

# Statement of Performance Expectations Tauākī Paearu Kawatau

**Our plan for 2025/26**  
Tā mātau mahere mō  
ngā tau 2025/26



**ELECTORAL  
COMMISSION**  
TE KAITIAKI TAKE KŌWHIRI



**June 2025**

Presented to the House of Representatives pursuant  
to section 149L of the Crown Entities Act 2004

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# Overview

## Tirohanga whānui

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**This section explains the purpose of this document, who we are and what we do.**

### **Purpose of this Statement of Performance Expectations**

This document describes our performance expectations for the 2025/26 financial year. These expectations provide a basis on which our actual performance can be assessed. It describes our output classes, our prospective financial statements and how we will assess our performance for the 2025/26 financial year.

The Statement of Performance Expectations aligns with our Statement of Intent 2025/26 – 2028/29.

The information in these documents is part of our accountability to the public.

### **Ko te aronga o tēnei Tauākī Paearu Kawatau (TPK)**

E whakamārama ana tēnei tuhinga i ā mātau whainga kawatau ahumoni 2025/26. Ka whakaritea ēnei kawatau, he āheinga e tātari ai te arotakenga o ā mātau mahi. E whakamārama ana i ā mātau pūnaha putanga, ngā rārangi ahumoni e matapaetia ana, ā, e pēwhea nō te arotake i tā mātau whakatutukitanga i ngā tau ahumoni 2025/26.

E hāngai ana te TPK ki tā mātau Tauākī Koronga 2025/26 – 2028/29.

Ko ngā mōhiohio kei ēnei tuhinga he mea taunaki i te pono o ā mātau mahi ki te iwi tūmatanui.

## Statement of responsibility

This Statement of Performance Expectations has been prepared in accordance with the requirements of sections 149C and 149CA of the Crown Entities Act 2004. The prospective financial statements and performance expectations, prepared in accordance with generally accepted accounting standards for this Statement of Performance Expectations, were not audited and may not be relied upon for any other purpose.

The Board acknowledges responsibility for the preparation of this Statement of Performance Expectations, which reflects the forecast performance and the forecast financial position of the Commission for the financial year ending 30 June 2026.



**Hon Simon Moore KC**  
Chair

Pou Kaiāwhā,  
Te Kaitiaki Take Kōwhiri



**Jane Meares**  
Deputy Chair

Pou Kaiāwhā,  
Te Kaitiaki Take Kōwhiri



**Karl Le Quesne**  
Chief Electoral Officer

Pou Kaiāwhā,  
Te Kaitiaki Take Kōwhiri

## Tauākī haepapa

He mea whakarite tēnei Tauākī Paearu Kawatau i raro i te mana whakaū o te tekiana 149C me te 149CA o te Ture Hinonga Karauna 2004. Ko te tauākī ahumoni e matapaetia ana, me ngā ritenga kawatau, i whakaritea i ngā paerewa kaute e tika ana mō tēnei TPK, kāhore i oti te tātari kaute, ā, kāhore peangē e tika kia whakamahi mā ētahi kaupapa kē atu.

Nā te Poari te mana whakahaere ki te whakarite i te TPK, hei whakaatu i ngā paearu e matapaetia ana, ā, ko te matapae hoki i te paearu ahumoni o Te Kaitiaki Take Kōwhiri tātū atu ki te tau ahumoni rā aukati a te 30 o Hune 2026.

## Our purpose

The Electoral Commission, Te Kaitiaki Take Kōwhiri, is an independent Crown entity established by the Electoral Act 1993 (the Act). Our name Te Kaitiaki Take Kōwhiri means ‘the guardian of the choice’ and reflects our responsibility as kaitiaki (guardian) of New Zealand’s electoral system.

Our purpose, as defined in the Act, is to administer New Zealand’s electoral system impartially, efficiently, effectively, and in a way that:

- facilitates participation in parliamentary democracy
- promotes understanding of the electoral system, and
- maintains confidence in the administration of the electoral system.

Our work contributes to a healthy democracy in New Zealand by providing an electoral system people can have trust and confidence in as well as helping people to take part in electoral processes. We also help safeguard democracy in the region by supporting our Pacific neighbours to conduct their elections by offering technical assistance through the New Zealand Aid Programme. Our regular activities are depicted on the following page.

While we are part of the public sector, we work independently from government, staying neutral and upholding electoral law. We are supported by the Ministry of Justice Te Tāhū o te Ture as our monitoring department and funded through the Vote Justice non-departmental output class ‘General Election and Electoral Services’.

## Our people

We are a team of 156 permanent staff. Our workforce expands significantly in the lead up to a general election as we recruit staff to fill approximately 24,000 temporary roles.

We are led by a Board of three, the Chair, Deputy Chair and Chief Electoral Officer. The Chief Electoral Officer is the Chief Executive of the Commission.

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**Our work contributes to a healthy democracy in New Zealand**

## What we do

### **Deliver parliamentary elections**

We deliver New Zealand's general elections. We conduct parliamentary by-elections and referendums as required.

### **Post-election review and reporting**

After each general election we review the election and provide a comprehensive report on what improvements can be made to election delivery and electoral laws.

### **Provide information and education**

We educate New Zealanders about the electoral system and the part they play by enrolling and voting in parliamentary elections.

### **Manage compliance of election participants**

We provide parties and candidates with information on how to take part and how to meet their statutory obligations. We register and de-register political parties and administer candidate nominations.

### **Provide support to other countries**

We provide technical assistance to neighbouring countries in the Pacific to help them prepare for and conduct their electoral events.

### **Support electoral policy development**

We use our knowledge and experience to provide operational advice on electoral policy development and legislative reviews.

### **Maintain electoral rolls**

We register electors and keep the electoral rolls up to date and accurate.

### **Enable the Māori Electoral Option**

We enable eligible voters of Māori descent to choose which electoral roll to be on – the general roll or the Māori roll and provide ongoing information about the choice to Māori electors.

### **Support enrolment for local elections**

We provide Māori Electoral Option information and deliver an enrolment update campaign before local elections and provide enrolment data to support local elections.

### **Administer the Election Access Fund**

We administer and report on the Fund that supports disabled people to seek selection and stand as candidates in general elections and by-elections.

### **Allocate broadcasting funding**

Before each general election we allocate funding for broadcasting and advertising to eligible parties.

### **Support the Representation Commission**

Every five years we support the Representation Commission, an independent body that reviews the boundaries and names of electorates.



## Our values

We reference our values as poutokomanawa – the central pole of a wharenui. Like poutokomanawa, our values underpin everything we do.

### Uakaha

**Ka uakaha, ka hihiri hoki, te mamahi**

**Being dynamic and energetic in what we do**

The eyes of the poutokomanawa symbolise our strength and unwavering energy. This vitality drives us to innovate, breaking down barriers to participation and enhancing enrolment and voting. We embrace change with enthusiasm, uplifting each other and striving for continuous improvement to deliver fair and unbiased elections.

### Tūhonohono

**Ka taura heretia ai ngā tūhonohono tāngata e tupu ai te pūnaha manapori**

**Bringing people together to increase participation in democracy**

The poutokomanawa provides a secure foundation and connection to the land, maintaining unique relationships and identities. This connection promotes self-determination requiring inclusive community-led approaches that respect diverse ways of being and decision-making. We empower communities, we foster collective participation, and achieve equitable and improved outcomes.

### Arataki

**Ka aratakina kia mārama**  
**Guiding towards greater understanding and empowerment**

The poutokomanawa connects Ranginui and Papatūānuku, and defines the space between – te ao mārama, a space of enlightenment and clarity. This clarity guides us to protect democracy by acting with tika, transparency, and consistency. Through this commitment, we enable communities to lead and shape democracy, deepening understanding and creating opportunities for meaningful engagement and growth.

### Tika

**Mahia kia tika, kia titika te mahi**

**Doing the right things. Doing things right!**

The face of this poutokomanawa binds us to our whakapapa, connecting us to the wisdom and responsibilities of our lineage. This connection ensures our actions align with integrity, fairness, and professionalism. We uphold the highest standards, fostering equitable participation and working impartially with accountability and pragmatism – always striving to do what is right.

### Manaaki

**Ka māhaki ngākau nui ai, ka whakamana**

**Demonstrating generosity and empowering people**

The taratara-a-kai pattern on this waka taonga symbolizes our commitment to manaaki, reflecting our interconnectedness and care. As guardians of democracy, we ensure that diverse perspectives are heard and will influence our service and systems. We cultivate a supportive, respectful environment that values people, empowers communities, and strengthens leadership.





## Our strategic performance framework

Our strategic performance framework guides our work and informs the choices we make. It also provides a way of evaluating whether we are making good progress towards our outcomes, delivering our services effectively and managing the organisation well.

Our **outcome** and **impacts** are the results we aim to achieve for New Zealand through our work. Our impacts are aligned to our statutory objectives as set out in the Act.

Through our **activities**, we deliver services and information to New Zealanders and contribute to achieving our outcome and impacts.

Our **enablers** are the resources we need to manage well so we can be effective both now and in the future.

Our **strategic priorities** are where we will direct our focus over the next four or more years to respond to challenges and opportunities in our operating environment and ensure we achieve our outcome and impacts.



# What we will deliver in 2025/26

## Ā mātau whaingā mō ngā tau 2025/26

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### **This section outlines what we plan to deliver in 2025/26.**

It includes work that we intend to fund from part of a \$16.367m contingency fund established through Budget 25, if we meet the criteria to draw down funding. The contingency fund is for improvements to the integrity of the electoral system processes and quality controls, to reduce the number of special votes, and improve timeliness.

### **The year ahead**

In 2025/26 the primary focus of the Commission's work will be preparing for a robust and efficient General Election in 2026, including a potential referendum. We are now in the second phase of our programme in which we build improvements, make preparations, and test and rehearse our systems and processes. As we do this work, we are enhancing our risk management, assurance and governance activities. We are prioritising addressing the recommendations of reviews, including the Auditor-General's review of our quality assurance processes and controls for the official vote count,<sup>1</sup> and will be implementing improvements to our processes and controls that can be achieved this electoral cycle.

We will also be supporting the local elections on 11 October 2025 by providing electoral roll data and enrolment support to election providers. Our enrolment update and Māori Electoral Option campaign for the local elections is already underway. We will also continue to provide support to the Representation Commission for the review of New Zealand's electoral boundaries that will conclude in August 2025.

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**In 2025/26 the primary focus of the Commission's work will be preparing for a robust and efficient General Election in 2026**




1. The report is available at: <https://oag.parliament.nz/2024/election-2023>

Alongside these activities, we will continue to deliver our regular enrolment, information and education work and to undertake our regulatory responsibilities. We will also continue to work with and provide advice and information to the Ministry of Justice on policy proposals that would support greater efficiency and timeliness, cost savings and modernisation of the electoral system and will prepare to implement any legislative changes.

We have developed new strategic priorities for the organisation, as discussed in the next section, and will be ensuring these guide our work and that our staff understand them. During the year we will be focused both on what we can achieve before the 2026 General Election as well as preparing for change that will take more than one electoral cycle to address.

### **Our strategic priorities**

Our strategic priorities are where we will direct our focus over the next four or more years to respond to challenges and opportunities in our operating environment and ensure we achieve our outcome and impacts.

-  **Priority 1: Strengthening our foundations**
-  **Priority 2: Modernising electoral services**
-  **Priority 3: Building knowledge and trust**



## **Priority 1:** **Strengthening our foundations**

### **What we mean**

Our foundations are the resources that enable us to run the Commission and administer the electoral system effectively and efficiently. This includes our funding, people, processes and controls, technology systems and other assets. We have been investing in our capability since a review in 2021 identified gaps, and we need to continue that investment, such as in risk and assurance and programme and change management. We can also make better use of data and technology. Reviews of the 2023 General Election highlighted that we also need to improve our processes and controls, how they are documented and to streamline and make our processes and technology systems less complex. We need funding certainty to plan effectively and to invest in longer-term improvements. To meet the challenges facing the electoral system we also require strong governance in a broad range of areas.

### **Why this is a priority**

Delivering an election with high integrity, with a temporary workforce comprising over 24,000 roles requires a strong foundation of governance, processes, technology, training, and risk management.

This priority will help us to manage the impacts of population growth and changing voter behaviour on the electoral system in the short term, while also providing a strong foundation for modernisation. It will provide assurance that we are operating both our organisation and the electoral system efficiently and effectively, and that our systems, processes and controls will protect the integrity of the electoral system.

### How we will progress this priority in 2025/26

In 2025/26 we will:

- ✓ embed our new risk management policy and framework and processes into key operational areas of the organisation and design the risk management approach for the 2026 General Election
- ✓ simplify and streamline critical election processes to remove complex steps and reduce the risk of errors
- ✓ make improvements to our assurance controls for enrolment and post-election processes, including some automation of controls
- ✓ undertake assurance reviews of some of our key election processes to ensure they will be effective
- ✓ expand the Board's skillset by seeking additional expertise in areas of key importance to the Commission.

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**Delivering an election with high integrity, with a temporary workforce comprising over 24,000 roles requires a strong foundation of governance, processes, technology, training, and risk management**





## **Priority 2:** **Modernising electoral services**


### **What we mean**

There are opportunities to use technology and change system settings to improve the efficiency, timeliness and integrity of electoral processes. For example, opportunities exist to use data from other agencies to update electors' details when these change and then to gain assurance that those details are correct by contacting electors through a range of channels. This would increase the ongoing accuracy of the electoral rolls and would reduce enrolment activity during the election period, enabling staff to focus on the operation of voting places and the critical official count processes.

There are also technologies that have the potential to bring efficiencies to voting and vote count processes, such as the ability to electronically mark off the electoral rolls and to digitally scan and count votes. There are also opportunities to communicate and deliver enrolment and voting services in ways that better meet electors' expectations, which will support participation.

### **Why this is a priority**

Many of these opportunities require legislative change, investment in improved processes and technology, and carefully phased implementation. The benefits will take several electoral cycles to achieve. This work needs to start now, as without modernisation it will become increasingly challenging and unsustainable to conduct elections and to deliver accurate official results within statutory timeframes.



Growth in the overall voting population and the growing volume and complexity of transactions is putting pressure on a manual, time-bound electoral system. Furthermore, industries that we rely on to deliver elections, such as print and paper are impacted by lengthening supply chains and increasing costs, and post is similarly becoming more expensive and being delivered less frequently. This impacts timeliness and reach.

#### **How we will progress this priority in 2025/26**

Our work in this area is dependent on changes to legislation. We made recommendations to enable these changes in our report on the 2023 General Election. The work outlined below is based on current legislative settings.

In 2025/26 we will:

- ✓ encourage electors to provide us with email addresses and mobile numbers as well as postal addresses
- ✓ make greater use of digital channels to communicate with electors, where permitted by legislation
- ✓ develop the foundations for future automatic enrolment updates using existing data matching provisions
- ✓ start to investigate the benefits of different election delivery technologies and develop a business case for investment
- ✓ continue to advise on policy options and the investment needed so longer-term modernisation can continue after the 2026 General Election.



## **Priority 3:** **Building knowledge and trust**

### **What we mean**

The objectives in the Electoral Act require us to ensure New Zealanders understand the electoral system and have trust and confidence in its administration. Maintaining a strong base of understanding, trust and confidence is essential to ensuring high levels of participation and trust in the legitimacy of election results, which facilitate the smooth transfer of power.

Ensuring trust is an outcome of many factors. It requires us to increase people's understanding, be transparent as an organisation about how we work, build strong relationships and tell the story of the importance of a high performing electoral system to New Zealand. It also means removing barriers that create distrust for some voters.

### **Why this is a priority**

Building knowledge and trust is a priority because of a trend of declining trust in government and challenges to democracies internationally.

New Zealanders are regularly exposed to information of varying accuracy about international elections that may encourage them to question their own electoral system.

Building knowledge and trust will also help New Zealanders to adapt to change as we modernise the electoral system, and implement policy changes that may be made, for instance a four-year term of Parliament. It is also possible that we may be asked to take on a different and much larger role in local elections.

## How we will progress this priority in 2025/26

In 2025/26 we will:

- ✓ publish updates on our work, the improvements we are making and why
- ✓ continue to support work across the Pacific to strengthen support for democratic elections in our region
- ✓ deliver targeted education and knowledge building to groups with lower levels of participation in the electoral system
- ✓ work with communities on the design of information and election services that reflect their needs and help to increase understanding and confidence.

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**Maintaining a strong base of understanding, trust and confidence is essential to ensuring high levels of participation and trust in the legitimacy of election results, which facilitate the smooth transfer of power**

## Our main activities

Through our activities we deliver services and information to New Zealanders and contribute to achieving our impacts and outcome.

### Delivering elections and referendums

We are responsible for running parliamentary elections and referendums. The general election is one of New Zealand's largest public

events and running it is a complicated logistical exercise. Our planning, preparation, delivery and review of a general election spans the three-year electoral cycle.

We aim to deliver safe, reliable and cost-effective electoral events with voting services that all New Zealanders can access if they choose to do so and official results the public can have confidence in.



### What we plan to do in 2025/26

In 2025/26 we will continue our planning and preparations for the 2026 General Election and a potential referendum.

This includes:

- completing the design of the election and confirming our planning assumptions and performance measures and targets
- completing the design, testing and implementation of assurance controls to ensure the integrity of post-election processes, including the preliminary and official vote counts
- procuring 64 electorate headquarters and commencing voting place assessments
- running tests and simulations on headquarters processes, voting place processes and the technology systems and training that support them
- making further improvements identified during testing and simulation
- procuring a ballot paper supplier and ordering bulk supplies of cardboard and paper
- generating and updating process, instructional and training documentation and materials
- starting to recruit and train our temporary workforce, including regional administrators and training managers, and electorate managers and headquarters staff
- finalising our guidance to staff on ensuring the political neutrality of voting places.



### **Providing enrolment services and maintaining electoral rolls**

We provide online and paper-based enrolment processes for voters, aiming to make it as simple as possible for New Zealanders to register and keep their enrolment details current. We keep the electoral rolls up to date and accurate so all registered voters can take part in elections and elections run smoothly.

We also supply electoral rolls to local authorities for use in local elections and support local authorities with enrolment-related processes during local elections.



### **What we plan to do in 2025/26**

In addition to providing ongoing enrolment services and roll updates, in 2025/26 we will:

- support local elections by providing electoral roll data extracts to election providers and other enrolment support
- recruit and train staff to support enrolment activities for the general election, including the pre-election enrolment and Māori Electoral Option updates
- implement improvements to our enrolment data integrity and assurance processes
- implement changes to our online enrolment platform that will automate some backend processes and improve user experience.

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**The general election is one of New Zealand's largest public events and running it is a complicated logistical exercise**

## **Providing information and education about the electoral system, enrolling and voting**

We provide information about the electoral system in a range of formats, tailored to meet the needs of different participants in the electoral system, such as prospective voters, candidates, parties, third-party promoters, media and members of parliament. In addition, we deliver online and face-to-face education activities, particularly in communities with lower levels of participation.

Some of our public information and education activities are ongoing, for instance those targeting New Zealanders who are turning 18 and becoming eligible to enrol or those moving address. We also run enrolment and Māori Electoral Option updates before general and local elections.



### **What we plan to do in 2025/26**

In addition to our ongoing provision of information and education activities about the electoral system, enrolment and the Māori Electoral Option, in 2025/26 we will:

- complete delivery of the enrolment update and Māori Electoral Option campaign for the 2025 local elections
- deliver public information to support the Representation Commission's release of updated electorate boundaries
- develop and start to implement our overarching information and education programme for the 2026 General Election, which will include enrolment and Māori Electoral Option update activities, a recruitment campaign and information on where and how to vote and any changes to legislated delivery that affects voters.

### **Administering electoral law**

We have a role in upholding electoral law and ensuring election participants meet their obligations under the Electoral Act 1993. This includes ensuring that only eligible votes are counted, that political parties, candidates and others follow electoral finance and advertising rules, and that where required third-party promoters are registered. Our role includes providing guidance for participants to understand and meet their obligations, managing complaints and where applicable referring apparent breaches to Police.



### **What we plan to do in 2025/26**

In 2025/26 we will continue to meet our regulatory functions, including managing ongoing compliance obligations of registered political parties for donations and loans, membership requirements and annual financial statements. We will also:

- update and distribute guidance to parties, candidates and third parties for the 2026 General Election
- prepare to implement any legislative changes that come into effect before the 2026 General Election.

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**Our role includes providing guidance for participants to understand and meet their obligations, managing complaints and where applicable referring apparent breaches to Police**

## Our enablers

Our enablers are the resources we need to manage well so we can be effective both now and in the future.

### Our independence and reputation

Our independence and reputation are critical to ensuring the electoral system operates fairly and impartially, so that New Zealanders have trust and confidence in the electoral system. As distrust in government institutions and dissatisfaction with democracies increases internationally, it is vital that we maintain our reputation as independent and trustworthy.



#### What we plan to do in 2025/26

In 2025/26 we will:

- inform people more about how elections are delivered and how we ensure they are fair and impartial, and the integrity of the process and results
- provide an update on our progress addressing recommendations from the Auditor-General's review of our assurance processes and controls for the official vote count
- ensure our staff understand the importance of political neutrality in their work
- continue to focus on meeting all of our statutory responsibilities.

## Our people

The capability of our people – both our permanent and temporary election workforces – underpins the performance of the organisation. We aim to build a healthy, safe, high-performing organisation that attracts, engages and retains talent.



#### What we plan to do in 2025/26

In 2025/26 we will:

- make improvements to how we recruit people into our temporary workforce to get the right skills and experience to deliver electoral services
- make improvements to our training materials for our temporary election workforce, which will include understanding and implementing assurance controls for enrolment and election delivery
- review our health and safety guardrails, for both permanent and temporary staff.

## Our relationships

Our relationships are critical to our work. We would not be able to deliver the general election, without significant support from other government agencies, our third-party suppliers and communities. Through our relationships we also gain insights into the needs of the diverse communities that we serve and reach people who are not currently enrolled or participating in voting.

Our relationships with electoral management bodies in Australia and the Pacific also influence the work we do. We discuss shared challenges and identify opportunities to improve or bring efficiencies to the way New Zealand's electoral system operates. We are also funded by the Ministry of Foreign Affairs and Trade to deliver a programme of work to support our Pacific neighbours to run their electoral events.



## What we plan to do in 2025/26

In 2025/26 we will:

- ensure we are managing our key relationships well
- develop a new accessibility strategy informed by insights from disabled communities
- develop an action plan focused on improving enrolment and participation levels for groups that participate at lower levels, such as youth, Māori, Pasifika and ethnic communities.

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**It is vital that we maintain our reputation as independent and trustworthy**



## Our finances and assets

As an organisation whose key cost drivers are strongly impacted by inflation, effective financial management involves making some challenging decisions about how to invest our funding. It also involves making smart procurement decisions, and ensuring we have effective financial processes and controls in place.

Our key assets are our technology systems, including our core enrolment and election management systems, and the physical equipment and supplies that we procure and hold in readiness for elections. They are critical to running elections and delivering timely and accurate election results.



## What we plan to do in 2025/26

In 2025/26 we will:

- continue to look for cost efficiencies as we scale up for election delivery, including for supplies, property and technology
- implement e-invoicing, which will speed up payments, reduce administration and bring added cyber-security benefits
- continue to strengthen the security of our technology systems
- work with our storage supplier to relocate voting place equipment to alternate locations as part of disaster recovery and resilience planning for the 2026 General Election.

## **Our information, data and processes**

Continuing to improve our use of information and data and improve our delivery processes are both critical to our effectiveness. We need to ensure that information and data is accurate and authoritative, protected where appropriate, and able to be shared and reused where there is public value and sharing is permitted by law. We need a strong base of electoral and corporate processes that are streamlined, regularly reviewed and well understood.



### **What we plan to do in 2025/26**

In 2025/26 we will:

- update our information management, open data and cyber security policies and communicate these to staff
- develop a framework to assess and approve data for publishing
- streamline and improve key election delivery processes
- implement a new intranet and develop new content for staff to support them in their work.

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**We need to ensure that information and data is accurate and authoritative, protected where appropriate, and able to be shared and reused where there is public value and sharing is permitted by law**

# How we will measure our performance

## Ko te arotake i ā mātou mahi

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### Our outcome and impacts



#### **Outcome:** Healthy democracy in New Zealand

##### **Desired direction of travel: Maintain**

##### **Why this is important**

A healthy democracy enables political, economic and social stability and protects the rights of citizens to be equal and to vote or stand for election to a governing body.

##### **How our work contributes to this outcome**

Free and fair elections are a key contributor to a healthy democracy. We aim to ensure all eligible New Zealanders can enrol and vote. Through our work we protect their rights to vote freely without fear or intimidation, to have their vote remain secret, and to have confidence that their vote will be counted and reported accurately.

##### **How we will assess our performance**

We will monitor New Zealand's rankings in international democracy indexes, for instance the Economist Intelligence Unit's annual Democracy Index,<sup>2</sup> and include this as supporting information in our annual reports.

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**Free and fair elections  
are a key contributor to  
a healthy democracy**

2. Reports are available at: <https://www.eiu.com/n/global-themes/democracy-index/>



## **Impact 1:**

**New Zealanders have opportunities to take part in parliamentary democracy**

**Desired direction of travel: Maintain or improve**

### **Why this is important**

A healthy democracy requires high participation rates by voters to legitimise the exercise of power by government.

Eligible New Zealanders have a democratic right to enrol and vote. They also have the right to run for the House of Representatives.

### **How our work contributes to this impact**

To vote, New Zealanders must be enrolled. While voting is voluntary, it is compulsory to register (enrol) if you are eligible to do so.

We provide services that allow all eligible New Zealanders to enrol and keep their enrolment details current and provide them opportunities to vote. We achieve this through the design and delivery of our enrolment and voting services, through awareness campaigns, and ongoing information and education activities.

Other ways the Commission facilitates participation in parliamentary democracy are by:

- ✓ providing information for political parties and candidates and administering party registrations and candidate nominations
- ✓ administering the Election Access Fund that covers disability-related costs for disabled people seeking selection to be a candidate or campaigning as a candidate
- ✓ allocating and distributing broadcasting funding to registered political parties
- ✓ encouraging a diverse range of people to apply to work with us, including in temporary election roles.

### How we will assess our performance

We monitor enrolment levels on an ongoing basis and set measures for all New Zealanders, as well as Māori and youth.<sup>3</sup> In a general election year, we also measure both peak enrolment levels when enrolment closes for the election and voter turnout. We recently also set a measure for turnout at by-elections.

The table below contains our measures for 2025/26.

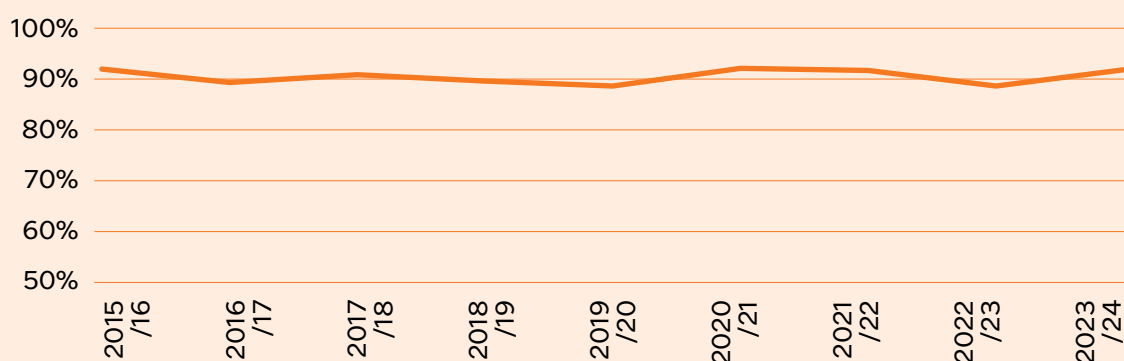
Measure	Target	Comparative
Percentage of eligible population enrolled to vote (average for the period)*	85% or greater	Refer to graph 1
Percentage of eligible 18 to 24-year-olds enrolled to vote (average for the period)	60% or greater	Refer to graph 2
Number of people of Māori descent enrolled to vote (average for the period) <sup>4</sup>	0.546m	Refer to graph 3
By-election (if applicable): Percentage of enrolled people who cast a vote	35% or greater	2023 Port Waikato by-election: 35.9% 2022 Hamilton West by-election: 31.4% 2022 Tauranga by-election: 40.5%

\* Estimates of Appropriations measure

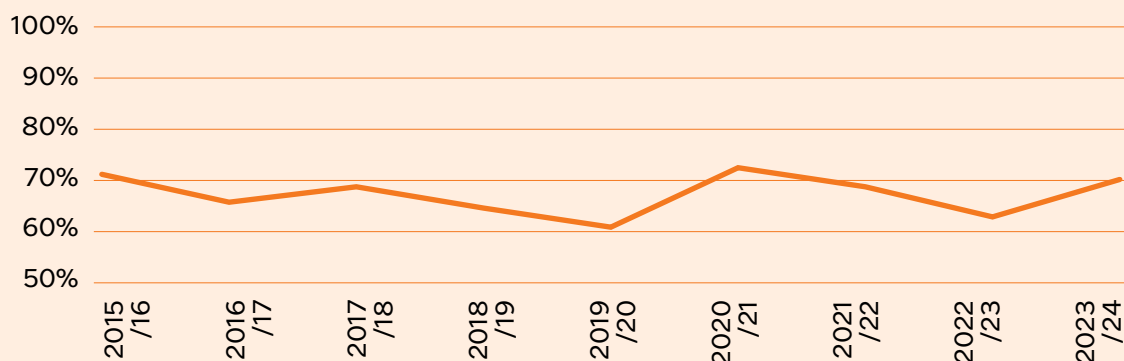
3. We are interested in all groups with historically low levels of participation, which include Māori, Pasifika and other ethnic communities, disabled people and youth. Māori and youth are the only two of these groups we can identify from enrolment data, as the personal information we are allowed to collect with enrolments is limited.
4. The Commission does not receive population estimates for people of Māori descent so is unable to calculate the percentage of eligible people of Māori descent who are enrolled.



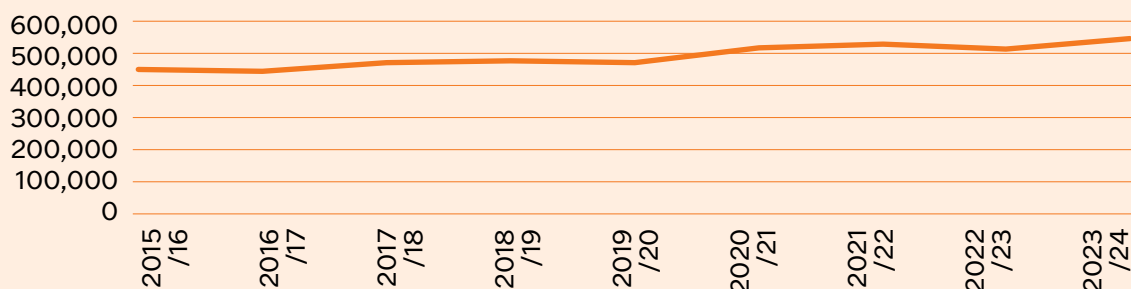
**Graph 1: Percentage of eligible population enrolled to vote**



**Graph 2: Percentage of eligible 18 to 24-year-olds enrolled to vote**



**Graph 3: Number of people of Māori descent enrolled to vote**





## **Impact 2:**

**New Zealanders have trust and confidence in the administration of the electoral system**

### **Desired direction of travel: Maintain**

#### **Why this is important**

Public trust and confidence in the electoral system is vital to a healthy democracy. Without trust and confidence people will not take part in elections or trust election results. Confidence and participation are closely related. High participation rates both require and reinforce people's confidence in the electoral system and election results. Personal and community experiences of participation likewise affect confidence.

#### **How our work contributes to this impact**

While there are many external factors that affect public confidence, we can influence confidence by ensuring we administer the aspects of the electoral system we are responsible for effectively and by maintaining our reputation as impartial and independent. Our approach to building confidence includes:

- ✓ providing public information about electoral processes and our work that is easy to understand, accessible and accurate
- ✓ building active and enduring relationships with communities across the country, particularly in communities with low levels of participation
- ✓ delivering enrolment and voting services that consider the needs of communities and ensuring elections run efficiently
- ✓ performing our compliance activities.

### How we will assess our performance

We are now surveying a sample of voters and non-voters annually to monitor levels of confidence in the Commission and our staff during and across electoral cycles. Prior to 2023/24 we only measured this once every three years, after each general election. Although we are setting annual measures and targets, we are still building our baseline understanding of how levels fluctuate during an electoral cycle. We are anticipating a decline in confidence between elections as seen in other jurisdictions and will review the measures once a baseline is established for a full cycle.

The table below contains our measures for 2025/26.

Measure	Target	Comparative
Percentage of surveyed eligible voters who have 'total or high' confidence the Electoral Commission conducts Parliamentary elections fairly in New Zealand*	76% or greater	2024/25 survey result: 66%**
Percentage of surveyed eligible voters who have 'total or high' confidence that Electoral Commission staff conduct Parliamentary elections impartially in New Zealand	76% or greater	2024/25 survey result: 63%**

\* Estimates of Appropriations measure

\*\* Unaudited result. Confirmed results will be included in our annual report 2024/25.



## **Impact 3:**

### **New Zealanders understand the electoral system**

#### **Desired direction of travel: Improve**

#### **Why this is important**

Understanding how the electoral system works helps people to have confidence in the system and to take part.

#### **How our work contributes to this impact**

We help people to understand:

- ✓ why their vote matters
- ✓ how the electoral system works and contributes to healthy democracy in New Zealand
- ✓ when and how to enrol and vote and take part as candidates, political parties, third-party promoters or as part of our temporary workforce.

We promote understanding of the electoral system by:

- ✓ producing clear and accurate public information about the electoral system in a range of formats, which we share through our website and social media channels, public advertising campaigns, face-to-face and online education activities, and direct communications with registered voters
- ✓ developing and publishing guidance and information for candidates, parties and third-party promoters
- ✓ providing proactive information to media and responding to people who come to us with questions.

### How we will assess our performance

We are now surveying a sample of voters and non-voters annually to monitor levels of understanding of enrolment and voting processes during and across electoral cycles. Prior to 2023/24 we only measured this once every three years, after each general election. Although we are setting annual measures and targets, we are still building our baseline understanding of how levels fluctuate during an electoral cycle.

The table below contains our measures for 2025/26.

Measure	Target	Comparative
Percentage of survey respondents that report a good or very good understanding of the process for voting in New Zealand*	88% or greater	2024/25 survey result: 92%**
Percentage of survey respondents that report a good or very good understanding of the process for enrolment in New Zealand	88% or greater	2024/25 survey result: 90%**
Percentage of people of Māori descent surveyed that demonstrate a good understanding of the Māori Electoral Option	65% or greater	2024/25 survey result: 60%**

\* Estimates of Appropriations measure

\*\* Unaudited result. Confirmed results will be included in our annual report 2024/25.

## Our main activities

### Delivering elections and referendums

#### How we will assess our performance

Our work to deliver general elections spans the full three-year electoral cycle. It is important that we can assess the effectiveness of both election readiness and preparations, as well as election delivery and integrity.

The table below contains our measures for 2025/26 and reflects where we are in the electoral cycle. We also have measures for by-elections, if any are held. We will be reviewing our election-related measures during 2025/26 and ensuring we have clear measures and targets in place before the 2026 General Election.

Measure	What it demonstrates	Target	Comparative
Design of key election processes are assessed as likely to be effective	Election readiness	Achieved	New measure in 2024/25
By-election (if applicable): Official result certificates for the electorate are signed by both the electorate Returning Officer and the attending Justice of the Peace	Election result integrity	Achieved	2023 Port Waikato by-election: Achieved 2022 Hamilton West by-election: Achieved 2022 Tauranga by-election: Achieved
By-election (if applicable): Preliminary results start to be publicly released by 7.30pm on the day of the by-election	Timeliness of our services	Achieved	2023 Port Waikato by-election: Achieved 2022 Hamilton West by-election: Achieved 2022 Tauranga by-election: Achieved
By-election (if applicable): Official results are declared by or on the date scheduled	Timeliness of our services	Achieved	2023 Port Waikato by-election: Achieved 2022 Hamilton West by-election: Achieved 2022 Tauranga by-election: Achieved

Providing enrolment services  
and maintaining electoral rolls

The table below contains our measures  
for 2025/26.

How we will assess our performance

Measure	What it demonstrates	Target	Comparative
Percentage of enrolment transactions that are conducted digitally	Accessibility and efficiency of our services	50%	2023/24 result: 59.0%
Percentage of reviewed electoral roll changes requiring no correction	Roll accuracy and integrity	98.5% or greater	New measure 2024/25



## Providing information and education about democracy, voting and enrolling

### How we will assess our performance

The table below contains our measures for 2025/26.

Please note that three of the measures are also measures for our impact related to increasing understanding. We will develop new measures during 2025/26 that will more directly measure the effectiveness of our information and education activities and will replace these measures in 2026/27.

Measure	What it demonstrates	Target	Comparative
Percentage of survey respondents that report a good or very good understanding of the process for voting in New Zealand*	Impact of information and education	88% or greater	2024/25 survey result: 92%**
Percentage of survey respondents that report a good or very good understanding of the process for enrolment in New Zealand	Impact of information and education	88% or greater	2024/25 survey result: 90%**
Percentage of people of Māori descent surveyed that demonstrate a good understanding of the Māori Electoral Option	Impact of information and education	65% or greater	2024/25 survey result: 60%**
Percentage of advisory opinions issued within 5 working days***	Timeliness of our advice	95% or greater	2023/24 result: 99.7%

\* Estimates of Appropriation measures

\*\* Unaudited result. Confirmed results will be included in our annual report 2024/25.

\*\*\* We do have a measure for the quality of advisory opinions. It is based on a survey conducted every 18 months and will next be measured in 2026/27.

## Administering electoral regulation

### How we will assess our performance

The table below contains our measures for 2025/26.

Measure	What it demonstrates	Target	Comparative
Percentage of failures by a party, candidate or third party to file a relevant return of expenses, donations, or loans, or financial statement, that are followed up within 5 working days	Timeliness of regulatory activities	95% or greater	2023/24 result: 100%
Percentage of allegations of electoral finance or advertising breaches of the Electoral Act that are acknowledged, and follow-up initiated if required, within 10 working days of receipt	Timeliness of regulatory activities	90% or greater	2023/24 result: 99.1%

## Our enablers

Our enablers are the resources we need to manage well so we can be effective both now and in the future:



**Our independence and reputation**



**Our people**



**Our relationships**



**Our finances and assets**



**Our data, information and processes**

## How we will assess our performance

We will monitor and report on key metrics where relevant, for instance unplanned turnover of permanent and fixed term staff and our ranking in the Verian Public Sector Reputation Index.

## **Notes to the performance measures**

Our measures are designed to be meaningful to Parliament and the public and to align with best practice guidance for Crown entities as well as the requirements of the Public Benefit Entity Financial Reporting Standard 48 Service Performance Reporting (PBE FRS 48).

We refreshed our performance reporting framework in 2024/25. As indicated in the section above, we still have further work to do to review and develop some measures. This work will be undertaken during 2025/26.

## **Critical reporting judgements, estimates and assumptions**

Aspects of our work align with the three-year general election cycle. Some of our impact and output measures are only relevant in a general election year and are not included in this Statement of Performance Expectations.

Enrolment measure targets and calculations are based on population estimates provided annually by Statistics New Zealand. Enrolment levels fluctuate during an electoral cycle, depending on the timing of elections, enrolment campaigns, roll maintenance activities and updates to our population estimates. To minimise the impact of these variables, our annual results are based on daily results averaged across the period. Targets for enrolment rates are set for the whole electoral cycle; however, we expect levels to fluctuate and will explain this in our reporting.

## Prospective summary of outputs and output expenses

### For the year ending 30 June

	2024/25 Forecast \$000	2025/26 Budget \$000	2026/27 Forecast \$000
<b>Provision of Electoral Services</b>			
<b>OUTPUT REVENUE</b>			
Crown revenue	50,755	81,764	158,791
Other revenue	885	783	910
<b>Total output revenue</b>	<b>51,640</b>	<b>82,547</b>	<b>159,701</b>
<b>OUTPUT EXPENDITURE</b>			
Output Area 1: Delivering elections and referendums	26,097	63,941	116,819
Output Area 2: Providing enrolment services and maintaining electoral rolls	11,151	7,057	21,106
Output Area 3: Providing information and education about the electoral system, enrolling and voting	7,207	15,567	15,296
Output Area 4: Administering electoral regulation	1,091	1,594	1,578
<b>Total output expenditure</b>	<b>45,546</b>	<b>88,159</b>	<b>154,799</b>
<b>Operating surplus / (deficit) from electoral services</b>	<b>6,094</b>	<b>(5,612)</b>	<b>4,902</b>
<b>Provision of Services from the Electoral Commission – Broadcasting Permanent Legislative Authority</b>			
Broadcasting allocation revenue	-	-	3,605
Broadcasting allocation expenditure	-	-	3,605
<b>Operating surplus / (deficit) from broadcasting PLA</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Activity</b>			
International assistance programme revenue	1,427	2,789	2,504
International assistance programme expenditure	1,427	2,789	2,504
<b>Operating surplus / (deficit) from international assistance programme</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net operating surplus / (deficit)</b>	<b>6,094</b>	<b>(5,612)</b>	<b>4,902</b>

# Prospective financial statements

## Ko te whakatakotoranga pūrongo pūtea

### Prospective statement of comprehensive revenue and expense

For the year ending 30 June

	2024/25 Forecast \$000	2025/26 Budget \$000	2026/27 Forecast \$000
<b>Revenue</b>			
Revenue from Crown			
– Core	34,110	33,047	34,721
– General election	3,497	39,763	122,897
– Local body election	8,721	2,818	-
– Māori electoral option	2,894	5,448	834
– Representation Commission	1,284	244	-
– Broadcasting allocation	-	-	3,605
– Election access fund	249	444	339
<i>Total revenue from Crown</i>	<i>50,755</i>	<i>81,764</i>	<i>162,396</i>
International assistance programme	1,427	2,789	2,504
Interest earned	792	600	800
Other income	93	183	110
<b>Total revenue</b>	<b>53,067</b>	<b>85,336</b>	<b>165,810</b>
<b>Expense</b>			
Employee related expenses	24,766	41,210	84,760
Computer and telecommunications	3,030	6,709	6,218
Occupancy costs	1,667	10,196	15,789
Office equipment	229	3,631	850
Specialist services	5,300	11,977	13,442
Travel expense	580	1,720	3,263
Advertising campaigns	1,935	8,679	10,525
Paper, printing and postage	8,066	5,351	24,104
Miscellaneous expenses	208	398	698
Depreciation and amortisation	1,021	912	1,084
Audit fees	171	165	175
<b>Total expenses</b>	<b>46,973</b>	<b>90,948</b>	<b>160,908</b>
<b>Surplus / (deficit)</b>	<b>6,094</b>	<b>(5,612)</b>	<b>4,902</b>
<b>Total comprehensive revenue and expense for the year</b>	<b>6,094</b>	<b>(5,612)</b>	<b>4,902</b>

Significant assumptions on the funding for 2025/26 and 2026/27 are explained on page 52.

## Prospective statement of financial position

As at 30 June

	2024/25 Forecast \$000	2025/26 Budget \$000	2026/27 Forecast \$000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	28,181	9,137	14,474
Debtors and other receivables	26	31	37
Goods and services tax receivable	-	1,400	170
Inventory	39	40	25
Prepayment (current)	341	600	500
<i>Total current assets</i>	<i>28,587</i>	<i>11,208</i>	<i>15,206</i>
<b>Non-current assets</b>			
Property, plant and equipment	290	202	616
Intangible assets	3,698	4,675	4,757
Prepayment (non-current)	54	100	70
<i>Total non-current assets</i>	<i>4,042</i>	<i>4,977</i>	<i>5,443</i>
<b>Total assets</b>	<b>32,629</b>	<b>16,185</b>	<b>20,649</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Revenue in advance	5,059	4,161	3,174
Creditors and other payables	8,285	1,200	1,500
Goods and services tax payable	2,197	-	-
Employee entitlements (current)	2,164	1,501	2,100
Provisions	370	370	-
<i>Total current liabilities</i>	<i>18,075</i>	<i>7,232</i>	<i>6,774</i>
<b>Non-current liabilities</b>			
Employee entitlements (non-current)	119	130	150
<i>Total non-current liabilities</i>	<i>119</i>	<i>130</i>	<i>150</i>
<b>Total liabilities</b>	<b>18,194</b>	<b>7,362</b>	<b>6,924</b>
<b>Net assets</b>	<b>14,435</b>	<b>8,823</b>	<b>13,725</b>
<b>Equity</b>			
Opening equity	8,341	14,435	8,823
Surplus / (deficit)	6,094	(5,612)	4,902
<b>Total equity</b>	<b>14,435</b>	<b>8,823</b>	<b>13,725</b>



## Prospective statement of changes in equity

### As at 30 June

	2024/25 Forecast \$000	2025/26 Budget \$000	2026/27 Forecast \$000
Opening balance at 1 July	8,341	14,435	8,823
Net comprehensive revenue and expense for the year	6,094	(5,612)	4,902
<b>Closing balance at 30 June</b>	<b>14,435</b>	<b>8,823</b>	<b>13,725</b>

## Prospective statement of cash flows

### For the year ending 30 June

	2024/25 Forecast \$000	2025/26 Budget \$000	2026/27 Forecast \$000
<b>Cash flows from operating activities</b>			
Receipts from Crown	50,876	81,690	162,427
Interest received	792	600	800
Receipts from other revenue	507	2,143	1,589
Payments to employee related expenses	(24,697)	(41,864)	(84,511)
Payments to suppliers	(14,045)	(56,216)	(74,618)
Goods and services tax (net)	2,363	(3,597)	1,230
<i>Net cash flows from operating activities</i>	<i>15,796</i>	<i>(17,244)</i>	<i>6,917</i>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	-	-	(500)
Purchase of intangible assets	(1,710)	(1,800)	(1,080)
Maturity of short-term investments	115,000	120,000	110,000
Placement of short-term investments	(115,000)	(120,000)	(110,000)
<i>Net cash flows from investing activities</i>	<i>(1,710)</i>	<i>(1,800)</i>	<i>(1,580)</i>
Net increase / (decrease) in cash and cash equivalents	14,086	(19,044)	5,337
Cash and cash equivalents at the beginning of the year	14,095	28,181	9,137
<b>Cash and cash equivalents at the end of the year</b>	<b>28,181</b>	<b>9,137</b>	<b>14,474</b>

**Prospective reconciliation of net surplus/(deficit) to net cash flow from operating activities**  
**For the year ending 30 June**

	2024/25 Forecast \$000	2025/26 Budget \$000	2026/27 Forecast \$000
<b>Net surplus / (deficit)</b>	<b>6,094</b>	<b>(5,612)</b>	<b>4,902</b>
<b>Add / (less) non-cash items</b>			
Depreciation and amortisation expense	1,021	912	1,084
(Increase) / decrease in prepayment (non-current)	15	(46)	30
Increase / (decrease) in employee entitlements (non-current)	-	11	20
<i>Total non-cash items</i>	<i>1,036</i>	<i>877</i>	<i>1,134</i>
<b>Working capital movements</b>			
(Increase) / decrease in debtors and other receivables	-	(5)	(6)
(Increase) / decrease in inventory	(11)	(1)	15
(Increase) / decrease in prepayment (current)	114	(259)	100
Increase / (decrease) in revenue in advance	(892)	(897)	(988)
Increase / (decrease) in creditors and other payables	7,022	(7,085)	300
Increase / (decrease) in goods and services tax	2,363	(3,597)	1,230
Increase / (decrease) in employee entitlements (current)	70	(665)	600
Increase / (decrease) in provisions	-	-	(370)
<i>Net movement in working capital</i>	<i>8,666</i>	<i>(12,509)</i>	<i>881</i>
<b>Net cash flows from operating activities</b>	<b>15,796</b>	<b>(17,244)</b>	<b>6,917</b>

# Notes to the prospective financial statements

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## Statement of accounting policies

### Reporting entity

The Electoral Commission is a Crown Entity defined by the Crown Entities Act 2004 and is domiciled and operates in New Zealand. As such the Electoral Commission's ultimate parent is the New Zealand Crown. The relevant legislation governing the Commission's operations includes the Electoral Act 1993, the Crown Entities Act 2004, the Broadcasting Act 1989, and the Referenda (Posting Voting) Act 2000.

The Commission's functions and responsibilities are set out in the Electoral Act 1993 and related legislation.

As the Commission's primary objective is to provide services for social benefit rather than for the purpose of making a financial return, the Commission has designated itself as a public benefit entity (PBE) for financial reporting under New Zealand equivalents to International Public Sector Accounting Standards (IPSAS).

### Statutory purpose

The Commission's statutory purpose is to administer the electoral system impartially, efficiently, effectively and in a way that:

- Facilitates participation in parliamentary democracy; and
- Promotes understanding of the electoral system; and
- Maintains confidence in the administration of the electoral system.

### Basis of preparation

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

### Statement of compliance

The prospective financial statements have been prepared in accordance with the requirements of the Crown Entities Act 2004 and the Electoral Act 1993, which includes the requirement to comply with the New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The prospective financial statements comply with NZ FRS 42 and Tier 1 Public Benefit Entity (PBE) accounting standards.

The prospective financial statements contain information that may not be appropriate for purposes other than those described in the Statement of responsibility on page 3.

### **Measurement basis**

The prospective financial statements have been prepared on an historical cost basis.

Except for cash flow information which has been prepared on a cash basis, the prospective financial statements have been prepared on the basis of accrual accounting.

### **Presentation currency and rounding**

The functional and presentation currency is New Zealand dollars. All values are rounded to the nearest thousand dollars (\$000) unless otherwise stated.

### **Changes in accounting policies**

There have been no changes in accounting policies.

## **Summary of significant accounting policies**

The following significant accounting policies, which materially affect the measurement of financial performance and financial position, have been applied:

### **Revenue**

Revenue is measured at the fair value of the consideration received or receivable.

The Commission earns revenue from:

- Crown funding through Vote Justice;
- Ministry contracts for the recovery of costs incurred (Ministry of Foreign Affairs and Trade for the Commission's International Assistance Programme activities and Te Puni Kōkiri for Māori affiliation services);
- Sale of electoral rolls and habitation index; and
- Interest revenue

### **Crown funding and Ministry contracts**

Revenue provided by the Crown and revenue earned under Ministry contracts are recognised in the Prospective statement of comprehensive revenue and expense in the period in which the Commission provides the funded programmes.

Revenue from the Crown is measured based on the Commission's funding entitlement for the reporting period.

### **Sale of electoral rolls and habitation index**

Revenue from sale of electoral roll and habitation index to businesses and the general public is recognised in the period in which it is earned.

### **Interest**

Interest revenue is recognised on a time-proportion basis using the effective interest method.

### **Monies held in the Trust Account**

The Trust Account for Nomination Deposits is administered on behalf of the Crown in accordance with Part VII of the Public Finance Act 1989. This trust account holds deposits received by individual nominees and political parties contesting by-elections and parliamentary elections.

Under the Electoral Act 1993 someone defined as a NZ person may donate more than \$1,500 to a party anonymously. The Commission collects and pays these monies without disclosure of either the payee or recipient.

Monies received for both nomination deposits and donations to a party are held in a separate bank account and are not included in the Commission's prospective financial statements.

### **Goods and services tax**

All items in the prospective financial statements are presented exclusive of Goods and Services Tax (GST), except receivables and payables, which are presented on a GST inclusive basis.

Where GST is not recoverable, it is recognised as part of the related asset or expense.

Net GST receivable or payable at balance date is separately disclosed under current assets or current liabilities in the Prospective statement of financial position as appropriate.

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

### **Income tax**

The Commission is a Public Authority in terms of the Income Tax Act 2004 and is consequently exempt from the payment of income tax. Accordingly, no charge for income tax has been provided for.

### **Payment of any surplus to the Crown**

Section 165 of the Crown Entities Act 2004 provides the Minister of Finance with discretion to require Crown Entities to return annual and accumulated operating surpluses to the Crown.

### **Foreign currency transactions**

Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into New Zealand dollars (the functional currency) using the exchange rates prevailing at the transaction date. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates of foreign currency monetary assets and liabilities, are recognised in the surplus or deficit.

### **Other financial assets**

Financial assets are initially recognised at fair value. Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Commission has transferred substantially all the risks and rewards of ownership.

### **Loans and receivables financial assets – comprising cash and cash equivalents, debtors, and other receivables**

Loans and receivables financial assets are non-derivative financial assets with fixed or determinable payments that are not traded in an active market. After initial recognition, loans and receivables financial assets are carried at amortised cost using the effective interest method.

### **Impairment of financial assets**

Financial instruments are regularly reviewed for objective evidence of impairment. Both provisioned and non-provisioned bad debts are written-off when recovery actions have been unsuccessful and when the likelihood of recovery is considered remote.

### **Other financial liabilities**

#### **Financial liabilities measured at amortised cost – comprising creditors and other payables**

After initial recognition, financial liabilities measured at amortised cost are carried at amortised cost using the effective interest method.

### **Leases**

#### **Operating leases**

The Commission leases office premises and office equipment.

As substantially all the risks and rewards incidental to ownership of the asset are retained by the lessor, these leases are classified as operating leases. Operating lease payments are recognised in the Prospective statement of comprehensive revenue and expense as an expense on a straight-line basis over the lease term.



### Cash and cash equivalents

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

### Inventories

Inventories are held for the distribution or in use in the provision of goods and services. The measurement of inventories depends on whether the inventories are held for commercial or non-commercial (distribution at no charge or for a nominal charge) distribution or use. Inventories are measured as follows:

- Commercial: measured at the lower of cost and net realisable value.
- Non-commercial: measured at cost, adjusted for any loss of service potential.

Cost is allocated using the first-in-first-out (FIFO) method, which assumes the inventories that were purchased first are distributed or used first.

### Property, plant and equipment

Property, plant and equipment assets are carried at cost less any 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 the Commission and the cost of the item can be measured reliably. The minimum cost value for a purchase to be classified as a property, plant and equipment asset is \$3000. 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.

#### Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset and are included in the surplus or deficit. When revalued assets are sold, the amounts included in revaluation reserves in respect of these assets are transferred to general funds.

### Subsequent costs

Costs incurred after initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Commission 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 surplus or deficit as they are incurred.

### Depreciation

Depreciation is provided for on a straight-line basis on all property, plant and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Office equipment	5 years	20%
Leasehold improvements	9 years	11%
Computer equipment	3 years	33%

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

### Intangible assets

#### Software acquisition and development

Acquired computer software licenses and databases are capitalised on the basis of the costs incurred to acquire and bring these to use.

Costs incurred by the Commission for the development of software for internal use, other than for the development of software associated with websites, are recognised as an intangible asset where the asset meets the criteria for recognition. Costs recognised include the software development and any other directly attributable costs. Software as a Service (SaaS) purchases are expensed consistent with the New Zealand Treasury's guidelines.

Costs associated with maintaining computer software, staff training, and with the development and maintenance of websites, are expensed 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 that the asset is de-recognised.

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 asset have been estimated as follows:

Acquired computer software	3 years	33%
Developed computer software	6 years	17%

## Impairment of property, plant and equipment and intangibles

The Commission 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 that have a finite useful life are reviewed for indicators of impairment at each financial reporting date and 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 service amount. The recoverable service 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 is impaired, its carrying amount is written down to the recoverable amount. For assets carried at historical cost the total impairment loss and any subsequent reversals of impairment are recognised in the surplus or deficit.

## Employee entitlements

### Short-term employee entitlements

Employee entitlements that the Commission expects to be settled within twelve months of balance date are measured at undiscounted nominal values based on accrued entitlements at current rates of pay.

The Commission recognises a liability and an expense for bonuses where it is contractually obliged to pay them, or where there is a past practice that has created a constructive obligation.

### Long-term employee entitlements

Entitlements that are yet to be settled beyond twelve months after the end of the period in which the employee renders the related service, such as long service leave, have been calculated on a proportionate basis to the date that the entitlements are contracted to become vested to the employee.

### Post-employment entitlements

Superannuation schemes: Obligations for the Commission's contributions to KiwiSaver and State Sector Retirement Savings Scheme are accounted for as contributions to a defined-contribution superannuation scheme and are recognised as an expense in the surplus or deficit.

## Deferred revenue

Revenue that is received but which have outstanding contractual obligations is treated as a liability in the Prospective statement of financial position until the contractual obligations have been met. The deferred revenue is consequently then decreased by the amount of expired contractual obligation and is presented as revenue in the Prospective statement of comprehensive revenue and expense.

## Equity

Equity is measured as the difference between total assets and total liabilities.

The Commission 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 of guarantees and indemnities, and the use of derivatives.

The Commission has complied with the financial management requirements of the Crown Entities Act 2004 during the year. The Commission manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities, investments, and general financial dealings to ensure that the Commission effectively achieves its objectives and purpose, while remaining a going concern.

## Critical accounting estimates, assumptions and judgments

In preparing the prospective financial statements the Electoral Commission has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results and the variations may be material. Estimates and assumptions are continually evaluated and are based on historical experience and other factors including expectations of future events, rather than actual occurring events or transactions, which are believed to be reasonable under the circumstances.

The prospective financial statements include additional funding received through Budget 25 to enable the delivery of the 2026 General Election (GE26) to levels of GE23. The additional funding also includes an uplift for volume increase due to growth in population as well as cost pressures relating to inflation, particularly the cost of postage and living wage which have particularly been impacted by high inflation.

It is important to note that the prospective financial statements **exclude** the approved tagged contingency of \$16.367m which has been specifically appropriated for integrity improvements, including additional capability to uplift electoral system performance. This tagged contingency has been authorised by the Minister of Finance and Minister of Justice pending engagement with the Government Chief Digital Officer (GCDO) and approval of a business case if required. The tagged contingency will expire on 30 June 2026.

The Commission has also been given a pre-approval for out-of-cycle funding of \$18.773m for Term of Parliament Referendum subject to passing of the bill. If the bill is passed by Parliament, funding will be confirmed at the October Baseline Update (OBU).

There are no other critical accounting estimates and assumptions that will cause material adjustments to the carrying amounts of assets and liabilities within the financial year.



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