Television New Zealand Limited
and subsidiaries

Statement of Performance Expectations

For Year Ending 30 June 2018

Table of Contents

1.	Introduction	2
2.	Who we are and what we do	2
3.	Statement of Forecast Service Performance	3
4.	Capability	3
5.	Commercial Valuation	4
6.	Financial Performance Measures	5
7.	Other Performance Measures	5
8.	Dividends and capital structure	6
9.	Reporting	6

APPENDIX I – Board of Directors – Governance and Committees

APPENDIX II – Forecast financial statements

APPENDIX III – Reporting requirements

APPENDIX IV – Consultation, subsidiary and associated companies

© Television New Zealand Limited 2017

This Statement of Performance Expectations is submitted by the Board of Directors of Television New Zealand Limited (TVNZ), pursuant to the Crown Entities Act 2004.

This Statement of Performance Expectations sets out the forecast performance of the Company for the period from 1 July 2017 to 30 June 2018.

The Company's financial reports have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (GAAP) and its audited accounts comply with the Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) and other applicable Financial Reporting Standards as appropriate to profit-oriented public benefit entities.

Dame Therese Walsh
Chair

Andy Coupe
Deputy Chair

Introduction

This Statement of Performance Expectations is required to provide a range of performance measures, for those services that are directly funded by the government for TVNZ and its subsidiaries for the year ending 30 June 2018.

TVNZ is no longer directly funded to provide any service, and all of TVNZ's revenue comes from advertising and non-Crown commercial sources. Consequently TVNZ does not have any reportable output classes under the Crown Entities Act 2004.

Who we are and what we do

TVNZ is a Crown Owned Entity and has a Board of Directors appointed by the Minister for Communications and the Minister of Finance.

The Chief Executive has day to day management of the company.

The Television New Zealand Act 2003 provides the company editorial independence of which freedom from political influence is a fundamental principle. TVNZ's operations are governed by:

- Television New Zealand Act 2003.
- Broadcasting Act 1989.
- Companies Act 1993.
- Crown Entities Act 2004.
- Owner's Expectations Manual as published by the Treasury.
- Business Planning 'Outlook Letter' sent to TVNZ in advance of the 1 July start to the financial year.
- Compliance with the current Free-to-Air Code of Broadcasting Practice regulated by the Broadcasting Standards Authority.
- Compliance with advertising codes promulgated through the Advertising Standards Authority.
- Compliance with Principles promulgated through the Press Council.

TVNZ is required to be a successful national television and digital media company providing a range of content and services on a choice of delivery platforms while maintaining a strong commercial performance.[1]

In carrying out its functions, TVNZ must provide high quality content that:

[1] Section 12(1), Television New Zealand Act 2003

(a) is relevant to, and enjoyed and valued by, New Zealand audiences; and

(b) encompasses both New Zealand and international content and reflects Māori perspectives.[2]

The scope of functions and intended operations of TVNZ are:

- The commissioning, production, purchasing and archiving of video content, either independently or with others.
- The provision of video production facilities (field, studio and post production).
- The programming and scheduling of video content for on-air and online distribution.
- The provision of advertising and sponsorship services and related marketing activities.
- The publishing and distribution of video content on a broad range of relevant platforms and devices.
- The provision of audio-visual footage, programming, video and DVD rights, programme listing information, channel packaging and all other content related services and materials.
- To undertake other media related activities, as determined by the Board.

Statement of Forecast Performance

TVNZ does not have any reportable output classes under the Crown Entities Act 2004.

Capability

In response to the changing nature of the New Zealand media industry, TVNZ will continue to review all areas of its business to identify efficiencies and ensure a sustainable business.

As at 30 June 2016 TVNZ employed 706 FTEs in its Auckland, Wellington, Christchurch and Dunedin offices, and those working remotely in New Zealand and overseas.

In FY2018 TVNZ will continue to:

- Provide a healthy and safe work environment, and develop its policies in this area in line with legislation and expectations.
- Manage change with transparency, respect and support for individuals in order to meet the changing needs of the company.
- Ensure its recruitment process enables the impartial selection of suitable candidates.

[2] Section 12(2), Television New Zealand Act 2003

- Provide an inclusive and diverse environment.

- Remunerate fairly and consistently in relation to performance, position in salary bands and to the external market.

- Conduct good faith collective bargaining with the PSA and E tu unions.

- Provide appropriate learning and development opportunities.

- Demonstrate equal opportunity practices which firmly discourage discrimination.

- Operate a fair, transparent and regular performance management appraisal system that allows employees full participation in their own performance reviews.

- Ensure that any restructuring is communicated clearly to all staff, handled with fairness and respects those involved.

TVNZ takes seriously its commitment to treating people fairly and with respect, ensuring equality of access to opportunities and understanding, appreciating and realising the benefits of individual differences.

Commercial Valuation

The Board's estimate of the current commercial value of the Crown's investment in TVNZ is $160m, being the rounding of enterprise value of $128m plus net cash of $32m (forecast cash position at 30 June 2017, less average monthly working capital of $7.5m).

A number of valuation methodology's including market EBITDA multiples, discounted cash flow (DCF) and assessment of the asset or breakup value were considered.

The Board have concluded that the DCF methodology with the terminal value based on the liquidation of the company in FY2022 is the more appropriate methodology.

The current estimate of the commercial value of the Crown's investment in TVNZ of $160m compares with the estimate of commercial value at 30 June 2016 of $230m, being an enterprise value of $191m plus net cash of $39m. The key driver to the reduction in the estimate of commercial value is a reduction in forecast profitability is primarily due to a reduction in adverting revenues. The primary drivers for reduction in advertising revenues are the fragmentation for viewing audiences and the impact of global online players on domestic advertising expenditure.

Financial Performance Measures

For FY2018 the relevant financial measures are:

Measurement	FY2016 Actual	FY2017 Forecast	FY2018 Target
EBITDAF	36.5	28.7	14.7
NPAT	12.7	2.1	2.2
Return on average equity (%)	6.1%	0.9%	1.0%
Dividend Yield	2.9%	6.9%	3.0%
Dividend Payout (% of Free Cashflow excluding Project One)	80.0%	70.0%	70.0%
ROE adjusted for IFRS fair value movements	8.3%	0.9%	1.0%
Return on Capital Employed	10.9%	1.0%	1.3%
Total Shareholder Return (TSR)	-31.3%	-24.6%	3.0%
Gearing Ratio	0.0%	0.0%	0.0%
Interest Cover (times)	405	142	216
Solvency	2.38	1.93	2.23
Return on Programme Investment (operating margin)	43.2%	42.2%	39.1%

Reporting against these financial performance measures will be included in the Annual Report.

Other Performance Measures

TVNZ has a series of performance measures which demonstrate efficiency and productivity, and will be reported in the FY2018 Annual Report.

Business efficiency – non programme costs

We will calculate total non-programme costs as a percentage of total revenue. We will report current year actual performance versus budget, and prior year results. This will provide a multi-year performance trend.

Revenue productivity - employees

We will calculate average revenue (based on total gross revenue) per full time equivalent employee. We will report current year actual versus budget, and prior year results. This will provide a multi-year performance trend.

Dividends and capital structure

The company's shareholders receive funds surplus to TVNZ's investment and operating requirements in a payment on or around 30 September each year.

The company's dividend policy is to pay 70 – 90% of the annual operating free cash flow (on average over time) as operating dividends. The company's dividend is reviewed annually by TVNZ's Directors who will take into account:

- Solvency requirements of the Companies Act 1993.
- Working capital requirements and the medium term capital investment programme.
- Funds required for investment in new business activities.
- A sustainable financial structure having regard to the risks from predicted short and medium term changes to the forecast operating environment including economic conditions, competition, changing consumer behaviour and technology developments.

Reporting

TVNZ will report on key performance indicators, including:

Value of Content to Audiences

TVNZ will continue to report on the value of content to audiences in the annual report including relevant information about audiences across its on-air and online platforms.

Reflecting Maori Perspectives

TVNZ will provide relevant reporting on our Maori programming to illustrate it is meeting its statutory mandate to reflect Maori perspectives.

Other Reporting

TVNZ's statutory reporting and consultation requirements are set out in APPENDICES III and IV.

TVNZ operates a "no surprises" policy with Shareholding Ministers and will communicate in advance any issues that are controversial or likely to be of wider public interest.

It is important to note, however, that this approach takes into account the Television New Zealand Act 2003 regarding editorial independence, which guarantees News and Current Affairs, programming and complaints are dealt with free from political direction.

APPENDIX I – Board of Directors – Governance and Committees

The Board operates under three Acts of Parliament – the Companies Act 1993, the Crown Entities Act 2004 and the Television New Zealand Act 2003.

Under Section 92 of the Crown Entities Act 2004 the Board is obliged to ensure TVNZ acts in a manner consistent with this Statement of Performance Expectations.

These obligations and how it carries out its governance role and conducts its meetings are contained in the Board's Governance and Policy Manual. This was updated in May 2017.

There are two permanent committees, the Audit and Risk Committee and the Remuneration and Human Resources Committee.

The Audit and Risk Committee makes recommendations and gives counsel and information to the Board concerning its accounting and reporting responsibilities and establishes risk management policies and practice. It also oversees Internal Audit.

The Remuneration and Human Resources Committee monitors the Company's people planning and the remuneration of the company's senior executives and employees paid over an identified threshold. The Chief Executive Officer's remuneration and the structure and operation of the Short Term Incentive Scheme are also recommended by the Committee to the Board for approval.

Health & Safety is overseen by the entire Board rather than delegated to one of the standing Committees.

APPENDIX II – Forecast Financial Statements

The following forecast financial information is a forecast based on assumptions which TVNZ reasonably expects to occur. The significant assumptions underlying the forecast financial information including market shares and sales revenue are commercially sensitive. They are contained in the business plan provided to Shareholding Ministers. For this reason, strict compliance with PBE FRS 42 (Prospective Financial Information) cannot be achieved. The assumptions used are considered to be reasonable, supportable and consistent with the business plan and applied consistently. The actual results achieved for the period covered are likely to vary from the information presented, and the variations may be material. The purpose of the forecast financial information is to enable compliance with the Crown Entities Act 2004 (Section 149G). The information as presented may not be appropriate for purposes other than that described.

a) Forecast Statement of Comprehensive Income for the twelve months ending 30 June 2018

	($m)
Operating Revenue	299.6
Operating Expenses	(280.7)
Depreciation	(16.0)
Amortisation	(0.1)
Total Operating Expenses	(296.8)
Operating Surplus before interest expense and income tax	2.8
Interest expense / received	0.2
Income Tax expense	
	(0.8)
Net surplus for the year	2.2

b) Statement of Forecast Changes in Equity for the twelve months ending 30 June 2018

	($m)
Net surplus for the year	2.2
Distributions to the shareholder	(4.8)
Movements in equity for the year	(2.6)
Equity at start of the year	227.3
Equity at end of the year	224.7

c) **Statement of Forecast Financial Position as at 30 June 2018**

	($m)
Share Capital	140.0
Revaluation Reserve	30.0
Retained Earnings	54.7
Total equity	224.7
Current liabilities	55.8
Non current liabilities	0.0
Total funds employed	280.5
Current assets	124.5
Non current assets	156.0
Total assets employed	280.5

d) **Statement of Forecast Cash Flows for the twelve months ending 30 June 2018**

Net cash flows from/(to):	($m)
Operating activities (excluding interest, tax and dividends)	12.7
Net interest paid / received	0.2
Income Tax paid	(0.3)
Investing activities	(10.0)
Financing activities	(4.8)
Net increase in Cash held	(2.2)
Cash at start of the year	24.3
Cash at end of the year	22.1

Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the prospective financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

Basis of preparation

The prospective financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP) and the requirements of the Television New Zealand Act 2003, Financial Reporting Act 2013 and the Companies Act 1993. For the purposes of complying with NZ GAAP the entity is a for-profit entity. The prospective consolidated financial statements have been prepared on a historical cost basis except for derivative financial instruments that have been measured at fair value, and assets and liabilities that are designated in a fair value hedge relationship.

All prospective consolidated financial statements are presented in New Zealand dollars ($), which is the Group's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest million unless otherwise stated.

Basis of consolidation
The prospective consolidated financial statements comprise the prospective financial statements of Television New Zealand Limited and its subsidiaries at 30 June 2018.

Subsidiaries are those entities controlled, directly or indirectly, by the Group. The prospective financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intercompany transactions, balances and unrealised surpluses and deficits on transactions between Group companies are eliminated on consolidation.

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group. The acquisition of subsidiaries is accounted for using the acquisition method of accounting.

Operating revenue and Government funding
Revenue is stated exclusive of goods and services tax (GST) and consists of sales of goods and services to third parties. Revenue from the sale of goods and services is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Key classes of revenue are recognised on the following basis:

Advertising and sponsorship revenue is recognised as income at the time of transmission. Advertising revenue includes revenue from advertising, sponsorship and programme production funding on TVNZ 1, TVNZ 2, Duke, TVNZ OnDemand, tvnz.co.nz and 1NewsNow.

Other trading revenue is recognised when the product has been delivered or in the accounting period in which the actual service has been provided. Other trading revenue includes revenue from production facilities, programme sales, commercial licensing and multi feed service.

Government funding is recognised initially as deferred income when there is reasonable assurance that it will be received and that the Group will comply with the conditions associated with the funding. Funding that compensate the Group for expenses incurred are recognised as income on a systematic basis in the same periods in which the expenses are recognised.

Foreign currency
Transactions in foreign currencies are translated to the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rates ruling at balance date.

Differences arising on the translation of monetary assets and liabilities in foreign currencies are recognised in the income statement

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Income tax
Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes, and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future.

Deferred tax assets are recognised where realisation of the asset is probable.

Deferred tax is measured at the tax rates that are expected to apply when the temporary differences reverse, based on tax rates (and tax law) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Trade and other receivables
Trade receivables are recognised and carried at original invoice amount (including GST) and subsequently measured at amortised cost, less an allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis and debts that are known to be uncollectible are written off immediately. An allowance for impairment is recognised when there is objective evidence that the Group will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 90 days overdue are considered objective evidence of impairment.

Property, plant and equipment
Items of property, plant and equipment (except for land and buildings) are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost to acquire the asset and other directly attributable costs incurred to bring the asset to the location and condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Items of work in progress are transferred to the appropriate class of property, plant and equipment on completion. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Land and buildings are measured at fair value less accumulated depreciation for buildings and impairments losses recognised at the date of revaluation. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

A revaluation surplus is recorded in other comprehensive income (OCI) and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the consolidated income statement, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Depreciation is calculated on a straight-line basis to allocate the cost of assets over their estimated useful lives. Land and work in progress is not depreciated.

The estimated useful lives for the current and comparable period are:

Buildings	up to 40 years
Plant and equipment	2 to 20 years
Motor vehicles	5 to 10 years

Impairment
The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit the asset belongs to. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Where an item of property, plant and equipment is derecognised, the gain or loss (calculated as the difference between the net proceeds and the carrying value of the item) is included in the income statement in the period the item is derecognised.

Intangible assets

Programme rights
Television programmes which are available for use, including those acquired overseas, are recorded at cost less amounts charged to the income statement based on management's assessment of the useful life, which is regularly reviewed and additional write downs are made as considered necessary. Programmes produced internally for the purpose of broadcast are initially recognised as intangible assets at production cost. Production costs only include direct costs associated with the programme.

Programme rights are amortised on the following basis:

(i) Certain programme rights including news and current affairs, sports and locally commissioned programmes are amortised on transmission.

(ii) All other programme rights (movie and non-movie programme rights) are amortised on a straight line basis such that all rights are amortised within a period not exceeding one year from the broadcast licence period start date.

Frequency licences
Frequency licences are recorded at cost less amortisation and impairment losses. Amortisation is calculated on a straight line basis over the period of the licence, 20 years.

Other intangible assets
Acquired software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific asset. These costs are amortised on a straight line basis over their estimated useful economic lives of two to ten years.

Development costs
Development costs on internal projects are only capitalised by the Group when the following can be demonstrated:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- its intention to complete and use or sell the asset
- how the asset will generate future economic benefits
- the availability of resources to complete the asset
- the ability to measure reliably the expenditure during development.

Any development costs capitalised are amortised over the period of the estimated economic life of the asset to which they relate.

Where an intangible asset is derecognised, the gain or loss (calculated as the difference between the net proceeds and the carrying value of the item) is included in the income statement in the period the item is derecognised.

Interest in joint ventures
The Group's interest in a joint venture is accounted for in the consolidated financial statements using the equity method of accounting and is carried at cost by the parent entity. Under the equity method, the Group's share of the profits or losses of the joint venture is recognised in the income statement and the share of movements in other comprehensive income is recognised in the statement of other comprehensive income. The cumulative movements are adjusted against the carrying amount of the investment.

Bank overdraft and borrowings
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest method. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur.

Trade and other payables
Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted. Trade and other payables are recognised when the Group becomes obliged to make future payments resulting from the purchases of goods and services.

Provision is made for employee benefits accumulated as a result of employees rendering services up to balance date. The benefits include wages and salaries, incentives, compensated absences and retirement leave which are expensed in the income statement when services are provided or benefits vest with the employee. The provision for employee benefits is stated at the present value of the estimated future cash outflows to be incurred resulting from employees' services provided up to balance date.

Provisions
Provisions are recognised when the Group has present legal or constructive obligations as a result of a past event that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Derivative financial instruments

The Group uses derivative financial instruments, within predetermined policies and limits, to manage its exposure to foreign currency exchange rate risk and interest rate risk. The Group also enters into programme supply contracts that contain a foreign currency embedded derivative.

Such derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative contract is designed to hedge a specific risk and qualifies for hedge accounting.

Each derivative that is designated as a hedge is classified as either: i) a fair value hedge when it hedges the exposure to changes in the fair value of a recognised asset or liability or a firm commitment; or ii) a cash flow hedge where it hedges the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a forecasted transaction.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised in the income statement. Amounts accumulated are recycled in the income statement in the period when the hedged item affects profit or loss. When the hedged firm commitment results in the recognition of an asset or a liability, then, at the time the asset or liability is recognised, the associated gains or losses that had previously been recognised in equity are included in the initial measurement of the acquisition cost or other carrying amount of the asset or liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, or when the hedge no longer meets the criteria for hedge accounting. At that point any cumulative gain or loss existing in equity remains in equity until the forecast transaction occurs. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss is immediately transferred to the income statement.

For derivatives that do not qualify for hedge accounting, any gains or losses arising from changes in fair value are recognised immediately in the income statement. The fair value of forward exchange contracts and embedded derivatives are calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

In accordance with its treasury policy, the Group does not engage in speculative transactions or hold derivative financial instruments for trading purposes.

APPENDIX III – Reporting requirements

Within two months after the end of the first six months of each financial year, TVNZ must prepare financial statements on the business for that half-year in accordance with the Television New Zealand Act 2003.

This is in addition to the annual financial statements required to be prepared under Section 154 of the Crown Entities Act 2004.

TVNZ will also supply the Shareholding Ministers quarterly reports with provisional financial results and the information required under the Memorandum of Understanding with the Minister of Broadcasting.

Before the start of each financial year a Business Plan will be prepared for discussion with the shareholding Ministers.

APPENDIX IV – Consultation, subsidiary and associated companies

TVNZ will in relation to any single or connected series of transactions, consult with Shareholding Ministers of TVNZ on substantial matters not contemplated in the business plan including:

- Any capital investment where the value of the investment exceeds 5% of the book value of equity.
- Any substantial expansion of activities outside the scope of its core business into new business areas.
- The subscription for, or sale of, shares in any company or equity interests in any other organisation which are material, involve a significant overseas equity investment, or are outside the scope of its core business.
- The sale or other disposal of the whole or any substantial part of the business or undertaking of TVNZ.
- Where TVNZ holds 20 percent or more of the shares in any company or other body corporate (not being a subsidiary of TVNZ), the sale or disposal of any shares in that company.

TVNZ will ensure at all times that:

- Control of the affairs of every subsidiary of TVNZ is exercised by a majority of Directors appointed by TVNZ.
- A majority of the Directors of every subsidiary of TVNZ are persons who are also Directors or employees of TVNZ, or who have been approved by the Board of TVNZ for appointment as Directors of the subsidiary.

In accordance with Section 100 of the Crown Entities Act 2004, TVNZ will ensure that it does not:

1. Acquire shares in a company that gives TVNZ substantial influence in or over that company; or
2. Acquire an interest in any partnership, joint venture, or other association of persons, or an interest in a company other than its shares; or
3. Settle, or be or appoint a trustee of, a trust, -

other than –

4. After written notice to its shareholding Ministers; and
5. In accordance with the consultation principles stated in the first paragraph above; and
6. For the purpose of TVNZ carrying out its functions, and acting consistently with its objectives under any Act and its constitution.