

**THE NEW ZEALAND MUSIC COMMISSION
TE REO REKA O AOTEAROA**

**ANNUAL PLAN
2016 - 2017**

**SUPPORTING THE GROWTH OF THE NZ MUSIC INDUSTRY
BOTH CULTURALLY AND ECONOMICALLY, AT HOME AND ABROAD**



**NEW ZEALAND
MUSIC COMMISSION**
TE REO REKA O AOTEAROA

THE NEW ZEALAND MUSIC COMMISSION TE REO REKA O AOTEAROA

ANNUAL PLAN 2016 - 2017

Contents

Introduction	3
Strategic Approach 2016 - 2020	4
Forecast Initiatives & Results 2016 - 2017	5
Organisational Health & Capability	9
Organisational Goals	10
Financial Forecast 2016 - 2017	11
Directory	15

INTRODUCTION

This is the Annual Plan for the New Zealand Music Commission Te Reo Reka O Aotearoa for the year beginning 1 July 2016.

It outlines our expected initiatives, results and financial forecast across the organisation.

This plan will be updated annually as part of the Music Commission's four year Strategic Plan 2016 – 2020.

STRATEGIC APPROACH 2016 - 2020

The vision of the Music Commission is
A successful music industry in New Zealand.

The mission of the Music Commission is
Supporting the growth of the New Zealand music industry - culturally and economically, at home and abroad.

The Music Commission is:

- Contemporary popular music focused
- Industry Lead

The Music Commission strategic focus areas will be:

Domestic

New Zealand music is part of the national cultural conversation

International

New Zealand music can compete in an evolving and diverse international music environment

The Music Commission strategic results areas will be:

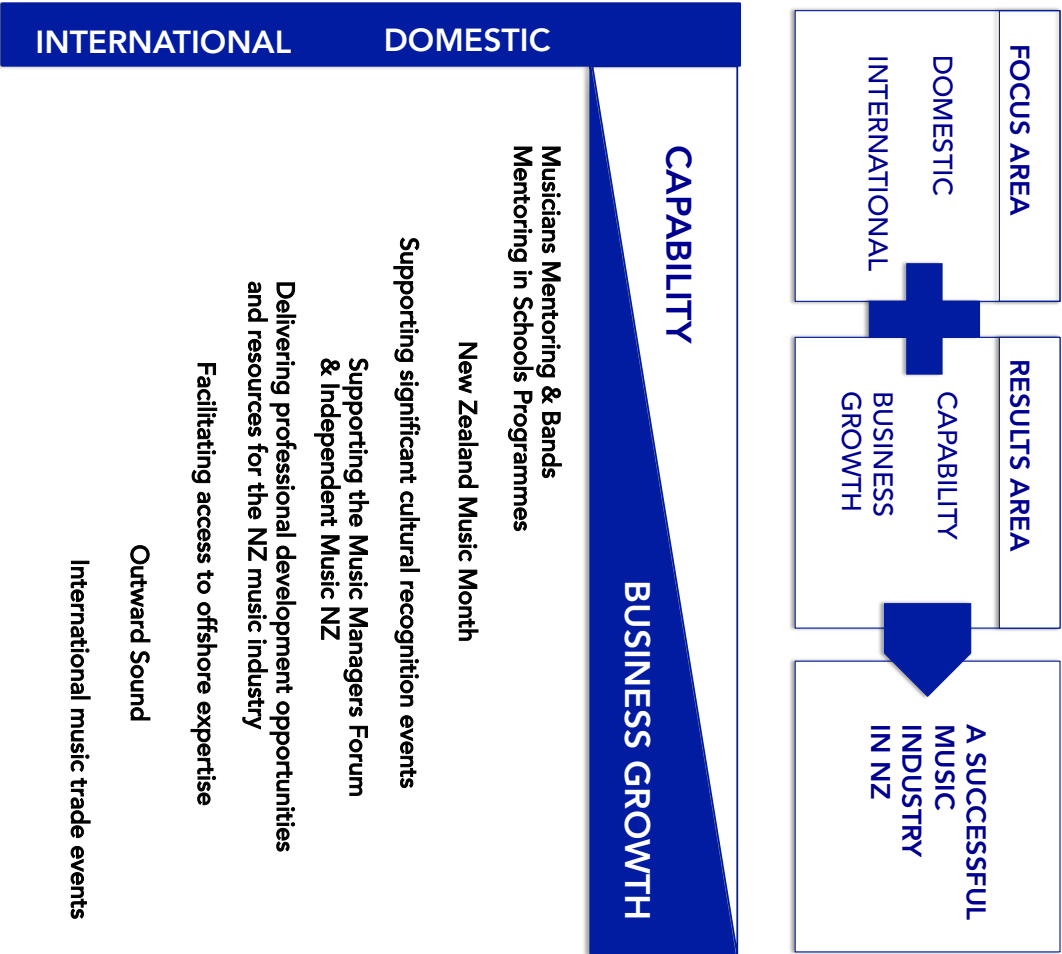
Capability results

New Zealand music practitioners have the resources and tools for doing better business

Business Growth Results

New Zealand music businesses grow their opportunities and successes

We believe these result areas are interconnected and positive results in one area will lead to benefits for the others.



FORECAST INITIATIVES & RESULTS 2016 - 2017

Focus / Results	Results	Quantitative	Qualitative	Budget (\$'000)
Domestic	<p>INITIATIVE 1: Musicians Mentoring & Bands Mentoring in Schools Programmes</p> <p>Teachers and students develop knowledge, skills and understanding of contemporary popular NZ music through a practical based framework in which professional musicians act as mentors in participating schools.</p> <p>Participants in the Smokefreerockquest programmes will be assisted to develop their live performance and event management skills through partnering them with a professional band who provides support, and shares their experiences and knowledge.</p> <p>PLEASE NOTE: The Ministry of Education Contracts for both the Musicians Mentoring and Bands Mentoring in Schools Programmes are currently being renegotiated. New measures may replace these to better reflect the new contract in late 2016.</p>	<p>60 Schools participate in Musician Mentoring</p> <p>1200 Students participate in Musician Mentoring</p> <p>40 Schools participate in Bands Mentoring</p>	<p>80% of participants rate the Programmes as having a positive or strong influence in the intended result areas.</p>	326
Capability				
Domestic				
Capability				
Business Growth				
Domestic	<p>INITIATIVE 2: New Zealand Music Month</p> <p>Promotional activities lead to increased coverage celebrating NZ music and the people who create it.</p>	<p>Volume of music events occurring nationwide</p> <p>Number of traditional media stories covering NZ music and artists as tracked by an alert system</p>	<p>Social Media engagement grows as shown through a combination of social media analytic data.</p>	50

Focus / Results	Results	Quantitative	Qualitative	Budget (\$000)
Domestic	INITIATIVE 3: Supporting significant cultural recognition events	That the events such as the Waiaata Maori Awards, the Pacific Music Awards and the Taite Music Prize continue to be recognised as culturally significant events, and supported annually by the Music Commission.	That the three events produce positive media results and provide recognition and coverage to relevant parts of the sector.	13
Capability	Supporting events that celebrate excellence in Maori Music, Pacific Music and independent music			
Business Growth	showcase to the public the importance of their contribution to the contemporary popular music industry.			
Domestic	INITIATIVE 4: Support Independent Music New Zealand (IMNZ) and the Music Managers Forum (MMF)	The paid membership of IMNZ remains stable or grows	The MMF and IMNZ will provide services, including an upskilling schedule based on membership surveys and feedback, to benefit both their memberships and the wider industry.	220
Capability	Providing support to independent music companies via IMNZ and professional artist managers through the MMF enables the delivery of important industry support and professional development initiatives for the benefit of the wider industry.			
Business Growth				

Focus / Results	Results	Quantitative	Qualitative	Budget (\$000)
Domestic	INITIATIVE 5: Delivering professional development opportunities, useful information & resources for the NZ music industry	A minimum of five upskilling events occur annually.	At least 75% of upskilling event attendees rate the events as good or excellent	95
Capability	Supporting and participating in upskilling events across NZ, from grassroots learning through to higher professional development opportunities, and producing practical information and resources, will provide industry practitioners with useful and high quality information with which to expand their skill base and help to grow the industry's expertise.	That usage of resources is maintained or grows annually		
Business Growth	Facilitating the collection of data relevant to the NZ music industry will provide the industry (and the Music Commission) with important knowledge about the economic performance of the industry and greater societal benefits of music. Research and development will lead to greater investment, as returns can be better documented.	25% of event audiences or resource users are first time attendees or clients	A quantifiable figure of the financial value of NZ music is published annually	
		Produce the May Book		
		Provide a free legal advice service		
International	INITIATIVE 6: Creating access to offshore expertise, networks and upskilling opportunities	At least 50 NZ music businesses participate per annum.	At least 70% of attendees / participants surveyed rate their satisfaction with events as good or excellent	50
Capability	Facilitating opportunities for international specialists to pass on knowledge to local music businesses via seminars and networking opportunities will enable NZ artists and professionals to make more informed plans and decisions with regard to overseas market initiatives, improving their chances of success.	Three local companies undertake an intensive business development programme.	That experts participate in upskilling or networking opportunities annually in NZ and offshore providing useful information and contacts	
Business Growth	Participation in upskilling or networking opportunities annually, both in New Zealand and offshore, provides useful information and contacts for NZ music businesses.	At least 15 international professionals participate per annum.		

Focus / Results	Results	Quantitative	Qualitative	Budget (\$'000)
International	INITIATIVE 8: Operation of the Outward Sound Programme	Four funding rounds are held annually and independent audits are undertaken for a minimum of two completed projects	Artists we work with internationally receive greater coverage and engagement	400
Capability	Through providing a robust and transparent grants assistance programme that invests up to 50% of costs for representatives or artists to undertake offshore music market initiatives, NZ music projects will have an increased chance at success in overseas markets, foreign exchange earnings from NZ music will increase, and the profile of NZ music in international markets will improve.	100% of projects funded through Outward Sound have robust plans and demonstrate capability to achieve increased overseas earnings	Four applicants take part in a survey to assess the funding process and management of the programme	
Business Growth		Percentage of Outward Sound recipients offered subsequent international opportunities		
International	INITIATIVE 8: Coordinating and managing the representation of NZ music at strategically identified international music trade events	Number of NZ music businesses (including artists) that attend music markets or trade fairs to showcase artists and promote NZ as a source of repertoire	Increase in volume of social media metrics for artists attending or represented at international trade events. Volume of new business connections reported by attending NZ music businesses	180
Capability				
Business Growth	The offshore business potential for NZ music businesses will be increased through a coordinated, professional and territory-relevant national representation promoting New Zealand as a source of repertoire.	A minimum of four international trade events host a NZ presence		

ORGANISATIONAL HEALTH & CAPABILITY

The Music Commission has a small staff and recognises that its people are its greatest organisational asset.

The operations of the organisation are managed by the Chief Executive, with input from two senior managers. Additional staff work in each outcome area with the full-time equivalent (FTE) staff of 7.2, including financial management.

The organisational structure for the NZ Music Commission is:

Board Of Trustees		
Chief Executive		
Finance Manager	Education Manager	International Manager
Communications & Projects Officer	Education Assistant	International Assistant
Executive Support		
Administration Assistant		

Organisational Health & Capability Goals

Goal 1: The Music Commission has a committed and capable Board of Trustees that effectively governs the organisation.

- The Board undertake an annual self-assessment to evaluate the effectiveness of its governance.
- The Board reviews its make-up to ensure the right balance of skills as vacancies arise.
- The Board reviews its policies and procedures on an annual basis.

Goal 2: The Music Commission is committed to being a good employer focusing on retention of staff and providing equal opportunities to staff.

- All staff have professional development plans to support their goals revised annually.
- All staff will have training opportunities annually.
- That staff turn over is no more than 1.5 FTE annually.

Goal 3: Our office environment is safe, well maintained and fit for purpose.

- Business Continuity Planning is part of the ongoing life of the organisation and reviewed annually.
- Zero tolerance is maintained for harassment or bullying and all staff are aware of the serious misconduct policy.
- Any safety hazards issues are dealt with promptly and reported in a document controlled file.

Organisational Goals

Goal 1: The Music Commission will collaborate with other agencies, both government and non-government, to provide services to support the growth of the music industry in New Zealand where appropriate.

- The Music Commission identifies common goals with other agencies and where appropriate participates in partnerships for service provision.
- The Music Commission continues to collaborate with the joint-agency Contemporary Popular Music Working Group.

Goal 2: The Music Commission will consult with the wider industry on an annual basis to ensure our strategic goals are aligned with the current environment.

- The Music Commission will host external industry representatives every year, either in small focus groups or wider forums, to gain insight into sectoral issues and opportunities.
- The staff and Board will be proactive in their roles as ambassadors for the Music Commission and provide feedback and ideas to inform the organisation's strategic framework.

Goal 3: The Music Commission explores opportunities for increasing its income to leverage on the current international spotlight on music from New Zealand.

- The Music Commission advocates for greater investment in contemporary popular music, particularly to support New Zealand music businesses in the global market.

Goal 4: The Music Commission explores opportunities for joined-up purchasing of services for the organisation, and where applicable, the sector as a whole.

- The Music Commission investigates and executes at least one contract for joined-up purchasing with a supplier.
- The Music Commission collates information on the most commonly used offshore suppliers and provides this information to NZ music businesses.

Goal 5: The Music Commission and its Board of Trustees continue to explore opportunities to partner with external organisations.

- The Music Commission gains a minimum of three domestic and three international financial or in-kind sponsors per annum.
- The Music Commission undertakes a minimum of five partnership projects with shared financial input.

FINANCIAL FORECAST TO 30 JUNE 2017

BALANCE SHEET

	Jun-16	Jun-17
Working Capital		
Cash and Investments	509,076	461,405
Receivables	151,571	173,292
Prepayments	2,768	1,074
	663,414	635,770
Less		
Payables & Accruals	(344,922)	(373,304)
Income In Advance	0	0
Taxation	7,267	4,643
	(337,655)	(368,660)
Net Working Capital:	325,759	267,110
Non Current Assets		
Fixed Assets	4,448	6,101
Preliminary Expenses	14,681	14,681
Outward Sound Set Up Costs	11,177	11,177
Logo	-	-
	30,306	31,959
	356,065	299,069
Represented by:		
Retained Earnings	334,375	356,065
Prior Year Adjustment	-	-
Net Profit	21,690	(56,995)
	356,065	299,069
FIXED ASSETS		
Assets at Cost - 2014	81,304	85,069
Purchases/(Sales) - Prior Months		7,800
Purchases/(Sales) - Current Year	3,765	-
	85,069	92,869
Accumulated Depreciation - 2014	(76,208)	(80,621)
Depreciation Expense - Prior Months		-
Depreciation Expense - Current Year	(4,414)	(6,147)
	(80,621)	(86,768)
Fixed Assets	4,448	6,101

CASHFLOW

	Jun-16	Jun-17
Net Profit Before Tax (Inclusive of Non Deductible)	21,690	(56,995)
Depreciation	4,414	6,147
Decrease / (Increase) in Receivables	31,274	(21,721)
Decrease / (Increase) in Prepayments	25,780	1,694
Decrease / (Increase) in Long Term Assets	-	-
Increase / (Decrease) in Payables / Accruals	37,542	28,381
Decrease / (Increase) in Income in Advance	-	-
Decrease / (Increase) in Taxation	1,294	2,623
Prior Year Adjustment (Retained Earnings)	-	-
Operating Cashflow:	121,993	(39,871)
Purchase of Fixed Assets	(3,765)	(7,800)
Movement in Cash:	118,228	(47,671)

SOURCE AND APPLICATION OF FUNDS STATEMENT

The Bank started at (1/7/16)	390,848	509,076
Cash was received from		
Grants, donations and other income	1,941,987	1,900,235
Taxation	1,294	7,160
	1,943,281	1,907,395
Cash was applied to		
Expenses (Including Non Deductible)	(1,821,288)	(1,942,729)
Long Term Assets	-	-
Taxation	-	(4,537)
Fixed Assets	(3,765)	(7,800)
	(1,825,053)	(1,955,065)
The Bank Closed at (30/6/17)	509,076	461,405
Memo:		
Cash Received	1,943,281	1,907,395
Cash Applied	(1,825,053)	(1,955,065)
Movement in Cash:	118,228	(47,671)

SURPLUS FUNDS

Balance of Reserves: To 30 June 2017	
Outward Sound:	
Opening Balance -1 July 2016	-
Plus:	
Budget Income for 2017	400,000
TOTAL FUNDS	400,000
Less:	
Budget Expenditure for 2017	(400,000)
NET SURPLUS TO BE RETAINED	-

NZMC Cash In Bank - 30 June 2017	461,405
Less:	
Accounts Payable - 30 June 2017	(373,304)
Taxation - 30 June 2017	4,643
Plus:	
Accounts Receivable - 30 June 2017	173,292
NZMC NET SURPLUS FUNDS	266,036

NZMC NET Surplus Funds Analysis	
Surplus Funds	266,036
Made up of:	
2015 / 16 Surplus Funds Brought Forward	322,991
2016 / 17 Net Profit / (Loss) - MCH Funded	3,106
2016 / 17 Education - MCH Funded	(60,101)
2016 / 17 Outward Sound - MCH Funded	-
+ 2016 / 17 Non Cash Expenditure	
(Depreciation)	6,147
Less Capital Expenditure	(7,800)
Movement in Taxation	-
Movement in Income in Advance	-
Movement in Prepayments & Long Term	
Assets	1,694
NZMC NET SURPLUS FUNDS	266,037

SUMMARY BY DEPARTMENT

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	BUDGET 2017	R-CAST 2016	Variance
TOTAL NZMC SUMMARY BY DEPT							
Income							
Domestic	202,079	205,527	204,712	262,639	874,958	805,422	69,536
Education	-	133,500	-	133,500	267,000	267,000	-
International	95,000	95,000	95,000	95,000	379,998	438,292	(58,294)
Outward Sound	100,000	100,000	100,000	100,000	400,000	400,000	-
Total Income	397,079	534,027	399,711	591,139	1,921,956	1,910,713	11,242
Expenses (Including Non Deductible)							
Domestic	392,284	138,112	117,207	224,249	871,852	806,870	(64,982)
Education	60,529	94,125	51,278	121,169	327,101	312,832	(14,269)
International	91,716	97,732	91,221	99,329	379,998	344,321	(35,677)
Outward Sound	100,000	100,000	100,000	100,000	400,000	425,000	25,000
Total Expenses	644,528	429,969	359,706	544,748	1,978,951	1,889,023	(89,928)
Profit / (Loss) Inclusive Non Deductible	(247,450)	104,058	40,006	46,391	(56,995)	21,690	(78,685)
Taxation	-	-	-	-	-	-	-
NET Profit / (Loss)	(247,450)	104,058	40,006	46,391	(56,995)	21,690	(78,685)

DIRECTORY

Board of Trustees:

Victoria Blood - Chairperson
Music Consultant

Paul McLaney - Deputy Chairperson
Artist & Native Tongue Music Publishing

Ben Howe
Arch Hill & Flying Nun Records, Flying Out

Greg Bonnett
Business Affairs, ANZ Bank

Lorraine Barry
Owner, Lorraine Barry Management

Maisey Rika
Artist

Nick Atkinson
Artist, Manager & Journalist

Scott Maclachlan
Director, Saiko Management

Wairere Iti
Music Managers Forum NZ

Staff:

Cath Andersen
Chief Executive

Alan Holt
International Manager

Michelle Williams
Education Manager

Simon Woods
Communications & Projects Officer

Emily Crowther
Executive Support & Projects

Vicki Walker
Finance Manager

Westley Holdsworth
Administration Officer

Angel Guan
Education Assistant

Address:

7 Great North Road
Ponsonby
Auckland 1021

PO Box 68524
Newton
Auckland 1145

info@nzmusic.org.nz
www.nzmusic.org.nz

Ph: 09 3760115
Fax: 09 3760116
Freeephone: 0800 469 642