

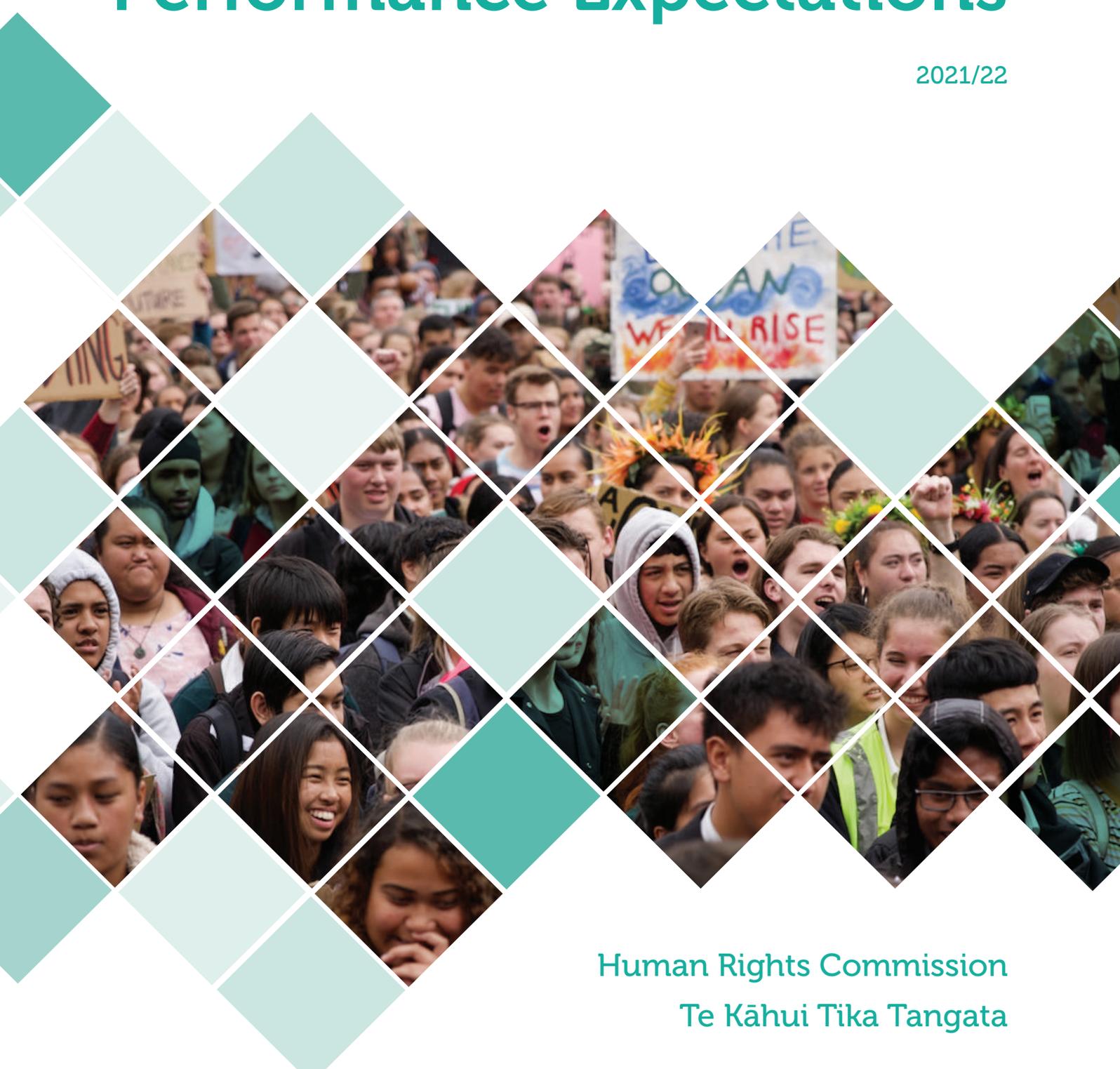


**NZ
Human
Rights.**

Te Kāhui Tika Tangata
Human Rights Commission

Statement of Performance Expectations

2021/22



Human Rights Commission
Te Kāhui Tika Tangata



**NZ
Human
Rights.**

Te Kāhui Tika Tangata
Human Rights Commission

ISSN: 2423-1169 (print)

ISSN: 2423-1177 (online)

COPYRIGHT ©

Unless otherwise stated, the information in this Statement of Performance Expectations is protected by copyright and is subject to the copyright laws of New Zealand. The information may not be reproduced without permission from the Human Rights Commission.



Contents

Introduction	2
Output activities for 2021/22	4
Our strategic framework	6
Strategic Objectives: 2021/22 to 2024/25	7
Performance measurement framework	11
Thematic work	12
Responsive work	12
Summary of output and output expenses for 2021/22	13
Forecast service performance 2021/22	14
Estimates measures for 2021/22	18
Forecast Financial Statements to 2021/22	19
Forecast statement of financial position	20
Forecast statement of changes in equity	21
Forecast statement of cash flows	21
Notes to and forming part of the forecast financial statements	22
Statement of accounting policies	23

Introduction

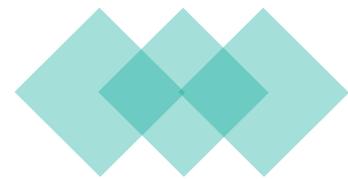


From left: Chief Commissioner Paul Hunt, Disability Rights Commissioner Paula Tesoriero, Equal Employment Opportunities Commissioner Saunoamaali'i Karanina Sumeo and Race Relations Commissioner Meng Foon.

The Human Rights Commission (the Commission) is the national human rights institution in Aotearoa New Zealand. It is an independent Crown Entity responsible for promoting and encouraging the protection of human rights and harmonious relations between all people in Aotearoa.

The Board of the Commission determines the strategic direction and general activities of the Commission consistent with the Human Rights Act 1993 and Crown Entities Act 2004.

The Commission is accredited with “A” status by the United Nations (UN) Office of the High Commissioner for Human Rights and the Global Alliance of National Human Rights Institutions. The status is the highest recognition of independence that a national human rights institution can achieve and provides the Commission with speaking rights at relevant UN Human Rights Council and committee sessions. This means we operate in accordance with the principles relating to the Status of



National Institutions, commonly known as the 'Paris Principles'. These principles set out the minimum international standards required for National Human Rights Institutions (NHRIs) to be considered credible and to operate independently.

The Office of Human Rights Proceedings (OHRP) is part of the Commission. The Director of Human Rights Proceedings independently provides legal representation under the Human Rights Act 1993 and brings proceedings under the Privacy Act 2020.

Paul Hunt
Chief Commissioner
Te Amokapua

Saunoamaali'i Karanina Sumeo
Equal Employment Opportunities Commissioner
Kaihautū Ōritenga Mahi

This Statement of Performance Expectations (SPE) has been prepared in accordance with the requirements of section 149C of the Crown Entities Act 2004. It outlines how we will contribute over the next year and beyond to the preservation and protection of human rights and the promotion of harmonious relations for all people in Aotearoa.

This SPE reflects and is intended to be read with the Commission's 2021/22–2024/25 Statement of Intent.

Paula Tesoriero MNZM
Disability Rights Commissioner
Kaihautū Tika Hauātanga

Meng Foon
Race Relations Commissioner
Kaihautū Whakawhanaungatanga-ā-lwi

Output Activities for 2021/22

The Human Rights Commission (the Commission) is funded under the Output Expense: Services from the Human Rights Commission. Our scope of appropriation is limited to advocating and promoting respect for, and an understanding and appreciation of human rights in Aotearoa. This is intended to achieve the efficient and effective advocacy and promotion of human rights in Aotearoa by the Commission. Our Statement of Performance Expectations also has a number of performance standards and measures over and above those specified in the appropriation.

The Commission's Statement of Intent 2021/22 – 2024/25 outlines the outcomes and impacts that we want to achieve over this period.

The Commission's primary functions, as set out in section 5(1) of the Human Rights Act 1993, are to:

- (a) advocate and promote respect for, and an understanding and appreciation of, human rights in New Zealand society
- (b) encourage the maintenance and development of harmonious relations between individuals and among the diverse groups in New Zealand society
- (c) promote racial equality and cultural diversity
- (d) promote equal employment opportunities (including pay equity)
- (e) promote and protect the full and equal enjoyment of human rights by persons with disabilities.

Section 5(2) of the Human Rights Act 1993 lists the detailed functions of the Commission. In addition to the Human Rights Act 1993, important human rights principles are enshrined in New Zealand's constitutional arrangements or legislation, including the:

- He Whakaputanga o te Rangatiratanga o Nu Tirenī 1835¹
- Te Tiriti o Waitangi 1840
- New Zealand Bill of Rights Act 1990
- Crimes of Torture Act 1989

As a member of the UN, New Zealand supports the human rights provisions of the UN Charter and the Universal Declaration of Human Rights 1948. New Zealand is obliged under international law to meet its human rights obligations to people in Aotearoa as set out in the international human rights treaties New Zealand has ratified.

These include the:

- International Covenant on Civil and Political Rights (ICCPR)
- International Covenant on Economic, Social and Cultural Rights (ICESCR)
- International Convention on the Elimination of All Forms of Racial Discrimination (CERD)
- Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)
- Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (CAT)
- Convention on the Rights of the Child (CRC)
- Convention on the Rights of Persons with Disabilities (CRPD).

¹ The Declaration of the Independence of New Zealand, signed by the United Tribes of New Zealand



The Commission also has functions to facilitate the resolution of disputes, involving unlawful discrimination in the most efficient, informal, and cost-effective manner possible. The Commission has no adjudicative or judicial function in respect of individual complaints or disputes. Those functions are carried out by the Human Rights Review Tribunal² and the courts.

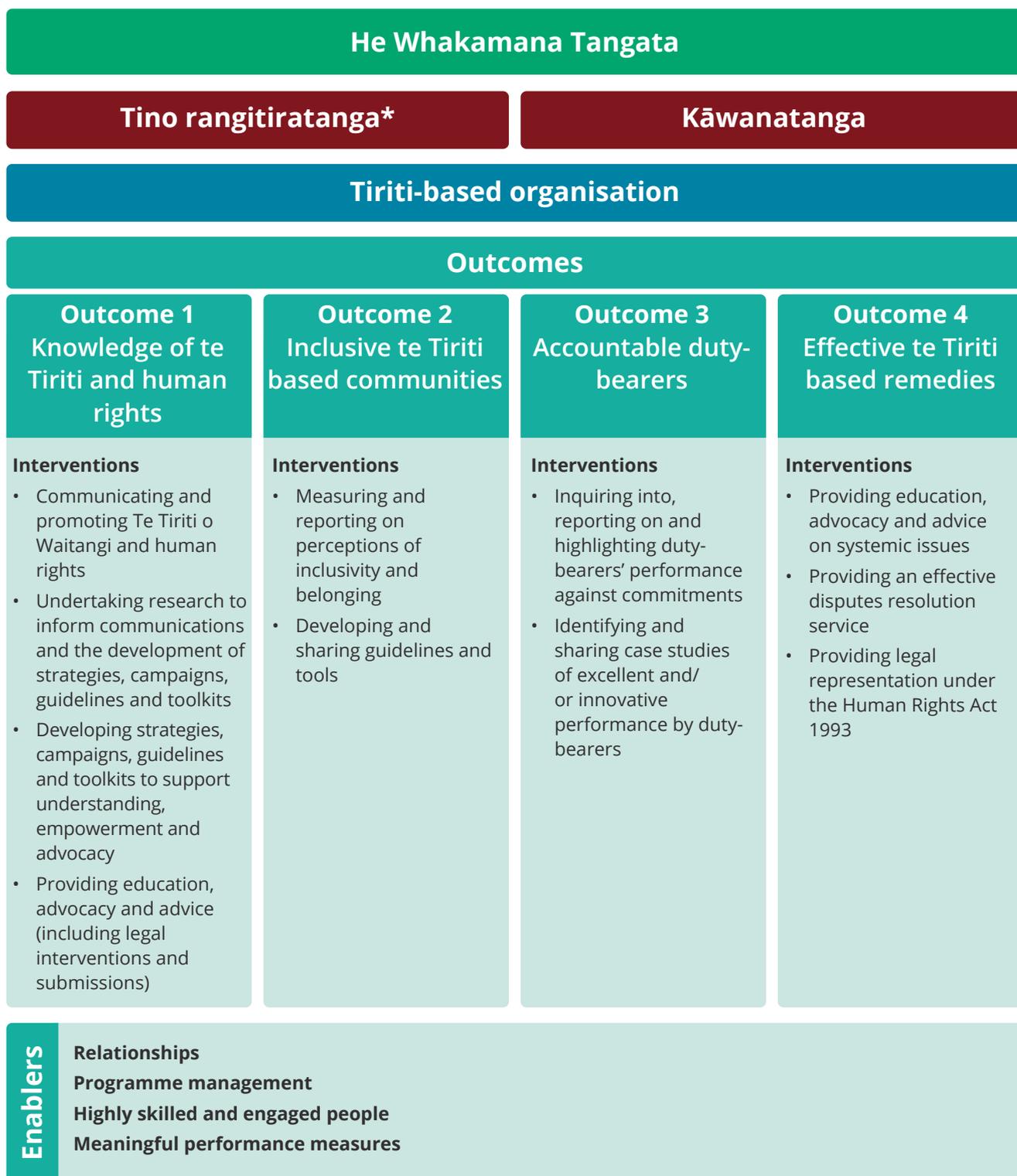
Our Strategic Direction 2021-2025 *He Whakamana Tāngata A Life of Dignity for All* sets out an ambitious new agenda – both for ourselves, and for the country. We want to work with duty-bearers – government and business – to make

real, positive change. We are committed to walking our talk, solidifying and confirming our commitment to be a Tiriti-based organisation and a human rights exemplar. We may not always get it right, but we will learn, improve and strive to demonstrate that this foundational approach can make a real difference.

We continue to promote, monitor and report on the Government's implementation and compliance with international human rights mechanisms that have been ratified by New Zealand.

² The Tribunal is an independent judicial body that hears claims relating to breaches of the Human Rights Act 1993, Privacy Act 2020 and Health and Disability Commissioner Act 1994. The Tribunal is administered by the Ministry of Justice and is separate from the Human Rights Commission, Privacy Commissioner and Health and Disability Commissioner.

Our strategic framework



* Greater clarity on tino rangitiratanga outcomes will emerge as the relationship matures



Strategic objectives: 2021/22 to 2024/25

Outcomes we seek

OUTCOME 1: Knowledge of te Tiriti and human rights

Everyone in Aotearoa New Zealand knows what their Tiriti o Waitangi and human rights and responsibilities are and feels empowered to advocate on their own behalf.

Tangata whenua are able to exercise tino rangatiratanga affirmed in Te Whakaputanga and Te Tiriti o Waitangi. They also understand human rights and the relationship between te Tiriti and human rights

There are four key intervention types contributing to this outcome:

- communicating and promoting Te Tiriti o Waitangi and human rights
- undertaking research to inform communications and the development of strategies, campaigns, guidelines and toolkits
- developing strategies, campaigns, guidelines and toolkits to support understanding, empowerment and advocacy
- providing education, advocacy and advice (including legal interventions and submissions).

OUTCOME 2: Inclusive Tiriti-based communities³

Communities are welcoming, inclusive and empowered to engage with each other and with government to enhance te Tiriti, human rights and harmonious relationships.

Tangata whenua are free from othering⁴, white supremacy, racism, and colonialism, belong as mana whenua in their ūkaipōtanga. They exercise their tino rangatiratanga over their lands, resources, ways of life and beliefs.

In addition to relevant interventions in other outcomes, there are two key intervention types contributing to this outcome:

- measuring and reporting on perceptions of inclusivity and belonging
- developing and sharing guidelines and tools.

³ For clarity, the use of “communities” in this context includes (but isn’t limited to) tangata whenua, Pacific people, disabled people, ethnic communities, and so forth, but also includes businesses and workplaces.

⁴ ‘Othering’ is when an individual or group of people are attributed negative characteristics, so they can be set apart or excluded.

OUTCOME 3: Accountable duty bearers⁵

Government and other duty bearers are held to account for improving performance against domestic and international Tiriti and human rights commitments. Tangata whenua have mechanisms to effectively hold government and other duty bearers to account for improving performance against pre-existing and Tiriti and human rights responsibilities and commitments.

In addition to relevant interventions in other outcomes, there are two key intervention types contributing to this outcome:

- inquiring into, reporting on and highlighting duty-bearers' performance against commitments
- identifying and sharing case studies of excellent and/or innovative performance by duty-bearers.

OUTCOME 4: Effective Tiriti-based remedies

Effective remedies are available to individuals and communities for breaches of their te Tiriti and human rights. Iwi, hapū and whānau are able to access remedies for breaches of their pre-existing rights affirmed in Te Whakaputanga, te Tiriti and their human rights.

In addition to relevant interventions in other outcomes, there are three key intervention types contributing to this outcome:

- providing education, advocacy and advice on systemic issues
- providing an effective disputes resolution service
- providing legal representation under the Human Rights Act 1993.

⁵ Duty-Bearers refers to businesses, workplaces, local and central government – all parties who have obligations under Te Tiriti o Waitangi, the Universal Declaration of Human Rights, and other Treaties and Declarations of the United Nations.



Te Tiriti o Waitangi

Reigniting our journey to become a Tiriti o Waitangi-based organisation

In 2015 the Human Rights Commission committed to becoming a Tiriti-based organisation. Since that time the organisation's action to implement this aspiration has seen highs and lows in terms of resourcing and activities.

In 2019 the decision was made to elevate that commitment and the Pou Ārahi role was created and recruited. The role has specialist ownership for Te Tiriti o Waitangi and indigenous rights, as well as Deputy CEO responsibilities in recognition of the Tiriti partnership in the organisation. We have reignited the flame and charted our course (project plan) towards becoming an exemplar of a Tiriti-based organisation.

This work is an ambitious and ground-breaking undertaking. It will need to be cognisant of every aspect of the Commission as an organisation including our identity, vision, mission and activities. It will bring the whakamana tangata into the core of everything we do in our strategic and daily mahi.

Exactly what will be required will emerge as we progress the design and planning to bring to life Te Hā o Te Tiriti and progress the UN Declaration on the Rights of Indigenous Peoples as a Tiriti-based organisation. Over time we would expect that the Commission's priorities themselves are decided within a Tiriti-based framework and support indigenous aspirations for self-determination.

Te Tiriti o Waitangi and our strategic framework

The Commission aspires to be a human rights exemplar that embeds Te Tiriti o Waitangi in everything we do. Our approach to our strategic framework makes space for both a tino rangatiratanga and a kāwanatanga view. It may appear repetitive. We are learning to work in a new way. As time goes on, we expect there to be greater divergence in the outputs/interventions for tino rangatiratanga and kāwanatanga.

In some respects, these two sections – Tino rangatiratanga and Kāwanatanga - align respectively with Article 2 and Article 1 of Te Tiriti o Waitangi.



Performance measurement framework

Outcomes	Performance expectation	Performance standard
<p>Knowledge of human rights</p> <p>Everyone in Aotearoa New Zealand knows what their Tiriti o Waitangi and human rights and responsibilities are and feels empowered to advocate on their own behalf. Tangata whenua are able to exercise tino rangatiratanga affirmed in Te Whakaputanga and Te Tiriti o Waitangi. They also understand human rights and the relationship between te Tiriti and human rights</p>	<ul style="list-style-type: none"> • Communicate and promote Te Tiriti o Waitangi and human rights • Undertake research to inform communications and the development of strategies, campaigns, guidelines and toolkits • Develop strategies, campaigns, guidelines and toolkits to support understanding, empowerment and advocacy • Provide education, advocacy and advice (including legal interventions and submissions) 	<ul style="list-style-type: none"> • Education and awareness-raising activities that build understanding and respect for te Tiriti and human rights. • Use clear, accessible, language in publications that are co-designed with te Tiriti partners.
<p>Inclusive communities</p> <p>Communities are welcoming, inclusive and empowered to engage with each other and with government to enhance te Tiriti, human rights and harmonious relationships.</p> <p>Tangata whenua are free from othering, white supremacy, racism, and colonialism, belong as mana whenua in their ūkaipōtanga. They exercise their tino rangatiratanga over their lands, resources, ways of life and beliefs.</p>	<ul style="list-style-type: none"> • Measure and report on perceptions of inclusivity and belonging • Develop and share guidelines and tools 	<ul style="list-style-type: none"> • Collaboration between organisations and across sectors to advance the enjoyment of te Tiriti, human rights and harmonious relationships. • Effective education and information resources increase human rights knowledge and contribute to changes in attitudes and behaviours. • Over time, people express a greater sense of belonging and inclusion in Aotearoa.
<p>Accountable duty-bearers</p> <p>Government and other duty bearers are held to account for improving performance against domestic and international Tiriti and human rights commitments. Tangata whenua have mechanisms to effectively hold government and other duty bearers to account for improving performance against pre-existing and Tiriti and human rights responsibilities and commitments.</p>	<ul style="list-style-type: none"> • Inquire into, report on, and highlight duty-bearers' performance against commitments • Identify and share case studies of performance by duty-bearers 	<ul style="list-style-type: none"> • Effective monitoring of compliance with human rights commitments.
<p>Effective remedies</p> <p>Effective remedies are available to individuals and communities for breaches of their te Tiriti and human rights. Iwi, hapū and whānau are able to access remedies for breaches of their pre-existing rights affirmed in Te Whakaputanga, te Tiriti and their human rights.</p>	<ul style="list-style-type: none"> • Provide education, advocacy and advice on systemic issues • Provide an effective disputes resolution service • Provide legal representation under the Human Rights Act 1993 	<ul style="list-style-type: none"> • Disputes relating to breaches of human rights and discrimination are effectively and efficiently resolved. • Process for handling complaints is efficient, rigorous and sensitive to complainants' needs.

Thematic work

Our work broadly falls into two categories: thematic work and responsive work.

Both are important, but we must be explicit about which kind of work we are doing, and we need to recognise that how we work is slightly different for each kind of work. For example, thematic work tends to be cyclical, similar to a feedback cycle, while responsive work is more ad hoc and can be challenging to plan and manage.

Situational analysis

- » Key players
- » Existing activity
- » Evidence base
- » Gap analysis

Research and engagement

- » Literature review
- » Quantitative survey
- » Focus groups
- » Consultation

Forming a Commission view

- » Report
- » Guidelines
- » Inquiry
- » Public campaigns
- » Recommendations

Accountability: monitoring and review

- » International reporting
- » Strategic advocacy
- » Public statements

Responsive work



Public outreach

- » Media enquiries
- » Community Engagement
- » Supporting crisis Response



Submissions

- » Cabinet papers
- » Select committees
- » Draft legislation
- » Royal Commissions



Legal interventions

- » Intervenor in court proceedings
- » Applications



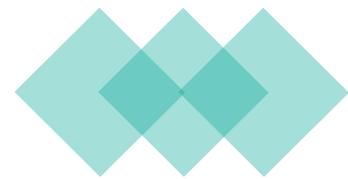
Enquiries

- » Enquiries
- » Complaints
- » Dispute resolution (including mediation)



International

- » Engagement
- » Advocacy
- » Monitoring and review



Summary of output and output expenses for 2021/22

The forecast expenses for the Commission's Output and the total forecast revenue are provided below:

Forecast output expenditure	2021/22
Output Class – Services from the Human Rights Commission	
Output area – On-going activities⁶	\$15.693m
Output 1: Communicate and promote Te Tiriti o Waitangi and human rights	
Output 2: Undertake research to inform communications and the development of strategies, campaigns, guidelines and toolkits	
Output 3: Develop strategies, campaigns, guidelines and toolkits to support understanding, empowerment and advocacy	
Output 4: Provide education, advocacy and advice (including legal interventions and submissions)	
Output 5: Measure and report on perceptions of inclusivity and belonging	
Output 6: Share and promote guidelines and tools	
Output 7: Inquire into, report on and highlight duty-bearers' performance against Te Tiriti o Waitangi and human rights commitments	
Output 8: Identify and share case studies of excellent and/or innovative performance by duty-bearers	
Output 9: Services to Commissioners	
Output area – On-going activities	\$1.511m
Responding to and resolving complaints of unlawful discrimination	
Output area – On-going activities	\$0.820m
Providing legal representation and bringing proceedings	
Total forecast output expenditure	\$18.024m
Forecast revenue	
Crown revenue	\$13.795m
Other revenue	\$0.238m
Interest revenue	\$0.040m
Total forecast revenue	\$14.073m
Surplus to / (deficit from) current equity	(\$3.951m)

⁶ General operating costs, such as office accommodation and depreciation, are included in on-going activities

Forecast service performance 2021/22

Measures by output activities under the Commission's output for this financial year are detailed in the tables below.

As noted previously, our Strategic Framework makes space for both a tino rangatiratanga and a kāwanatanga view. We expect there to be greater divergence in the measures for tino rangatiratanga as we begin to work in a new way. However, in this current year we have established two measures that operate across all four of our outcomes: knowledge of human rights, inclusive communities, accountable duty-bearers and effective remedies.

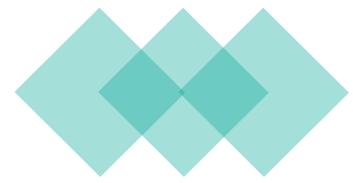
Measure	Baseline	How measured?	2021/22 Target
We partner with tino rangatiratanga Tiriti partners in our mahi	NM ⁷	Feedback from Tiriti partners	60%
Level of satisfaction of tino rangatiratanga Tiriti partners in our mahi	NM	Feedback from Tiriti partners	60%

Outcome: Knowledge of te Tiriti and human rights

Intervention 1: Communicate and promote Te Tiriti o Waitangi and human rights

Measure	Baseline	How measured?	2021/22 Target
1.1 Commission publications that consistently demonstrate link between Te Tiriti and human rights	NM	Sample of published reports/publications	90%
1.2 Clear plain English, contextualised descriptions of technical human rights language in Commission publications	NM	Sample of published reports	90%
1.3 Appropriate accessible formats are provided by default	NM	Sample of published reports	90%
1.4 Te reo Māori me ona tikanga approaches and information are provided by default	NM	Sample of published reports	90%
1.5 Translation into other languages is provided wherever possible and relevant	NM	Number of new resources in additional languages	2
1.6 Co-design communication material with te Tiriti partners	NM	Number of co-designed projects initiated	1

⁷ NM means new measure



Intervention 2: Undertake research to inform communications and the development of strategies, campaigns, guidelines and toolkits

Measure	Baseline	How measured?	2021/22 Target
2.1 Primary research ⁸ is funded or undertaken in order to ascertain the 'current state' of understanding and enjoyment of Te Tiriti o Waitangi and human rights in Aotearoa New Zealand	NM	Number of new primary research findings published	1
2.2 Research undertaken aligns with te Tiriti Framework ⁹	NM	Combination of internal and external review	100%

Intervention 3: Develop strategies, campaigns, guidelines and toolkits to support understanding, empowerment and advocacy

Measure	Baseline	How measured?	2021/22 Target
3.1 Strategies, campaigns, guidelines and toolkits developed have a clear rationale, and an evidence-based theory of change and identified impact for a specific community or audience	NM	Assessment of project plans and close-out reports	90%
3.2 An assessment methodology is developed and implemented for all strategies, campaigns, guidelines and toolkits, prior to work commencing	NM	Assessment of project plans and close-out reports	90%

Intervention 4: Provide education, advocacy and advice (including legal interventions and submissions)

Measure	Baseline	How measured?	2021/22 Target
4.1 Engagement with online platforms, in-person and virtual events and publications	NM	Number of downloads, social media engagements and attendees	12,000
4.2 Influence and impact of advocacy and advice	NM	Assessment of change (ex-ante/ex-post)	3

⁸ Primary research (without duplicating research carried out by others)

⁹ Commission's Tiriti Framework is under development

Outcome: Inclusive Tiriti-based communities

In addition to relevant interventions in other outcomes, the following measures will be added:

Intervention 5: Measure and report on perceptions of inclusivity and belonging

Measure	Baseline	How measured?	2021/22 Target
5.1 Periodic survey conducted	NM	Survey results	Undertake the inaugural survey

Intervention 6: Develop and share guidelines and tools

Measure	Baseline	How measured?	2021/22 Target
6.1 Number of community-focused guidelines and/or toolkits produced	NM	Number of guidelines/toolkits delivered	2

Outcome: Accountable duty-bearers

In addition to relevant interventions in other outcomes, the following measures will be added:

Intervention 7: Inquire into, report on and highlight duty-bearers' performance against commitments

Measure	Baseline	How measured?	2021/22 Target
7.1 A number of specific obligations and/or commitments are actively monitored, assessed, and examined, with appropriate action/intervention determined and followed up on.	NM	Documentation showing the selection, monitoring and intervention activity	4-8 Obligations and/or commitments actively followed up on.

Intervention 8: Identify and share case studies of excellent and/or innovative performance by duty-bearers

Measure	Baseline	How measured?	2021/22 Target
8.1 Publication of case studies that demonstrate excellent and/or innovative performance by duty-bearers	NM	Number of case studies	2-4



Outcome: Effective Tiriti-based remedies

In addition to relevant interventions in other outcomes, the following measures will be added:

Intervention 9: Provide education, advocacy and advice on systemic issues

Measure	Baseline	How measured?	2021/22 Target
9.1 Concrete recommendations result in changes to legislation and/or policy settings to progressively realise te Tiriti and human rights issues	NM	Assessment of change (ex-ante/ex-post)	3

Intervention 10: Provide an effective disputes resolution service

Measure	Baseline	How measured?	2021/22 Target
10.1 Level of general satisfaction for service received upon contacting the Commission's Infoline	NM	Survey	50%
10.2 Level of satisfaction with mediation outcome	NM	Survey	75%
10.3 Timeliness standards (based on complexity ¹⁰) achieved	NM	Data tracked	90%
10.4 Increase awareness of the existence of services provided	NM	Market research	Baseline established

Intervention 11: Provide legal representation under the Human Rights Act 1993

Measure	Baseline	How measured?	2021/22 Target
11.1 Percentage of applications decided within four months of receipt of the section 82 material from the Commission, where applicable		Data tracked	80%

¹⁰ Complexity/Timeliness framework developed early 2021/22

Estimates measures for 2021/22¹¹

Human rights education, promotion, and advocacy programmes that are delivered effectively

Objective: Informing and educating the public on human rights

Measure	Baseline	How measured?	2021/22 Target
The number of downloads and access to Commission digital information	12,000	Survey results	Undertake the inaugural survey

Legal interventions in courts and tribunals promote human rights

Objective: Legal interventions to promote human rights

Measure	Baseline	How measured?	2021/22 Target
The Commission participates as an intervener in a minimum two legal cases per year	No baseline ¹²	Number of interventions recorded	The Commission participates as an intervener in a minimum of two legal cases per year ¹³

Human rights enquiries and complaints received are advanced and concluded within agreed timeframes and standards

Objective: Human rights are protected by providing an accessible, effective avenue for complaints about discrimination to be resolved

Measure	Baseline	How measured?	2021/22 Target
Customer satisfaction with the mediation process ¹⁴	75%	Online Survey	75%
Responsive and timely resolution of enquiries and complaints as measured by the percentage of complaints of unlawful discrimination closed within one year ¹⁵	80%	Statistical Measurement	80%

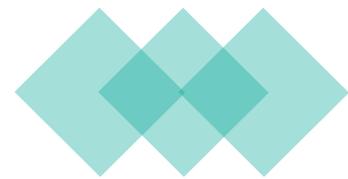
¹¹ Will be removed in 2022/23

¹² No baseline indicated due to legal proceedings concluding and the Commission's input ending

¹³ This includes interventions in cases that carry over across calendar years and new interventions. Legal proceedings can involve significant work and activity over a period of many years and this measure reflects the quantity and nature of the activities the Commission undertakes

¹⁴ Mediation customer satisfaction is measured by responses to an on-line survey which has a 5-point rating scale

¹⁵ The timeliness of resolution of complaints of unlawful discrimination closed within one year uses a rolling 12-month figure



Forecast Financial Statements to 2021/22

Forecast statement of comprehensive revenue and expense

	Actual 2019/20 \$000	Estimated Actual 2020/21 \$000	Forecast 2021/22 \$000
Revenue			
Revenue from the Crown	14,518	13,310	13,795
Other revenue	166	135	238
Interest received	93	50	40
Total revenue	14,777	13,495	14,073
Expenses			
Personnel costs	7,771	8,222	10,361
Other expenses	867	924	930
Property costs	621	630	699
Projects and programmes	1,147	2,195	5,423
Travel costs	309	270	291
Depreciation and amortisation	186	204	320
Expenses	10,901	12,445	18,024
Operating surplus/(deficit)	3,876	1,050	(3,951)
Non-recurring costs	-	-	-
Net surplus/(deficit) after non-recurring costs	3,876	1,050	(3,951)
Other comprehensive revenue	-	-	-
Total comprehensive revenue and expense	3,876	1,050	(3,951)

Forecast Statement of Financial Position

	Actual 2019/20 \$000	Estimated Actual 2020/21 \$000	Forecast 2021/22 \$000
Equity			
Accumulated funds	5,373	6,423	2,472
Total equity	5,373	6,423	2,472
Current assets			
Cash and cash equivalents	4,716	4,930	1,539
Term deposits	1,000	-	-
Receivables	62	1	4
Prepayments	39	4	0
Total current assets	5,817	4,934	1,543
Payables	459	279	260
GST payable	314	42	142
Employee entitlements	550	398	491
Total current liabilities	1,283	719	892
Working capital	4,534	4,216	651
Non-current assets			
Property, plant and equipment	719	2,102	1,922
Intangible assets	232	180	127
Total non-current assets	951	2,282	2,049
Non-current liabilities			
Payables	21	2	155
Employee entitlements	91	72	73
Total non-current liabilities	112	74	228
Net assets	5,373	6,423	2,472



Forecast Statement of Changes in Equity

	Actual 2019/20 \$000	Estimated Actual 2020/21 \$000	Forecast 2021/22 \$000
Balance at 1 July	1,497	5,373	6,423
Total comprehensive revenue and expense	3,876	1,050	(3,951)
Balance at 30 June	5,373	6,423	2,472

Forecast Statement of Cash Flows

	Actual 2019/20 \$000	Estimated Actual 2020/21 \$000	Forecast 2021/22 \$000
Cash flows from operating activities			
Receipts from the Crown	14,518	13,310	13,795
Receipts from other sources	106	135	238
Interest received	95	50	40
Payments to personnel	(6,507)	(7,743)	(9,434)
Payments to suppliers	(3,925)	(5,473)	(7,843)
Goods and services tax (net)	202	272	(100)
Net cash flow from operating activities	4,489	550	(3,304)
Cash flows from investing activities			
Maturity of term deposits	3,016	1,000	-
Sale of property, plant and equipment	2	1	-
Placement of term deposits	(3,016)	-	-
Purchase of property, plant and equipment	(63)	(1,337)	(87)
Purchase of intangible assets	(262)	-	-
Net cash flow from investing activities	(323)	(336)	(87)
Net increase/(decrease) in cash	4,166	214	(3,391)
Cash and cash equivalents at the beginning of the year	550	4,716	4,930
Cash and cash equivalents at the end of the year	4,716	4,930	1,539

Notes to and forming part of the forecast financial statements

The Board of the Commission is responsible for the forecast financial statements presented in this statement of performance expectations, including the appropriateness of the assumptions underlying the forecast financial statements and all other required disclosures.

The forecast financial statements were approved by the Board of the Commission on 30 June 2021.

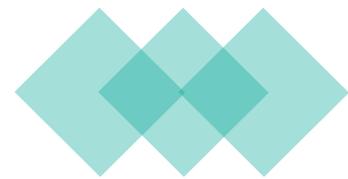
Statement of significant underlying assumptions

The forecast financial statements are based on the following assumptions:

1. Our functions will remain broadly the same as the previous year with some evolution and expansion in accordance with new funding for social inclusion activity.
2. The Commission received time limited funding of \$2.5m in late 2020/21 (carried forward) and will receive an additional \$2.5m in 2021/22 to strengthen its capacity and add new services. This additional investment is primarily focused on the functional area of disputes resolution and inquiries, to upscale the service (including potentially adding new services) for clients who have been hurt by harmful behaviour. This includes cases or matters where the threshold for a response under the Human Rights Act may not be met. The specific services to be offered are yet to be finalised and will consist of a series of offerings that will need to be time-limited trials, given the funding is time-bound. Ongoing refinement and improvement is expected as the results of these services are continually assessed in terms of outcomes.
3. Equity will be used to fund operating deficits and provide for relocating the Wellington Office, and an asset replacement fund to replace assets as they wear out. Surplus cash held in equity will diminish accordingly.
4. We will continue to operate offices in Auckland and Wellington. We will also maintain a small office space in Christchurch for mediation staff to operate from. The Wellington Office is planned to be relocated with all works completed by July/August 2021.
5. Inflation is assumed at an average of 2.0% per annum. Interest rate assumptions are based on economic forecasts by Treasury but are not material.
6. The forecast financial statements have been prepared based on actual events, transactions and financial results up to 28 February 2021. They are also based on assumptions about future events that are reasonably expected to occur, associated with the actions that are reasonably expected to be taken, as at the date this information was prepared.

The information disclosed is indicative only and may not be appropriate for any other purpose. Readers are cautioned that actual results are likely to vary from the information presented here and that the variations may be material.

It is not intended that this published material will be updated.



Statement of accounting policies

Reporting entity

The Commission is a Crown entity as defined by the Crown Entities Act 2004. The Commission's functions and responsibilities are set out in the Human Rights Act 1993 and the Crimes of Torture Act 1989. It has designated itself as a public benefit entity (PBE) for financial reporting purposes.

Basis of preparation

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

Statement of compliance

The forecast financial statements have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP). The forecast financial statements have been prepared in accordance with Tier 2 Public Benefit Entity (PBE) accounting standards as appropriate for public sector entities, and comply with PBE Financial Reporting Standard 42 Prospective Financial Statements. The Commission is eligible to apply Tier 2 PBE accounting standards because it does not have public accountability, as defined in the PBE Standards, and its total expenses are less than \$30 million.

Presentation currency and rounding

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

Summary of significant accounting policies

Revenue

Revenue is measured at the fair value of consideration received or receivable. The specific accounting policies for significant revenue items are explained below:

Revenue from the Crown

The Commission is primarily funded by revenue received from the Crown through the Ministry of Justice for the provision of outputs. This funding is dedicated to the Commission meeting the objectives specified in the Human Rights Act 1993, the Crimes of Torture Act 1989 and the scope of the relevant appropriations of the funder. The Commission considers there are no conditions attached to the funding and it is recognised as non-exchange 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 arrangements.

Interest received

Interest revenue is recognised using the effective interest method.

Rental revenue

Lease receipts under an operating sublease are recognised as revenue on a straight-line basis over the lease term.

Provision of services

Services provided to third parties on commercial terms, such as the provision of advice and educational workshops, are exchange transactions. Revenue from these services are recognised in proportion to the stage of completion at balance date.

Grants received

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 liability and recognised as revenue when conditions of the grant are satisfied.

Project and programme costs

Costs, other than staffing costs, that are directly attributable to a project or programme activity are reported in the statement of comprehensive revenue and expense as project and programme costs.

Leases

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit in the statement of comprehensive revenue and expense as a reduction in rental expense over the lease term.

Foreign currency transactions

Foreign currency transactions are translated into New Zealand dollars using the exchange rates prevailing 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 in the statement of comprehensive revenue and expense.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and funds on deposit at banks with an original maturity of three months or less.

Term deposits

Term deposits include funds on deposit at banks with an original maturity of more than three months and are initially measured at the amount invested. Term deposits which will be recovered more than three but no more than 12 months after the reporting date are classified as current. Term deposits which will be recovered more than 12 months after the reporting date are classified as non-current and the amount expected to be recovered after more than 12 months is disclosed.

Receivables

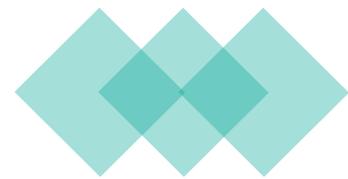
Short-term receivables are recorded at the amount due, less an allowance for credit losses. The Commission applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables.

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 number of 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.

Property, plant and equipment

Property, plant and equipment consists of equipment, furniture and fittings, and leasehold improvements. Property, plant and equipment is measured at cost less any accumulated depreciation and impairment losses.



Additions

The cost of an item of property, plant and equipment is recognised as an asset 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 measured 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 at the date of acquisition.

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 as a net amount in the surplus or deficit in the statement of comprehensive revenue and expense.

Subsequent costs

Costs incurred after initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Commission and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit in the statement of comprehensive revenue and expense as they are incurred.

Depreciation

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

The useful lives and associated depreciation rates of major classes of property, plant and equipment have been estimated as follows:

Equipment	2–12 years	8.3–50%
Furniture and fittings	5–17 years	5.9–20%
Leasehold improvements	9–12 years	8.3–11.1

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

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

Intangible assets

Software acquisition

Acquired computer software licenses are capitalised based on the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software, the development and maintenance of the Commission's website and staff training costs are recognised as an expense when incurred.

Trademarks

Trademarks are capitalised based on the costs incurred to register the trademark with the Intellectual Property Office of New Zealand.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is de-recognised. The amortisation charge for each financial year is recognised in the surplus or deficit in the statement of comprehensive revenue and expense.

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

Computer software	3–5 years	20–33%
Trademarks	10 years	10%

Impairment of property, plant and equipment and intangible assets

Cash generating assets

The Commission does not hold any property, plant and equipment or intangible assets that are cash generating. Assets are considered cash generating where their primary objective is to generate a commercial return, otherwise they are considered non-cash generating.

Non-cash generating assets

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units' approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus

or deficit in the statement of comprehensive revenue and expense. The reversal of an impairment loss is also recognised in the surplus or deficit in the statement of comprehensive revenue and expense.

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. An intangible asset that is not yet available for use at the balance sheet date is tested for impairment annually.

Payables

Short-term payables are recorded at their face value. Leasehold incentives with an unexpired portion beyond 12 months are recorded at face value and classified as a non-current liability.

Employee entitlements

Short-term employee entitlements

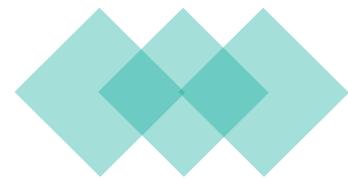
Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Permanent employees are entitled to actual and reasonable sick leave to recover from genuine illness, but entitlements do not accumulate and are recognised as an expense when the absence occurs.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in



which the employee renders the related service, such as long service leave and retirement leave, have been calculated on an actuarial basis. The calculations are based on:

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

Presentation of employee entitlements

Accrued salaries and wages, bonuses, annual leave and vested long-service leave are classified as a current liability. Non-vested long service leave and retirement leave 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.

Superannuation schemes

Defined contribution schemes

Obligations for contributions to KiwiSaver are accounted for as defined contribution schemes and are recognised as an expense in the surplus or deficit in the statement of comprehensive revenue and expense as incurred.

Defined benefit schemes

The Commission does not make contributions to defined benefit schemes.

Commitments

Expenses yet to be incurred on non-cancellable contracts that have been entered on or before balance date are disclosed as commitments to the extent that there are equally unperformed obligations.

Cancellable commitments that have penalty or exit costs explicit in the agreement on exercising

that option to cancel are disclosed at the value of that penalty or exit cost.

Accumulated funds

Accumulated funds are the net surpluses and deficits that have accumulated over time and represent the Crown's investment in the Commission. Accumulated funds are measured as the difference between total assets and total liabilities.

Goods and services tax (GST)

All items in the forecast financial statements are stated exclusive of GST, except for receivables and payables, which are stated 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 Inland Revenue Department (IRD) is presented 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.

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 forecast financial statements the Commission has made estimates and assumptions concerning the future. These estimates and assumptions may 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 material adjustment to the carrying amount of assets and liabilities within the forecast financial statements are discussed below:

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

At each balance date, the useful lives and residual values of property, plant, and equipment and

intangible assets are reviewed. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment and intangible assets requires several 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 or amortisation expense recognised in the surplus or deficit in the statement of comprehensive revenue and expense, and the carrying amount of the asset in the statement of financial position.

Critical judgements in applying accounting policies

Computer software

The Commission must exercise judgement to determine whether expenditure on developing and configuring computer software meets the criteria for recognition as an intangible asset. This includes an assessment of whether the expenditure creates an item that can be identified and separated from the Commission, is under the control of the Commission, and will provide future economic benefits or service potential. This judgement will be based on the facts and circumstances of the expenditure.

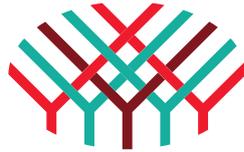
Grants received

The Commission must exercise judgement when recognising grant revenue to determine if conditions of the grant contract have been satisfied. This judgement will be based on the facts and circumstances that are evident for each grant contract.

Comparatives

When presentation or classification of items in the financial statements is amended or accounting policies are changed voluntarily, comparative figures are restated to ensure consistency with the current period unless it is impracticable to do so.





**NZ
Human
Rights.**

Te Kāhui Tika Tangata
Human Rights Commission



facebook.com/NZHumanRightsCommission



[@NZHumanRights](https://twitter.com/NZHumanRights)



[New Zealand Human Rights Commission](https://www.linkedin.com/company/new-zealand-human-rights-commission)

