

# Te Pūrongo Ā Tau Annual Report

FOR THE YEAR ENDED  
30 JUNE 2023



**ELECTORAL  
COMMISSION**  
TE KAITIAKI TAKE KŌWHIRI

# Karakia

Pou Hihiri. Pou Rarama.  
Tena te pou,  
Te Poutokomanawa o tēnei whare  
Te pou Tūhonohono  
Te pou Arataki  
Te pou Uakaha  
Te pou Manaaki  
Te pou o te Tika  
Te pou ka toko, ka hiki, ka eke.  
Ū te pou. Maia te pou. Rarawe te pou  
Hui te mārāma. Hui te ora.  
Whano, whano! Haramai te toki – Haumi e!  
Hui e – Tāiki e!

I will open the pathway to erect our House  
of Dialogue, to initiate our wananga  
Pillar of energy and light  
Enable the pillar  
The centre post of this house  
To be connected  
To be supported and guided  
To be innovative  
To be compassionate  
To be righteous  
Upstanding, uplifted and powerful  
May it have foundation, grow and flourish!  
Gather the light, gather the wellness!

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# Ko te whakapuakanga a ngā Pou Kaiāwhā Letter from the Commissioners

Ko te kawenga a Te Kaitiaki Take Kōwhiri he whakahaere i te pūnaha pōti o Aotearoa, me te whai kia mārama te pūnaha ki ngā tāngata o Aotearoa, kia whakapono mai tātau ki taua pūnaha, ā, kia tautokona hoki tātau ki te whai wāhi ki ngā tukanga pōti. E tautoko ana ā mātau mahi i te manaporitanga o Aotearoa me Te Moana-nui-a-Kiwa whānui.

Ko Aotearoa tētehi o ngā motu o te ao e pakari ana te pūnaha pōti, e ora ana hoki te manaporitanga. I kīia tātau ko te tuarua o ngā whenua 167 i roto i tā te Economist Democracy Index o te tau 2022, he rārangi e ine ana i te pai o te manaporitanga ki ngā ine e rima, tatū atu ki ngā tukanga pōti me te kanorau o ngā tāngata e whai wāhi ana.<sup>1</sup> Heoi, kia mataara tonu tātau. He maha ngā huringa e kitea ana i te ao whānui – pāpori mai, taupori mai, taiao mai, ōhanga mai – ā, tērā tonu peangē ka heke te whakapono ki tā tātau pūnaha pōti. E takatū ai tātau mō ēnei kātū uauatanga, me whakarite kia pīngore ake ā tātau pūnaha me ā tātau tukanga, me te whakaū tonu i te tōkeke o te pūnaha pōti.

I te tau 2022/23, i whakatauria e Te Kaitiaki Take Kōwhiri he tūāpapa kia tika ai te whakahaere i te umanga, e rite ai hoki

<sup>1</sup> Economist Intelligence Unit, Democracy Index 2022, i whakaputaina i te Pēpuere 2022

The Electoral Commission Te Kaitiaki Take Kōwhiri is responsible for administering New Zealand’s electoral system and ensuring that New Zealanders understand and trust the system and are supported to participate in electoral processes. Our work contributes to democracy in New Zealand and the broader Pacific region.

By global standards, New Zealand has a robust electoral system and a healthy democracy. We ranked second in the Economist’s 2022 Democracy Index, which measures the state of democracy across 167 countries against five measures including electoral process and pluralism (diversity of participation).<sup>2</sup> However, we must not be complacent. Global trends indicate a range of social, demographic, environmental and economic changes and there is a risk that trust and confidence in the electoral system could erode as a result. To address challenges like these we need to build more flexibility into our systems and processes while still maintaining the integrity of the electoral system.

During 2022/23, the Commission put in place the foundations for a well-run organisation that is ready to respond and

<sup>2</sup> Economist Intelligence Unit, Democracy Index 2022, published February 2023



The Electoral Commission Board, Pou Kaiāwhā Kaitiaki Take Kōwhiri.  
FROM LEFT TO RIGHT: Deputy Chair Jane Meares, Chair Dame Marie Shroff, Chief Electoral Officer and Chief Executive Karl Le Quesne.

mātau ki te urupare, ki te urutau hoki ki ngā uauatanga ka puta mai. I whakahou mātau i Taumata, arā, i ngā uara o tō mātau umanga, hei poutokomanawa mō tō mātau whare, ā, i whakararautia ēnei uara ki ā mātau mahi. Ko ō mātau whakaarotau he whakawhānui i tō mātau raukaha me tō mātau āheinga, he whakapai ake hoki i ā mātau pūnaha uho me ā mātau tukanga uho, tatū atu ki te ruruku mahere kaupapa, ki ngā pūnaha matihiko, me ā mātau tukanga mō te hauora, te haumarutanga me te oranga. Kua whakaū mātau i tā mātau manawanui ki te whakakaha i ngā hononga ki ngā hāpori he iti iho te whai wāhi mai. Ka mutu, i whakawhanake tonu i ngā pūkenga takitini o te poari. Ko tēnei te tau tuatahi e noho ana ngā mema o nāiane he mema mō te tau katoa.

adapt to emerging challenges. We refreshed Taumata – our organisational values – and embedded them into our work. We have prioritised expanding our capacity and capability and improving our core systems and processes, such as programme management, IT systems, and our health, safety and wellbeing processes, and we have affirmed our commitment to building stronger relationships with communities that participate at lower rates. We also continued to grow our collective skills as a Board during the first full year of operations under the present membership.

Our staff have been busy preparing for the General Election on 14 October 2023. The focus has been on ensuring we meet key milestones and have:

E pukumahi ana ā mātau kaimahi, e whakariterite ana mō te Pōtitanga ā-Motu o te 14 o Oketopa 2023. Ko ngā aronga matua ko ngā tutukihanga matua o te wātaka, me te whakarite i:

- te hautūtanga kaha
- te whakamaheretanga pakari e aro ana ki ngā hiahia o ngā kaipōti o tēnā pito, o tēnā pito, me te hauora, te haumarutanga me te oranga o ngā kaimahi
- ngā tukanga me ngā whakaritenga e tika ana kia tōkeke, kia haumaruru te whakahaere i te pōtitanga mehemea ka puta mai he tūāhuatanga whakararu.

Kei te ara tika mātau e tutuki ai he pōtitanga pai. Kua kite ā-tinana te poari i tēnei, nā tā te poari hōtaka o ngā toronga ki ngā tari ā-rohe me ngā tari matua o Te Kaitiaki Take Kōwhiri. E mīharo ana mātau ki te ngākau titikaha me te manawanui o ngā kaimahi ki te whakahaere i te pōtitanga pai katoa ka taea e tātau i te Oketopa 2023.

I ā mātau e mahi ana i aua whakaritenga, i whakawhanake mātau i tā mātau rautaki Māori, i Ngā Maihihioterā, i whakahaere mātau i tētehi pōtitanga pāerotanga whai angitu mō Hamilton West, ā, i whakatū mātau i Te Tomokanga - Pūtea Whakatapoko Pōtitanga. I tīmata hoki i tā mātau whakarite i tētehi rautaki wā roa hei āwhina i a mātau ki te titiro ki tua i te hurihanga toru rau o ngā pōtitanga i ārahi i ā mātau whakamaheretanga o mua, kia taea ai e mātau te urupare ki ngā ia he roa ake ngā pānga ki te pūnaha pōti.

Ko tētehi nō o ngā mahi nui o tēnei tau ko te whakahaere i te hōtaka whakatairanga

- strong leadership
- robust planning that considers local voters' needs and the health, safety and wellbeing of staff, and
- appropriate processes and preparation to ensure the integrity and safe delivery of the election should any disruptive events occur.

We are on track to deliver a successful election. The Board has seen this first-hand through a programme of visits to Commission regional offices and headquarters. We have been impressed by the continued dedication and commitment of our workforce to delivering the best possible election in October 2023.

Alongside these preparations, we developed our Māori strategy, Ngā Maihihioterā; ran a successful Hamilton West by-election; and established the Election Access Fund Te Tomokanga - Pūtea Whakatapoko Pōtitanga. We also started work on a long-term strategy to help us look beyond the three-year electoral cycle that has traditionally guided our planning, so we can address trends with a longer-term impact on the electoral system.

Another significant activity this year was delivering the Māori Electoral Option campaign, which was complicated by severe weather events in January and February that affected parts of the North Island. Our staff had to come up with new strategies to reach Māori who had been displaced or cut off from communication networks. We drew upon our existing relationships in the affected regions and listened to the needs of affected communities before devising

mō te Kōwhiringa Pōti Māori, ahakoa ngā tūāhuatanga huarere taikaha i pā atu ki ētehi wāhi o Te Ika-a-Māui i te Hānuere me te Pēpuere. I waihanga rautaki hou ā mātau kaimahi e toro atu ai mātau ki ngā tāngata Māori kua mate ki te wehe i ō rātau kāinga, kua motu rānei i ngā whatunga whakawhitiwhiti kōrero. I tūhono mātau ki ō mātau hono whanaungatanga i ngā takiwā kua pāngia, ā, i whakarongo ki ngā hiahia o ngā hāpori kua pāngia, kātahi ka āta whakahāngai mātau i ngā huarahi e tika ana hei tuku kōrero, hei tautoko hoki i ngā tāngata e hiahia ana ki te whakawhiti rārangi. Koirā tētehi tauira kotahi anake o roto i tēnei tau i kitea ai ā mātau kaimahi e awhi ana i ō mātau uara, me te whakatinana i aua uara i ō rātau hononga me tā rātau mahi.

E mihi ana ki ā mātau kaimahi i ā rātau whakapaunga kaha i whai angitu ai mātau i te tau 2022/23. Me mihi hoki ngā koha me te ohaoha o ngā whenua, o ngā umanga, o ngā hāpori me ngā tāngata kua whakawhitiwhiti whakaaro ki a mātau e auahatia ai, e whakawhanaketia ai ngā ratonga pōti e tukua ana e mātau ki Aotearoa.

tailored approaches to sharing information and supporting those who wished to change rolls. This was just one of many occasions this year where we saw our staff embracing our values and demonstrating them in their approach to their relationships and work.

We would like to thank our staff for their efforts in making 2022/23 a successful year. We would also like to acknowledge the contributions and generosity of the countries, organisations, communities and individuals we have engaged with to shape and grow the electoral services we offer to New Zealand.

**Marie Shroff**  
**Chair**  
Pou Kaiāwhā Kaitiaki  
Take Kōwhiri

**Jane Meares**  
**Deputy Chair**  
Pou Kaiāwhā Kaitiaki  
Take Kōwhiri

**Karl Le Quesne**  
**Chief Electoral Officer**  
Pou Kaiāwhā Kaitiaki  
Take Kōwhiri





# Ko te whakaupoko Introduction

# Ko te taki Our purpose

The Electoral Commission, Te Kaitiaki Take Kōwhiri, is an independent Crown Entity established by the Electoral Act 1993. 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 Electoral Act 1993, 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 healthy democracy in New Zealand by providing an electoral system people can have trust and confidence in and helping people to take part in electoral processes. We also help safeguard our democracy by supporting our Pacific neighbours to maintain robust, democratic electoral systems. Some of our regular activities are depicted on the following page.

Taumata, our values, underpin everything we do, helping us to accomplish our purpose.



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 classes Electoral Services and General Election and Electoral Services.



## Conduct general elections

We ensure the smooth delivery of New Zealand’s general elections.



## Conduct by-elections and referendums

We conduct by-elections and referendums as required.



## Maintain electoral rolls

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



## Enable the Māori Electoral Option

We enable enrolled voters of Māori descent to choose which electoral roll to be on - the general roll or the Māori roll.



## Support voters' rights and protect their privacy

New Zealanders have the right to decide freely who they will vote for. We make sure that your vote remains secret.



## Help New Zealanders take part in parliamentary elections

We educate New Zealanders about enrolling and voting and work with communities to help them understand and take part in elections.



## Provide guidance to and manage compliance of election participants

We provide guidance on electoral finance and election advertising rules to parties, candidates and other electoral participants and help them meet their disclosure obligations.



## Post-election review and reporting

Immediately after the delivery of a general election, we complete extensive post-election reviews and reporting including a financial performance review, a survey of voters and non-voters and performance measurement reviews.



## Support electoral policy development

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



## Support the Representation Commission

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



## Provide support to other countries

We provide technical assistance to neighbouring countries such as Tonga, Papua New Guinea, and Fiji in conducting their electoral events.



## Support local body elections

We provide enrolment data support for local body elections.



# Ko te ine i tā mātau whakatutuki i ngā mahi

## How we measure our performance

Our performance measurement framework, alongside our purpose and values, guides what we do and informs the choices we make as we prioritise our resources to deliver our main activities. It provides a way of evaluating whether we are making good progress towards our outcomes and delivering our services effectively.

Our performance measurement framework has four layers:

Our **priority areas of focus** are the strategic priorities we set in July 2021. Detailed information about why we chose these priorities is included in our Statement of Intent 2022-2026. This annual report covers our second year of progress since establishing these priority areas of focus.

Our **main activities** are the key outputs of our work. How well we deliver them will determine if we achieve the impacts we aim to have on the lives of New Zealanders. When we achieve these **impacts**, our work contributes to the **outcome**: New Zealand maintains a healthy democracy.

We measure aspects of our performance on a three-year cycle to align with the timing of the delivery of general elections. Our work during 2022/23 broadly equates to year two of the electoral cycle, as we prepare for the 2023 General Election on 14 October.





Ko te tātai  
kōrero mō  
tā mātau  
whakatutuki  
i ngā mahi  
Our  
performance  
story

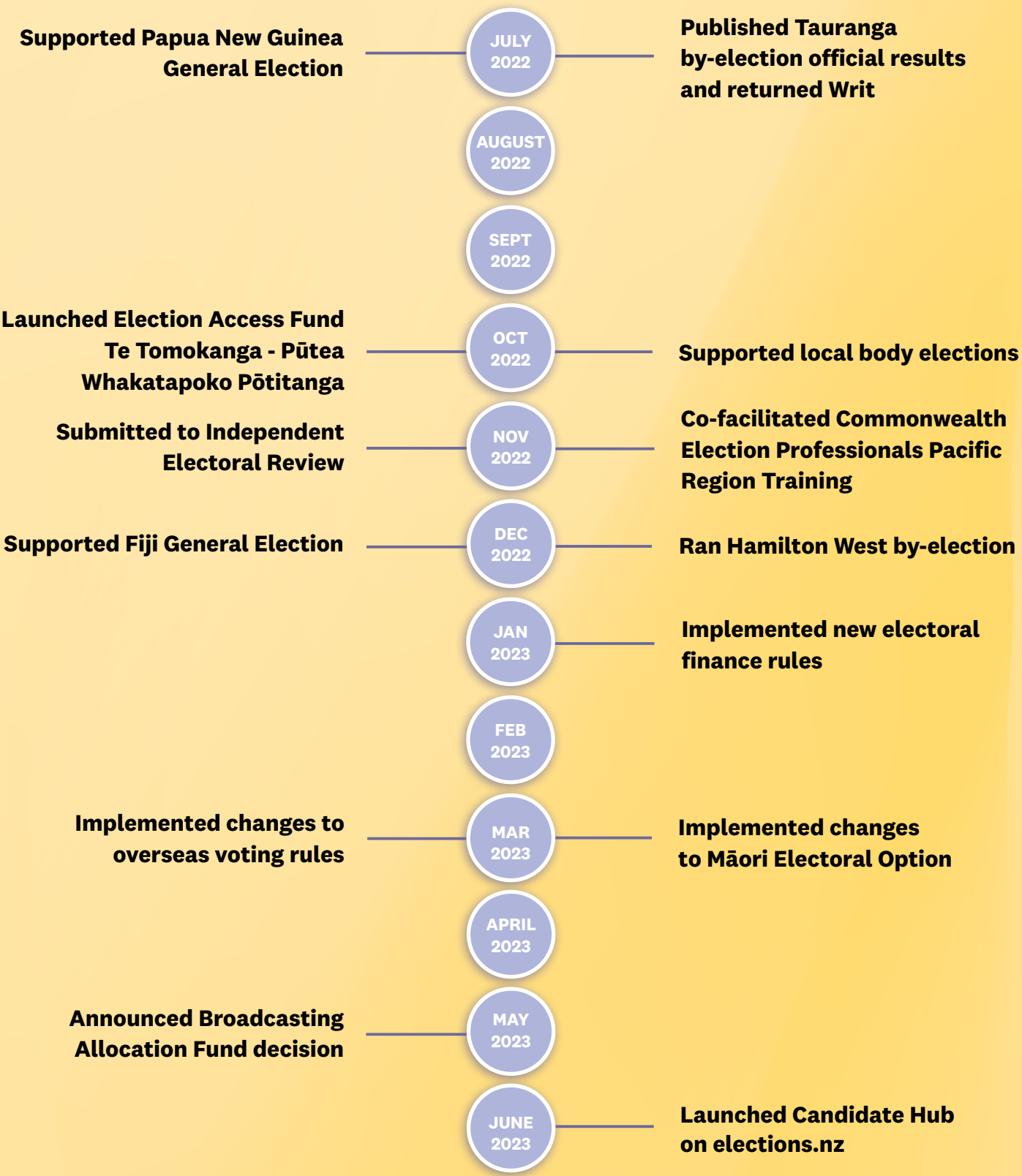
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# Ko te whakarāpopotonga o 2022/23

## 2022/23 at a glance

The timeline below shows our key events and highlights from 2022/23 alongside preparing for the 2023 General Election.



Processed  
**434,777**  
electoral roll changes



Completed delivery  
of **two**  
by-elections for  
Tauranga and  
Hamilton West electorates



Received **66%**  
employee engagement score  
Up from  
**61%** in 2021



Received  
**43,185**  
public enquiries

Ko ngā  
tatauranga  
mō te tau  
kua hipa  
Our year  
in numbers



Ran **1,714**  
community engagement  
activities to support the  
local authority election  
campaign



Used  
**\$74.9M** ex GST  
resources



Registered **8**  
new political parties



Spent **\$5.2M** ex GST  
on advertising  
for public information  
campaigns to increase  
understanding of the  
electoral system



Invested **44.9%**  
of our net resource  
expenditure on staff costs  
and Board fees



Allocated **\$4.1M** incl GST  
broadcasting funding  
for General Election 2023



Provided **409**  
election advertising  
advisory opinions

# Ko te tirohanga whānui ki te tau kua hipa

## Overview of the year

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During 2022/23 we ramped up preparations to deliver a general election in an environment of increasing complexity and challenge. New Zealanders are still coming to terms with the aftermath of COVID-19 and some communities have also been affected or displaced by severe weather events. We are working in an environment where many people's primary source of information is social media, which can contain false or misleading information, and where cyber and physical security threats are a real possibility.

While preparing for the 2023 General Election has been a major focus, we have delivered a by-election in Hamilton West, supported local body elections with electoral roll services, and implemented new initiatives and legislative changes. This included implementing changes to electoral finances rules lowering the thresholds for the disclosure of donations and changing the way registered political parties report their finances and donations. A real highlight of the period was building deeper relationships with new communities and Māori as we implemented the changes to

the Māori Electoral Option and co-designed and established the Election Access Fund Te Tomokanga - Pūtea Whakatapoko Pōtitanga, which is open for applications from candidates with disabilities.

Behind the scenes, we have been increasing our capacity and capability and setting ourselves up to be a more resilient organisation that can respond quickly to changes and better maintain relationships with communities between general elections. We have implemented new technology systems for our election recruitment and financial management activities and to improve the insights we can obtain from our electoral system data.

The following section outlines the work we have done to progress our strategic priorities and how we have lived our values to deliver our services in ways that promote trust and confidence in the electoral system and better support New Zealanders to take part in the electoral process.





# Ko te kōkiri whakamua i ā mātau aronga whakaarotau

## Progressing our priority areas of focus



### Priority 1: Building capability

#### Why this is a priority for us

How an organisation works (its capability) is critical to its success. We are building and adapting our capability to better support the work we need to do now and into the future. This includes providing greater stability and certainty through a funding model that better meets the needs of voters and ensuring we have strong governance policies and procedures in place to continue to support the delivery of quality outcomes in a changing environment. A focus on best practice governance will support our Board to make well-informed decisions based on quality information and to hold management to account.

We will know we have been successful if by 2026:

- We have an operating model that ensures we have the right number of staff to do the job, staff know what to do and we are well configured to manage tasks within and across teams.
- We have a funding model that better enables us to meet voters’ needs and provides certainty of funding both now and into the future.
- We have established a Māori advisory team to improve our cultural competency and understanding at the Commission.
- We have comprehensive documentation of our work to ensure seamless continuity for new Commission staff.

#### What we have achieved so far

##### In 2021/22 we:

- Developed a new organisational structure that will:
  - provide more joined up services to voters and improve equity of access
  - strengthen our governance, policy and monitoring capabilities
  - provide focused and high-quality support to electoral events.
- Implemented the new structure in April 2022, including new leadership teams, a new Māori advisory team, and new enrolment processing centres enabling us to adapt to more demand for digital services.
- Worked with the Ministry of Justice and Treasury to shift our funding to a multi-year appropriation structure, which will give us more flexibility to plan and prepare earlier for general elections.

##### In 2022/23 we:

- Continued embedding our new structure and updating and recording the systems and processes that will support our new ways of working.
- Built up our capacity in areas such as procurement, health and safety, learning and development, and community engagement.
- Established our new regional structure and operating approach for enrolment and community engagement.
- Worked with all our people to refresh and embed Taumata - our values.
- Developed Ngā Maihihioterā, our Māori strategy, to guide how we build quality relationships with tangata whenua and other iwi groups.



## Priority 2: Preparing for an election

### Why this is a priority for us

We always need to be prepared to deliver elections. We are strengthening the way we plan and prepare for elections, so we are resilient within an increasingly complex and uncertain environment. This includes being election-ready earlier in the cycle and developing more flexibility to be able to respond to changes in requirements. We will also manage complex and longer-term changes in ways that do not create risk for upcoming elections.

We will know we have been successful if by 2026:

- We have further developed our base model from which we can successfully run elections, even when the requirements may change at short notice.
- We have developed all necessary materials and processes required to deliver an election, including any improvements or additions to our way of working.

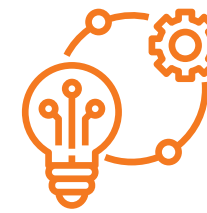
### What we have achieved so far

#### In 2021/22 we:

- Established a programme management framework for the 2023 General Election, which includes scope, structure, governance arrangements, and a common project management methodology.
- Successfully delivered the Tauranga by-election.
- Worked with the Ministry of Health and Ministry of Justice to ensure we had up to date COVID-19 information and health and safety procedures in place for the by-election and to develop assumptions for how we manage COVID-19 for the 2023 General Election.

#### In 2022/23 we:

- Ramped up our preparations and programme delivery for the 2023 General Election, achieving key milestones including sourcing regional headquarters, setting up our regional management structures and training key staff.
- Implemented changes to electoral legislation and rules.
- Completed post-election day tasks for the Tauranga by-election.
- Successfully delivered the Hamilton West by-election, while using the opportunity to test our general election systems.
- Supported the local body elections and post-election review.



## Priority 3: Preparing for the future

### Why this is a priority for us

A number of challenges and trends are emerging in our operating environment that require us to expand our strategy and planning horizons. For instance, the effects of mis- and dis-information, technological change, and international supply chain disruptions are complex. We need to be able to respond to the opportunities and challenges these pose to delivering electoral services.

We will know we have been successful if by 2026:

- We have developed a 'roadmap' that maps out what the future may look like and how we will continue to deliver well-run elections in the next decade, including further use of digital technology to enhance our services.

### What we have achieved so far

#### In 2021/22 we:

- Developed an approach to help build and maintain trust in the electoral system, including how we communicate with the public and operate in an environment of misconceptions about electoral services.
- Established the Strategy, Governance and Development business group to increase our capacity for longer-term strategic thinking, environmental awareness, and planning.

#### In 2022/23 we:

- Determined our approach for developing a 10-year strategy.
- Upgraded our data platform to improve our access to data to identify insights and evaluate performance.
- Provided input into the Independent Electoral Review, which is considering the future of New Zealand's electoral system, and how to make it clearer, fairer, and more accessible for current and future generations.





## Priority 4: Building relationships and understanding

### Why this is a priority for us

We are requiring more support from the agencies, partners and stakeholders who have a role to play in helping to deliver safe, robust and trustworthy elections in New Zealand. This support helps us to reduce risk and to respond to issues as they arise.

We also need to continue strengthening our engagement with specific communities to build trust and to increase participation in our democracy. Key to this strategic priority is taking active steps to build stronger relationships with groups who are less likely to participate in the electoral system. This includes Māori, Pasifika and other ethnic communities, disabled people and youth.

We will know we have been successful if by 2026:

- We have strengthened relationships with Māori, other government agencies, community representative groups, and stakeholders to support the delivery of elections.
- We have ensured the public have confidence in the electoral system and understanding of what happens in elections.
- We have ensured all voters can participate in the electoral process and supported those who may face barriers.
- We have strengthened relationships with communities experiencing lower rates of participation to build trust and support understanding of democracy.

### What we have achieved so far

#### In 2021/22 we:

- Completed a review of services for Māori during the 2020 General Election, including meeting with 19 Māori communities across the country to assess the outcomes of work undertaken with these communities for the election and identify opportunities to improve and expand this work.
- Established a Māori advisory team to provide advice and support to improve our relationships with Māori communities.
- Started consultation with the disabled community to support implementation of the Election Access Fund.

#### In 2022/23 we:

- Developed Ngā Maihihioterā, our Māori strategy, to guide how we build quality relationships with tangata whenua and other iwi groups.
- Established a permanent strategic engagement and partnership team and implemented our overarching communication and engagement strategy, and community engagement evaluation framework.
- Launched the Election Access Fund with a broad public awareness campaign.
- Worked with local communities to design voting services to suit their people.

## Ngā Maihihioterā

Ko te hononga o te Karauna ki a ngāi Māori te tūāhu tapu, te tūāhu whakahirahira e whakarewa nei mātau i tā mātau mahi. Me tino whakauruuru mātau i ngā iwi ki roto i te whakahaeretanga o te pūnaha pōti.

I tēnei tau, i whakawhanake mātau i tā mātau rautaki, i Ngā Maihihioterā. Ko te tikanga o tēnei ingoa ko ngā hihi o te rā e purea nei tātau. Ka āwhina tēnei i a mātau ki te whakahou i ō mātau whakaaro mō tā mātau whakawhitiwhiti kōrero ki a ngāi Māori, mō te whakahoahoa ratonga me te tuku ratonga hoki.

## Our Māori strategy

We recognise that the relationship between the Crown and Māori is integral to our work and we have a responsibility to administer the electoral system in a more inclusive way.

This year we developed our Ngā Maihihioterā strategy. Ngā Maihihioterā means ‘the purifying rays of the sun’ and will help us to think differently about how we engage with Māori and design and deliver effective services.

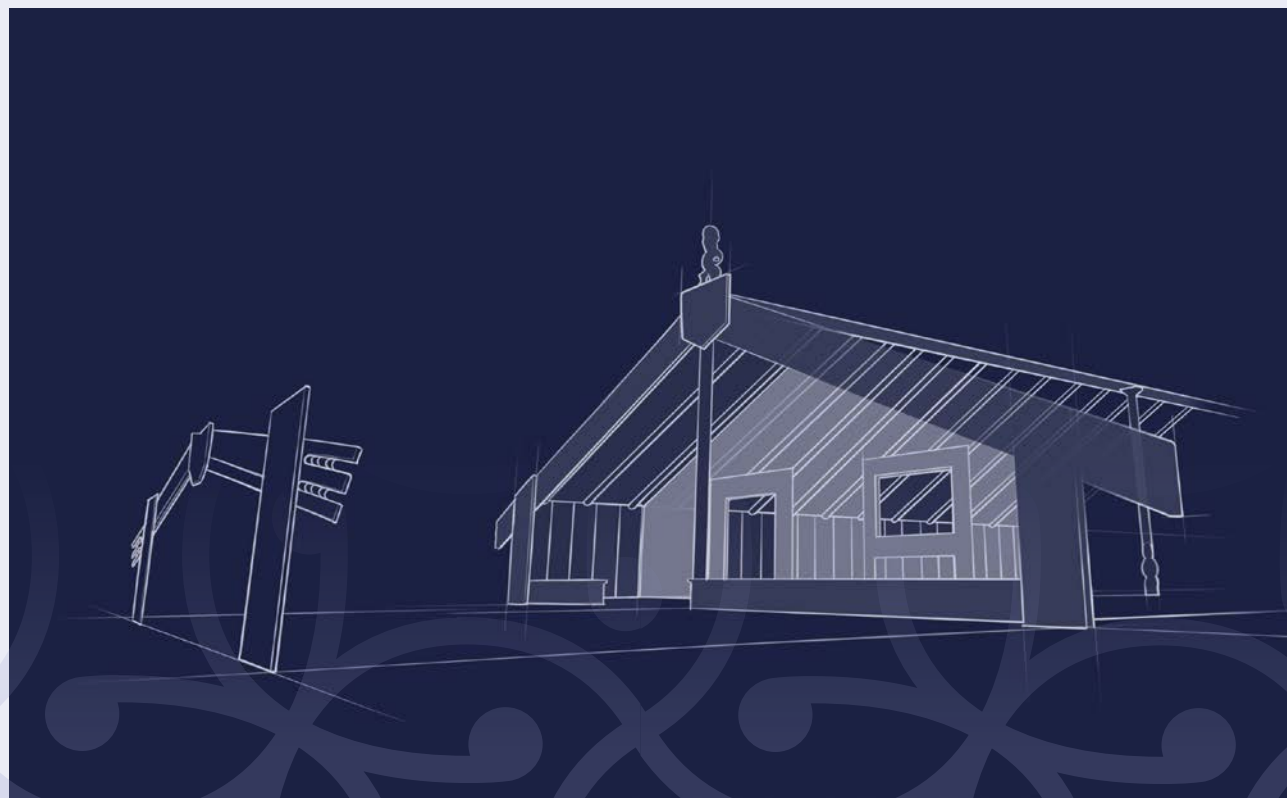
Ngā Maihihioterā is being delivered through three workstreams: kaupapa kōhere

Ka whakatinanatia Ngā Maihihioterā mā roto i ēnei ara mahi e toru: ko te kaupapa kōhere (ko ngā kaupapa here ā-whakahaere), ko te kaupapa kōtuitui (ko te kōunga o te whakawhitiwhiti whakaaro) me te kaupapa kōtuakiri (ko te tuakiri ā-ahurea). Kei roto i ngā mahi o te rautaki ko te whakapiki i tō mātau mārama ki te ao Māori, ko te ako i ngā tūāhuatanga o ngā ahurea Māori me te reo Māori, me te whiriwhiri i ngā taura torokaha ki ngā iwi me ngā hapū kia nui ake te whakahoahoa ngātahi i ā mātau ratonga.

Ka āwhina ēnei mahi i a mātau ki te whakatutuki i tō mātau kaupapa ā-ture, arā, te whai kia mārama, kia whakapono mai hoki ngā tāngata katoa o Aotearoa ki tā tātau pūnaha pōti, ā, kia whai wāhi te katoa ki te manaporitanga ā-pāremata. He mea nui tēnei, nō te mea he iti iho te pānga riterite o ngā kaipōti māraurau Māori e uru mai ana ki ngā pōtitanga.<sup>3</sup>

(operational policy), kaupapa kōtuitui (quality engagement) and kaupapa kōtuakiri (cultural identity). Actions in the strategy include increasing our understanding of te ao Māori, learning Māori culture and te reo Māori, and building quality relationships with iwi and hapū that enable more co-design of our services.

These actions will help us to meet our statutory purpose, to ensure that all New Zealanders understand and have confidence in the electoral system and can participate in parliamentary democracy, as proportionally fewer eligible Māori voters participate in elections.<sup>4</sup>



<sup>3</sup> I te Pōtitanga ā-Motu 2020, i pōti te 72.89% o ngā kaipōti Māori kua rēhita, heoi, i pōti te 83.08% o ngā kaipōti tauwiwi kua rēhita. Kei tā mātau paetukutuku ngā raraunga whai wāhitanga o te Pōtitanga ā-Motu 2020.

<sup>4</sup> During the 2020 General Election 72.89% of enrolled electors of Māori descent voted, whereas 83.08% of enrolled electors of Non Māori descent voted. Turnout statistics from the 2020 General election are available on our website.



# Ko te tuku atu i ā mātau ratonga Delivering our services

## Maintaining and protecting the integrity of the electoral system

New Zealand's electoral system is held in high regard and the Commission is seen to deliver well-run elections with high levels of integrity.<sup>5</sup> New Zealand is currently ranked second in the Economist Democracy Index, which evaluates the state of democracy across 167 countries against five measures including electoral process and pluralism (diversity of participation).<sup>6</sup> We need to maintain these high levels of trust and confidence in our electoral system to ensure we continue supporting a healthy democracy in New Zealand.

The context in which we deliver the electoral system is not static. While some elements of the system are constitutionally entrenched,<sup>7</sup> Parliament considers and makes changes to other aspects of the system and the rules that govern it to ensure that it meets the

<sup>5</sup> We commission surveys of eligible voters after each general election. The most recent 2020 survey found 87% of eligible voters surveyed had high or total confidence that the Electoral Commission conducts elections fairly and 85% had high or total confidence that the Electoral Commission conducts elections impartially. Survey results are available on the elections.nz website.

<sup>6</sup> Economist Intelligence Unit, Democracy Index 2022, published February 2023.

<sup>7</sup> Some provisions of the Electoral Act 1993 are constitutionally entrenched and can only be changed by a vote of more than 75% of the House of Representatives or more than 50% of voters at a referendum.

needs of New Zealanders. This year we have advised on and implemented some of those changes.

## Implementing changes to the Māori Electoral Option

To maintain the integrity of the electoral system it is crucial that changes to electoral system rules and legislation are incorporated smoothly and transparently into our processes. On 31 March 2023 a law change came into effect that allows Māori to change between the Māori and general electoral rolls at any time except in the three months before an election. Previously, once enrolled, Māori could only change rolls during the Māori Electoral Option period held once every five or six years.

To promote awareness of this change, we launched a public information and education campaign on 31 March. We sent information packs to 512,000 enrolled voters who had previously told us they were of Māori descent to let them know about the choice. The packs included a paper copy of the bilingual roll change form, and guidance on how to change roll type online. We followed up with text or email messages if information packs were unable to be delivered. To reach all eligible Māori, we ran nationwide advertising and targeted community engagement activities. Our public information approach was informed by focus groups we held with Māori in late 2022.



This change came into effect shortly after the severe weather events in January and February. Some of the people and communities we needed to reach were displaced, cut off from communication networks, or were otherwise affected by the devastating damage caused by the flooding and cyclones Gabrielle and Hale. We reached out to our contacts in these communities to find out how they were and how we could best support them to change rolls if they wished to do so before the Option closed on 13 July. See page 27 for how we connected with Māori electors in Gisbourne region.

As at 30 June 2023, there had been a net increase of 2516 people added to the Māori roll and a net decrease of 187 people to the general roll. Over 19,000 people of Māori descent took the opportunity to update their details without changing rolls, which should reduce the number of updates requested during the electoral roll update campaign prior to the general election.

## Implementing changes to overseas voting and finance rules

We also implemented changes to electoral rules. New electoral finance rules, which came into effect on 1 January 2023, lowered the thresholds for the disclosure of donations and changed the way registered political parties report their finances and donations. To help political parties to comply with these changes, we published updated guidance on our Party Portal, a secure area of our website for party officials where technical information can be shared. We also updated our handbooks for candidates, third parties, scrutineers, and members of Parliament.

Another change for New Zealanders living overseas is the temporary change to the eligibility rules for the 2023 election. This change came into effect on 31 March 2023, and recognised that COVID-19 has affected the ability of New Zealanders living overseas to return home over the past three years.

## Te whakatairanga ake i te Kōwhiringa Pōti Māori i Tūranga-nui-a-Kiwa

I te Hānuere me te Pēpuere o 2023, he nui ngā wāhi o Te Ika-a-Māui, he maha ngā tāngata o Aotearoa i pāngia e ngā tūāhuatanga huarere taikaha. Kātahi anō ka pērā te kino o te tūkinō.

Ko te whakamāramatanga a Roberta, a tētehi Kaitohutohu Tū Hapori e noho ana ki te takiwā o Tūranga-nui-a-Kiwa, mō te pānga o te huripari ki tōna hapori:

“Mō te hia rā, kāhore he hiko, kaore he hononga ipurangi ahokore, kāhore he wai kōrere mō tō mātau tāone. He maha ngā tāngata kua wharekore, kua kore hoki e taea te haere ki ngā tauwāhi whakatahi, me te aha, he uaua ki ō mātau kaituku ratonga hapori me ngā kaituku ratonga ohotata.”

Ko te whakaarotau tuatahi a Te Kaitiaki Take Kōwhiri he whakahaumarū i tō mātau tīma i roto te rohe. I toro atu tō mātau tīma whakawhitiwhiti whakaaro ā-hapori ki ngā tāngata kua whai hononga kē mai, ā, i whakaae mai rātau ki te tuku pārongo, ki te hāpai hoki i te hōtaka whakatairanga. I whiriwhiri hoki te tīma i ngā hononga hou ki roto i te hapori, ā, i kimi i ngā ara e tūhono tōtika atu ai rātau ki ngā kaipōti Māori.

He kanohi kitea te tīma i ngā wāhi tūmatanui pērā i ngā mōro, i ngā māketē hapori me ngā taiopenga. I whakatū tēpu pārongo, me te kōrerorero ki ngā tāngata o te rohe

## Delivering the Māori Electoral Option in Gisborne

In January and February 2023, severe weather events caused damage on an unprecedented scale to large parts of the North Island and affected many New Zealanders.

Roberta, Advisor Community Engagement, who lives and works in the Gisborne region, explains the devastating impact of the cyclone on her community:

“Our city was left without power, Wi-Fi connection and water for days. Many became homeless and isolated from their nearest evacuation points, which proved to be a challenging time for our community and emergency services.”

The Commission’s first priority was to ensure that our team in the region were safe. The community engagement team reached out to existing local connections, who were willing to share information and support the campaign. They also formed new community connections and found opportunities to connect directly with Māori electors.

The team was visible in public places, such as malls, and at community markets and events, setting up information stalls and chatting with locals about how to exercise their choice. Using existing relationships with local businesses, our team was able to go onsite and support staff to enrol or update

mō ngā tikanga e kōwhiri ai rātau. Nā ngā hononga kua whiria kētia ki ngā pakihi o te rohe, i āhei tō mātau tīma ki te uru ki ō rātau whare mahi ki te tautoko i ngā kaimahi ki te rēhita, ki te whakahou rānei ō rātau taipitopito. I whakawhānui hoki te tīma i ngā toronga ki ngā hapori taiwhenua nā te mahi ngātahi ki te kairuruku o tā Te Rūnanganui o Ngati Porou kaupapa, ko Pakeke te ingoa, e tautoko ana i ngā kaumātua o te rohe.

E kī ana a Roberta, E whakamānawa nui ana i tā te tīma whakatutuki i te whakatairangatanga o te Kōwhiringa Pōti Māori, me te kaha whakapono ki te kaupapa, ahakoa ngā uauatanga i runga i tō mātau hapori.”

their details. The team was also able to extend their reach within rural communities by collaborating with the coordinator of Te Rūnanganui o Ngati Porou’s Pakeke programme, which supports elderly people in the region.

“To come to the end of the Māori Electoral Option campaign and reflect back on how our team got stuck in and did the mahi, fiercely believing in the kaupapa, regardless of the barriers our community faced, to say we are proud is an understatement,” says Roberta.







For the 2023 General Election only, New Zealand citizens living overseas can enrol and vote if they have been in New Zealand within the last six years (previously three years). New Zealand permanent residents living overseas can enrol and vote if they have been in New Zealand within the last four years (previously 12 months). Overseas voters must also be 18 years or older and have lived in New Zealand for more than 12 months continuously at some time in their life to be eligible to enrol and vote. To support this change, we amended the voter enrolment form and our internal enrolment processes and updated our website and other resources for stakeholders.

### **Submitting on the Independent Electoral Review and other advice to policymakers**

During the year we provided input into the Independent Electoral Review, which is considering the future of New Zealand's electoral system, and how to make it clearer,

fairer, and more accessible for current and future generations. We supported the review by responding to information requests from the review panel and by making a written submission.

We also prepared submissions for the Justice Committee's inquiry into the 2022 local authority elections, and the Review into the Future for Local Government. Similarly, we provided operational advice to the Ministry of Justice and Department of Internal Affairs as applicable on the Electoral Amendment Bill, Electoral (Māori Electoral Option) Legislation Bill, and the Electoral (Lowering Voting Age for Local Elections and Polls) Legislation Bill.

## **Preparing for and conducting well-run, risk-mitigated electoral events**

To ensure New Zealanders have trust and confidence in the electoral system, we need to deliver services and electoral events that are seen as reliable and fair. We do this by planning early and by being well-prepared to manage the risks and potential barriers that could occur at electoral events.

### **Preparing for General Election 2023**

Our preparations for the 2023 General Election ramped up over 2022/23. This included setting up the regional infrastructure and services that will be critical for delivering voting services to the public in electorates, such as sourcing electorate headquarters and training regional managers.

Our workforce increases significantly during a general election, expanding to include

over 23,500 temporary workers. This requires significant preparations to scale up our recruitment and payroll systems and processes, to design recruitment campaigns, and to draw upon our existing relationships. This year we implemented both a new financial management system and recruitment management system, which have enabled us to streamline processes and obtain more timely information to support decision making.

As at 30 June 2023, we had recruited 230 fixed-term staff to support the upcoming general election. This included five regional managers responsible for setting up regional headquarters and managing voting services in their regions, plus regional advisors, electorate managers, logistic and supply managers, and rostering and recruitment managers. Elections are not just delivered in communities, but also by them, and we encourage applications from a wide range







of people, so our workforce reflects the diversity of New Zealand.

### Managing the ongoing impacts of severe weather events and other potential disruptions

To understand the ongoing impact of the January and February severe weather events on the delivery of the general election campaign, we consulted Statistics New Zealand to learn from their recent experience delivering the 2023 Census. Additionally, we worked with New Zealand Post to capture information about undeliverable enrolment packs from affected areas.

This work helped to inform a broader review of our election arrangements also underway. The review assessed how well prepared we are to run a general election in an increasingly complex environment, while maintaining public safety and the integrity of the system. We established regional security and resilience advisors to provide

local expertise in election security matters throughout the country and help electorate managers respond to any emerging security concerns. We also tested election disruption scenarios as part of our contingency planning for major electoral events.

### Determining broadcast allocations

Another responsibility we have prior to an election is to allocate broadcasting funding to political parties, using the criteria set out in the Broadcasting Act 1989. Eligible parties must apply for an allocation to be eligible and can spend the allocation money on election advertising on radio, television and online. We announced the allocation on 12 May 2023, which totalled \$4,145,750 including GST. Four political parties requested a High Court judicial review of the allocation. The case was decided on 13 July 2023, with the judge upholding the Commission's approach.

### Completing delivery of the Tauranga by-election

Our responsibilities for running elections do not end on election day. Voting for the Tauranga by-election ended on Saturday 18 June 2022, which was when we released preliminary results. Official results (including special declaration and overseas votes) were declared on 1 July 2022 and the Writ confirming the successful candidate was returned to the Clerk of the House of Representatives on 7 July 2022. Candidate returns were due to be submitted to the Commission by 26 September 2022, and we were able to process and publish these on 29 September 2022.

### Delivering the Hamilton West by-election

We also delivered a by-election for the Hamilton West electorate, see page 33.

### Supporting local authority elections

We played a supporting role in the local authority elections, which were held on 8 October 2022. While the Commission is not responsible for running local elections, we deliver an enrolment update campaign and ensure local authorities have accurate electoral rolls.

During the local election enrolment campaign from 1 July to 7 October 2022 we:

- delivered more than 3.5 million enrolment update packs to everyone on the electoral roll
- delivered a nationwide public information campaign to support the delivery of enrolment update packs and to encourage those who are not enrolled

to enrol before the local elections

- held 1,714 separate community engagement activities to encourage enrolment across our communities
- processed 336,719 enrolment forms (60% of which were online)
- completed 892 enrolment checks on candidates and their nominators on behalf of local authorities
- checked 25,657 special vote declarations on behalf of local authorities.

### Supporting and learning from our partners in the Pacific

Healthy democracy in the Pacific benefits everyone in the region. We assist our Pacific neighbours by helping them to maintain their electoral systems and prepare for and deliver national elections. Our international liaison programme is funded by the Ministry of Foreign Affairs and Trade, under the New Zealand Aid Programme. We partner with other countries, international organisations and not-for-profit agencies and provide staff expertise to assist with the design, development and delivery of processes, materials, systems and training. In 2022/23 our programme provided support to a number of Pacific countries, including Papua New Guinea and Fiji, to assist with the delivery of their general elections.

We also co-facilitated the Commonwealth Elections Professionals Pacific Region Training event, which was held in Wellington on 7-11 November 2022. The theme was 'Absentee Voting – Enhancing Election Management Body Resilience and Inclusiveness'. The workshops supported



participants to adopt good practices and build capacity and helped election officials to improve their election preparedness. Officials attended from election management bodies across the Pacific: Australia, Kiribati, Nauru, New Zealand,

Papua New Guinea, Autonomous Region of Bougainville, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu, Federated States of Micronesia, Republic of Marshall Islands, and Timor-Leste.

# Hamilton West by-election

At any point in the general election cycle, we need to be ready to organise and deliver a by-election at short notice. On 20 October 2022 a by-election was announced for the Hamilton West electorate. In a by-election, people registered on the electoral roll for the electorate have one vote for the candidate they want to be their local member of Parliament. Nominations for candidates closed on 8 November and 12 candidates were announced the following day.

Overseas voting opened on 23 November, along with telephone dictation services for those who were blind, partially blind or had a physical disability that prevented them from marking their voting paper without assistance. Advance voting was available from 28 November, with eight voting places operating on the first day. Following recent election and by-election trends, many voters chose to vote early, with 67.3% of votes cast in advance.

Election day was held on Saturday 10 December, with 20 voting places open to the community. The first preliminary results were announced at 7:23pm that evening. Official results were declared on 21 December.

The by-election process ran smoothly. All parties completed their candidate returns before the deadline of 12 April 2023, enabling us to process and publish these on our website on 18 April 2023.

## At a glance

Turnout	15,197 votes (31.3% of people enrolled)
Valid votes counted	15,104 (99.4% of votes cast)
% of votes received cast in advance	67.3%
% of votes cast as special votes	5.3%

## Helping people to understand the electoral system

Helping New Zealanders understand how the electoral system works is critical to encouraging participation in the voting process. If people do not feel confident about how it all works, they are less likely to take part. We demystify the electoral system for New Zealanders by working with them to explain the process.

## Getting kids engaged in voting

We believe young voters become voters for life, so our efforts to increase understanding of the electoral system and encourage participation start with some of our youngest New Zealanders. While our curriculum-aligned civics education resources are always available for teachers to use, in the year leading up to a general election we prepare and promote a programme designed to give students first-hand experience of the voting process.

This programme, Kids Voting Te Pōti a Ngā Tamariki, is designed for schools to deliver in the weeks leading up to a general election. Teachers can use the programme to support students to explore real-life election issues, and the parties and candidates standing in the election. They can also make up their own political parties and candidates. The programme builds up to a mock election, which gives students from years 1 to 13 first-hand experience of the voting process. The programme proved popular in the lead up to the 2020 General Election and we look forward to seeing how schools receive the updated programme.

## Helping first time and inexperienced voters

Another group we developed focused campaigns for this year are people who have not voted before or do not feel confident about the process. We produced a series of videos aimed at preparing first







time, hesitant, or inexperienced voters to understand and trust the voting process. The videos show voters walking through a voting place, with a narrator explaining the voting process step by step. The videos are available in multiple languages including te reo Māori and New Zealand Sign Language. These resources were created to be shared across the Commission's social media networks and on our vote.nz website.

### **Making our information accessible to all New Zealanders**

It is important that information about enrolling and voting is accessible to all New Zealanders. To ensure that our resources for the Hamilton West by-election and the Māori Electoral Option public information campaign met the needs of different

communities, we worked with the Ministry of Social Development's disability experts and with providers of disability services to design these resources. We prepared resources in a range of alternative formats, including audio, large print, Easy Read, New Zealand Sign Language and Braille. All our video content and television advertisements have closed captions.

We also piloted producing resources for the Hamilton West by-election and the Māori Electoral Option in regional te reo Māori dialects.

For the first time we also produced information for candidates in multiple formats. This work formed part of the programme to establish the Election Access

Fund Te Tomokanga — Pūtea Whakatapoko Pōtitanga. During the consultation process we provided information in multiple formats. Subsequent information about the Fund and how to apply was also translated into alternative formats and shared with disability organisations who distributed it within the disability community. Advertising to promote the Fund featured people from the disabled community.

### **Making it simple and easy for people to take part**

We need to make it easy and simple for people to take part in elections so there are no barriers to people participating. We do this by providing open and available services that focus on ensuring all New Zealanders can take part.

### **Designing electoral services for Māori**

Our review of the 2014 election told us clearly that in some communities our voting places and services were not designed in a way to manaaki (support) Māori voters. There were issues with the location and availability of voting places and with the service within voting places. Staffing was not representative of the local community as locals did not know about employment opportunities.

Since then, we have been partnering with local Māori and community groups in areas with significant populations of Māori voters. These community advocates have generously provided their time and advice to design a whānau-centric voting experience, which builds on a pilot we delivered for the

2020 General Election. In 2020 we worked with Te Wharekura o Rakaumangamanga in Rāhui Pōkeka (Huntly) to provide a voting place to Rāhui Pōkeka whānau. This voting place enabled voters to complete the voting process in te reo Māori. The approach was whānau focused and communications to the community used kura (school) channels.

Incorporating lessons from the 2020 pilot, this year our teams across the country have been working to expand our Kaupapa Māori voting places for the 2023 General Election. We are establishing 15 sites where our services can be conducted in te reo Māori or English and where our staff reflect the communities they serve. These voting sites are open to all voters. There will also be more voting places available on marae across the country.







### Improving engagement for people with disabilities

This year we increased our engagement with groups who advocate for or represent disabled people, to work out how we can engage more effectively with disabled communities and improve their enrolment and voting experiences. This included holding workshops with Whaikaha Ministry of Disabled People, and other groups who represent disabled communities, to understand what good engagement looks like to them and generate ideas for improving our services. We have heard that we need to take a broader view of accessibility and expand our efforts to recognise that individuals have different needs. This engagement is ongoing.

In terms of voting places, we heard from stakeholders that we need to give more

consideration to accessibility at the voting place itself but also to factors such as the proximity of parking and public transport. Disabled voters prefer to vote in places that are familiar and feel safe to them. For the coming 2023 General Election we will be establishing voting places in Deaf Clubs in Auckland, Wellington and Christchurch and hope to have these staffed by club members. Where possible, we are also looking to use the New Zealand Relay app service, which assists deaf, hard of hearing, speech impaired and deafblind people to communicate over the phone.

### Making it easier for voters to find a place to vote

In addition to setting up voting places at Deaf Clubs and providing more voting places on marae, we are also bringing voting places to public places that our

voters regularly visit. Being able to vote somewhere familiar, and as part of a regular trip, improves access to voting. Over the last year, we have partnered with businesses and groups to establish advance voting and election day voting place locations that best serve the needs of our communities, including shopping malls, supermarkets, and mosques.

### Making it easier for candidates and prospective candidates to take part

In June we launched our new Candidate Hub on our elections.nz website. It provides candidates and prospective candidates with the information they require to contest the 2023 General Election, with information on becoming a candidate, key information and dates, candidate rules, and resources. Four informative videos have also been produced to explain the process.

### Establishing the Election Access Fund Te Tomokanga — Pūtea Whakatapoko Pōtītanga

The Election Access Fund Te Tomokanga — Pūtea Whakatapoko Pōtītanga enables disabled candidates to apply for a grant to help cover their costs. The fund was established by the Election Access Act 2020 and opened for applications on 31 October 2022.

The Commission is responsible for setting up and running the Fund. We consulted with disabled people, disabled people's organisations, political parties, and other interested groups, before finalising how the Fund would be managed. The Fund can be used to pay for disability related costs during selection or campaigning, for example

accessible transport to events or meetings, or specialist equipment.

To raise awareness of the Fund within the disabled community, we developed and released information about the Fund in multiple formats. Our advertising featured on radio, digital displays and social media. We also circulated a press release and emailed stakeholders to let them know the Fund was open and where to find resources for applicants.

Applications are considered by an independent panel of disabled people with extensive knowledge of access needs. As at 30 June 2023, two applications had been received and considered by the panel. Both were successful in receiving support and a total amount of \$13,943.61 was paid out, of which \$2140.51 was recovered as unused funds. We have received a number of enquiries about the scope of the fund and continue to provide support to potential applicants.

# Ko te tautoko i ā mātau kaimahi

## Supporting our staff

Our staff are the key to our success. They keep the Commission running efficiently, ensuring we meet our statutory responsibilities and deliver effective, accessible services and successful electoral events. While our core workforce consists of about 150 permanent staff, at the peak of a general election we employ about 23,500 people in permanent, temporary and casual roles across New Zealand.

No matter the employment type and tenure, in line with our value of manaakitanga we do our best to support and empower everyone who works for the Commission.

For our permanent and fixed term roles we do this by providing:






- reasonable sick leave
- five weeks annual leave
- access to the Employee Assistance Programme support
- flexible working arrangements wherever possible.

A supportive culture is as important as the conditions we provide each staff member. This year we gathered online and in person to define the Commission’s values in a meaningful way and make them part of our day-to-day way of working.




## Our workforce profile

### Diversity of permanent staff

		30 June 2023 All staff	30 June 2023 Tiers 1-3*	30 June 2022 All staff
	Headcount	150	19	116
	Gender**			
	Female	66%	59%	67%
	Male	34%	41%	33%
	Gender Diverse	0%	0%	0%
	Age			
	<30 years	16%	0%	10%
	30-39 years	21%	5%	10%
	40-49 years	17%	21%	19%
	50-59 years	33%	58%	40%
	Length of service with the Commission and its predecessors			
	<3 years	55%	63%	36%
	3-10 years	27%	26%	39%
	>10 years	18%	11%	25%
	Ethnicity***			
	European	60%	63%	-
	Māori	17%	13%	-
	Pacific peoples	8%	13%	-
	Asian	10%	13%	-
	MELAA****	1%	0%	-
	Other ethnic group	4%	0%	-

\* This is the first year we have reported this information.  
 \*\* Information presented is from staff who have disclosed their gender.  
 \*\*\* Information presented is from staff who have disclosed at least one ethnic group. / This is the first year we have reported this information.  
 \*\*\*\* Middle Eastern/Latin American/African

### Turnover of permanent staff

		2022/23	2021/22
	Percentage	22%	22%





Ko te  
pūrongorongo  
i tā mātau  
whakatutuki  
i ngā mahi  
Our  
performance  
reporting

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# Ko ngā putanga o te ine i tā mātau whakatutuki i ngā mahi

## Our performance measure results

Our performance measures, as published in our 2022/23 Statement of Performance Expectations, align with our performance framework. They help us to stay on track and to evaluate whether we are successfully delivering the impacts and outputs that we set out to achieve.

### Impact 1 – People have trust and confidence in the electoral system

Measure	2021/22		2022/23	
	Target	Result	Target	Result
Key general election milestones are achieved (refer to Output Measure 2)*	Measure introduced 2022/23		Achieved	Partially achieved
<b>Transition to new operating model phase one complete:</b> <ul style="list-style-type: none"> <li>General Election implementation programme established</li> <li>Reconfigured Senior Management Team structure</li> <li>Implementation of new delegations policy</li> <li>Proposal for reconfigured field operations finalised</li> </ul>	Measure introduced 2022/23		Achieved (by 31 Dec 2022)	Achieved
<b>Integrity of by-election results:</b> Official by-election Result Certificates for the electorate are signed by both the electorate Returning Officer and attending Justice of the Peace	Completed if applicable	Completed**	Completed if applicable	Completed**

\*Measure included in the Estimates of Appropriations

\*\*By-elections were held in the Tauranga electorate in 2021/22 and Hamilton West electorate in 2022/23.

### Impact 2 – People take part in the electoral system

Targets for 2022/23 were set to reflect our enrolment goals for the 2023 General Election. The selection of a mid-October general election date, around a month later than our planning assumptions, has meant that our enrolment update campaign did not commence until after the 2022/23 financial year. Enrolment statistics have yet to reflect the uptick in participation the campaign always brings, but we are confident that the campaign will be successful. Notably, the Māori Electoral Option update campaign, which began in April 2023, has meant our Māori enrolment performance is stronger than other measures. Provisional roll enrolments have been low due to the ongoing impacts of COVID-19 on schools, which has significantly curtailed our efforts with young people.

Measure	2021/22		2022/23	
	Target	Result	Target	Result
Number of people enrolled (average for the period) *	3.52m	3.52m Achieved	3.638m	3.441m Not achieved
Number of 18–24-year-olds enrolled (average for the period)*	0.29m	0.30m Achieved	0.341m	0.266m Not achieved
Number of people of Māori descent enrolled (average for the period)	0.51m	0.53m Achieved	0.525m	0.515m Not achieved
Number of people enrolled on the Provisional Roll (17-year-olds)	0.008m	0.004m Not achieved	0.0065m	0.0035m Not achieved

\*Measure included in the Estimates of Appropriations



## Output 1 – Maintaining and protecting the integrity of the electoral system

Measure	2021/22		2022/23	
	Target	Result	Target	Result
Adherence to the Commission's quality assurance practices around the integrity of the roll *	Completed	Completed	100%	100% Achieved
Staff receive mandatory integrity and compliance training **	100%	Not reported	100%	98.3% Not achieved
Legislative Compliance: The Commission will follow up failures by a party, candidate or third party to file any relevant return of election expenses, donations or loans within 5 working days	>95%	100% Achieved	>95%	100% Achieved
Allegations of electoral finance or advertising breaches of the Electoral Act are acknowledged, and follow-up is initiated if required, within 10 working days	90%	100% Achieved	90%	100% Achieved

\*Measure included in the Estimates of Appropriations

\*\*Staff are required to complete online learning modules on privacy, cyber security and health, safety and wellbeing during their first week with the Commission and to refresh this learning annually. In 2021/22 we were unable to guarantee that all staff completed their mandatory modules due to limitations with how the staff training portal records logins and completions, and organisational reviews that affected the accuracy of roles, structure and coding in the portal. We will be reviewing the target of 100%, as temporary staff in some roles are not required to complete the full online training package and are not allocated laptops.

### RIGHT TABLE:

\*These three milestones were substantially achieved but not completed within the forecast quarter. The targets dates were based on planning assumptions of a mid-September general election, so there has been no impact on our ability to deliver a successful 2023 General Election on 14 October.

\*\*By-elections were held in the Tauranga electorate in 2021/22 and Hamilton West electorate in 2022/23.

## Output 2 – Preparing for and running electoral events

Measure	2021/22		2022/23	
	Target	Result	Target	Result
Key general election preparation milestones achieved:	Measure introduced 2022/23			
• IT procurement complete			Q2	Q2 Achieved
• Core elections systems ready			Q2	Q2&3 Substantially achieved*
• Electorate headquarters secured			Q2	Q2 Achieved
• Returning officers trained			Q3&4	Q3&4 Achieved
• Electorate headquarters managers appointed and trained			Q4	Q4 Achieved
• Electorate headquarters operational			Q3	Q3&4 Substantially achieved*
• Overseas vote processing operational			Q3	Q3&4 Substantially achieved*
• Readiness testing and dress rehearsal programme begins			Q4	Q4 Achieved
Enrolment data update for Local Body Elections complete (Q1)	Measure introduced 2022/23		Achieved	Achieved
Simulation of key activities to be undertaken by headquarters during the general election complete (Q2)	Measure introduced 2022/23		By 24 December 2022	Achieved
By-election conduct measures (if applicable):				
• Release of preliminary results from 7:30pm on the day of the by-election	Achieved	Achieved	Achieved	Achieved
• Declaration of official results to schedule**	Achieved	Achieved	Achieved	Achieved



### Output 3 – Helping people understand the electoral system

Measure	2021/22		2022/23	
	Target	Result	Target	Result
Strategic Communications Plan developed*	December 2021	April 2022 Partially achieved	Ongoing activity for 2022-23	Achieved
Respondents agree or strongly agree that the advisory opinion was timely and adequately answered their request**	Baseline not yet established	Baseline not yet established	>80%	81.8% Achieved

\*The overarching strategic communications and engagement plan was developed and rolled out in April 2022. In 2022/23 we developed an implementation plan and began to implement the strategy. The overarching strategic communications and engagement plan will be reviewed after the 2023 General Election and adjusted as required.

\*\* We provide advisory opinions on whether an advertisement counts as an election advertisement for the purposes of the Electoral Act 1993. Our opinions are our interpretation of the Act and not legal advice. Advisory opinions are most often requested by candidates, parties, third party promoters and members of the public.

### Output 4 – Making it easy and simple for people to take part

Measure	2021/22		2022/23	
	Target	Result	Target	Result
Percentage of enrolment transactions that are conducted digitally *	35%	36.7%	>40%	45.2% Achieved
Participation strategies for priority groups developed	By 30 June 2022	Not complete	By 31 January 2023	Achieved
Election Access Fund established	Measure introduced 2022/23		By 31 October 2022	Achieved
Guidance on electoral matters: Percentage of advisory opinions issued within 5 working days *	95%	100% Achieved	>95%	99.3% Achieved

\*Measure included in the Estimates of Appropriations

## Ko ngā kōrero āpiti mō ngā ine o tā mātau whakatutuki i ngā mahi

### Notes to the performance measures

#### Compliance

Our measures are designed to be meaningful to Parliament and the public. Together, with the information presented in our performance story narrative and the financial statements, they are presented in accordance with the Public Benefit Entity Financial Reporting Standard 48 Service Performance Reporting (PBE FRS 48).

#### Critical reporting judgments, estimates and assumptions

Aspects of our work align with the three-year general election cycle. We change some of our output measures annually to reflect where we are in that cycle, for instance measures related to the timeliness of key deliverables. Similarly, we forecast our enrolment targets based on where we are in the election cycle to reflect trends in levels of public engagement between elections and our planning assumption that it is important to obtain peak enrolment levels just prior to an election.

Enrolment and participation measure targets and calculations are based on population estimates provided annually by Statistics New Zealand.

# Ko ngā whakapaunga pūtea mō ngā putanga o 2022/23 Output expenditure 2022/23

Statement of Output Expenditure for the year ended 30 June 2023

	Actual \$000	Budget \$000
<b>OUTPUT EXPENDITURE</b>		
<b>Output Class - Provision of Electoral Services</b>		
<b>Output Area 1 - Maintain and protect the integrity of the electoral system</b>	<b>33,760</b>	<b>21,999</b>
<b>Output Area 2 - Prepare and conduct electoral events:</b>	<b>37,773</b>	<b>51,881</b>
General Election	27,070	37,614
Local Body Elections	4,865	6,627
Māori Electoral Option	4,325	7,640
By-election	1,513	-
<b>Output Area 3 - New Zealanders understand the electoral system</b>	<b>750</b>	<b>7,690</b>
<b>Output Area 4 - New Zealanders can easily and simply enrol and vote</b>	<b>1,112</b>	<b>2,928</b>
<b>Total expenditure by output</b>	<b>73,395</b>	<b>84,497</b>
<b>REVENUE</b>		
Crown revenue	84,441	82,758
Other revenue	562	172
<b>Total revenue</b>	<b>85,003</b>	<b>82,930</b>
<b>Operating surplus / (deficit)</b>	<b>11,608</b>	<b>(1,567)</b>
<b>OTHER ACTIVITY</b>		
International assistance expenditure	1,485	3,423
International assistance revenue	1,485	3,423
<b>Net result (including international assistance)</b>	<b>11,608</b>	<b>(1,567)</b>

Ko ā mātau  
pūrongo pūtea  
Our financial  
statements

# Te ine i a mātou mahi ki te taha pūtea

## Measuring our financial performance

### Statement of Comprehensive Revenue and Expense for year ended 30 June 2023

		2023	2023	2022
		Actual	Budget	Actual
	Notes	\$000	\$000	\$000
<b>Revenue</b>				
Funding from Crown	2	84,441	82,758	25,618
Interest Received		454	2	3
Other Income		108	170	458
International Assistance Programme		1,485	3,423	1,870
<b>Total Revenue</b>		<b>86,488</b>	<b>86,353</b>	<b>27,949</b>
<b>Expenditure</b>				
Personnel and Board Fees	3	33,633	36,317	18,796
Operating Costs	4	40,555	50,354	17,929
Depreciation and Amortisation Expense	8,9	582	1,158	643
Audit Fees		110	91	95
<b>Total Expenditure</b>		<b>74,880</b>	<b>87,920</b>	<b>37,464</b>
<b>Surplus / (Deficit)</b>		<b>11,608</b>	<b>(1,567)</b>	<b>(9,515)</b>
<b>Other Comprehensive Revenue and Expense</b>		-	-	-
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>		<b>11,608</b>	<b>(1,567)</b>	<b>(9,515)</b>

Explanations of major variances against budget are provided in Note 18.

The accompanying notes form part of these financial statements.

### Statement of Financial Position as at 30 June 2023

		2023	2023	2022
		Actual	Budget	Actual
	Notes	\$000	\$000	\$000
<b>Current Assets</b>				
Cash and cash equivalents	5	25,928	6,112	8,524
Debtors and other receivables	6	1,390	1,025	2,247
Prepayments		109	180	107
Inventories	7	25	185	44
<b>Total Current Assets</b>		<b>27,452</b>	<b>7,502</b>	<b>10,922</b>
<b>Non-Current Assets</b>				
Property, plant and equipment	8	530	576	712
Intangible assets	9	1,226	2,306	1,598
<b>Total Non-current Assets</b>		<b>1,756</b>	<b>2,882</b>	<b>2,310</b>
<b>Total Assets</b>		<b>29,208</b>	<b>10,384</b>	<b>13,232</b>
<b>Current Liabilities</b>				
Deferred revenue	10	4,774	2,296	4,283
Creditors and other payables	10	5,272	2,100	2,225
Employee entitlements	11	2,674	1,516	1,471
Provisions	12	-	-	393
<b>Total Current Liabilities</b>		<b>12,720</b>	<b>5,912</b>	<b>8,372</b>
<b>Non-Current Liabilities</b>				
Employee entitlements	11	76	95	56
<b>Total Non-Current Liabilities</b>		<b>76</b>	<b>95</b>	<b>56</b>
<b>Total Liabilities</b>		<b>12,796</b>	<b>6,007</b>	<b>8,428</b>
<b>Net Assets</b>		<b>16,412</b>	<b>4,377</b>	<b>4,804</b>
<b>Equity</b>				
<b>Balance at 1 July</b>		4,804	5,944	14,319
Accumulated surplus / (deficit)	13	11,608	(1,567)	(9,515)
<b>Total Equity</b>		<b>16,412</b>	<b>4,377</b>	<b>4,804</b>

Explanations of major variances against budget are provided in Note 18.

The accompanying notes form part of these financial statements.



## Statement of Changes in Equity for year ended 30 June 2023

		2023	2023	2022
		Actual	Budget	Actual
	Notes	\$000	\$000	\$000
Balance at 1 July		4,804	5,944	14,319
Total comprehensive revenue and expense for the year		11,608	(1,567)	(9,515)
<b>Balance at 30 June</b>	13	<b>16,412</b>	<b>4,377</b>	<b>4,804</b>

Explanations of major variances against budget are provided in Note 18.

The accompanying notes form part of these financial statements.

## Statement of Cash Flows for year ended 30 June 2023

		2023	2022	2022
		Budget	Actual	Actual
	Notes	\$000	\$000	\$000
<b>Cash Flows from Operating Activities</b>				
Receipts from Crown		83,961	84,643	24,052
Interest received		454	2	3
Receipts from other revenue		4,787	170	132
Payments to Employees		(31,722)	(36,007)	(17,038)
Payments to Suppliers		(40,048)	(48,748)	(21,891)
<b>Net cash flow from operating activities</b>		<b>17,432</b>	<b>60</b>	<b>(14,742)</b>
<b>Cash Flows from Investing Activities</b>				
Receipts from sale of property, plant and equipment		-	-	-
Purchase of property, plant and equipment		(28)	(135)	-
Purchase of intangible assets		-	(1,019)	-
Maturity of short-term investments		30,000	-	-
Placement of short-term investments		(30,000)	-	-
<b>Net cash flows from investing activities</b>		<b>(28)</b>	<b>(1,154)</b>	<b>-</b>
<b>Cash Flows from Financing Activities</b>				
Capital contributions		-	-	-
<b>Net cash flows from finance activities</b>		<b>-</b>	<b>-</b>	<b>-</b>
Net increase / (decrease) in cash and cash equivalents		17,404	(1,094)	(14,742)
Cash and cash equivalents at beginning of year		8,524	7,206	23,266
<b>CASH AND CASH EQUIVALENTS HELD AT YEAR END</b>	5	<b>25,928</b>	<b>6,112</b>	<b>8,524</b>

Explanations of major variances against budget are provided in Note 18.

The accompanying notes form part of these financial statements.

Statement of Cash Flows for the year ended 30 June 2023  
(continued)  
Reconciliation of net surplus / (deficit) to net cash flow from operating activities

	2023 Actual \$000	2022 Actual \$000
<b>Net surplus / (deficit)</b>	<b>11,608</b>	<b>(9,515)</b>
<b>Add / (less) non-cash items</b>		
Depreciation and amortisation expense	582	643
<b>Total non-cash items</b>	<b>582</b>	<b>643</b>
<b>Add / (less) movements in financial position items</b>		
(Increase) / decrease in debtors and prepayments	2,221	2,170
(Increase) / decrease in inventories	19	(89)
(Increase) / decrease in GST refund	(1,198)	(1,062)
Increase / (decrease) in creditors and other payables	2,879	(7,644)
Increase / (decrease) in employee entitlements	1,223	(98)
Increase / (decrease) in deferred revenue	491	-
Increase in provisions	(393)	393
<b>Net movement in working capital</b>	<b>5,242</b>	<b>(6,330)</b>
<b>Net cash flow from operating activities</b>	<b>17,432</b>	<b>(15,202)</b>

Explanations of major variances against budget are provided in Note 18.  
The accompanying notes form part of these financial statements.

# Notes to the Financial Statements

## 1. 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.

### 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.

The financial statements are for the year 30 June 2023 and were approved by the Board on 24 October 2023.

### Basis of preparation

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

### Statement of compliance

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

### **Measurement basis**

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

Except for cash flow information which has been prepared on a cash basis, the 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).

### **Standards effective for the year ended 30 June 2023**

PBE IPSAS 41 Financial Instruments replaces PBE IFRS 9 Financial Instruments.

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 Presentation of Financial Statements.

### **Changes in accounting policies**

There have been no changes in accounting policies, other than reflecting the adoption of PBE IPSAS 41.

### **Summary of significant accounting policies**

Significant accounting policies, which materially affect the measurement of financial performance and financial position, are included in the notes to which they relate. Significant accounting policies that do not relate to a specific are outlined below:

#### **Goods and services tax**

All items in the financial statements are presented exclusive of Goods and Services Tax (GST), except for 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.

The net GST receivable or payable at balance date is included in receivables or payables in the 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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

### **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 provision has been made for income tax.

### **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.

### **Derivative financial statements**

Derivative financial instruments are used to manage exposure to foreign exchange risk arising from the Commission's operational activities. The Commission does not hold or issue derivative financial instruments for trading purposes. The Commission has not adopted hedge accounting.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date with the resulting gain or loss recognised in the surplus or deficit.

A forward foreign exchange derivative is classified as current if the contract is due for settlement within twelve months of balance date. Otherwise, the full fair value of a forward foreign exchange derivative is classified as non-current. The commission has not entered into any forward exchange contract during the year ended 30 June 2023.

### **Budget figures**

The 2023 budget figures are for the year ended 30 June 2023 and were published in the 2022-23 Statement of Performance Expectations. They are consistent with The Commission's best estimate financial forecast information submitted to the Minister of Justice for the year ended 2022-23.

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

Critical accounting estimates and assumptions

In preparing these financial statements, the Commission has made estimates and assumptions concerning the future. These estimates and assumptions might differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Useful lives and residual values property, plant and equipment - refer to Note 8
- Useful lives of software intangible assets - refer to Note 9

These significant estimates and assumptions are included in the relevant note.

Critical judgements in applying accounting policies

No critical judgements have been applied to the preparation of these financial statements.

2. 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 Kokiri for Maori affiliation services)
- Sale of electoral rolls; and
- Interest revenue

Crown funding

The Commission is primarily funded from the Crown. This funding is restricted in its use for the purpose of the Commission meeting the objectives specified in the Electoral Act 1993 and other relevant acts, and the scope of the relevant appropriations of the funder.

Revenue from the Crown is measured based on the Commission’s funding entitlement for the reporting period. The funding entitlement is established by Parliament when it passes the Appropriation Acts for the financial year. The amount of revenue recognised takes into account any amendments to appropriations approved in the Appropriation (Supplementary Estimates) Act for the year and certain other unconditional funding adjustments formally approved prior to balance date.

Revenue from the Crown is classified as exchange transactions.

The fair value of revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements.

Breakdown of Crown Revenue

	2023	2022
	Actual	Actual
	\$000	\$000
Core services of the Electoral Commission	83,878	25,505
Election Access Funds	563	113
Total Revenue from the Crown	84,441	25,618

Ministry contracts

Revenue earned under Ministry contracts is recognised in the Statement of Comprehensive Revenue and Expense in the period in which the Commission provides the funded programmes.

Sale of electoral rolls

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

Interest revenue

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

3. Personnel Costs

Accounting policy

Salary and wages

Salary and wages are recognised as an expense as employees provide services.

Defined contribution schemes

Superannuation schemes. Obligations for the Commission’s contributions to Kiwisaver are accounted for as contributions to a defined contribution superannuation scheme and are recognised as an expense in the surplus or deficit as incurred.



## Breakdown of personnel costs

	2023 Actual \$000	2022 Actual \$000
Salaries and wages	30,703	16,628
Increase in employment entitlements	1,223	495
Employer contributions to defined benefit plans	700	448
Other personnel costs	1,007	1,225
<b>Total personnel costs</b>	<b>33,633</b>	<b>18,796</b>

## Employee Remuneration

Remuneration and other benefits of \$100,000 or more paid or payable to employees for the year were:

	2023	2022
\$100,000 - \$109,999	13	9
\$110,000 - \$119,999	8	8
\$120,000 - \$129,999	9	3
\$130,000 - \$139,999	13	6
\$140,000 - \$149,999	8	2
\$150,000 - \$159,999	4	1
\$160,000 - \$169,999	3	2
\$170,000 - \$179,999	2	2
\$180,000 - \$189,999	2	1
\$190,000 - \$199,999	1	4
\$200,000 - \$209,999	2	2
\$210,000 - \$219,999	2	1
\$220,000 - \$229,999	0	0
\$230,000 - \$239,999	0	1
\$240,000 - \$249,999	2	1
\$250,000 - \$259,999	1	0
\$260,000 - \$269,999	2	2
\$270,000 - \$279,999	0	0
\$280,000 - \$289,999	1	0
\$290,000 - \$299,999	1	1
\$309,000 - \$319,000	1	0
\$340,000 - \$349,000	0	1
\$360,000 - \$369,999	1	1
<b>Total</b>	<b>76</b>	<b>48</b>

## Board members' remuneration

Board members are paid at the rate set by the Remuneration Authority. The total value of remuneration paid or payable to each Board member during the year was:

	2023 Actual \$000	2022 Actual \$000
Chair Marie Shroff MA (Hons), CVO, CNZM	122	88
Deputy Chair Jane Meares, LLB Hons	81	59
Chief Executive, Chief Electoral Officer and Board Member	366	68
Karl Le Quesne		
Chief Executive, Chief Electoral Officer and Board Member	-	345
Alicia Wright		
<b>Total board members' remuneration</b>	<b>569</b>	<b>560</b>

## 4. Other Expenses

### Accounting Policy

#### Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

#### Operating leases as lessee

	2023 Actual \$000	2022 Actual \$000
Not later than one year	8,948	1,888
Later than one year and not later than five years	1,458	1,544
Later than five years	-	-
<b>Total non-cancellable operating leases</b>	<b>10,406</b>	<b>3,432</b>

The Commission leases office premises and car parks in Wellington, Whangarei, Auckland, Hamilton, Rotorua, Gisborne, Napier, Hutt Valley, and Christchurch.

For the purposes of running the General Election 2023, the Commission has also secured short-term leases for the 65 electorate headquarters.

There are no restrictions placed on the Commission by any of its operating leasing arrangements.

Other expenses

Other expenses are recognised as goods and services are received.

Breakdown of other expenses

	2023 Actual \$000	2022 Actual \$000
Specialist services	8,613	10,243
Property and occupancy	9,269	2,008
Advertising and publicity	5,229	939
Computer and telecommunications	4,488	2,464
Printing, stationery and postage	7,819	726
Travel	1,413	327
Minor assets	2,358	35
Storage and freight	666	451
Other operating costs	700	736
<b>Total operating costs</b>	<b>40,555</b>	<b>17,929</b>

5. Cash and Cash Equivalents

Accounting policy

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

Breakdown of cash and cash equivalents

	2023 Actual \$000	2022 Actual \$000
Investment account	12,847	4,468
Operating account	12,646	4,050
Electorate bank accounts	435	6
<b>Total cash and cash equivalents</b>	<b>25,928</b>	<b>8,524</b>

6. Receivables

Accounting policy

Short-term receivables are recorded at the amount due, less any allowance for credit losses. The Commission applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables.

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

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

Breakdown of receivables

	2023 Actual \$000	2022 Actual \$000
Receivables (Gross)	1,390	2,415
Less Allowance for credit loss	-	-
<b>Receivables</b>	<b>1,390</b>	<b>2,415</b>
Receivables comprise:		
Receivables from the sale of goods and services (exchange transactions)	23	2,247
Receivables from GST refund from Inland Revenue (non-exchange transactions)	1,367	-
<b>Total receivables</b>	<b>1,390</b>	<b>2,247</b>



30 June 2023	Receivable days past due				Total
	Current	More than 30 days	More than 60 days	More than 90 days	
Expected credit loss are	0%	0%	0%	0%	0%
Gross carrying amount (\$000)	1,382	1	-	7	1,390
Lifetime expect credit loss (\$000)	-	-	-	-	-

30 June 2022	Receivable days past due				Total
	Current	More than 30 days	More than 60 days	More than 90 days	
Expected credit loss are	0%	0%	0%	0%	0%
Gross carrying amount (\$000)	2,247	1,716	529	2	2,247
Lifetime expect credit loss (\$000)	-	-	-	-	-

There is no movement in the amount of credit losses.

## 7. Inventories

### Accounting policy

Inventories are held for distribution or for use in the provision of goods and services. The measurement of inventories depends on whether the inventories are held for commercial or non-commercial (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.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Any write-down from cost to net realisable value or for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the year of the write-down.

### Breakdown of commercial inventories

	2023 Actual \$000	2022 Actual \$000
Publications held for sale	13	18
Inventories held for the use in the provision of goods and services	12	26
<b>Total inventories</b>	<b>25</b>	<b>44</b>

## 8. Property, Plant and Equipment

### Accounting policy

Property, plant, and equipment consists of the following asset classes, which are measured as follows:

- Office equipment, at cost less accumulated depreciation and impairment losses.
- Computer equipment, at cost less accumulated depreciation and impairment losses.
- Leasehold improvements, at cost less accumulated depreciation and impairment losses.

### Additions

The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to 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 \$3,000.

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 those 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 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 property, plant, and equipment have been estimated as follows:

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

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

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

Impairment

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

Property, plant, and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount might 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, a restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset’s carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable service amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

Critical accounting estimates and assumptions

At each balance date, the useful lives and residual values of property, plant, and equipment are reviewed. Assessing the appropriateness of useful life and residual value estimates of property, plant, and equipment requires a number of factors to be considered such as the physical condition of the asset, expected period of use of the asset by the Commission, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will affect the depreciation expense recognised in the surplus or deficit, and carrying amount of the asset in the Statement of Financial Position. The Commission minimises the risk of this estimation uncertainty by:

- physical inspection of assets;
- asset replacement programs;
- review of second-hand market prices for similar assets;
- and analysis of previous asset sales.

The Commission has not made significant changes to past assumptions concerning useful lives and residual values.

Breakdown of property, plant and equipment

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

	COMPUTER HARDWARE	OFFICE EQUIPMENT	LEASEHOLD IMPROVEMENTS	TOTAL
	\$000	\$000	\$000	\$000
<b>Cost or valuation</b>				
Balance at 1 Jul 2021	1,382	304	984	2,670
Additions	-	-	-	-
Disposals	-	-	-	-
<b>Balance at 30 Jun 2022</b>	<b>1,382</b>	<b>304</b>	<b>984</b>	<b>2,670</b>
Balance at 1 Jul 2022	1,382	304	984	2,670
Additions	11	17	-	28
Disposals	-	-	-	-
<b>Balance at 30 Jun 2023</b>	<b>1,393</b>	<b>321</b>	<b>984</b>	<b>2,698</b>
<b>Accumulated depreciation</b>				
Balance at 1 Jul 2021	1,084	261	267	1,612
Depreciation expense	220	17	109	346
<b>Balance 30 Jun 2022</b>	<b>1,304</b>	<b>278</b>	<b>376</b>	<b>1,958</b>



Balance at 1 Jul 2022	1,304	278	376	1,958
Depreciation expense	78	20	112	210
<b>Balance 30 Jun 2023</b>	<b>1,382</b>	<b>298</b>	<b>488</b>	<b>2,168</b>
<b>Carrying amount</b>				
At 30 June 2022	78	26	608	712
<b>At 30 June 2023</b>	<b>11</b>	<b>23</b>	<b>496</b>	<b>530</b>

There are no contractual commitments for the acquisition of property, plant and equipment as at 30 June 2023 (2022: Nil)

## 9. Intangible Assets

### Accounting policy

#### 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 Treasury New Zealand 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 derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit. The amortisation only applies to complete developed computer software.

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

Acquired computer software	3 years	33%
Internally developed computer software	10 years	10%

#### Impairment of intangible assets

Refer to the policy for impairment of property, plant, and equipment in Note 8. The same approach applies to the impairment of intangible assets.

### Critical accounting estimates and assumptions

#### Estimating useful lives of software

Internally generated software has a finite life, which requires the Commission to estimate the useful life of the software assets.

In assessing the useful lives of software assets, a number of factors are considered, including:

- the period of time the software is intended to be in use;
- the effect of technological change on systems and platform; and
- the expected time frame for the development of replacement systems and platforms.

An incorrect estimate of the useful lives of software assets will affect the amortisation expense recognised in the surplus or deficit, and the carrying amount of the software assets in the Statement of Financial Position.

The Commission has estimated a useful life of ten years for its regulatory platform based on the period of use estimated. This useful life is still considered reasonable based on the current performance and use of the software. There are currently no indicators the period of use of the software will be materially different.

Movements for the intangible assets are as follows:

	<b>SOFTWARE \$000</b>
<b>Cost or valuation</b>	
Balance at 1 July 2021	3,165
Additions	-
Transfers	-
<b>Balance at 30 June 2022</b>	<b>3,165</b>
Balance at 1 July 2022	3,165
Additions	-
Transfers	-
<b>Balance at 30 June 2023</b>	<b>3,165</b>
<b>Accumulated depreciation</b>	
Balance at 1 July 2021	1,269
Amortisation expense	298
<b>Balance 30 June 2022</b>	<b>1,567</b>
Balance at 1 July 2022	1,567
Amortisation expense	372
<b>Balance 30 June 2023</b>	<b>1,939</b>
<b>Carrying amount</b>	

<b>At 30 June 2022</b>	<b>1,598</b>
<b>At 30 June 2023</b>	<b>1,226</b>

#### Restrictions

There are no title restrictions for any of the Commission's intangible assets, nor are any intangible assets pledged as security for liabilities or contingent liabilities.

#### Capital commitments

There are no capital commitments at 30 June 2023 (2022: Nil)

## 10. Payables and deferred revenue

### Accounting policy

Short-term payables are recorded at the amount payable.

Any income of funds received in advance of the corresponding obligations being satisfied are carried as liabilities, until those obligations have been fulfilled. Deferred revenue represents funding received from the government, for the funding of grants, and the Ministry of Foreign Affairs and Trade, for contractual services related to the international assistance programme.

### Breakdown of creditors and other payables

	<b>2023</b>	<b>2022</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>
<b>Payables under exchange transactions</b>		
Accounts payable	3,771	394
Accrued expense	1,501	1,831
<b>Total payable under exchange transactions</b>	<b>5,272</b>	<b>2,225</b>

### Breakdown of deferred revenue

	<b>2023</b>	<b>2022</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>
<b>Deferred revenue under exchange transactions</b>		
Government funding received in advance	1,864	2,344
Contracted revenue received in advance	2,910	1,939
<b>Total deferred revenue under exchange transactions</b>	<b>4,774</b>	<b>4,283</b>

## 11. Employee entitlements

### Accounting policy

#### 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. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, vested long service leave, and sick leave. Non-vested long service leave expected to be settled within twelve months of balance date are also classified as a current liability.

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

Employee benefits that are due to be settled beyond twelve months after the end of 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.

#### Presentation of employee entitlements

Annual leave and vested long service leave are classified as a current liability. Non-vested long service leave expected to be settled within twelve months of balance date are classified as a current liability.

### Breakdown of employee entitlements

	<b>2023</b>	<b>2022</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>
<b>Current portion</b>		
Accrued salaries and wages	1,096	375
Annual leave	1,545	1,052
Long service Leave	33	44
<b>Total current portion</b>	<b>2,674</b>	<b>1,471</b>
<b>Non-current portion</b>		
Long service leave	76	56
<b>Total non-current portion</b>	<b>76</b>	<b>56</b>
<b>Total employee entitlements</b>	<b>2,750</b>	<b>1,527</b>



## 12. Provisions

### Accounting policy

The Commission recognises a provision for future expense of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expense will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are distinct from other liabilities (such as trade payables) because there is uncertainty about the timing or the amount of the future expense required in settlement. The organisation provides for the amount it estimates is needed to settle the obligation at its present value.

### Restructure provision

In 2021, the Commission undertook an operating model review. This review resulted in a programme of work which would enable the Commission to work towards a revised Target Operating Model by 2030. One of these programmes included reviewing the regional operations. Following a review, in April and May of 2022 a proposal for change to the way the regional operations were structured and worked was consulted on. Following the consultation period, a final decision was confirmed in June 2022. The decision confirmed that the new structure for regional operations would be implemented in August 2022. The restructure provision at June 2022 covered the estimated cost of redundancies resulting from the reorganisation of the Commission's regional operations. These redundancies were fully paid out during the year ended 30 June 2023.

	2023 Actual \$000	2022 Actual \$000
Restructure provision at the beginning of the year	393	-
Net increase / (decrease) to provision during the year	(393)	393
<b>Total restructure provision</b>	<b>-</b>	<b>393</b>

## 13. Equity

### Accounting policy

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.

## 14. Contingencies

### Contingent liabilities

The Commission has no contingent liabilities (2022: \$nil).

### Contingent assets

The Commission has no contingent assets (2022: \$nil).

## 15. Related party transactions

The Commission is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Commission would have adopted in dealing with the party at arm's length in the same circumstances.

Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

### Key management personnel remuneration

	2023 Actual \$000	2022 Actual \$000
<b>Chair and Deputy Chair of the Board</b>		
Remuneration	203	147
Full-time equivalent members	0.4	0.4
<b>Leadership team</b>		
Remuneration	2,116	2,826
Full-time equivalent members	8	11
<b>Total key management personnel remuneration</b>	<b>2,319</b>	<b>2,973</b>
<b>Total full-time equivalent personnel</b>	<b>8.4</b>	<b>11.4</b>

The FTE calculation for the Chair and Deputy Chair is from their total hours worked for the financial year divided by 2,085 as they are paid via timesheet only.

A breakdown of individual Board member remuneration is provided in Note 3.

16. Financial instruments

Financial instrument categories

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

	2023 Actual \$000	2022 Actual \$000
<b>Financial assets measured at amortised cost (loans and receivables)</b>		
Cash and cash equivalents	25,928	8,524
Debtors and other receivables	1,390	2,247
<b>Total financial assets measured at amortised cost</b>	<b>27,318</b>	<b>10,771</b>
<b>Financial liabilities measured at amortised cost</b>		
Creditors and other payables	5,272	2,225
<b>Total financial liabilities measured at amortised cost</b>	<b>5,272</b>	<b>2,225</b>

Financial instrument risks

The Commission’s activities expose it to the financial instrument risks of market, credit, and liquidity risk. The Commission’s policy is to manage these risks and seeks to minimise its exposure to financial instrument risk. The Commission doesn’t allow transactions that are speculative in nature to be entered into.

There have been no changes from the previous reporting period in either the types of financial instrument held, the type of risk exposure, or the way in which these financial instrument risks are managed.

Market risk

Price risk

Price risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices such as interest rates, foreign exchange rates and other market factors.

Fair value interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Commission’s exposure to fair value interest rate risk is limited to its bank deposits that are held at fixed rates of interest. The Commission minimises its exposure to interest rate risk by investing surplus liquid funds at short-term fixed interest rates and limiting its floating rate deposit balances to daily funding requirements.

As the Commission’s short-term deposits are invested at fixed interest rates, any change in interest rates prior to deposit maturity has no impact on net surplus/(deficit). As these financial assets are carried at amortised cost, rather than at fair value, there is no direct impact on equity from any change in interest rates.

Cash flow interest risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Investments issued at variable interest rates expose the Commission to cash flow interest rate risk. The Commission currently has no variable interest rate investments. .

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Commission purchases some goods and services from overseas that require it to enter into transactions denominated in foreign currencies. Exposure to currency risk arises as a result of these activities. The amounts purchased in foreign currencies are for low-value transactions and would not materially affect the Commission’s surplus and equity.

Credit risk

Credit risk is the risk that a third party will default on its obligation to the Commission, causing the Commission to incur a loss. The Commission is exposed to credit risk on its balances of cash and cash equivalents, debtors and other receivables, and investments in term deposits entered into. For each of these, the maximum credit exposure is best represented by the carrying amount in the Statement of Financial Position.

Risk management

Due to the timing of its cash inflows and outflows, the Commission invests surplus cash with registered banks with a Standard and Poor’s credit rating of at least AA- (or Equivalent Fitch or Moody’s) for short-term investments. The Commission’s investments in term deposits is considered to be low-risk investments.

### Security

No collateral or other credit enhancements are held for financial assets that give rise to credit risk.

### Impairment

Cash and cash equivalents (Note 5) and receivables (Note 6) are subject to the expected credit loss model. The notes for these items provide relevant information on impairment.

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

The gross carrying amount of financial assets, excluding receivables, by credit rating is provided below by reference to Standard and Poor's credit ratings.

### Maximum exposures to credit risk at reporting date are:

	2023 Actual \$000	2022 Actual \$000
Cash at bank and term deposit		
BNZ (Standard & Poor's Rating: AA-)	25,928	8,524
<b>Total cash at bank and term deposits</b>	<b>25,928</b>	<b>8,524</b>

### Liquidity risk

Liquidity risk is the risk that the Commission will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The Commission manages liquidity risk by continuously monitoring forecast and actual cash flow requirements.

### Contractual maturity analysis of financial liabilities, excluding derivative

The table below analyses financial liabilities (excluding derivatives) into their relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the floating rate of the instrument at balance date. The amounts disclosed are the undiscounted contractual cash flows.

	Carrying Amount \$000	Contractual cashflows \$000	Less than 6 months \$000	6-12 months \$000	More than 1 year \$000
<b>2023</b>					
Payables (excluding income in advance, taxes payable and grants received subject to conditions)	3,771	3,771	3,771	-	-
<b>Total</b>	<b>3,771</b>	<b>3,771</b>	<b>3,771</b>	<b>-</b>	<b>-</b>
<b>2022</b>					
Payables (excluding income in advance, taxes payable and grants received subject to conditions)	322	322	322	-	-
<b>Total</b>	<b>322</b>	<b>322</b>	<b>322</b>	<b>-</b>	<b>-</b>

## 17. Events after balance date

There have been no significant events after balance date.

## 18. Explanation of major variances against budget

### Statement of Comprehensive Revenue and Expense

#### Revenue - \$0.135m favourable against budget due to:

- \$1.513m additional funding for the Hamilton West by-election and the finalisation of the Tauranga by-election. By-elections are funded when a by-election occurs and therefore not included in the Commission's annual budget.
- \$0.170m of funding above budget recognised for core operations, including \$0.135m for the Election Access Fund.
- \$0.452m additional interest income received due to higher cash balances being held over the year and higher short-term investment rates.
- (\$1.938m) lower revenue recognised from the International Assistance Programme. This revenue equalises the costs incurred in providing these services. For the year ended 30 June 2023, there were significant delays in supporting the participating countries for various reasons including the volcanic eruption in Tonga and slower deployment related expenses due to on-going COVID-19 cautions.
- (\$0.062m) lower revenue for other miscellaneous activities.



**Expenditure - \$13.175m favourable against budget due to:**

The budget assumed a September 2023 election date. The subsequent confirmation of an October 2023 election date meant that there was a slide of significant expenditure in personnel and other operating costs to July 2023, that would have otherwise been incurred in June 2023. Specific significant variances to budget are outlined below.

- \$2.684m favourable variance due to delayed recruitment in both the business as usual operations and the General Election event. This was due to a combination of a tight labour market, and the confirmation of an October 2023 General Election.
- \$1.020m favourable variance in computers and telecommunications expenses due largely to the delayed mobile rollout. A significant portion of this cost has slid into the 2023-24 financial year.
- (\$1.730m) unfavourable variance in property and occupancy costs substantially due to the significant increases in the 65 electoral office headquarters as well as additional security costs.
- \$3.522m favourable variance in specialist services. Advertising and publicity costs along with archiving and storage costs are now to be spent in the 2023-24 financial year.
- \$4.517m favourable variance in printing, stationery and postage. The costs related to the Local Body Elections were less than expected. The later than budgeted timing of the General Election update campaign and the printing of printing materials also contributed the underspend. In addition, there was a lower level of personal protection equipment required for General Election than was budgeted.
- \$0.576m favourable variance in depreciation and amortisation expense. The budget assumed two software related projects were to be capitalised and to be amortised. In accordance with Treasury’s guidelines with the treatment of Software as a Service (SaaS) these costs were fully expensed in the 2021-22 financial year.
- \$2.586m favourable variance in other operating expenses including less travel (approximately half of which related to the international assistance programme).

**Statement of Financial Position**

**Net Assets/Equity - \$12.035m favourable against budget due primarily to:**

- \$19.950m favourable variance in current assets with \$19.816m related to a higher bank balance due to the significant underspend during the year.
- (\$1.126m) unfavourable variance in non-current assets. As mentioned above, the budget assumed two software related projects were to be capitalised and to be amortised. In accordance with Treasury New Zealand’s guidelines with the treatment of Software as a Service (SaaS) these costs were fully expensed in the 2021-22 financial year.

- (\$2.478m) unfavourable variance in deferred revenue due to delayed expenditure in the international assistance programme and lower than anticipated grants paid through the election access fund.
- (\$3.172m) unfavourable variance in creditors and other payables due to large advertising and publicity, communications and other specialist services expenses due to be paid in the 2023-24 financial year.
- (\$1.158m) unfavourable variance in employee entitlements due to an increase in the annual leave accrued which is expected to largely reverse after the General Election 2023.

**Statement of Cash Flows**

- 19.816m favourable variance in cash and cash equivalents held at 30 June is due to the abovementioned lower level of operational expenditure and the change of treatment of costs incurred in SaaS projects.

**19. Trust monies**

The Trust Account for Nomination Deposits was administered on behalf of the Crown under 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. Movements in this account during the year ended 30 June 2023 were as follows:

**Election candidate deposits trust account**

	2023 Actual \$000	2022 Actual \$000
Balance at 1 July	140	156
Fees received	4	5
Fees refunded	(2)	(21)
Balance at 30 June	142	140

**20. Donations protected from disclosure**

Under the Electoral Act, someone defined as a New Zealand person may donate more than \$1,500 to a party anonymously. The Electoral Commission collects and pays this money without disclosing the payee or recipient. This is reported quarterly on elections.co.nz as follows:

Received	Amount Received	Paid to Party	Returned to donor	Paid to Crown
September 2021 Quarter End	Nil	Nil	Nil	Nil
December 2021 Quarter End	Nil	Nil	Nil	Nil
March 2022 Quarter End	Nil	Nil	Nil	Nil
June 2022 Quarter End	Nil	Nil	Nil	Nil
September 2022 Quarter End	Nil	Nil	Nil	Nil
December 2022 Quarter End	Nil	Nil	Nil	Nil
March 2023 Quarter End	Nil	Nil	Nil	Nil
June 2023 Quarter End	Nil	Nil	Nil	Nil

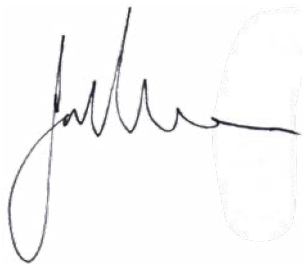
In the March 2020 Quarter, \$61,824 was paid to the relevant party. However as at 30 June 2022, the cheque remained unprocessed by the relevant party, and resulted in \$61,824 being held by the Commission. These funds have since been paid and receipted (\$62,413 including interest) in November 2022, and the balance outstanding is now nil.

# Ko te tauākī kawenga

## Statement of responsibility

The Board is responsible for the preparation of the Electoral Commission’s financial statements and statement of performance, and the judgements made in them. The Board is responsible for any end-of-year performance information provided by the Electoral Commission under section 19A of the Public Finance Act 1989. The Board has the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting. In the Board’s opinion, these financial statements and statement of service performance fairly reflect the financial position and operations of the Electoral Commission for the year ended 30 June 2023.

Signed on behalf of the Board:



**Jane Meares**  
**Acting Chair**  
 Pou Kaiāwhā Kaitiaki  
 Take Kōwhiri



**Karl Le Quesne**  
**Chief Electoral Officer**  
 Pou Kaiāwhā Kaitiaki  
 Take Kōwhiri

**24 October 2023**

# Ko te pūrongo a te kaiarotake motuhake

## Independent auditor's report

### TO THE READERS OF THE ELECTORAL COMMISSION'S FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2023

The Auditor-General is the auditor of the Electoral Commission (the 'Commission'). The Auditor-General has appointed me, Sonia Isaac, using the staff and resources of KPMG, to carry out the audit of the financial statements and the performance information, of the company on his behalf.

#### Opinion

We have audited:

- the financial statements of the Commission on pages 51 to 81, that comprise the statement of financial position as at 30 June 2023, the statement of changes in equity, the statement of comprehensive revenue and expenses, and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information which reports against the Commission's statement of performance expectations for the year ended 30 June 2023 on pages 43 to 49.

In our opinion:

- the financial statements of the Commission:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2023 and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards; and
- the Commission's performance information for the year ended 30 June 2023:
  - presents fairly, in all material respects, for each class of reportable outputs:
    - its standards of delivery performance achieved as compared with forecasts included

in the statement of performance expectations for the financial year; and

- its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year;
- the actual expenses or capital expenditure incurred as compared with the expenses or capital expenditure appropriated or forecast to be incurred; and
- complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 24 October 2023. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

#### Basis for our opinion

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

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

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

#### Responsibilities of the Board for the financial statements and the performance information

The Board are responsible on behalf of the Commission for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board are responsible for such internal control as they determine is necessary to enable them to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board are responsible on behalf of the Commission for assessing the Commission's ability to continue as a going concern. The Board are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Commission, or there is no realistic alternative but to do so.



The Board's responsibilities arise from the Crown Entities Act 2004 and the Public Finance Act 1989.

Responsibilities of the auditor for the audit of the financial statements and the performance information

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the performance information which reports against the Commission's statement of performance expectations.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the financial statements and the performance information of the entities or business activities within the Commission to express an opinion on the consolidated financial statements and the consolidated performance information. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

Our responsibilities arise from the Public Audit Act 2001.

### Other information

The Board are responsible for the other information. The other information comprises the information included on pages 1 to 40, but does not include the financial statements and the performance information, and our auditor's report thereon.

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

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

**Independence**

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

Our firm has also provided other services to the Commission in relation to data system assurance. Subject to certain restrictions, partners and employees of our firm may also deal with the Commission on normal terms within the ordinary course of trading activities of the business of the Commission. These matters have not impaired our independence as auditor of the Commission. The firm has no other relationship with, or interest in, the Commission.



**Sonia Isaac**

KPMG

On behalf of the Auditor-General

Wellington, New Zealand

**Karakia**

Koia tēnei te whakairi ake i te kete whakaaro,  
i te kete kōrero ki te epa o te whare  
Karakia whakamutunga  
Tēnei te whakamoe tai o tēnei o ngā whare kōrero  
Whakamoe tai  
Whakamoe kaupapa  
Whakamoe tēnei whare kōrero  
Ko lo te pū, lo tā koutou weu, lo tā koutou tāmōre  
Tēnei te hau  
Tēnei te hau kiwi, te hau weka  
Tēnei te hau ka kawea mai, ka tau mai, ka mārire mai,  
ka māhaki mai  
Māhaki ki te rangi  
Māhaki ki te whenua  
Māhaki ki ngā tāngata katoa  
E Rongo, whakairihia te kete kōrero ki runga, kia Tina – Tina!  
Hui e – Tāiki e!

Let rest the ebbs and flows within our House of Dialogue  
Let rest the currents  
Let rest this evening  
Let rest this House of Dialogue  
Io is the source, of your growth and development  
This is the essence heard  
The essence of the Kiwi (uncommon – the hidden), the essence  
of the weka (common – thirst for knowledge)  
The essence that was brought here, the essence that has  
landed, the essence that has settled, the essence that  
has calmed  
May the heavens be calm  
May the earth be untroubled  
May there be peace amongst us  
Rongo, (Peace) elevate our kete of dialogue.  
Tie it, complete!





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**ELECTORAL  
COMMISSION**  
TE KAITIAKI TAKE KŌWHIRI