

**Community & Services Committee
7 December 2017**

Report for Agenda Item 1

Department: Corporate Services

Film Otago Southland Annual Report

Purpose

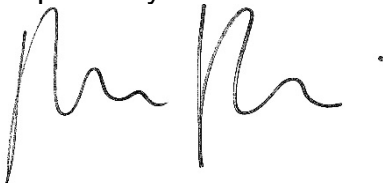
- 1 To note the Annual Report for the Film Otago Southland (FOS) Trust.

Recommendation

That the Community & Services Committee:

1. **Note** the contents of this report.

Prepared by:



Meaghan Miller
General Manager Corporate
Services

24/11/2017

Reviewed and Authorised by:



Mike Theelen
Chief Executive

24/11/2017

Background

- 2 The Film Otago Southland Trust promotes film and screen industry benefits within the district, the region and New Zealand. The Queenstown Lakes District Council is the most significant funder of this critical contributor to economic development in the community.
- 3 Notably the report demonstrates that revenue generation by production in the Otago Southland region in the 2016 was in the order of \$21 million (Statistics New Zealand). Other funders are: the Enterprise Dunedin Group, Venture Southland, Southern Institute of Technology, Invercargill City Council and Central Otago District Council.
- 4 The Council undertook a significant strategic review of Council's investment in the film office in 2016 and subsequently committed to continue funding the office and to appoint a Councillor to the Board as Council's elected representative (Councillor Ross McRobie).

Comment

- 5 The Council requires Film Otago to demonstrate the value of its annual investment (\$85K). Notably the report highlights that 118 'shoots' took place in the Queenstown Lakes District, significantly more than any other area making this commensurate with the level of funding by QLDC.

Significance and Engagement

- 6 This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy.

Council Policies, Strategies and Bylaws

- 7 This matter is included in the 10-Year Plan/Annual Plan

Local Government Act 2002 Purpose Provisions

- 8 The recommended option:
 - Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by delivering significant economic benefit to the district and region;
 - Can be implemented through current funding under the 10-Year Plan and Annual Plan;

Attachments

- A Film Otago Southland Annual Report



**Film Otago Southland Annual Report
1 July 2016 to 30 June 2017**

Please find the Annual Report for the Film Otago Southland (FOS) Trust.

INDEX

- 1. Introduction**
- 2. Chairman's Report**
- 3. Executive Managers Report**
- 4. Report against specific Key Performance Indicator (KPI) deliverables in the 2016-17 Annual Plan.**
- 5. Detailed report of activity to provide context and support TO the Key Performance Indicator (KPI) deliverables.**
- 6. Summary Year-end Financial Statements**

1. INTRODUCTION

Queenstown Lakes District Council, Enterprise Dunedin Group, Venture Southland, Southern Institute of Technology, Invercargill City Council and Central Otago District Council are key players in the regional film office network. The partnership between these and the film industry is a key factor in the strength of the Trust. The continued support of our funders is greatly appreciated by Trustees and the wider industry. The Film Otago Southland Trust promotes film and screen industry benefits within the region and New Zealand. The core values and scope of activities are presented and progress against those activities included.

2. CHAIRMANS REPORT

This has been a year of significant change and progress for the Trust.

Firstly, following the presentation of a detailed Business Case to our funders in the first half of 2016, we received commitments for a significant increase in funding for the two years commencing 1 July 2016. The immediate benefit of this was that the Trust could afford to employ our Executive Manager Kevin Jennings full time (as opposed to four days a week previously), and to employ a Film Office Co-ordinator. We are pleased to welcome Aideen Tinney who was recruited for that role and joined us in November 2016.

The second significant development was that our major funder, Queenstown Lakes District Council (QLDC) completed a strategic review of its investment in the Film Office. Subsequently, it exercised its right to appoint Trustees to the Trust Board including a sitting Councilor, Ross McRobbie. Other new appointees were Brad Hurndell and Sam Chapman. These appointments took effect from December 2016. At the same time, Enterprise Dunedin appointed Fraser Liggett to be its representative. In addition, Trustees appointed Nic MacAllan in July this year to fill one of the spots that Trustees can appoint to represent the local industry. We welcome these additions to our Board, they bring a diverse range of skills and experience and have already made significant contributions.

A number of Trustees left the Board in 2016 and I would like to acknowledge their contribution to the Trust over a number of years. They are Iris Weber, Brett Mills, Philip Turner, Mark Gillings, Ross Grey and Bob Parr.

With the new Board and improved funding in place, the Trust is in a better position than ever to now move forward and carry on its activities to a very high standard. There are some exciting initiatives planned for the coming year including a new Website and Showreel and an expanded Writers in Residence programme. Trustees would like to acknowledge the dedication and commitment of its employees Kevin Jennings and Aideen Tinney and thank them for all of their hard work.

Lastly, Trustees would like to acknowledge the ongoing support of our funders, without whom we would be unable to operate.

Michael Hesp

Chairman

31 August 2017

3. EXECUTIVE MANAGERS REPORT

The film office experienced a dramatic change this year delivering on the proposed changes detailed in our Business Plan (2016) that resulted in substantial increase in funding. Most relevant was that we moved from being a part time office to an office with two full time employees. Systematic changes to operating procedures, reporting and customer focused activity where all successfully implemented this year.

We developed a comprehensive Communications Strategy and Plan that will guide the development of a suite of marketing tools in 2017/2018. An immediate result of the Plan was the creation of our new Quarterly Newsletter that has been well received by both industry and the wider community.

There was a small increase in the number of productions and there was a 17% increase in overall shoot days. Projects of particular note were the TV Series WANTED 2, Disney's WRINKLE IN TIME and MISSION IMPOSSIBLE 6; we also had two sizeable projects for the Chinese market. While the immediate economic investment to the region is important we stand to benefit further when these projects begin their extensive marketing campaigns. Stars such as Oprah Winfrey, Reese Witherspoon and Tom Cruise are global brands and have now become unofficial ambassadors for the region.

We greatly appreciate the support of our funding partners and look to build on the success of the previous year with a refined Annual Plan in 2017/18.

Dunedin playing a key role in leveraging their Sister City relationship with Shanghai, this resulted in an MOU being signed between Film Otago Southland and the influential Shanghai Media Group.

Current state of the industry

The Screen Production Industry is an economic driver within Southland and Otago. There is an established industry and infrastructure, predominantly in Queenstown and Dunedin. Figures released through Statistics New Zealand's annual Screen Industry Survey in 2016 show;

- Revenue generated by production in the Otago Southland region was \$21 Million.
- Gross screen industry revenue increased 3 percent to \$3.3 billion.
- Revenue received by production and post-production businesses from international sources increased 32 percent, driven mostly by increased revenue from North America.
- Total expenditure on producing remained stable, at \$767 million, down 1 percent from 2015
- In 2015, 14,000 people were employed in the screen industry, working a total of 24,700 jobs or contracts

There is a strong industry based on Television Advertisements for both domestic and international markets. These tend to be large budget productions at the top end of the scale. This work provides the core of employment for a large part of the industry. There is also a long history of feature films shooting in the region. Trends show that online content is becoming more relevant; this is an evolving change and is likely to further change the future of production in the region. Online content is a growth market and the film office is monitoring these changes in order to be able both attract and facilitate these new opportunities. Increasingly, the Otago and Southland regions are also looking to foster talent and offer opportunities to develop

skills and expertise suitable for the needs of the industry. We are doing this by working with education providers, industry and creative talent.

Summary of production activity for the past year

There were two significant feature films shot in the region this year, WRINKLE IN TIME shot in the Hunter Valley, Wanaka and MISSION IMPOSSIBLE 6 that shot in both the Queenstown District and Central Otago regions. Both of these features will have an extremely high international profile. The Social Media brand value from the stars of WRINKLE IN TIME via Instagram accounts were estimated at \$80 million dollars.

The Australian television series WANTED 2 shot entirely in our region and helped to drive up the overall shoot days. Two large Chinese productions LEGEND OF ZU 2 television series and the feature film LORD OF THE RAVAGING DYNASTY indicate a strong growth in that market.

There were 193 productions compared to 188 in the previous year, an increase of 3%

There were 595 shoot days as compared to 507 in the previous year an increase of 17%

Types of productions broken down as follows:

41 TVC's (Television Commercials)

56 TV Content

4 Feature Films

57 Stills

27 Online Content (not for traditional distribution channels such as television, print or theatrical release)

8 Short Films

Geographic breakdown of jobs; (some shoot in more than one region)

118 Queenstown Lakes

44 Southland District

22 Dunedin

10 Central Otago

10 Waitaki

3 Clutha

Intended markets for the projects as follows (some for combined countries):

50 Global or Multiple Markets

57 New Zealand	2	Canada
18 Australia	1	Ireland
15 USA	3	Thailand
13 Korea	2	Europe
9 Japan	1	Denmark
9 China	1	Russia
4 Hong Kong	1	Indonesia
4 UK	1	Argentina
3 Brazil	1	Ukraine
3 France	1	Netherlands

Kevin Jennings
Executive Manager
31 August 2017

4. REPORT AGAINST SPECIFIC KPI DELIVERABLES IN THE 2016-17 ANNUAL PLAN

Core functions of the Trust are:

- **FILM OFFICE OPERATIONS**
- **FACILITATION, ADVOCACY AND ENGAGEMENT**
- **INNOVATION AND ATTRACTION**
- **FOSTER LOCAL TALENT**

FILM OFFICE OPERATIONS

Objectives / Goals

- To increase the resources of the film office to two Full Time Equivalent employees.
- To build a highly professional film office that delivers a great customer experience.
- To develop processes, systems and practices which are resilient, reliable and consistent
- To maintain active and ongoing engagement with the film industry.
- To operate according to global best practice.

Subject	Deliverable	Planned Actions	KPIs for 2016/17	Result
Staffing	Increase team capacity	<ul style="list-style-type: none"> - Increase Kevin Jennings role to full time - Recruit and train a new junior FTE - Provide comprehensive training and ensure attention to detail / accuracy 	- Recruit and train a new junior FTE by December 2016	Achieved New employee hired in November
Planning	Agree an Annual Plan for 16/17 (this document)	<ul style="list-style-type: none"> - Agree Annual Plan for 16/17 - Agree Budget for 16/17 	- Finalise Annual Plan and budget for 16/17	Achieved
Reporting	Provide Quarterly, Annual and Financial Management Reports	<ul style="list-style-type: none"> - Agree reporting schedule to funders - Agree reporting metrics / KPIs - Obtain necessary financial management advice - Prepare and finalise reports in a timely fashion 	- February 2017 Ongoing	Achieved
Risk Management	Develop and implement a Risk Management Plan.	<ul style="list-style-type: none"> - Outline a risk management framework - Build a risk register - Develop risk mitigation measures 	<ul style="list-style-type: none"> - Develop a Risk Management Plan by end of June 2017 - Completed part of Health and safety file 	Achieved Risk Management Plan in place.

Subject	Deliverable	Planned Actions	KPIs for 2016/17	Result
Health and Safety	Develop and implement a Health and Safety Plan for FOS and guidelines for productions filming in the region.	<ul style="list-style-type: none"> - Create a FOS Health and Safety Management Plan - Develop and issue health and safety guidelines for productions in the region 	- Health and Safety Plan by June 2017	Achieved
Production Tracking	Launch Production Tracking Tool.	<ul style="list-style-type: none"> - Develop production tracking tool - Populate production tracking tool - Track all productions that film in the region - Develop key statistics 	- Launch a Production Tracking Tool	In progress Still working with other FOS partners to create consistency. To request be carried over into 2017/2018 to be completed by August 2017
Communication strategy	Create communication strategy	- Create communications strategy and Plan	- Complete Communications Plan	Achieved
Website Project	Update the website.	<ul style="list-style-type: none"> - Conduct a website review - Ensure mobile device compatibility - Review membership model 	- Refresh the website	In progress Website and membership directory reviewed and refreshed New Website design and architectural brief completed. To request be carried over into 2017/2018

Subject	Deliverable	Planned Actions	KPIs for 2016/17	Result
Administration	Improve Administrative processes	<ul style="list-style-type: none"> - Manage email, social media, website enquiries and phone calls - Respond to all issues and queries - Maintain industry database - Ensure all invoicing, payments and general finances are managed effectively 	- Appropriate KPI to be established for 2017/18	Achieved and is included as appropriate in 2017/18 Annual Plan Responded to 408 inquiries Current Industry database refreshed
Process Review	Review all operational processes and improve as required.	<ul style="list-style-type: none"> - Review all operational processes for improvement opportunities - Focus upon the permit process in each area and present recommendations and funding implications - Review processes for maintaining privacy and confidentiality 	- Appropriate KPI to be established for 2017/18	Partially Achieved Operational processes reviewed Permit process assessed New permit process to be carried over into 2017/2018
Issue Management	Develop and document an Issue Management Plan	<ul style="list-style-type: none"> - Address identification, monitoring and resolution of issues - Outline response times and channels of communication 	- Establish KPI's	Partially Achieved The film office has responded to various issues, this is a work in progress To request be carried over into 2017/2018
Satisfaction and Benefit Surveys	Develop and implement post-production surveys	<ul style="list-style-type: none"> - Design surveys and interviews to provide maximum insight into operations, economic value and customer satisfaction - Collate and analyse results 	- Launch satisfaction and benefit surveys 2017.	Work in progress as an output of Comms Plan To request be carried over into 2017/2018

ADVOCACY

Objectives / Goals

- To advocate for the importance of the film industry to NZ and the region
- To ensure the interests of FOS and the local film industry is well-represented at local, regional and national government levels
- To ensure the interests of FOS and the local film industry is well-represented in national and international industry groups
- To ensure that the value of the film industry is understood by political and official parties.
- To maintain open channels of communication and make best efforts to avoid unnecessary bureaucratic restrictions.

Subject	Deliverable	Planned Actions	KPIs for 2016/17	Result
Stakeholder Engagement and Relationship Building	Create Stakeholder Engagement Plan Demonstrate healthy relationships with key politicians	<ul style="list-style-type: none"> - Build and maintain strong industry relationships – meet on a regular basis - Attend key industry events and meetings - Create feedback loops and surveys - Include key politicians in the Stakeholder Engagement Plan - Co-ordinate and host round-table sessions 	<ul style="list-style-type: none"> - Stakeholder engagement Plan 	Achieved
Submissions	Present meaningful submissions to relevant consultation processes	<ul style="list-style-type: none"> - Track all consultation processes (District Plans, Annual Plans, and Conservation Plans etc.) across the region and central government - Develop a consistent format for the presentation of submissions - Present submissions as appropriate and follow up 	<ul style="list-style-type: none"> - Consultation Process Tracker 	Partially Achieved This is an ongoing piece of work identified in 2017/18 Annual Plan.
Subject Matter Expert - Liaison	Provide input during the development of Plans and strategies	<ul style="list-style-type: none"> - Build strong relationships across organisations and governing bodies - Provide input and intelligence to inform decision making 	<ul style="list-style-type: none"> - DOC , LINZ and all district Councils - 	Achieved This is an ongoing KPI

Subject	Deliverable	Planned Actions	KPIs for 2016/17	Result
Subject Matter Expert - Communications	Ensure relevant changes to legislation and funding are communicated to the industry	<ul style="list-style-type: none"> - Build strong relationships across organisations and governing bodies - Establish reputation as trusted source - Develop communications Plan for dissemination of key information via various channels 	<ul style="list-style-type: none"> - Appropriate KPI to be established for 2017/18 - Film Permitting Team Meetings held regularly 	<ul style="list-style-type: none"> - Achieved Film Permitting Team meetings now being held 3 times per year.
Funding	Secure funding and ongoing support for advocacy role	<ul style="list-style-type: none"> - Approach other funding bodies to seek support for advocacy-specific activities 	<ul style="list-style-type: none"> - Demonstrate track record in successfully pursuing funding for FOS by June 2017 	<ul style="list-style-type: none"> - Achieved Following on from funding approval by QLDC, we confirmed funding from SIT, Venture Southland, Otago District Council, Waitaki District Council and Enterprise Dunedin and Invercargill City Council.

INNOVATION AND ATTRACTION

Objectives / Goals

- To actively promote Otago and Southland to the film industry in a strategic and targeted fashion, in order to increase production in the region
- To attract productions that present Otago and Southland in a manner that positively promotes the region and its people, in alignment with regional tourism
- To support the NZ film industry in general and to raise the profile of Otago and Southland as a filming destination
- To develop a compelling, coherent and highly professional brand for Film Otago Southland

Subject	Deliverable	Planned Actions	KPIs for 2016/17	Result
Strategic Planning	Establish the strategic direction for all promotion and attraction activity.	<ul style="list-style-type: none"> - Prepare and agree a Promotion and Attraction Strategy that aligns with the National Strategy for the film industry. 	<ul style="list-style-type: none"> - Develop Promotion and Attraction Strategy 	Achieved via Communications Strategy and Plan
Reputation and Industry Profile	FOS and its Executive Manager are well respected and considered good ambassadors and leaders for the region and the broader industry.	<ul style="list-style-type: none"> - Executive Manager to maintain Chairman's role on AFCI board - FOS to attend and partake in national and international industry events - Work with RFONZ, Film NZ and Film Commission to develop a NZ Inc. approach - Attend SPADA Conference and RFONZ meetings - Secure additional funding to attend industry events as require 	<ul style="list-style-type: none"> - Appropriate KPI to be established for 2017/18 - Ongoing 	Actions Achieved New KPI's included in 2017/18 Annual Plan

Subject	Deliverable	Planned Actions	KPIs for 2016/17	Result
Networking	Develop a stable, connected, respected network of contacts and collaborators.	<ul style="list-style-type: none"> - Continue to build industry, community and government relationships - Build wish list of prospects and strategies for achievement - Schedule attendance at key industry events that will provide maximum value and opportunity - Develop budget and identify funding for achievement - Follow up effectively with all new contacts 	<ul style="list-style-type: none"> - Develop list of prospects and demonstrate success in having met with one per month 	<ul style="list-style-type: none"> - Achieved - Details in written report that follows on from this KPI report.
Reconnaissance (Recces)	Attract more projects to the region by hosting high quality Recces and building strong relationships with Producers, Directors, Location Scouts, VIPs and media.	<ul style="list-style-type: none"> - Work with other regional and national bodies to host / co-host strategically important recces - Host high quality, key project recces - Develop budget and identify funding for achievement 	<ul style="list-style-type: none"> - Appropriate KPI to be established 	<ul style="list-style-type: none"> - Partially achieved. KPI for 2017/18 in annual Annual Plan.
Marketing	Scope and write a Marketing Plan that promotes the region as a good place to film, be creative, work as crew and receive training.	<ul style="list-style-type: none"> - Review requirements across the marketing mix - Address website, social media, print media, advertising, sponsorship and event opportunities - Develop image library in alignment with national approach - Develop show/sizzle reel - Develop budget and identify funding for achievement. - Set KPIs to measure success 	<ul style="list-style-type: none"> - Scope and Create a Marketing Plan - Develop Image Library - Develop Show Reel - Communications Strategy 	<ul style="list-style-type: none"> - Communications strategy completed. - Outputs of communications Plan identified including image library and show reel - New Website design and architectural brief completed. Request to be carried over into 2017/2018 to be completed by January 2018

FACILITATION AND DEVELOPMENT

Objectives / Goals

- To protect the region's environment and to educate productions in sustainable practices in protected areas
- To ensure practicable access to filming locations by maintaining relationships with key stakeholders, such as DoC, local iwi and landowners
- To communicate with key stakeholders and local communities about filming activity
- To contribute to the economic development and diversification of the region
- To establish infrastructure that supports the development of the film industry in the region
- To foster local talent and businesses to provide opportunities for a skilled local crew base
- To foster creative talent and projects across the region

Subject	Deliverable	Planned Actions	KPIs for 2016/17	Result
Environmental Protection	Establish opportunity to share knowledge about filming in protected locations with local and national government bodies.	<ul style="list-style-type: none"> - Schedule presentation with local government - Schedule presentation with national government - Meet with UNESCO to raise the profile of environmentally responsible filming - Attend AFCI Cineposium event to lead courses and moderate 'Filming on Protected Lands' panel 	<ul style="list-style-type: none"> - Deliver outlined actions by June 2017 	<ul style="list-style-type: none"> - Partially achieved and ongoing - Ongoing engagement with local and national government. - UNESCO project is still a work in progress.
Stakeholder Management	Maintain excellent relationships with key stakeholders, to ensure that productions have access to filming locations.	<ul style="list-style-type: none"> - Meet regularly with DOC, LINZ Pastoral, TAs, and NZTA - Build healthy relationships with landowners - Develop a close relationship with local iwi - Collaborate with DOC and LINZ to streamline processes and partner on local and national issues 	<ul style="list-style-type: none"> - Demonstrate quarterly meetings with DOC, LINZ, TAs and Iwi. - Ongoing and currently meeting as part of the film permit team meetings 	<ul style="list-style-type: none"> - Achieved and ongoing - Regular meetings are held locally, with wider round tables now scheduled for 3 times yearly - Further engagement with Iwi planned for 2017/18

Subject	Deliverable	Planned Actions	KPIs for 2016/17	Result
Local Communities	Maintain strong relationships with local communities	<ul style="list-style-type: none"> - Present to Community Associations - Present to Chamber of Commerce, Lions Club and Rotary - Present to schools and educational organisations - Develop events in conjunction with the public libraries 	<ul style="list-style-type: none"> - Present to all Community Associations and the Chamber of Commerce in Queenstown and Wanaka. 	<ul style="list-style-type: none"> - New presentation being developed as an output of the Communications Strategy. - Request to be carried over into 2017/2018
Infrastructure Development	Facilitate development of industry infrastructure as appropriate.	<ul style="list-style-type: none"> - Collaborate with TAs and make submissions to appropriate funding / development processes (i.e. Annual Plan) - Provide expert insight and evaluation as required 	<ul style="list-style-type: none"> - Appropriate Future Strategic Plan to be established 	<ul style="list-style-type: none"> - Achieved
Supporting Creativity	Provide avenues for the development and support of creative endeavours. Attract new creative projects to the region and ensure that projects are developed in collaboration with FOS.	<ul style="list-style-type: none"> - Develop and implement the 'Writers in Residence' programme - Work with creative writing groups to provide inspiration and guidance - Facilitate and nurture creative projects, short films, feature films, web content, music videos etc. - Provide advice in relation to funding opportunities 	<ul style="list-style-type: none"> - Demonstrate growth in the Writers in Residence programme by June 2017. 	<ul style="list-style-type: none"> - Due to scheduling issues we were unable to host any writers in residences in this year. - We have raised awareness of the programme and have 3 potential candidates for early 2017/2018.

Subject	Deliverable	Planned Actions	KPIs for 2016/17	Result
Welcoming New Talent to the Region	Promote the region as a dynamic and creative location for crew and creatives. Ensure FOS is the first point of contact for new crew relocating to the region.	<ul style="list-style-type: none"> - Include promotion to crew and creatives within the Marketing Plan 	<ul style="list-style-type: none"> - Appropriate KPI to be established 2017/18 	<ul style="list-style-type: none"> - Achieved via new Communications Plan
Fostering Local Talent	Contribute to the development of the next generation of the film industry, whilst diversifying the economy of the region. Increase the capability of crews and build a solid pool of skilled people through education, internships, job creation and training opportunities.	<ul style="list-style-type: none"> - Develop a Local Talent Action Plan in partnership with the SIT Digital Media Advisory Programme and relevant guilds - Include an internship programme, placement opportunities and mechanisms for facilitating student and alumni projects - Include networking opportunities via introductions, industry nights and events - Chair the SIT Digital Media Advisory Committee 	<ul style="list-style-type: none"> - Finalise the Local Talent Action Plan 	<ul style="list-style-type: none"> - Achieved - SIT internship programme is extremely successful. - Continue to chair VASA meetings at SIT.

5. DETAILED REPORT OF ACTIVITY TO PROVIDE CONTEXT AND SUPPORT TO THE KPI DELIVERABLES

FILM OFFICE OPERATION

Build a highly professional film office that delivers a great customer experience. To develop processes, systems and practices which are resilient, reliable and consistent, the office employed a full time film office coordinator in November. Maintain active and ongoing engagement with the film industry and to operate according to global best practice.

During the last twelve month period;

The office has responded to over 408 enquiries regarding; website and industry directory, production permits, crew, recces and general enquiries. To keep in line with global best practice, the office has created a Crisis Management Plan, Risk Management Plan, and a Health and Safety Plan.

This year also saw the appointment of Antony Deaker as Film Coordinator for the Enterprise Dunedin Group, with Fraser Liggett being appointed as a FOS Trustee. We have worked extensively with Enterprise Dunedin in partnering on a variety of projects including streamlined permitting, Drone Management, China Film Festival, Shanghai Sister City and Shanghai Media Group engagement, as well as working together on attraction of various projects.

COMMUNICATIONS STRATEGY AND PLAN

A comprehensive communications strategy and Plan has been created, outputs achieved to date are;

- Two quarterly newsletters have been created.
- A refresh and clean-up of the existing website was undertaken.
- A design and architectural brief has been created for the new website that will be built in the coming year.
- Social media output has been increased with a comprehensive strategy in development for the coming year.

Additional outputs of the strategic Plan identified for the coming year are an increased image library, Instagram presence, show reel, and presentation. In addition a branding exercise is in train.

FOS is creating a Guidelines and Protocols to Filming in the Regions, which includes the District Councils policies and the other Authorities such as DoC and LINZ pastoral policies.

The office has created a new format film permit to streamline the application for QLDC, currently working towards implementing an online version in the future.

We are also working with other FOS regions to look at a consistent approach to permitting; this is a work in progress.

FACILITATION and ADVOCACY

ENGAGEMENT

We are a locations based industry and timely access to locations is crucial. FOS held regular individual meetings as well as round table meetings to ensure ongoing and streamlined access to locations for crown land.

In attendance at the most recent round table meeting were representatives from DOC, LINZ Pastoral, QLDC, APL Properties, NZ Film Commission, Destination Queenstown, Lake Wanaka Tourism and NZ based Location Scouts. These meetings allow the agencies, industry and the Film Office to clarify and discuss the current systems and policies of film permitting and explore how to improve processes for everyone involved.

The office has provided detailed advice on; STRAY, TOP OF THE LAKE 2, OPDIVIDO (large TVC), WANTED SEASON 2, WRINKLE IN TIME, LEGEND OF ZU 2, and the MISSION IMPOSSIBLE 6 projects, well as numerous commercials and Tourism projects.

We have consulted with other permitting agencies and the AFCI international members regarding a query received from the local tourism agencies; the definition of editorial versus a commercial shoots. This has resulted in tourism and local council working together with the film office to work towards developing a new type of permitting system for Tourism related shoots in the Queenstown district, this is still ongoing. This may also be able to be amended to facilitate small online productions.

During the year we have worked alongside QLDC 's Geographic Information System (GIS) mapping division to develop an inclusive map of the LINZ, DOC and Council land , this project was completed in May and the GIS team have developed a map for FOS to utilise which has proven to be a great asset to the office and the film industry. We would like to thank the GIS team for their expertise and effort.

Earlier this year DoC announced a significant change to how it processes film concessions/permits. Applications will now be routed through a national centre in Hamilton where DoC staff will determine if the application meets one-off criteria. Concerns were raised around potential delays to the process, and after further engagement with Film Otago Southland, DoC has confirmed that this new procedure will be turned around in Hamilton within 3 hours of receipt of application. We look forward to working with DoC to further help monitor, develop and streamline the process

Once confirmed the application will be forwarded on to the local office who will make the decision on the permit (similar to the old system).

RFONZ (Regional Film Offices of New Zealand)

RFONZ meetings are being held monthly with numerous discussions via email and Skype regarding upcoming productions, H&S queries, overseas production companies and any issues with film permitting. Michael Brook from Screen Auckland has been elected the new Chairperson as Samantha Seath stepped down in April 2017.

NZFC (New Zealand Film Commission)

RFONZ met with the NZFC via conference calls, as well as in Wellington and in Auckland. The goal is greater cooperation and an aligned strategy in promoting the countries offering. The result of this interaction has been the creation of a draft MOU between NZFC and RFONZ member offices. This is a work in process.

INDUSTRY EVENTS

- Co-hosted the pre-shoot welcome evening for the feature film STRAY, July 2016.
- Attended the Premiere of PETE'S DRAGON in Wellington and Tapanui, July 2016.
- Hosted the annual RFONZ summit meeting in Queenstown, October 2016.
- Attended the Premiere of PORK PIE in Invercargill in February 2017; the production of the film has been hailed as an absolute success.
- FOS hosted a screening for cast and crew of THE INLAND ROAD in April this year a product of our first ever Writers in Residence programme. Since premiering at the Berlin Film festival in January 2017 the film was selected for the New Director Competition for the USA's largest film festival, the Seattle International Festival (SIFF), and has been selected to screen at the New Zealand International Film Festival and Europe's largest children's festival; The Giffoni International Film Festival in Italy.

INNOVATION AND ATTRACTION

To increase the amount of activity in the region we assist with facilitation and development of projects on a one off approach. This includes working with local directors, producers and crew to help enable projects to happen and/or make introductions within the industry to further develop projects and work opportunities. This year included the following:

- Working with the Shanghai Media Group and NZFC resulting in the signing of a Memorandum Of Understanding
- Hosting new Writers in Residence in Central Otago for Norelle Scott for a feature film project YOU GOT THE COWBOY.
- Providing numerous images for potential projects in the regions and helped coordinate reces for possible future projects.

- Advising on STRAY, TOP OF THE LAKE 2, WANTED SEASON 2, THE ULTIMATE WATERMAN, WRINKLE IN TIME, and MISSION IMPOSSIBLE.
- Meeting numerous producers and directors to discuss possible investments in the region
- Attending the China Film Festival in Dunedin
- Showreel using social media to showcase local talent by creating a Friday Short on the Facebook account.
- Hosting a workshop with Central Otago District Council staff in Alexandra to discuss the needs of the Film Industry and how to best streamline processes, how to capture images to feed into an image library and how to create a locations and asset register
- Hosting an event with the Oamaru Whitestone Civic Trust, to raise awareness of the potential in the industry and to discuss the value of the precinct as a location for filming and the benefit to all involved.

AFCI

The AFCI is known as the United Nations of Film. It represents a worldwide network of more than 300 film commissions representing six continents, devoted to serving its member film commissions and the motion picture, television, commercial, digital and interactive media industry by supplying essential goods and services for the business of facilitating film and television production activity which generates billions of dollars annually.

KJ has been elected as Chairman of the organisation; his position on the board is supported by a scholarship from Invercargill City Council who have provided additional funding to attend three Board Meetings per calendar year. Attending these meetings involve working 20 days last year while offshore however when working abroad ongoing email and phone contact is maintained.

KJ chaired the AFCI meeting in Los Angeles January 2017 and then attended the Sundance Film Festival, where the AFCI has a members lounge on Main Street. He was able to use the space to host meetings as well as attend a number of film office receptions that featured top producers, directors and filmmakers from various regions or states.

KJ moderated a round table panel: Commissioners & Commissions: Who You Need to Know to Make Your Movie Happen, and also visited the Park City Studio complex and met with their Operations and Marketing Manager.

KJ also attended the Association of Film Commissions International: Locations Trade Show in Los Angeles where New Zealand was represented by a NZ Film Commission stand also manned by Screen Auckland and Screen Wellington.

In addition to the Trade Show, AFCI hosted a Global Finance conference with sessions on: China, Digital Marketplace, Shooting in Multiple Territories as well as a session on Sustainable Production, which KJ took the opportunity to attend. As a result of the valuable insights from these sessions FOS has commenced a revision and reboot of our sustainable filming guide.

While there, KJ was also invited to attend the Locations Managers Guild of America's Annual Awards where discussions were had with a Location Manager looking to film in New Zealand. The AFCI has an Advisory Board of senior industry representatives, KJ's role enables a unique opportunity to liaise and spend time with these decision makers.

HOSTING

An ongoing role of the FOS office is to act as an ambassador for the region to increase production and connect local crew and infrastructure. This includes hosting various Producers, Directors, Locations Scouts and Media on an ongoing basis throughout the year. In addition to industry, KJ met with MP Maurice Williamson the newly appointed Consul General in Los Angeles, a key function of Maurice's new role, is to promote the New Zealand film industry. He invited the Executive Manager to reach out if opportunities arise to promote the regions industry in LA.

MEDIA AND EXPOSURE

To increase exposure and awareness we continued to work through the year on the various media and social media opportunities including responding to interview requests as follows:

- Facebook, Linked In, and Twitter have increased activity over the last year,
- Throughout the year the office wrote an article for Techo's guild magazine,
- Conducted interviews with various journalists
- Organised the onset visit for the Otago Daily Times on LEGEND OF ZU 2 to actively promote the benefits of local crew working alongside foreign cast.

FOSTERING LOCAL TALENT

We provided ongoing support to previous Writers in Residence Programme for a feature film project that is beginning to get some traction. Details of the project are still confidential but we hope to be able to announce another project happening in next few months.

We had a numerous Writers in Residence opportunities this year, but unfortunately scheduling conflicts meant they weren't able to take place.

The Executive Manager is the Chair on the SIT Visual and Screen Arts (Film School) Committee. These programmes continue to grow in popularity and some 51 students are enrolled in 2017. One of the initiatives the Committee has developed is internship opportunities for students. This programme has been very successful to date, with 92% of graduates finding work in the industry.

On Friday 31st March filmmakers and film industry representatives from across the region and nationally spent the day networking with the Chinese Delegation in Dunedin The festival was a partnership with the New Zealand Film Commission, Ministry of Foreign Affairs And Trade's Shanghai office, the Shanghai Art Film Festival and Enterprise Dunedin. We appreciate the benefits that our partnering with Antony Deaker and Fraser Liggett at Enterprise Dunedin are producing. This was a great networking event to showcase local talent and facilities available.

6. SUMMARY YEAR END FINANCIAL STATEMENTS YE 30 JUNE 2017

The trust had an operating surplus this year based on three key factors:

- There was a savings on salaries given they were budgeted for the entire year however due to the time taken to recruit the new employee the Trust only incurred nine months of actual salary.
- There was an under spend on Recces and the Writers in Residence programme. While we had identified and worked towards three Writers in Residence projects, due to scheduling issues with the writers we were unable to actuate them. There are currently three Writers in Residences in train for the coming year.
- Funds budgeted for Website Development and Show Reel were underspent. The Trust made the decision to prioritise a comprehensive Communications Strategy and Plan to inform the brief for the website and the show reel. While this has now been completed, we ran out of time to commence work on these. The outputs of the Plan are design and specifications for the new Website, updated image library, show reel, branding and associated collateral.

We intend to utilise some of this year's surplus to complete the deliverables above in 2017/2018.

Summary Financial Reports for the year are set out below.

The Trust would like to gratefully acknowledge the ongoing financial and other support it receives from its funders:

- Queenstown Lakes District Council
- Venture Southland
- Southern Institute of Technology
- Central Otago District Council
- Waitaki District Council
- Enterprise Dunedin Group
- Invercargill City Council

Statement of Financial Performance		
	2017	2016
Revenue		
Queenstown Lakes District Council	\$170,000	\$85,000
Dunedin City Council	\$10,000	\$10,000
Venture Southland	\$20,000	\$10,000
Southland Institute of Technology	\$20,000	\$10,000
Central Otago District Council	\$9,000	\$3,333
Waitaki District Council	\$9,000	\$0
Invercargill City Council Scholarship Fund	\$18,000	\$19,727
AFCI Board Member Fees/Other Income	\$1,817	\$2,500
Interest Received	\$128	\$1,284
Total Revenue	\$257,945	\$141,844
Less Expenses		
Recce's, Hosting & Other Marketing Costs	\$7,863	\$10,503
Events and Industry Forums	\$23,410	\$24,725
Staff and Other Overhead Costs	\$172,004	\$113,752
Total Expenses	\$203,277	\$148,980
Operating Deficit	\$54,668	-\$7,136
Income Tax	\$0	\$424
Net Earnings after Taxation	\$54,668	-\$7,560
Trust Funds at Beginning of Year	\$23,308	\$30,868
Trust Funds at End of Year	\$77,976	\$23,308

Statement of Financial Position		2017	2016
Trust Funds			
Trust Capital	\$73,613	\$73,613	
Accumulated Losses	\$4,363	-\$50,304	
Total Trust Funds	\$77,976	\$23,309	
Represented By:			
Current Assets			
Bank Operating & Deposit Accounts	\$107,699	\$45,265	
Accounts Receivable	\$0	\$2,875	
GST Receivable/Other	\$3,491	\$62	
Total Assets	\$111,190	\$48,202	
Current Liabilities			
Accounts Payable	\$12,783	\$6,296	
Employee Entitlements	\$20,431	\$18,504	
GST Payable	\$0	\$93	
Total Liabilities	\$33,214	\$24,893	
Net Assets	\$77,976	\$23,309	