



ANNUAL REPORT

for the year ended 30 June 2003



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Submitted to the Minister of Broadcasting for presentation to the House of Representatives pursuant to clause 14 of the First Schedule of the Broadcasting Act 1989.

MISSION Statement

To encourage broadcasters to develop and maintain programme standards which respect human dignity, acknowledge current social values and reflect research findings, while providing a process for the consideration of complaints from the public about broadcasting standards.



KOROMAKINGA

Ki te whakatenatena i te hunga pāpāho ki te whakawhanake me te pupuri i ngā paerewa e whakanui ana i te mana tangata, e whakaata ana i ngā uara pāpori o ēnei rā, me te aro ki ngā putanga rangahau, i a rātou e whakarato ana i tetahi hātepe hei whakatau i ngā nawe mai i te iwi whānui e pā ana ki ngā paerewa pāpāho.



**Peter
CARTWRIGHT**

Peter Cartwright, LLB, AAMINZ, was appointed Chairperson of the Authority in June 2000. Currently he is also an Accident Compensation Appeal Authority and a member of the Film and Literature Board of Review. Previous appointments have included Chair of the Indecent Publications Tribunal and Chair of the Medical Practitioners Disciplinary Tribunal.



**Judy
MCGREGOR**

Dr Judy McGregor of Wellington is the Equal Employment Opportunities Commissioner. She is a qualified lawyer and spent 20 years as a journalist prior to heading the Department of Communication and Journalism at Massey University. She edited both the *Sunday News* and the *Auckland Star*; and has television and radio experience. She has written several books about contemporary journalism in New Zealand. Dr McGregor joined the Authority in October 2000 and resigned in June 2003.



**Rodney
BRYANT**

Rodney Bryant had a radio/tv career spanning four decades, including a two year stint in London as media liaison manager for the British Post Office. He is now in daily contact with local and national newsrooms, managing the Dunedin City Council's media liaison. His children range in age from 18-32 and he has 6 grandchildren. He joined the Authority in October 2000.



**Tapu
MISA**

Tapu Misa is an Auckland journalist with an extensive career across a variety of media. She has been a feature writer for the *New Zealand Herald*, and a staff writer for *MORE* and *North & South* magazines. Before joining the Authority in December 2002, Tapu was part of the *Mana* team which produces *Mana Magazine* and the *Mana News Report* broadcast on National Radio. Last year she was awarded the Pacific Print Journalist of the Year by the Pacific Island Media Association. She currently writes a weekly column for the *New Zealand Herald*. Tapu lives in Auckland with her husband and three children.

The Chairperson's Report

This year has been dominated by the consideration of a number of complaints about one broadcast. Seven complainants, including the Prime Minister and her chief press secretary, complained about aspects of a *3 News Special* concerning genetic modification which was broadcast in the lead up to the 2002 General Election.

I do not propose to comment on the Authority's decision on these complaints, which was issued outside the period covered by this report. However it does raise some wider matters worthy of mention.

Foremost is the importance of the broadcast media's role in the functioning of our democracy. Of particular importance is the need for a legislative framework within which broadcasters can expect to be able to investigate freely and bring matters of significant importance to the public's attention, politicians can expect fair and impartial treatment, and the public can expect balanced and objective reporting. The public is entitled to be exposed to both sides of a story, so that people make up their own minds. This is critical in the context of a General Election.

Often, these expectations are in contrast rather than in concert. When that happens, complaints are likely to arise and eventually land on the Authority's table for determination. Simply, in determining complaints of this nature, the Authority has the job of balancing the different and opposing expectations. It is a fine balance, presenting a complex challenge for any legislative referee that has a threefold obligation, to broadcasters, complainants and the public, to consider carefully all the evidence and its implications before arriving at a decision.

All this demands considerable

commitment from the Authority's members and staff. In the case of the *3 News Special*, the process was lengthened considerably by the need for the Authority to decide on procedural matters raised by the parties before it could consider the substance of the complaints. However, in my view rigour is more important than time. In my book, the need to get it right is always more important than the need to merely get it done.

This particular decision has demanded a significant portion of the Authority's resources allocated to the determination of complaints. However in my view, an investment in a broadcasting regime from which the public receives balanced, fair and impartial information on matters of public importance is money well spent.

The contribution made by my fellow members and the Authority's staff in the processing and determination of these particular complaints also demands acknowledgment. The exercise has required equal amounts of perspicacity and perspiration, compounded by the knowledge that the Authority's decision on this matter was eagerly expected.

The *3 News Special* was a large and complex decision dealing with matters of considerable importance to the individual complainants, the broadcaster and the viewing public. However, there are many complaints that, for a number of reasons, do not have the same profile, because the matters they raise may seem small when measured against Prime Ministers, General Elections and genetic modification.

From my personal perspective, it is sometimes difficult to understand who would want to complain about matters which, while

of singular importance to them, are unlikely to result in a breach of broadcasting standards.

The fact of the matter is that legislation and, in the Authority's case the Codes it underpins, are blunt instruments, unable to separate the so-called deserving from the undeserving. In my view, that is a good thing. The question for the Authority is not whether a complaint is silly or sensible. The question is: does the alleged complaint constitute a breach of the Codes of Broadcasting Practice?

That is the only way the Authority can possibly approach this matter. Any other approach would call upon the Authority to make subjective judgement calls about the merit of a complaint before it considered whether it should be accepted. That would be a difficult task and one which, correctly in my view, the legislation does not permit.

I much prefer a generous standards regime that captures all public concerns about broadcasting standards than a niggardly regime that may discourage people from registering their concerns. Granted, a generous regime results in some complaints being referred to the Authority that, at best, seem relatively inconsequential. But I say let them be heard so that all can be heard. To me, a generous regime best serves the public interest.

At the heart of any judicial or quasi-judicial process lies effective and efficient process. This year, the Authority sought an independent review of the management, procedures, and administrative systems used in dealing with complaints. The reviewer, an experienced officer of the Australian Broadcasting Authority, was asked to



Foremost is the importance of the broadcast media's role in the functioning of our democracy.

determine whether our complaints procedures, administration and systems were efficient and effective. The reviewer concluded that, in his opinion, the Authority's handling of complaints was effective and efficient, meeting the requirements of the official Australian standard for complaints handling. (New Zealand does not have a comparable standard).

I was pleased with that conclusion because it confirmed my view that, in the context of its legislative mandate, the complaints process plays a significant role in the maintenance of programme standards in broadcasting in New Zealand. It is the public through Parliament, and not broadcasters or the Authority, that considers that the maintenance of broadcasting standards is sufficiently in the public interest to require the provision of specific legislation.

By its nature, legislation is prescriptive. It forces compliance, often unwelcomed by some broadcasters who, I believe, would much prefer a regime of voluntary compliance. In 1989, Parliament opted for a statutory regime and in my discussions with members of the public and politicians I do not sense any desire for anything other than a legislative framework for broadcasting standards.

However, within that framework, broadcasters and the Authority are able and willing to negotiate, sometimes compromise and always listen, in the interests of arriving at a practical solution without recourse to the rule-book.

In my chairman's report in last year's annual report I referred to a situation where, over the Authority's 12 year history, there had been a number of occasions where radio

broadcasters had not complied with Principle 8 of the Radio Code of Broadcasting Practice. Principle 8 deals with the provision of radio tapes to assist the Authority in the determination of complaints. In those cases, I wrote, the Authority had either declined to determine a complaint, relied on the version agreed upon by the complainant and the broadcaster, or accepted the complainant's version of the broadcast. These courses of action were less than satisfactory for the broadcaster and the complainant, I noted.

One sure way to enforce compliance was to enshrine the obligation to retain recordings of broadcasts by issuing regulations allowed for in the Broadcasting Act 1989. However, a voluntary tape retention regime was developed and promoted by the Radio Broadcasters Association (which represents the majority of commercial radio broadcasters in New Zealand) and agreed by the Authority. It was introduced at the end of 2002. Since that date, there have been no breaches of Principle 8 by members of the Association.

I believe that is a tremendous achievement and one that reinforces my contention that the vast majority of broadcasters, both television and radio, regard broadcasting standards and the codes of broadcasting practice as important guides for the provision of quality services to the New Zealand listening and viewing public.

This will be my last annual report. I have advised the Minister of Broadcasting that I do not wish to seek appointment for another three-year term, but am pleased to serve as chairperson until such time as my replacement is found.

There will be, and have been, other

changes to the Authority's membership. Dr Bronwyn Hayward resigned at the beginning of this financial year and, in Dr Hayward's place, the Minister appointed Ms Tapu Misa. Dr Judy McGregor resigned at the end of the financial year to take up her appointment as Equal Opportunities Commissioner.

I note with regret the departure of the Authority's chief executive, Evan Voyce, who left the Authority early in July 2003 and welcome Jane Wrightson, his successor.

I believe change is constructive. Like broadcasting, community standards and expectations are constantly evolving and so too must the Authority. I would like to thank my fellow Authority members - Rodney Bryant, Judy McGregor and Tapu Misa - for their support and contributions throughout an exacting year. I would like to thank the Authority's staff for their productive, professional and dedicated contributions. My appreciation and best wishes to you all.

Peter Cartwright

Chairperson

The Chief Executive's Report

The Authority's prime responsibility is the maintenance of acceptable standards of broadcasting through the following activities (outputs):

determining formal complaints

approving Codes of Broadcasting Practice developed by broadcasters

conducting research on matters related to broadcasting standards

communicating with the public and broadcasters to inform them about broadcasting standards issues

This report deals with each of those activities in turn. The complaints and research sections that follow provide a more detailed commentary on those important areas of the Authority's work.

Determining Formal Complaints

The determination of complaints accounts for more than 60 percent of the Authority's resources. The period under review was extremely busy. As the Chair notes in his report, a number of complaints about the *3 News Special* broadcast on 10 July 2002 consumed a significant amount of the Authority's time and resources. This complaint is most lengthy one dealt with by the Authority to date and the experience has shown up areas where internal systems might be refined. This will be a priority in the coming year.

As usual, in an election year, the Authority geared up to deal with complaints relating to election advertising. Special management issues arise because the Authority undertakes to issue decisions within 48 hours of receipt of the complaint. Only one complaint was

received (which was not upheld).

Other notable complaints-related matters during the year included:

- several complaints about programme promotions on television. Some complainants believe that broadcasters should not schedule promos for AO programmes in G or PGR timeslots. However the Code accepts that promos for AO programmes may be broadcast in other time slots provided the *content of the promo* complies with the time slot during which it is broadcast. The Authority considers this requirement carefully because promos, unlike many other programmes, are screened without warning and are not easily subject to parental guidance.
- a complaint from advocacy group ECPAT, upheld by the Authority, that a *20/20* item about child prostitution in Fiji breached the privacy of the children depicted. TV3

appealed the decision. The High Court:

- accepted that the Authority may determine broadcast privacy complaints about individuals in countries outside New Zealand;
- rejected the argument that only the individuals portrayed can claim that a programme may have invaded their privacy;
- accepted, in this case, that the public interest was not available as a defence against a privacy case affecting children.

It is interesting to note that, over the past 13 years of the Authority's history, statistics indicate that the quantum of decision making has been relatively consistent. The percentage of upheld complaints to declined complaints averages out at roughly one quarter of complaints upheld. In the period under review, it was 19 percent.

During the past 13 years around 40 decisions have been appealed to the High Court (out of more than 2,000 decisions issued, or around 2%). Only three have been successful, with another two being referred back to the Authority by consent. That is a very good record.

Approving Codes of Broadcasting Practice

No new codes of Broadcasting Practice were issued in the period under review. However there were a number of matters relating to Codes that were subject to the Authority's attention. These included:

- the successful conclusion to discussions with the Radio Broadcasters Association concerning a voluntary regime for radio tape retention;
- a consultation process held in tandem with a review of the Advertising Standards Authority's Alcohol Advertising Code, which may form the basis of a review of the Broadcasting Standards Authority's Promotion of Liquor Code in the next financial year; and
- ongoing discussions with the Television Broadcasters Council as we both monitored the progress of the newly introduced Code of Broadcasting Practice for Free-to-Air Television.

From time to time, individual broadcasters will disagree with the Authority's decisions. However, it is important to acknowledge the helpful and cooperative manner in which two key industry bodies - the Radio Broadcasters Association and the Television Broadcasters Council - have worked with the Authority in the resolution of important standards matters.

Conducting Research

Quality research is critical to the Authority's ability to reach decisions that reflect, as closely as possible, the expectations of the wider community in respect to broadcasting standards.

In last year's annual report, it was reported that a major qualitative survey of key stakeholders on the matter of privacy and informed consent would be augmented by a quantitative public opinion survey on privacy

issues in broadcasting in the next financial year.

The research section of this report deals with that quantitative public opinion survey in detail. The Authority has consequently helped initiate the upcoming screen production industry symposium on privacy and informed consent issues which will provide additional information and opportunity for feedback. These exercises will be of considerable value to the Authority in the determination of complaints involving these two important matters.

Communicating to Stakeholders

The Authority communicates with its stakeholders in a number of ways, including:

- member and staff face-to-face meetings with groups and individuals;
- publishing its decisions and distributing them widely;
- the quarterly newsletter;
- contact with general interest and specialist media; and
- the website.

The newsletter continued to play a major role in communicating to more than 500 readers (as well as those who access it via the website). A survey of notable decisions made in each quarter is a regular feature of each edition. During the year under review, topics included:

- the need for informed debate on the role of regulation in broadcasting;
- the *20/20* ECPAT case referred to above;
- a profile on the Authority's most recently appointed member, Ms Tapu Misa of Auckland; and
- broadcasting trends across the Tasman.

The Authority's website, which continues to make a valuable contribution to our communications effort, was upgraded this year to improve its accessibility and to update its format and graphics. It provides a valuable resource for the public, broadcasters and academic and legal researchers.

Communication is not a one-way process. In order to hear at first hand more about what New Zealanders think about broadcasting standards, the Authority ran four "litmus

tests" during the year at which 10 or 12 people were invited to view and listen to types of programmes which were the subject of complaints. Each meeting was attended by an Authority member and staff. The tapes provided the framework for a discussion on standards and people's expectations about them. The events provided an excellent opportunity for Authority members to get direct, focused feedback from members of the public

Conclusion

This annual report covers the period for which Evan Voyce was the Authority's chief executive - I took up the position as his replacement early in August 2003. Evan's legacy is a professional and highly competent organisation and it will be a challenge to match his achievements.

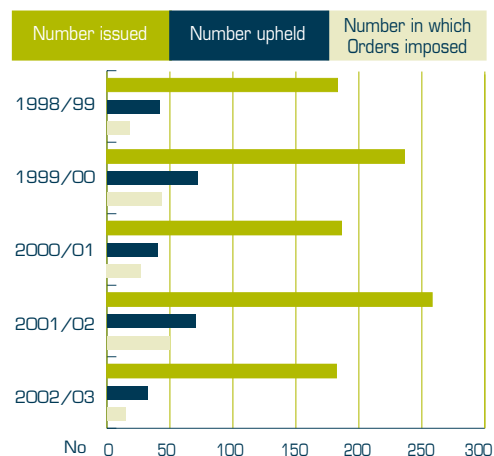


Jane Wrightson
Chief Executive

Complaints



Decisions



A General Election was held in New Zealand on 27 July 2002. The complaints arising from broadcasts during the month of July have featured largely in the decisions issued by the Authority during the past financial year. The decision on seven complaints in regard to a *3 News Special* broadcast between 7.00 - 7.30pm on Wednesday 10 July 2002 was issued in July 2003, outside the period of this report.

Most advertisements are excluded from the Authority's jurisdiction. The standards which advertisements are required to meet are laid down by the Advertising Standards Authority (ASA), an industry body. Complaints that advertisements do not meet standards are determined by a body established by the ASA - the Advertising Standards Complaints Board (ASCB).

Complaints about programme promotions and about advertisements for a broadcaster are the responsibility of the BSA. Complaints about political advertisements on radio and television, known in the Broadcasting Act as

"Election Programmes", are also the responsibility of the BSA.

There is another important distinction between complaints about political advertisements and other programmes. If a broadcaster fails to respond to a programme complaint within 20 working days, the complainant may refer it to the Authority. With complaints about political advertisements, a complainant may refer it to the Authority if it does not receive a decision from the broadcaster within 48 hours. There is no time limit on the Authority. However, given the importance of making decisions promptly during an election campaign, the Authority has also undertaken to issue its decision within 48 hours. This standard has been met since 1990, the first General Election held after the Authority's establishment.

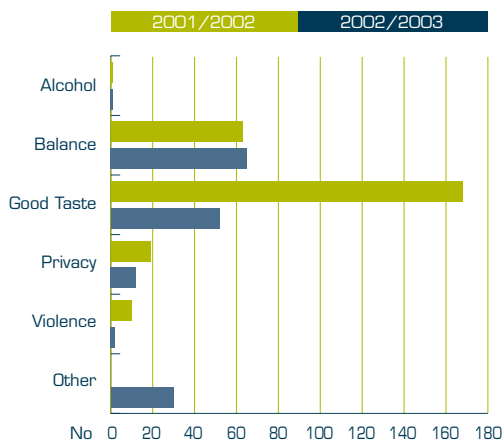
Careful planning is carried out by the BSA before each general election to ensure that it will be able to issue a decision within 48 hours of receiving the complaint - including

one which arrives by fax at 4.00pm on Friday. Only one complaint was received during the campaign in 2002.

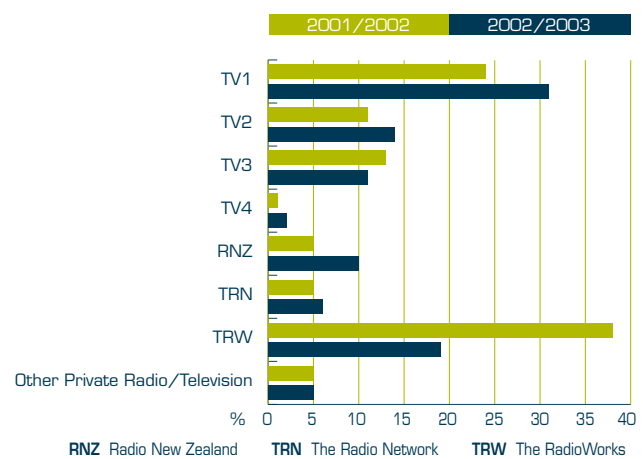
Complaints about news and current affairs programmes in the run up to an election - such as the *Leaders' Debate* - are treated like any other complaint in that the broadcaster has 20 working days within which to respond. After the election in 2002, the Authority determined a number of complaints where the complainants considered that a broadcast with an election focus had been unbalanced, inaccurate or unfair. It also determined a complaint that the "election special" episode of the satirical series *Spin Doctors* was offensive.

Nevertheless, the *3 News Special* broadcast on 10 July which included an interview of the Prime Minister by presenter John Campbell, was the programme which generated the most public interest. The Authority issued four interlocutory decisions in the past year determining procedural issues which had arisen. In view of the complexity

Basis of Complaint



Complaints by Broadcaster



of the issues raised, the Authority also held two special one day meetings during the weekend which focused solely on the resolution of issues raised by these complainants.

The Authority notes that the number of decisions issued in the past financial year has decreased considerably from the number issued in 2001-2002. The drop from 259 to 182 means that the total number of decisions is similar to the years to June 1996-1999 and also 2001.

It is inevitably a matter of speculation as to why the number of decisions fluctuates. The most dramatic difference apparent this year is the number of decisions relating to private radio and television - a decrease from 116 to 58. Many of the complaints last year focused on broadcasts by The Rock, a radio station within The RadioWorks group. Many of those complaints were from the same complainant. While some of the decisions in the current year also involved complaints from one complainant about broadcasts on The Rock, there have been no new complaints received in this financial year.

Other complainants who have featured reasonably regularly in the past appear to have been less active with complaints - at least in referring them to the Authority - which also accounts for some of the decline in the number of determinations.

Nevertheless, while the total number of determinations has declined, the Authority's complaints workload has not fallen away. The drop in complaints relating to good taste and decency (from 168 last year to 52 this year) has been accompanied by a smaller rise in complaints relating to fairness, balance and accuracy (from 53 last year to 75 this year). The latter class of complaints often tend to be more complex than the former, involving a higher level of staff and Authority research, consideration and determination time.

In addition to the complaint about the *3 News Special* and other programmes related to the general election, the Authority has dealt with difficult privacy issues raised by reality programmes such as *Motorway Patrol*, *Location, Location, Location*, *Private Investigators* and *Choppers*. Moreover

documentaries such as *Palestine is Still the Issue* and a range of news items have required thorough investigation and review by the Authority. Appendix 2 lists the decisions issued in the past year, noting the name of the complainant, the programme complained about, the nature of the complaint and the Decision.

Appendix 2 also records that of the 32 decisions in which the complaint was upheld, in 16 instances no order was imposed. Of the 16 in which orders were imposed, ten involved the broadcast of an approved statement and six involved payment of costs to the Crown. Four of the ten which required approved statements, also involved an order of payment of costs or compensation.

In one instance, the Authority declined to determine a complaint on the grounds that it was vexatious and ordered the complainant to pay costs of \$150 to the broadcaster.

Research and Communications

Research plays an important role in assisting the Authority to ensure the broadcasting standards regime best serves the New Zealand viewing and listening public. It helps the Authority keep abreast of current community attitudes and concerns about broadcasting standards and of trends in broadcasting practice. Research also plays an important role during the review process of codes of broadcasting practice.

Community values and expectations are both constant and changing. They are constant in that there are some core principles about broadcasting standards that change little over time - for example, the need to protect the interests of children. In contrast, attitudes to 'bad' language and the portrayal of sex and nudity can change from generation to generation.

The Authority's task of considering complaints in the light of changing values and expectations is complex. Research that captures community attitudes about what people see and hear on radio and television assists Authority members in the determination of complaints.

Privacy and informed consent research: milestones

In the year under review, the fieldwork for the privacy and informed consent research has been completed. The fieldwork encompassed qualitative and quantitative research approaches. The overall objectives of the privacy and informed consent research were threefold:

- to inform the Authority's decision-making when considering complaints involving matters of privacy and informed consent, in the context of the public interest and freedom of expression;
- to test the efficacy of the Authority's current Advisory Opinion - the Privacy Principles - with the option of developing a Privacy Code of Broadcasting Practice in the future in consultation with interested stakeholders; and
- to assess whether the Authority should lead the development of ethical guidelines

outlining the procedures for obtaining informed consent from participants in programmes.

The first phase of the qualitative research comprised in-depth interviews with 75 representatives from five different stakeholder groups: independent programme makers, radio and television broadcasters, academics and/or legal professionals, Māori broadcasters/programme makers and community leaders, and community advocacy organisations. While Authority staff conducted most interviews, the interviews with Māori community leaders were conducted by Tainui Stephens of Pito One Productions. This stakeholder opinion research was completed in October 2002.

The second phase of the qualitative research was a national public opinion survey on privacy and informed consent. This phase consisted of six focus group discussions in several centres managed by research company Colmar Brunton. The focus groups were held in January 2003.

The final phase of the research had a quantitative focus and concerned a nationally representative survey of 1,200 New Zealanders which included a Māori booster sample of 200. The quantitative research involved face-to-face interviews which were conducted during February and March 2003, also through Colmar Brunton.

The findings of the research on privacy and informed consent are currently being processed for publication in the second half of the new financial year. The research will assist the Authority in its deliberations regarding any review of the Privacy Principles and whether the adoption of ethical guidelines for obtaining informed consent from participants in programmes would be desirable.

Authority's 'litmus' tests

Last year the Authority resolved to conduct regular focus groups to ascertain first hand the community attitudes towards a host of good taste and decency issues. During the year ended 30 June 2003, focus group discussions were held in Wellington, Dunedin,

Auckland and Christchurch.

The discussions are facilitated by the Authority's research and communications manager and, with an Authority member present, provide the opportunity for the Authority to receive feedback on decisions it had earlier issued. A typical focus group discussion would feature video and audio recordings of broadcasts which were the subject of a complaint.

As a relatively informal research exercise, the Authority has found the focus group discussions across New Zealand useful. The discussions expose Authority members to community attitudes, for example towards good taste and decency, which tend to have a subjective element of judgement.

The Authority plans to continue with the 'litmus' tests and has decided that for the next financial year the tests will cover some of the larger regional centres in both the North and South Islands.

Communications

In April 2002, the Authority carried out a readership survey among individuals and organisations which receive *BSA Quarterly*.

In total, 341 questionnaires were sent out with reply-paid envelopes. Fifty-four questionnaires were returned, representing a 16% response rate. While this was a disappointing response rate, there was a consistency in the responses returned which would suggest that *BSA Quarterly* appears to be well received.

A great majority, or 94% of respondents, said they had read *BSA Quarterly* in the past year. Most respondents read *BSA Quarterly* in order to keep up-to-date with the Authority's decisions. Consequently, nine out of 10 respondents found the summaries of complaints most interesting followed by items on the Authority's research.

Finally, the Authority's website was redesigned in line with the Authority's corporate identity. To give effect to the Authority's Maori responsiveness strategy, significant parts of the website were translated into te reo.



Staff



Margaret Giannotti

Administration Support Executive (part-time)

Wiebe Zwaga MA, PhD

Research and Communications Manager

Sue Sowerby

Administration Manager

Trish Cross

Receptionist (shared with NZ On Air)

Jane Wrightson BA, MBA (Dist), Dip. Bus. Admin.

Chief Executive

Michael Stace LLM, DJur, JP

Deputy Chief Executive and Complaints Manager

Neela Clinton LLB

Complaints Executive

Susanne Hill LLB, Dip HSc,

Complaints Executive (part-time)

Absent (on parental leave):

Karen Scott-Howman LLB (Hons)

Complaints Executive (part-time)



Financial Statements

for the year ended 30 June 2003



Statement of Responsibility

FOR THE YEAR ENDED 30 JUNE 2003

The board and management of the Broadcasting Standards Authority are responsible for the preparation of these financial statements and the judgements 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 2003.

A handwritten signature in blue ink that reads 'Cartwright'.

Peter Cartwright

Chairperson

A handwritten signature in blue ink that reads 'Jane Wrightson'.

Jane Wrightson

Chief Executive

19 September 2003

19 September 2003



Report of the Auditor-General

FOR THE YEAR ENDED 30 JUNE 2003

Statement of Objectives and Service Performance 2002-2003

Output 1	Determine Formal Complaints		
	Broadcasting Act 1989, s.21(1)(a) and (b)		
Objective	<p>In determining complaints referred after consideration by the broadcaster, or privacy complaints sent directly to the Authority, the Authority will:</p> <ul style="list-style-type: none"> • manage the process as promptly and informally as possible, acknowledging the quasi-judicial nature of the Authority; and • follow the principles of natural justice and the requirements of the Broadcasting Act 1989. 		
Outcome	Broadcasters will have a better understanding of the importance of maintaining broadcasting standards and the public will be provided with a process for the consideration of complaints about broadcasting standards.		
Description	<p>The Authority will recognise community standards and expectations, the broadcasters' operating environment, research findings, and, when relevant, international practices.</p> <p>The Authority considers that a prompt response in dealing with complaints is critical to the integrity and credibility of the Authority and its decisions. It considers that the creation of a backlog of complaints would be criticised by complainants and broadcasters. The Authority, however, cannot anticipate the number of complaints it will receive in any one year. Therefore, it is important that it manages its resources and directs its complaints process in such a way that it responds to incoming complaints promptly and avoids the creation of a backlog, while continuing to give each complaint sufficient time, attention and resources to ensure they receive full and careful consideration. Because of the statutory nature of the Authority's decisions, it is inappropriate to measure the Authority's decisions against quality performance criteria. Thus, an important measure of whether or not it has managed its resources and directed its complaints process efficiently and effectively, will be its timeliness in responding to, and processing, complaints.</p> <p>Decisions will be, and will be seen to be, principled, firm, just and relevant by the complainant, broadcasters and the wider community. They will be written in a clear, concise and logical manner and explain clearly the Authority's reasons supporting its determination. Parties to a complaint have a statutory right to appeal the Authority's decision to the High Court, but the Authority expects its decision-making to be of such a quality that successful appeals will be rare.</p> <p>The high quality of the decisions will be assisted by a quality management process incorporating an in-house review of the draft decision and a review by Authority members before the decision is signed and released by the Chairperson.</p> <p>Orders will be, and will be seen to be, fair and effective.</p> <p>The Authority will exercise its power to order a broadcaster to pay costs to the Crown in a fair and reasonable manner.</p> <p>The Authority will respond to all queries about formal complaints procedures in a helpful manner and provide accurate and full information while maintaining impartiality.</p>		
Activities for the year ending 30 June 2003	The Authority will issue decisions arising from the volume of complaints received during the year. (History suggests the likely number of decisions issued will be between 175 and 225.)		
Costs		Budget ¹	Actual ¹
	Financial	\$586,000	\$633,984
	% of total resources	54%	61.1%
	Members' time	80%	80%

¹ Includes a portion of overheads

**Performance
Measures**

The Authority will:

- acknowledge a formal complaint within 3 working days of receipt and proceed to the information-gathering stage of the process;
 - Target: 100 percent
 - Actual: 100 percent - achieved
- issue decisions on formal complaints, other than complaints about election programmes, within 40 working days after receipt of the final correspondence, unless delayed by court proceedings;
 - Target: 90 percent
 - Actual: 79 percent - not achieved
 - Note: Target not met due to increase in more complex complaints, involving more than one Authority meeting, against lower numbers of other types of complaint which tend to be determined at one Authority meeting.
- issue decisions on formal complaints about election programmes within 48 hours;
 - Target: 100 percent
 - Actual: 100 percent - achieved
- once every 3 years, commission an independent audit of the complaints process to ensure it complies with best practice benchmarks for similar statutory or bureaucratic processes. A summary of that report will be provided to the Minister of Broadcasting, the Ministry for Culture and Heritage and, if required, Parliament's Commerce Committee;
 - Target: to be undertaken during 2002-03
 - Actual: Audit undertaken by an officer of the Australian Broadcasting Authority. Report was forwarded to the Minister of Broadcasting and the Ministry for Culture and Heritage - achieved.
- once every 3 years, commission an independent audit of broadcasters and complainants to determine their views of the fairness of the complaints process. A summary of that report will be provided to the Minister of Broadcasting, the Ministry for Culture and Heritage and, if required, Parliament's Commerce Committee.

Target: to be undertaken during 2003-04

	1998/99	1999/00	2000/01	2001/02	2002/03
Complaints Received	204	206	197	186	169
Complaints Determined					
Total Decisions Issued:	184	239	189	259	182
Upheld (all or in part)	40	72	41	70	32
Not upheld	144	167 ²	148	189	139
Interlocutory Decisions	-	-	1	1	11
Declined Jurisdiction (time bar, etc)	4	9	8	15	12
Withdrawn	15	17	11	5	10
Orders	15	49	28	52	31
Advisory Opinions	-	1	-	-	-
Decisions issued within 40 working days	86%	88%	81%	86%	79%

² Includes 17 decisions which the Authority declined to determine

Output 2	Review Codes of Broadcasting Practice		
	Broadcasting Act 1989, s.21(1)(e) and (g)		
Objective	<p>On a continuing basis and mindful of the views of the public and broadcasters, local and international practices and research findings, the Authority will:</p> <ul style="list-style-type: none"> • review the adequacy of the currently approved Codes; • where necessary, encourage broadcasters to develop new standards that meet the Authority's concerns; and • as a last resort, impose Codes. 		
Outcome	The Authority's review of Codes of Broadcasting Practice will result in adequate and easily understood Codes which contribute to the development and maintenance of standards by broadcasters.		
Description	<p>The Authority will conduct an annual review of all Codes and principles set out in Advisory Opinions. The review will involve:</p> <ul style="list-style-type: none"> • an analysis of the upheld complaints and the Codes they have breached, and those complaints that would have been upheld had there been a relevant Code upon which to make a determination; • consultation with broadcasters to ascertain their views of the effectiveness of the current Codes; and • consultation with groups representing viewers and listeners to ascertain their views of the effectiveness of the current Codes. <p>Should the annual review of Codes and relevant Advisory Opinions identify the need for revision of an existing Code or Advisory Opinion, or the development of a new Code, the Authority will advise broadcasters of the process and level of consultation the Authority requires in order to approve the Code.</p> <p>Should broadcasters not agree to proceed with the development of a new Code within the framework proposed by the Authority, the Authority may itself proceed with the development of a new Code, or the revision of an existing Code.</p> <p>When undertaking the development of a new Code or Advisory Opinion, the Authority will consult with all the relevant stakeholders to the same extent that it expects of broadcasters.</p> <p>In the case of new and significant trends in broadcasting, the Authority will encourage broadcasters to develop a Code to meet appropriate broadcasting standards.</p>		
Activities for the year ending 30 June 2003	<p>The Authority will:</p> <ul style="list-style-type: none"> • complete an annual review of all Codes and Advisory Opinions; and • aided by research, consider the development of a Code of broadcasting practice relating to issues of privacy and informed consent. 		
Costs		Budget¹	Actual¹
	Financial	\$119,000	\$80,226
	% of total resources	11%	7.7%
	Members' time	7.5%	7.5%
Performance Measures	<p>The Authority will:</p> <ul style="list-style-type: none"> • publish a summary of the annual review of all Codes and Advisory Opinions in the Authority's annual report; and • report progress against agreed milestones with broadcasters in its annual report, should the development of a new Code take place. 		
Actual	<p>A review of the current Codes and Advisory Opinions was undertaken progressively throughout the year. The Radio Code was discussed in light of the tape retention issue (discussed elsewhere in this Report) but no amendment to the Code was ultimately determined necessary at this stage. Extensive discussions were held with the Television Broadcasters' Council regarding the Free-to-Air Television Code and with Sky regarding the Subscription Television Code.</p> <p>While there are some issues which may emerge over time, the Authority considered that, in general, the Codes remained appropriate for the period under review.</p> <p>No new Code is currently under development. The need for a Privacy Code is still being evaluated.</p>		

¹ Includes a portion of overheads

Output 3	Research		
	Broadcasting Act 1989, s.21(1)(h)		
Objective	The Authority will: <ul style="list-style-type: none"> conduct research on matters relating to standards of broadcasting practice in New Zealand. 		
Outcome	The Authority's research will result in expanded knowledge which will: <ul style="list-style-type: none"> enhance the Authority's ability to approve codes and determine complaints; and assist broadcasters in maintaining standards acceptable to the community. 		
Description	<p>Research priorities will be carefully assessed based on the Authority's strategic goals and public concerns. Both internal and commissioned research will meet all the professional and ethical criteria for quality research.</p> <p>In determining its research programme, the Authority will consult relevant stakeholders, including representatives of the community, broadcasters and academics from appropriate disciplines.</p> <p>The Authority will use a range of research methodologies that take account of geographical spread and minority views, to keep in touch with the opinions of the wider community, specific audience segments and relevant stakeholders.</p> <p>The Authority will also research international trends in broadcasting and their likely impact on the New Zealand broadcasting environment in order to be prepared for the development of Codes of practice designed to take account of those trends on broadcasting standards in New Zealand.</p>		
Activities for the year ending 30 June 2003	<p>The Authority will undertake:</p> <ul style="list-style-type: none"> a quantitative study of community views on matters of privacy and informed consent; four "litmus test" exercises designed to further Authority members' understanding of current community attitudes on matters of good taste and decency; a project designed to capture views on issues of fairness, balance and accuracy in news and current affairs; and a project designed to measure the representation of minorities in the New Zealand broadcast media. 		
Costs		Budget ¹	Actual ¹
	Financial	\$249,000	\$226,612
	% of total resources	23%	21.8%
	Members' time	10%	7.5%
Performance Measures	<p>The Authority will:</p> <ul style="list-style-type: none"> have all significant research projects peer reviewed by independent research experts; publish the results of that peer review in the Authority's annual report; competently manage all research projects with performance measured against pre-established milestones; publish the results of performance against milestones in the Authority's annual report. 		
Actual	<p>The Authority convened a Research Advisory Committee consisting of representatives from the broadcasting industry plus BSA staff to review privacy research proposals submitted by external research companies. Ten companies were invited to tender.</p> <p>At critical phases in the research process, the Research Advisory Committee convened to evaluate progress and direction of the research.</p> <p>Privacy and informed consent research data collection has been completed.</p> <p>Milestones for the privacy and informed consent qualitative and quantitative data collection are noted in the research section of this report.</p> <p>Four 'litmus tests' were conducted with results reported to the Authority. These are noted in the research section of this report.</p> <p>The research project on representation of minorities in the New Zealand broadcast media will proceed in the new financial year.</p> <p>The proposed research project on fairness and balance in news and current affairs was not proceeded with as the Authority now believes the project above requires a higher focus.</p>		

¹ Includes a portion of overheads

Output 4

Communications and Information

Broadcasting Act 1989, s.21(1)(c) and (d)

Objective

The Authority will execute a communications strategy with the objectives of increasing awareness of:

- broadcasting standards issues;
- the role of the Broadcasting Standards Authority in developing and maintaining broadcasting standards acceptable to the community;
- the integrity of the Authority's complaints determination process; and
- the way members of the community can access the formal complaints process.

Outcome

The Authority's communications and information strategy will:

- enhance public and broadcaster awareness about standards matters;
- increase public awareness about the role of the Authority in broadcasting standards;
- recognise the integrity of the complaints determination process; and
- lead to a better understanding how members of the public can use the formal complaints process.

Description

Once a year, the Authority will formally review and, if necessary, amend its communications strategy.

The strategy will reflect the Authority's wide group of stakeholders through the use of a range of communications mechanisms designed to reach each stakeholder effectively, efficiently and in a way that ensures maximum impact.

Communications tools will include:

- face-to-face consultation and representation with key stakeholders through the research process and other activities;
- the professional presentation of a wide range of Authority publications, including complaints brochures in English, te Reo and Samoan, codes of broadcasting practice, the annual report, a quarterly newsletter and the decisions;
- members and staff making themselves available to speak to community groups, sector conferences and seminars, the broadcasting and general media and other opportunities; and
- the professional use of electronic communications, including the Authority's web site and its 0800 number.

Activities for the year ending 30 June 2003

The Authority will undertake the following activities:

- review its communications strategy;
- implement its communications strategies, using a wide range of appropriate tools and techniques;
- conduct a readership satisfaction survey of its quarterly newsletter; and
- commission an independent audit of the Authority's communications.

Costs

	Budget ¹	Actual ¹
Financial	\$131,000	\$97,401
% of total resources	12%	9.4%
Members' time	2.5%	5%

Performance Measures

The Authority will:

- conduct an annual survey of a sample of its quarterly newsletter readers to measure reader satisfaction and readers' general awareness of the role of the Authority, and its contribution to the development and maintenance of broadcasting standards in New Zealand. The results of that annual survey will be published in the Authority's annual report;
- every three years, commission an independent qualitative communications audit designed to measure the effectiveness of its communication to its stakeholders. The results of the audit will be published in the Authority's annual report; and
- wherever possible, include questions about its role and contribution to broadcasting standards in quantitative public surveys. Survey results will be published in the Authority's annual report.

Actual

In April 2002, the Authority conducted a readership survey of its quarterly newsletter. The results were published in *BSA Quarterly No. 15* (September 2002).

An independent qualitative communications audit is planned for 2004-05.

A useful opportunity to include questions about the Authority's role and contribution to broadcasting standards in public surveys did not present itself.

¹ Includes a portion of overheads

Statement of Accounting Policies

FOR THE YEAR ENDED 30 JUNE 2003

Reporting entity

The Broadcasting Standards Authority was established by the Broadcasting Act 1989 which sets out the functions and responsibilities of the Authority. These financial statements have been prepared in accordance with the First Schedule of the Broadcasting Act and section 41 of the Public Finance Act 1989. The Authority is a Crown entity in terms of the Public Finance Act.

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 of the Authority have been applied:

1. Plant, Property and Equipment

Plant, property and equipment are recorded at historical cost less accumulated depreciation.

2. Depreciation

Depreciation of Plant, Property and Equipment is provided on a straight line basis on all plant, property and equipment, at rates which will write off the assets to their residual value, over their useful lives:

Partitions, Office Equipment	5 years
Furniture and Fittings	5 years
Photocopier	3 years
Computer Hardware	3 years

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: 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 Authority 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 is GST inclusive.

6. Financial Instruments

The Broadcasting Standards Authority is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, debtors and creditors. All financial instruments are

recognised in the statement of financial position and all revenues and expenses in relation to financial instruments are recognised in the statement of financial performance.

7. Provision for Employee Entitlement

Annual leave is recognised on an entitlement basis.

8. Budget Figures

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

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

The Broadcasting Standards Authority derives revenue through the provision of outputs to the Crown; from the levy imposed by the legislation on broadcasters; for services to third parties; and income from its investments. Such revenue is recognised when earned and is reported in the financial period to which it relates.

10. Statement of Cash Flows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Broadcasting Standards Authority invests as part of its day-to-day cash management.

Operating activities include cash received from all income sources of the Broadcasting Standards Authority 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 equity and debt capital structure of the Broadcasting Standards Authority.

11. Cost of Service Statements

The Cost of Service Statements, as reported in the Statement of Objectives and Service Performance, report the net cost of services for the outputs of the Broadcasting Standards Authority and are represented by the costs of providing the output less all the revenue that can be allocated to these activities.

Cost Allocation

Broadcasting Standards Authority has derived the net cost of service for each significant activity using the cost allocation system outlined below.

Cost Allocation Policy

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on estimated usage.

12. Changes in accounting policies

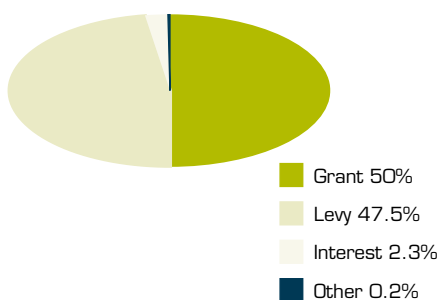
There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

Statement of Financial Performance

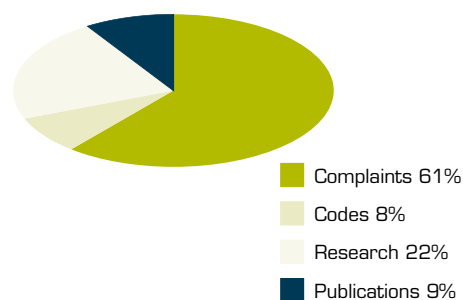
FOR THE YEAR ENDED 30 JUNE 2003

	NOTES	2003 Actual \$	2003 Budget \$	2002 Actual \$
REVENUE				
Grant		564,444	565,000	564,444
Broadcasting Levy		538,223	410,000	419,028
Interest		26,564	17,000	21,234
Publication Sales		100	2,000	670
Other		2,424	-	3,119
TOTAL OPERATING REVENUE		1,131,755	994,000	1,008,495
LESS EXPENDITURE				
Human Resources	1&2	576,276	595,000	554,398
Other Expenses	3	444,062	470,000	289,752
Depreciation	4	17,535	20,000	15,920
Loss on Assets Disposal		350		
TOTAL EXPENDITURE		1,038,223	1,085,000	860,070
NET OPERATING SURPLUS/DEFICIT				
Transferred to Equity		\$93,532	(\$91,000)	\$148,425
OUTPUTS				
		2003 ACTUAL	2003 BUDGET	VARIANCE
OUTPUT 1 COMPLAINTS	61.1%	633,984	586,000	(47,984)
OUTPUT 2 CODES	7.7%	80,226	119,000	38,774
OUTPUT 3 RESEARCH	21.8%	226,612	249,000	22,388
OUTPUT 4 PUBLICATIONS	9.4%	97,401	131,000	33,599
TOTAL OUTPUTS	100%	1,038,223	1,085,000	46,777

Income 2002-2003



Expenditure by Output 2002-2003



The statement of accounting policies and the notes form an integral part of and should be read in conjunction with these financial statements.

Statement of Movements In Equity

FOR THE YEAR ENDED 30 JUNE 2003

	NOTES	2003 Actual \$	2003 Budget \$	2002 Actual \$
Net operating surplus(deficit)		93,532	(91,000)	148,425
Total Recognised revenues and expenses for the year		93,532	(91,000)	148,425
Equity as at 1 July 2002		231,552	250,000	83,127
TOTAL EQUITY AS AT 30 JUNE 2003		\$325,084	\$159,000	\$231,552

Statement of Financial Position

AS AT 30 JUNE 2003

	NOTES	2003 Actual \$	2003 Budget \$	2002 Actual \$
CURRENT ASSETS				
Cash, Bank & Term Deposits	5	414,389	192,000	285,644
Accounts Receivable & Accrued Interest		1,390	-	3,735
Prepayments		1,155	2,000	2,005
GST Receivable		15,681	5,000	4,616
		432,615	199,000	296,000
LESS CURRENT LIABILITIES				
Accounts Payable & Accruals		108,673	55,000	70,919
Employee Entitlements		21,900	14,000	14,270
WORKING CAPITAL		302,042	130,000	210,811
NON CURRENT ASSETS				
	7	23,042	29,000	20,741
NET ASSETS		325,084	159,000	231,552
EQUITY				
		325,084	159,000	231,552
TOTAL EQUITY		325,084	\$159,000	\$231,552



Peter Cartwright

Chairperson

Wellington 19 September 2003



Jane Wrightson

Chief Executive

The statement of accounting policies and the notes form an integral part of and should be read in conjunction with these financial statements.

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2003

	NOTES	2003 Actual \$	2003 Budget \$	2002 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash was provided from:				
Grants, Publication Sales & Other		566,968	567,000	568,953
Broadcasting Levy		538,223	410,000	418,688
Interest Received		28,909	17,000	17,882
Net GST Received from IRD			-	-
Cash was disbursed to:				
Payments to Employees & Members		(562,530)	(595,000)	(553,373)
Payments to Suppliers & Other				
Operating Expenses		(331,122)	(473,000)	(276,010)
Net GST Paid to IRD		(91,517)	-	(1,499)
Net Cash Flow From Operating Activities	8	148,931	(74,000)	174,641
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was provided from:				
Sale of Fixed Assets		-	-	-
Cash was disbursed to:				
Purchase of Fixed Assets		(20,186)	(15,000)	(2,927)
Net Cash Flows From Investing Activities		(20,186)	(15,000)	(2,927)
NET INCREASE (DECREASE) IN CASH HELD		128,745	(89,000)	171,714
PLUS Opening Cash Brought Forward		285,644	281,000	113,930
ENDING CASH CARRIED FORWARD	5	\$414,389	\$192,000	\$285,644

The statement of accounting policies and the notes form an integral part of and should be read in conjunction with these financial statements.

Statement of Commitments

FOR THE YEAR ENDED 30 JUNE 2003

The following significant future commitments have been incurred by the Broadcasting Standards Authority against future years' income.

Leased Premises

The Authority has a lease from the NZ Lotteries Commission for the rental of the premises comprising part of the second floor; 54-56 Cambridge Terrace, Wellington from 1 April 2002 until 31 March 2005.

	2003	2002
	\$	\$
Less than one year	34,212	34,212
One to two years	25,658	34,212
Three to five years	-	25,658
Total Rent Expenditure Committed	\$59,870	\$94,082

Statement of Contingent Liability

FOR THE YEAR ENDED 30 JUNE 2003

As at 30 June 2003, two decisions of the Authority are in various stages of appeal in the High Court and judicial review has been sought on one decision. The basis of the appeal is to overturn a decision by the Authority. The awarding of legal costs will be the only potential impact on the Authority. As at 30 June 2002 there were four decisions in appeal.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2003

1. HUMAN RESOURCES	2003 Actual	2003 Budget	2002 Actual
	\$	\$	\$
Consultancy/Contract Services	1,385	2,000	1,705
Staff Remuneration	412,593	421,000	376,463
	\$413,978	\$423,000	\$378,168

The Chief Executive's remuneration was in the band \$100,000-\$110,000

2. MEMBERS' FEES	2003 Actual	2003 Budget	2002 Actual
	\$	\$	\$
P Cartwright	67,634		71,471
R Bryant	39,170		39,424
J McGregor	18,651		32,879
To HRC for J McGregor	14,708		-
B Hayward	507		32,456
T Misa	21,628		-
	\$162,298	\$172,000	\$176,230

3. OTHER EXPENSES	2003 Actual	2003 Budget	2002 Actual
	\$	\$	\$
Fees paid to auditors:			
- Audit of Financial Statements	9,800	9,800	9,770
- Other Services	-	-	1,000
Complaints	93,837	64,000	51,817
Information and Promotion	45,458	65,000	39,130
Research	131,984	152,000	22,451
Code Reviews	1,306	17,000	7,919
Travel, Accommodation & Training	72,903	73,000	65,544
Rent	34,212	34,300	30,946
Office Expenses	54,562	54,900	62,175
	\$444,062	\$477,100	\$289,752

Appendix 2

Analysis of Decisions July 2002 - June 2003

Decision No	Name of Complainant	Programme	Nature of Complaint	Decisions
2002-088	Marcel Spencer	<i>Labour Party Election Advertisement</i> , TVNZ	Inaccurate	Not Upheld
2002-089	Right to Life New Zealand Inc.	Comments from Family Planning Association on Newstalk ZB, TRN	Inaccurate	Not Upheld
2002-090	Monarchist League Inc	Monarchy versus Republic debate, <i>Insight</i> , RNZ	Unbalanced, Inaccurate, Unfair	Not Upheld
2002-091	Paul Schwabe	<i>Country Life</i> , RNZ	Offensive Language	Declined to Determine Complaint vexatious Costs of \$150 to broadcaster
2002-092	Bob Syron	References to Australians on Radio Pacific, The RadioWorks	Offensive Language	Not Upheld
2002-093	PG	<i>Office Goss</i> , The Edge, The RadioWorks	Inaccurate, Unfair, Breach of Privacy	Declined to Determine No tape available
2002-094	Belle Townsend	<i>One News</i> item about road accident, TVNZ	Inaccurate, Unfair, Encouraged Discrimination	Not Upheld
2002-095	Carol Irwin	<i>Unsolved</i> , TVNZ	Breach of Privacy	Not Upheld
2002-096	Viewers for Television Excellence Inc	<i>One News</i> item about sexual assault trial, TVNZ	Unnecessarily Violent, Disturbing for Children	Not Upheld
2002-097	Peter Zohrab on behalf of NZ Equality Party	<i>One News</i> pronunciation of Waikato, TVNZ	Inaccurate	Declined to Determine
2002-098	Gordon Hayes	<i>Moving On</i> , TVNZ	Offensive Language, Unsuitable for Children	Not Upheld
2002-099	Bryan and Catherine Yates	Interview of impersonator Jeremy Yates, The Edge, The RadioWorks	Unfair, Encouraged Denigration	Upheld in Part No Order
2002-100	Elaine Hadfield	Upheld complaint about promo for <i>Mercy Peak</i> , TVNZ	Action Taken Insufficient	Not Upheld
2002-101	Elaine Hadfield	<i>The Swap</i> , promo, TVNZ	Offensive Language, Excessive Violence	Not Upheld
2002-102	Elaine Hadfield	<i>Mercy Peak</i> , promo, TVNZ	Offensive Language, Excessive Violence	Not Upheld
2002-103	Elaine Hadfield	<i>Bad Girls</i> , promo, TVNZ	Offensive Language, Excessive Violence	Not Upheld
2002-104	Elaine Hadfield	<i>Mercy Peak</i> , promo, TVNZ	Offensive Language, Excessive Violence	Not Upheld
2002-105	PM McGrath	<i>What Now?</i> , TVNZ	Offensive Language, Unsuitable for Children	Not Upheld
2002-106	Graham Jacobsen	<i>Six Feet Under</i> , TVNZ	Offensive Nudity, Unsuitable for Children	Not Upheld
2002-107	Rob Hodgkinson	<i>Six Feet Under</i> , TVNZ	Offensive Behaviour	Not Upheld
2002-108	St Paul's Presbyterian Church, Katikati	<i>Saturday Morning</i> , RNZ	Offensive Language	Not Upheld
2002-109	John Lowe	<i>Nightline</i> item about "Puppetry of the Penis", TV3	Inaccurate, Failure to Respect Principles of Law	Not Upheld
2002-110	Children's Media Watch	<i>Cyberzone</i> , promo, TV4	Inappropriate Classification	Not Upheld

Decision No	Name of Complainant	Programme	Nature of Complaint	Decisions
2002-111	Children's Media Watch	<i>Angel</i> , promo, TV4	Inappropriate Classification	Not Upheld
2002-112	Children's Media Watch	<i>Star Hunter</i> , promo, TV4	Inappropriate Classification	Not Upheld
2002-113	Children's Media Watch	<i>Freakylinks</i> , promo, TV4	Inappropriate Classification	Not Upheld
2002-114	Children's Media Watch	<i>The Strip</i> , promo, TV3	Inappropriate Classification	Upheld No Order
2002-115	Shaun Wakelin	News Item about arrest of a kidnapper, Channel Z	Offensive, Unfair, Unbalanced, Failed to Distinguish Fact and Opinion	Not Upheld
2002-116	Samantha Guzzo	Upheld complaint about timing of broadcast of <i>The Happy Hooker Goes to Hollywood</i> , TelstraClear	Action Taken Insufficient	Not Upheld
2002-117	M Charlton	Upheld complaint that warning not broadcast before <i>Marathon Man</i> , Prime	Action Taken Insufficient	Not Upheld
2002-118	D Hong and M J Chung	<i>Motorway Patrol</i> , TVNZ	Unfair, Encouraged Discrimination	Not Upheld
2002-119	D Hong and M J Chung	<i>Motorway Patrol</i> , TVNZ	Breach of Privacy	Not Upheld
2002-120	Michael Hooker	<i>Scream</i> , TV3	Offensive behaviour; Failure to Respect Principles of Law, Inappropriate Classification, Unsuitable for Children, Excessive Violence	Upheld in Part No Order
2002-121 to 2002-127	R K Watkins	Comments by announcers during <i>Morning Rumble</i> on The Rock, Two Complaints Upheld by broadcaster, The RadioWorks	Offensive Language, Offensive Behaviour, Unsuitable for Children Action Taken Insufficient	Upheld - 5 Not Upheld - 2 Orders: Costs to Crown ordered on each upheld complaint. Total: \$3000
2002-128 to 2002-143	R K Watkins	Comments by Announcers during <i>Morning Rumble</i> on The Rock, The RadioWorks	Breach of Privacy Unfair, Encouraged Denigration	Upheld - 3 Not Upheld - 13 Orders: Broadcast Of Approved Statement, Costs to Complainant of \$250
2002-144	B	Upheld Complaint about Competition when details about B disclosed on <i>More FM</i> in Dunedin, The RadioWorks	Action Taken Insufficient	Not Upheld
2002-145	B	Competition, details about B disclosed on <i>More FM</i> in Dunedin, The RadioWorks	Breach of Privacy	Upheld No Order
2002-146	Robin Powell	<i>Insight</i> about issues facing overseas students in New Zealand, RNZ	Inaccurate	Not Upheld
2002-147	Monarchist League of New Zealand	<i>Insight</i> about republicanism, RNZ	Unbalanced and Inaccurate	Not Upheld
2002-148	Simon Boyce	<i>Nine to Noon</i> discussion about political events, RNZ	Inaccurate	Not Upheld
2002-149	Peter Zohrab on behalf of NZ Equality Education Foundation	<i>One News</i> item about different pay rates for men and women, TVNZ	Unbalanced, Inaccurate, Encouraged Denigration	Not Upheld
2002-150	Stan Fitchett	<i>Holmes</i> item about sexual abuse in Catholic order, TVNZ	Unbalanced, Unfair	Not Upheld
2002-151	Glen Lee	News item on Radio Pacific about woman swept away in flood, The RadioWorks	Offensive Manner of Delivery	Upheld No Order
2002-152	Kathleen & Patrick McCartain, & Irene Angus	Comment about Catholic Church & Pope on <i>Paul Holmes Breakfast</i> , TRN	Encouraged Denigration	Not Upheld
2002-153	Roger H Powell	<i>One News</i> item about costs for police officer charged with murder, TVNZ	Unbalanced, Inaccurate, Unfair	Not Upheld
2002-154	Rod Valenta	Music Video shown on <i>M2</i> "One Night in New York City", TVNZ	Offensive	Upheld No Order
2002-155	Pat Turley	<i>Crimebusters</i> item about a shoplifter, TVNZ	Offensive	Not Upheld
2002-156	Pat Turley	Upheld complaint that item on <i>Crimebusters</i> about a shoplifter was unfair, TVNZ	Action Taken Insufficient	Upheld Order: Broadcast of Statement

Decision No	Name of Complainant	Programme	Nature of Complaint	Decisions
2002-157	The Prime Minister	Scope of referral of complaint about <i>3 News Special</i> , TV3	Interlocutory Decision	Order made
2002-158	Mike Munro	Scope of referral of complaint about <i>3 News Special</i> , TV3	Interlocutory Decision	Order made
2002-159	Wakefield Associates	Hearing sought on complaint about item on <i>Fair Go</i> , TVNZ	Interlocutory Decision	Application Declined
2002-160	Tina Swenson	Music Video "Kiss Kiss" on <i>Coca-Cola RTR Countdown</i> , TVNZ	Offensive, Inappropriately Classified, Unsuitable for Children	Not Upheld
2002-161	Tina Swenson	Music Video "Hot in Here" on <i>Coca-Cola RTR Countdown</i> , TVNZ	Offensive, Inappropriately Classified, Unsuitable for Children	Not Upheld
2002-162	Tina Swenson	Music Video "Are You In" on <i>Coca-Cola RTR Countdown</i> , TVNZ	Offensive, Inappropriately Classified, Unsuitable for Children	Not Upheld
2002-163	Tina Swenson	Music Video "Without Me" on <i>Most Wanted</i> , TV4	Offensive, Inappropriately Classified, Unsuitable for Children	Not Upheld
2002-164	Tina Swenson	Music Video "Kiss Kiss" on <i>Most Wanted</i> , TV3	Offensive, Inappropriately Classified, Unsuitable for Children	Not Upheld
2002-165	Tina Swenson	Music Video "In the Middle" on <i>Most Wanted</i> , TV4	Offensive, Inappropriately Classified, Unsuitable for Children	Not Upheld
2002-166	Angela Niumata	<i>Behind the Scenes - Ali G In Da House</i> , TVNZ	Offensive Behaviour	Not Upheld
2002-167	H B McMeekin	<i>Morning Grill</i> on Radio Pacific, The RadioWorks	Offensive, Encouraged Denigration	Not Upheld
2002-168	Hugh Webb	<i>Holmes Election Special: Prime Ministerial Debate</i> , TVNZ	Unbalanced, Unfair	Not Upheld
2002-169	Simon Boyce	<i>Assignment</i> , TVNZ	Inaccurate, Unfair	Upheld in Part No order
2002-170	Diane Ranger	<i>Saturday Morning</i> , RNZ	Unfair	Not Upheld
2002-171	Rev DP Collins	News item about canonisation, RNZ	Inaccurate	Not Upheld
2002-172	Elaine Hadfield	<i>Spin Doctors Election Special</i> , TVNZ	Offensive, Unsuitable for Children	Not Upheld
2002-173	Christian Heritage Party	<i>Holmes Leaders' Debate</i> , TVNZ	Unbalanced	Not Upheld
2002-174	R L Kahukura	<i>Havoc & Newsboy's Sellout Tour</i> , TVNZ	Unfair	Not Upheld
2002-175	Syd Mannion	Interview with Naval Officer on Radio Pacific, The RadioWorks	Unbalanced, Unfair, Encouraged Denigration	Not Upheld
2002-176	Jackie Sanders	Comments on <i>Breakfast Show</i> , 531PI	Breach of Privacy	Not Upheld
2002-177	Jackie Sanders	Comments on <i>Breakfast Show</i> , 531PI	Unfair	Upheld No Order
2002-178	Rodney Hide MP	<i>One News</i> item which referred to some of Mr Hide's activities, TVNZ	Unbalanced, Inaccurate, Unfair	Upheld in Part No Order
2002-179	Wakefield Associates	Application for Disclosure in regard to complaint about item on <i>Fair Go</i> , TVNZ	Interlocutory Decision	Application Declined
2002-180	The Prime Minister	Process to be followed by broadcaster in regard to complaint about <i>3 News Special</i> , TV3	Interlocutory Decision	Process Laid Down
2002-181	Mike Munro	Process to be followed by broadcaster in regard to complaint about <i>3 News Special</i> , TV3	Interlocutory Decision	Process Laid Down
2002-182	N N Rodley	<i>Six Feet Under</i> , TVNZ	Offensive Behaviour	Not Upheld
2002-183	Lyall Philip	<i>The Last Boy Scout</i> , film, TVNZ	Offensive Language	Not Upheld
2002-184	David Robb	Interview on Newstalk ZB about "National Penis Day" TRN	Offensive	Not Upheld
2002-185	Simon Buckingham	<i>Shortland Street</i> , storyline about ADHD child, TVNZ	Offensive, Illegal, Inaccurate	Not Upheld
2002-186	Victor Paul	<i>One News</i> item about US Armed Forces, TVNZ	Unbalanced, Inaccurate	Not Upheld
2002-187	Stella Anne McArthur	Live to Air: An Election Drama, play, RNZ	Offensive Use of Holy Names	Not Upheld

Decision No	Name of Complainant	Programme	Nature of Complaint	Decisions
2002-188	Wayne Smith	Use of word "mongrel" by host on Newstalk ZB, TRN	Offensive, Racist	Not Upheld
2002-189	Kristian Harang	<i>Strippers</i> , TVNZ	Offensive, Unsuitable for Children	Not Upheld
2002-190	R F James	Comments about HRT on <i>Nine to Noon</i> , RNZ	Unbalanced	Not Upheld
2002-191	Brent Morrissey	<i>Holmes</i> item about Winston Peters MP, TVNZ	Unfair	Not Upheld
2002-192	Dr Beverley Lawton	<i>Sunday</i> item about HRT, TVNZ	Unbalanced, Inaccurate, Unfair	Not Upheld
2002-193	BQ	<i>Location, Location, Location</i> , TVNZ	Breach of Privacy	Not Upheld
2002-194	BQ	<i>Location, Location, Location</i> , TVNZ	Unfair	Declined to Determine
2002-195	CR	<i>Location, Location, Location</i> , TVNZ	Breach of Privacy	Not Upheld
2002-196	CR	<i>Location, Location, Location</i> , TVNZ	Unfair	Declined to Determine
2002-197	Mark Bray	<i>Overboard</i> , film, TVNZ	Offensive Language, Unsuitable for Children	Not Upheld
2002-198	Alastair Duff	<i>Willy Nilly</i> , TVNZ	Offensive Behaviour	Not Upheld
2002-199	Warren Healy	<i>Newsbreak</i> item about violent murder during <i>Thunderbirds</i> , TV3	Unsuitable for Children	Not Upheld
2002-200	WJ & JA Kearney	<i>Holmes</i> reference to Noam Chomsky, TVNZ	Inaccurate, Unfair	Not Upheld
2002-201	Janet Armstrong	<i>Off The Wire</i> , RNZ	Offensive Content	Not Upheld
2002-202	Reg Mundy	News item about miracle healing claims, RNZ	Unfair	Not Upheld
2002-203	Athana Johns	<i>One News</i> item about murder trial, TVNZ	Inaccurate, Unfair	Not Upheld
2002-204	Athana Johns	<i>Late Edition</i> item about murder trial, TVNZ	Inaccurate, Unfair	Not Upheld
2002-205	B Jobe	<i>Love Thy Neighbour</i> , TVNZ	Breach of Privacy	Not Upheld
2002-206	Victoria del la Varis	<i>3 News</i> item about film, TV3	Offensive, Inappropriately Classified, Unsuitable for Children, Excessive Violence	Not Upheld
2002-207	Simon Boyce	<i>Secret New Zealand</i> , TVNZ	Inaccurate, Unfair	Not Upheld
2002-208	R F James	<i>Taste New Zealand</i> , TVNZ	Unbalanced	Not Upheld
2002-209	Doug McElwain	News item about Labour Party, RNZ	Inaccurate	Not Upheld
2002-210	Te Marunui Toki	Name Game Competition on Lite FM, The RadioWorks	Encouraged Discrimination	Not Upheld
2002-211	R J Young	<i>Morning Grill</i> on Radio Pacific, The RadioWorks	Offensive Language	Declined to Determine
2002-212	Paul Le Comte	Reference to homosexuality on Radio Sport, TRN	Encouraged Denigration	Not Upheld
2002-213	The Prime Minister	Application for Disclosure in regard to complaint about <i>3 News Special</i> , TV3	Interlocutory Decision	Application granted in Part
2002-214	Mike Munro	Application for Disclosure in regard to complaint about <i>3 News Special</i> , TV3	Interlocutory Decision	Application granted in Part
2003-001	Lois Durward	<i>Mo Show</i> , TVNZ	Offensive Visuals, Unsuitable for Children	Upheld in Part No Order
2003-002	Topline International	<i>Fair Go</i> , TVNZ	Unbalanced, Inaccurate, Unfair	Not Upheld
2003-003	Francis Fielding	<i>The Tribe</i> , TV3	Offensive, Unbalanced, Inaccurate, Unfair, Unsuitable for Children, Excessive Violence	Not Upheld
2003-004	Kingdom Residential Housing	Discussion about leaky building syndrome on Newstalk ZB, TRN	Unfair	Not Upheld
2003-005	Dr Patrick Mulhern	Discussion about trial on Newstalk ZB, TRN	Encouraged Denigration and Vigilante Justice	Not Upheld
2003-006	Doug Smith	<i>20/20</i> item about prison emergency response squad, TV3	Unbalanced, Inaccurate, Unfair	Upheld in Part Order: Broadcast of Statement

Decision No	Name of Complainant	Programme	Nature of Complaint	Decisions
2003-007	Julia Malcolm	Reference to Incest on The Edge, The RadioWorks	Offensive	Upheld Order: Broadcast of Statement
2003-008	Julia Malcolm	Reference to Incest on The Edge, The RadioWorks	Breach of Privacy	Not Upheld
2003-009	Jacqueline Grenfell	Promo for play <i>Plato's Cave</i> , RNZ	Offensive, Unsuitable for Children	Not Upheld
2003-010	Anne Shearer	<i>Mercy Peak</i> , TVNZ	Offensive, Unsuitable for Children	Not Upheld
2003-011	Christine Diamond	<i>Choppers</i> , TVNZ	Breach of Privacy	Declined to Determine
2003-012	Christine Diamond	<i>Choppers</i> , TVNZ	Inaccurate and Unfair	Not Upheld
2003-013	Daphne Wong	<i>Flipside</i> , TVNZ	Inaccurate, Unfair	Not Upheld
2003-014	Dr L Exton	Promo for film <i>American Beauty</i> , TVNZ	Offensive, Inappropriately Classified	Not Upheld
2003-015	Dr M C McGrath	<i>Breakfast</i> item about America's Cup, TVNZ	Offensive	Not Upheld
2003-016	Ken Turner Motors Ltd	<i>Target</i> , TV3	Unbalanced, Inaccurate, Unfair	Not Upheld
2003-017	Mr and Mrs B Radford	<i>Private Investigators</i> , TVNZ	Breach of Privacy	Upheld Order: Broadcast of Statement and \$750 compensation to each complainant.
2003-018	John Kelcher	Upheld Complaint about <i>Maximum Exposure - International Fight Club</i> , Prime	Action Taken Insufficient	Upheld Order: Broadcast of Statement
2003-019	John Kelcher	<i>Maximum Exposure - International Fight Club</i> , Prime	Offensive, Unfair, Unsuitable for Children	Upheld Order: Broadcast of Statement
2003-020	Bernard Maney	<i>Jagud Guru Speaks</i> , Triangle	Offensive, Unfair	Not Upheld
2003-021	Graham Fox	<i>An Audience With The King</i> , TVNZ	Offensive, Unsuitable for Children	Not Upheld
2003-022	Orion New Zealand Ltd	<i>One News</i> item about electricity pricing, TVNZ	Inaccurate	Upheld No Order
2003-023	Murray Baylis	<i>American Beauty</i> , Film, TVNZ	Offensive, Unsuitable for Children	Not Upheld
2003-024	Jane Hulst	<i>Off The Wire</i> , RNZ	Offensive, Inaccurate, Encouraged Denigration	Not Upheld
2003-025	The Prime Minister	Application by broadcaster for hearing in regard to complaint about <i>3 News Special</i> , TV3	Interlocutory Decision	Application Declined
2003-026	Mike Munro	Application by broadcaster for hearing in regard to complaint about <i>3 News Special</i> , TV3	Interlocutory Decision	Application Declined
2003-027	Stephen Peat	Reference to Matthew Ridge on <i>Radio Hauraki</i> , TRN	Offensive and Unfair	Upheld in Part No Order
2003-028	George and Eileen Anderson	<i>DNZ World Extra: Palestine is Still the Issue</i> , TVNZ	Unbalanced, Inaccurate, Unfair	Not Upheld
2003-029	Auckland Jewish Council	<i>DNZ World Extra: Palestine is Still the Issue</i> , TVNZ	Unbalanced, Inaccurate, Unfair	Not Upheld
2003-030	Tony Leverton	<i>DNZ World Extra: Palestine is Still the Issue</i> , TVNZ	Unbalanced, Inaccurate, Unfair	Not Upheld
2003-031	David Currie	<i>One Late Edition</i> news item about cannabis, TVNZ	Unbalanced, Inaccurate, Unfair	Not Upheld
2003-032	Colin Ellis	<i>Liberation Talkback</i> on Radio Waatea, UMA Broadcasting	Unbalanced, Encouraged Discrimination	Not Upheld
2003-033	Kristian Harang	<i>Hot Property</i> , TVNZ	Offensive, Unsuitable for Children	Not Upheld
2003-034	Russell Vickery	<i>One News</i> item about signage on former brothel, TVNZ	Inaccurate, Unfair	Not Upheld
2003-035	Ian Penrice	<i>One News</i> item about Waitangi Day, TVNZ	Offensive, Breach of Privacy	Not Upheld
2003-036	Colleen Pollard	<i>Breakfast</i> item about Easter, TVNZ	Unfair	Not Upheld
2003-037	Sylvia Shepherd	<i>Paul Holmes Breakfast</i> jokes about French and German troops, TRN	Encouraged Denigration	Not Upheld

Decision No	Name of Complainant	Programme	Nature of Complaint	Decisions
2003-038	James Cone	<i>Morning Report</i> item about Maternity Services, RNZ	Offensive, Causing Alarm	Not Upheld
2003-039	David Galbraith	Comments of ZM 89.8, TRN	Encouraged Denigration	Not Upheld
2003-040	John Lowe	Promo for <i>Always Greener</i> , TVNZ	Offensive, Unsuitable for Children	Not Upheld
2003-041	John McLellan	Reference on <i>Holmes</i> to Wellington Stadium, TVNZ	Derogatory	Declined to Determine
2003-042	Chris Clarke	<i>One News</i> item about drug overdose, TVNZ	Inaccurate	Not Upheld
2003-043	Paul Clarke	<i>Bea Arthur On Broadway</i> , RNZ	Offensive	Not Upheld
2003-044	M D Sharp	<i>The Racing Show</i> on Radio Pacific, The RadioWorks	Offensive	Upheld No Order
2003-045	C R Turner	Live Coverage of racing, TVNZ	Incidental Liquor Promotion, Saturation of Liquor Promotion	Upheld in Part: Order: Costs of \$750 to Crown
2003-046	Linda Beattie	<i>The Assignment</i> , film, TVNZ	Offensive, Unsuitable for Children	Upheld in Part No Order
2003-047	Barbara Calvert	<i>Issues 101</i> , film, Triangle	Offensive, Unsuitable for Children	Upheld in Part Order: Broadcast of Statement.
2003-048	John Blackaby	<i>Holmes</i> item about probation service, TVNZ	Unbalanced, Unfair	Not Upheld
2003-049	Cherry Smith	<i>Eyes Wide Shut</i> , film, TVNZ	Offensive, Unsuitable for Children	Not Upheld
2003-050	TG	<i>Sunday</i> item about prison officer, TVNZ	Breach of Privacy	Not Upheld
2003-051	Society for Protection of Unborn Child	<i>Inside NZ: The Hardest Decision</i> , TV3	Unbalanced and Inaccurate about law	Not Upheld
2003-052	David Wakim on behalf of Palestine Human Rights Campaign	<i>Morning Report</i> item about Bethlehem, RNZ	Inaccurate	Upheld No Order
2003-053	Des Casey	Comments about cricket on <i>Radio Sport</i> , TRN	Offensive, Unfair, Sexist	Not Upheld
2003-054	Lynley Claridge	News item on Blue Skies FM, Blue Skies FM	Unbalanced, Inaccurate, Unfair	Upheld in Part No Order

Notes to the Financial Statements continued

4. DEPRECIATION

Asset Class	2003 Actual	2003 Budget	2002 Actual
	\$	\$	\$
Computer Equipment	3,692	6,000	4,538
Furniture and Fittings	3,602	3,000	1,665
Partitioning and Fitout	2,267	2,000	1,626
Photocopier	6,569	7,000	6,569
Office Equipment	1,405	2,000	1,522
TOTAL DEPRECIATION	\$17,535	\$20,000	\$15,920

5. CASH, BANK & TERM DEPOSITS

This comprises cash balances held on hand and in deposits with New Zealand banks.

	2003 Actual	2003 Budget	2002 Actual
	\$	\$	\$
Cash on hand:			
Petty Cash	100	100	100
Banks:			
WestpacTrust:			
- Current Accounts	18,138	10,900	10,131
- Ready Access/Term Deposit	396,151	181,000	275,413
	\$414,389	\$192,000	\$285,644

The weighted average interest rate was 5.23% per annum (2002 5.12%)

6. BANK OVERDRAFT

The bank overdraft is unsecured. The facility available totals \$5,000. (2002 \$5,000)

The current interest rate on the bank overdraft is 13.25% per annum. (2002 13.25%) This is a floating rate set quarterly by the bank.

Notes to the Financial Statements continued

7. NON CURRENT ASSETS			
2001/02			2002/03
5,687	Artworks	At cost	5,687
(5,687)		Accumulated Depreciation	(5,687)
-		Net Current Value	-
77,295	Computer Equipment	At cost	79,990
(74,761)		Accumulated Depreciation	(78,453)
2,534		Net Current Value	1,537
58,733	Furniture & Fittings	At cost	71,104
(54,985)		Accumulated Depreciation	(58,587)
3,748		Net Current Value	12,517
64,210	Partitioning & Fitout	At cost	67,705
(60,843)		Accumulated Depreciation	(63,110)
3,367		Net Current Value	4,595
36,490	Photocopier	At cost	36,490
(28,261)		Accumulated Depreciation	(34,830)
8,229		Net Current Value	1,660
28,471	Office Equip/Televisions	At cost	29,746
(25,608)		Accumulated Depreciation	(27,013)
2,863		Net Current Value	2,733
270,886	TOTAL FIXED ASSETS	At cost	290,722
(250,145)		Accumulated Depreciation	267,680
20,741		Net Current Value	23,042

Notes to the Financial Statements continued

**8. RECONCILIATION OF THE NET OPERATING SURPLUS/DEFICIT WITH
NET CASH FLOWS FROM OPERATING ACTIVITIES FOR THE YEAR**

	2003	2002
	Actual	Actual
	\$	\$
Reported Surplus/(Deficit) For The Year	93,532	148,425
Add Non-Cash Items:		
Depreciation	17,535	15,920
Add Movements In Other Working Capital Items:		
(Increase) Decrease in Accounts Receivable	2,345	(2,189)
Increase (Decrease) in Accounts Payable	37,754	14,939
Increase (Decrease) in Provision for Holiday Pay	7,630	242
(Increase) Decrease in Net GST Receivable	(11,065)	(1,499)
(Increase) Decrease in Prepayments	850	(1,197)
Add Activities Classified As Investing Activities:		
Loss of disposal	350	-
Net Cash Flow From Operating Activities	148,931	\$174,641

9. FINANCIAL INSTRUMENTS

Broadcasting Standards Authority 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 Authority incurs credit risk from trade debtors, and transactions with financial institutions.

The Authority does not require any collateral or security to support financial instruments with financial institutions that the Authority deals with, as these entities have high credit ratings. For its other financial instruments the Authority does not have significant concentrations of credit risk.

Fair Value

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

Currency and Interest Rate Risk

The Authority does not consider that it has any significant exposure to interest rate or currency risk on its financial instruments.

10. RELATED PARTY INFORMATION

The Broadcasting Standards Authority is a wholly owned entity of the Crown. The Government provides a major source of revenue (Grant) 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

Analysis of Decisions July 2002 - June 2003

July 2002 - June 2003	Complaints Received: 169	Decisions Issued: 182
July 2001 - June 2002	Complaints Received: 186	Decisions Issued: 259
July 2000 - June 2001	Complaints Received: 197	Decisions Issued: 189
July 1999 - June 2000	Complaints Received: 206	Decisions Issued: 239
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

July 2002 - June 2003 Basis Of Complaint (2001 - 2002 figures in brackets)

	Total		Good Taste & Decency (including language)		Balance, Fairness and Accuracy	
Declined ²	139	(189)	39	(128)	63	(42)
Upheld (all or in part)	32	(70)	14	(40)	12	(13)
Interlocutory Decisions	11	(-)				
Declined Jurisdiction	12	(15)				
Complaint Withdrawn	10	(5)				
	Alcohol Advertising		Violence		Privacy	
Declined	-	(1)	2	(-)	10	(9)
Upheld (all or in part)	1	(-)	-	(3)	2	(10)
	Discrimination		Protection of Children		Other	
Declined	9	(5)	17	(4)	(-)	
Upheld (all or in part)	-	(1)	4	(3)	(-)	

² This category includes the 6 decisions that the Authority, after investigating the complaint to the extent possible, issued a decision in which it declined to determine the complaint.

**By Broadcaster and Programme
(2001 - 2002 figures in brackets)**

	Total	News	Current Affairs	Holmes	Talkback	Documentary	Other
TVNZ							
Declined	71 (71)	14 (21)	2 (6)	7 (3)		3 (3)	45 (38)
Upheld (all or in part)	9 (18)	2 (7)	1 (-)	- (6)		- (2)	6 (3)
TV3							
			Current Affairs				
Declined	13 (28)	3 (7)	1 (2)			- (7)	9 (19)
Upheld (all or in part)	3 (8)	- (1)	1 (2)			- (1)	2 (4)
Sky							
Declined	- (5)					- (1)	5 (1)
Upheld (or in part)	- (-)					- (-)	- (-)
RNZ							
Declined	18 (13)	5 (3)	2 (-)			- (-)	11 (10)
Upheld (all or in part)	1 (-)	1 (-)	- (-)			- (-)	- (-)
Other Radio & Television							
Declined	37 (72)	3 (2)			1 (7)	- (3)	33 (63)
Upheld (all or in part)	19 (44)	1 (-)			- (5)	- (-)	18 (39)



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