

# Annual Report

## Pūrongo ā Tau

for the year ended 30 June 2025



## Contact us

Whakapā mai

**Website:** [www.creativenz.govt.nz](http://www.creativenz.govt.nz)

**Email:** [info@creativenz.govt.nz](mailto:info@creativenz.govt.nz)

**Telephone:** 0800 CREATIVE (273 284)

### Auckland

Level 1

59–67 High Street

Auckland 1010

PO Box 1425

Auckland 1140

T: 09 373 3066

### Wellington

Level 2

2–12 Allen Street

PO Box 3806

Wellington 6140

T: 04 473 0880

ISSN 2357-1659 (Print)

ISSN 2357-1667 (Online)

Crown copyright © This work is licensed under the Creative Commons Attribution 4.0 International licence. You are free to copy, distribute and adapt the work as long as you attribute the work to the Arts Council of New Zealand Toi Aotearoa (Creative New Zealand) and abide by the other licence terms. To view a copy of this licence, visit:

[www.creativecommons.org/licences/by/4.0](http://www.creativecommons.org/licences/by/4.0)

In accordance with section 150(3) of the Crown Entities Act 2004, the Annual Report for 2024/25 of the Arts Council of New Zealand Toi Aotearoa trading as Creative New Zealand, is presented to the House of Representatives.

The report covers the 2024/25 financial year—1 July 2024 to 30 June 2025—and reports against Creative New Zealand's one output class: Promotion and support of the arts.



**Kent Gardner**

Manukura—Chair, Arts Council of New Zealand  
Toi Aotearoa  
30 October 2025



**Hilary Poole**

Manukura, Te Komiti mō te Arotake me te Urupare  
Tūraru—Chair, Audit & Risk Committee  
30 October 2025

# Contents | Ngā ihirangi

---

<b>Foreword</b>	<b>1</b>
<b>Statement of responsibility</b>	<b>2</b>
<b>About the Arts Council and Creative New Zealand</b>	<b>3</b>
<b>Part one: Progress on strategic intentions</b>	<b>5</b>
Our strategic direction underpinning our work in 2024/25	6
<b>Part two: Assessment of operations and performance</b>	<b>9</b>
Implementing the Government's priorities	10
Assessment of operations	12
<b>Part three: Statement of performance</b>	<b>25</b>
Non-financial planning and performance	26
Reporting performance against outcome measures	28
Reporting performance against deliverable measures	30
Strategic focus areas	34
<b>Part four: Organisational health and capability</b>	<b>37</b>
Governance	38
Our people and expertise	40
<b>Part five: Statement of financial performance</b>	<b>41</b>
Financial performance 2024/25	42
Independent Auditor's Report	71
<b>Part six: Other matters</b>	<b>74</b>

# Foreword | Kupu whakataki

---

Creative New Zealand is the national arts development agency of Aotearoa New Zealand. We encourage, promote and support the arts in Aotearoa for the benefit of all New Zealanders.

In 2024/25, we farewelled long-serving Chief Executive Stephen Wainwright and welcomed new Chief Executive, Gretchen La Roche. We pay tribute to Stephen's 17 years of leadership as chief executive.

Over the year, we invested **\$61 million** in the arts through our funding, development, advocacy, leadership and partnership initiatives. Our funded programmes and initiatives made a significant difference in connecting people with the arts and fostering creativity across Aotearoa New Zealand.

As we worked to achieve our outcomes in 2024/25, our support enabled:

- over **250,000 people** to participate in funded arts activities or events
- more than **3 million people** to attend funded arts activities
- the development of over **2,500 new New Zealand artworks**.

These results were achieved through investment in the sector, including:

- over **\$35 million** in 80 arts organisations through multi-year investment programmes
- over **\$12.7 million** allocated through Grants and special opportunities
- over **\$6 million** in opportunities for arts organisations and groups and artists and arts practitioners to build their skills
- more than **\$4 million** awarded to local arts activities throughout New Zealand under the Creative Communities Scheme
- over **\$1.21 million** provided to implement *Te Hā o ngā Toi—Māori Arts Strategy*
- over **\$2.38 million** provided to implement the *Pacific Arts Strategy*.

This year we advanced significant change, including our three-step programme to put artists, arts organisations, and communities at the centre of our thinking. In 2024/25, we implemented Step 1, changes to our grant programmes, and progressed Step 2 focusing on how we support arts organisations and groups.

Over 2025/26, we'll implement Step 2 and begin Step 3, looking at how we can increasingly support communities to make their own decisions about the arts development that has the greatest impact for them.

In March 2025 we consulted on a new long-term strategy to 2040, *Tū Mai Rā, Toi Aotearoa*. We expect to release the strategy this year alongside our refreshed strategy for ngā toi Māori, *Toi Ora Strategy 2025–2030*. We're planning to update our Statement of Intent from 2026/27 to reflect our new strategies and *Amplify: A Creative and Cultural Strategy for New Zealand*, the Government's strategy for the sector, released in August 2025.

With new strategies being finalised, we are reviewing our operating model to ensure we're set up to deliver our strategic intentions, operate efficiently and effectively, and achieve the greatest value for the arts community and the public.

We're ambitious for the arts. We want to see artists and ringatoi being able to dedicate themselves to producing work that will inspire us all. We want to see the arts and ngā toi Māori central to the lives of New Zealanders and New Zealand communities, and we want to see our arts and ngā toi Māori succeeding on the global stage.

This will take a collective effort, and we are building new relationships and expanding partnerships. We're also focused on growing the resource base and thinking differently about how we leverage our resources, while acknowledging the pressures on funders across the board.

We're grateful for the support we receive from our core funders, New Zealand Lottery Grants Board Te Puna Tahua and the government through Vote: Arts, Culture and Heritage.

Inspired by our arts communities, we're committed to working hard over the next year to meet the challenges and opportunities that exist with dedication, heart and manaaki.



**Kent Gardner**

Manukura—Chair, Arts Council of New Zealand Toi Aotearoa



**Gretchen La Roche**

Tumu Whakarae—Chief Executive, Creative New Zealand

# Statement of responsibility

## Tauākī urupare haepapa

---

For the year ended 30 June 2025

The Arts Council (the governing body of Creative New Zealand) accepts responsibility for the preparation of Creative New Zealand's financial statements and statement of performance, and the judgements made in them.

The Arts Council accepts responsibility for any end-of-year performance information provided by Creative New Zealand under section 19A of the Public Finance Act 1989.

The Arts Council accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non-financial reporting.

In the opinion of the Arts Council, the financial statements and the statement of performance for the year ended 30 June 2025 fairly reflect the financial position and operations of Creative New Zealand.

Signed on behalf of the Arts Council



**Kent Gardner**

Manukura—Chair, Arts Council of New Zealand  
Toi Aotearoa  
30 October 2025



**Hilary Poole**

Manukura, Te Komiti mō te Arotake me te Urupare  
Tūraru—Chair, Audit & Risk Committee  
30 October 2025

# About the Arts Council and Creative New Zealand

## Mō te Kaunihera Toi me Toi Aotearoa

The following pages provide information about the Arts Council and Creative New Zealand for the 2024/25 reporting period. Our *Statement of Intent* 2025–2030 introduces an updated vision, goals and values, effective from 1 July 2025.

### Our purpose

Our purpose is set out in our enabling legislation, the Arts Council of New Zealand Toi Aotearoa Act 2014 (the Act).

**To encourage, promote and support the arts in New Zealand for the benefit of all New Zealanders.**

### Our principles

Under our Act, we must recognise:

- **the cultural diversity of the people of New Zealand**
- **the role in the arts of Māori as tangata whenua**
- **the arts of the Pacific Island peoples of New Zealand.**

We must also recognise and uphold the principles of participation, access, excellence and innovation, professionalism and advocacy.

### Our vision

Our vision reflects our ambition.

**Dynamic and resilient New Zealand arts, valued in Aotearoa and internationally.**

### Our values

Our values reflect how we work with each other, the arts community and others.

- **Mana Toi**—we champion the role of the arts and the contribution artists make to our lives
- **Tauīwi**—we recognise New Zealand’s distinctive cultural and social diversity and work to make sure arts opportunities are available for all.
- **Mana Māori**—we recognise and support the role of Māori as tangata whenua in the arts.
- **Mana Pasifika**—we recognise the arts of the Pacific peoples of New Zealand.
- **Mahitahi**—we work together with others so we can achieve more, including exploring the big picture and sharing what we learn.
- **Te Taumata**—we set high standards for our work.
- **Tauutuutu**—we are open, frank and respectful in our relationships.
- **Manaakitanga**—we are welcoming and responsive to all.

### Te Kaupapa o Toi Aotearoa— The Creative New Zealand Way

Te Kaupapa o Toi Aotearoa—The Creative New Zealand Way guides how we work. Through Te Kaupapa o Toi Aotearoa, we want to enhance the mana of people and communities, and increasingly reflect a ‘by, with and for’ approach, involving others in our policy, programme design and decision-making work.

Kaupapa waka values, waka hourua navigation traditions and wayfinding help us respond to situations as they unfold. Our organisational purpose of working for the benefit of all New Zealanders is an ‘orienting star’.

Waka hourua provide a visual representation of how we work in partnership, drawing on mātauranga Māori and other knowledge systems. The dual hulls reflect the bringing together of different values, world views, systems and approaches. The kīato crossbeams of the waka represent the importance of communication and building relationships based on integrity, reciprocity and respect.

This approach is reflected in our Te Kaupapa o Toi Aotearoa principles.

- **Tuku rauemi** (handing over resources)—empowering communities to determine their own futures—involving others in our policy, programme design and decision-making.
- **Mana aki i te tangata** (lifting up the mana of the people) to be more artist- and people-centric in our approach.
- **Whakamana i Te Tiriti** (upholding the mana of Te Tiriti o Waitangi) as a foundation for all people who call Aotearoa New Zealand home—tangata whenua and tangata Tiriti.

We have strong relationships with mana whenua where our offices are located—Ngāti Whātua o Ōrākei in Tāmaki Makaurau Auckland and Taranaki Whānui and Te Āti Awa in Te Whanganui-a-Tara Wellington—and we operate under their respective tikanga. We also have relationships and connections with other mana whenua groups around the country, and we continue to develop these.



## **Part one**

Progress on strategic intentions

**Wāhanga tuatahi: Te kōkiri i ngā  
kōingo ā-rautaki**

Our strategic direction underpinning our work in 2024/25

## **Te ahunga whai rautaki e hāpai ana i ā mātau mahi i te tau 2024/25**

---

In 2019, we introduced *Te whakaputa hua ki te hunga o Aotearoa—Creating value for New Zealanders*. This is a public value model that sets out how our support for the arts and ngā toi delivers long-term benefits for people across Aotearoa.

Further information about this model is available in the *Statement of Intent 2022–2026*.

This annual report marks the final update under this strategic direction. Our achievements since 1 July 2019 under the four goals of the public value model are summarised overleaf. Further details are available in our previous annual reports.

Our *Statement of Intent 2025–2030* sets out the updated vision, goals and values that took effect from 1 July 2025.

## Overview of significant achievements for 1 July 2019 to 30 June 2025

<p><b>Mana and Support Perspective</b></p> <p>Goal: We grow the confidence of others in us and attract greater resources for the arts, recognising their contribution to the wellbeing of New Zealanders</p>	<ul style="list-style-type: none"> <li>Established new connections with central government agencies, sector leaders, and advocacy groups in health and education.</li> <li>Partnered with other agencies to deliver arts programmes, such as Ministry of Pacific Peoples, to deliver funding opportunities as part of the Nui Dawn Raids apology.</li> <li>Submitted recommendations to local councils on their long term and annual plans and provided guidance to the arts sector on effective advocacy for arts and culture.</li> <li>Advised Manatū Taonga Ministry for Culture and Heritage on the evolving needs and opportunities within the arts sector.</li> <li>Strengthened relationships with mana whenua.</li> <li>Enhanced our information request and complaints management practices to promote transparency and build public trust.</li> <li>Monitored customer feedback to help us make meaningful changes, leading to improvements in satisfaction.</li> <li>Consistently ranked in the top half of the Public Sector Reputation Index, reflecting strong public confidence.</li> </ul>
<p><b>Creative New Zealand Perspective</b></p> <p>Goal: We have the strategies, services and operational capacity to drive the development of the arts and ngā toi in New Zealand</p>	<ul style="list-style-type: none"> <li>Invested over \$438 million directly into the arts since July 2019, including: <ul style="list-style-type: none"> <li>\$212 million awarded to organisations through the Toi Tōtara Haemata and Toi Uru Kahikatea Investment programmes.</li> <li>\$123 million distributed through grants and special opportunities.</li> <li>\$11.5 million to targeted initiatives aimed at building the capability and capacity of artists and arts organisations</li> <li>\$10 million to support the development, presentation and touring of high-quality New Zealand art overseas.</li> </ul> </li> <li>Redesigned and relaunched our grant programmes in 2019 and again in 2025, introducing eight new programmes to improve accessibility and responsiveness to sector needs.</li> <li>Advanced Māori and Pacific arts practice development through <i>Te Hā o ngā Toi—Māori Arts Strategy 2019–2024</i> and the <i>Pacific Arts Strategy 2018–2023</i> and <i>2023–2028</i>.</li> <li>Adapted services to support the sector during the COVID-19 pandemic, including the delivery of the Emergency Response Package.</li> <li>Launched the <i>Tapatahi Accessibility Policy and Action Plan 2023–2028</i>, ensuring our services are inclusive of Deaf and disabled artists, practitioners, and communities.</li> <li>Published the <i>Diversity Report—Te Pūrongo Rerenga 2019/20</i> and <i>2022/23</i> examining the diversity of applicants, participants and Creative New Zealand and those contributing to decision-making.</li> <li>Strengthened our Māori cultural knowledge and capability through the implementation of <i>Te Kaupapa o Toi Aotearoa — The Creative New Zealand Way</i>.</li> </ul>

<p><b>Sector Perspective</b></p> <p>Goal: We work collaboratively with others developing a dynamic and resilient arts sector and building support for arts and ngā toi in New Zealand, Te Moana-nui-a-Kiwa and the world.</p>	<ul style="list-style-type: none"> <li>• Convened leaders at Nui te Kōrero in 2019, 2023 and 2025 to explore issues and opportunities facing the arts sector.</li> <li>• Established Te Rōpū Mana Toi, an external advocacy advisory group.</li> <li>• Established Manga Tipua, a reference group of Deaf and disabled artists and advocates.</li> <li>• Initiated regular forums with international arts councils, including Creative Australia, Arts Council England, and Canada Council for the Arts across research and other areas of cooperation.</li> <li>• Released our <i>Remuneration policy for artists and arts practitioners — Ko te Mahere Utu ma Nga Kaitoi Kaiwaihanga Toi 2022</i>.</li> <li>• Developed sustainable careers resources to support the implementation of the Remuneration Policy.</li> <li>• Partnered with the Arts Foundation Te Tumu Toi to support Pasifika artists and practitioners to raise funds through the crowd funding platform Boosted (Boosted X Moana) from 2020 to 2025.</li> </ul>
<p><b>Outcomes and Value Perspective</b></p> <p>Goal: We can clearly articulate how our work and engagement in the arts and ngā toi deliver value for all New Zealanders</p>	<ul style="list-style-type: none"> <li>• Our outcomes have focused on participation, attendance, and the creation of work both domestically and internationally. Since July 2019, we have supported: <ul style="list-style-type: none"> <li>– over 38,000 high-quality New Zealand artworks.</li> <li>– more than 1.5 million participants in Creative New Zealand-funded projects and events.</li> <li>– over 25.5 million live and online attendances at arts experiences across the country.</li> </ul> </li> <li>• Released the research report <i>New Zealanders and the Arts – Ko Aotearoa me ōna Toi</i> in 2021 and 2023. This long-term research, spanning 18 years, provides deep insights into changing attitudes and engagement with the arts.</li> <li>• Released further research reports, including: <ul style="list-style-type: none"> <li>– <i>Arts Sector Remuneration Report</i></li> <li>– <i>Audience Atlas Aotearoa (2020, 2025)</i></li> <li>– <i>A Profile of Creative Professionals (2022, 2019)</i></li> <li>– <i>Value of the arts, culture and creativity, and ngā toi Māori to New Zealanders (2023)</i></li> </ul> </li> <li>• Developed advocacy tools, resources and research including: <ul style="list-style-type: none"> <li>– Fact finder for arts advocates – online evidence tool (2024)</li> <li>– <i>Changing the story on arts, culture, and creativity in Aotearoa: a guide for arts advocates (2022)</i></li> <li>– <i>New Mirrors: Strengthening arts and culture media for Aotearoa New Zealand (2022)</i></li> <li>– <i>Visibility Matters – Kia kitea ngā toi e te marea: arts and culture media coverage in New Zealand (2022)</i></li> </ul> </li> </ul>



## **Part two**

Assessment of operations  
and performance

**Wāhanga tuarua: Te arotake i  
ngā mahi me ngā tutukinga**

# Implementing the Government’s priorities

## Te whakatinana i ngā kaupapa matua a te Kāwanatanga

Creative New Zealand’s progress towards delivering expectations for 2024/25 is covered throughout this report and summarised below.

Ministerial expectations for 2024/25 (as received in March 2024)	Progress 1 July 2024 to 30 June 2025
Contributing to arts, culture and heritage sector priorities	
Culture is inclusive and reflective, supporting people to connect and engage with each other, their community and society.	Implemented activities under our Access, inclusion and equity focus area (page 35).  Delivered programmes of targeted initiatives under our ngā toi Māori and Pacific arts strategies (page 14).
Iwi and Māori are supported to achieve their cultural aspirations and Māori culture is recognised, valued and embraced.	Implemented the Te Kaupapa o Toi Aotearoa programme (page 3).  Advanced the development of the successor to <i>Te Hā o ngā Toi—Māori Arts Strategy 2019–2024</i> . The <i>Toi Ora Strategy 2025–2030</i> is expected to be published in late 2025.  Two initiatives advanced in 2024/25 are a regional partnership with ngā iwi o Taranaki and Te Kahui Maunga and a partnership with the Department of Conservation addressing barriers to Māori expressing their culture under CITES. <sup>1</sup>
People can access and are participating in cultural activities and experiences.	Implemented activities under our Access, inclusion and equity strategic focus area (page 35).  Continued to implement the <i>Tapatahi Accessibility Policy and Action Plan 2023–2028</i> , which guides work with and for Deaf and disabled artists and arts practitioners, tāngata whaikaha Māori and disability communities.
Cultural activity is valued, supported and nurtured.	Implemented activities under our Wellbeing strategic focus area (page 36).
The cultural system is resilient and sustainable.	Implemented activities under our Resilience strategic focus area (page 34).

<sup>1</sup> The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) is an international agreement between over 180 governments around the world. It mainly regulates international trade in protected species and their parts, but it also creates challenges for cultural and artistic items that incorporate these materials. The Department of Conservation leads New Zealand’s implementation of CITES.

### Creative New Zealand specific priorities

Ensure we operate efficiently and effectively and maintain a focus on driving down costs and seeking operational improvements whenever we can, to best achieve sustainable cost-effective delivery of services.

Implemented activities under the Resilience strategic focus area including improvements to funding programmes (page 34). Further cost reduction initiatives are set out in the *Statement of Performance Expectations 2025/26*.

Contribute to work led by Manatū Taonga to develop a shared vision for the arts and creative sector.

Supported the development of *Amplify: A Creative and Cultural Strategy for New Zealand*.

Support Manatū Taonga to undertake policy work on strategy, legislative and regulatory reform, as required, including collaborative policy work to support self-sustaining creative careers.

Have committed to support the strategy's implementation, including leading and contributing to identified actions.

Investigate leveraging government funding to attract greater philanthropic and private investment.

Began developing our approach to growing investment in the arts through philanthropy and private sector support, partnerships and co-investment. This is a confirmed action in the *Statement of Performance Expectations 2025/26*.

Ensure that the new contestable funding programmes have robust supporting processes for funding decisions, and management of any associated risks.

Implemented new Grant funding programmes supported by robust governance and operational processes. These included:

- decision-making processes available on our website to ensure funding allocations were fair and aligned with strategic priorities.
- eligibility and assessment criteria, published in advance, to support equitable access and consistent evaluation.
- independent assessment panels and conflict-of-interest protocols to uphold integrity in funding decisions.
- risk management in place including proactive identification and mitigation of financial, reputational, and delivery risks.
- monitoring and evaluation mechanisms to track outcomes and ensure reporting accountability.

# Assessment of operations | Te arotake i ngā mahi

---

## Deliverables

Deliverables are what we do to achieve the outcomes and support the focus areas set out in Creative New Zealand's *Statement of Intent 2022–2026*. They are also the levers and settings we adapt each year based on the needs of the sector and our strategies.

We invested nearly \$61 million in the arts sector in 2024/25 through five core deliverables (table 1).

In 2024/25, we transitioned to new funding programmes, aimed at making funding more accessible and better meet the needs of the arts sector. The change reflects what we learned through engagement at workshops across the country. Artists and arts organisations reported they wanted deeper connections to us, with relationships based on trust, respect and longevity.

However, demand for our services is at a historic high. We are supporting a lower proportion of proposals than ever before. In 2024/25 we received over 3,000 proposals for shorter term grant funding, significantly more than 2023/24. Economic conditions have added to the pressure on the arts sector, and it is increasingly difficult to secure funding from other sources, including local government, trusts and philanthropy.

We will continue to refine our funding programmes in 2025/26, including implementing a single funding model to support arts organisations and groups.

The following pages detail how we have worked across our deliverables in 2024/25. Tables 1 and 2 show the direct investment in the sector across our deliverables and programmes. The tables do not include personnel and other operating costs.

Profiles and stories of the artists/ringatoi, practitioners, arts organisations, and groups we supported through our funding initiatives in 2024/25 can be accessed at [www.creativenz.govt.nz](https://www.creativenz.govt.nz)



**Table 1: Creative New Zealand expenditure across deliverables, 2021/22–2024/25  
(excluding personnel and other operating costs)**

Deliverables	2021/22		2022/23		2023/24		2024/25	
	\$	%	\$	%	\$	%	\$	%
Investing in the arts	66,928,840	91	64,139,046	87	70,271,928	88	53,059,838	87
Developing the arts	6,204,330	8	7,395,552	10	7,170,999	9	6,129,396	10
Advocating for the arts	801,107	1	1,353,878	2	1,504,392	2	1,370,232	2
Leadership in the arts	75,604	0	743,771	1	469,690	1	329,441	1
<b>Total</b>	<b>74,009,881</b>	<b>100</b>	<b>73,632,247</b>	<b>100</b>	<b>79,417,009</b>	<b>100</b>	<b>60,888,907</b>	<b>100</b>

**Table 2: Creative New Zealand expenditure across investment categories, 2021/22–2024/25 (excluding personnel and other operating costs)**

Investment categories	2021/22		2022/23		2023/24		2024/25	
	\$	%	\$	%	\$	%	\$	%
Toi Tōtara Haemata Investment programme	17,634,144	24	17,070,418	23	16,191,767	20	16,515,602	27
Toi Uru Kahikatea Investment programme	16,465,746	22	19,196,074	26	17,980,494	23	18,487,553	30
Grants and special opportunities	23,421,133	32	18,122,457	25	26,573,394	33	12,767,292	21
Creative Communities Scheme	4,941,500	6	3,943,032	5	5,131,147	7	4,053,352	7
International programme	1,947,310	3	1,872,890	3	2,785,958	4	1,263,140	2
Initiatives and pilots	7,922,918	11	9,613,954	13	6,227,605	8	4,415,786	7
Capability building programme	803,554	1	1,794,698	2	2,769,871	3	1,772,984	3
Advocacy programme	873,576	1	2,018,724	3	1,756,773	2	1,613,198	3
<b>Total</b>	<b>74,009,881</b>	<b>100</b>	<b>73,632,247</b>	<b>100</b>	<b>79,417,009</b>	<b>100</b>	<b>60,888,907</b>	<b>100</b>

## Highlights and achievements

---

### Investing in the arts

Investing in artists, art practitioners and arts organisations and their projects in a fair, transparent and strategic way

We delivered **\$53 million** directly to programmes and initiatives that support the sector:

- **\$35 million** to **80** organisations in the Tōtara and Kahikatea Investment programmes. These organisations are significant employers of artists and arts practitioners and deliver arts experiences to New Zealanders
- **\$12.7 million** through Grants and special opportunities. During the year, artists submitted **3,009** applications, with **457** projects successfully approved; **99** percent of artists' projects evaluated in the period met expectations
- **\$4.28 million** distributed through the Creative Communities Scheme, with **1,771** grants awarded by **67** territorial authorities. The **1,065** projects completed in the period resulted in **109,086** reported participants, among other achievements
- **\$1.2 million** through our International programme to support artists and arts organisations to build international markets and audiences.

### Developing the arts

Developing the arts sector's capacity to succeed and undertaking initiatives to develop the arts

We allocated **\$6.13 million** to targeted initiatives to develop the capability and capacity of individuals and arts organisations. This included:

- **\$2.55 million** to support artists and arts practitioners to build sector capability and networks to operate internationally. This included **334** applications to the new Development Fund for Artists and Practitioners and Development Fund for Arts Organisations, with **177** projects successfully approved across both funds. Overall, **99 percent** of artists' projects' evaluated in the period met expectations.
- **\$1.21 million** to support the implementation of *Te Hā o ngā Toi—Māori Arts Strategy 2019–2024*. Work in 2024/25 included:
  - leading a delegation to the Festival of Pacific Arts and Culture (FestPAC) 2024 in Honolulu, showcasing Māori and Pacific arts on a global stage
  - supporting the Te Taura Whiri Reo Awards (Ngā Tohu Reo Māori)
  - supporting the Ngā Taonga Toi a Te Waka Toi Awards 2024.
- **\$2.38 million** to support the implementation of the *Pacific Arts Strategy 2023–2028*. Work in 2024/25 included:
  - increasing our economic outcomes focus on creative enterprise investment, including a new Pacific arts business award (\$10,000)
  - expanding of partnerships to deliver global Pacific arts opportunities, including stronger relationships with Australia, Pacific Islands, Asia and North America
  - growing investment in Pacific arts through leveraging budgets to co-invest in innovative solutions such as Boosted X Moana through the Arts Foundation partnership.

---

**Advocating for the arts**

Promoting the value of the arts and empowering the arts sector to make a case for the arts

We allocated **\$1.37 million** to advocate for the benefits of the arts. Significant work in the period is reported under our Wellbeing strategic focus area (page 36). This work was supported by an external advisory group, Te Rōpū Mana Toi, to inform and advance our advocacy work and collective advocacy on matters of national significance.

---

**Leadership in the arts**

Providing leadership to ensure the arts sector is well positioned collectively to respond to change

We allocated **\$0.33 million** to leadership activities. As a national body, we have a role in providing leadership in the arts, by tracking trends and developments across the sector, identifying and responding to issues, and bringing the sector together. This included:

- communicating the results of our triennial *New Zealanders and the Arts—Ko Aotearoa me ōna Toi 2023* research, which looks at attitudes, attendance and participation in the arts, including the market for the arts in Aotearoa New Zealand
- leading engagement with artists, communities, the sector and stakeholders to identify significant impacts, issues and opportunities.

---

**Partnering for the arts**

Developing reciprocal relationships and partnerships that increase the impact of our collective work for the arts

Over 2024/25, we continued to develop an approach to partnering in the arts, including identifying priority areas for partnership development. The priority areas are mainly through our *Te Hā o ngā Toi—Māori Arts Strategy* and *Pacific Arts Strategy*. We have developed several new partnerships, including co-investment opportunities, as follows:

- Foundation North Pūtea Hāpai Oranga: a collaboration through the Asian Artists' Fund to support initiatives that are by, with and for Asian arts communities.
  - Radio New Zealand and NZ on Air Irirangi Te Motu: A collaboration to deliver the Arts and Culture Podcast Co-Fund 2024.
  - Christchurch Art Gallery Te Puna o Waiwhetū: A partnership to deliver New Zealand's presence at the 2026 Venice Biennale.
-

## Engagement and funding trends

### Engagement trends

Creative New Zealand-supported programmes create opportunities for New Zealanders to engage with the arts, both as participants and attendees. This section presents trends in participation and attendance, offering an overview of how many New Zealanders are connecting with arts activities and events across the country.

The engagement data reported in figures 1–4 are sourced from final performance information reported to Creative New Zealand by those we fund. The data are approximate and have not undergone independent audit.

Participation includes the active involvement of individuals, groups and/or communities in the making or presentation of art.

It applies to professional, emerging and non-professional artists, including those involved in cultural and recreational activities.

Figure 1 provides an overview of participation through the investment programmes, Grants and special opportunities and the Creative Communities Scheme for 2024/25 and the previous three years.

Attendance refers to audience numbers across a range of various engagement types, including paid audiences, readers, viewers, and attendees at free events. Figure 2 presents an overview of approximate attendance through the Investment programmes and Grants and special opportunities for 2024/25, alongside comparative data from the previous three years. Figure 3 provides a breakdown of attendance by type, distinguishing between in-person and online engagement.

**Figure 1: Number of participants in arts activities funded by Creative New Zealand, by programme, 2021/22–2024/25**

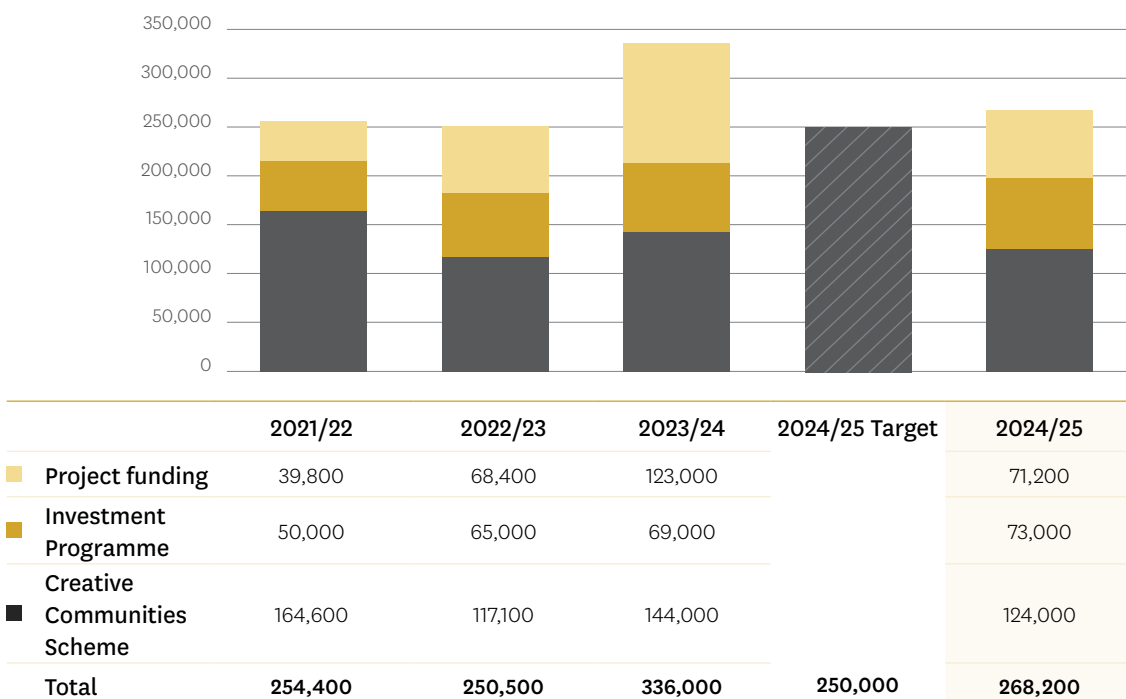


Figure 2: Number of attendances at arts activities and events funded by Creative New Zealand, by programme, 2021/22–2024/25

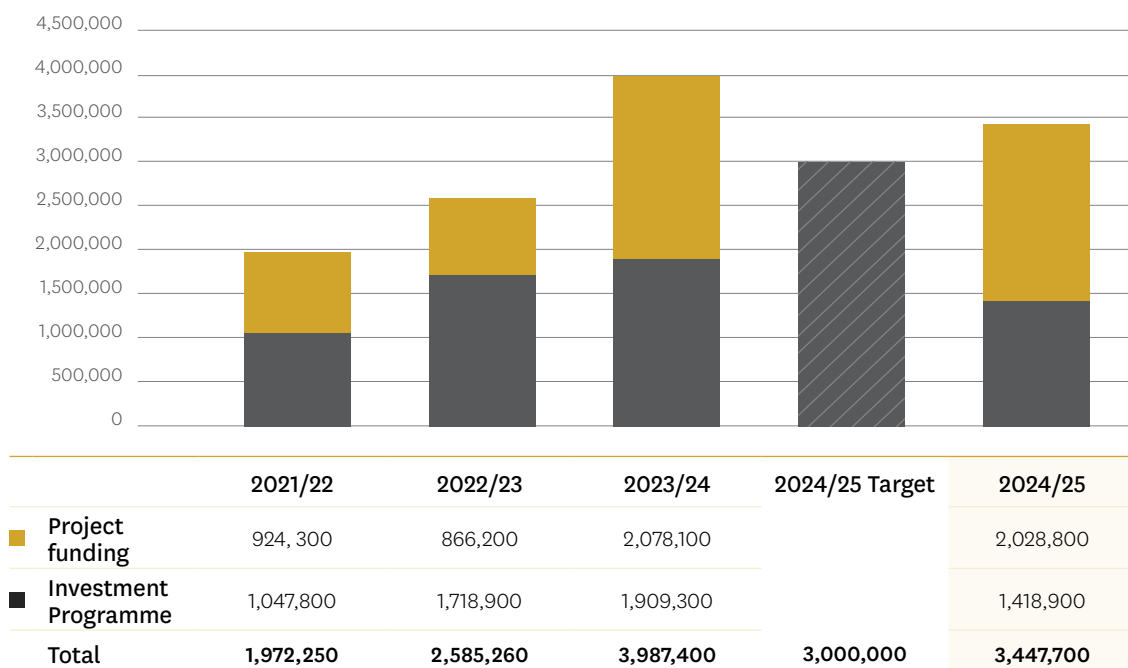


Figure 3: Number of attendances at arts activities and events funded by Creative New Zealand, across all programmes, online versus live, 2021/22–2024/25

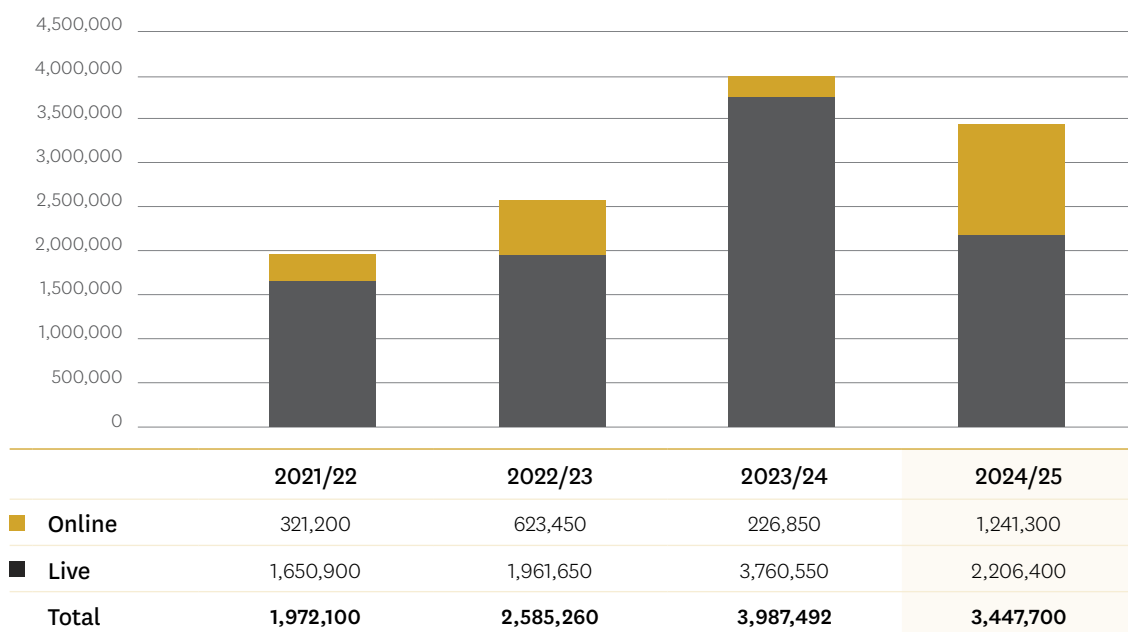
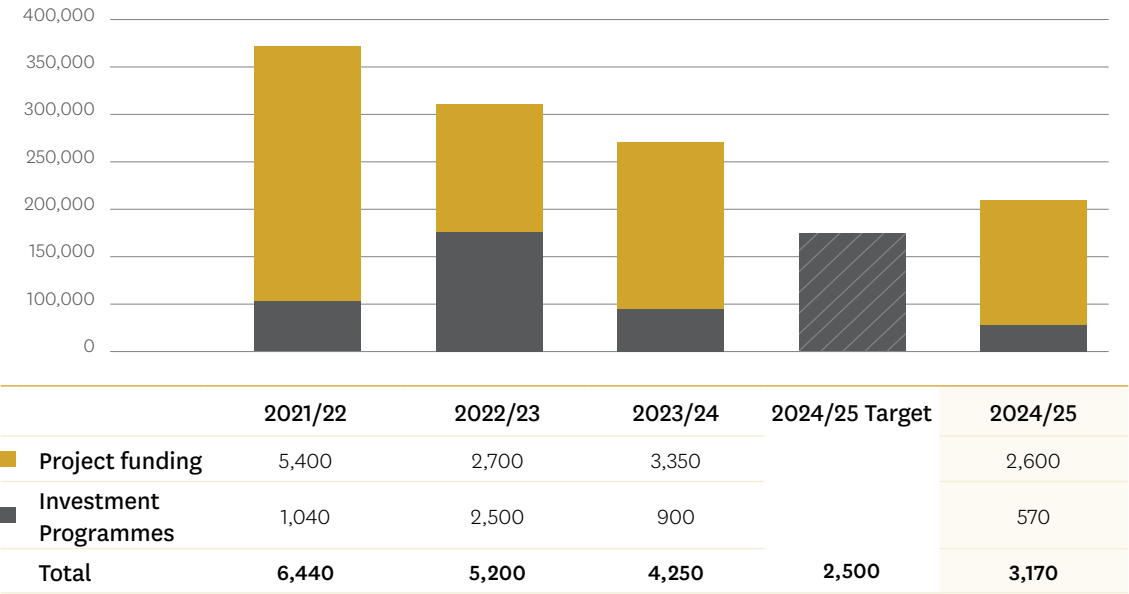


Figure 4 presents the number of new works developed, by programme, in 2024/25. Grants and special opportunities recipients and Investment Programme organisations report the number of new works created in final project completion reports and six-monthly monitoring reports respectively. Investment Programme organisations developed 577 works (2023/24: 936) and Grants recipients developed 2,670 works (2023/24: 3,350). While the result exceeded target, the decrease in the number of new works compared to previous periods is mainly due to a reduced budget for the Grants programme in 2024/25.

**Figure 4: Number of new New Zealand works developed, across all programmes, 2021/22–2024/25**



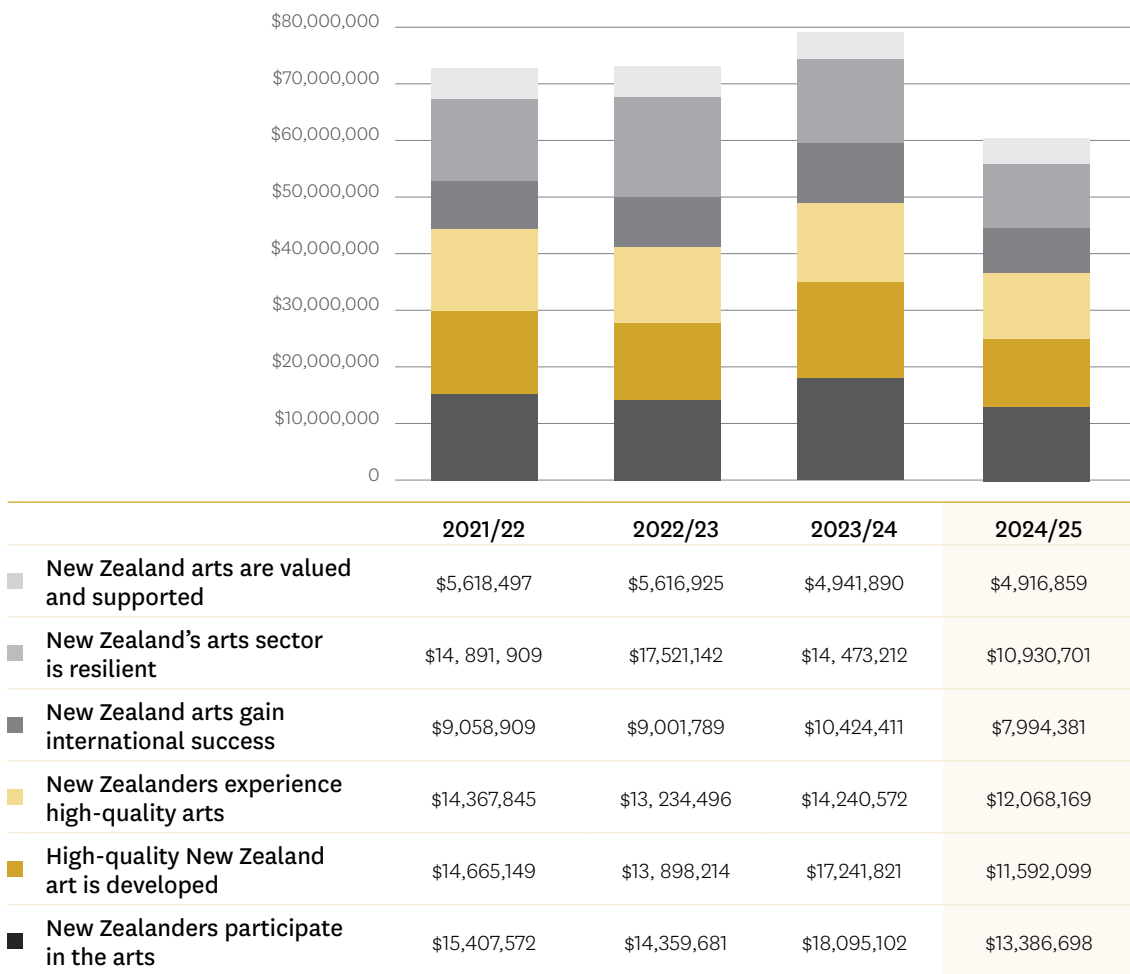
## Funding trends

Creative New Zealand monitors the distribution of its investment annually, which helps to evaluate change over time and support future decisions.

### Investment by outcome

Our outcomes describe the difference we want our work to make. Investment across outcomes shifts from year to year, in line with our priorities (figure 5). Aligned with our strategic focus areas for 2022 to 2026, resilience remained a top priority in our focus on the sustainability of the arts sector.

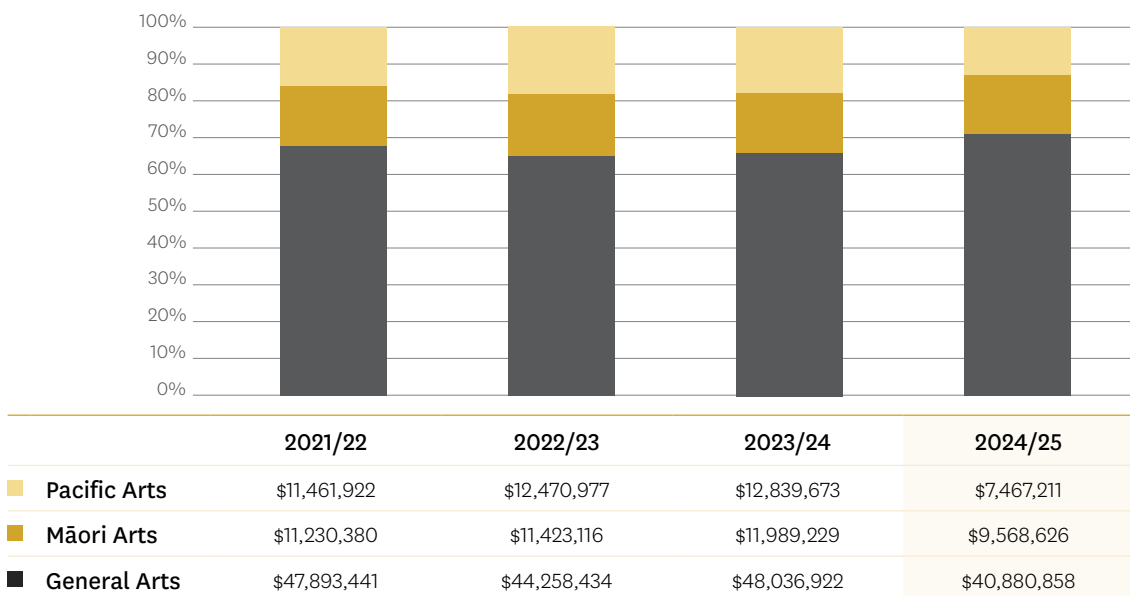
Figure 5: Investment in our outcomes, 2021/22–2024/25



## Investment by funding stream

Across the Tōtara, Kahikatea and Grants and special opportunities programmes, we monitor the level of investment through three funding pools (figure 6).

**Figure 6: Investment into the sector by funding pool, (Pacific arts, Māori arts and General arts), 2021/22–2024/25 (excludes the International, Capability building and Advocacy funding streams)**



## Investment across location and artform

To monitor reach and understand Aotearoa New Zealand's arts landscape, we track the geographical spread of our funding (table 3). This shows how funding is distributed across the country, internationally and online. With a few exceptions (for example, the Creative Communities Scheme), we allocate funding based on the quality of applications and location of art delivery rather than the home location of the applicant.

Figure 7 compares the distribution of our funding with that of the population from the 2023 Census. The spread reflects the disproportionate distribution of creative workers across the country, with workers concentrated in the main centres.<sup>2</sup>

**Table 3: Distribution of funding by region, 2021/22–2024/25**

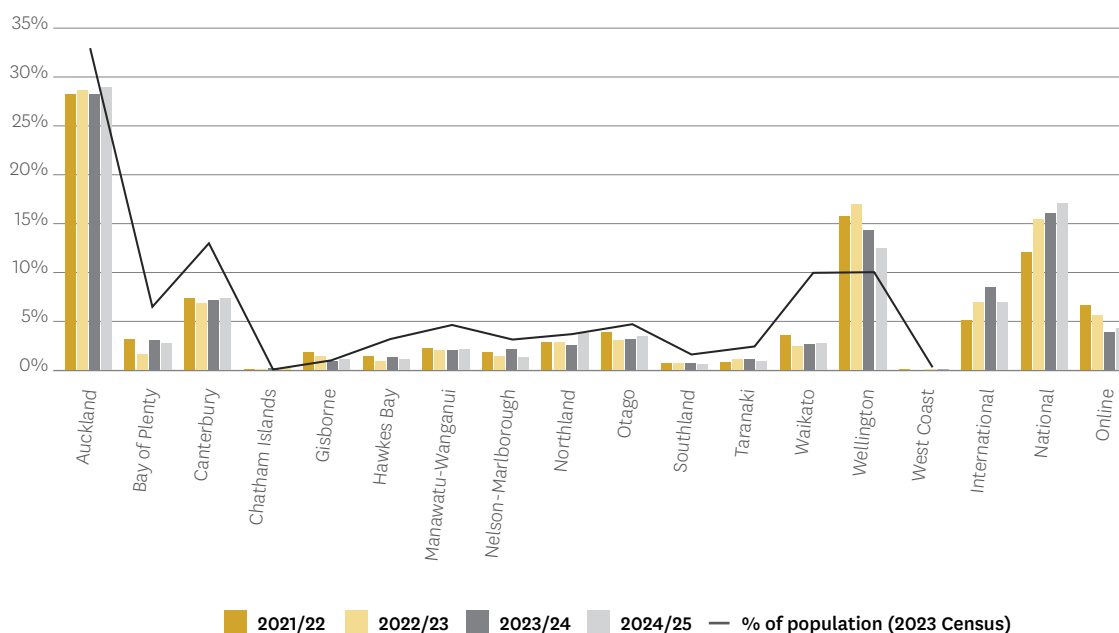
	2021/22		2022/23		2023/24		2024/25	
	\$	%	\$	%	\$	%	\$	%
<b>Auckland</b>	20,864,818	28.2	21,165,201	28.7	22,423,395	28.3	17,677,424	29
<b>Bay of Plenty</b>	2,488,083	3.4	1,390,017	1.9	2,471,663	3.1	1,795,655	2.9
<b>Canterbury</b>	5,576,106	7.5	5,076,495	6.9	5,825,819	7.3	4,603,603	7.6
<b>Chatham Islands</b>	19,324	<1	15,398	<1	50,524	<1	40,398	<1
<b>Gisborne</b>	1,507,177	2	1,141,155	1.5	823,688	1	820,849	1.3
<b>Hawkes Bay</b>	1,169,695	1.6	779,637	1.1	1,128,823	1.4	750,134	1.2

<sup>2</sup> Source: Manatū Taonga Ministry for Culture and Heritage, Arts and Creative Sector economic profiles 2023.



	2021/22		2022/23		2023/24		2024/25	
	\$	%	\$	%	\$	%	\$	%
<b>Manawatu-Wanganui</b>	1,726,251	2.3	1,608,197	2.2	1,674,471	2.1	1,430,349	2.4
<b>Nelson-Marlborough</b>	1,520,299	2	1,118,058	1.5	1,879,752	2.4	859,420	1.4
<b>Northland</b>	2,197,095	3	2,241,458	3	2,192,395	2.8	2,492,339	4.1
<b>Otago</b>	2,951,853	4	2,302,531	3.1	2,582,811	3.3	2,225,227	3.7
<b>Southland</b>	606,698	<1	611,937	<1	671,111	<1	431,527	<1
<b>Taranaki</b>	759,526	1	703,891	<1	958,041	1.2	696,031	1.1
<b>Waikato</b>	2,749,427	3.7	1,918,156	2.6	2,201,660	2.8	1,764,334	2.9
<b>Wellington</b>	11,707,006	15.8	12,513,755	17	11,455,534	14.4	7,641,271	12.5
<b>West Coast</b>	161,472	<1	115,814	<1	239,607	<1	131,081	<1
<b>International</b>	3,827,323	5.2	5,273,643	7.2	6,826,295	8.5	4,316,905	7.1
<b>National<sup>3</sup></b>	9,084,645	12.3	11,425,224	15.5	12,856,346	16.2	10,457,104	17.2
<b>Online<sup>4</sup></b>	5,093,083	6.9	4,231,680	5.8	3,155,074	4	2,755,256	4.5
	<b>74,009,881</b>	<b>100</b>	<b>73,632,247</b>	<b>100</b>	<b>79,417,009</b>	<b>100</b>	<b>60,888,907</b>	<b>100</b>

Figure 7: Distribution of funding by region against population, 2021/22–2024/25



<sup>3</sup> Organisations funded to tour work are recorded as 'national', and grants to individuals and organisations to work internationally are recorded as 'international'.

<sup>4</sup> 'Online' refers to projects, events, or activities that are delivered mainly via the internet, and where the main audience engagement happens online rather than in-person at a specific geographic place.

Table 4 presents Creative New Zealand’s distribution of funding across artforms for four financial years. Over the years, the proportion of funding distributed to artforms has been steady, with the largest shifts being in the Multidisciplinary and Visual arts artforms. Variances in funding distribution across artforms include the variable costs of delivery across artforms and the extent to which other funders are involved.

**Table 4: Distribution of funding by artform, 2021/22–2024/25**

	2021/22		2022/23		2023/24		2024/25	
	\$	%	\$	%	\$	%	\$	%
<b>Music</b>	12,694,847	17.2	13,245,301	18	14,176,759	18	13,087,377	21.5
<b>Theatre</b>	13,504,300	18.2	13,116,804	18	13,054,688	16	10,889,868	17.8
<b>Multidisciplinary</b>	11,981,604	16.2	14,493,977	20	17,132,856	22	10,717,933	17.6
<b>Dance</b>	5,383,132	7.3	5,582,323	8	5,531,325	7	5,340,117	8.8
<b>Visual arts</b>	6,282,339	8.5	4,751,287	6	5,840,134	7	5,227,987	8.6
<b>Literature</b>	5,306,056	7.2	4,615,149	6	4,584,554	6	4,154,716	6.8
<b>Craft/Object art</b>	1,940,188	2.6	1,923,523	3	2,027,346	3	1,524,368	2.4
<b>Interarts<sup>5</sup></b>	1,626,539	2.2	1,156,840	2	1,458,497	2	–	–
<b>Customary Māori arts</b>	4,395,048	5.9	4,104,044	6	4,844,908	6	3,615,800	5.9
<b>Pacific heritage arts</b>	2,432,390	3.3	2,490,284	3	1,831,444	2	709,716	1.2
<b>Community arts</b>	7,586,728	10.3	6,205,066	8	7,122,920	9	4,328,352	7.1
<b>Unallocated<sup>6</sup></b>	876,711	1.2	1,947,649	2	1,811,578	2	1,292,673	2.1
<b>Total</b>	<b>74,009,882</b>	<b>100</b>	<b>73,632,247</b>	<b>100</b>	<b>79,417,009</b>	<b>100</b>	<b>60,888,907</b>	<b>100</b>

<sup>5</sup> Interarts projects integrate artforms of any cultural tradition, combining them to create a new and distinct work. The result of this is a hybrid or fusion of artforms outside of Creative New Zealand’s artform categories. Under the new Grants programme, projects previously classified as Interarts are now recorded under the Multidisciplinary artform category or assigned to a primary artform.

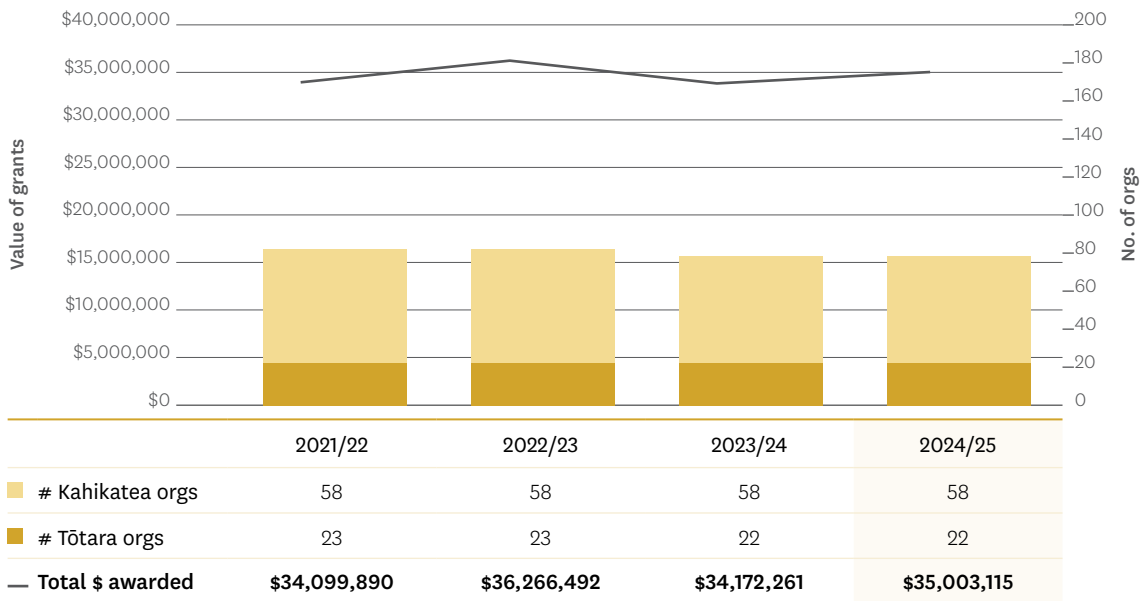
<sup>6</sup> ‘Unallocated’ includes investment in deliverables without a direct link to a specific artform, that is, advocating, leadership and some capability building initiatives.

## Investment across categories

Creative New Zealand monitors the distribution of its investment across eight main investment categories (page 13).

Figures 8, 9 and 10 provide an overview of funding distribution through the Tōtara and Kahikatea Investment programme organisations, Grants and special opportunities and the Creative Communities Scheme, for 2024/25 and the previous three years.

**Figure 8: Number and investment in Tōtara and Kahikatea Investment programme organisations, 2021/22–2024/25**



**Figure 9: Number and value of grants through Grants and special opportunities, 2021/22–2024/25**

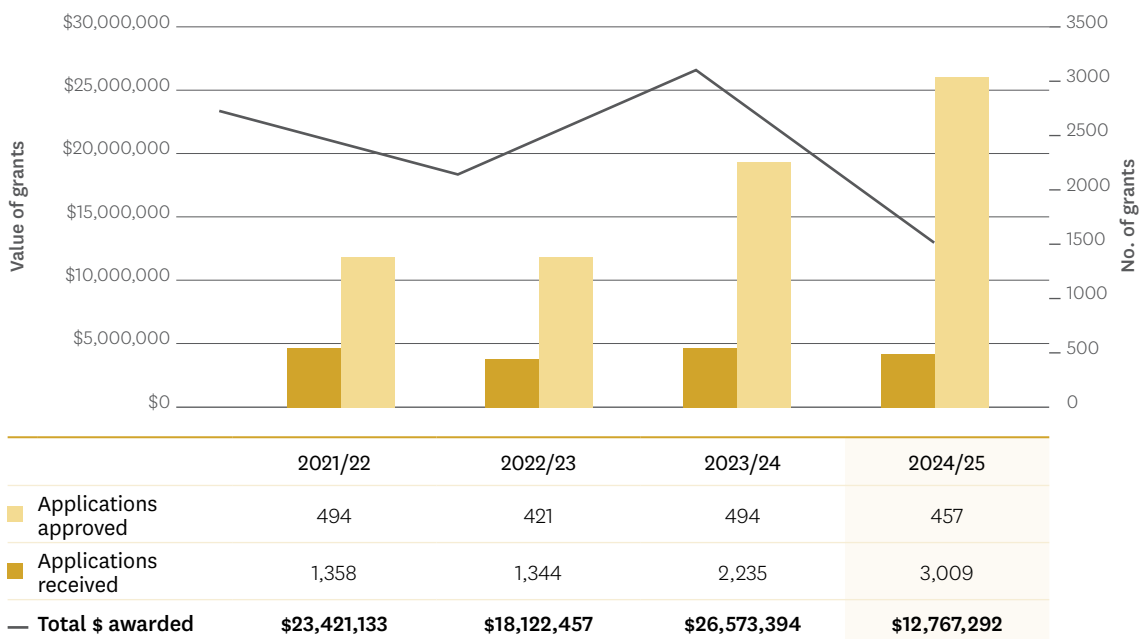
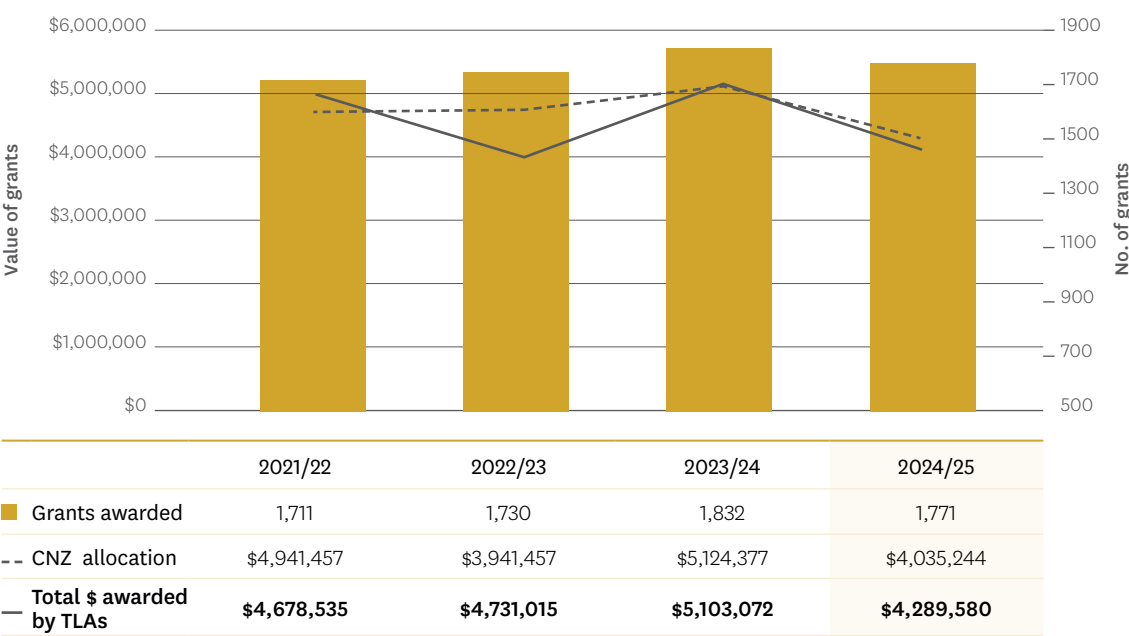


Figure 10: Number and value of Creative Communities Scheme grants awarded, 2021/22–2024/25



Note: CNZ = Creative New Zealand; TLAs = territorial authorities.

## **Part three**

Statement of performance

**Wāhanga tuatoru:Ngā  
whakaritenga pūtea**



# Non-financial planning and performance

## Te whakarite me te whakaea paearu i ngā kaupapa kāore e hāngai ana ki te pūtea

---

Our performance framework stems from our strategic intentions and shows how our work links to our goals and vision.

### Our performance framework

Our performance framework is set out on page 27.

The performance tables on pages 28-33 report on the measures we have monitored throughout the year.

### Judgements made in the selection of our performance measures

The Public Benefit Entity Financial Reporting Standard 48 Service Performance Reporting (PBE FRS 48) provides requirements for selecting and presenting service performance information, so it is appropriate and meaningful to users.

PBE FRS 48 requires the disclosure of the judgements used in preparing service performance information under the Standard.

In selecting performance measures for 2024/25, Creative New Zealand made the following judgements about what information to present.

- In our view, the performance measures selected for 2024/25 meet the expectations of Creative New Zealand's stakeholders.
- We consider that the **Outcome** and **Deliverable performance measures** and selected **Key strategic focus area activities** provide the most appropriate and meaningful information to users when assessing the work we do to achieve our outcomes. They align with management's assessment of where we expect to invest the most time and resources in the reporting period (based on budget information and strategic importance).

- The selected performance measures inform users of the progress made against achieving the outcomes presented in our *Statement of Intent 2022-2026*.

When forecasting our performance targets for 2024/25, we considered the following:

- available budget
- organisational capacity and capability
- the potential number of applications and activities supported across programmes.

### How we measure performance

Across our indicators and measures, we draw on the following data sources:

- our grants management systems, including performance information reported to us by those we fund
- administrative data held by Creative New Zealand, such as records of actions completed against plans and strategies
- Creative New Zealand-run surveys, such as our customer satisfaction survey
- externally commissioned surveys, such as *New Zealanders and the Arts — Ko Aotearoa me ōna Toi*.

## Creative New Zealand performance framework 2024/25



## Reporting performance against outcome measures

Outcomes describe the difference we want our work to make. Outcome results are influenced by both deliverables in the short term (pages 30-33) and by strategic focus areas (pages 34-36).

No.	Our outcomes	Measure	2023/24 Actual	2024/25 Target	2024/25 Actual	Notes
<b>Stronger arts:</b> Strong arts come from an arts sector that has the ability and opportunity to generate high-quality work, reflecting who we are as a nation and engaging audiences nationally and internationally.						
1.1	High-quality New Zealand art is developed	Number of new New Zealand works developed (across all funding programmes). <sup>7</sup>	4,286	≥2,500	>2,500 <sup>8</sup>	<b>Target met.</b> Investment programme organisations and contestable project funding recipients report new works through final project completion reports and six-monthly monitoring reports respectively.
1.2	New Zealand arts gain international success	Number of international arts activities and events funded by Creative New Zealand (across all funding programmes). <sup>9</sup>	705	≥1,500	>1,500 <sup>10</sup>	<b>Target met.</b> International arts activities and events are reported through international initiative final project completion reports and evaluation reports. The 2023/24 year did not include significant biennial events.
<b>Greater public engagement with the arts:</b> We are seeking to increase public engagement with the arts, recognising their ability to improve our personal wellbeing and that of whānau, communities and our society.						
1.3	New Zealanders participate in the arts	Number of grants made to artists, practitioners and organisations that enable participation in arts activities. <sup>11</sup>	652	560	646	<b>Target exceeded.</b> During the year, 457 artists, practitioners and organisations were supported through Grants and special opportunities funds, with a further 189 grants awarded through the Development Funds for Artists and Practitioners and Development Fund for Arts Organisations and Groups.
1.4	New Zealanders experience high-quality arts	Number of Toi Tōtara Haemata and Toi Uru Kahikatea Investment programme organisations supported to enable the delivery of arts activities or services. <sup>12</sup>	80	80	80	<b>Target met.</b> During the year, 22 Tōtara and 58 Kahikatea programme organisations received support. Although these programmes span three years (2023–2025), Creative New Zealand assesses the quality of programme delivery every six months. The annual target reflects Creative New Zealand's goal for all programme recipients to meet their funding requirements.

<sup>7</sup> The reduction in this target, compared with previous periods, is due to the reduced budget for Grants and special opportunities in 2024/25, meaning we will be supporting the development of fewer new works.

<sup>8</sup> Because these data are sourced from third parties, the result is presented in accordance with the Public Benefit Entity Financial Reporting Standard 48 Service Performance Reporting (PBE FRS 48).

<sup>9</sup> 'Arts activities' capture the variety of works that Creative New Zealand funds (eg, plays, concerts, dance performances, exhibitions, workshops, masterclasses, publications). 'Events' capture the number of opportunities audiences have to experience arts activities (eg, each time a play, concert, dance performance, workshop, masterclass occurs; each day an exhibition is open to the public; each sale or publication).

<sup>10</sup> Because these data are sourced from third parties, the result is presented in accordance with PBE FRS 48.

<sup>11</sup> This measure, the target and the prior year actuals replaced the measure Number of participants in arts activities funded by Creative New Zealand in the Statement of Performance Expectations 2024/25. The change was made, and the Minister for Arts, Culture and Heritage approved it in June 2025 to improve performance reporting requirements under PBE FRS 48.

<sup>12</sup> This measure and the related historical performance reporting replace the measure Number of attendances at arts activities and events funded by Creative New Zealand (in person and online). The change was made, and approved by the Minister for Arts, Culture and Heritage, to improve performance reporting requirements under PBE FRS 48. The forecast and prior year actuals relating to the new measure were updated in the Statement of Performance Expectations 2024/25 in June 2025.



No.	Our outcomes	Measure	2023/24 Actual	2024/25 Target	2024/25 Actual	Notes
<b>Stronger arts sector:</b> A stronger arts sector is the foundation from which the arts sector can produce high-quality arts and provide opportunities for public engagement with the arts.						
1.5	New Zealand's arts sector is resilient	Percentage of organisations receiving multi-year funding through the Toi Tōtara Haemata and Toi Uru Kahikatea Investment programmes that meet financial expectations set out in their funding agreements.	90%	≥90%	88%	<p><b>Target not met.</b></p> <p>This measure is new in 2024/25 and now focuses on evaluating the financial health of organisations. The previous measure included three dimensions: quality of artistic programme, financial health and organisational health. Comparative figures have been restated to reflect this change.</p> <p>Of the 67 organisations assessed for financial health, 59 met expectations for the full-year period. Thirteen organisations were excluded from the financial health assessment, including council-controlled organisations and tertiary education institutions.</p> <p>The result this year reflects the financial pressures many organisations are facing such as rising costs, difficulty securing community and corporate funding, constraints in local government funding and cost-of-living pressures affecting audience engagement.</p>
1.6	New Zealand arts are valued and supported	Index rating for how New Zealanders perceive the value of the arts to New Zealand ( <i>New Zealanders and the Arts—Ko Aotearoa me ōna Toi 2023</i> survey data).	59%	≥59%	59%	<p><b>No change.</b></p> <p>The <i>New Zealanders and the Arts—Ko Aotearoa me ōna Toi</i> survey is conducted every three years. The 2023 index rating is based on an average of the following three individual measures in the survey: The arts should receive public funding (2023 result: 62%), My community would be poorer without the arts (2023 result: 53%) and The arts help improve New Zealand society (2023 result: 60%). We expect 2026 survey results to be published in early 2027.</p>
1.7		Average percentage of 'other' (non-Creative New Zealand) investment across organisations receiving multi-year funding through the Toi Tōtara Haemata and Toi Uru Kahikatea Investment programmes.	68%	≥67%	>67% <sup>13</sup>	<p><b>Target not met.</b></p> <p>Using Tōtara and Kahikatea Investment programme organisations as a proxy for the arts sector, we measure sector support by tracking the revenue these organisations generate from sources other than Creative New Zealand.</p> <p>This metric is calculated as the proportion of non-Creative New Zealand revenue to total revenue across all investment organisations, based on calendar year financial data as supplied by the organisations.</p>

<sup>13</sup> Because these data are sourced from third parties, the result is presented in accordance with PBE FRS 48.

## Reporting performance against deliverable measures

Deliverables are what we do to achieve outcomes and support strategic focus areas. We report critical measures and achievements for 2024/25 against five deliverables: Investing in the arts, Developing the arts, Advocating for the arts, Leadership in the arts and Partnering for the arts.

Details about the five deliverables can be found on pages 12-15, and additional information about the programmes Creative New Zealand offers is available on our website.

### Investing in the arts performance measures

No.	Activity	Measure	Rationale	2023/24 Actual	2024/25 Target	2024/25 Actual	Notes
2.1	Support for organisations under the Toi Tōtara Haemata and Toi Uru Kahikatea Investment programmes to deliver an annual programme of activity	Organisations meet expectations against measures set out in individual funding agreements	<p>Toi Tōtara Haemata and Toi Uru Kahikatea Investment programmes comprise around 60% of our investment in the arts.</p> <p>This measure recognises the significant contribution successful programme delivery by these organisations makes to the achievement of our outcomes.</p>	100%	≥98%	99%	<p><b>Target met.</b></p> <p>This measure is new in 2024/25 and focuses on the artistic quality of programmes. All comparative numbers have been restated to reflect a change from measuring four dimensions (quality of artistic programme, financial health, organisational health and alignment to strategy) to one dimension (artistic quality). We monitor artistic programme delivery to ensure we understand that organisations are delivering to our outcomes, in particular, Stronger arts and Greater public engagement.</p>
2.2	Delivery of various contestable grant funding opportunities	Completed projects meet delivery expectations	<p>Contestable grant programmes comprise around 20% of our investment in the arts.</p> <p>This measure recognises the significant contribution successful delivery of activities supported under these programmes make to the achievement of our outcomes.</p>	100%	≥99%	99%	<p><b>Target met.</b></p> <p>This measure reports on evaluated completion reports for project-based funding: Grants and special opportunities and the International programme. Of the 464 projects evaluated in the reporting period, 463 met expectations. Typically, projects do not meet expectations due to resource constraints and unexpected external factors. Results provided by grant recipients in project completion reports contribute to our outcome reporting.</p>

No.	Activity	Measure	Rationale	2023/24 Actual	2024/25 Target	2024/25 Actual	Notes
2.3	Annual client satisfaction survey of applicants for contestable grant funding to determine whether we are meeting identified service standards	Overall satisfaction with Creative New Zealand's service	<p>This measure shows the extent to which applicants are experiencing the service standards we seek to uphold and how well programmes are meeting the needs of target groups.</p>	59%	≥65%	57%	<p><b>Target not met.</b></p> <p>While the target was not met, this year's result is similar to the 2023/24 result. (The margin of error for a survey sample of this size is +/-5%, so, from a statistical standpoint, this result is similar to the 2023/24 result of 59%.)</p> <p>The figure reflects the results for five service standards. All five are over 60% (respondents who are either 'very satisfied' or 'satisfied'), and four of the five showed a small improvement on the previous year. The percentage of survey respondents whose application was funded was 35%.</p> <p>The survey was delivered to 2,383 funding applicants, with 360 completing the overall satisfaction question, a 15% response rate (a reduction from last year's 19%).</p>
2.4	Support for local arts projects through the Creative Communities Scheme	Percentage of city and district councils that meet or exceed Creative Communities Scheme delivery expectations	<p>Communities Scheme comprises around 7% of our investment in the arts.</p> <p>This measure shows the extent to which territorial authorities are meeting delivery expectations for the benefit of local arts communities.</p>	97%	≥90%	97%	<p><b>Target met.</b></p> <p>Sixty-five out of 67 councils successfully delivered the Creative Communities Scheme in their areas in the reporting period. Two councils did not meet expectations in the areas of grants management and funds distribution, due to resource limitations. The Creative Communities Scheme contributes to our Greater public engagement outcome, delivering funding opportunities for communities to engage and participate in the arts.</p>

No.	Activity	Measure	Rationale	2023/24 Actual	2024/25 Target	2024/25 Actual	Notes
2.5	Maintain operating costs in line with policy set by the Arts Council	Operating costs as a percentage of total expenditure	This shows the proportion of expenditure invested in the arts sector relative to expenditure on Creative New Zealand's operations.	15.3%	≤18%	17.9%	<p><b>Target met.</b></p> <p>This year, the operating costs percentage increased compared with the previous year as the organisation transitions to a new strategy.</p> <p>Actual operating costs decreased in 2024/25 compared to 2023/24 from \$14.3 million in 2023/24 to \$13.3 million in 2024/25.</p> <p>The Arts Council has a strong focus on reducing costs and is undertaking a review of the organisations operating model over 2025/26. This year, 82.1% of expenditure was invested across Creative New Zealand's five deliverables.</p>
2.6	Delivery of opportunities for arts organisations, individual artists and arts practitioners to build their skills and capability	Capability building initiatives delivered to the sector meet expectations	This measure recognises the contribution successful delivery of initiatives makes to the achievement of our outcomes.	98%	≥97%	99%	<p><b>Target met.</b></p> <p>Of the 209 projects evaluated in the reporting period, 207 met expectations. Typically, projects do not meet expectations due to resource constraints and unexpected external factors. Results provided by grant recipients in project completion reports contribute to our outcome reporting.</p>

## Advocating for the arts performance measures

No.	Activity	Measure	Rationale	2023/24 Actual	2024/25 Target	2024/25 Actual	Notes
2.7	Delivery of an annual advocacy programme	Annual advocacy actions meet expectations as set out in our annual advocacy action plan	This measure recognises the contribution successful delivery of these initiatives makes to the achievement of our outcomes, principally our Stronger arts sector outcome.	75%	≥75%	78%	<p><b>Target met.</b></p> <p>The advocacy plan for 2024/25 focused on four high-level pou (pillars) designed to be responsive to the evolving needs of the operating environment. Work was delivered under all pou, with 14 out of 18 actions completed or advanced. Further information about our advocacy work is available on our website.</p>

## Leadership in the arts performance measures

No.	Activity	Measure	Rationale	2023/24 Actual	2024/25 Target	2024/25 Actual	Notes
2.8	Delivery of Creative New Zealand-commissioned research	Number of Creative New Zealand-commissioned research projects completed	This measure demonstrates timely project delivery of research for the sector.	4	2	1	<p><b>Target not met.</b></p> <p><i>The Arts Sector Remuneration Report 2024</i> was finalised in December 2024 and distributed to participants.</p> <p>The next iteration of the Audience Atlas Aotearoa New Zealand research was commissioned in the period, however, it was not published until 2025/26. This research focuses mainly on analysing and building audiences for Tōtara and Kahikatea Investment programme organisations. The main report for this research will be published in October 2025, with subsidiary reports planned for 2026.</p>

## Partnering for the arts performance measures

No.	Activity	Measure	Rationale	2023/24 Actual	2024/25 Target	2024/25 Actual	Notes
2.9	Developing and maintaining reciprocal relationships and partnerships with organisations with shared interests	Number of active relationships and partnerships (including co-investment, regular meetings, shared projects) maintained	This measure demonstrates the volume (and breadth) of relationships being maintained aimed at delivering benefits to the arts sector.	178	≥165	186	<p><b>Target met.</b></p> <p>Along with relationships with the 80 Tōtara and Kahikatea Investment programme organisations and 67 territorial authorities, we share knowledge and resources with other partners, such as local iwi, arts organisations and groups, and other central and local government entities, to achieve our outcomes. Through placing greater importance on our relationships and partnerships, we aim to better achieve our outcomes and increase the value we create for New Zealanders.</p>

## Strategic focus areas

Creative New Zealand's *Statement of Intent 2022–2026* sets out three strategic focus areas that shape the deliverables and activities we undertake and advance the outcomes we're seeking to achieve.

**Resilience**—developing a resilient and sustainable arts sector, including sustainable arts sector careers.

**Access, inclusion and equity**—ensuring our services and the arts are accessible to, inclusive of and equitable for all New Zealanders.

**Wellbeing**—embedding a recognition of the role of the arts and ngā toi in contributing to the wellbeing of New Zealanders.

The activities prioritised under the focus areas in 2024/25 are reported on in the following pages. Further information about our work under these areas is reported in previous annual reports.

## Resilience—Manahau

### Developing a resilient and sustainable arts sector, including sustainable arts sector careers

Focusing on resilience supports the outcome, Stronger arts sector. Our *Statement of Intent 2022–2026* states that by 2026 we want to see the following.

- Creative New Zealand's Remuneration Policy for Artists and Arts Practitioners is recognised as an 'industry standard' and widely adopted by the arts sector and those engaging artists and arts practitioners.
- Working with others, Creative New Zealand will have developed a roadmap for improving the sustainability of arts sector careers.
- Creative New Zealand and the arts sector are developing and trialling new models (operating, funding and monetisation) aimed at improving the resilience and sustainability of the sector.

The activities prioritised in 2024/25 are reported below. Under the Stronger arts sector outcome, we track financial resilience and how New Zealanders value the arts as indicators of sector strength. (page 36)

No.	Activity	Key milestones in 2024/25	Results for 2024/25
3.1	Review support for arts organisations to ensure programmes meet the needs of organisations and improve sector sustainability and resilience.	Implement a new approach to supporting arts organisations by 30 June 2025.	In October 2024, Creative New Zealand announced a move to a single funding model to support arts organisations and groups. The Arts Organisations and Groups Fund will be extended to add additional funding tiers with higher amounts, and the Investment programmes will be disestablished. The extended fund will open in 2026 to support programming from 1 January 2027.
3.2	Advance a programme of work aimed at improving the working lives and conditions of creative professionals.	Start the development of a roadmap for improving the sustainability of arts sector careers by 31 December 2024.	<p>This activity was put on hold while the Government developed <i>Amplify: A Creative and Cultural Strategy for New Zealand</i>. With the release of the strategy, Creative New Zealand will review what actions it takes in 2025/26.</p> <p>Similarly, Creative New Zealand was awaiting the outcomes of work being advanced by Toi Mai Workforce Development Council ahead of deciding its future focus.</p>

**Access, inclusion and equity—Te uru, te whakauru me te mana taurite**

**Ensuring our services and the arts are accessible to, inclusive of and equitable for all New Zealanders**

Focusing on access, inclusion and equity supports the outcomes Greater public engagement in the arts and a Stronger arts sector. Our *Statement of Intent 2022–2026* states that by 2026, we want to see the following.

- New Zealand artists and arts practitioners from diverse communities can access Creative New Zealand’s services, and our services are enabling.
- Through our diversity reporting, we can accurately identify who is and who isn’t benefiting from our services and implement initiatives that seek to address gaps.

- Our policies reflect our aspirations under Te Tiriti o Waitangi, address equity alongside access and inclusion, and are widely reflected in the practices of those in whom we invest.
- Te Kaupapa o Toi Aotearoa is embedded across our organisational processes, policies and structures, and we have the capability and capacity to operate effectively in te ao Māori and take a multi-lensed approach to our work.

The activities prioritised in 2024/25 are reported below. Under the Greater public engagement outcome, we track New Zealanders’ participation and attendance in the arts as indicators of engagement (page 16).

No.	Activity	Key milestones in 2024/25	Results for 2024/25
3.3	Develop a position statement in relation to Te Tiriti o Waitangi to underpin the development of our new SOI.	Reflect our position and aspirations in relation to Te Tiriti o Waitangi in our new SOI by 30 June 2025.	Creative New Zealand’s commitment to Te Tiriti o Waitangi has been reflected in the development of its new strategy and in the <i>Statement of Intent 2025–2030</i> . This includes recognising our Te Kaupapa o Toi Aotearoa principles in how we work and our ‘by, with and for’ approach to working with communities. The new <i>Statement of Intent 2025–2030</i> was published in July 2025.
3.4	Review our Diversity in the Arts Policy (2015) to reflect a focus on equity alongside access and inclusion.	Start a review of our <i>Diversity in the Arts Policy</i> (2015) to reflect a focus on equity alongside access and inclusion.	<i>The Diversity in the Arts Policy</i> review is progressing, working with community and government stakeholders through 2025. A new policy and action plan will be approved for release in 2026, with review recommendations informing our long-term strategy, how we support arts organisations and groups and empower communities as decision-makers.

## Wellbeing—Oranga

### Embedding a recognition of the role of the arts and ngā toi in contributing to the wellbeing of New Zealanders

Focusing on wellbeing supports the outcome Stronger arts sector. Our *Statement of Intent 2022–2026* states that by 2026, we want to see the following.

- Working with others, we will have developed a strong evidence base for how the value of the arts and ngā toi contribute to New Zealanders and our society.

- Creative New Zealand and the arts sector will be powerful advocates for the value of the arts and ngā toi.
- Increasingly, partnerships will exist across various sectors that provide investment into the arts and increase the recognition of the value they deliver.

The activities prioritised in 2024/25 are reported below. Under the Stronger arts sector outcome, we monitor the index rating for how New Zealanders perceive the value of the arts to New Zealand as an indicator of the value of the arts and ngā toi to New Zealanders (page 29).

No.	Activity	Key milestones in 2024/25	Results for 2024/25
3.5	Develop relationships and partnerships aimed at increasing the recognition of the value the arts contribute to New Zealand society.	Develop two new relationships aimed at advancing the recognition of the value of the arts in other sectors by 30 June 2025.	<p>A partnership between Creative New Zealand, Radio New Zealand and NZ On Air delivered the Arts and Culture Podcast Co-Fund in November 2024. The collaboration across agencies addressed a reported deficit in media coverage for the arts in New Zealand and strengthened the sector by supporting innovative podcast projects while using Radio New Zealand's platforms and audio expertise. Three grants totalling \$257,000 were offered to commission new arts and culture podcasts.<sup>14</sup></p> <p>Our local government relationship with the Young Elected Members network was progressed through hosting panel discussions and site visits at their annual hui with local artists and arts leaders. We are working with members to deepen understanding of the value of the arts and the support required to deliver that value to communities.</p>
3.6	Promote the value of the arts through public campaign work, with specific recognition of wellbeing.	Deliver campaign activity that highlights both the value of the arts to the public, and the role that artists play in delivering that value, by 30 June 2025.	<p>The 'always on' public-facing campaign <i>Creativity Makes Us — Auahatia!</i> was launched in February 2025, and the <i>All in for Arts 2025</i> nationwide tour was delivered in March 2025.</p> <p><i>Creativity Makes Us — Auahatia!</i> has been seen by New Zealanders over 1 million times since its launch.</p> <p><i>All in for Arts 2025</i> saw 1,155 attendees at six events, more than 540,000 social media views and over 1,000 podcast plays. Art Work Season 2 was also delivered, highlighting the working lives of artists. The series achieved 65,000 page views across The Spinoff and Stuff, with social media reach of over 580,000.</p>

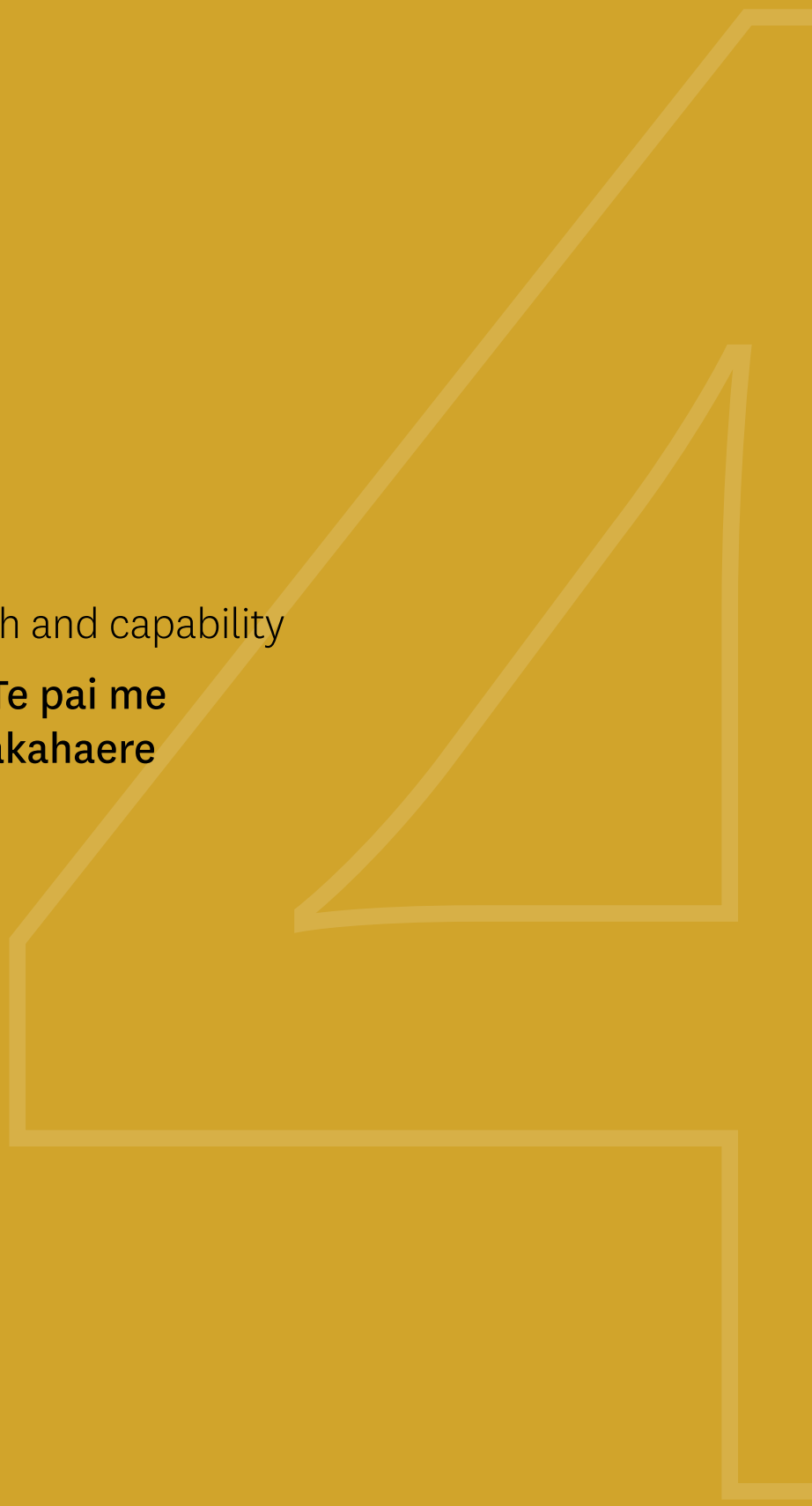
<sup>14</sup> Creative New Zealand New Mirrors—Strengthening arts and culture media for Aotearoa New Zealand



## **Part four**

Organisational health and capability

**Wāhanga tuawha: Te pai me  
te āheinga o te whakahaere**



# Governance | Te mana urungi

---

The Arts Council of New Zealand Toi Aotearoa is a 13-member board appointed by the Minister for Arts, Culture and Heritage as the governing body of Creative New Zealand.

Creative New Zealand acknowledges the contribution made by members who departed from the Arts Council over 2024/25.

The Arts Council is responsible for:

- setting strategic direction and monitoring performance
- setting guidelines for the allocation of funding and the implementation of initiatives
- establishing assessment processes for the allocation of funding
- maintaining relationships with other agencies and organisations.

Under its Governance Charter, the Council is guided by the following pou (pillars), which describe the Council's main roles:

- determining future focus and direction
- building culture
- holding to account.

Council members have a variety of skills and experience, including a minimum of four members with knowledge of ngā toi Māori (Māori arts), te ao Māori (a Māori world view) and tikanga Māori (Māori protocol and culture). Under section 10 of the Act, these members were appointed in consultation with the Minister for Māori Development. Two Arts Council members are appointed with knowledge of the arts and the traditions or cultures of the Pacific peoples of Aotearoa New Zealand, in consultation with the Minister for Pacific Peoples.<sup>15</sup>

The Arts Council has three committees.

- **Komiti Māori**—under the Act, Komiti Māori members advise the Council on matters relevant to Māori, and any other functions the Council delegates to the committee. Work in 2024/25 included advising the Council on the development of the successor to *Te Hā o ngā Toi—Māori Arts Strategy 2019–2024*.
- **Audit and Risk Committee**—the Committee advises the Council on audit, risk and finance matters. Work in 2024/25 included monitoring financial performance, risk and audit matters and advising the Arts Council on the development of its accountability documents.
- **People and Culture Committee**—the Committee provides advice on the Council's people and culture responsibilities. Led by the Chair (ex officio), work in 2024/25 included the recruitment of a new chief executive, with Gretchen La Roche starting in May 2025.

Membership of the Komiti/committees is set out on page 66-67 (Note 21 to the financial statements).

---

<sup>15</sup> (4) At least 4 of the persons appointed as members of the Arts Council must be persons who, in the opinion of the Minister, after consultation with the Minister of Māori Affairs, are qualified for appointment, having regard to their knowledge of—

(a) te ao Māori (Māori world view); and  
(b) tikanga Māori (Māori protocol and culture); and  
(c) Māori arts.

(5) At least 2 of the persons appointed as members of the Arts Council must be persons who, in the opinion of the Minister after consultation with the Minister of Pacific Island Affairs, are qualified by their knowledge of the arts and of the traditions or cultures of the Pacific Island peoples of New Zealand.

Table 5: Membership of the Arts Council as at 30 June 2025

Arts Council members and office holders as at 30 June 2025 <sup>#</sup>	Council meeting days per member 1 July 2024 to 30 June 2025* (number)	Council meeting attendance per member 1 July 2024 to 30 June 2025 (percentage)
<b>Kent Gardner</b> Manukura—Chair	6/6	100%
<b>Hilary Poole</b>	6/6	100%
<b>Kura Moeahu</b> (Māori representative)	5/6	83%
<b>Bonita Bigham</b> (Māori representative)	5/6	83%
<b>Puamiria Parata-Goodall</b> (Māori representative)	6/6	100%
<b>John Ong</b>	6/6	100%
<b>Whetū Fala</b> (Māori representative)	4/6	67%
<b>Robyn Hunt</b>	5/6	83%
<b>Helen Klisser During</b>	5/6	83%
<b>Shane Te Ruki</b> (Māori representative)	6/6	100%
<b>Jannita Pilisi</b> (Pasifika representative)	5/6	83%
<b>Keven Mealamu</b> (Pasifika representative)	2/3	67%
<b>Karen Walker</b>	3/3	100%

<sup>#</sup> Note 21 to the financial statements includes remuneration paid to all members who served on the Arts Council over 2024/25 with comparisons to the previous year, along with further information on member roles.

\* These figures represent days attended at Arts Council meetings. Note 21 to the financial statements provides information on committee membership. Note the position of deputy chair remained vacant in 2024/25.

# Our people and expertise

## A tātou kaimahi, me a tātou pūkenga

---

As of June 2025, Creative New Zealand has 81 kaimahi (staff) (78.35 full-time equivalent staff), based in locations across New Zealand. We have dedicated office spaces in Auckland and Wellington.

Kaimahi have a range of professional experience across artforms, international market development and cultural exchange, audience development, project management, and corporate and business services.

Our kaimahi work across five groups: Arts Development Services; Business Services; Māori Strategy and Partnerships; Pacific Arts; and Strategy and Engagement.

### Good employer reporting

Section 118 of the Crown Entities Act 2004 requires us to:

- operate personnel policies and practices that comply with the principle of being a 'good employer'
- report on how we comply with those policies, including our equal employment opportunities (EEO) policy, in our annual report.

Our mahi under these elements this year is summarised below.

### Equal employment opportunity policy and practice

Creative New Zealand's EEO policy is an integral part of the organisation's policy and procedures manual. This policy refers to our commitment to be a 'good employer' and achieve successful EEO outcomes. We include, in our personnel policy and reporting, specific commitments to the aims, aspirations and employment requirements of Māori, ethnic or minority groups, women and people with disabilities. We also support implementation of the

Government's action plan to reduce gender, Māori, Pacific and ethnic pay gaps and create a fairer workplace.

We aim to have a workforce that broadly reflects the communities we serve. Further information on our approach to this is available in the Creative New Zealand *Diversity Report 2022/23*.<sup>16</sup>

### Leadership, accountability and culture

We carry out regular engagement and internal culture surveys, which link to Te Kaupapa and provide useful insights into how the internal culture actions are being received. We have one specific question around management accountability, that consistently scores well. As per the March 2025 survey, the question 'The person I report to behaves in a way that is consistent with the values of CNZ' had an 81 percent positivity rating (that is, people who agree or strongly agree with the statement).

We have also provided leadership training and coaching for senior managers and people leaders and have laid the groundwork to introduce restorative practices into the organisation. These have a focus on personal accountability, early intervention and restorative conflict resolution.

### Te Kaupapa o Toi Aotearoa

Good employer reporting includes responsiveness to Māori. In 2024/25, we continued our Te Kaupapa o Toi Aotearoa programme. This is embedding Te Kaupapa principles of Mana aki i te Tangata, Tuku Rauemi and Whakamana i te Tiriti into the work we do and how we work 'by, for and with' Māori and diverse communities we serve.

In this reporting period, the principles of our Te Kaupapa programme have informed important work. This has included reviewing our organisational strategy, our ngā toi Māori strategy, and how we support arts organisations and groups through our investment and funding programmes. It has also led to the development of an internal culture action plan, where our three focus areas are Te Tiriti o Waitangi, kotahitanga (connection) and rangatiratanga (leadership).

---

<sup>16</sup> The next diversity report, covering the three years to 2025/26, will be published in 2026/27.

## Safe and healthy environment

Creative New Zealand promotes health and safety and wellbeing through several initiatives. We have an active health, safety and wellbeing committee, which is open to all staff. This committee meets regularly and sponsors other health and safety and/or wellness initiatives for staff. This work, along with supporting various employee groups, ties in closely with the internal culture work, under Te Kaupapa o Toi Aotearoa.

## Harassment and bullying prevention

Harassment and bullying in any form are unacceptable at Creative New Zealand. We have clear expectations, policies and practices in place to promote a workplace environment that is free from intimidation or inappropriate behaviour.

## Flexibility and work design

A variety of working arrangements are offered to recognise the needs of staff, including:

- part-time work, 12 percent of our staff currently work part time (compared with 9 percent last year)
- offices located in Auckland, Wellington and Dunedin
- a Flexible Work Policy that enables staff to work from home as required
- flexible hours arrangements to accommodate domestic circumstances.

## Employee development, promotion and exit

Tōku Ao is our holistic growth and development framework, where all kaimahi create an annual development plan with their manager in the format that works for them. We also have an organisation-wide learning and development plan that changes depending on organisational requirements. In the last financial year, we focused on leadership development, accessibility, plain language business writing, team development days and weekly classes in te reo Māori.

In line with our commitment to career development, we advertise our vacancies internally as well as

externally and encourage staff to apply for roles they are interested in. One employee moved into a new role over 2024/25, while others completed secondments on projects or provided maternity cover.

## Recruitment, selection and induction

Vacancies are advertised through diverse advertising channels, including staff networks, to attract a wide pool of applicants. Selection panels comprise a cross section of managers and staff. Candidates may bring whānau support to interviews and may be invited to meet with members of their prospective team before an offer of employment is finalised.

A personalised induction programme is prepared for each new employee and designed to support a new employee to quickly integrate into their new role, team and the organisation.

All new employees are expected to have a development plan in place in their first few months of employment, so they have clarity about what is expected of them.

## Remuneration, recognition and conditions

Our remuneration policy for permanent staff aims, within available resources, to ensure they are remunerated appropriately for their role and skills, and that our pay practices are open and transparent.

## More information

Further details about Creative New Zealand are on the website at:

[www.creativenz.govt.nz/about-creative-nz](http://www.creativenz.govt.nz/about-creative-nz)

## **Part five**

Statement of financial performance

**Ngā whakaritenga pūtea**



# Financial performance 2024/25

## Ngā tutukinga ā-pūtea

The following section details the 2024/25 financial performance and the financial planning context for 2025/26.

Creative New Zealand ended the 2024/25 year with a net surplus of \$4.9 million, against the \$2.9 million budgeted net deficit published in the *Statement of Performance Expectations 2024/25*, a positive variance of \$7.8 million.

Total revenue for the year was above budget, with a positive variance of \$8.3 million. This was mainly due to an additional \$7.1 million received from the New Zealand Lottery Grants Board Te Puna Tahua (NZLGB) and \$1.2million from higher interest, project partner and deferred Crown revenue. Total expenses for the year were slightly higher than budgeted by \$0.5 million. This was mostly due to the timing of multi-year funded programmes and the increase in external assessment costs due to demand in applications for contestable grants.

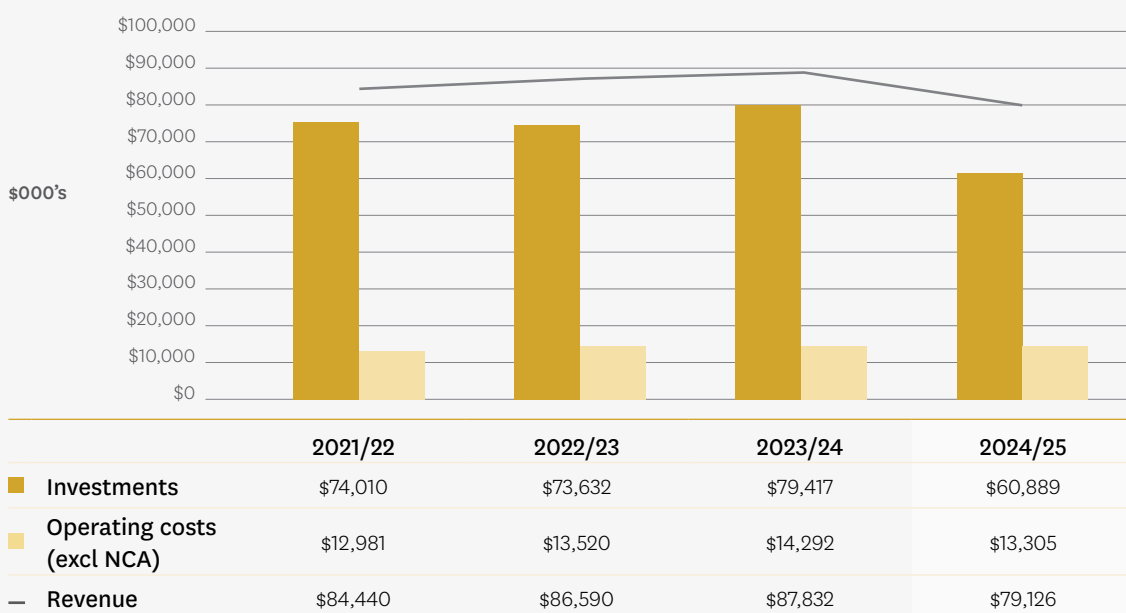
Total investment in the arts sector for 2024/25 was lower than 2023/24 by \$18.5 million (\$60.9 million compared with \$79.4 million), as shown in figure 11. This investment includes the significant one-off Crown investment in Creative New Zealand of \$18.8 million in 2023/24 relating to the COVID-19 pandemic recovery response and other one-off funding, as shown in figure 12. The breakdowns of the one-off funding received and expensed are detailed in the notes to the financial statements (notes 3 and 9).

### Financial planning 2025/26

The 2025/26 budgeting process has been run in the context of significant challenges and opportunities, as outlined on pages 22–25 of the *Statement of Performance Expectations 2025/26*. The focus in 2025/26 will be on the implementation of our new strategy and operating model.

For further information, see the *Statement of Performance Expectations 2025/26* available on our website.

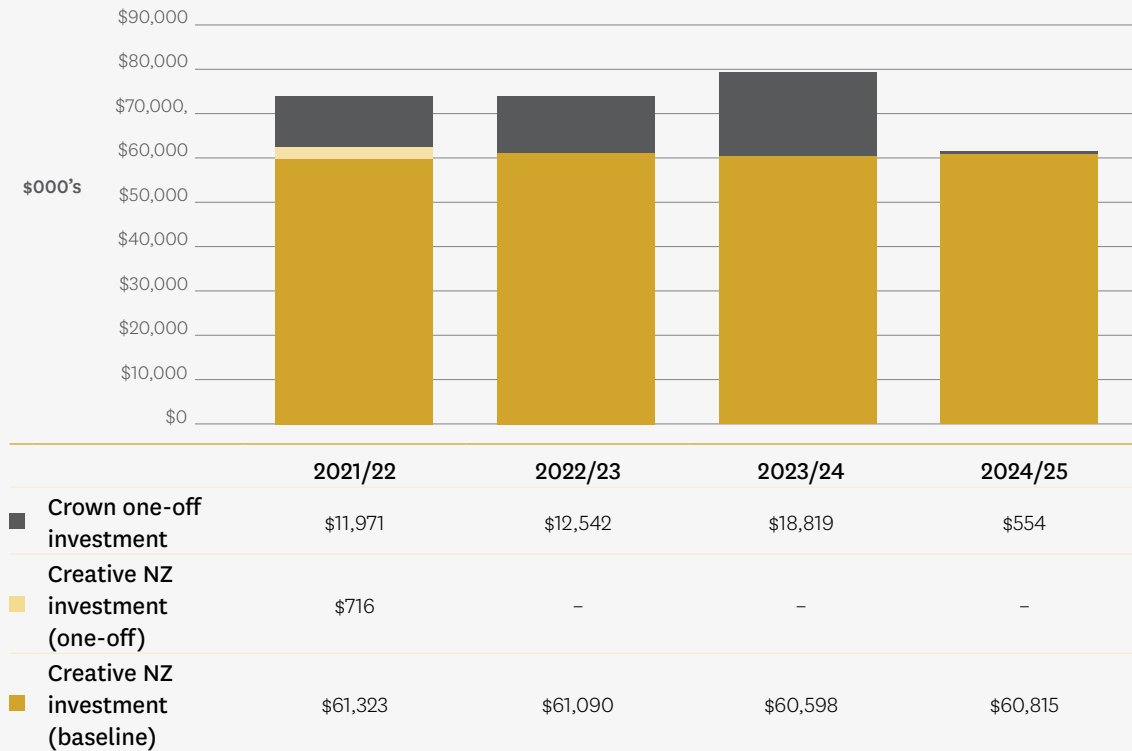
Figure 11: Revenue and expense trends 2021/22–2024/25



Notes:

1. 'Investments' include our deliverables: Investing in the arts, Developing the arts, Advocating for the arts, Leadership in the arts, and Partnering for the arts.
2. NCA = non-current assets.

Figure 12: Investment into the arts sector 2021/22–2024/25, baseline versus one-off





## Statement of financial performance

For the year ended 30 June

	NOTE	ACTUAL 2025 \$000	BUDGET 2025 \$000	ACTUAL 2024 \$000
<b>REVENUE</b>				
Revenue from the Crown	3	17,242	16,987	35,507
Revenue from the New Zealand Lottery Grants Board	4	59,932	52,789	49,500
Interest revenue		1,390	800	2,317
Other revenue	5	562	204	508
<b>TOTAL REVENUE</b>		<b>79,126</b>	<b>70,780</b>	<b>87,832</b>
<b>EXPENSES</b>				
Investing in the arts	8	53,060	51,998	70,272
Developing the arts	8	6,130	6,565	7,171
Advocating for the arts	8	1,370	1,535	1,504
Leadership in the arts	8	329	350	470
		<b>60,889</b>	<b>60,448</b>	<b>79,417</b>
<b>Operating Costs</b>				
Personnel expenses	6	9,872	9,850	10,379
Depreciation and amortisation	12,14	268	350	413
Other expenses	7	3,165	2,990	3,500
		<b>13,305</b>	<b>13,190</b>	<b>14,292</b>
<b>TOTAL EXPENSES</b>		<b>74,194</b>	<b>73,638</b>	<b>93,709</b>
<b>SURPLUS / (DEFICIT)</b>		<b>4,932</b>	<b>(2,858)</b>	<b>(5,877)</b>

Explanations of major variances against budget are provided in note 2.

Budget is derived from the *Statement of Performance Expectations 2024/25* published in June 2024

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

## Statement of other comprehensive revenue and expense

For the year ended 30 June

	NOTE	ACTUAL 2025 \$000	BUDGET 2025 \$000	ACTUAL 2024 \$000
Surplus/(deficit) for the year		4,932	(2,858)	(5,877)
Other comprehensive revenue and expense				
Gain/(Loss) on revaluation of works of art	13	–	–	–
Total other comprehensive revenue and expense		–	–	–
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>		<b>4,932</b>	<b>(2,858)</b>	<b>(5,877)</b>

## Statement of changes in equity

For the year ended 30 June

	NOTE	ACTUAL 2025 \$000	BUDGET 2025 \$000	ACTUAL 2024 \$000
Total equity as at 1 July		16,319	15,826	22,196
Net operating surplus/(deficit) for the year		4,932	(2,858)	(5,877)
Other comprehensive revenue and expense		–	–	–
Total comprehensive revenue and expense		4,932	(2,858)	(5,877)
<b>TOTAL EQUITY AS AT 30 JUNE</b>	17	<b>21,251</b>	<b>12,968</b>	<b>16,319</b>

Explanations of major variances against budget are provided in note 2.

Budget is derived from the *Statement of Performance Expectations 2024/25* published in June 2024

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

## Statement of financial position

As at 30 June

	NOTE	ACTUAL 2025 \$'000	BUDGET 2025 \$'000	ACTUAL 2024 \$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	9	4,868	3,005	7,308
Investments in term deposits	10	19,000	14,000	14,000
Receivables	11	13,731	13,497	13,251
Prepayments		355	200	255
<b>Total current assets</b>		<b>37,954</b>	<b>30,702</b>	<b>34,814</b>
<b>Non-current assets</b>				
Property, plant and equipment	12	425	400	502
Works of art	13	2,262	2,262	2,262
Intangible assets	14	56	20	172
<b>Total non-current assets</b>		<b>2,743</b>	<b>2,682</b>	<b>2,936</b>
<b>TOTAL ASSETS</b>		<b>40,697</b>	<b>33,384</b>	<b>37,750</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Grants payable	8	17,558	18,853	18,843
Payables and deferred revenue	15	1,008	873	1,727
Employee entitlements	16	781	600	757
<b>Total current liabilities</b>		<b>19,347</b>	<b>20,326</b>	<b>21,327</b>
<b>Non-current liabilities</b>				
Lease incentive	18.2	9	9	13
Employee entitlements	16	90	81	91
<b>Total non-current liabilities</b>		<b>99</b>	<b>90</b>	<b>104</b>
<b>TOTAL LIABILITIES</b>		<b>19,446</b>	<b>20,416</b>	<b>21,431</b>
<b>NET ASSETS</b>		<b>21,251</b>	<b>12,968</b>	<b>16,319</b>
<b>EQUITY</b>				
Accumulated funds	17	18,171	9,899	13,245
Revaluation reserves	17	2,262	2,262	2,262
Restricted reserves – special purpose funds	17	818	807	812
<b>TOTAL EQUITY</b>		<b>21,251</b>	<b>12,968</b>	<b>16,319</b>

Explanations of major variances against budget are provided in note 2.

Budget is derived from the *Statement of Performance Expectations 2024/25* published in June 2024

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

## Statement of cash flows

For the year ended 30 June

	ACTUAL 2025 \$000	BUDGET 2025 \$000	ACTUAL 2024 \$000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Cash was provided from:</b>			
Revenue from the Crown	16,689	16,689	16,947
Revenue from the New Zealand Lottery Grants Board	59,110	51,967	51,352
Interest received	1,379	993	2,726
Grant retirements and gains	52	103	87
Other revenue	545	4	116
Net goods and services tax	–	–	–
<b>Cash was applied to:</b>			
Payments of grants	(62,040)	(62,159)	(83,922)
Payments to employees	(9,649)	(9,850)	(10,289)
Payments of operating expenses	(3,408)	(2,996)	(3,504)
Net goods and services tax	(43)	(45)	(3,368)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2,634</b>	<b>(5,294)</b>	<b>(29,855)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
<b>Cash was provided from:</b>			
Term deposits maturing (with maturities over three months)	14,000	14,000	39,000
<b>Cash was applied to:</b>			
Purchase of property, plant, equipment and intangible assets	(74)	(90)	(57)
Investment in term deposits (with maturities over three months)	(19,000)	(14,000)	(14,000)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(5,074)</b>	<b>(90)</b>	<b>24,943</b>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>	<b>(2,440)</b>	<b>(5,384)</b>	<b>(4,912)</b>
Cash and cash equivalents at the beginning of the year	7,308	8,389	12,220
<b>CASH AND CASH EQUIVALENTS AT THE END OF YEAR</b>	<b>4,868</b>	<b>3,005</b>	<b>7,308</b>

Explanations of major variances against budget are provided in note 2.

Budget is derived from the *Statement of Performance Expectations 2024/25* published in June 2024

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

## Statement of cash flows (continued)

For the year ended 30 June

RECONCILIATION OF SURPLUS/(DEFICIT) TO NET CASH FLOW FROM OPERATING ACTIVITIES	ACTUAL 2025 \$000	ACTUAL 2024 \$000
<b>Net surplus/(deficit) from operations</b>	4,932	(5,877)
<b>Add/(less) non-cash items:</b>		
Depreciation and amortisation	268	413
Net losses on disposal of assets	–	–
Retirement of grants	(134)	(250)
<b>Total non-cash items</b>	<b>134</b>	<b>163</b>
<b>Add/(less) movements in working capital items:</b>		
Decrease (increase) in receivables	(503)	1,607
Decrease (increase) in prepayments	(101)	62
Decrease (increase) in interest receivable	(11)	409
Decrease (increase) in net goods and services tax receivable/payable	(43)	(3,368)
Increase (decrease) in payables and deferred revenue	(640)	(18,417)
Increase (decrease) in employee entitlements	23	90
Increase (decrease) in lease incentive	(6)	(19)
Increase (decrease) in grants payable	(1,151)	(4,505)
<b>Net movements in working capital items</b>	<b>(2,432)</b>	<b>(24,141)</b>
<b>Add/(less) movements in working capital items:</b>		
Loss/(gain) on the sale of property, plant and equipment	–	–
<b>Total items classified as investing activities</b>	<b>–</b>	<b>–</b>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2,634</b>	<b>(29,855)</b>

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

No changes in liabilities occurred arising from financing activity. Creative New Zealand has no long-term liabilities and loans. The movements in equity are disclosed in note 17.

## Notes to the financial statements

### 1. Statement of accounting policies

For the year ended 30 June 2025

#### 1.1. Reporting entity

The Arts Council of New Zealand Toi Aotearoa was established on 1 July 1994 by the Arts Council of New Zealand Toi Aotearoa Act 1994. The Council has chosen to operate under the name Creative New Zealand.

Creative New Zealand is a Crown entity, as defined by the Crown Entities Act 2004, and is domiciled and operates in New Zealand. As such, Creative New Zealand's ultimate parent is the New Zealand Crown. Its purpose, as defined under the current governing legislation, the Arts Council of New Zealand Toi Aotearoa Act 2014, is to encourage, promote and support the arts in New Zealand for the benefit of all New Zealanders. Creative New Zealand does not operate to make a financial return.

Accordingly, Creative New Zealand has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements of Creative New Zealand are for the year ended 30 June 2025 and were approved for issue by the Board (the Arts Council) on 30 October 2025.

#### 1.2. Basis of preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

##### 1.2.1. Statement of compliance

The financial statements have been prepared in accordance with the Crown Entities Act 2004, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements have been prepared in accordance with Tier 1 PBE accounting standards and comply with PBE accounting standards.

##### 1.2.2. Presentation currency and rounding

The financial statements are presented in New Zealand dollars (NZ\$) and are rounded to the nearest thousand dollars (\$000), unless otherwise stated.

##### 1.2.3 Standards issued and not yet effective and not early adopted

Amendments to PBE IPSAS 1 relating to the disclosure of fees for audit firms' services have come into effect. The Arts Council of New Zealand Toi Aotearoa has considered these amendments and adjusted the financial statements accordingly, which has not resulted in any material changes in its disclosures.

#### 1.3. Significant accounting policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

##### 1.3.1. Foreign currency transactions

Foreign currency transactions are translated into New Zealand dollars using the spot exchange rates at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Performance.

##### 1.3.2. Goods and services tax

All items in the financial statements are exclusive of goods and services tax (GST), with the exception of receivables and creditors and other payables, which are stated inclusive of GST. GST not recoverable as input tax is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables and creditors and other payables in the statement of financial position.

The net GST paid to, or received from, the Inland Revenue Department, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

##### 1.3.3 Income tax

Creative New Zealand is a public authority and consequently is exempt from the payment of income tax, in accordance with the Income Tax Act 2007. Accordingly, no provision has been made for income tax.

### 1.3.4 Budget figures

The budget figures are derived from the *Statement of Performance Expectations 2024/25* as approved by the Arts Council at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Arts Council in preparing these financial statements.

Explanations of major variances against budget are provided in note 2.

### 1.3.5 Comparatives

Certain comparative information has been reclassified, where required, to conform to the current year's presentation.

## 1.4 Use of judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Creative New Zealand continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

Creative New Zealand bases its judgements and estimates on historical experience, advice from independent experts and on other various factors it believes to be reasonable under the circumstances. The result of these judgements and estimates forms the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

No judgements, estimates and assumptions materially affect these financial statements.

## 2. Significant budget variances

Creative New Zealand's budget figures are derived from the *Statement of Performance Expectations 2024/25* published in June 2024, based on the budget approved by the Arts Council at its June 2024 meeting. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Arts Council in preparing these financial statements.

Explanations for specific major variances are outlined below.

### Statement of financial performance

A net operating surplus of \$4.9 million for the year ended 30 June 2025 is reported against the budgeted net operating deficit of \$2.9 million, a variance of \$7.8 million.

Total revenue for the year was above budget, with a positive variance of \$8.3 million. The significant variance is due to:

- an additional \$7.1million received from the NZLGB
- higher revenue from the Crown by \$0.3 million, resulting from the changes in the spending pattern of deferred revenue related to the one-off Crown funding (detailed in note 3)
- higher interest revenue by \$0.6 million, resulting from investing the NZLGB money on term deposit until it is used, and
- higher revenue from project partners of \$0.3 million.

Total expenses for the year were slightly higher than budgeted by \$0.55 million, attributable to higher investment into the arts sector (detailed in note 9) through:

- higher Grants and special opportunities (Arts Grants and Festival Grants) by \$0.65 million due to timing of multi-year funded programmes
- higher spend within the Pasifika Festivals Initiative by \$0.23 million, funded from previous year deferred revenue
- offset by slightly lower spend in International, Initiatives and Pilots, Advocacy and Leadership by \$0.44 million,
- slightly higher operating costs by \$0.11 million mainly due to one-off investment in the Grants Management System, an increase in external assessment fees due to demand in applications for contestable grants, and offset by savings in travel.

### Statement of financial position

The budget variances in the statement of financial position reflect:

- the impact of the positive variance in the operating result for the year of \$7.8 million
- the end of the one-off COVID-19 and other funding in 2023/24 (detailed in note 3).

These have caused a higher cash and term deposits balance by \$6.8 million, a lower grants payable balance by \$1.3 million, and higher payables and deferred revenue by \$0.3 million.

### Statement of cash flows

The statement of cash flows reflects the movements in the statement of financial performance and statement of financial position. The budget variances are driven by the variances outlined above. Investing activity is dependent on timing and amount of funding received and the cash outflow needs, resulting in higher term deposits than anticipated.

### 3. Revenue from the Crown

#### Accounting policy

##### *Vote: Arts Culture and Heritage—core funding*

Creative New Zealand receives funding from the Crown, which is restricted in its use for the purpose of Creative New Zealand meeting the objectives specified in its governing legislation and the scope of the relevant appropriations of the funder.

Creative New Zealand considers no conditions are attached to the core funding (a condition refers to an enforceable legal right of return of the transferred asset if it is not used for the specific intended purpose) and it is recognised as revenue at the point of entitlement. This is considered to be the start of the appropriation period to which the funding relates. The fair value of the revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements.

##### *COVID-19 recovery response funding*

Revenue from the Crown related to the COVID-19 recovery response and other one-off funding is recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied, because an obligation in substance exists to return the funds if conditions of the grant are not met.

#### Breakdown of revenue from the Crown

	ACTUAL 2025 \$000	BUDGET 2025 \$000	ACTUAL 2024 \$000
Vote: Arts Culture and Heritage—core funding	16,689	16,689	16,689
One-off COVID-19 recovery response funding			
Cultural Sector Capability Fund	–	–	760
Pasifika Festivals initiative	490	260	110
Mātauranga Māori Te Awe Kōtuku initiative	19	–	–
Reprioritised Cultural Recovery Package	–	–	15,734

	ACTUAL 2025 \$000	BUDGET 2025 \$000	ACTUAL 2024 \$000
One-off other funding			
Niu Dawn Raids	44	38	1,956
Cultural Diplomacy International Programme (CDIP) – SXSW Sydney	–	–	258
	<b>17,242</b>	<b>16,987</b>	<b>35,507</b>

Apart from the restrictions related to the one-off Crown funding detailed below, no unfulfilled conditions or contingencies are attached to Crown funding (2024: nil).

Creative New Zealand received significant one-off investment from the Crown in 2021, 2022 and 2023 related to the COVID-19 recovery response. This one-off investment is recorded as grants received in advance (deferred revenue) in the statement of financial position and recognised as revenue when conditions of the grant are satisfied, because of an obligation in substance to return the funds if conditions of the grant are not met.

The remaining COVID-19 recovery response funding affecting the 2024/25 financial statements is restricted in its use towards achieving the following outcomes:

- manage the new **Pasifika Culture and Heritage Fund** to support Pasifika festivals throughout New Zealand that are facing financial hardship brought about by the COVID-19 pandemic, as well as develop their capability so they can operate in a COVID-19 environment (\$4 million per year in 2021, 2022 and 2023)
- deliver to programmes under the **Mātauranga Māori Te Awe Kōtuku Initiative**, in particular: to support the retention and revitalisation of critically endangered Tārai Waka mātauranga (waka building knowledge), and Taonga Pūoro mātauranga, to boost the existing Toi Ake contestable fund to support the retention of mātauranga and heritage ngā toi Māori artforms, and to develop regional partnerships to support mātauranga Māori artform practitioners (\$1.07 million in 2021, \$2.25 million in 2022 and \$1 million in 2023)
- allocation of the additional one-off funding of \$2 million through Budget 2022 for the Niu Dawn Raids initiative, a contestable funding for Pacific artists and historians to capture and reflect community experiences of the Dawn Raids.



The reconciliation of COVID-19 recovery response funding and other one-off funding received and deferred is detailed as follows.

	NOTE	ACTUAL 2025 \$000	BUDGET unaudited 2025 \$000	ACTUAL 2024 \$000
<b>Cash received from the Crown</b>				
Vote Arts Culture and Heritage—core funding		16,689	16,689	16,689
Other one-off funding				
Cultural Diplomacy International Programme (CDIP)— SXSW Sydney		–	–	258
		<b>16,689</b>	<b>16,689</b>	<b>16,947</b>
<b>Plus, deferred revenue used from prior years</b>				
One-off COVID-19 response funding				
Cultural Sector Capability Fund		–	–	760
Pasifika Festivals initiative		776	546	886
Mātauranga Māori Te Awe Kōtuku initiative		19	–	20
Reprioritised Cultural Recovery Package		–	–	15,734
Other one-off funding				
Niu Dawn Raids		44	38	2,000
		<b>839</b>	<b>584</b>	<b>19,400</b>
<b>Less, revenue deferred (recognised in the statement of financial position)</b>				
One-off COVID-19 response funding				
Cultural Sector Capability Fund		–	–	–
Pasifika Festivals Initiative		286	286	776
Mātauranga Māori Te Awe Kōtuku Initiative		–	–	20
Reprioritised Cultural Recovery Package		–	–	–
Other one-off funding				
Niu Dawn Raids Initiative		–	–	44
	16	<b>286</b>	<b>286</b>	<b>840</b>
<b>TOTAL REVENUE FROM THE CROWN</b>		<b>17,242</b>	<b>16,987</b>	<b>35,507</b>

#### 4. Revenue from the New Zealand Lottery Grants Board Te Puna Tahua

##### Accounting policy

Creative New Zealand receives most of its funding from the NZLGB. The NZLGB allocates part of Lotto NZ's profit to Creative New Zealand through the Gambling Act 2003. The annual funding allocation until 30 June 2023 was based on 15 percent of Lotto NZ's profit for the financial year. In 2023/24, the NZLGB shifted from providing Creative New Zealand with a percentage of Lotto NZ profits to a fixed funding amount.

Creative New Zealand uses the funding for the purpose of meeting its objectives as specified in the governing legislation. Creative New Zealand considers no conditions are attached to the funding. The funding is recognised as revenue at the point of entitlement. The fair value of revenue from the NZLGB has been determined to be equivalent to the amounts due in the funding arrangements.

##### Breakdown of revenue from the New Zealand Lottery Grants Board Te Puna Tahua

	2025 \$000	2024 \$000
Funding allocation for the year (based on budgeted profit)	52,789	49,500
Additional profit allocation (wash-up from the previous year's profit)	7,143	-
	<b>59,932</b>	<b>49,500</b>

#### 5. Other revenue

##### Accounting policy

The specific accounting policies for significant other revenue items are explained below.

##### Other grants

Grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If such an obligation exists, the grants are initially recorded as grants received in advance and are recognised as revenue when conditions of the grant are satisfied.

##### Interest revenue

Interest revenue is recognised by accruing, on a time-proportion basis, the interest due for the investment.

##### Donated assets

Where a physical asset is gifted to or acquired by Creative New Zealand for nil consideration or at a subsidised cost, the asset is recognised at fair value and the difference between the consideration provided and fair value of the asset is recognised as revenue.

The fair value of donated assets is determined as follows.

- For new assets, fair value is usually determined by reference to the retail price of the same or similar assets at the time the asset was received.
- For used assets, fair value is usually determined by reference to market information and/or expert advice for assets of a similar type, condition and age at the time the asset is received.

##### Grant retirements

Grants committed in previous years are retired and recognised as revenue in the Statement of Financial Performance when:

- they are not collected by recipients within a year of being offered
- they are no longer required by the grantee for the purpose for which they were approved, or
- partial or full repayment is received from a grant recipient.

##### Breakdown of other revenue

	2025 \$000	2024 \$000
Retirement of grants	186	337
Revenue from project partners	352	113
Donations	-	-
Todd Corporation (Todd New Writer's Bursary)	-	10
Revenue from ticket sales	-	33
Rental revenue	--	-
Other revenue	24	15
	<b>562</b>	<b>508</b>

#### 6. Personnel expenses

##### Accounting policy

##### Salaries and wages

Salaries and wages are recognised as an expense because employees provide services.

### Defined contribution scheme

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

### Breakdown of personnel expenses

	2025 \$000	2024 \$000
Salaries and wages	9,005	8,818
Other staff-related costs	620	1,233
Employer contributions to defined contribution plans	266	256
Increase/(decrease) in employee entitlements	(19)	72
	<b>9,872</b>	<b>10,379</b>

During the year ended 30 June 2025, no employees received compensation relating to the cessation of their employment with Creative New Zealand (2024: nil).

The number of employees whose remuneration for the financial year exceeded \$100,000 is as follows.

### Total remuneration paid or payable

	Number of employees	
	2025	2024
\$100,000 – 109,999	15	17
\$110,000 – 119,999	5	4
\$120,000 – 129,999	5	5
\$130,000 – 139,999	7	9
\$140,000 – 149,999	4	2
\$150,000 – 159,999	Nil	1
\$160,000 – 169,999	1	1
\$170,000 – 179,999	Nil	Nil
\$180,000 – 189,999	5	4
\$190,000 – 199,999	Nil	1
\$200,000 – 209,999	Nil	Nil
\$210,000 – 219,999	Nil	1
\$220,000 – 230,000	1	Nil
\$320,000 – 329,999	1	1

The former Chief Executive resigned effective April 2025 and a new chief executive started in June 2025. The combined Chief Executive's remuneration and benefits paid during the year were in the \$320,000 to \$329,999 band.

## 7. Other expenses

### Breakdown of other expenses

	2025 \$000	2024 \$000
Fees to auditor - for audit of financial statements	108	95
Board member remuneration (note 21)	200	203
Operating lease payments	423	451
Bad debt written off	–	4
Other expenses	2,434	2,747
	<b>3,165</b>	<b>3,500</b>

In accordance with IPSAS 1, KPMG has not provided any other services to the Arts Council of New Zealand Toi Aotearoa, apart from the annual audit.

## 8. Expenses by investment category

### Accounting policy

#### Grant expenses

Discretionary grants are those grants where Creative New Zealand has no obligations to award on receipt of the grant application. For discretionary grants without substantive conditions, the total committed funding is expensed when the grant is approved by Creative New Zealand, and the approval has been communicated to the applicant. Discretionary grants with substantive conditions are expensed at the earlier of the grant payment date or when the grant conditions have been satisfied. Conditions usually include milestones that must be met to be eligible for funding.

When multi-year funding agreements are entered into, amounts granted under these agreements are recognised in the statement of financial performance to the extent that they relate to the current financial year. The agreed funding for the out years is conditional on the programme and budget being agreed within the timeframes, and any special conditions for the drawdown of funding being met (disclosed in note 24).

The liability disclosed in the statement of financial position represents financial grants to New Zealand artists and arts organisations approved by Creative New Zealand but not paid at balance date.

Non-discretionary grants are grants that are awarded automatically if the grant application meets the specified criteria, for example, Creative Communities Scheme funding to territorial authorities. This funding is expensed annually when communicated and distributed, because there is no application process and no substantive conditions need to be fulfilled to receive the grant.

#### Breakdown of expenses by investment category

	ACTUAL 2025 \$000	BUDGET unaudited 2025 \$000	ACTUAL 2025 \$000
<b>INVESTING IN THE ARTS</b>			
Toi Tōtara Haemata investment programme	16,515	16,516	16,192
Toi Uru Kahikatea investment programme	18,488	18,487	17,981
Grants and special opportunities	12,767	12,108	12,022
Creative Communities Scheme	4,053	3,969	3,948
International programme	704	620	2,071
<b>COVID-19 recovery response</b>			
Creative Communities Scheme	–	–	1,183
Grants and special opportunities — Arts grants	–	–	4,758
Grants and special opportunities — Festival grants	–	–	9,793
Initiatives and pilots — Pasifika Festivals Initiative	490	260	110
<b>Other one-off funding</b>			
Initiatives and pilots — Niu Dawn Raids Initiative	43	38	1,956
Cultural Diplomacy International Programme (CDIP) —SXSW Sydney	–	–	258
	<b>53,060</b>	<b>51,998</b>	<b>70,272</b>
<b>DEVELOPING THE ARTS</b>			
Capability building — national programme	1,687	1,690	1,792
Capability building — international programme	560	755	457
Initiatives and pilots	3,864	4,120	4,162
<b>COVID-19 recovery response</b>			
Capability building — Cultural Sector Capability Fund	–	–	760
Initiatives and pilots — Mātauranga Māori Te Awe Kōtuku (Tārai Waka and Taonga Pūoro)	19	–	–
	<b>6,130</b>	<b>6,565</b>	<b>7,171</b>

	ACTUAL 2025 \$000	BUDGET unaudited 2025 \$000	ACTUAL 2025 \$000
<b>ADVOCATING FOR THE ARTS</b>			
Advocacy	1,370	1,535	1,504
	<b>1,370</b>	<b>1,535</b>	<b>1,504</b>
<b>LEADERSHIP IN THE ARTS</b>			
Capability building —national programme	86	–	217
Advocacy	243	350	253
	<b>329</b>	<b>350</b>	<b>470</b>

A reconciliation of COVID-19 recovery response funding and other one-off funding received and deferred is detailed in note 3.

Creative New Zealand does not allocate personnel costs directly to deliverables: Investing in the arts, Developing the arts, Advocating for the arts and Leadership in the arts.

Explanations of major variances against budget are provided in note 2.

#### Breakdown of grants payable

	2025 \$000	2024 \$000
Toi Tōtara Haemata investment programme	7,374	6,643
Toi Uru Kahikatea investment programme	8,096	7,961
Grants and other investment categories	2,088	4,239
	<b>17,558</b>	<b>18,843</b>

#### Breakdown of cash and cash equivalents

	2025 \$000	2024 \$000
Cash at bank and on hand	122	386
Term deposits with maturities less than three months	4,746	6,922
<b>Total cash and cash equivalents</b>	<b>4,868</b>	<b>7,308</b>

While cash and cash equivalents at 30 June are subject to the expected credit loss requirements of PBE IFRS 9, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial.

## 9. Cash and cash equivalents

### Accounting policy

Cash and cash equivalents include cash at bank and on hand, deposits held on call with banks, and other short-term highly liquid investments with original maturities of three months or less.

## 10. Investments in term deposits

### Accounting policy

Investments in bank term deposits with original maturities of between three months and one year are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

### Breakdown of investments in term deposits

	2025 \$000	2024 \$000
Term deposits	19,000	14,000
<b>Total investments in term deposits</b>	<b>19,000</b>	<b>14,000</b>

Creative New Zealand considers there has not been a significant increase in credit risk for investments in term deposits because the issuer of the investment continues to have a low credit risk at balance date. Term deposits are held with banks that have a long-term A investment grade credit rating, which indicates the bank has a very strong capacity to meet its financial commitments.

No loss allowance for expected credit losses has been recognised because the estimated 12-month expected loss allowance for credit losses is trivial.

The carrying amounts of term deposits with maturities of 12 months or less approximate their fair value.

## 11. Receivables

### Accounting policy

Short-term receivables are recorded at the amount due, less an allowance for credit losses. Creative New Zealand applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables.

In measuring expected credit losses, short-term receivables have been assessed on a collective basis because they possess shared credit risk characteristics. They have been grouped based on the days past due.

Short-term receivables are written off when no reasonable expectation of recovery exists. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

## Breakdown of receivables

	2025 \$000	2024 \$000
<b>Receivables from non-exchange transactions</b>		
New Zealand Lottery Grants Board	13,197	12,375
Goods and services tax receivable	263	297
Sundry receivables	15	334
<b>Receivables from exchange transactions</b>		
Interest receivable	256	245
<b>Total receivables</b>	<b>13,731</b>	<b>13,251</b>

Creative New Zealand does not expect credit losses at 30 June. Receivables are non-interest bearing and are normally settled on 30-day terms. The carrying value of receivables approximates to their fair value. The ageing profile of receivables at year end is detailed below:

	2025 \$000	2024 \$000
Not past due	13,716	13,238
Past due 1–30 days	–	–
Past due 31–60 days	–	13
Past due 61–90 days	–	–
Past due over 90 days	15	–
	<b>13,731</b>	<b>13,251</b>

## 12. Property, plant and equipment

### Accounting policy

Property, plant and equipment consist of the following asset classes: leasehold improvements, furniture, equipment and fittings and computer equipment.

Property, plant and equipment asset classes are measured at cost, less accumulated depreciation and impairment losses.

### Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential

associated with the item will flow to Creative New Zealand and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

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

The costs of day-to-day servicing of property, plant and equipment are recognised in the statement of financial performance as they are incurred.

### Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the statement of financial performance.

When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

### Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment, other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual value over their useful lives.

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

Leasehold improvements (Auckland)	6 years	16.7%
Leasehold improvements (Wellington)	9 years	11.1%
Furniture, equipment and fittings	10 years	10.0%
Computer equipment	4 years	25.0%

Leasehold improvements are depreciated over the shorter of the unexpired period of the lease and the estimated useful life of the assets.

### Impairment of property, plant and equipment

Creative New Zealand does not hold any cash-generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

#### Non-cash generating assets

Property, plant and equipment and intangible assets held at cost that have finite useful lives are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

Movements for each class of property, plant, and equipment are as follows.

	Work in progress* \$000	Leasehold improvements \$000	Furniture, equipment & fittings \$000	Computer equipment \$000	Total \$000
<b>Cost</b>					
Balance at 1 July 2024	–	630	516	588	1,734
Additions	–	37	2	35	74
Disposals	–	(1)	(4)	(20)	(25)
Reclassification	–	–	–	–	–
<b>Balance at 30 June 2025</b>	<b>-</b>	<b>666</b>	<b>514</b>	<b>603</b>	<b>1,783</b>
<b>Accumulated depreciation</b>					
Balance at 1 July 2024	–	341	393	498	1,232
Depreciation expense	–	80	27	44	151
Eliminated on disposal/ reclassification	–	(1)	(4)	(20)	(25)
<b>Balance at 30 June 2025</b>	<b>-</b>	<b>420</b>	<b>416</b>	<b>522</b>	<b>1,358</b>
<b>Carrying amount at 30 June 2025</b>	<b>-</b>	<b>246</b>	<b>98</b>	<b>81</b>	<b>425</b>
<b>Cost</b>					
Balance at 1 July 2023	–	630	507	563	1,700
Additions	–	–	9	48	57
Disposals	–	–	–	(23)	(23)
Reclassification	–	–	–	–	–
<b>Balance at 30 June 2024</b>	<b>-</b>	<b>630</b>	<b>516</b>	<b>588</b>	<b>1,734</b>
<b>Accumulated depreciation</b>					
Balance at 1 July 2023	–	265	358	471	1,094
Depreciation expense	–	76	35	50	161
Eliminated on disposal/ reclassification	–	–	–	(23)	(23)
<b>Balance at 30 June 2024</b>	<b>-</b>	<b>341</b>	<b>393</b>	<b>498</b>	<b>1,232</b>
<b>Carrying amount at 30 June 2024</b>	<b>-</b>	<b>289</b>	<b>123</b>	<b>90</b>	<b>502</b>

No restrictions are in place over the title of Creative New Zealand's property, plant and equipment assets, nor are any property, plant, and equipment assets pledged as security for liabilities.



### 13. Works of art

#### Accounting policy

Creative New Zealand owns a 'furnishing works of art collection' with items on display in Creative New Zealand offices. These items are rotated regularly with items held in storage. Some items are also on loan to other organisations, including museums and other arts organisations.

Works of art are revalued with sufficient regularity to ensure that the carrying amount does not differ materially from fair value and at least every three years. Fair value is determined from market-based evidence by an independent valuer. The results of revaluing works of art are credited or debited to an asset revaluation reserve for that class of asset, in the same way as land and buildings.

Works of art are not depreciated because they have an indeterminate useful life and may appreciate in value over time. The carrying values of revalued works of art are assessed annually to ensure that they do not differ materially from the assets' fair values.

The works of art are stated at fair value at 30 June 2023 as determined by Ben Plumbly, Director of Art at Art+Object auction house. The works of art collection was revalued in June 2023.

#### Movements in the works of art values

	2025 \$000	2024 \$000
<b>Valuation</b>		
Balance at 1 July	2,262	2,262
Revaluation increase/ (decrease)	–	–
Revaluation increase/ (decrease)	–	–
Revaluation increase/ (decrease)	–	–
<b>Carrying amount at 30 June</b>	<b>2,262</b>	<b>2,262</b>

### 14. Intangible assets

#### Accounting policy

##### Software acquisition and development

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development costs.

Employee costs, staff training costs and relevant overheads are recognised as an expense when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred.

#### Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

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

<b>Computer software: Grants Management System and Customer Relationship Management system</b>	8 years	12.5%
<b>Computer software: other</b>	4 years	25.0%

Movements for computer software are as follows.

	2025 \$000	2024 \$000
<b>Cost</b>		
Balance at 1 July	2,232	2,232
Additions	1	–
Disposals	–	–
<b>Balance at 30 June</b>	<b>2,233</b>	<b>2,232</b>
<b>Accumulated amortisation</b>		
Balance at 1 July	2,060	1,808
Amortisation expense	117	252
Eliminated on disposal	–	–
<b>Balance at 30 June</b>	<b>2,177</b>	<b>2,060</b>
<b>Carrying amount at 30 June</b>	<b>56</b>	<b>172</b>

No restrictions are in place over the title of Creative New Zealand's intangible assets, nor are any intangible assets pledged as security for liabilities.

## 15. Payables and deferred revenue

### Accounting policy

Short-term payables are recorded at the amount payable. The amounts are unsecured and are usually paid within 30 days of recognition, therefore, the carrying value of creditors and other payables approximates their fair value.

### Breakdown of payables and deferred revenue

	2025 \$000	2024 \$000
<b>Payables and deferred revenue under exchange transactions</b>		
Trade payables	448	344
Accrued expenses	170	211
Lease incentive — current portion (note 18.2)	4	6
	<b>622</b>	<b>561</b>
<b>Payables and deferred revenue under exchange transactions</b>		
Deferred revenue from the Crown (note 3)	286	840
Deferred revenue other	57	200
Deferred goods and services tax payable	43	126
	<b>386</b>	<b>1,166</b>
<b>Total payables and deferred revenue</b>	<b>1,008</b>	<b>1,727</b>

Creative New Zealand has a bank credit card facility of up to \$200,000 (2024: \$200,000). At 30 June 2025, \$13,478 of the total facility was used (2024: \$84,195).

## 16. Employee entitlements

### Accounting policy

#### Short-term employee entitlements

Employee entitlements expected to be settled within 12 months of balance date are measured at undiscounted nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, long service leave entitlements expected to be

settled within 12 months, and time in lieu accrued up to balance date. Creative New Zealand has no liability for sick leave entitlements.

#### Long-term employee entitlements

Employee entitlements that are due to be settled beyond 12 months, such as long service leave, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information
- the present value of the estimated future cash flows.

Expected future payments are discounted using the weighted average of interest rates for government stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

### Breakdown of employee entitlements

	2025 \$000	2024 \$000
<b>Current portion</b>		
Accrued/(prepaid) salaries and wages	222	180
Annual leave	480	502
Long service leave	72	62
Time in lieu	7	13
<b>Total current portion</b>	<b>781</b>	<b>757</b>
<b>Non-current portion</b>		
Long service leave	90	91
<b>Total non-current portion</b>	<b>90</b>	<b>91</b>
<b>Total employee entitlements</b>	<b>871</b>	<b>848</b>

## 17. Equity

### Accounting policy

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- accumulated funds
- revaluation reserve
- restricted reserve.

Revaluation reserve relates to the revaluation of works of art (note 13).

Restricted reserve consists of donations and bequests entrusted to Creative New Zealand to administer for a stipulated purpose (special purpose funds).

### Capital management

Creative New Zealand's capital is its equity, which comprises accumulated funds, revaluation reserves and restricted reserves. Equity is represented by net assets.

Creative New Zealand is independent in deciding how to best use its capital for achieving its goals. However, Creative New Zealand is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities, and the use of derivatives. Creative New Zealand has complied with the financial management requirements of the Crown Entities Act 2004 during the year.

Creative New Zealand manages its equity (through the minimum equity policy) as a by-product of prudently managing revenues, expenses, assets, liabilities, investments and general financial dealings to ensure its objectives and purpose are effectively achieved while remaining a going concern.

### Breakdown of equity

	2025 \$000	2024 \$000
<b>Accumulated funds</b>		
Balance at 1 July	13,245	19,127
Net operating surplus/(deficit) for the year	4,932	(5,877)
Transfer of special purpose funds from restricted reserves	6	5
<b>Balance at 30 June</b>	<b>18,171</b>	<b>13,245</b>
<b>Revaluation reserves (works of art)</b>		
Balance at 1 July	2,262	2,262
Revaluation of works of art (note 15)	–	–
<b>Balance at 30 June</b>	<b>2,262</b>	<b>2,262</b>
<b>Restricted reserves (special purpose funds)</b>		
Balance at 1 July	812	807
Transfer of special purpose funds to accumulated funds	6	5
<b>Balance at 30 June</b>	<b>818</b>	<b>812</b>
<b>Total equity</b>	<b>21,251</b>	<b>16,319</b>

### Restricted reserves (special purpose funds)

2025	Opening balance \$000	Revenue \$000	Expenses \$000	Closing balance \$000
Edwin Carr Foundation	591	31	30	592
Tup Lang fund	79	4	–	83
Louis Johnson fund	57	3	6	54
Butland Music Foundation	39	2	–	41
Aotearoa Music Scholarship	46	2	–	48
<b>Total restricted reserves (special purpose funds)</b>	<b>812</b>	<b>42</b>	<b>36</b>	<b>818</b>

The Edwin Carr Foundation was set up in 2004 as a trust with the Carr family to commemorate New Zealand composer Edwin Carr and provide scholarships to composers. Creative New Zealand is the Trustee of the Foundation and administers the Foundation and its associated scholarships.

The Tup Lang Scholarship Fund is a bequest from Octavia Gwendolin Lang, set up in 1999 as a trust. The fund, as stipulated in the will is used towards a grant for research and choreographic development of a new work.

The Louis Johnson fund is a gift received in 1989 and 1999 from Mrs Cecilia Johnson to the Literary programme of the Arts Council. The funds are held in trust, and the income is used to finance the Louis Johnson New Writer's Bursary.

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

The New Zealand/Aotearoa Music Scholarship comes from the estate of Brent Lewis. The deceased set aside \$160,000 from the estate to form a scholarship fund to be awarded over 10 years from 2010 at \$16,000 per annum. The scholarship enables up to two young musicians to undertake study or gain further musical experience at a tertiary institution in New Zealand or overseas. Creative New Zealand is the Residual Beneficiary of the estate of Brent Lewis. On completion of 10 years, the remaining funds were transferred to Creative New Zealand with the expectation of awarding further scholarships overtime.

## 18. Capital commitments and operating leases

### 18.1 Capital commitments

	2025 \$000	2024 \$000
Capital commitments		
Property, plant and equipment	–	–
<b>Total capital commitments</b>	<b>–</b>	<b>–</b>

## 18.2 Operating leases

### Accounting policy

#### Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

	2025 \$000	2024 \$000
Operating leases as lessee, payable:		
Not later than one year	423	418
Later than one year and not later than five years	325	717
Later than five years	–	–
<b>Total non-cancellable operating leases payable</b>	<b>748</b>	<b>1,135</b>

Creative New Zealand leases office premises in Wellington and Auckland, a shared office space in Dunedin, video conferencing equipment, and multi-function print devices. The non-cancellable leasing periods for these leases range from one year to nine years.

No contingent rents are payable and no sublease income is receivable on these operating leases.

In respect of the leased office in Wellington, 2–12 Allen Street, the landlord agreed to a two-month rent free period from the lease start date of 1 August 2019. In respect of the leased office in Auckland, 59 High Street, the landlord agreed to a four-month rent free period from 1 March 2021. The benefit of these lease incentives is recognised as a reduction of rental expense over the lease term of nine years and three years respectively.

### Breakdown of lease incentive

	2025 \$000	2024 \$000
Lease incentive — current portion (note 15)	4	6
Lease incentive — non-current portion	9	13
<b>Total lease incentive at 30 June</b>	<b>13</b>	<b>19</b>

19. Contingencies

19.1 Contingent liabilities

Creative New Zealand invoices grantees who are in default of their grant terms and conditions. As a result of invoicing, the grantee could produce a satisfactory acquittal report or repay the grant. If a satisfactory acquittal report is provided, then the repayment of the grant will not be pursued. It is not possible to reliably estimate the amount recoverable on these invoices, therefore amounts invoiced during the financial year and not paid as at 30 June have not been recognised in the statement of financial position (2024: nil).

20. Related parties

Creative New Zealand is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client–recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect Creative New Zealand would have adopted in dealing with the party at arm’s length in the same circumstances. Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Creative New Zealand maintains interest registers for the Arts Council, its committees, and staff, to record any interests they may have in an organisation or an individual that is funded by or is contracted to Creative New Zealand for services. Interests are declared and managed in line with Creative New Zealand’s conflict of interest policy and the Crown Entities Act 2004.

All related party transactions have been entered into on an arm’s length basis.

Key management personnel compensation

	2025	2024
	\$	\$
<b>Council members</b>		
Remuneration (note 21)	199,600	203,308
Full-time equivalent members	1.33	1.50
<b>Leadership team</b>		
Remuneration	1,497,311	1,542,524
Full-time equivalent members	7.00	7.00

## 21. Board member remuneration

The total value of remuneration paid or payable to each Board (Arts Council) member during the year was as follows.

Member	Position on Arts Council	Committee memberships	Start date	Current term start	Current term end date	2025 \$	2024 \$
Kent Gardner	Chair; member	-	10 Jun 2024	10 Jun 2024	31 May 2027	33,000	1,833
Caren Rangī	Chair; member (Pasifika)	Member, People & Culture Committee	1 May 2014	22 Mar 2021	16 Apr 2024	-	26,217
Michael Prentice	Deputy Chair; member; Acting Chair (April 2024)	Chair, People & Culture Committee	1 May 2014	1 Nov 2021	30 Apr 2024	-	15,875
Hilary Poole	Member	Acting Chair, Audit & Risk Committee (from 1 Jan 2025); member, Audit & Risk Committee	1 Nov 2021	9 Dec 2024	30 Jun 2026	14,700	18,333
Kura Moehau	Member (Māori)	Co-Chair, Komiti Māori	25 Feb 2020	1 Feb 2023	31 Jan 2026	15,400	15,400
Bonita Bigham	Member (Māori)	Co-Chair, Komiti Māori (to 15 Apr 2024); member, Komiti Māori (from 15 Apr 2024)	8 Aug 2022	8 Aug 2022	31 Jul 2025*	14,000	15,108
Puamiria Parata-Goodall	Member (Māori)	Member, Komiti Māori; Co-Chair, Komiti Māori (from 15 Apr 2024)	24 Oct 2022	24 Oct 2022	30 Sep 2025	15,400	14,292
John Ong	Member	Member, Audit & Risk Committee; Acting Chair, People & Culture Committee (from 1 May 2024)	9 Dec 2019	1 Oct 2022	30 Sep 2025	15,400	14,233
Ane Tonga	Member (Pasifika); leave of absence from 31 Jan 2024 to 1 June 2024	Member, Audit & Risk Committee; Acting Chair, Audit & Risk Committee (from 1 May 2024)	1 Nov 2021	1 Nov 2021	31 Dec 2024	7,700	9,450
Whetū Fala	Member (Māori)	Member, Komiti Māori	18 Jul 2022	18 Jul 2022	30 Jun 2025*	14,000	14,000
Robyn Hunt	Member	-	25 Feb 2020	1 Feb 2023	31 Jan 2026	14,000	14,000
Helen Klisser During	Member	-	24 Oct 2022	24 Oct 2022	30 Sep 2025	14,000	14,000
Janine Morrell-Gunn	Member	Member, Komiti Māori	9 Dec 2019	1 Oct 2022	30 May 2024	-	12,833
Shane Te Ruki	Member (Māori)	Member, Komiti Māori	13 Jul 2023	13 Jul 2023	30 Jun 2026	14,000	13,548

Member	Position on Arts Council	Committee memberships	Start date	Current term start	Current term end date	2025 \$	2024 \$
Jannita Pilisi	Member (Pasifika)		29 Apr 2024	29 Apr 2024	31 Mar 2027	14,000	2,333
Angela Abernethy	–	Independent member, Audit & Risk Committee resigned 30 June 2025	1 Apr 2020	–	–	–	1,400
Garth Gallaway	Member	Member, Audit & Risk Committee	1 May 2017	1 Nov 2021	12 Jul 2023	–	452
Kevin Mealamu	Member	–	6 Jan 2025	6 Jan 2025	31 Dec 2027	7,000	–
Karen Walker	Member	–	6 Jan 2025	6 Jan 2025	31 Dec 2027	7,000	–
						<b>199,600</b>	<b>203,308</b>

Notes:

No board members received compensation or other benefits in relation to cessation (2024: nil).

\* Continues in the role despite the expiry of the term under section 32 of the Crown Entities Act 2024.

For the Chair and Deputy Chair, these offices are held in addition to their underlying membership of the Council. No current Deputy Chair is in place at 30 June 2025.

Member positions denoted as Māori or Pasifika relate to the appointment provisions of the Arts Council of New Zealand Toi Aotearoa Act 2014 (the Act), which requires the Council to have at least four Māori members (under section 10(4) of the Act) and at least two Pasifika members (under section 10(5) of the Act).

## 22. Financial instruments

### Accounting policy

Creative New Zealand is party to non-derivative financial instruments as part of its normal operations. These financial instruments include cash at bank and on hand, deposits held on call with banks, short-term deposits, debtors and other receivables, and creditors and other payables.

Except for those items covered by a separate accounting policy, all financial instruments are initially recognised in the statement of financial position at fair value, and all revenues and expenses in relation to financial instruments are recognised in the surplus or deficit.

Creative New Zealand does not use derivative financial instruments.

### 22.1 Financial instrument categories

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows.

	2025 \$000	2024 \$000
<b>Financial assets measured at amortised cost:</b>		
Cash and cash equivalents	4,868	7,308
Receivables	13,468	12,954
Investments in term deposits	19,000	14,000
<b>Total financial assets</b>	<b>37,336</b>	<b>34,262</b>
<b>Financial liabilities measured at amortised cost:</b>		
Grants payable	17,558	18,843
Payables	622	561
<b>Total financial liabilities</b>	<b>18,180</b>	<b>19,404</b>

The carrying value of financial assets and liabilities equates to their fair value at 30 June.

## 22.2 Financial instrument risks

Creative New Zealand's activities expose it to a variety of financial instrument risks, including market risk, credit risk, and liquidity risk. Creative New Zealand has policies in place to manage the risks associated with financial instruments and seeks to minimise exposure. These policies do not allow any transactions that are speculative in nature to be entered into.

### Market risk

#### Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. Creative New Zealand does not invest in publicly traded financial instruments, therefore the price risk is considered to be minimal.

#### Currency risk

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

Creative New Zealand is exposed to foreign currency risk on payments and liabilities that are denominated in a currency other than Creative New Zealand's functional and presentational currency, New Zealand dollars.

The level of payments in foreign currencies is small, and the time between commitment and payment of the liability is generally less than one month, therefore, Creative New Zealand considers foreign exchange risk to be minimal. No forward contracts are entered into to hedge foreign currency risk exposure.

#### Fair value interest rate risk

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

Creative New Zealand's exposure to fair value interest rate risk is limited to its bank deposits, which are held at fixed rates of interest. The fair value interest rate risk is considered to be minimal.

#### Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate due to changes in market interest rates.



Creative New Zealand has no borrowings and has adopted a policy of holding short-term investments until maturity at a fixed rate. Therefore, the cash flow interest rate risk is considered to be minimal.

The interest rates for fixed-term deposits at 30 June 2025 ranged between 3.95 percent and 6.00 percent (2024: between 5.45 percent and 6.3 percent). Call deposits were invested at the official cash rate of 3.25 percent at 30 June 2025 (2024: 5.50 percent).

### Credit risk

Credit risk is the risk that a third party will default on its obligations to Creative New Zealand, causing Creative New Zealand to incur a loss.

Financial instruments, which potentially subject Creative New Zealand to risk, consist principally of cash, bank deposits and trade debtors.

Creative New Zealand is only permitted to deposit funds with the registered banks that have a high credit rating, as defined by the Crown Entities Act 2004. For its other financial instruments, Creative New Zealand does not have significant concentrations of credit risk.

Creative New Zealand's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents and debtors and other receivables. No collateral is held as security against these financial instruments.

### Impairment

Cash and cash equivalents (note 10), term deposit investments (note 11) and receivables (note 12) are subject to the expected credit loss model. The notes for these items provide relevant information on impairment.

### Credit risk exposure by credit risk rating grades, excluding receivables

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings.

	2025 \$000	2024 \$000
<b>Counterparties with credit ratings*</b>		
Cash and cash equivalents		
A1/A+	4,868	7,308
Investments in term deposits		
A1/A+	19,000	14,000
<b>Total cash and term deposits</b>	<b>23,868</b>	<b>21,308</b>
<b>Counterparties without credit ratings</b>		
Debtors and other receivables		
Existing counterparty with no defaults in the past	13,731	13,251
Existing counterparty with defaults in the past	–	–
<b>Total debtors and other receivables</b>	<b>13,731</b>	<b>13,251</b>

\* Credit rating refers to the counterparties' Moody's and Fitch credit ratings, which is an independent opinion of the capability and willingness of a financial institution to repay its debts. A rating of A and above indicates strong capacity to make timely payment.

### Liquidity risk

Liquidity risk is the risk that Creative New Zealand will encounter difficulty raising liquid funds to meet commitments as they fall due. Creative New Zealand closely monitors its forecast cash requirements and maintains a target level of cash to meet liquidity requirements.

### Contractual maturity analysis

The table below analyses the contractual cash flows for all financial liabilities that will be settled based on the remaining period at the balance sheet date to the contractual maturity date.

2025 (in \$000)	Carrying amount	Contractual cash flows	Less than 6 months	6–12 months	Over 1 year
Grants payable	17,558	17,558	17,558	–	–
Payables and deferred revenue	1,008	1,008	1,008	–	–

2024 (in \$000)					
Grants payable	18,843	18,843	18,843	–	–
Payables and deferred revenue	1,727	1,727	1,727	–	–

### 23. Events subsequent to balance date

No events have occurred subsequent to 30 June 2025 that materially affect these financial statements.

2025  
\$000

2024  
\$000

### 24. Conditional funding approved for the out years

Creative New Zealand enters into multi-year funding agreements with organisations in its Investment programme. The future commitments resulting from these agreements are not audited and do not meet the accounting definition of commitments. The agreed funding for out-years is conditional on client programmes and budgets being agreed within relevant timeframes, and any special conditions for the drawdown of funding being met.

Amounts granted under these multi-year agreements are expensed in the statement of financial performance to the extent that they relate to the current financial year.

Some funding for specific projects may include milestones that must be met to draw down the grant. Grants with substantive conditions that have not been met as at 30 June are considered conditional and are not expensed in the statement of financial performance at year end.

#### Conditional funding, payable in out-years:

Not later than one year	42,473	35,003
Later than one year and not later than two years	540	–
<b>Total funding commitments as at 30 June</b>	<b>43,013</b>	<b>35,003</b>

The variance in the amount between 2025 and 2024 is caused by the timing of the multi-year funding contracts and the timing of funding decisions.

In July 2022, the Arts Council approved \$105.20 million of funding over the three financial years (2022/23: \$34.92 million, 2023/24: \$34.72 million and 2024/25: \$35.56 million) for its investment programmes (23 organisations in the Toi Tōtara Haemata investment programme and 58 organisations in the Toi Uru Kahikatea investment programme). The Arts Council made a further decision to grant a further \$34.75 million for its investment programmes for the 2025/26 financial year. The investment programmes represent about 50 percent of our investment in the arts sector.

## Independent Auditor's Report

To the readers of the Arts Council of New Zealand Toi Aotearoa's (trading as Creative New Zealand) Annual financial statements and statement of performance for the year ended 30 June 2025

The Auditor-General is the auditor of Creative New Zealand (the Crown entity). The Auditor-General has appointed me, Sonia Isaac, using the staff and resources of KPMG, to carry out, on his behalf, the audit of:

- the annual financial statements that comprise the statement of financial position as at 30 June 2025, the statement of comprehensive revenue and expenses, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information on pages 42 to 70; and
- the performance information which reports against Creative New Zealand's statement of performance expectations for the year ended 30 June 2025 on pages 25 to 33.

## Opinion

In our opinion:

- The annual financial statements of the Crown entity:
  - fairly present, in all material respects:
    - its financial position as at 30 June 2025; and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity reporting standards.
- The statement of performance fairly presents, in all material respects, the Crown entity's service performance for the year ended 30 June 2025. In particular, the statement of performance:



- provides an appropriate and meaningful basis to enable readers to assess the actual performance of the Crown entity for each class of reportable outputs; determined in accordance with generally accepted accounting practice in New Zealand; and
- fairly presents, in all material respects, for each class of reportable outputs:

- the actual performance of the Crown entity;
- the actual revenue earned; and
- the output expenses incurred,

as compared with the forecast standards of performance, the expected revenues, and the proposed output expenses included in the Crown entity's statement of performance expectations for the financial year; and

- complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity reporting standards.

Our audit was completed on 30th October 2025. This is the date at which our opinion is expressed.

## Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): *The Audit of Service Performance Information issued by the New Zealand Auditing and Assurance Standards Board*. Our responsibilities under those standards are further described in the *Responsibilities of the auditor* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Responsibilities of the Arts Council for the annual financial statements and the statement of performance**

The Arts Council is responsible on behalf of the Crown entity for preparing:

- Annual financial statements that fairly present the Crown entity's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand.
- A statement of performance that:
  - provides an appropriate and meaningful basis to enable readers to assess the actual performance of the Crown entity for each class of reportable outputs; determined in accordance with generally accepted accounting practice in New Zealand;
  - fairly presents, for each class of reportable outputs:
    - the actual performance of the Crown entity;
    - the actual revenue earned; and
    - the output expenses incurred,as compared with the forecast standards of performance, the expected revenues, and the proposed output expenses included in the Crown entity's statement of performance expectations for the financial year; and
  - complies with generally accepted accounting practice in New Zealand.

The Arts Council is responsible for such internal control as it determines is necessary to enable it to prepare annual financial statements, and a statement of performance that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, and a statement of performance, the Arts Council is responsible on behalf of the Crown entity for assessing the Crown entity's ability to continue as a going concern.

The Arts Council's responsibilities arise from the Crown Entities Act 2004.

## **Responsibilities of the auditor for the audit of the annual financial statements and the statement of performance**

Our objectives are to obtain reasonable assurance about whether the annual financial statements, and the statement of performance, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the annual financial statements, and the statement of performance.

For the budget information reported in the annual financial statements, and the statement of performance, our procedures were limited to checking that the information agreed to the Crown entity's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the annual financial statements, and the statement of performance.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the annual financial statements, and the statement of performance, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Crown entity's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Arts Council.
- We evaluate whether the statement of performance:
  - provides an appropriate and meaningful basis to enable readers to assess the actual performance of the Crown entity. We make our evaluation by reference to generally accepted accounting practice in New Zealand; and
  - fairly presents the actual performance of the Crown entity for the financial year.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Arts Council.
- We evaluate the overall presentation, structure and content of the annual financial statements, and the statement of performance, including the disclosures, and whether the annual financial statements, and the statement of performance represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Arts Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

## Other information

The Arts Council is responsible for the other information. The other information comprises all of the information included in the annual report, but does not include the annual financial statements, and the statement of performance, and our auditor's report thereon.

Our opinion on the annual financial statements, and the statement of performance does not cover the other information, and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the annual financial statements, and the statement of performance, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the annual financial statements, and the statement of performance or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Independence

We are independent of the Crown entity in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests in, the Crown entity.



**Sonia Isaac**  
KPMG  
On behalf of the Auditor-General  
Wellington, New Zealand

## **Part six**

Other matters

**Wāhanga tuaono: Take kē atu**

## Directions from Ministers

Creative New Zealand did not receive any directions from the Minister for Arts, Culture and Heritage on government policy in 2024/25. As an autonomous Crown entity under the classification system of the Crown Entities Act 2004, Creative New Zealand must have regard to any such direction when the Minister issues it. No other directions from the Minister are currently in force.

Whole-of-government directions are in place in the areas of procurement, information and communications technology, and property. These directions are detailed on the Te Kawa Mataaho Public Service Commission website.

## Acts in breach of statute

Creative New Zealand cannot act in a way that is contrary to, or outside the authority of, an Act of Parliament (section 19, Crown Entities Act 2004). Creative New Zealand has not performed any *ultra vires* transactions in 2024/25.

*Supported by:*

Supported by  
**Lotto**  
New Zealand

Funded by  
**NZ Lottery  
Grants Board**



**Manatū  
Taonga**

Ministry  
for Culture  
& Heritage