



**ELECTORAL
COMMISSION**
TE KAITIAKI TAKE KŌWHIRI

Annual Report Te Pūrongo Ā Tau

For the year ended 30 June 2022



February 2023
Presented to the House of Representatives
pursuant to the Crown Entities Act 2004

Contents

4	Letter from the Commissioners He kōrero nā ngā Kōmihana
6	Our story Tā mātou kōrero
12	Delivering on our strategic priorities Whakaratotia ana ō mātou hiahia tuatahi o te rautaki
16	Priority 1 – Building capability
20	Priority 2 – Being election-prepared
22	Priority 3 – Building relationships & understanding
24	Priority 4 – Preparing for the future
26	Our performance Ā mātou mahinga
28	Our performance measurement framework
30	Delivering our services – main achievements over the past year Whakaratotia ana ō mātou ratonga – ngā mea matua i taea i te tau ka taha nei
44	Measuring our performance Te ine i a mātou mahi
54	Measuring our financial performance Te ine i a mātou mahi ki te taha pūtea
84	Independent auditor’s report

Letter from the Commissioners

He kōrero nā ngā Kōmihana

As the agency responsible for delivering parliamentary election events and maintaining the electoral rolls, our main goal is to help Aotearoa New Zealand maintain a healthy democracy. Signs of a healthy democracy include extensive *understanding about how elections work, high levels of participation in elections and widespread trust in the electoral process and its outcomes*. These objectives form the foundation of our *Electoral Act*¹.

Key indicators show that our democracy remains in good health. Aotearoa New Zealand recently ranked 2nd in the Economist Democracy Index², which evaluates the state of democracy across 167 countries against five measures including electoral process and participation. This is something to celebrate, but at the same time the Commission is conscious of the growing number of challenges we need to adapt to, both now and into the future, to maintain high levels of participation, understanding and trust in elections.

Of the challenges we face, two stand out. Continuing to operate during the COVID-19 pandemic has taught us that we need to become more adaptable to uncertainty and more resilient to disruption.

We also need to keep adapting to the information environment. Social media is now the main source of information for many people, which presents both opportunities and challenges for elections. We need to be prepared to deliver elections where this information environment is a norm, including where information to the public can be false or misleading.

These challenges make the delivery of elections more complex. They influence both what we need to do to help maintain our healthy democracy as well as what we need to prioritise. In June 2021

Hei māngai nōna te haepapa ki te whakahaere i ngā mahi pōtitanga mō te whare pāremata, ki te tiaki hoki i te rārangi pōti, ko tō mātou whāinga matua ko te āwhina kia ora tonu he kāwanatanga ā-iwi ki Aotearoa New Zealand. Kei roto i ngā tohu o te kāwanatanga ā-iwi ora atu ko te mōhio *whānui he pēhea te mahi o te pōtitanga, ko ngā taumata teitei o te whaiwāhi ki ngā pōtitanga me te whakawhirinaki whānui ki te tukanga pōtitanga me ōna putanga*. Ko ēnei whāinga tonu te tūāpapa o tō tātou *Ture Pōtitanga*³.

E whakakitea mai ana ngā tohu matua he ora atu tō tātou kāwanatanga ā-iwi. Inātatanei ko Aotearoa New Zealand te tuarua i te raupapa o te Economist Democracy Index⁴, e arotake ana i te tūnga o te kāwanatanga āiwi i roto i ngā whenua e 167 ki ngā mēhua e rima tae ki te tukanga pōtitanga me te whaiwāhitanga. Me whakanuia ka tika, kia ahatia, e mōhio pai ana te Kaitiaki Take Kōwhiri he nui tonu ngā wero kei te putaputa mai kia urutau ai tātou, āiane, ā, ake nei, te pupuru matapopore i ngā taumata tiketike, o te hunga e whai wāhi mai, e matau ai, e whakawhirinaki hoki ki ngā pōtitanga.

O ngā wero e anganui ana tātou, e rua ngā mea matua. Nā te mahi tonutanga i te wā o te tahumaero ā-ao o te COVID-19 i ākona tātou kia whakatika tonu ahakoa te koremōhio, kia kaha tonu ahakoa te raruraru.

Me whakatika tonu hoki tātou ki te taiao mōhiohio. Ko te pāpāho pāpori te puna mōhiohio matua mō te tokomaha, ka kawē nei i ngā painga me ngā wero e pā ana ki te pōtitanga. Me takatū tātou ki te whakahaere pōtitanga ki ngā wāhi māori noa o tēnei taiao mōhiohio, tae ki ngā wāhi e hē pea te mōhiohio, e māmingatia rānei te iwi whānui.

the Commission finalised its strategy for the following four years, setting out its priorities and key activities now and into the future.

During the past year the Commission has started the work set out in this strategy. The main focus of this work is improving our capability to deliver elections in this more complex and challenging environment.

At the same time, we continued to deliver effective and trusted services to New Zealanders. Of note, we have worked with communities to support understanding and participation in elections, including with tangata whenua to improve services to Māori voters, supported local authority elections and delivered a by-election in Tauranga.

This year marked the conclusion of the five-year appointment of Chief Electoral Officer Alicia Wright, and the appointment of a new Chief Electoral Officer. We would like to acknowledge the dedication and work of our Chief Executives, all our staff, and the helpers we have within communities and our supporting agencies. This work makes a difference to the lives of New Zealanders.

E meinga ana ka whīwhiwhi ake te whakarato i te pōtitanga e ēnei werowero. Kei te whakaawe hoki i ngā mea me mahi e tātou kia whakarauora atu ai tō tātou manapori, me ngā whakaarotau hoki. I te Pipiri 2021, ka oti e te Kaitiaki Take Kōwhiri tōna rautaki tau takiwha, ka whakatakotohia ōna whakaarotau me āna tino mahi e haere ake nei.

I te tau ka taha nei kua tīmata i a te Kōmihana ngā mahi i whakatakoto ki tēnei rautaki. Ko te arotahi matua o tēnei mahi ko te whakapai ake i tō mātou kaha ki te whakarato pōtitanga ki tēnei taiao whīwhiwhi, taiao uaua.

I taua wā anō, i taunakitia tonutia e mātou i ngā ratonga whaihua, pono hoki ki ngā iwi o Aotearoa. Inā tonu, kua mahitahi tātou ko ngā hāpori ki te hāpai ake i te mātau me te whai wāhi mai ki ngā pōtitanga, tae atu ki ngā tāngata whenua kia pai ake ai ngā ratonga ki ngā kaipōti Māori, kua tautoko i ngā pōtitanga mana ā-rohe, kua whakarato hoki i te pōti pāerotanga o Tauranga.

He tohu tēnei tau o te mutunga o te tūranga rima-tau o te Āpiha Pōtitanga Matua, o Alicia Wright, me te whakatūranga o te Āpiha Pōtitanga Matua hōu. E hiahia ana mātou ki te whakamihi i te ngākau nui me te mahi a ō mātou kaimahi katoa, ō mātou kaiāwhina i roto i ngā hāpori, me ō mātou māngai tautoko. Ka whiwhi painga ai te iwi o Aotearoa New Zealand i ēnei mahi.

Dame Marie Shroff DNZM CVO



Chair
Heamana

Jane Meares



Deputy Chair
Heamana Taurua

Karl Le Quesne



Chief Electoral Officer
Āpia Pōti Matua

¹ Electoral Act 1993, Section 4C

² Economist Intelligence Unit, Democracy Index 2021, published February 2022

³ Te Ture Pōtitanga 1993, Wāhanga 4C

⁴ Economist Intelligence Unit, Democracy Index 2021, i whakaputaina i Huitanguru 2022



Our story

Tā mātou kōrero



Introduction

The Electoral Commission aims to help New Zealanders participate in, understand and trust our parliamentary elections. It's an essential role in Aotearoa New Zealand's democracy, and the public rightly expects a high standard of service.

The Commission's primary objectives are to:



facilitate
participation in
parliamentary
democracy



promote
understanding of
electoral systems



maintain
confidence in the
administration of electoral
systems.

As an Independent Crown Entity, we work independently from government to administer all aspects of parliamentary elections, by-elections and referendums and keep the electoral rolls up to date.

The general election is Aotearoa New Zealand's largest public event and running it is a massive logistical exercise. Building, testing, and implementing the infrastructure required for such a large nationwide event is only one of the many services we provide.

Throughout the electoral cycle, we also run educational programmes, engage with communities to build trust and understanding of the electoral system, provide independent electoral legal and policy advice, register political parties and their logos, provide guidance to electoral participants to comply with electoral law, support enrolment for local body elections, and maintain the electoral rolls.

Every five years we conduct the Māori Electoral Option and support the Representation Commission, which reviews and sets electorate boundaries. Our international team supports other Pacific electoral management bodies to conduct their elections by offering technical assistance through the New Zealand Aid Programme.

Last year's Statement of Performance Expectations set out what we were aiming to achieve in 2021/22 to help deliver:

- our strategic priorities over the next five years
- our services over the coming year
- other areas of focus for the Commission.

Who we are

Our purpose is to provide an effective and impartial electoral system that New Zealanders understand and trust.



We are a team made up of 143 permanent and fixed-term staff



We are led by a Board of three; the Chair, Deputy Chair and Chief Electoral Officer.

The Chief Electoral Officer is Chief Executive of the Commission



In a election year, our team grows by approximately 20,000 as we recruit for additional temporary staff



We are funded by the Government through the Vote Justice Non-Departmental output class "Provision of Electoral Services"



We are supported by the Ministry of Justice as our monitoring unit



We have regional offices across Aotearoa New Zealand, with our National Office located in Wellington

Underpinned by Taumata - Our Values



What we do

The tip of the iceberg

Our statutory objective is to administer the electoral system impartially, efficiently, effectively, and in a way that:

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

This involves a myriad of activities that we take part in every year. This graphic showcases just some of these activities.



Maintain the electoral rolls

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



Help New Zealanders take part in elections

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



Support voters' rights and protect their privacy

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



Provide advice & guidance for other countries on how to conduct their elections

We have an international team funded by MFAT to 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 in support of local body elections

Support the Representation Commission

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

Conduct general elections

We ensure the smooth delivery of New Zealand's general elections



Conduct by-elections & referendums

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



Election simulations

In the lead-up to elections, we conduct a range of election readiness simulations and election day rehearsals. These tests and simulations help us determine the best setup for voting places, identify and fix issues that need to be fixed before election day



Post-election review & reporting

Immediately after the delivery of an election, we complete extensive post-election reviews and reporting that includes financial performance review, surveys of voters and non-voters and performance measurement reviews



Provide guidance to, and manage compliance of, election participants

We work with parties, candidates and other electoral participants to make sure they understand the electoral finance and election advertising rules



Conduct Māori Electoral Options

Every five years we conduct the Māori Electoral Option to provide all enrolled voters of Māori descent the opportunity to choose which electoral roll to be on - the general roll or the Māori roll

Maintain confidence in the electoral system

We stay neutral, uphold, and follow electoral law and work independently from the government



AN ELECTION

GETTING A HIGH SUFRAGA ELECTION



...the community...

123%

COMMUNITY WITH US

- We built awareness, knowledge and confidence for all communities
- How do I enrol? where can I vote? & how?
- Online, out of home, radio, TV and partnerships with media and influencers
- Launch into action: what language do we need?

GETTING SERVICES WITH US

- Voting Assistants welcomed the community, employed from the community
- Not enrolled - you can enrol even on Election Day
- Your voice will be heard and the results are there for all to see

COMMUNITY WITH US

- Large...
- Dependence



**Delivering on our
strategic priorities**

**Whakaratotia ana ō mātou
hiahia tuatahi o te rautaki**

Being fit for the future

The environment the Commission operates within has changed over recent years in ways that affect the work it needs to do and how it should equip itself for the future. In particular:

- many people now expect and prefer to access enrolment services online at a time and place that's convenient to them – digital enrolment transactions have increased from 8% in 2017/18 to over 38% in 2021/22
- many people and communities require additional support to understand and participate in elections
- there are increasing threats to the stability of elections which have the potential to impact levels of trust in the system.

Identifying our priorities

Following the 2020 General Election the Commission held an internal review and consulted widely with our staff to understand what changes we would need to make to continue delivering a highly functional electoral system in Aotearoa New Zealand. This understanding informed an organisational strategy, which the Commission completed in June 2021.

Over the past year we have started working towards the following four key priorities that will help the Commission to continue delivering trusted outcomes for New Zealanders into the future.



Building the capability of the organisation.



Preparing for elections earlier, to provide more certainty and enable greater flexibility.



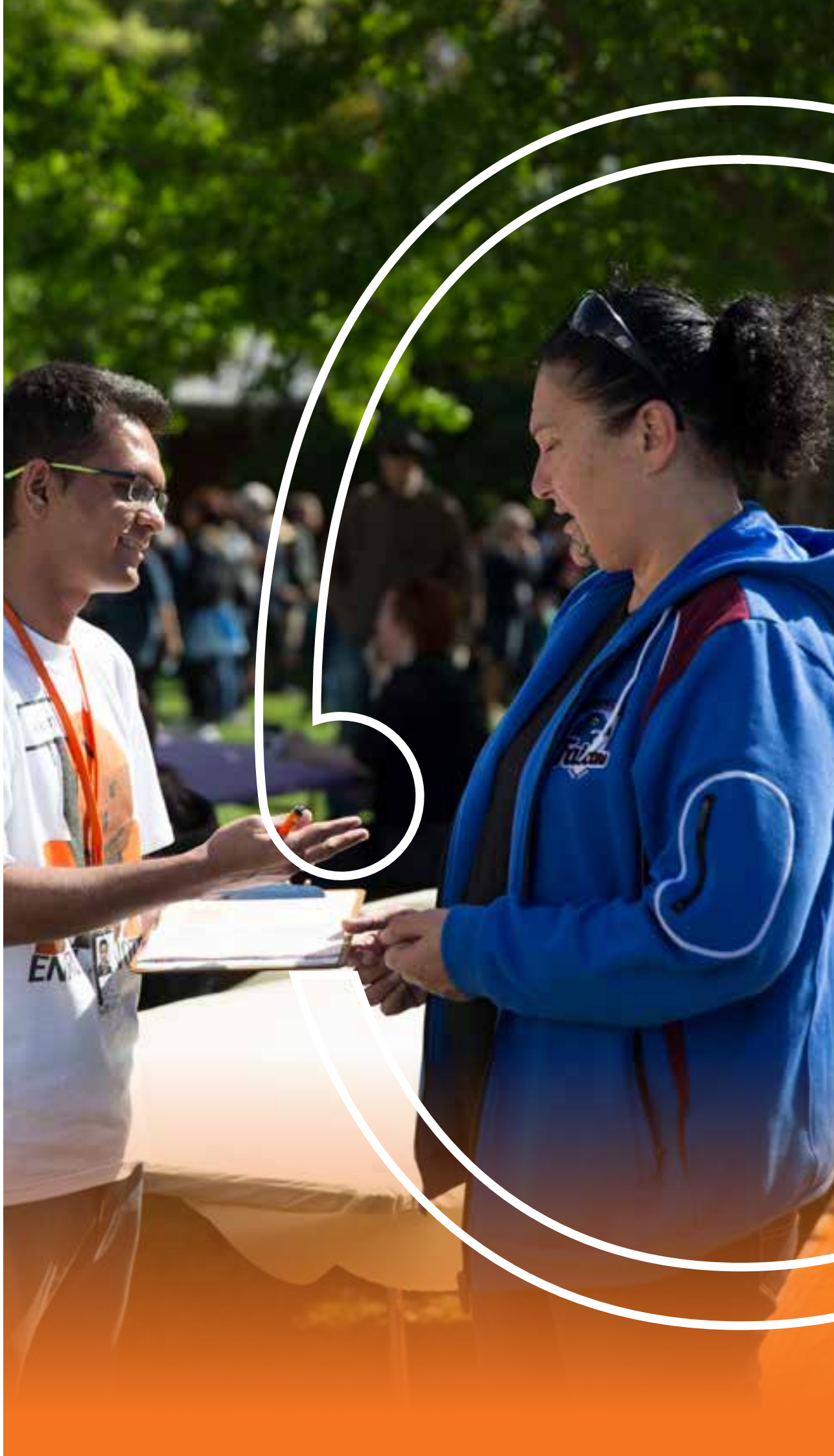
Strengthening our relationships and building public understanding of our democracy.



Beginning to plan and prepare beyond the three-year election cycle.

A common theme underpinning all these priorities is strengthening the organisation to become more adaptable to change and more resilient to disruption.

The priorities align with our values – especially of Tika – doing the right thing and working to the highest standards, Tūhonotanga – bringing people together to increase participation, and Aratakina – guiding towards greater understanding.





Priority 1

Building capability

The leadership, culture, engagement, skills and capabilities of our people are the Commission's main asset. The effort and dedication of our people has been crucial to our efforts over the past year including successfully delivering a by-election and providing continuity of services to New Zealanders despite the challenge of COVID-19.

The Commission has increased in size from a small to a medium-sized agency over a relatively short period of time. We expect this number to continue to increase over the short-term as we prepare ourselves to respond to the challenges of running elections now and into the foreseeable future.

Workforce Profile

Permanent Staff as at 30 June 2022:⁵

		2022	2021
Staff Numbers	Permanent Staff	116	114
Gender	Female	67%	67%
	Male	33%	33%
Age Profile			
	<30 years	10%	10%
	30-39 years	10%	18%
	40-49 years	19%	18%
	50-59 years	40%	35%
	>60 years	21%	19%
Length of service with the commission and its predecessors			
	<3 years	36%	24%
	3-10 years	39%	46%
	>10 years	25%	30%
Staff Turnover	Percentage	22%	9%

⁵ No Commission staff recorded gender diverse status in 2021/22.

What we said we would achieve in 2021/22

Ensure our operating model, financial, operational and strategic capability support us to deliver our outcomes.

What we've done

We have conducted work over the past year to help to identify changes we need to make to our levels of resourcing and the way we work to support our growth as an organisation.

Resourcing

In 2021 an independent review found that while the Commission operates efficiently, greater resourcing was required to enable us to manage the added pressures and challenges we will face in the future.

The Commission concluded that we needed to strengthen our funding to continue to operate effectively.

Recognising that further investment is required to continue delivering a healthy electoral system, the Government increased the Commission's funding in Budget 2022.

Changes to the way we work

Over the past year, the Commission has started changing the way it is structured and how it works, to strengthen and ready itself for the future.

Changes to our national operations

Changes have been made within the Commission's senior management team and parts of the organisation. Three new Deputy Chief Executive roles have been established, which were filled in the second half of 2022.

We have brought together three business units that used to operate separately – voting services, enrolment and community engagement, and communications and education – into a single operations group.

The consolidated operations group enables the Commission to provide all the services people need to successfully navigate their way through the electoral system in a joined-up way, from understanding how to participate and why, through to successfully having a say as voters.

A focus of the new operations group will be improving equity of access by providing tailored services to specific groups according to their need.

We have also consolidated our strategy, governance and international support teams into a single group to strengthen our governance, policy and monitoring capabilities, and to grow the use of data to drive innovation.

The core services that enable and support the delivery of electoral events, information technology and corporate services, have also been brought into a single enterprise services group.

Changes to our regional services

Our regional services were previously designed to meet the needs of a manual (paper-based) enrolment system where most people just need a reminder to use a system they understand and are engaged in.

We are experiencing increasing use of digital services and expect growth to continue into the future.

To respond, we are adapting to deliver in a world where digital transactions are the norm and where we can dedicate more people resources towards encouraging and supporting communities to take part in elections.

During 2022 we started work on implementing new enrolment processing centres, which will provide a better support structure for the way our services are used by the public. Some smaller Commission regional facilities will be closed in 2022/23 to allow for concentration of administrative and digital services in facilities in Auckland, Wellington and Christchurch.

We have also been establishing 'engagement hubs' that enable the Commission to build trust, educate and engage with targeted communities where there is a need for greater support to participate in elections. These engagement hubs are located in Whangārei, Auckland, Hamilton, Rotorua, Gisborne, Napier, Wellington, Christchurch and Dunedin.

Our community engagement is not limited to these locations. We work across the country to support participation in the electoral system. We look forward to developing and strengthening our community engagement practices and presence to best suit the communities we serve nationwide.

Our staff were closely involved in the process of identifying, designing and implementing these changes. We have received a lot of rich and engaging feedback during this process which has helped the Commission to implement changes which we hope will enable us to continue delivering effective and trusted services into the future.

The new regional structure will come into effect in August 2022.

How will this make a difference for Aotearoa New Zealand?

This work will support the Commission to operate effectively now and in the future.

It will help us to respond to people's different needs, to be more adaptable to complexity, unforeseen change and disruption and to continue delivering a good return on taxpayer investment.

Being capable of responding to major shocks such as COVID-19 is critical for elections and is a wider public sector objective.⁶

⁶e.g. Te Kawa Mataaho Public Service Commission, He Takunetanga Rautaki | Strategic Intentions 2021 - 2025, Tō mātou ahunga rautaki | Our strategic direction



Priority 2

Being election-prepared

Over the past year a key priority has been planning and preparing for elections earlier than before to help build certainty and to reduce risk.

Aotearoa New Zealand's elections work well – but in an increasingly challenging and uncertain environment, being ready early in an election cycle has become more critical and allows us to adapt and change if needed.

What we said we would achieve in 2021/22

- Make sure that the backbone of our general election readiness programme is in place earlier.
- Lift our view to look at longer term options for our services and infrastructure.

What we've done

Over the past year we've been designing and building changes for the 2023 General Election earlier than in previous cycles.

For example, for the 2020 election, we had to adjust to include COVID-19 health provisions and a change in election date. Being ready early means we can more easily adapt our approach to delivering an election if we need to.

We have been working closely with the Ministry of Health to ensure that the way we deliver electoral events, including both the Tauranga by-election and the 2023 General Election meet public health requirements.

How will this make a difference for Aotearoa New Zealand?

Being ready earlier and being more adaptable provides greater certainty and assurance for the voting public.





Priority 3

Building relationships & understanding

Continuing to build and strengthen relationships to help increase public understanding about how the electoral system works is a priority for the Commission.

This work helps people to be informed and motivated to participate in election events as well as to maintain trust in the electoral system.

Engaging with and supporting tangata whenua to access our services and building the principles of the Treaty of Waitangi into our everyday practices is a priority.

We also need to continue building relationships and understanding across the many agencies in the wider public sector and amongst those members of the community who we rely upon to help deliver safe and trusted elections.

What we said we would achieve in 2021/22

- Work with tangata whenua to ensure we deliver accessible and quality services for Māori communities, and support opportunities for increased participation, including strengthening our cultural capability and relationships as we plan and prepare for the 2023 election.
- Continue to work alongside communities to understand barriers to people taking part in elections, and identify ways we can enable greater participation.
- Redevelop our strategy for delivering services to New Zealanders with disabilities and begin implementing the Election Access Fund ready for the next general election.

What we've done

We continue to work closely with the wider public sector to support the Commission to mitigate risk of disruption to election events and respond if required, for example working with NZ Police during the Tauranga by-election.

We have recently appointed a senior manager specifically tasked with advising and supporting us to improve services for and relationships with Māori communities. We will be establishing a team to support this work.

Following the 2020 General Election, meetings were held across the country with 19 Māori communities to assess the outcomes and work undertaken with these communities for the general election and to look at opportunities to improve on and expand this work for the 2023 General Election⁷.

We have also started consultation with the disabled community to support implementation of the Election Access Fund for the 2023 General Election. This fund has been established to support candidates with a disability to stand in parliamentary elections through access to funding for additional costs they may incur, as a direct result of their disability, during selection and campaigning activity.

Developing the fund has taken priority in 2021/22 and we have yet to commence work on redeveloping our accessibility strategy to promote participation and reduce barriers for disabled people. This will now commence in 2022/23, to allow the work to feed into our general election planning and outreach.

How will this make a difference for Aotearoa New Zealand?

Working in partnership with communities and the wider public service helps reinforce trust in our services, strengthens support and promotes understanding.

Continuing to build enduring and trusted relationships with Māori communities will help the Commission to meet the needs of Māori electors and support their trust and participation in elections.

The Election Access Fund will help to ensure that disabled candidates are not excluded from being selected for, or standing for election as Members of Parliament because of additional costs they may face due to disability.

⁷More information about this work is contained in the section
Crown-Māori Partnership, p.41.



Priority 4

Preparing for the future

Planning what will be required beyond the next election allows us to tackle issues too complex to address in the short-term. This more strategic-focused work will also help guide current decision-making about priorities and approaches in the shorter-term, and in ways that do not create risk for upcoming elections.

How will this make a difference for Aotearoa New Zealand?

Planning and preparing not just for the next election but for future elections will help to ensure our services continue to be easy and convenient for people to access, while at the same time being safe, reliable and trustworthy.

What we said we would achieve in 2021/22

- Work on securing enough funding to allow us to deliver services at expected levels in future.
- Begin developing our road-map for beyond 2023, and begin planning for any specific work identified as a priority.

What we've done

Over the past year we have conducted an independent review of our baseline funding. We have also started work on improving our funding certainty over longer periods of time.

We've been working on an approach to help build and maintain trust during the 2023 General Election, including our approach to communicating with the public and operating in an environment of mis- or dis-information about electoral services.

Part of our capability building as an organisation includes establishing a Strategy, Governance and Development group in the second half of 2022. This group will provide greater scope for the Commission to further develop its road map for future services.



Our Performance

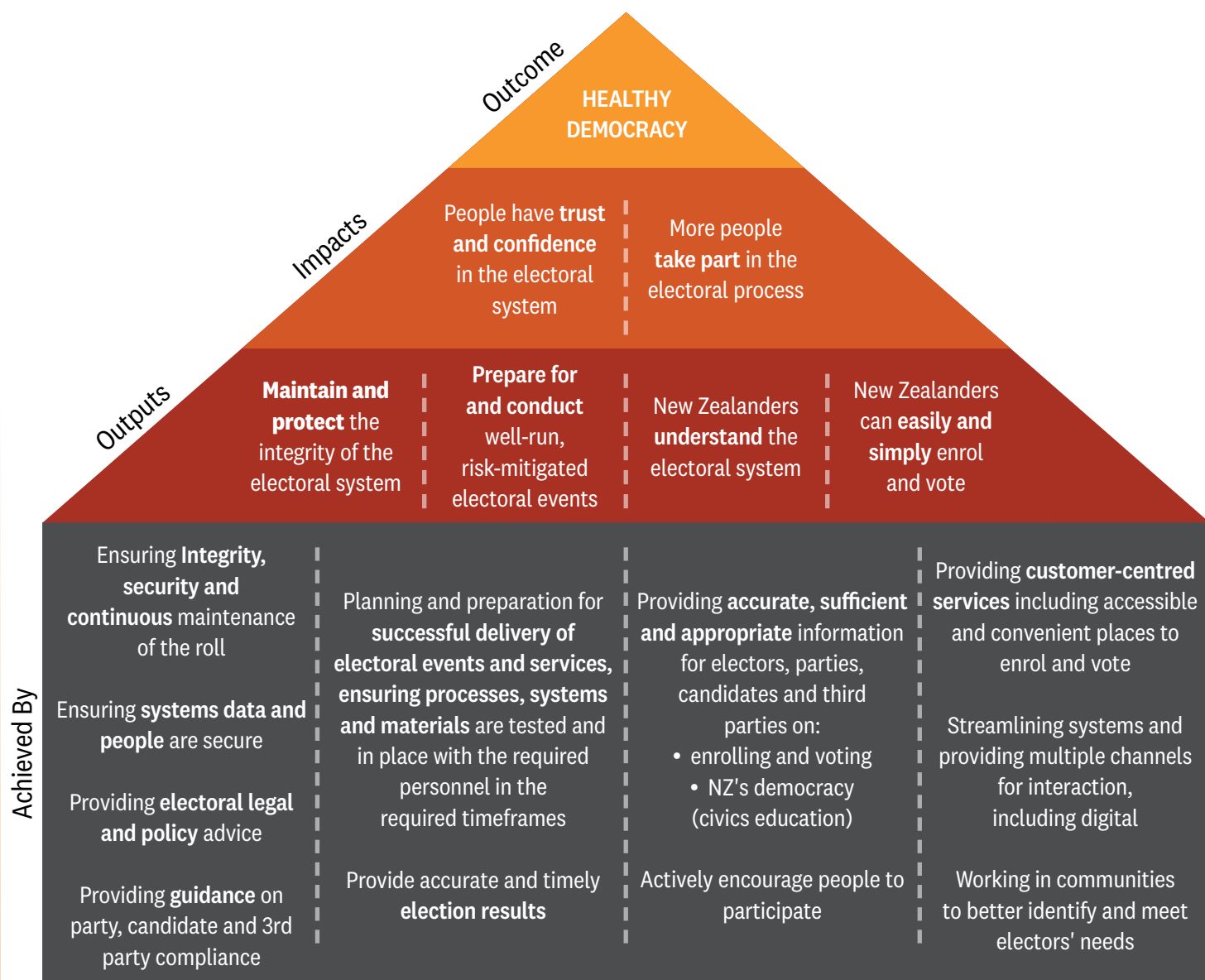
Ā mātou mahinga



Our performance measurement framework

We use a range of performance measures to help us to stay on track and to help Parliament and the public evaluate whether we are succeeding in delivering what we have set out to achieve.

The diagram below, from the Commission's Statement of Performance Expectations 2021/22, provides the framework against which we measured our performance over the past year.



The Commission has developed a set of individual performance measures based on this framework. The next section describes our main achievements in delivering services over the past year which contribute to the lives of New Zealanders and communities.

Detailed information about our success against the individual performance measures is captured at the end of the document.







**Delivering our services -
main achievements
over the last year**

**Whakaratotia ana ō mātou
ratonga – ngā mea matua i
taea i te tau ka taha nei**

Preparing for and running electoral events

Outside of the years we deliver general elections we are busy preparing for the next general election. We also run any parliamentary electoral events that may arise, such as by-elections or referendums.

Usually around one year prior to a general election we support local authority elections by encouraging people to enrol and by providing local authorities with enrolment data and services. Running the local elections is the responsibility of local authorities under the Local Electoral Act 2001. Councils appoint electoral officers to run their elections.

Preparing for the 2023 General Election

As at the end of June 2022 we are preparing for the 2023 General Election.

The Commission undertakes comprehensive testing to ensure our systems and processes are robust and that any changes we make will operate successfully and safely during this critical national event.

We have been working towards an end-to-end simulation (scheduled for late 2022) of the processes, materials, systems and training we will require for the 2023 General Election, including stress and load testing the changes we intend to use during the event. Key changes we will be testing include strengthening our finance and recruitment systems and speeding up and simplifying voting process by reducing the number of cases where voters need to cast a special vote.

We have recruited and started training Regional Managers who will be responsible for delivering voting services to the public in electorates during the 2023 General Election.

Being prepared for pandemics during an election

Our preparations for the 2023 General Election include work to help us respond effectively to disruptions that may arise from COVID-19 or another pandemic.

The focus of this work is ensuring people remain safe while voting in a pandemic environment and yet can easily participate in elections which remain open and accessible in nature.

We continue to work closely with the Ministry of Health, Ministry of Justice and the Department of Prime Minister and Cabinet to again ready ourselves for an election where COVID-19 may be present. With the support of these agencies, provisions were developed⁸ over the past year that give certainty for the Commission and the public about how voting services would be delivered for any future elections occurring in a pandemic environment.

The new COVID-19 election provisions were applied for the first time during the Tauranga by-election which occurred under the 'traffic light' COVID-19 Protection Framework.

⁸The COVID-19 Public Health Response (Protection Framework) Order 2021

Global supply chains

Conscious of issues with global supply chains, we have been working closely with key suppliers to mitigate the risk of disruption to the 2023 election.

We have entered into agreements to secure critical items for the 2023 General Election earlier than in previous cycles, for example bulk paper and IT equipment.

Tauranga by-election

The Commission has systems and processes in place so it can organise and deliver a by-election at short notice, at any point in the general election cycle.

On 6 April 2022 a by-election was announced for the Tauranga electorate. The Tauranga by-election was the first since the Northcote by-election in June 2018.

Nominations for candidates for the Tauranga by-election closed and candidates were announced on 17 May. Overseas voting began on 1 June, advance voting on 4 June, and the election day was held on Saturday 18 June.

Official results were on track to be declared on 1 July 2022.⁹

⁹i.e. a day after the conclusion of the reporting period of this Annual Report

Tauranga By-Election

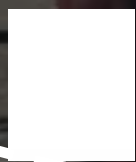
at a glance

**20,932
votes**

40.5% of people enrolled

20,765 valid votes cast
(99.2% of votes cast)

73% of votes received
cast in advance



7

advance voting
places open
1st week



8

advance voting
places open
2nd week



17

advance voting
places open
2nd Saturday

Election

2022 Tauranga By-election

2020 General Election

2018 Northcote By-election

2017 General Election

2017 Mt. Albert By-election

2016 Mt. Roskill By-election

2014 General Election

Advance Voting Percentage

73.13%

68.30%

57.00%

47.00%

29.45%

28.43%

29.30%

**Preliminary results of
advance voting reported**

7.03pm

All voting places reported

8.54pm

Official results declared

2pm, 1 July 2022

Supporting local authority elections

During the first half of 2022, the Commission planned and prepared to support the upcoming 2022 local authority elections through its electoral roll update campaign and community engagement activities. This work encourages and supports people to get enrolled and to be ready to vote in October 2022.

We have been working closely with electoral officers in local authorities to ensure that up-to-date and accurate enrolment data is provided to support them to issue voting papers.

Helping people understand the electoral system

Community engagement

The Commission continues to enhance the breadth and depth of its relationships with communities experiencing barriers to participating fully in democracy.

We form relationships with communities with the objectives of building trust, increasing levels of understanding about the electoral system and supporting participation in the electoral process.

We continue to focus our effort toward Māori, Pacific peoples, young people and new migrant communities where there can be lower levels of trust, understanding and participation in the electoral system. Our approach aims to build trust in and understanding of the electoral system through enduring relationships with these communities.

We needed to adapt how we engaged with communities during the COVID-19 pandemic. We used digital channels and resources more than ever before. The Commission intends to both reinstate more face-to-face engagement and to continue using digital engagement methods where this has been effective (e.g. engaging youth).

Feature:

Community engagement in 2021/22

Youth

- Annual attendance at both the Far North and Whangārei Schools Careers Expos alongside approximately 30 tertiary organisations and services. The Careers Expo is a mobile service delivered over two one-week periods, extending to schools across the north to ensure all school students have access regardless of where they live.
- A rangatahi workshop was held with the Far North Future Leaders, a group comprised of young Māori rangatahi aged between 16 and 22 from Moerewa, Kaikohe and Kerikeri. It connected them to the kaupapa of voting as (they expressed) most present were from backgrounds where non-voting was intergenerational. They learned about enrolment, the act of voting, discussed the importance of participation and initiatives that could drive voter participation in the mid-North.

Māori

- We were part of the Rural Roadshow in Tairāwhiti / East Coast. A range of organisations brought their manaakitanga to the Rural Roadshow: Te Puni Kokiri, Te Kooti Whenua Māori / Māori Land Court, Te Tari Taake Inland Revenue, Te Manatū Whakahiato Ora Ministry of Social Development, Barnados, CCS, Sports Gisborne, Tatauranga Aotearoa Stats NZ, Te Wānanga o Aotearoa, Tauawhi, Connect, Moni Ora, Runanga, Te Runanga O Turanganui A Kiwa, and Te Tāhū o te Ture Ministry of Justice.

Ethnic Community Engagement

- Over the period of Auckland's Covid-19 lockdown we attended approximately 43 digital engagements with ethnic communities in Auckland ranging from regular network Zoom Hui to online celebrations like the Moon Festival and Chinese Language Week events. The team continue to maintain the strong connections we have in Auckland with our ethnic communities, which helps us to continue to break down barriers and build trust with one of our target demographics.
- Relationships with the New Zealand Sikh Women's Association (NZSWA) have developed over the past year to become a strong partnership. We ran Ethnic Community Forums in June 2021, ran a workshop with their youth community, and attended their Mela Trinjna Da, a women-only event steeped in tradition. We also attended the Wellington Punjabi Cultural Night, another women-only event, and agreed a memorandum of understanding with NZSWA.

ASB Polyfest 2022 Online

- COVID-19 has meant that these past few years have been challenging for the ASB Polyfest event organisers, especially for the school community, students, their families and friends. In 2022, for its 47th anniversary, Polyfest returned to the Manukau Sports Bowl for a virtual-only livestream festival. The Electoral Commission was a sponsor and created digital assets encouraging people to enrol online.

MOU with English Language Partners

- We have been working with language training company English Language Partners (ELP) to examine how we can best connect with their centres across the country, including the teachers the company supports in smaller towns. Contact details have been exchanged for all centres and Community Engagement Hubs. We are making changes to our memorandum of understanding to best reflect the work we need to do together to support new New Zealanders to understand and participate in our democratic process. The goal is to end the year with a strong plan in place to support all ELP centres to educate and motivate participation in the 2023 General Election.



‘Always on’ digital campaign

Online enrolment is supported with ‘always on’ advertising to reach people whose circumstances have changed and who either need to enrol or update their details. It targets people who have moved house or recently become eligible to enrol to vote. Targeted messages are delivered through social media, online ads and Google Search and drive people to the [vote.nz](https://www.vote.nz) website to enrol or update their details online.

Marking 25 years of MMP

The 25th anniversary of the introduction of MMP in Aotearoa New Zealand provided an opportunity to remind voters how our Mixed Member Proportional electoral system works.

The original Footrot Flats advertisements that explained voting ahead of the first MMP election on 12 October 1996 were pulled out of the archive. The campaign was developed with Footrot Flats creator Murray Ball for the Electoral Commission and the ads were re-released on our website for the anniversary in October 2021 with the permission of the Ball family.



A new MMP history section was added to our website and a range of resources were sent to stakeholders to share online and on social media marking 25 years of MMP.

We worked with our colleagues at Parliament to present an MMP webinar on 16 November. The panellists were former Prime Ministers Jim Bolger and Helen Clark and former Deputy Prime Minister Winston Peters. They looked back at the introduction of the MMP electoral system and reflected on the impact it has had on parties and Parliament.

Making it simple and easy for people to take part

Keeping the Electoral Rolls up-to-date

A key part of the Commission being ready to run electoral events at short notice is maintaining an electoral roll which has very high numbers of eligible electors enrolled to vote and whose address and personal details are current.

This work includes encouraging and supporting the public to get enrolled and to keep their enrolment details up-to-date.

We have systems in place to update the rolls as people enrol for the first time, change address, or update their details. Our vote.nz website has made it easier for voters to change their details through its user-friendly digital enrolment platform.

At the end of June 2022, 3.50m of the estimated eligible voting population were enrolled. This exceeded our 2020/21 performance target of 3.41m.

Growing our digital services

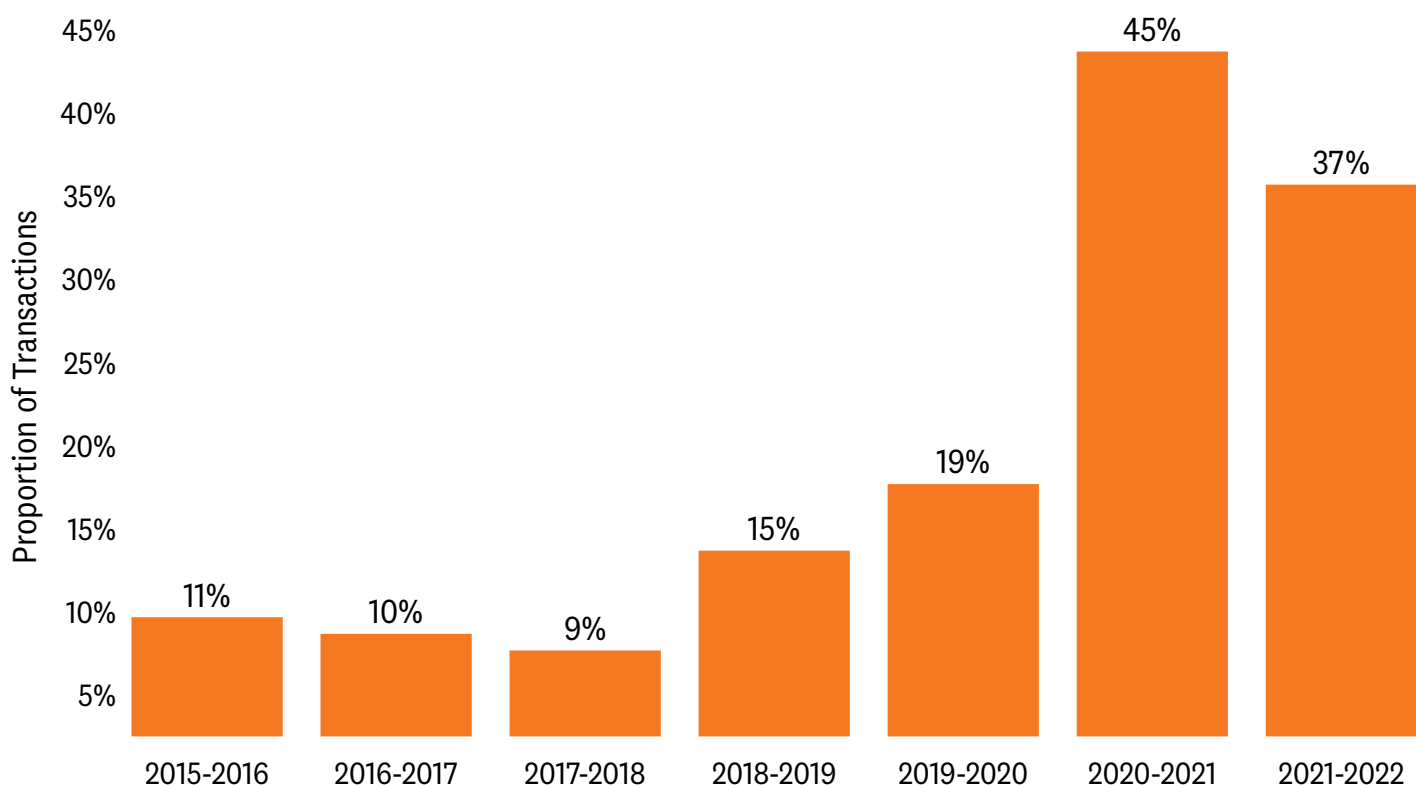
The public has been telling us for some time that they have wanted to use digital enrolment services but that our system was too complex.

In response we introduced new digital enrolment services in November 2019. Since that time use of the digital enrolment channel has increased considerably, with digital enrolment growing from less than 20% to 45% during the 2020 election year.

While this number dipped slightly to 37% over the past year, due to an expected drop in public awareness of enrolment after the general election, we expect use of digital enrolment services to continue to climb in future.

During the past year we have taken further steps to promote and support increased use of digital enrolment services for example we email or text electors who have agreed to this as a channel of communication, encouraging them to update their details where we believe they have moved.

Electoral Commission Digital Transactions
Fiscal Year



Maintaining and protecting the integrity of the electoral system

Integrity of enrolment processes and systems

Having responsive digital enrolment services and keeping people's personal data within our digital systems safe is critical to maintaining trust in the electoral system.

There are many steps we undertake in the processes and systems supporting enrolment that help to protect the integrity of the electoral system. These include identity verification during digital enrolment and update activity, environmental risk scanning, testing, and privacy and impact assessments of systems before adopting changes.

Continuing to operate effectively during COVID-19

During the past year the Commission and its staff have continued to operate in an environment where COVID-19 infection has become a norm.

We have used an incident response team to support our people to continue working safely during the COVID-19 pandemic following public health advice and Te Kawa Mataaho Public Service Commission guidelines.

During the past year we have adopted more flexible approaches to working to help keep our people safe while continuing to deliver our services effectively and with continued levels of integrity.

We have implemented policies and protocols such as a guide for working in different COVID settings.

Staff have been working both remotely and from physical offices. Online tools such as Microsoft Teams have been widely used to help us to maintain close ties within teams and across the organisation.

Improving safety and security during elections

Prior to the 2020 General Election the Commission significantly increased its security preparations for this event. This increase was a response to the evolving risk and threat environment, for example threats to physical and cyber-security.

During the Tauranga by-election we took steps to help ensure that electors could freely and safely participate and feel confident to take part and to ensure that our staff and critical materials were protected throughout the event.

Lessons learned during the work for the Tauranga by-election will be applied to planning the 2023 General Election. The Commission has undertaken a review of the by-election with National Office and field staff in 2022/23 to capture lessons and recommendations for future electoral events.

Other areas of focus

Crown-Māori partnership

The 2020 General Election saw people who had identified to the Commission that they are of Māori descent enrolling and turning out as voters in higher numbers than in recent elections, and satisfaction amongst Māori voters with the voting process increasing to become level with the general population. The Commission intends to consolidate and build on these outcomes.

Over the past year we have continued our journey of strengthening relationships with and support for Māori communities. This work helps to build trust in the electoral system as well as help the Commission to better understand and respond to needs of local communities.

Following the 2020 General Election, meetings were held across the country with 19 Māori communities to assess the outcomes and work undertaken with these communities for the election and to look at opportunities to improve on and expand this work for the 2023 General Election.

During these community follow-up sessions, it was apparent that there were benefits when communities had input into selecting voting places and finding staff to work in them.

- Some voting places attracted a wide range of people from the community and where the voting place was at a marae people not affiliated to the marae, or who had not been to the marae before, took the opportunity to vote at these venues.
- Some voting places were solely staffed by community members who had never worked on elections before. Almost all said they would like to work on the election again and would encourage others to do so.
- Some Māori staff said that not only did they enjoy the experience, but they also felt proud to be working on the elections and helping their community.
- In some areas the word got out about where voting places were located and who was working in them, and this created an “attractor effect” with some voters travelling from the other side of their town or district to vote there.
- Māori staff who were recruited to work in voting places received strong support from their wider whānau who turned up to vote when these people were working. Feedback indicated that Māori are more likely to turn up and vote if their whānau accompany them.
- Members of some staff whānau provided support by ensuring whānau members were transported to voting places, including some who had not voted before.

Over the past year, Commission staff attended a number of events to support relationships and engagement with Māori communities. Examples include:

- The East Cape Roadshow – with Te Kaunihera o Te Tairāwhiti (Gisborne District Council) and other service providers, Te Manatū Whakahiato Ora (Ministry of Social Development), Te Kōti Whenua (Māori Land Court) and Te Puni Kokiri – in a collaborative effort to connect with isolated communities across the East Cape, including Tolaga Bay, Ruatoria, Tikitiki, Hicks Bay and Te Karaka
- Poukai¹⁰ in the Waikato/Tainui region – where we engaged with participants on the value of enrolling and voting in elections
- Mana Tangata and Mana Māngai events – run by Taurika NZ and held at various Waikato marae – with a focus on informing local hapu, especially rangatahi, about the importance of participation in democratic process.

¹⁰A ceremony of the Māori kingitanga movement

The Commission was a major sponsor of the 2021 Ngā Manu Kōrero – the National Secondary School Speech Competition. This event provides positive opportunities for rangatahi to thrive and strive as young Māori leaders of tomorrow.

We are also taking steps as an organisation to increase the capability and awareness of our wider staff in tikanga (customs and cultural practice) and the revitalisation of te reo Māori, in line with guidance from Te Kawa Mataaho Public Service Commission and broader government strategy. The Commission has incorporated use of Māori custom into its daily practices and provided access to te reo Māori classes to its staff.

Supporting our Pacific neighbours

In partnership with MFAT, the Commission provides electoral assistance programmes to Pacific electoral management bodies to help them to maintain their electoral systems and to support preparations for and delivery of, their national elections.

We provide staff expertise to assist with the design, development and delivery of processes, materials, systems and training.

Current programmes are in Papua New Guinea, Bougainville, Fiji, and Tonga, with the most recent contribution to the National Election in Papua New Guinea.

The electoral assistance programmes are funded under the New Zealand Aid Programme. Additionally, on request and with MFAT approval and funding, the Commission provides ad hoc support for other Pacific elections.

Providing legal and policy advice

During the past year the Commission provided advice and information on the delivery of enrolment, voting, guidance and compliance to the Ministry of Justice on request. This included both advice about the delivery of services under the current settings and advice supporting the consideration of alternative options as part of the policy process for electoral reform for the 2023 General Election.

We have also been an adviser on the Justice Committee Inquiry into the 2020 General Election, and Referendums which has issued an interim report.

In October 2021 the Government announced that an independent panel will undertake a review of Aotearoa New Zealand's electoral laws to ensure the rules remain fit for purpose and meet the needs of the next generation of voters. The review is expected to report back on findings in late 2023, following the next general election. The Commission anticipates playing a role as a provider of information and expert advice, as required by the Panel.

Improving health and safety

Over the past year the Commission conducted a full review of its Health and Safety policies and practices with the support of an expert advisor. We are implementing recommendations from this review aimed at supporting employees through improved health and safety practice. We will also be considering how best to account publicly for our health and safety performance, which is a particular

priority given the impact of COVID-19 on health and safety generally, and how it affects our important obligation to look after our employees.

Examples of improvements we have implemented to date include formalising flexible working arrangements for staff and supporting these with a flexible working policy.

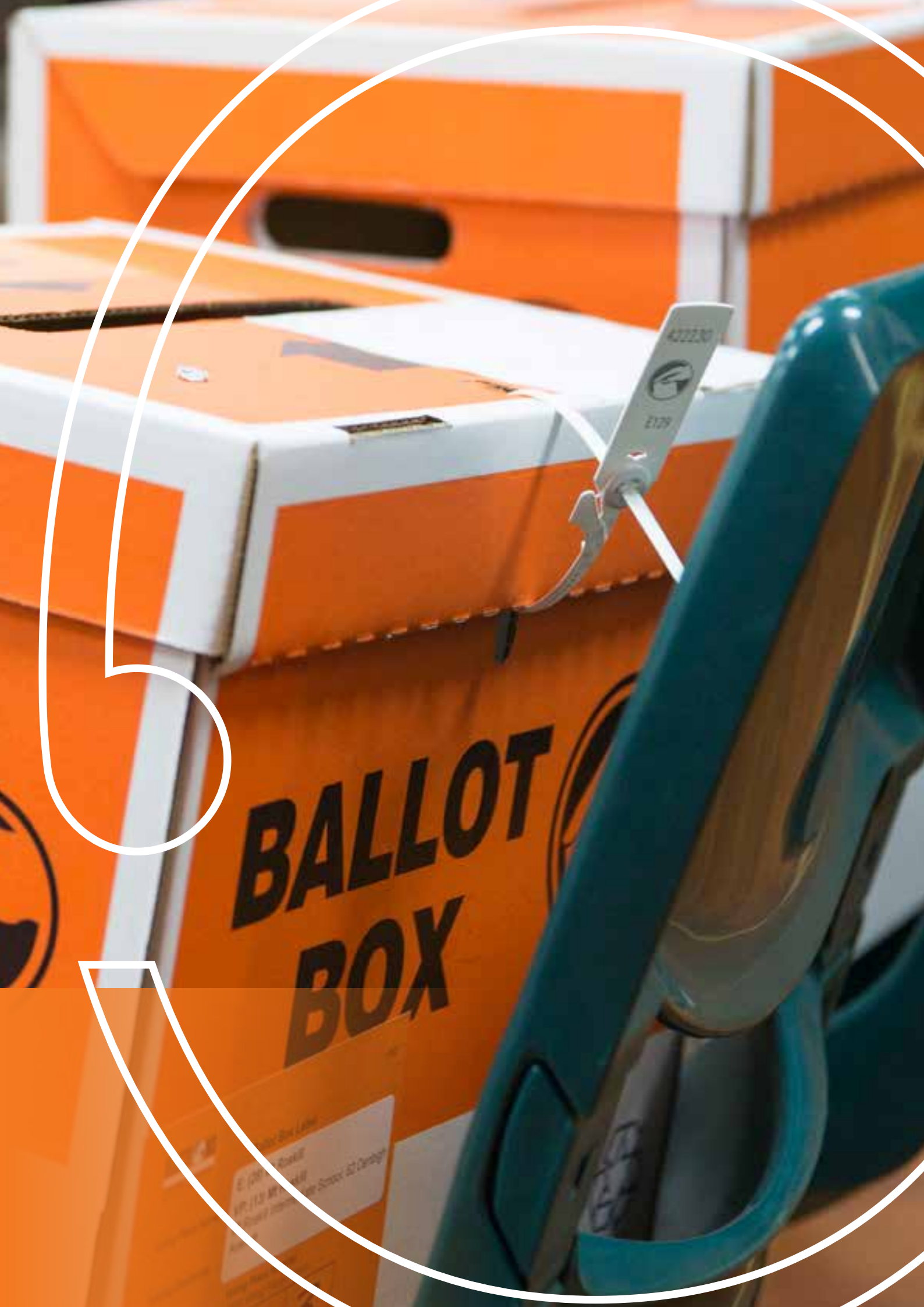
We also implemented new health and safety measures to support employees working in the Tauranga by-election that met public health requirements.

- All staff were required to hold a current My Vaccine Pass.
- All staff were required to wear a surgical grade mask in a voting place (voters were encouraged to wear a mask, but not required).
- Mask wearing was required of staff at other times where physical distancing wasn't possible, e.g. at training.
- Rapid Antigen Tests were available to staff and were encouraged where staff were mobile, i.e. moving between voting places.
- Voting place layout allowed physical distancing between staff and voters, in conjunction with good ventilation if possible.



Measuring our performance

Te ine i a mātou mahi



The 2021-22 Statement of Performance Expectations set out the basis upon which our performance over the past year would be measured.

Our performance measurement framework has four layers:

‘Outcome’ sets out the main objective of our work at the Commission, which is to maintain a healthy democracy.

‘Impacts’ describes the positive effects we will have on the lives of New Zealanders and communities if we are successful at delivering our main objective.

‘Outputs’ describes what we will have achieved if we are successful in delivering our work.

‘Activities’ describes the main work we undertake to deliver on the outputs.

How successful we are at delivering our work, along with being focused on the priorities which will make a difference, determines how successful we are at contributing to the lives of New Zealanders.

Measuring our performance

Outcome – New Zealand maintains a healthy democracy

It is crucial that Aotearoa New Zealand maintains a healthy democracy where every vote counts and all New Zealanders have a say. The outcome of a healthy democracy aligns directly with the Living Standards Framework’s wellbeing domain of engagement and voice¹¹ – participating in democratic debate and governance at a national, regional, or local level. A key component of a healthy democracy in Aotearoa New Zealand is a robust electoral system, where people are actively engaged in democracy in ways which support their participation in elections and their trust in the Commission.

To play its part toward maintaining a healthy democracy, the Commission’s work needs to have the following impacts:



¹¹www.treasury.govt.nz/publications/tp/living-standards-framework-2021-html#section-1

Impact 1 – people have trust and confidence in the electoral system

A healthy democracy requires people to have trust in how the electoral system is run, and in the results of any elections and referendums.

People are more likely to participate if they trust that the Commission is prepared, and that the system is well run and operates with integrity.

Performance Measures 2021/22	Result 21/22	Target 21/22
*Key general election milestones achieved (refer Output 2 measure on page 49)	Partially achieved	Achieved
Review of operating model completed	Achieved	Achieved (by 30 June 2022)
Funding and current capability review completed	Achieved	Achieved (by 31 December 2021)
Integrity of by-election results	Completed	
Official by-election Result Certificates for the electorate are signed by both the electorate Returning Officer, and the attending Justice of the Peace		Completed if applicable

*Measure included in the Commission's Estimate of Appropriations

Impact 2 – People take part in the electoral system

A healthy democracy requires strong participation rates. High participation rates both require, and reinforce, people's trust and confidence in the electoral system and election results.

Performance Measures 2021/22	Result 21/22	Target 21/22
Engagement through the cycle:		
*Number of people enrolled (average for the period)	3.52m	Achieved 3.52m
*Number of 18-24-year-olds enrolled (average for the period)	0.30m	Achieved 0.29m
Number of people of Māori descent enrolled (average for the period)	0.53m	Achieved 0.51m
Number of people enrolled on the Provisional Roll (17-year-olds)	0.004m	Not Achieved 0.008m

*Measure included in the Commission's Estimate of Appropriations

To achieve these impacts, the Commission needs to succeed in delivering the following outputs:

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

Aotearoa 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. Aotearoa New Zealand recently ranked 2nd in the Economist Democracy Index¹², which evaluates the state of democracy across 167 countries against five measures including electoral process and participation. The Commission needs to maintain these high levels of trust and confidence in our electoral system to ensure we continue supporting a healthy democracy in Aotearoa New Zealand.

We do this through the following activities

- We stay neutral, uphold and follow electoral law and work independently from government.
- The electoral roll is continuously maintained to keep it up-to-date and accurate so all registered voters can take part, and elections run smoothly.
- We have strong IT, cyber and physical security programmes, and our systems are regularly tested and maintained. We work closely with central agencies around issues of integrity and security.
- We protect the rights of voters to vote securely and privately, we make sure that votes are counted and reported correctly, and the process follows the law.
- We provide advice and guidance to political parties, candidates and third parties to help them meet their obligations under electoral law, and take action where they do not.
- We give advice to the government on possible changes to electoral laws.
- The measures below have been chosen as they represent work we do to ensure that the roll is being maintained, staff understand our integrity and compliance requirements, and that we are monitoring and upholding the compliance requirements of others.

Performance Measures 2021/22	Result 21/22	Target 21/22
*Adherence to the Commission's quality assurance practices around the integrity of the roll	Completed	Completed
Staff receive mandatory integrity and compliance training	See Note 1	100%
Legislative Compliance:	100%	>95%
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.		
Allegations of electoral finance or advertising breaches of the Electoral Act are acknowledged, and follow-up is initiated if required, within 10 working days of receipt	100%	90%

*Measure included in the Commission's Estimate of Appropriations

Note 1: We believe that nearly all staff comply but we cannot guarantee that all staff complete the modules due to: the nature of recording logins and completions on staff training portal Tupu; the Commission workforce, which is transient and changeable; and organisational reviews that affect the accuracy of roles, structure and coding in Tupu. There may be isolated incidents where individuals do not complete training modules, and some casual employees do not have access to computers.

¹²Economist Intelligence Unit, Democracy Index 2021, published February 2022

Output 2 – Preparing for and running 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.

We do this through the following activities

- Running a general election is an enormous, nationwide event that takes a great deal of planning and preparation. We learn a lot from every event we deliver and build on this for the next event to make sure we keep delivering a good service.
- We begin well ahead of time to fit in all the work that is needed and run lots of tests and simulations to make sure that our systems and processes work well.
- We build a temporary, nationwide infrastructure to enable implementation and delivery.
- We run enrolment update campaigns to encourage people to get ready and enrol or update their enrolment details ahead of the event.
- We run by-elections and referendums as required.
- The measures below have been chosen as they represent key preparation work we are undertaking to prepare for the next general election, and delivery of a by-election in 2021/22 if this occurs.

Performance Measures 2021/22	Result 21/22	Target 21/22
*Key general election preparation milestones achieved:		
<ul style="list-style-type: none"> • Base design finalised (Q1) • Election programme director appointed and programme established (Q1) • Election technology project established (Q1) • National field training strategy determined (Q1) • Key contractors and suppliers identified (Q1 & 2) • National field structure determined (Q2) • Regional Managers and Advisors appointed (Q3 & 4) • Testing and simulations programme designed (Q3 & 4) 	All achieved, apart from 'Base design finalised', which was Partially Achieved ¹³	Achieved
By-election conduct measures (if applicable):		
<ul style="list-style-type: none"> • Release of preliminary results from 7.30pm on the day of the by-election 	Achieved	Achieved
<ul style="list-style-type: none"> • Declaration of official results to schedule 	Achieved	Achieved

*Measure included in the Commission's Estimate of Appropriations

¹³The 'Base design finalised' milestone can be considered as having three components: 1) Programme management established, 2) External process instructions to the field, and 3) Internal process instructions. Parts 1 and 2 were Achieved, but Part 3 was Partially Achieved. Critical activities in Part 3 were covered, but the non-critical internal processes within the Commission weren't finalised on time.

Output 3 – Helping people understand the electoral system

People understanding how the system works is a critical part of them participating as current voters or as adults in the future. If they do not feel confident about how it all works, they are less likely to take part. We bring people along on the journey and demystify the electoral system by working with them to explain the process.

We do this through the following activities

- We provide clear and accurate information to help people take part as voters, candidates, political parties or third parties.
- We educate New Zealanders about our democracy and why their vote matters.
- We actively encourage people to take part through motivational and educational activities.
- The measures below have been chosen as they represent key work we will be undertaking to plan for and provide information and guidance that helps people understand and participate in the electoral system.

Performance Measures 2021/22	Result 21/22	Target 21/22
Strategic communications plan developed	Partially achieved (April 2022)	By December 2021
Uptake of the civics education in schools' programme	Not measured outside election years*	Baseline to be established
Advisory opinions meet the needs of stakeholders	Baseline not established 2021/22 - see footnote ¹⁴	Baseline to be established

*The Commission does not have the ability to measure uptake of civics education in schools outside election years.

¹⁴A baseline has yet to be established but a stakeholder survey conducted covering an 18 month period to December 2021 showed only positive responses

Output 4 – Making it easy and simple 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.

We do this through the following activities

- People can enrol or update their details easily through multiple channels.
- We provide convenient voting places near where people live and work.
- We work within communities to provide education and support for taking part, especially communities with lower participation rates.
- We advise political parties, candidates and third parties on how to comply with electoral rules.
- We are establishing the Electoral Access Fund, which is designed to remove or reduce barriers for a person with a disability to stand or seek selection as a candidate in a general election or a by-election
- We deliver information about enrolling and voting that is accessible to all New Zealanders.
- The measures below have been chosen to report on key activities in 2021/22 that help make participation in the electoral system easier for people via digital enrolment channels, targeted participation strategies, implementation of the Electoral Access Fund, and timely delivery of guidance.

Performance Measures 2021/22	Result 21/22	Target 21/22
*Percentage of enrolment transactions that are conducted digitally	36.7%	35%
Participation strategies for priority groups developed	Not complete	By 30 June 2022
Election Access Fund criteria developed in consultation with the disability sector	Achieved	By 30 June 2022
Guidance on electoral matters: *Percentage of advisory opinions issued within 5 working days	100%	95%

*Measure included in the Commission's Estimate of Appropriations

Output expenditure 2021-2022

	Actual \$000	Budget \$000
Forecast Output Expenditure Output		
Output class - Provision of Electoral Services		
Output Area - Maintain and protect the integrity of the electoral system	16,049	9,000
Output Area - Prepare and conduct electoral events:	14,621	21,440
General Election	13,524	21,440
By-election	1,081	-
Māori Affiliation Services	16	-
Output Area - New Zealanders understand the electoral system	1,565	1,740
Output Area - New Zealanders can easily and simply enrol and vote	3,359	4,700
General Election	1,529	1,990
Local Authority Election	1,690	1,710
Māori Electoral Option	27	-
Election Access Fund	113	1,000
Total expenditure by output	35,594	36,880
Revenue		
Crown revenue	25,618	26,200
Other revenue	461	230
Total revenue	26,079	26,430
Operating surplus/(deficit)	(9,515)	(10,450)
Other Activity		
International assistance expenditure	1,870	1,340
International assistance revenue	1,870	1,340
Net result (including international assistance)	(9,515)	(10,450)





TE

ENROL AND
VOTE HERE
RĒHITA,
PŌTI HOKI KI KONEI



**Measuring our
financial performance**

**Te ine i a mātou mahi
ki te taha pūtea**

Statement of revenue and expenses for year ended 30 June 2022

	Notes	2022 Actual \$000	2022 Budget \$000	2021 Actual \$000
Revenue				
Funding from Crown	2	25,618	26,200	134,037
Interest Received		3	35	64
Other Income		458	200	308
International Assistance Programme		1,870	1,340	1,539
Total Revenue		27,949	27,775	135,948
Expenditure				
Personnel and Board Fees	3	18,796	19,986	70,922
Operating Costs	4	17,930	17,445	71,739
Broadcast Allocation		-		3,605
Depreciation and Amortisation Expense	8,9	643	700	700
Audit Fees		95	82	78
Total Expenditure		37,464	38,213	147,044
Surplus/(Deficit)		(9,515)	(10,438)	(11,069)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense		(9,515)	(10,438)	(11,096)

Explanations of major variances against budget are provided in Note 17.
The accompanying notes form part of these financial statements.

Statement of financial position as at 30 June 2022

	Notes	2022 Actual \$000	2022 Budget \$000	2021 Actual \$000
Current Assets				
Cash and cash equivalents	5	8,524	2,264	23,266
Receivables	6	2,247	275	1,102
Prepayments		107	107	143
Inventories	7	44	112	133
Total Current Assets		10,922	2,758	24,644
Non-current assets				
Property, Plant and Equipment	8	712	3,251	1,058
Intangible Assets/Work in Progress	9	1,598	-	1,896
Total Non-Current Assets		2,310	3,251	2,953
Total Assets		13,232	6,009	27,597
Current Liabilities				
Deferred Revenue	10	4,283	27	2,307
Payables	10	2,225	521	9,284
Employee Entitlements	11	1,471	1,029	1,569
Provisions		393	-	-
Total Current Liabilities		8,372	1,577	13,160
Non-Current Liabilities				
Employee Entitlements	11	56	84	118
Total Non-Current Liabilities		56	84	118
Total Liabilities		8,428	1,661	13,278
Net assets		4,804	4,348	14,319
Equity				
Balance at 1 July		14,319		25,415
Accumulated surplus/(deficit)	13	(9,515)	4,348	14,319
Total Equity		4,804	4,348	14,319

Explanations of major variances against budget are provided in Note 17.
The accompanying notes form part of these financial statements.

Statement of changes in equity for year ended 30 June 2022

	Notes	2022 Actual \$000	2022 Budget \$000	2021 Actual \$000
Balance at 1 July		14,319	-	25,415
Total comprehensive revenue and expense for the year		(9,515)	(10,438)	(11,096)
Balance at 30 June	13	4,804	(10,438)	14,319

Explanations of major variances against budget are provided in Note 17.
The accompanying notes form part of these financial statements.

Statement of cash flows for year ended 30 June 2022

	Notes	2022 Actual \$000	2022 Budget \$000	2021 Actual \$000
Cash Flows From Operating Activities				
Receipts from Crown		24,052	26,200	141,035
Interest received		3	35	64
Receipts from other revenue		132	240	1,180
Payments to Employees		(17,038)	(19,713)	(71,465)
Payments to Suppliers		(21,891)	(20,048)	(81,252)
Net cash flow from operating activities		(14,742)	(13,286)	(10,438)
Cash Flows From Investing Activities				
Receipts from sale of property, plant and equipment		-	-	-
Purchase of property, plant and equipment		-	-	(229)
Purchase of intangible assets		-	(1,150)	(30)
Net cash flows from investing activities		-	(1,150)	(259)
Cash Flows From Finance Activities				
Capital contributions		-	-	-
Net cash flows from finance activities		-	-	-
Net increase/(decrease) in cash and cash equivalents		(14,742)	(14,436)	(10,697)
Cash and cash equivalents at beginning of year		23,266	16,700	33,963
Cash and Cash Equivalents Held at Year End	5	8,524	2,264	23,266

Explanations of major variances against budget are provided in Note 17.
The accompanying notes form part of these financial statements.

Reconciliation of net surplus/(deficit) to net cash flow from operating activities

	2022 Actual \$000	2021 Actual \$000
Net surplus / (deficit)	(9,515)	(11,096)
Add / (Less) non-cash items	-	-
Depreciation and amortisation expense	643	700
Total non-cash items	(8,872)	(10,396)
Add / (less) movements in financial position items		
(Increase) / decrease in debtors and prepayments	2,170	243
(Increase) / decrease in inventories	(89)	106
(Increase) / decrease in GST refund	(1,062)	118
Increase / (decrease) in creditors and other payables	(7,644)	271
Increase / (decrease) in provisions	393	-
Increase / (decrease) in employee entitlements	(98)	(544)
Net movement in working capital	(6,330)	(42)
Net cash flow from operating activities	(15,202)	(10,438)

Explanations of major variances against budget are provided in Note 17.
The accompanying notes form part of these financial statements.

Electoral Commission

Notes to the financial statements

1. Statement of accounting policies

Reporting Entity

The Commission is a Crown entity defined by the Crown Entities Act 2004, and is domiciled and operates in New Zealand. The relevant legislation governing the Commission's operations includes the Electoral Act 1993, the Crown Entities Act 2004, the Broadcasting Act 1989, the New Zealand Flag Referendums Act 2015 while applicable, and the Referenda (Postal Voting) Act 2000.

The Commission's ultimate parent is the New Zealand Crown. The Commission's functions and responsibilities are set out in the Electoral Act 1993 and subsequent amendments.

The Commission has designated itself as a public benefit entity (PBE) for financial reporting purposes of complying with generally accepted accounting practice.

The Commission's statutory purpose is:

"to administer the electoral system impartially, efficiently, effectively, and in a way that –

- a. facilitates participation in parliamentary democracy; and
- b. promotes understanding of the electoral system; and
- c. maintains confidence in the administration of the electoral system"

The financial statements for the Commission are for the year ended 30 June 2022 and were approved by the Board on 21 December 2022."

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 of the Commission have been prepared in accordance with the requirements of the Crown Entities Act 2004. The financial statements comply with generally accepted accounting practice in New Zealand (NZ GAAP). The Commission is a Tier 1 entity and the financial statements have been prepared in accordance with PBE standards. These financial statements comply with PBE standards.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

Standards issued and not yet effective and not adopted early

Standards and amendments, issued but not yet effective, that have not been adopted early are:

PBE IPSAS 41 Financial Instruments

PBE IPSAS 41 replaces PBE IFRS 9 Financial Instruments and is effective for the year ending 30 June 2023, with earlier adoption permitted. The Commission has assessed that there will be little change as a result of adopting the new standard, as the requirements are similar to those contained in PBE IFRS 9.

PBE FRS 48 Service Performance Reporting

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 Presentation of Financial Statements and is effective for the year ending 30 June 2023, with earlier adoption permitted. The Commission has determined the main impact of the new standard is that additional information will need to be disclosed on those judgements that have the most significant effect on the selection, measurement, aggregation, and presentation of service performance information. The Commission plan to early adopt the standard.

Change in Accounting Policy

In April 2021, the International Financial Reporting Interpretations Committee (IFRIC) released an agenda decision which provides guidance on how a customer should account for Software as a Service products (SaaS). In February 2022, Treasury NZ published a guidance document, based on this IFRIC decision. This guidance document sets out the Crown accounting policy in relation to the treatment of configuration and customisation costs in SaaS arrangements. The Electoral Commission has therefore changed its accounting policy in accordance with this document. SaaS products are now expensed as they are incurred, unless they relate to activities that create an intangible asset that the Commission controls, and the intangible asset meet the recognition criteria. This accounting change has no impact on the previous financial year's balances.

Summary of significant accounting policies

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

Monies held in the Trust Account

Monies held in the Trust Account for Nomination Deposits (Note 19), and monies relating to Donations protected from Disclosure (Note 20) are held in separate bank accounts and are not included in the Electoral Commission Balance Sheet, as they are funds held on behalf.

Foreign currency transactions

Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into NZ dollars (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Goods and services tax

Items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net 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 and consequently is exempt from the payment of income tax. Accordingly, no provision has been made for income tax.

Critical accounting estimates and assumptions

In preparing these financial statements, estimates and assumptions are made for future events. 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:

Budget and forecast figures

The 2022 budget figures are for the year ended 30 June 2022 and were published in the 2021/22 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 ending 2021/22.

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.

2. Revenue

The specific accounting policies for significant revenue items are explained below:

Funding from the Crown

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.

There are no conditions attached to the funding and it is recognised as revenue at the point of receipts. The Commission revenue is non-exchange revenue.

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

Interest revenue

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

Sale of publications

Sales of publications are recognised as revenue when they are sold to the customer.

Breakdown of Crown revenue

	2022 Actual \$000	2021 Actual \$000
Core services of the Electoral Commission	25,505	94,215
Election Broadcasting (Parliamentary Legislative Authority)	-	3,605
COVID-19 environment	-	26,847
Change in Election date	-	9,221
Election Access Funds	113	150
Total Revenue from the Crown	25,618	134,037

3. Personnel Costs

Accounting policy

Salary and wages

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

Superannuation schemes

Defined contribution schemes

Employer contribution to KiwiSaver, the Government Superannuation Fund, and the State Sector Retirement Saving Scheme are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Breakdown of personnel costs

	2022 Actual \$000	2021 Actual \$000
Salaries and wages	16,628	68,454
Increase/(decrease) in employee entitlements	495	20
Employer contributions to defined benefit plans	448	1,268
Other personnel costs	1,226	1,180
Total personnel costs	18,797	70,922

Board Members' Remuneration

	2022 Actual \$000	2021 Actual \$000
Chair Marie Shroff MA (Hons), CVO, CNZM	88	95
Deputy Chair Jane Meares, LIB Hons	59	54
Chief Executive, Chief Electoral Officer and Board Member Karl Le Quesne	68	-
Chief Executive, Chief Electoral Officer and Board Member Alicia Wright	345	345
Total Board Members' Remuneration	560	494

Employee Remuneration

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

	2022	2021
\$100,000 - \$109,999	9	5
\$110,000 - \$119,999	8	11
\$120,000 - \$129,999	3	2
\$130,000 - \$139,999	6	4
\$140,000 - \$149,999	2	5
\$150,000 - \$159,999	1	4
\$160,000 - \$169,999	2	1
\$170,000 - \$179,999	2	1
\$180,000 - \$189,999	1	1
\$190,000 - \$199,999	4	1
\$200,000 - \$299,999	8	6
\$300,000 - \$399,999	2	-
Total	48	41

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.

Other expenses

Other expenses are recognised as goods and services received.

Breakdown of other expenses

	2022 Actual \$000	2021 Actual \$000
Specialist Services	10,243	17,243
Postage & Courier Charges	7	6,163
Rent including other temporary premises	2,008	10,322
Advertising and Publicity	939	16,492
Information, Communications & Technology	2,464	8,110
Printing	553	4,067
Travel	327	1,870
Stationery/Supplies	166	4,089
Minor Assets	35	399
Storage/Freight	451	1,652
Other	737	1,332
Total Operating costs	17,930	71,739

Operating leases as lessee

	2022 Actual \$000	2021 Actual \$000
Not later than one year	1,888	1,775
Later than one year and not later than five years	1,544	2,887
Later than five years	-	-
Total non-cancellable operating leases	3,432	4,662

5. Cash and Cash Equivalents

Accounting policy

Cash and cash equivalents includes 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

	2022 Actual \$000	2021 Actual \$000
Not later than one year	1,888	1,775
Later than one year and not later than five years	1,544	2,887
Later than five years	-	-
Total non-cancellable operating leases	3,432	4,662

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

	2022 Actual \$000	2021 Actual \$000
Receivables (Gross)	2,247	1,102
Less Allowance for credit loss	-	-
Receivables	2,247	1,102
<i>Receivables comprise:</i>		
Receivables from the sale of goods and services (exchange transactions)	2,247	40
Receivables from GST refund from Inland Revenue (non-exchange transactions)	-	1,062

30-Jun-22

Receivable days past due

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

30-Jun-21

Receivable days past due

	Current	More than 30 days	More than 60 days	More than 90 days	Total
Expected credit loss are	0%	0%	0%	0%	-
Gross carrying amount (\$000)	14	2	0	24	40
Lifetime expected 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 (distribution at no charge or for a nominal charge) distribution or use. Inventories are measured as follows:

Commercial: measured at the lower of cost and net realisable value.

Non-commercial: measured at cost, adjusted for any loss of service potential.

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

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 inventories and further information

	2022 Actual \$000	2021 Actual \$000
Commercial inventories		
Publications held for sale	18	10
Non-Commercial inventories	-	-
Inventories held for the use in the provision of goods and services	26	123
Total inventories	44	133

8. Property, Plants 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.

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

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

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

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in revaluation reserves in respect of those assets are transferred to the accumulated surplus/(deficit) within equity.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant, and equipment at rates that will write-off the cost (or valuation) 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:

Office equipment	5 years	20.00%
Leasehold improvements	9 years	11.11%
Computer equipment	3 years	33.33%

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.

Non-cash-generating assets

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

Estimating useful lives and residual values of property, plant, and equipment

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, Plants and Equipment

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

	Computer Hardware \$000	Office Equipment \$000	Leasehold Improvements \$000	Total \$000
Cost or Valuation				
Balance at 1 Jul 2020	1,225	304	911	2,440
Additions	157	-	73	230
Disposals	-	-	-	-
Balance at 30 Jun 2021	1,382	304	984	2,670
Balance at 1 Jul 2021	1,382	304	984	2,670
Additions	-	-	-	-
Disposals	-	-	-	-
Balance at 30 Jun 2022	1,382	304	984	2,670
Accumulated Depreciation				
Balance at 1 Jul 2020	816	221	159	1,196
Depreciation Expense	268	40	108	416
Balance 30 Jun 2021	1,084	261	267	1,612
Balance at 1 Jul 2021	1,084	261	267	1,612
Depreciation Expense	220	17	109	346
Balance 30 Jun 2022	1,304	278	376	1,958
Carrying Amount				
At 30 June 2021	298	43	717	1,058
At 30 June 2022	78	26	608	712

9. Intangible Assets

Accounting policy

Software acquisition and development

Certain software purchases are recognised as intangible assets if it is customised and configured for the Electoral Commission and does not fit the definition of SaaS.

If the software is SaaS, then the cost is expensed in line with Treasury New Zealand Guidelines as outlined in Note 1.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Cost associated with development and maintenance of the Commission's website is recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date 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	33.33%
Developed Computer Software	10 years	10.00%

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 10 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 each class of intangible assets are as follows:

	Software \$000	Work in progress \$000	Total \$000
Cost or Valuation			
Balance at 1 Jul 2020	2,639	496	3,135
Additions	30		30
Transfers	496	-496	0
Balance at 30 Jun 2021	3,165	0	3,165
Balance at 1 Jul 2021	3,165	0	3,165
Additions		0	0
Transfers			
Balance at 30 Jun 2022	3,165	0	3,165
Accumulated Depreciation			
Balance at 1 Jul 2020	985	0	985
Depreciation Expense	284	0	284
Balance 30 Jun 2021	1,269	0	1,269
Balance at 1 Jul 2021	1,269	0	1,269
Depreciation Expense	298	0	298
Balance 30 Jun 2022	1,567	0	1,567
Carrying Amount			
At 30 June 2021	1,896	0	1,896
At 30 June 2022	1,598	0	1,598

10. Payables and deferred revenue

Accounting policy

Short-term payables are recorded at the amount payable.

Breakdown of payable and deferred revenue

	2022 Actual \$000	2021 Actual \$000
Payables and deferred revenue under exchange transactions		
Creditors	394	7,434
Income in advance	4,283	2,307
Accrued expense	1,831	1,850
Total payable and deferred revenue	6,508	11,591

11. Employee entitlements

Accounting policy

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured 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, and sick leave.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

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

Presentation of employee entitlements

Annual leave, and vested long service leave are classified as a current liability. Non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Breakdown of employee entitlements

	2022 Actual \$000	2021 Actual \$000
Current portion		
Accrued salaries and wages	375	233
Annual leave	1,052	1,283
Long Service Leave	44	53
Total current portion	1,471	1,569
Non-current portion		
Long Service leave	56	118
Retiring leave		
Total non-current portion	56	118
Total employee entitlements	1,527	1,687

12. Contingencies

Contingent liabilities

Lawsuit

The Commission has no contingent liability relating to legal action (2021:\$nil).

Contingent assets

The Commission has no contingent assets (2021:\$nil).

13. 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 Compensation

	2022 Actual \$000	2021 Actual \$000
Chair and Deputy Chair of the Board		
Remuneration	147	149
Full-time equivalent members	0.4	0.5
Leadership team		
Remuneration	2,826	2,207
Full-time equivalent members	11	9
Total key management personnel remuneration	2,973	2,356
Total full-time equivalent personnel	11.4	9.5

The FTE calculation for the Chair and Deputy Chair is from their total hours worked for the year (July 2021 to June 2022) divided by 2,085 as they are paid via timesheet only.

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

14. Financial instruments

Financial instrument categories

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

	2022 Actual \$000	2021 Actual \$000
Financial assets measured at amortised cost (Loans and receivables)		
Cash and cash equivalents	8,524	23,266
Debtors and other receivables	2,247	1,245
Total Financial assets measured at amortised cost	10,771	24,511
Financial liabilities measured at amortised cost		
Creditors and other payables	2,225	13,160
Total Financial liabilities measured at amortised cost	2,225	13,160

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 exposure from financial instruments. These policies do not allow transactions that are speculative in nature to be entered into.

Market risk

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 does not actively manage its exposure to fair value interest rate risk.

Cash flow interest rate 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 and borrowings issued at variable interest rates expose the Commission to cash flow interest rate risk.

The Commission's investment policy requires a spread of investment maturity dates to limit exposure to short-term interest rate movements. The Commission currently has no variable interest rate investments.

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 from cash and term deposits with banks, receivables, and derivative financial instrument assets. For each of these, the maximum credit exposure is best represented by the carrying amount in the statement of financial position.

Risk management

For receivables, the Commission reviews the credit quality of customers before granting credit. It continues to monitor and manage receivables based on their ageing and adjusts the expected credit loss allowance accordingly. There are no significant concentrations of credit risk.

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 A2 for short-term investments and A for long-term investments. The Commission limits the amount of credit exposure to any one financial institution for term deposits to no more than 25% of total investments held.

The Commission invests funds and enters into derivative financial instruments only with registered banks that have a Standard and Poor's credit rating of at least A2 for short-term investments and A for long-term investments. The Commission's investments in term deposits are considered to be low-risk investments. The credit ratings of banks are monitored for credit deterioration.

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), 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:

	2022 Actual \$000	2021 Actual \$000
Cash at bank and term deposit		
BNZ (AA-)	8,524	23,266
Total cash at bank and term deposits	8,524	23,266

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 derivatives

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
2022					
Payables (excluding income in advance, taxes payable and grants received subject to conditions)	322	322	322	-	-
Total	322	322	322	-	-
2021					
Payables (excluding income in advance, taxes payable and grants received subject to conditions)	7,434	7,434	7,434	-	-
Total	7,434	7,434	7,434	-	-

15. 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 our regional operations. Following a review, in April and May of 2022 a proposal for change to the way our regional operations were structured and worked was consulted on. Following the consultation period, a final decision was confirmed in June. The decision confirmed that the new structure for regional operations would be implemented in August 2022. The restructure provision covers the estimated cost of redundancies resulting from the reorganisation of the Commission's regional operations.

	2022 Actual \$000	2021 Actual \$000
Restructure provision at the beginning of the year	-	-
Net increase/(decrease)to provision during the year	393	-
Total restructure provision	393	-

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.

16. Events after balance date

There have been no significant events after balance date.

17. Explanation of major variances against budget

Revenue - \$0.2m favourable against budget due to:

- \$1.1m additional funding from the Crown to fund the Tauranga by-election was recognised. By-elections are funded when a by-election occurs and are therefore not included in the Commission's annual budget.
- \$0.5m of funding above budget was recognised for the International Assistance Programme. The Ministry of Foreign Affairs & Trade provides the Commission bulk funding to run the International Assistance Programme, with revenue being recognised when expenditure for the programme is incurred. The Commission recognised costs higher than budgeted for the International Assistance Programme.
- Other income was \$0.5m above budget mainly due to unbudgeted funding received for the Māori Electoral Option.
- This was offset by \$1.9m of lower funding recognised for the Election Access Fund. The Commission was bulk funded to implement the Election Access Fund, with revenue being recognised when expenditure for the programme is incurred.

Expenditure - \$0.8m favourable against budget due to:

- Personnel costs \$2.1m underspent mainly due to staff recruitment occurring at a slower rate than budgeted and lower expenditure on temporary staff. Personnel costs were also lower than budgeted in part due to the impact of COVID-19 delaying some activities.
- This was partially offset by \$0.5m of expenditure above budget incurred for the International Assistance Programme and unbudgeted expenditure of \$1.1m on the Tauranga by-election. This was offset by increased funding recognised (refer Revenue above).
- Other minor under and over spends in various other operating cost categories accounted for the remaining net underspend of \$0.8m.

Statement of Financial Position

Current Assets - \$8.2m favourable against budget as the result of:

- \$6.2m in cash and cash equivalents due to COVID-19 and Change of Election Date funding due to be repaid to the Crown.
- Increased receivables of \$2.9m mainly due to \$2.2m of by-election funding yet to be received from Ministry of Justice

Current Liabilities - \$6.8m unfavourable against budget as the result of:

- \$4.7m increase in revenue in advance due to funding received in advance for the International Assistance Programme and the Election Access Fund.
- \$2.0m increase in accounts payable and accruals due to invoice accruals at year end being significantly higher than budgeted.
- A further \$0.9m relates to increased employee entitlements against budget.

18. 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 2022 were as follows:

Monies

	2022 Actual \$000	2021 Actual \$000
Election candidate deposits trust account		
Balance 1 July	156	4
Fees received	5	207
Fees refunded	-21	-55
Balance at 30 June 2022	140	156

19. Donations protected from Disclosure

Under the Electoral Act, someone defined as a NZ 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:

2020-2023

Received	Amount	Paid to Party	Returned to donor	Paid to Crown
December 2020 Quarter End	Nil	Nil	Nil	Nil
March 2021 Quarter End	Nil	Nil	Nil	Nil
June 2021 Quarter End	Nil	Nil	Nil	Nil
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

In the March 2020 Quarter, \$61,823.50 was paid to the relevant party. However as at 31 March 2022, the cheque remained unprocessed by the relevant party, and resulted in \$61,823.50 being held by the Commission. These funds have since been paid and receipted, and the balance outstanding is now nil.

20. COVID-19

On 17 August 2021 all of New Zealand moved to Alert Level 4. In September all parts of the country except Auckland moved to Level 3. From October through to 2 December when the Covid alert system ended the country was at Level 2 with exception of Auckland, upper Northland and parts of Waikato which were at Level 3 for all or part of that time.

On 2 December 2021 a traffic light system was introduced. Parts of the country from the north of the middle of the North Island were at Red while the rest of the country was at Orange. On 23 January 2022 the whole country moved to Red in response to an Omicron outbreak. On 13 April 2022 the whole country moved to Orange.

Impact on operations

The Commission Offices in Auckland were closed at Level 3 and all offices were closed at the Red setting. This meant that, where possible, Auckland staff worked from home when the Auckland region was at Alert Level 3. At the Red setting all Commission staff worked from home, where possible. The Commission was still able to carry out most of its services during this time. The Commission's offices officially reopened to the public on 30 May 2022.

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 2022.

Signed by the Board:

Dame Marie Shroff DNZM CVO



Chair
Heamana

Jane Meares



Deputy Chair
Heamana Taurua

Karl Le Quesne



Chief Electoral Officer
Āpia Pōti Matua

21 December 2022



Independent auditor's report



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF THE ELECTORAL COMMISSION'S FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2022

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 Wellington, 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 56 to 82, that comprise the statement of financial position as at 30 June 2022, 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 of the Commission on pages 46 to 52.

In our opinion:

- the financial statements of the Commission on pages 56 to 82:
- present fairly, in all material respects:
- its financial position as at 30 June 2022; 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 performance information on pages 46 to 52:
- presents fairly, in all material respects, the Commission's performance for the year ended 30 June 2022, including:
- 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; and
- the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure.
- complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 21 December 2022. 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 of Directors 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 Directors for the financial statements and the performance information

The Directors 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 Directors are responsible for such internal controls 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 Directors are responsible on behalf of the Commission for assessing the Commission's ability to continue as a going concern. The Directors 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 Director'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 Directors.
- We evaluate the appropriateness of the reported performance information within the Commission's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Directors 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 Commission audit. We remain solely responsible for our audit opinion.

We communicate with the Directors 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 Directors are responsible for the other information. The other information comprises the information included on pages 1 to 43, 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 issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the Commission.



Sonia Isaac

KPMG

On behalf of the Auditor-General
Wellington, New Zealand

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