA meets with, provides workshops and/or seminars 15 times annually to broadcasters or training institutions on issues relating to broadcasting standards so they understand them and meet their obligations	Achieved 15 meetings with broadcasters 8 seminars provided to broadcasters 4 seminars provided to training institutions	Achieved 53 meetings with broadcasters 12 seminars provided to broadcasters 4 seminars provided to training institutions
3.3 Māori, Asian, and Pasifika community awareness of the BSA and the ability to make a complaint is increased	Quality	65% of Māori, Asian, and Pacific Peoples who consume broadcast media <sup>3</sup> are aware of the BSA and the ability to make a complaint. Undertaken biennially	N/A this year – undertaken biennially	Aware of the BSA: • 49% – Māori • 38% – Pasifika • 42% – Asian  Aware they can make a formal complaint: • 58% – Māori • 43% – Pasifika • 42% – Asian	N/A this year – undertaken biennially

3. Broadcast media means media delivered via 'broadcasting' as defined in the Broadcasting Act 1989

Outcomes	Measure	Target 2024/25	Target 2023/24	Actual 2022/23	Actual 2021/22
3.4 Diverse New Zealand communities are encouraged and supported to participate in the broadcasting standards regime and engage safely with broadcast content	Quality	BSA provides 10 meetings, workshops or translated written guidance to Māori, Asian, and/or Pacific Peoples groups	BSA provides 10 meetings, workshops or translated written guidance to Māori, Asian, and/or Pasifika groups	Achieved 9 meetings/ workshops with 12 Māori, Asian and/or Pasifika groups  The following guidance released in multiple languages: <ul style="list-style-type: none"> <li>• Broadcasting Standards Codebook</li> <li>• Broadcaster publicity notice template</li> <li>• Guide to Choosing a Standard</li> <li>• Guide to the Complaints Process</li> <li>• 2023 Election Programmes Code</li> </ul>	Achieved 19 meetings/ workshops with Māori, Asian and/or Pasifika groups  Codebook in te reo Māori available in June 2022  The following guidance released in multiple languages: <ul style="list-style-type: none"> <li>• Complaints unlikely to succeed</li> <li>• Media release on Language that may offend in broadcasting survey</li> <li>• Classifications and timebands guide</li> </ul>
3.5 Complainants and broadcasters indicate high satisfaction with the usability and clarity of the website		At least 70% of broadcasters or complainants surveyed rate the BSA website as good or very good on a 5-point scale. Broadcasters and complainants will be surveyed in alternate years	At least 70% of broadcasters or complainants surveyed rate the BSA website as good or very good on a 5-point scale. Broadcasters and complainants will be surveyed in alternate years	Achieved 84% – Broadcasters	Achieved 84% – Broadcasters 74% – Complainants

## TE UTU MŌ NGĀ MAHI PĀHEKOHEKO COST OF EDUCATION AND ENGAGEMENT

	2023/24 Budget	2023/24 Estimated actual	2024/25 Budget
Total Revenue	\$370,560	\$422,750	\$412,250
Total Expenditure	\$449,890	\$389,387	\$465,444
% of Total Budget	24%	25%	25%

# TE ORANGA TŌPŪTANGA ME TE ĀHEINGA ORGANISATIONAL HEALTH AND CAPABILITY

We are a small entity with specialist staff. We have formal good employer and personnel policies in place to ensure bias-free recruitment and remuneration, and a commitment to equal employment opportunities.

We do not tolerate harassment or discrimination. We are focused on being a resilient, connected and adaptable organisation, one where staff can grow and contribute their knowledge. Our measures to help achieve this are summarised below:

Goal	Measure	Target 2024/25
<b>Our people are skilled and professional</b>	Individual staff training needs are assessed and a range of options developed	Achieved
	Staff are offered lessons in te reo Māori, te ao Māori and te Tiriti o Waitangi	Achieved
	Staff feedback is regularly sought using a range of tools	Achieved
	Equal employment opportunity principles are incorporated in staff selection and management, to achieve as diverse a workforce as possible within the limits of our small size	Achieved
<b>We maintain, seek and develop ongoing opportunities for collaboration and engagement</b>	Work with agencies which also have a role in the oversight of content standards to increase understanding, share ideas and reduce cost and complication	Achieved
	Maintain regular contact with broadcasters and stakeholder groups	Achieved
<b>Our infrastructure is fit for purpose and helps us work efficiently</b>	New ways of working are explored and implemented where appropriate	Achieved
	We have the right mix of flexible technology to help this happen	Achieved
	Where possible we share resources	Achieved

# TE MATAPAE PŪTEA

## FORECAST FINANCIAL STATEMENTS

**The forecast financial statements provide all appropriate information and explanations needed to fairly reflect the forecast financial operations and financial position of the Broadcasting Standards Authority for the year ending 30 June 2024 in accordance with s149G of the Crown Entities Act 2004. The Authority also sets out the budgeted financial performance, position and cash flows for the year ending 30 June 2025.**

Our activities contribute to the non-departmental output expense, Public Broadcasting Services, within Vote Arts, Culture and Heritage, administered by the Ministry for Culture and Heritage. We will receive \$1,009,000 (GST exclusive) in Crown funding in 2024/25 (2023/24: \$859,000).

The BSA does not propose to supply any class of outputs in the financial year that is not a reportable class of outputs (section 149E(1)(c) of the Crown Entities Act 2004).

Our 2024 out-turn is more positive than forecast for several reasons. Levies have remained more buoyant than predicted (though this is not expected to continue). Our resourcing needs differed from predicted due to delays in the regulatory reform programme. And the Authority has sought value for money wherever possible, maintaining very low overheads and sharing of facilities where possible, including sharing premises with NZ on Air. For 2025 we are forecasting a deficit as a result of anticipated reduction in levy revenue from broadcasters, Government savings initiatives, and costs arising from planned projects relating to our core functions and proposed regulatory reform.

We expect to draw on our reserves which have been built up for the purpose of supporting projects and responding to fluctuating levy income. Notwithstanding the anticipated deficit, we will continue to have appropriate reserves in line with our financial management policy.

## STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Broadcasting Standards Authority  
For the year ending 30 June 2025

	2023/24 Budget \$	2023/24 Estimated actual \$	2024/25 Budget \$
<b>Revenue</b>			
Broadcasting Levy	650,000	750,000	600,000
Crown Revenue	859,000	859,000	1,009,000
Interest Revenue	35,000	82,000	40,000
<b>Total Revenue</b>	<b>1,544,000</b>	<b>1,691,000</b>	<b>1,649,000</b>
<b>Less Expenditure</b>			
Personnel costs	1,292,120	1,187,417	1,247,472
Other expenses	558,420	341,958	596,954
Depreciation and amortisation	24,000	28,172	17,350
<b>Total Expenditure</b>	<b>1,874,540</b>	<b>1,557,547</b>	<b>1,861,776</b>
<b>(Deficit)/Surplus</b>	<b>(330,540)</b>	<b>133,453</b>	<b>(212,776)</b>

## STATEMENT OF PROSPECTIVE CHANGES IN EQUITY

Broadcasting Standards Authority  
For the year ending 30 June 2025

	2023/24 Budget	2023/24 Estimated actual	2024/25 Budget
Public equity as at 1 July	2,058,529	2,145,995	2,279,448
Return of equity to the Crown	-	-	-
(Deficit)/Surplus for the year ended 30 June	(330,540)	133,453	(212,776)
<b>Public Equity as at 30 June</b>	<b>1,727,989</b>	<b>2,279,448</b>	<b>2,066,672</b>



## STATEMENT OF PROSPECTIVE FINANCIAL POSITION

Broadcasting Standards Authority  
As at 30 June 2025

	2023/24 Budget	2023/24 Estimated actual	2024/25 Budget
<b>Assets</b>			
<b>Current assets</b>			
Bank accounts and cash	297,148	520,789	332,448
Investments	1,500,000	1,850,000	1,850,000
Debtors and prepayments	39,500	50,350	48,000
GST	30,000	20,000	19,200
<b>Total current assets</b>	<b>1,866,648</b>	<b>2,441,139</b>	<b>2,249,648</b>
<b>Non-current assets</b>			
Property, plant and equipment	22,237	18,324	12,941
Intangible	1,500	10,792	3,825
<b>Total non-current assets</b>	<b>23,737</b>	<b>29,116</b>	<b>16,766</b>
<b>Total Assets</b>	<b>1,890,385</b>	<b>2,470,255</b>	<b>2,266,414</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Creditors and accrued expenses	109,200	115,000	118,199
Employee entitlements	53,196	75,807	81,543
<b>Total liabilities</b>	<b>162,396</b>	<b>190,807</b>	<b>199,742</b>
<b>Total assets less total liabilities</b>	<b>1,727,989</b>	<b>2,279,448</b>	<b>2,066,672</b>
<b>Represented By Public Equity</b>	<b>1,727,989</b>	<b>2,279,448</b>	<b>2,066,672</b>

## STATEMENT OF PROSPECTIVE CASH FLOWS

Broadcasting Standards Authority  
For the year ending 30 June 2025

	2023/24 Budget	2023/24 Estimated actual	2024/25 Budget
<b>Cash Flows from Operating Activities</b>			
Revenue from Crown	859,000	859,000	1,009,000
Broadcasting Levy	650,000	751,456	600,000
Interest Received	35,000	93,581	42,350
GST (net)	(15,000)	1,492	800
Payments to employees & members	(1,294,074)	(1,184,707)	(1,181,682)
Payments to suppliers & other operating expenses	(554,220)	(415,301)	(653,809)
<b>Net Cash Flow (used in)/from Operating Activities</b>	<b>(319,294)</b>	<b>105,521</b>	<b>(183,341)</b>
<b>Cash Flows from Investing Activities</b>			
Purchase of PPE	(12,500)	(5,500)	(5,000)
Purchase of Intangible Assets	2,500	(4,860)	-
(Increase)/Decrease in investments	400,000	-	-
<b>Net Cash Flow from/(used in) Investing Activities</b>	<b>390,000</b>	<b>(10,360)</b>	<b>(5,000)</b>
<b>Net Increase/(decrease) in cash held</b>	<b>70,706</b>	<b>95,161</b>	<b>(188,341)</b>
Opening cash bank accounts and cash	226,442	425,628	520,789
<b>Closing bank accounts and cash</b>	<b>297,148</b>	<b>520,789</b>	<b>332,448</b>

# NOTES TO THE FORECAST FINANCIAL STATEMENTS

## REPORTING ENTITY

The Broadcasting Standards Authority (BSA) is a Crown Entity as defined by the Crown Entities Act 2004 and is domiciled in New Zealand. As such, the BSA's ultimate parent is the New Zealand Crown.

Our functions and responsibilities are set out in the Broadcasting Act 1989. The primary objective of the BSA is to provide services to the New Zealand public, as opposed to that of making a financial return. Accordingly, the BSA has designated itself as a public benefit entity (PBE) for the purposes of financial reporting.

The opening position of the forecast statements is based on audited results for 2022/23, known expenditure to 29 February 2024 and the anticipated out-turn as at 30 June 2024.

## BASIS OF PREPARATION

### Statement of Compliance

The forecast financial statements presented here have been prepared in accordance with New Zealand generally accepted accounting practice and are consistent with the accounting policies to be adopted for the preparation of financial statements. They have been prepared on the assumption that the BSA is a going concern.

The BSA has a total expenditure of less than \$5 million and is, therefore, eligible to report in accordance with Tier 3 PBE Accounting Standards. Accordingly, these forecast financial statements have been prepared in accordance with Tier 3 PBE accounting standards, using the criteria set out in Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) (PBE SFR-A (PS)).

These forecast financial statements have been prepared in accordance with the Crown Entities Act 2004, and may not be appropriate for purposes other than complying with the requirements of this Act.

The actual financial results for the period covered are likely to vary from the information presented and the variations may be material.

## Measurement basis

The financial statements have been prepared on an historical cost basis. The accrual basis of accounting has been used unless otherwise stated.

## Functional and presentation currency

The financial statements are presented in New Zealand dollars and are rounded to the nearest dollar (\$). The functional currency of the BSA is New Zealand dollars (NZ\$).

## Use of judgements, estimates and assumptions

In preparing these forecast financial statements, the BSA has made estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Where material, information on major assumptions is provided in the relevant accounting policy or will be provided in the relevant note. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The following specific key assumptions have been used in the preparation of the forecast financial statements:

- Crown Revenue is based on the level of Crown funding as provided for in the Government's 2024/25 budget.
- Broadcasting levy revenue is directly linked to broadcaster revenue levels over which the BSA has no control. We expect the level of receipts to be down on previous years.
- Interest income depends on the available rates of return on bank investments, and these will be down on previous years.

- In light of planned projects relating to the BSA's core functions, and the anticipated reduction in levies, a deficit is forecast, which will require BSA to draw on its reserves. The reserves have been built up over time for the purpose of supporting such core function projects. Notwithstanding the anticipated deficit, we will continue to have strong reserves in line with our financial management policy.

## SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### REVENUE

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

#### Revenue from the Crown

This revenue is restricted in use for the purpose of BSA meeting its objectives specified in the Broadcasting Act 1989 and the scope of the relevant appropriation of the funder. BSA considers there are no conditions attached to the funding and it is recognised as revenue at the point of entitlement.

#### Broadcasting levy

Broadcasting levies are recognised on the occurrence of a recognition event, being the earlier of receipt of payment or receipt of levy return. Levies are paid by broadcasters in accordance with the Broadcasting Act 1989 and are based on broadcaster revenue for the qualifying period.

#### Interest

Interest income is recognised as it accrues on bank account balances, on-call bank deposits and investments.

#### Other income

Other income is recognised at the time the services are rendered.

## LEASES

### Operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to the BSA are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight line basis over the term of the lease in the Statement of Financial Performance.

## BANK ACCOUNTS AND CASH

Bank accounts and cash held by the BSA include bank balances and on-call bank deposits.

## DEBTORS AND OTHER RECEIVABLES

Debtors and other receivables are measured at fair value less any provision for impairment.

Impairment of a receivable is established when there is objective evidence that the BSA will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payment are all considered indicators that the debtor is impaired. Any impairment losses are recognised in the Statement of Financial Performance.

## INVESTMENTS IN BANK DEPOSITS

Investments in bank deposits are measured at fair value plus transaction costs.

For bank deposits, impairment is established when there is objective evidence that the BSA will not be able to collect amounts due according to the original terms of the deposit. Significant financial difficulties of the bank, probability that the bank will enter into bankruptcy, and default in payment are all considered indicators that the deposit is impaired.

## PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment asset classes consist of office equipment, furniture and fittings, leasehold improvements, photocopier, computer equipment, and artworks.

Property, plant and equipment are shown at cost or valuation, less any accumulated depreciation and impairment losses.

### Additions

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

Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

## Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the assets. Gains and losses on disposals are included in the Statement of Financial Performance.

## Subsequent costs

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

The costs of day-to-day servicing of property, plant and equipment are recognised in the Statement of Financial Performance as they are incurred.

## Depreciation

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

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

	SL	DV
Office equipment	20%–33%	–
Furniture and fittings	10.5%–20%	16%
Leasehold improvements	20%	–
Computer equipment	33%–33.3%	33%

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

Artworks are fully depreciated in the year of purchase.

## INTANGIBLE ASSETS

### Software acquisition

Computer software licenses are capitalised on the basis of the costs incurred to acquire and use the specific software.

Costs that are directly associated with the development of software for internal use by the BSA are recognised as an intangible asset. Direct costs include the software development, employee costs, and an appropriate portion of relevant overheads. Staff training costs are recognised as an expense when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs associated with the development and maintenance of the BSA's website are recognised as an expense when incurred.

## Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date the asset is either fully amortised or no longer used. The amortisation charge for each period is recognised in the Statement of Financial Performance.

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

Computer software	33%–33.3%
Copyright	33%

## IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

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

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

## CREDITORS AND OTHER PAYABLES

Creditors and other payables are reflected at their face value.

## EMPLOYEE ENTITLEMENTS

Provision is made in respect of the BSA's liability for annual leave that is expected to be settled within 12 months of the reporting date. Annual leave is measured at nominal values on an actual entitlement basis at current rates of pay.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date. A liability and an expense is recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation. No liability is recognised for sick leave.

## Superannuation Scheme

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the Statement of Financial Performance as incurred.

## GOODS AND SERVICES TAX (GST)

The BSA is registered. All items in the financial statements are exclusive of GST, with the exception of debtors and creditors, which are stated inclusive of GST.

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

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

Commitments and contingencies are disclosed exclusive of GST.

## INCOME TAX

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

## COST ALLOCATION

The BSA has determined the cost of outputs in the Statement of Performance Expectations using the cost allocation system outlined below.

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

Direct costs are charged directly to outputs. Indirect costs are charged to outputs based on estimates of related activity or usage information.

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



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