



Statement of Performance Expectations

1 July 2025 to 30 June 2026





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to section 149 of the Crown Entities Act 2004.

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Contents

- 2 Introduction by the Privacy Commissioner
- 4 Alignment with the Statement of Intent
- 6 Operating environment

7 Key areas of strategic focus for the 2025/26 year

- 8 Summary of Output Revenue and Expenses for 2025/26
- 10 Functions

11 Forecast Service Performance 2025/26

- 12  Function 1 – Strategy and Insights
- 13  Function 2 – Communication and Education
- 14  Function 3 – Compliance and Enforcement Activities
- 15  Function 4 – Policy and Advocacy
- 16  Function 5 – Investigations and Dispute Resolution
- 17 Prospective Financial Statements
- 21 Statement of underlying assumptions
- 22 Statement of accounting policies

Introduction by the Privacy Commissioner

Privacy is critical to our country's economy and society. Every day, thousands of New Zealanders entrust their personal information to agencies (both public and private) in exchange for goods and services. Agencies that safeguard personal information will not only protect their customers or clients well, they will also grow the trust that underpins all of their activities.

The vision of my Office is to ensure that privacy is a core focus for all agencies in order to protect the privacy of individuals, enable agencies to achieve their own objectives, and safeguard a free and democratic society. By having privacy regarded in much the same way as health and safety or good financial reporting, I believe we will achieve the best privacy outcomes for our country.



My Office works to ensure that New Zealanders can have trust and confidence in the way their personal information is protected and cared for

The privacy world is dynamic and challenging. New technologies such as Artificial Intelligence and biometrics are being adopted rapidly, challenging privacy regulators to keep up or risk falling behind. Legislative amendments to the Privacy Act 2020 are being progressed and new rights created for customers in certain sectors to access, use and share their personal information with third parties (the Customer and Product Data Bill). Amidst all of these changes, the key operational volumes of my Office continue to increase while our funding situation is very limited.

While achieving the vision I have set for my Office will be challenging, this Statement of Performance Expectations represents another step towards implementing our strategy as set out in the Statement of Intent. For 2025/26 we have set ourselves three key areas of strategic focus:

- 1 Provide guidance and develop processes to support the implementation of legislative and regulatory privacy initiatives, including our upcoming responsibilities as a regulator under the Customer and Product Data Bill
- 2 Engage with agencies to build their privacy capability and empower New Zealanders to assert their privacy rights
- 3 Focus our activities on the technological and digital innovations being adopted by organisations and businesses.

These areas build upon major successes we have had in 2024/25, including the development of the Biometrics Processing Code of Practice, the completion of the Inquiry into Foodstuffs North Island Facial Recognition Trial and issuing of our comprehensive suite of guidance Poupu Matatapu – Doing Privacy Well.

I look forward to the coming year as my Office works to ensure that New Zealanders can have trust and confidence in the way their personal information is protected and cared for, for the benefit of all.



Michael Webster
Privacy Commissioner
30 June 2025

Alignment with the Statement of Intent

The Statement of Performance Expectations is provided under the Crown Entities Act 2004 and aligns with the Privacy Commissioner's strategy as articulated in the Statement of Intent.

The Statement of Intent was updated for the period July 2023 to June 2027. This updated strategy maintained the five output class areas (known as functions) and values of the Office. The new strategy significantly changed the vision and objectives the Office was pursuing, focusing the Office on ensuring that privacy is a core focus for agencies.

The following diagram sets out the high-level strategy.

As also outlined in the Statement of Intent, the work of our Office contributes to the broader Ministry of Justice priorities for the justice sector. These priorities are to:

- Bring the strength of communities into courts and tribunals
- Reduce the harm experienced by victims and their whānau
- Steward our policy and regulatory systems
- Improve access and experiences for participants in courts and tribunals, and
- Play a leading role to deliver an integrated sector-wide response.

This Statement of Performance Expectations provides further detail on the functions with a focus on what the Office will do to deliver on its vision and objectives. It also sets out how the Office's performance in each functional area will be assessed for the year to 30 June 2026.

Our Statement of Intent sets out how the Office's longer-term performance will be assessed. In particular, it sets out a number of objective level performance targets which in turn will enable the Office to assess overall performance against system outcomes. These have not been set out again in this document but can be read in the Statement of Intent.¹

Measuring the Office's impact in the context and nature of our work is complex. The Office's role is generally collaborative and challenging, and the ultimate results of our work are often long-term and incrementally achieved. Quantitative performance measures will include both direct observations (e.g. results of surveys) and measures which rely on data as an indicator that our objectives are being achieved. The Office's Annual Report reports against both the functional level targets, as set out in this document, and also these longer-term targets to illustrate to readers what impact the Office is having.

The Statement of Performance Expectations responds to the expectations as set out in the Annual Letter of Expectations 2025/26 and sets the strategic direction and work programme for the year ahead.

1. <https://www.privacy.org.nz/about-us/corporate-reports/statement-of-intent/>

Figure 1: Objectives and Priorities



Operating environment

The strategic direction of the Office has been established to help us succeed in the dynamic environment we operate in.

As articulated in our Statement of Intent, there are a range of broad challenges that we face:

- Privacy is highly contextual, where there is no one size fits all
- The impact and importance of privacy varies, with some people more vulnerable to serious harm and in greater need of assistance
- The agencies we regulate are many and varied, with our regulated sector extending to nearly the entire public, private and not-for-profit sectors
- Technology is rapidly changing, and these are introducing new and novel privacy risks that need to be managed, and
- Privacy is increasingly important, with countries increasingly viewing data as 'the new oil'.



**Privacy is highly contextual,
where there is no one size fits all**

We also must respond to rising expectations relating to the Treaty of Waitangi / Te Tiriti o Waitangi:

- We will be increasingly expected to have a strong understanding and capabilities related to Te Tiriti, tikanga Māori and Te Ao Māori
- We will be expected to respond to ensure we realise the value Mātauranga Māori can bring to our thinking
- The Tiriti principle of active protection will mean that we must ensure awareness of privacy rights and confidence to exercise them
- Co-design and co-delivery between Māori organisations and the public sector is increasingly expected
- Rapid technological advances are increasingly raising questions and challenges for privacy and the protection of taonga, of tapu, and of mana.

In addition to these significant challenges, we are also mindful of our financial sustainability, that we will soon be a regulator under the Customer and Product Data Bill and that the Privacy Act is in need of significant modernisation.

Key areas of strategic focus for the 2025/26 year

The Privacy Commissioner's vision for the Office is that we succeed in making privacy a core focus for agencies. Consistent with the Office's vision, three key areas of strategic focus have been set for the 2025/26 year:

1

Provide guidance and develop processes to support the implementation of legislative and regulatory privacy initiatives

During 2025/26, important privacy related initiatives will require strong guidance and processes to succeed. In particular, the Privacy Amendment Bill will introduce a new notification requirement for agencies, the Customer and Product Data Bill will establish new rights for

individuals to share their data in specified sectors and the Biometrics Processing Privacy Code will strengthen protections around the use of biometric technologies. Successfully supporting these initiatives will provide agencies with the confidence to meet the new requirements.

2

Engage with agencies to build their privacy capability and empower New Zealanders to assert their privacy rights

We will work to develop the capability of agencies to do privacy well through the promulgation of our guidance (such as Poupou Matatapu – Doing Privacy Well) and working directly with selected agencies on projects that will have a significant privacy impact (such as use of biometric

technologies like FRT). We will also seek to reach out and empower New Zealanders to understand and assert their privacy rights, including through streamlining our website and communicating through partners in the privacy system.

3

Focus our activities on the technological and digital innovations being adopted by organisations and businesses

The public and private sectors are rapidly adopting innovative technologies to help them achieve their objectives. Our Office as the privacy regulator needs to understand and respond to these changes, such as the widespread adoption of artificial intelligence tools and the retail sector's

use of technology to respond to theft and safety issues. We will also continue to advocate for a specific set of amendments to ensure that New Zealand's Privacy Act is fit-for-purpose in the digital age.

Summary of Output Revenue and Expenses for 2025/26

The Privacy Commissioner receives funding through an appropriation within Vote Justice. The appropriation is within the Non-Departmental Output Expenses; Services from the Privacy Commissioner.

The scope of this appropriation is limited to privacy issues relating to the collection and disclosure of personal information and the privacy of individuals. It is intended to achieve the efficient and effective provision of services by the Privacy Commissioner.

The baseline funding in 2025/26 has remained at \$7.64m after a reduction of 6.5% of funding from the Ministry of Justice in 2024/25. This is expected to remain consistent across the out years.

The Privacy Commissioner has committed through the appropriation to provide five functions in 2025/26.

Output operating statements: 2025/26

	Revenue		Expenses	Surplus
Function Description	Revenue Crown \$000	Revenue Other \$000	Total Expenses \$000	Surplus / (Deficit) \$000
Communication and Education	1,197	123	1,339	(19)
Compliance and Enforcement	1,732	7	1,975	(236)
Policy and Advocacy	1,732	125	1,991	(134)
Investigations and Dispute Resolution	2,090	68	2,322	(164)
Strategy and Insights	890	3	997	(104)
Total Output Classes	7,641	326	8,624	(657)

Capital expenditure

Provision of \$80k has been included in the 2025/26 budget. The budget includes provision for costs associated with office furniture and computer hardware. The Office updated its laptop stock in 2022. A further update is due in 2025/26.

Deficit and Cash Reserves

The Office has built up cash reserves over previous years and intends to use these to fund the deficit that is being predicted for 2025/26.

Risks

During 2024/25, the Office reviewed and updated its organisation wide risks and associated risk management architecture. The review showed that the key risks facing the Office remained consistent, with financial sustainability and health, safety and wellbeing of our people continuing to be priorities.

Risks are formally reviewed by the Senior Leadership Team on a quarterly basis and specific updates continue to be reviewed by both the Legislative Compliance Working Group and the Health, Safety and Wellbeing Committee, both of which are made up of staff from across the different office functions.

One of the key risks, in the medium to long term, is financial sustainability. While the Office's current cash reserves will enable the budgeted deficit to be funded (as noted above) in the 2025/26 year, the Senior Leadership Team will continue to proactively work at identifying areas of savings while remaining mindful of the ability to deliver on both proactive work and reactive core services. The 2025/26 budget includes estimates for the costs associated with the new Customer and Product Data Bill, as well as income expected for this. Specific details and the volume of this work are yet unknown.

In addition to financial sustainability, given the limited compliance and enforcement powers that the Office has and increases in breach notifications and complaints, the subsequent risk of regulatory failure also remains a key risk for the Office.

The health, safety and wellbeing of the Office's staff is also being closely monitored, as elevated levels of unreasonable conduct from some members of the public continues.

All risks identified will continue to be monitored and mitigations identified as necessary.

Functions

The five functions include the following outputs:

Function

Outputs

Strategy and Insights



- Better use of intelligence obtained from our activities across the Office to identify domestic trends and emerging strategic issues
- International insights on emerging privacy issues
- Understanding new trends globally and prioritising delivery of services accordingly
- Monitoring the success of new initiatives and strategies introduced.

Communication and Education



- Guidance and education to empower New Zealanders to exercise their privacy rights and agencies on their responsibilities and obligations under the Privacy Act
- Improving digital services channels, including the website and education and guidance tools
- Commenting on issues of public and media interest
- Engagement focused on understanding those parts of society more vulnerable to serious privacy harm.

Compliance and Enforcement



- Receiving mandatory breach notifications and following up with agencies on those likely to cause serious harm
- Proactively identifying and investigating systematic issues for possible intervention
- Issuing guidance to agencies and, where necessary, compliance orders to address systematic issues
- Applying the Compliance And Regulatory Action Framework, with an emphasis on prompt action.

Policy and Advocacy



- Providing clear expectations for agencies, whether through information, guidance or Codes of Practice
- Providing advice to the government on emerging and new legislation, applying the principles of necessity and proportionality
- Supporting responsible information sharing including the facilitation of AISAs with individual agencies to assist them to operate more effectively and efficiently
- Treaty and Te Ao Māori analysis incorporated in policy work as necessary.

Investigations and Dispute Resolution



- Investigating privacy complaints made under the Privacy Act and referring appropriate complaints to the Director of Human Rights Proceedings for consideration
- Taking a dispute resolution approach where possible and focusing on settlement
- Issuing access direction determinations where appropriate
- Continuing the emphasis on prompt action.

Forecast Service Performance 2025/26

The Privacy Commissioner has developed a set of measures within the five Functions to provide a means to demonstrate both internally and externally that the Office is performing effectively. A brief summary of what each of the Functions is intended to achieve has also been provided.

The comparative results have been taken from the 2023/24 Annual Report and the 2024/25 Statement of Performance Expectations. Where the comment in the previous year column states “n/a”, this indicates that the target was new for the 2024/25 year and was therefore not reported against in the 2023/24 Annual Report. No new measures have been identified this year.

Assessment of our performance against the targets identified will be based on the following grading system. This will take into account where performance may have improved but the actual target may not have been met exactly.

Criteria	Rating
On target or better	Achieved
<10% away from target	Substantially achieved
>10% away from target	Not achieved

Many of the measures for output performance set out below will also be used to assess the Office’s progress against the four objectives identified earlier. This has not been summarised in this document but the Statement of Intent sets this out, along with the direction of travel expected over the four years from 1 July 2023, in the section “Our Objectives”.

Basis of Preparation

PBE FRS 48 is the relevant reporting standard and establishes generally accepted accounting practice and high-level requirements for reporting on service performance. This standard has been applied when collating the Forecast Service Performance measures for 2025/26. Specifically, a detailed review of the suite of measures was carried out by the Management and Senior Leadership Team to ensure that the indicators aligned to the functions and priorities of the Office. The review was performed in detail for the Appropriations with a focus on ensuring that the measures were specific, achievable, measurable, relevant and timely.

The performance measures have remained consistent with those included in the prior year’s expectation document.



Function 1 Strategy and Insights

What this activity covers

We promote better prioritisation and decision making through analysing enquiries, complaints, privacy breaches and other information we receive. We develop and maintain an understanding of the impact of technological developments on privacy. We monitor the success of our strategies and initiatives.

How performance will be measured

Measure	Expectation 2025/26	Expectation 2024/25	Previous year 2023/24	How it will be measured
Conduct 2 assessments a year to gauge the privacy maturity or attitudes of agencies or individuals	2	2	Achieved (See the Annual Report for details)	Copies of assessments conducted will be retained in the document management system



Function 2

Communication and Education

What this activity covers

We inform people about their privacy rights.
We promote privacy understanding and competence, using media, opinion writing, events and conferences, and stakeholder engagement. We produce material and resources to inform, guide and educate.

How performance will be measured

Measure	Expectation 2025/26	Expectation 2024/25	Previous year 2023/24	How it will be measured
Education module completions as a percentage of education module registrations in the year	75%	75%	84%	Reporting from on-line education tool
Respond to all public enquiries within 5 working days	95%	95%	96%	Evidence retained in the document management system
Content improvements made to digital service channels	Achieved	Achieved	Achieved	Evidence of improvements made



Function 3 Compliance and Enforcement Activities

What this activity covers

We identify and assess systemic issues using the right tools to get the best privacy outcomes for New Zealanders. We undertake monitoring and compliance activities to ensure compliance with the Privacy Act and prosecute offenders if required.

How performance will be measured

Measure	Expectation 2025/26	Expectation 2024/25	Previous year 2023/24	How it will be measured
Notified privacy breaches that are likely to cause serious harm, are followed up with the notifying agency within 10 working days of risk assessment ²	85%	85%	85%	Evidence retained in the document management system
The percentage of externally reviewed compliance investigations that are rated as 3.5 out of 5 or better for quality	85%	85%	100%	Evidenced by report prepared by independent evaluator
Incoming compliance issues are risk assessed on allocation to determine the appropriate response activity	90%	90%	98%	Evidence retained in the document management system

2. "Followed up" in this measure refers to the process where the Office acknowledges receipt of the breach, responds to the agency and provides them with guidance and detailed response requirements to help resolve the breach. The particulars vary depending on the nature of the breach and information provided to the Office. The intent of this measure is to promote an improvement in agency notification practices and overall privacy maturity.



Function 4 Policy and Advocacy

What this activity covers

We develop interventions such as guidance and Codes of Practice so that our expectations as regulator are clear. We provide advice on the privacy implications of policies being developed by Government. We advocate for privacy positive outcomes.

How performance will be measured

Measure	Expectation 2025/26	Expectation 2024/25	Previous year 2023/24	How it will be measured
The percentage of externally reviewed policy files that are rated as 3.5 out of 5 or better for quality	85%	85%	100%	Evidenced by report prepared by independent evaluator
Undertake 2 projects relevant to setting privacy standards, expectations or guidance in the privacy system	Achieved	Achieved	Achieved (See the Annual Report for details)	Evidence retained in the document management system
All externally reviewed policy files appropriately incorporate Treaty and Te Ao Māori analysis as necessary	85%	85%	Achieved (See Annual Report for details)	Evidenced by report prepared by independent evaluator



Function 5 Investigations and Dispute Resolution

What this activity covers

We use dispute resolution techniques for individual complaints and undertake full investigations where necessary and appropriate. Where we can, we encourage the settlement of a complaint. We refer serious cases to the Director of Human Rights Proceedings to consider bringing to the Human Rights Review Tribunal.

How performance will be measured

Measure	Expectation 2025/26	Expectation 2024/25	Previous year 2023/24	How it will be measured
The percentage of notified complaint files closed by settlement between the parties	50%	50%	78%	Evidence retained in the document management system
The percentage of externally reviewed complaints' investigations that are rated as 3.5 out of 5 or better for quality	85%	85%	67%	Evidenced by report prepared by independent evaluator
The percentage of complaints closed during the year that were less than 6 months old at closure	85%	85%	69%	Evidence retained in the document management system

Prospective Financial Statements

Prospective Statement of Comprehensive Revenue and Expenses

for year ended 30 June

	Budget 2025/26 \$000	Forecast 2024/25 \$000	Actual 2023/24 \$000
Crown revenue	7,641	7,640	8,171
Other revenue/seminars	296	116	149
Interest income	30	75	117
Total Operating Revenue	7,967	7,831	8,437
Marketing	66	98	62
Audit fees	55	53	53
Depreciation and Amortisation	96	98	194
Rental expenses	544	557	502
Operating expenses	1,291	1,483	1,632
Staff expenses	6,572	5,915	6,150
Total expenses	8,624	8,204	8,593
Total Comprehensive Income	(657)	(373)	(156)

Prospective Statement of Changes in Equity

for year ended 30 June

	Budget 2025/26 \$000	Forecast 2024/25 \$000	Actual 2023/24 \$000
Public equity as at 1 July	2,068	2,441	2,597
Total Comprehensive Income	(657)	(373)	(156)
Total recognised revenues and expenses for the period	(657)	(373)	(156)
Public equity as at 30 June	1,411	2,068	2,441

Prospective Statement of Financial Position

for year ended 30 June

	Budget 2025/26 \$000	Forecast 2024/25 \$000	Actual 2023/24 \$000
PUBLIC EQUITY			
General funds	1,411	2,068	2,441
Total public equity	1,411	2,068	2,441
REPRESENTED BY: ASSETS			
Current assets			
Cash and cash equivalents	1,473	2,107	2,574
Debtors and other Receivables	28	65	62
Prepayments	125	128	126
Total current assets	1,626	2,300	2,762
Non-current assets			
Property, plant and equipment	124	145	223
Intangible assets	12	7	2
Total non-current assets	136	152	225
Total assets	1,762	2,452	2,987
LESS: LIABILITIES			
Current liabilities			
Creditors and other Payables	125	164	274
Employee entitlements	210	220	270
Total current liabilities	335	384	544
Non-current liabilities			
	16	-	2
Total liabilities	351	384	546
NET ASSETS	1,411	2,068	2,441

Prospective Statement of Cash Flows

for year ended 30 June

	Budget 2025/26 \$000	Forecast 2024/25 \$000	Actual 2023/24 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash provided from:			
Supply of outputs to the Crown	7,641	7,640	8,171
Revenues from services provided	296	116	174
Interest received	30	75	117
Cash applied to:			
Payments to suppliers	1,976	2,305	2,122
Payments to employees	6,582	5,965	6,127
Net Goods and Services Tax	(37)	3	4
Net cash flows from operating activities	(554)	(442)	209
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash provided from:			
Sale of Fixed Assets and Intangibles	-	-	-
Cash applied to:			
Purchase of Fixed Assets and Intangibles	80	25	24
Net cash flows from investing activities	(80)	(25)	(24)
Net increase (decrease) in cash held	(634)	(467)	185
Plus opening cash	2,107	2,574	2,389
Closing cash balance	1,473	2,107	2,574
Represented by: Cash and bank	1,473	2,107	2,574
Closing cash balance	1,473	2,107	2,574

Statement of underlying assumptions

Significant assumption

The opening position of the forecasted statements is based on the unaudited results of the year ended 30 June 2025. The actual results for April, May and June 2025 are unavailable and therefore the balance as at 30 June 2025 has been estimated using the forecast figures as at 31 March 2025.

Revenue from the Crown

The budget has been set based on the operating grant from the Ministry of Justice remaining at the current level.

Other income and grants

The budget has been prepared on the basis that funding from the Department of Internal Affairs will continue as in previous years.

An assumption has also been made that income will be received from the Ministry of Business, Innovation and Employment to fully cover costs associated with the Office's regulatory functions under the Customer and Product Data Bill.

Other assumptions

The accrual basis of accounting has been used in the preparation of these forecast financial statements.

Staffing levels

The budget reflects staffing levels of FTEs to meet the work programme. This includes some new roles for work under the Customer and Product Data Bill. The budget also includes a vacancy lag amount taking into account the average time that roles remain vacant prior to being filled.

Nature of prospective financial statements

The forecasted financial statements have been prepared as a best effort's indication of the Privacy Commissioner's future financial performance. Actual financial results for the period covered are likely to vary from the information presented, potentially in a material manner.

Statement of accounting policies

Reporting entity

The Privacy Commissioner is a Crown entity in terms of the Public Finance Act 1989 and the Crown Entities Act 2004. As such the Privacy Commissioner's ultimate parent is the New Zealand Crown.

In addition, the Privacy Commissioner reports on the funding administered on behalf of the Crown as notes to the financial statements.

The Privacy Commissioner's primary objective is to provide public services to the NZ public, as opposed to that of making a financial return.

The Privacy Commissioner is classified as a tier 2 reporting entity under the new International Public Sector Accounting Standards (IPSAS) as it is not publicly accountable (as defined in XRB A1 Accounting Standards Framework) and has expenditure which is less than \$30m. As a result, it is eligible to apply the Public Benefit Entity Reduced Disclosure Regime (PBE RDR).

The financial statements for the Privacy Commissioner are for the year ended 30 June and are approved by the Commissioner prior to issue. The financial statements cannot be altered after they have been authorised for issue.

Basis of preparation

The financial statements of the Privacy Commissioner are prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand generally accepted accounting practice ("NZ GAAP").

The financial statements comply with PBE FRS 42, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

Significant accounting policies

The following particular accounting policies which materially affect the measurement of comprehensive income and financial position will be applied:

Revenue

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

Revenue from the Crown

The Privacy Commissioner is primarily funded through revenue received from the Crown, which is restricted in its use for the purpose of the Privacy Commissioner meeting its objectives as specified in the Statement of Intent and this Statement of Performance Expectations.

The Privacy Commissioner considers there are no conditions attached to the funding and it is recognised as revenue at the point of entitlement.

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

Other income and grants

Non-government grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation the grants are initially recorded as grants received in advance and recognised as revenue when the conditions of the grant are satisfied.

Income in relation to the work under the Customer and Product Data Bill is directly linked to the budgeted staff costs to deliver this work.

Interest

Interest income is recognised by accruing on a time proportion basis.

Provision of services

Revenue derived through the provision of services to third parties is treated as exchange revenue and recognised in proportion to the stage of completion at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed.

Goods and Services Tax (GST)

All items in the financial statements presented are exclusive of GST, with the exception of accounts receivable and accounts payable which are presented on a GST inclusive basis. Where GST is irrecoverable as an input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (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 an operating cash flow in the statement of cash flows.

Income Tax

The Privacy Commissioner is a public authority for tax purposes and therefore exempt from income tax. Accordingly, no provision has been made for income tax.

Property, plant and equipment

Property, plant and equipment asset classes consist of furniture and fittings, computer equipment and office equipment.

Property, plant and equipment are shown at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment, at a rate which will write off the cost of the assets to their estimated residual value over their useful lives.

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

Furniture and fittings	5 – 7 years
Computer equipment	4 years
Office equipment	5 years

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 Privacy Commissioner and the cost of the item can be measured reliably.

Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

Intangible assets

Software

Acquired computer software licences are capitalised based on the costs incurred to acquire and bring to use the specific software and only when the licences cover a period of over 2 years.

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

Website costs

Costs that are directly associated with development of interactive aspects of the Office's website are capitalised when they are ready for use.

Costs associated with general maintenance and development of non-interactive aspects of the Office's website are recognised as an expense when incurred.

Amortisation

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

Acquired computer software	2 – 4 years
Interactive Tools	3 years

Software-as-a service arrangements

The IASB's Interpretations Committee issued an agenda decision during April 2021 that clarified the accounting treatment expected under International Financial Report Standards for customisation and configuration costs associated with software as a service (SAAS) arrangements.

A detailed review of previously capitalised assets assessed to be SAAS related was undertaken. There were only two assets deemed to be SAAS-related and these were both fully written down as at 30 June 2024.

There have been no further software capitalisations.

Employee entitlements

Employee entitlements that the Privacy Commissioner expects to be settled within 12 months of balance date are measured at undiscounted nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date and annual leave earned, but not yet taken at balance date, expected to be settled within 12 months.

Financial instruments

The Privacy Commissioner is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, debtors, and creditors. All financial instruments are recognised in the statement of financial position and all revenues and expenses in relation to financial instruments are recognised in the statement of revenue and expenses.



Privacy Commissioner
Te Mana Mātāpono Matatapu

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