

2023/2024

# Annual Report Pūrongo ā-tau



**Te Tari Ture  
o te Karauna**  
Crown Law

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Presented to the House of Representatives pursuant to section 44(1) of the Public Finance Act 1989.

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# Solicitor-General foreword

Since June 2023 and our last Annual Report, we – like all our colleagues in the public service – have turned our focus to supporting the incoming government in its priorities and have taken a hard look at our costs and future costs pressures.

We have continued to perform our core function: providing high-quality legal services on a wide range of matters in support of the Government delivering on its priorities. Our lawyers have appeared in courts and tribunals around New Zealand, and advised Ministers, senior officials, and other decision makers on a wide range of important matters. Our services remain in high demand, and I acknowledge all those agencies we work with.

## Drawing on our experience

I am proud of the way our people have maintained the levels of service expected of us and retained the trust and confidence of those we work with and for. We are a small agency that has served governments for 150



years, a milestone we will mark next year. Our comparative stability and well-established professional practices stand us in good stead to continue to deliver quality legal services, while also giving us a solid foundation from which to evolve to meet changing demands, changing priorities and a changing society.

New Zealanders and the Government have high expectations of Crown Law to deliver quality, timely, and right-sized legal services. The importance of our role in safeguarding the rule of law was evidenced repeatedly throughout 2023/24. This unique function is performed through providing practical and authoritative advice on the meaning of the law and its boundaries to assist Ministers and decision makers to implement their policy choices lawfully, and appearing in Courts and Tribunals as they fulfil their constitutional roles in holding government to account. We have included case studies in this Report showing the legal outcomes we have secured for New Zealand; there are many more examples we could have shared.

Alongside what we do, who we are and how we work are important. I acknowledge the work we have undertaken to become more effective and inclusive public servants, and how we have built on the work we did last year to improve security and safety; to increase diversity, equity, and inclusion; and to build our cultural capability. We have also taken significant steps on our environmental sustainability, identifying areas where changes can have the greatest impact and continuing to educate staff.

## Focusing on financial sustainability

A significant emerging focus for the year was financial sustainability and this will continue

over the next three years, at least. We began this work and prioritisation in August 2023. By June 2024 we had decreased our baseline expenditure for the upcoming financial year through workforce reduction and reduced use of consultants and contractors.

We established a financial sustainability programme through which we will identify further changes we can make to meet known cost pressures: primarily rent, services and remuneration. This programme started 1 July 2024 and will enable us to manage the absorption of those cost pressures into Crown Law's baseline for the next three financial years, as well as improving organisational effectiveness and efficiency.

I acknowledge the human cost to our workforce reduction. We disestablished some roles; did not proceed with recruitment for some vacancies; and cancelled planned growth in both the size and capability of our workforce. We were not unique in the public service for needing to do so. We will continue to prioritise the organisational ambition we share to care for and support our people; financial sustainability does not reduce its importance.

## We are part of a larger system

An important part of the Solicitor-General's role is leadership of the legal system across government. To be effective, the Solicitor-General must take a system focus and leverage the legal experience across the Government Legal Network in order to provide the best legal services to support Government and deliver on the objectives of the Government Legal Services Strategy. We continue this focus in all that we do, right across the organisation.

Contributing to public confidence in law and order is a significant part of what we do, both in our role of oversight of the conduct of public prosecutions and our conduct of criminal appeals. The holders of Crown warrants are held to high standards by the profession and the public, with several reviews held that attracted

media interest. We will work closely with all Crown Solicitors to support them in their mahi. We were delighted to announce new, permanent Crown Solicitor appointments for Whangarei and Tairāwhiti.

## Acknowledgments

I acknowledge my fellow leaders at Crown Law including Virginia Hardy, the Deputy Solicitor-General (Attorney-General's Group) who stepped down from that role earlier this year. We are pleased to have had Anthea Williams return to take up that Deputy Solicitor-General role.

Finally, I would like to thank everyone from Crown Law for your professionalism, and your commitment to our core legal work, which is tempered with your compassion for those whose lives we encounter doing it.

### Una Jagose KC

Solicitor-General and Chief Executive  
Rōia Mātāmua o te Karauna me te Tumu  
Whakarae

# Te Kupu Whakataki a te Rōia Mātāmua

Mai i Hune 2023 me tā mātou Pūrongo Ā-Tau whakamutunga, kua huri tō mātou aro - me te aro hoki o ō mātou hoa mahi o te ratonga tūmatanui - ki te tautoko i te kāwanatanga hou me āna whakaarotau, otirā kua mārō te titiro ki ā mātou whakapaunga, me ngā pēhanga whakapaunga anamata.

I ū tonu ki te kawenga o ngā mahi whakapū: te whakarato i ngā ratonga ā-ture kouna nui ki ngā take whānui hei tautoko i te kawenga a te Kāwanatanga i āna whakaarotau. Kua tū ā mātou rōia ki ngā kōti me ngā whakawākanga puta noa i te motu, ā, i tohutohu i ngā Minita, ngā āpiha matua, me ētahi atu kaiwhakataki take ki ngā take hira huhua. He nui tonu te popono ki ā mātou ratonga, otirā ka mihi hoki au ki ngā tari katoa e mahi tahi nei ki a mātou.

## Te nanao ki ō mātou wheako

E poho kererū ana au ki te kawea a ngā kaimahi i ngā paerewa mahi e manakohia ana i a mātou, me te ū ki te pono me te manawanui ki te hunga e mahi tahi nei mātou, otirā e mahi nei hoki mātou mā rātou. He tari iti noa mātou kua noho hei ringaringa mā ngā kāwanatanga mō te 150 tau, otirā ka whakanuia tēnei whāinga ā te tau e tū mai nei. Nā tō mātou tūwhena, me te tōtōpū hoki o ā mātou tikanga mahi ngaio, e rite ana mātou ki te kawea i ngā ratonga ture kouna, me te noho hei tūāpapa pakari e kukune ai mātou ki te whakatutuki i ngā popono me ngā whakaarotau hurihuri, otirā me te porihanga hurihuri hoki.

He teitei ngā kawata a Aotearoa me te Kāwanatanga mō Te Tari Ture o te Karauna, ki

te kawea i ngā ratonga ture kouna, wawe, tika hoki. I nui te kitenga o te hira o tā mātou mahi ki te tiaki i te tika o te ture i te 2023/24. Ka kawea tēnei tū mahi ahurei mā te tuku i ngā tohutohu whitake, whaimana hoki ki te tikanga o te ture me ōna tepenga hei āwhina i ngā Minita me ngā kaiwhakataki ki te whakatinana i ngā kōwhiringa kaupapahere, me te tū ki ngā Kōti me ngā Whakawākanga, i a rātou e whakatinana ana i ngā tūranga ā-turepapa o te mahi tiaki i te papanga o te kāwanatanga. Kua whakauru mātou i ētahi rangahau whakapūaho ki tēnei Pūrongo e whakaatu ana i ngā putanga ā-ture kua herea e mātou mō Aotearoa; otirā he maha noa atu ngā tauira ka taea e mātou te whakaatu ake.

I te taha o aua mahi, he mea hira hoki tō mātou āhua, me te tikanga mahi. E tūtohu ana ahau ki ā mātou mahi kia tū hei pononga tūmatanui whaihua, kauawhi hoki, ā, me te āhua o te whakakake i ngā mahi o tērā tau ki te hiki i te haumarutanga; te whakapiki i te kanorautanga, te tautika, me te kauawhi; me te whakapiki hoki i tō mātou mātau ā-ahurea. He nui hoki ngā whāinga i tutuki ki te toitūtanga ā-taiao, te tautohu i ngā wāhi e hua nui ai ngā panoni me te whakangungu haere hoki i ngā kaimahi.

## Te aro ki te toitūtanga ā-ahumoni

Ko tētahi aronga nui e pihi ake ana i te tau nei ko te toitū ā-ahumoni, otirā ka haere tonu tēnei ā ngā tau e toru e tū mai nei, neke atu pea. I tīmataria e mātou tēnei mahi me te whakaarotau i te Ākuhata 2023. Nō te taenga ki te Hune 2024, i whakaitia ā mātou

whakapaunga paepito mō te tau ahumoni e tū mai nei mā te whakaiti i ngā kaimahi me te whakaiti i te toronga ki ngā mātanga me ngā kaikirimana.

I whakaritea e mātou he hōtaka toitū ā-ahumoni, hei tautohu i ngā panoni ka taea e mātou ki te whakatutuki i ngā pēhanga utu: ko te rēti te mātāmua, ngā ratonga me te taiutu. I tīmata tēnei hōtaka i te 1 o Hūrae 2024, ā, ka āhei mātou ki te whakahaere i te mititanga o ēnei pēhanga utu ki te paepito a Te Tari Ture o te Karauna mō ngā tau ahumoni e toru, me te whakapai ake i te whaihua me te whāomotanga.

E tūtohu ana ahau ki te utu ā-tangata o te whakaiti i tō mātou kāhui kaimahi. I whakakorea ētahi tūranga; kāore i tahuri ki te whakakī tūranga wātea; ā, i whakakorea te tipuranga i matapaetia o te nui me te mātatau o tō mātou kāhui kaimahi. Ehara i te mea i pā anake tēnei ki a mātou i te rāngai ratonga tūmatanui. Ka haere tonu ā mātou mahi ki te whakaarotau i te wawata ā-whakahaere ki te tiaki me te tautoko i ā mātou kaimahi; e kore tēnei e whakaiti ake ahakoa te tōitū ā-ahumoni.

## He wāhanga mātou no tētahi pūnaha nui ake

Ko tētahi wāhanga hira o te mahi a te Rōia Mātāmua he ārahi i te pūnaha ture puta noa i te kāwanatanga. E whaihua ai, me aro ā-pūnaha te Rōia Mātāmua me te whakakake i ngā wheako ā-ture puta noa i te Whatunga ā-Ture a te Kāwanatanga ki te whakarato i ngā ratonga ā-ture pai rawa hei tautoko i te Kāwanatanga me te hāpai i ngā whāinga o te Rautaki Ratonga ā-Ture a te Kāwanatanga. Ka hāpai tonu mātou i tēnei aronga mahi, puta noa i te whakahaere.

Ko tētahi wāhanga nui o ā mātou mahi he whai wāhi ki te manawanui o te iwi ki te ture, otirā i roto i tā mātou mahi ki te tiroiro i ngā whakahaeretanga o ngā hāmene tūmatanui me ā mātou whakahaere i ngā pīra taihara. He

pūmau te rāngai ngaio me te iwi tūmatanui ki ngā paerewa whakahaere teitei mā ngā kaupupuri wārahi Karauna, otirā i toro mai ngā pae pāpāho ki te kōrero i ētahi o ngā arotake o mua. Ka mahi tata mātou ki ngā Rōia Karauna katoa ki te tautoko i a rātou me ā rātou mahi. I harikoa mātou ki te whakaputa i ngā kopounga hou, pūmau hoki a te Rōia Karauna ki Whangarei me Tairāwhiti.

## Ngā Maioha

E mihi maioha ana ahau ki ngā hoa kaiārahi o te Te Tari Ture o te Karauna tae atu ki a Virginia Hardy, te Rōia Mātāmua Tuarua (Rōpū a te Rōia Mātāmua) i heke i te tūranga i te tau nei. E koa ana mātou kua hoki mai a Anthea Williams ki te tūranga o te Rōia Mātāmua Tuarua.

Hei whakamutu ake, ka rere aku mihi ki te ngā tātanga katoa o Te Tari Ture o te Karauna mō te mahi rangatira me tō pūmau ki ā mātou mahi ā-ture whakapū, i whakapūioiotia ki tō aroha ki te hunga ka whai wāhi ai tātou i roto i ngā mahi.



**Una Jagose KC**

Rōia Mātāmua o te Karauna me te Tumu Whakarae



# Our organisation

## Tō mātou rōpū whakahaere

### Our role

We play an important role in increasing public trust and confidence that decisions made by government are allowed by law. We do this by providing legal advice and representation services to government departments and ministers.

Our work is focused on criminal, public and administrative law. We assist the Solicitor-General with the conduct of criminal appeals and the supervision and oversight of public prosecutions.

We provide strategic leadership across the government legal system and support the Government Legal Network and the Solicitor-General's leadership of the legal profession across the Crown.

We work with our partners in the justice sector to make Aotearoa New Zealand safer and to deliver accessible justice services for all New Zealanders. Crown Law is one of the six core justice sector agencies along with Ministry of Justice | Te Tāhū o te Ture, Department of Corrections | Ara Poutama Aotearoa, New Zealand Police | Ngā Pirihimana o Aotearoa, Oranga Tamariki and Serious Fraud Office | Te Tari Hara Tāware.

We work with a wide range of stakeholders to help deliver our outcomes. These stakeholders include:

- the Law Officers (Attorney-General and Solicitor-General)
- Parliamentary Counsel Office
- state sector agencies that we represent and to which we provide legal advice

- Government Legal Network
- the network of Crown Solicitors.

Crown Law administers appropriations under Vote Attorney-General. The Attorney-General is accountable to Parliament to ensure we carry out our functions properly and efficiently. The Solicitor-General is accountable for the leadership and overall performance of the organisation.

### Our leadership

Crown Law's Leadership Team is accountable for the overall performance of the organisation, that is, making sure Crown Law delivers the right services to government and that we do it properly and effectively.

Our Leadership Team ensures strategic direction is clear and that our collective efforts move us in that direction. To do this, they focus on strategic leadership and oversight, organisational performance and organisational health. The Leadership Team comprises:

- **Una Jagose KC** – Solicitor-General and Chief Executive
- **Aaron Martin** – Deputy Solicitor-General Crown Legal Risk Group
- **Anthea Williams** – Deputy Solicitor-General Attorney-General Group
- **Madeleine Laracy** – Deputy Solicitor-General Criminal Group
- **Sophie Mexsom** – Deputy Chief Executive Strategy and Corporate.

# Our strategic intentions

## Ō mātou takune rautaki

Our strategic intentions are set out in the Statement of Intent 2021–2025.<sup>1</sup>

Our vision is to **build a better Aotearoa through responsible, lawful government.**

Our vision is supported by three outcomes:

- Democracy that serves all New Zealanders.
- Government decisions that inspire confidence.
- Justice that strengthens communities.

For each outcome, we have identified the impacts that we are working towards.

We have also identified indicators to help us understand, over time, how we are progressing towards our outcomes. Minor changes from one year to another are less significant than the trend over the medium and long term.

### Our values

Our values set out who we are, what matters to us and how we treat each other.

- We look after the **mana** of other people.
- We value our **differences**.
- We **care** about each other.
- We recognise our **impact** on others.
- We take **pride** in all we do.

<sup>1</sup> We are updating Crown Law's strategic intentions, which will be presented to Parliament and published during the 2024/25 financial year. We will report against the refreshed strategic intentions in the 2024/25 Annual Report.

# 1 OUTCOME ONE Democracy that serves all New Zealanders

## The impacts we are working towards:

- Governments protect and observe the rule of law
- Our system of government is transparent and accountable
- The Crown legal stance considers te ao Māori and enhances the Māori Crown relationship
- New Zealanders are confident in the legal system and the lawfulness of government decisions
- New Zealanders consider engagement with government and its processes worthwhile

## How we will know we are succeeding

This outcome is focused on our democratic system of government based on the rule of law. Crown Law contributes to increased trust through the performance of the Law Officers’ constitutional duties. It speaks to Crown Law’s role in safeguarding the rule of law, which includes advising ministers of the meaning of the law and constitutional boundaries. Crown Law’s role also includes ensuring the Crown legal stance considers tikanga and te ao Māori and supports the Māori Crown relationship and contributing to policy development.

Impact indicator	Performance trend				
	2019/20	2020/21	2021/22	2022/23	2023/24
<b>Experience and perception of the rule of law</b>					
World Justice Project Rule of Law Index <sup>2</sup> (New Zealand score and global rank)					
Overall index score	Score: 0.82	Score: 0.83	Score: 0.83	Score: 0.83	Score: 0.83
	Rank: 8/126	Rank: 7/128	Rank: 7/139	Rank: 7/140	Rank: 8/142 <sup>3</sup>
Overall measure that takes into account the following factors: constraints on government powers; absence of corruption; open government; fundamental rights; order and security; regulatory enforcement; civil justice; and criminal justice.					
Government powers are effectively limited by the judiciary	Score: 0.86	Score: 0.87	Score: 0.88	Score: 0.87	Score: 0.87
	Rank: 4/126	Rank: 4/128	Rank: 3/139	Rank: 4/140	Rank: 4/142
Indicates whether the judiciary has the independence and the ability in practice to exercise effective checks on the government.					
Due process of the law and rights of the accused	Score: 0.77	Score: 0.77	Score: 0.79	Score: 0.78	Score: 0.78
	Rank: 15/126	Rank: 15/128	Rank: 14/139	Rank: 15/140	Rank: 15/142
Indicates whether the basic rights of criminal suspects are respected, including the presumption of innocence and freedom from arbitrary arrest and unreasonable pre-trial detention, and if the basic rights of prisoners are respected once convicted.					

The World Justice Project Rule of Law Index 2023 showed the rule of law continued to weaken in a majority of countries, continuing a long-term trend that started in 2016, although this majority has shrunk in the past 3 years.

<sup>2</sup> The World Justice Project Rule of Law Index ([worldjusticeproject.org/rule-of-law-index](https://worldjusticeproject.org/rule-of-law-index)) provides an overview of the rule of law in a country. The index uses ratings organised around eight primary rule of law factors and 44 sub-factors. The index is based on household and expert surveys, which reflect the rule of law as experienced and perceived by New Zealanders. The 2023/24 results are from the 2023 World Justice Project Rule of Law Index, which was published in October 2023. The 2024 World Justice Project Rule of Law Index is due to be published in late October 2024.

<sup>3</sup> In 2023, the number of countries in the Rule of Law Index increased from 140 to 142.

The continued deterioration of the rule of law in 2023 was mostly due to a weakening of:

- constraints on government powers and fundamental rights
- civil justice and criminal justice.

In 2023, New Zealand placed 8th worldwide, a drop from 7th in 2022, and 1st out of 15 countries in the East Asia and Pacific region followed by Australia and Japan. Although New Zealand dropped one place in the world rankings, the overall Rule of Law Index score remained at 0.83 for the 4th consecutive year.

New Zealand’s score and ranking were unchanged in the elements of ‘due process of the law and rights of the accused’ and ‘government powers are effectively limited by the judiciary’. These elements are fundamental aspects of New Zealand’s democracy and are influenced by Crown Law in our work advising ministers on the meaning of the law and constitutional boundaries and ensuring the Crown legal stance considers tikanga and te ao Māori where relevant and supports the Māori Crown relationship.

New Zealand continues to be ranked below our overall ranking (8th) for the broad factors of fundamental rights (12th), criminal justice (11th), civil justice (11th) and order and security (22nd). As the World Justice Project acknowledges, there are inherent limitations in the methodology underpinning the Rule of Law Index, but there is still value in assessing the areas in which New Zealand performs relatively well and those where it does not.

Impact indicator	Performance trend				
	2019	2020	2021	2022	2023
<b>Experience and perception of democracy</b>					
Bertelsmann Sustainable Governance Indicators (SGI) <sup>4</sup> – Robust Democracy					
Rule of Law element <sup>5</sup>	Score:	Score:	No result	Score:	Results not available at time of publication
• Legal Certainty	• 10	• 10		• 10	
• Judicial Review	• 10	• 10		• 10	
• Appointment of Justices	• 8	• 8		• 8	
Indicates the quality of democracy. Government and administration act on the basis of, and in accordance with, legal provisions to provide legal certainty. Independent courts control whether government and administration act in conformity with the law. The process of appointing justices guarantees the independence of the judiciary.					
Civil Rights and Political Liberties element <sup>6</sup>	Score:	Score:	No result	Score:	Results not available at time of publication
• Civil Rights	• 8	• 8		• 8	
Indicates the quality of democracy, measuring equal access to the law and equal treatment by the law. The state respects and protects civil rights and citizens are protected by courts against infringements of their rights.					

<sup>4</sup> The SGI can be found at [sgi-network.org](https://www.sgi-network.org). The indicators were not produced in 2021. Scores for all elements are a rating out of 10.

<sup>5</sup> The Rule of Law elements identified as most relevant to Crown Law’s impact, and therefore included in this indicator, are Legal Certainty, Judicial Review and Appointment of Justices.

<sup>6</sup> The Civil Rights and Political Liberties element identified as most relevant to Crown Law’s impact, and therefore included in this indicator, is Civil Rights.

New Zealand’s overall ranking in the Rule of Law Index is corroborated by Transparency International’s Corruption Perceptions Index (CPI), which currently ranks New Zealand third in the world (2023 score: 85/100) behind Denmark (90/100) and Finland (87/100). Lack of corruption is an integral component of strong adherence to the rule of law. Although New Zealand continues to have a high score in the CPI, this has slowly declined since 2020.

Bertelsmann identifies two of the core areas of a robust democracy as Rule of Law and Civil Rights and Political Liberties.

Crown Law can influence these areas through oversight of the application of New Zealand human rights law and ensuring that legal advice to government includes human rights implications and obligations where relevant. Crown Law also provides advice and support on constitutional issues, including judicial matters and electoral and parliamentary law.

The Civil Rights and Political Liberties Report from Bertelsmann Sustainable Governance Indicators 2022 notes that “New Zealand has a well-institutionalized liberal democracy with fully implemented and protected civil rights”<sup>7</sup> and that the 2021 Freedom in the World Report<sup>8</sup> awards New Zealand an almost perfect score of 59/60 on the ‘civil liberties’ dimension.

<sup>7</sup> [sgi-network.org/docs/2022/thematic/SGI2022\\_Civil\\_Rights\\_and\\_Political\\_Liberties.pdf](https://www.sgi-network.org/docs/2022/thematic/SGI2022_Civil_Rights_and_Political_Liberties.pdf).

<sup>8</sup> Published by the US-based think tank Freedom House: [freedomhouse.org/country/new-zealand/freedom-world/2021#CL](https://freedomhouse.org/country/new-zealand/freedom-world/2021#CL).

Impact indicator	Performance trend				
	2019/20	2020/21	2021/22	2022/23	2023/24
<b>Trust in government institutions</b>					
Treasury Living Standards Framework <sup>9</sup>	69%	63%	60%	58%	59%
<ul style="list-style-type: none"> <li>Level of trust in the public service (% of adults overall that trust the public service)</li> </ul> <p>Indicates the trust and confidence that New Zealanders have in the public service through service experience and perception.</p>					
Verian Public Sector Reputation Index <sup>10</sup>	N/A	N/A	62	62	64
<ul style="list-style-type: none"> <li>Crown Law Office reputation score</li> </ul> <p>Indicates public perceptions of the legitimacy of Crown Law's purpose and reputation across the pillars of trust, social responsibility, leadership and fairness.</p>					

The level of trust in the public service is a core element of the Treasury Living Standards Framework regarding civic engagement and governance. Crown Law can have an impact on civic engagement and governance through advice and support on constitutional issues and electoral and parliamentary law. As part of the public service, Crown Law can also have an influence by upholding the public service's reputation for trust, fairness, social responsibility and leadership.

In 2020, the Treasury analysis identified a spike in trust and confidence in government likely related to COVID-19, as the public service was central to the national pandemic response. An expected normalisation of results in the years since 2020 is likely the main reason for the reduction in the trust and confidence scores since, although they remain higher (59%) than the highest pre-COVID-19 rating (51%).

Crown Law has participated in the Verian Public Sector Reputation Index since 2022. The index measures the reputation of 58 government agencies across the pillars of trust, social responsibility, leadership and fairness. Crown Law's 2024 result in the index was 64, 2 points up on the previous year. We saw increases of 1–3 points across each of the four contributing pillars, resulting in the increased overall score.

## What we achieved this year

We provided legal advice and other assistance to the Law Officers and departments, including:

- legal services involving questions of the lawful exercise of government power
- constitutional questions including in relation to the Treaty of Waitangi | te Tiriti o Waitangi and the New Zealand Bill of Rights Act 1990
- advice on the legal and constitutional implications of policy proposals.

<sup>9</sup> Treasury Living Standards Framework uses data from the Kiwis Count survey run by the Public Service Commission | Te Kawa Mataaho [publicservice.govt.nz/research-and-data/kiwis-count](https://publicservice.govt.nz/research-and-data/kiwis-count). The 2023/24 result is from March 2024.

<sup>10</sup> Information on the Verian Public Sector Reputation Index can be found here: [veriangroup.com/insights/thought-leadership/public-sector-reputation-index-nz](https://veriangroup.com/insights/thought-leadership/public-sector-reputation-index-nz).

## Te Tiriti and Māori Crown relationship/tikanga

Crown Law has continued to represent the Crown in the Waitangi Tribunal's remaining district inquiries and in kaupapa inquiries – thematic inquiries that deal with nationally significant issues affecting Māori.<sup>11</sup> During 2023/24, there were hearings in the Tribunal's ongoing district inquiries, including North-Eastern Bay of Plenty and Porirua ki Manawatū.

Work continued on the following kaupapa inquiries:

- National Fresh Water and Geothermal Resources Inquiry (Wai 2358)
- Military Veterans Kaupapa Inquiry (Wai 2500)
- Health Services and Outcomes Kaupapa Inquiry (Wai 2575)
- Mana Wāhine Kaupapa Inquiry (Wai 2700)
- Housing Policy and Services Kaupapa Inquiry (Wai 2750)
- Justice System Kaupapa Inquiry (Wai 3060)
- Constitutional Kaupapa Inquiry (Wai 3300).

The Tribunal commenced the Education Services and Outcomes Kaupapa Inquiry (Wai 3310).

The Tribunal also commenced a more accelerated inquiry into climate change and held urgent inquiries into the Treaty Principles Bill and review of statutory references to Treaty principles, the repeal of section 7AA of the Oranga Tamariki Act 1989, Māori wards and constituencies, and te reo in the public service.

During 2023/24, the Crown has continued to be involved in significant litigation concerning

the Waitangi Tribunal's binding powers to order the return to Māori ownership of state-owned enterprise land and Crown forest licensed land for claims about those lands and, in the case of Crown forest licensed land, award further compensation. Other ongoing litigation for the Crown includes proceedings concerning Treaty settlements and applications under the Marine and Coastal Area (Takutai Moana) Act 2011, in respect of which the Attorney-General appears as an interested party. During 2023/24, the Crown was involved in a 13-week trial on stage 2 of the Stafford (Wakatū Incorporated) equitable claims in relation to land in the Nelson Tasman area, including claims that the Crown holds land as trustee and has breached various equitable obligations. The judgment is expected during the 2024/25 year.

The Crown is involved in ongoing litigation in relation to tikanga/customary rights in relation to water and land.

## Administration of appointments

Crown Law provides administrative support for the Attorney-General's role in appointing judges to the Supreme Court, Court of Appeal and High Court. During 2023/24, Crown Law administered the following judicial appointments:

- Judge of the Supreme Court: Justice Forrest Miller
- Judges of the Court of Appeal: Justice Susan Thomas, Justice Rebecca Ellis, Justice Francis Cooke and Justice Matthew Palmer
- Chief Judge of the High Court: Justice Sally Fitzgerald

<sup>11</sup> Information about the kaupapa inquiries can be found on the Waitangi Tribunal website: [waitangitribunal.govt.nz/inquiries/kaupapa-inquiries](https://waitangitribunal.govt.nz/inquiries/kaupapa-inquiries).



- Judges of the High Court: Justice Lisa Preston, Justice Laura O’Gorman, Justice Dale La Hood, Justice Karen Grau, Justice Michele Wilkinson-Smith, Justice Jason McHerron, Justice David Boldt and Justice Gregory Blanchard.

Crown Law has also administered the appointment of six acting judicial warrants (three in the High Court and three in the Court of Appeal) for judges who have either reached retirement age during 2023/24 or as extensions to current acting warrants held since their retirement.

Crown Law provides administrative support for the Attorney-General in relation to the appointment of King’s Counsel and administered King’s Counsel appointments during 2023/24. This year, 18 barristers sole received the rank, while Professor Philip Joseph from the University of Canterbury was recognised for his career as a legal scholar and significant contribution to public and constitutional law. The appointments made were:

- Auckland – Katherine Anderson, Sarah Armstrong, Zane Kennedy, Kelly Quinn, Todd Simmonds, Robert Stewart, Nura Taefi, Garry Williams and Samuel Wimsett
- Wellington – Wendy Aldred, Douglas Ewen, Daniel Kalderimis, Tim Stephens and Christopher Stevenson
- Nelson – Sally Gepp
- Christchurch – Professor Philip Joseph, Alanya Limmer, Philip Shamy and Anne Toohey.

Crown Law also provides administrative support for the appointment of members of the New Zealand Council of Legal Education, an independent statutory body constituted under the Lawyers and Conveyancers Act 2006, responsible for the quality and provision of

education and practical legal training required to be undertaken by any person either within New Zealand or from overseas wishing to be admitted as a barrister and solicitor of the High Court of New Zealand.

## Memberships

The Solicitor-General is a participating member of the High Court Rules Committee, and Crown Law is a member of the Legislation Design and Advisory Committee.

## Illustrative legal advice and representation matters

The courts continue to examine the interplay of the roles of Parliament, the Executive and the courts, informed by the context of developing rights jurisprudence. These are some examples of Crown Law's legal representation role in addition to the cases noted elsewhere.



### ***New Health New Zealand Incorporated v Director-General of Health***

New Health New Zealand Inc commenced proceedings last year seeking to review the Director-General of Health's directions to 14 local authorities to fluoridate their drinking water supplies.

The High Court found that, when a discretionary decision has the potential to restrict a fundamental right in the Bill of Rights Act, the decision maker must, as a part of its decision-making process, address the restriction and consider whether it is demonstrably justified under section 5 of the Bill of Rights Act, quite apart from a substantive assessment by the court of whether any restriction is so justified. Applying the law as it had found it to be, the Court ruled that the Director-General made a procedural error in failing to address the right to refuse medical treatment when giving the directions. The Director-General has filed an appeal against this decision.



### ***Fluoride Action Network (NZ) Inc v Hastings District Council***

Earlier this year, the High Court dismissed Fluoride Action Network's and NZDSOS's application for judicial review.

The application sought to challenge Hastings District Council's decision to commence fluoridation in compliance with the Director-General of Health's direction to fluoridate its water supply. The applicants argued that it was unlawful for the Council to commence fluoridation pursuant to an unlawful (but valid) direction and while the Director-General's reconsideration was being undertaken.

The High Court rejected this challenge. The Court found the directions are valid and remain on foot and it was not unlawful for the Council to comply with an unlawful but valid direction. The Court held that decisions over fluoridation, under the decision-making scheme under Part 5A of the Health Act 1956, are for the Director-General and the role of councils is to comply with these directions. Councils do not have a discretion as to whether to comply with a valid direction and do not need to undertake their own Bill of Rights Act analysis of fluoridation.



### ***Christian Congregation of Jehovah's Witnesses (Australasia) Limited v Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-Based Institutions & Attorney-General***

The appellant in this case (the Jehovah's Witnesses) challenged an amendment by Order-in-Council to the Royal Commission's terms of reference, which clarified for the avoidance of doubt that abuse in informal and pastoral care was within the scope of the inquiry into faith-based institutions. The appellant also challenged the Royal Commission's interpretation of its terms of reference, before the terms were amended by the Amendment Order, that abuse in informal and pastoral care were within scope.

The Court of Appeal rejected both challenges, clearing the way for the Royal Commission to report on abuse in informal and pastoral care in its final report. The Jehovah's Witnesses have sought leave to appeal the Court of Appeal decision to the Supreme Court.

# 2

## OUTCOME TWO

# Government decisions that inspire confidence

### The impacts we are working towards:

- Governments are best placed to implement their policy choices lawfully
- Government decision making is well evidenced and considers core constitutional values
- Government decision making is future focused, balancing risk and opportunity
- Te ao Māori and Treaty of Waitangi | te Tiriti o Waitangi principles are reflected in decision making where relevant
- Government decisions are defensible and withstand scrutiny
- Government lawyers are sought by decision makers as partners who add value

## How we will know we are succeeding

This outcome is focused on responsible Executive Government decision making.

This includes the Solicitor-General's role of authoritatively determining the Crown's view of the law subject to the senior Law Officer. It speaks to Crown Law providing advice at the right time, in the right way, and that is sought after by decision makers (not just because it is Cabinet mandated). It includes predicting and influencing the development of the law to help governments manage risk and make the most of opportunities and supporting government decisions that will stand the test of time by considering future implications and impacts. It also includes building the capability of the Government Legal Network to do the same so that successive governments are supported to implement their policy objectives lawfully with better identification and management of risk and opportunity.

Impact indicator	Performance trend				
	2020	2021	2022	2023	2024
<b>Stakeholder satisfaction</b>					
Attorney-General satisfaction with the quality of advice and representation provided by Crown Law <sup>12</sup>	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied
Indicates Attorney-General satisfaction that defined standards of quality and timeliness have been achieved.					
Partner satisfaction with the quality of advice and representation provided by Crown Law					
• Overall quality of advice and services	100%	100%	100%	100%	100%
• Satisfaction with timeliness	91%	96%	100%	100%	96%
Indicates partner (client/stakeholder) satisfaction that standards of quality and timeliness have been achieved.					
<b>Government Legal Network capability<sup>13</sup></b>					
Number of secondments of lawyers between departments in the Government Legal Network <sup>14</sup>	N/A	N/A	47	34	19
Indicates level of Government Legal Network competence, as secondments contribute to increased knowledge and consistency across the public sector.					
Satisfaction of Chief Legal Advisors with System Leadership Group (SLG) engagement and communication	100%	100%	100%	100%	100%
Indicates the information provided by the System Leadership Group is useful and required.					

<sup>12</sup> This measure is calculated based on the result of the annual Attorney-General's Satisfaction Survey. The survey methodology was amended in 2023/24 to ask the Attorney-General to provide a score out of five for several factors that contribute to their satisfaction with Crown Law's advice and representation. The ratings for these factors are averaged to provide a final score, which for 2023/24 was 3.5 out of 5. (In previous years, the survey simply asked for a binary *satisfied* or *unsatisfied* rating.)

<sup>13</sup> Note that the two measures in this category were incorrectly stated in the Statement of Intent 2021-2025 (replicated from SOI outcome 1 into outcome 2). The two measures provided above are correct for this outcome.

<sup>14</sup> As reported by departments.

## What we achieved this year

### Strategic legal advice

During 2023/24, we provided a broad range of legal advice to government agencies and ministers, much of which has been strategic, system-wide advice. Key areas of work included:

- provision of legal advice on government decision making
- outcomes of inquiries and steps to implement their recommendations
- advice on numerous aspects of criminal justice process and proposed policy changes.

### Infrastructure and resource management issues

Crown Law has advised on significant issues relating to infrastructure and resource management reform in the 2023/24 year, including in particular the Fast-track Approvals Bill, proposed amendments to the Resource Management Act 1991 (RMA) and national policy statements and national direction under the RMA. Prior to the 2023 election, Crown Law advised on the Natural and Built Environment Act 2023.

There has been an increase in litigation challenging national direction under the RMA. Crown Law is involved in this litigation, which engages multiple issues including the purpose of the RMA, its interaction with other legislation, the Treaty of Waitangi and public decision-making processes.

### Royal Commission of Inquiry into Lessons Learned from Aotearoa New Zealand's Response to COVID-19 That Should Be Applied in Preparation for a Future Pandemic

Crown Law advises agencies on inquiries including Royal Commissions of Inquiry. This

can extend to participating in, and on occasion appearing before, inquiries.

A Royal Commission was established to prepare New Zealand for future pandemics through lessons learned from COVID-19. The Royal Commission will consist of two phases.

The purpose of Phase One of the Royal Commission is to strengthen New Zealand's preparedness for, and response to, any future pandemic by identifying those lessons learned from New Zealand's response to COVID-19 that should be applied in preparation for any future pandemic. This phase will make recommendations on measures to best prepare New Zealand to respond to any future pandemics. Crown Law has responded to information requests from the Royal Commission and the Solicitor-General has met with the Royal Commission to provide information about the role Crown Law played in the pandemic response. The reporting date for Phase One is 28 November 2024.

Phase Two will begin after the end of Phase One and will include an expanded terms of reference and new Commissioners. Crown Law provided advice to the Department of Internal Affairs in relation to the establishment of Phase Two and will provide information to the inquiry in relation to its role in the COVID-19 response as required.

### Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions

The Royal Commission has concluded its public hearings and delivered its final report and recommendations to the Governor-General on 25 June 2024.

Crown Law has participated in the natural justice process in relation to the final report. In addition, Crown Law has supported agencies' work on the response to the final report and the implementation of the Royal Commission's redress recommendations.

### Climate change

Climate change is a dynamic and rapidly developing area of law. There continues to be an increase in litigation against government decision makers based on concerns about the sufficiency of climate change mitigation efforts. This increase reflects wider global trends, which show an increasing number of cases across more jurisdictions. Similar patterns have also emerged in litigation against private sector entities.

Crown Law is currently involved in three separate proceedings that illustrate the potential breadth of challenges to government action on climate change.

Developments in the law relevant to climate change raise complex and intersecting issues across different areas such as the Treaty of Waitangi, human rights, regulatory compliance and governance.

A Deputy Solicitor-General is an independent adviser to the Climate Change Chief Executives Board to help manage the legal risks associated with the cross-agency climate change work programme.

### Stewardship of the government legal network

Crown Law provides stewardship of the Government Legal Network (GLN) to ensure the government legal profession is equipped for current and future demands.

The *Government Legal Services Strategy 2022-2026* (GLSS)<sup>15</sup> outlines how the GLN can enhance delivery of legal services to the government by departmental legal teams, including Crown Law. It is designed to shift the model of the government lawyer to one where the services offered are innovative and solution focused.

In the past year, Crown Law work supporting the GLSS focused on facilitating consistency of legal advice across government and controlling legal risk. Our work included the following:

- Continuing the twice-yearly reporting to the Attorney-General on significant and systemic legal risks. We work with departments to identify the emerging and existing legal risks that may affect government. This enables oversight of the legal system while facilitating system-wide risk management and appropriate action in individual agencies. Crown Law also provides the Attorney-General and other ministers with regular reports on themes of relevance to government priorities and ministerial portfolios.
- Publishing strategic and system-wide legal advice products covering topics relevant to all departments, including quick-reference legal guides.
- Providing 65.5 hours of training to government lawyers, reducing professional development costs for departments. The 27 seminars, courses and events met government lawyers' annual development obligations and were provided free of charge or at below-market rates.

Through sharing more information and knowledge across the GLN, Crown Law increases consistency in legal decision making

<sup>15</sup> [crownlaw.govt.nz/assets/Uploads/Publications/Government-Legal-Services-Strategy.pdf](https://crownlaw.govt.nz/assets/Uploads/Publications/Government-Legal-Services-Strategy.pdf).



across government and decreases associated legal risks. Duplication of government effort in these areas is also reduced.

During 2023/24, the training provided to the system was focused on increasing the effectiveness of government legal services. Highlights included the following:

- The annual network conference was attended by 547 lawyers. The conference focuses on legal updates on emerging issues. This year, topics included legal issues for emerging technology in the public sector, the Australian Royal Commission into the Robodebt Scheme and *He Poutama – A Slow Weave*, the Law Commission’s report on tikanga in Aotearoa New Zealand.
- An introduction to government course delivering a solid grounding in key public law matters for lawyers new to government, which was delivered to four cohorts over the 2023/24 year.
- Delivering training to support agencies in their application of the Treaty of Waitangi | te Tiriti o Waitangi to legal advice. This training, which focuses on specific case examples and consistency when giving legal advice across departments, was attended by 100 government lawyers during the year.

We supported the pipeline of future government lawyers by recruiting and coordinating the hosting of 26 legal summer clerks in 18 agencies between November 2023 and February 2024. Additionally, the five successful applicants to the 2023/24 GLN Graduate Programme began their first placement in government legal teams. This is the first of three rotations over 24 months.

## Illustrative legal advice and representation matters



### COVID-19 wage subsidy

The Crown successfully defended Gama Foundation’s judicial review challenge to the Ministry of Social Development’s (MSD) prosecution of COVID-19 wage subsidy fraud. Gama Foundation argued that MSD had adopted a “practice” not to prosecute certain classes of wage subsidy recipient. MSD provided evidence of its processes for investigating and enforcing wage subsidy fraud, which the High Court accepted. No appeal was filed.

MSD’s investigation and prosecution of wage subsidy fraud is continuing, along with its recovery of wage subsidy funds from entities who have retained amounts without entitlement.

In *NZTSOS Inc v Minister for COVID-19 Response and Ors*, the High Court had found that the requirement for education workers to be vaccinated during the COVID-19 pandemic did not breach their right to refuse to undergo medical treatment affirmed by the Bill of Rights Act. The Court of Appeal dismissed the appeal, finding that the vaccine mandate for education workers was a justified limitation on the right.

In the High Court, four members of the New Zealand Defence Force unsuccessfully challenged the legality of the requirement for members of the Armed Forces to have their ongoing retention reviewed for not meeting an individual readiness requirement, in this case being vaccinated against COVID-19 (*Four Members of the Armed Forces v Chief of Defence Force & Ors*). The four members were partially successful with their appeal to the Court of Appeal – the Court found that some of the prescribed restrictions were not a justified limitation on the rights to refuse medical treatment and to manifest religious beliefs under the Bill of Rights Act. Leave has been granted for the Crown to appeal this judgment to the Supreme Court.

In *New Health New Zealand Inc v Minister for COVID-19 Response and Attorney-General*, the applicants challenged decisions to make face coverings/masks a legal requirement through the course of the COVID-19 response. The High Court dismissed the challenge and the applicants have appealed this decision to the Court of Appeal.

In *Stent and Brill v Minister for COVID-19 Response*, the plaintiffs seek damages for their extended stay in Western Australia following the decisions to end quarantine-free travel from July 2021 to March 2022. The case is due to be heard in 2025.



### COVID-19 litigation

Crown Law has been involved in a variety of COVID-19-related litigation.

In *Free To Be Church Trust v Minister for COVID-19 Response*, the High Court found that the COVID-19 Vaccination Certificate-related gathering restrictions were a justified limit on the right to manifest religion after the Omicron variant was circulating in New Zealand. Free To Be Church appealed and the Court of Appeal dismissed the appeal.

# 3

OUTCOME THREE

## Justice that strengthens communities

### The impacts we are working towards:

- Increased access to justice and civil redress
- The justice system is solutions-focused
- The justice system is open, transparent and impartial
- Barriers to civil justice are removed
- Victims are supported, have a voice and experience justice
- Crown prosecutions and criminal appeals are high quality and progressed in the public interest

### How we will know we are succeeding

This outcome is focused on the justice system and individuals within it. It includes ensuring the Crown takes a socially responsible, holistic position on criminal law issues which recognises the individual and societal factors that influence criminal conduct, and also those factors which are important to understanding the position of victims. Applying a consistent approach to prosecutions is key to supporting justice system transformation.

To gauge the impact of Crown Law's legal work, we look at trust in the courts, perceptions of the justice system and the quality of prosecutions and appeals.

In May 2021, the Ministry of Justice released a topical report focused on victims' trust and confidence in the criminal justice system. Key findings in this report were that:

- victims of interpersonal violence, offences by family members or sexual assault are less likely to have confidence the criminal justice system as a whole is effective and have comparatively lower trust in Police, juries, criminal lawyers and groups that support victims
- victims of all offence types tend to have positive perceptions of Police and groups that provide services for victims – however, their perceptions of judges, juries, criminal lawyers and the Parole Board are relatively poorer.

Public trust and confidence in the criminal justice system is essential to its performance. The criminal justice system can only operate effectively if society trusts and has confidence in it. Victims, in particular, will only come forward to report crime if they trust the system will keep them safe, provide justice and treat them fairly.

Impact indicator	Performance trend				
	2019/20	2020/21	2021/22	2022/23	2023/24
<b>Access to Justice</b>					
World Justice Project Rule of Law Index <sup>16</sup> (New Zealand score and global rank)					
The criminal justice system is impartial	Score: 0.59	Score: 0.55	Score: 0.59	Score: 0.59	Score: 0.58
	Rank: 39/128	Rank: 39/128	Rank: 32/139	Rank: 31/140	Rank: 34/142
Indicates whether Police and criminal judges are impartial and whether they discriminate in practice based on socio-economic status, gender, ethnicity, religion, national origin, sexual orientation or gender identity.					
The criminal investigation system is effective	Score: 0.59	Score: 0.60	Score: 0.61	Score: 0.61	Score: 0.61
	Rank: 18/126	Rank: 15/128	Rank: 19/139	Rank: 19/140	Rank: 19/142
Indicates whether perpetrators of crimes are effectively apprehended and charged and whether Police, investigators and prosecutors have adequate resources, are free of corruption and perform their duties competently.					
People can access and afford civil justice	Score: 0.72	Score: 0.72	Score: 0.73	Score: 0.74	Score: 0.73
	Rank: 15/126	Rank: 11/128	Rank: 11/139	Rank: 9/140	Rank: 8/142
Indicates the accessibility and affordability of civil courts, including whether people are aware of available remedies, can access and afford legal advice and representation and can access the court system without incurring unreasonable fees, encountering unreasonable procedural hurdles or experiencing physical or linguistic barriers.					

Overall, the trends around access to civil and criminal justice in New Zealand are stable, although it is worth noting that New Zealand's score and global rank for criminal system impartiality are comparatively low.

Through the quality of Crown assistance to the Court as counsel and in the many discretionary decisions made by lawyers representing the Crown, Crown Law has a significant and influential role in the cases that come before the court and how they are dealt with.

<sup>16</sup> The World Justice Project Rule of Law Index ([worldjusticeproject.org/rule-of-law-index](https://worldjusticeproject.org/rule-of-law-index)) provides an overview of the rule of law in a country. The index uses ratings organised around eight primary rule of law factors and 44 sub-factors. The index is based on household and expert surveys, which reflect the rule of law as experienced and perceived by New Zealanders. The 2023/24 results are from the 2023 World Justice Project Rule of Law Index, which was published in October 2023. The 2024 World Justice Project Rule of Law Index is due to be published in late October 2024.

Impact indicator	Performance trend				
	2020	2021	2022	2023	2024
<b>Institutional trust</b>					
• Crown criminal appeals concluded in favour of the Crown	62%	70%	79%	67%	63%
• Defendant criminal appeals concluded in favour of the defendant	27%	30%	27%	28%	26%
The level of appeals concluded in favour of the Crown is an indication about the merits of the prosecutions and the decision to appeal.					

Crown Law conducts criminal appeals in the High Court, Court of Appeal and Supreme Court. In some, the Crown is the appellant, but in most, we are responding to appeals brought by the accused. This year saw a significant increase in accused appeals, which were up approximately 25% from last year. The rate at which such appeals succeeded fell slightly. A key driver of the volume increase is likely to have been the increased number of Crown prosecutions disposed of in trial courts.

Crown Law also makes decisions on requests for Crown and prosecuting agency appeals, judicial reviews, stays of prosecution and consent to prosecute. We bring Crown appeals against court-imposed sentences that appear manifestly inadequate, where an error will have a significant impact on a trial and in cases involving an important point of law or principle.

When bringing a Crown appeal, we assess the likelihood of success, but that is only one factor. The decision to take a Crown appeal will often be finely balanced. The aim is to elevate the right cases for appellate attention rather than succeeding in all appeals. Our approach recognises the public interest may favour appeal to test a point of law, even if there is a reasonable chance the appeal will not succeed. On the other hand, it is generally not enough to justify a Crown criminal appeal to simply point to an error in the process of the court below. Usually some greater concern, either in the particular case or for the law more generally, will be at stake before the Crown will appeal. Our approach recognises that the appeal court is more reluctant to interfere with a sentence on a Crown sentence appeal than on a defendant appeal, and the merits of the Crown sentence appeal must be much clearer. These considerations, along with the public interest and victims' interests, are all weighed.

Impact indicator	Performance trend					
	2019	2020	2021	2022	2023	2024
<b>Institutional trust</b>						
Statistics NZ General Social Survey <sup>17</sup>						
• Level of trust in the courts (population)	64%	N/A	N/A	64%	N/A	N/A
• Level of trust in the courts by Māori	44%	N/A	44%	44%	N/A	N/A
A measure of trust in public institutions, specifically in the courts.						

<sup>17</sup> [stats.govt.nz/information-releases/wellbeing-statistics-2021](https://stats.govt.nz/information-releases/wellbeing-statistics-2021). Stats NZ General Social Survey is normally undertaken every 2 years (biennially). The results of the latest survey are expected to be published in late September 2024.

Wellbeing statistics from the 2021 General Social Survey, which was released in 2022, give a picture of social wellbeing in the New Zealand population. They are based on people's assessments of their own lives such as how satisfied they are and objective information such as their labour force status. The trust held for courts remained consistent to 2019, with 64% of the population rating their trust in courts 7 or above on the 10-point scale.

## What we achieved this year

### Review of the Solicitor-General's Prosecution Guidelines

The Solicitor-General and Ināia Tonu Nei have been working together to review the Solicitor-General's Prosecution Guidelines, aimed at modernising their approach and making them more accessible. The guidelines are a crucial means by which the Solicitor-General exercises general oversight of all public prosecutions pursuant to section 185 of the Criminal Procedure Act 2011.

The guidelines set out fundamental principles and high-level guidance that all public prosecuting agencies are expected to follow. More modern and accessible guidelines will provide clearer and better guidance to public prosecutors and promote a consistent approach to prosecution decision making. They are designed to enhance outcomes for individuals in the criminal justice system and contribute to the safety of the community.

We consulted key stakeholders extensively in preparing the draft guidelines starting with two wānanga co-hosted by Crown Law and Ināia Tonu Nei at Pipitea Marae. The Solicitor-General expects to release the new guidelines in late 2024.

### Victims' Rights Act 2002

The Victims' Rights Act ensures that the experience of victims of crime in the criminal justice system is what New Zealanders would expect of high-quality justice sector services.

During 2023/24, Crown Law did not receive any victim complaints under section 49 of the Victims' Right Act.

The Justice Sector Directorate is undertaking work to document the current state of Justice Sector agencies' formal complaints processes that are used when victims, their advocates, or whānau believe victims' rights have been breached. Crown Law has been involved in that work to provide an overview of our complaints process.

### Oversight of the Crown Solicitor network

#### Crown Solicitor appointments

During 2023/24, four new Crown Solicitor appointments were commenced. Of those Rotorua, Whangārei and Gisborne were finalised, while Whanganui is due to be completed by October 2024. The Crown Solicitor for Napier, Steve Manning (of Elvidge & Partners), held Gisborne as a separate warrant. Mr Manning approached the Solicitor-General with the recommendation that it was an appropriate time to review and consider recruiting for a local Gisborne Crown Solicitor. After a public and contestable recruitment process, Riki Donnelly, supported by the new law firm, Rāwhiti Legal, was appointed to the role. In Whangārei, Bernadette O'Connor, a long-time partner at MWIS Lawyers, was appointed Crown Solicitor.

### Crown Solicitor standard reviews

As part of the Solicitor-General's oversight of Crown prosecutions, all Crown Solicitors are reviewed on a triennial cycle using a combination of in-depth reviews (primarily interview based) and written survey-based reviews. Where possible, appointment processes are also used as in-depth reviews due to the similarity of both processes, with both including extensive stakeholder interviews. In 2023/24, four Crown Solicitors were reviewed, with the appointment of the Rotorua Crown Solicitor treated as a combined appointment and in-depth review, as the incumbent Crown Solicitor was seeking reappointment. The Rotorua Crown Solicitor was successful in their bid for reappointment. The remaining three reviews in Auckland, Wellington and Tauranga were undertaken using the written survey-based approach.

### Crown Solicitor independent investigations

Two ad hoc independent investigations into Crown Solicitor conduct were completed in 2023/24. Both were commissioned to provide the Solicitor-General with independent factual findings that were then used to inform the Solicitor-General's own reviews of the conduct of the Crown Solicitors.

The investigations concerned two separate Crown Solicitors. The Hamilton Crown Solicitor was investigated by Maria Dew KC following receipt of a complaint from several anonymous complainants. The Palmerston North Crown Solicitor was investigated by the Hon Tony Randerson CNZM KC as a result of a judgment

of Ellis J in the High Court that was critical of the Crown Solicitor's conduct.

In recognition of the seriousness of these matters and of the public interest in how Crown Solicitors give effect to their warrants and their public prosecuting function, we published detailed statements about the conclusions of each of the investigations and the related reviews on our website.<sup>18</sup>

### Serious Fraud Office and Commerce Commission Crown prosecution funding model review

Strengthening justice needs to be achieved through a financially sustainable approach. In addition to Crown Law's role in overseeing the Crown Solicitor network, we also have an oversight role for other agencies' prosecution functions, which helps ensure prosecutions are high quality and progressed in the public interest. In 2022/23, Crown Law commissioned KPMG to review the Serious Fraud Office and Commerce Commission Crown prosecution funding model to ensure it remained fit for purpose. As a result of the review's recommendations, several changes were made to the existing funding model to better manage the risk of increasing prosecution costs. These changes include the development of a benchmarking tool to assist with cost estimates, the implementation of 'soft caps' to guide funding and the development of a dashboard to improve information sharing and the ability to measure current and future expenditure. All changes were developed during 2023/24 and were implemented for the beginning of the 2024/25 financial year.

<sup>18</sup> Outcome of the Solicitor-General's Review of the Hamilton Crown Solicitor can be found at [crownlaw.govt.nz/assets/Uploads/Media-Statements/Media-Statement-22\\_2\\_2024.pdf](https://crownlaw.govt.nz/assets/Uploads/Media-Statements/Media-Statement-22_2_2024.pdf).

Outcome of the Solicitor-General's Review of the Palmerston North Crown Solicitor, Arising from a Decision of the High Court can be found at [crownlaw.govt.nz/assets/Uploads/Media-Statements/Media-Statement-Outcome-of-the-SG-review-of-the-PN-Crown-Solicitor-May20247927552.2.pdf](https://crownlaw.govt.nz/assets/Uploads/Media-Statements/Media-Statement-Outcome-of-the-SG-review-of-the-PN-Crown-Solicitor-May20247927552.2.pdf).



## Prosecutor wellbeing guidelines

Strengthening justice requires that prosecutors are supported in their roles. Crown prosecutors can experience vicarious trauma and emotional labour through exposure to stressful work with high responsibility, distressing material and long hours. In 2023/24, Crown Law engaged researchers (Tinsley and Tyler) from Victoria University of Wellington | Te Herenga Waka to develop wellbeing guidance for Crown prosecutors. The guidance summarises key findings from New Zealand research conducted by Tinsley, Tyler and colleagues as well as that from international studies. It also contains a toolbox of strategies for prosecutors to reduce occupational harm and better support wellbeing. The guidance was distributed to the Crown Solicitor network early in 2024/25.

## Oversight of prosecuting agencies

### Prosecuting agency reviews

WorkSafe was invited to participate in an in-depth review of its prosecution function in October 2022 as part of the Solicitor-General's general oversight of public prosecutions. The report was finalised in August 2024 and will be published.

Maritime New Zealand also participated in a survey-based review in 2023/24. While the review mostly involved surveying internal and external stakeholders to assess how the agency was performing, a small number of stakeholders were also interviewed. As with other survey-based reviews, its value and conclusions are largely dependent on the volume and quality of stakeholder feedback received. Maritime New Zealand's review was positive with only limited opportunities identified for improvement.

## Mutual assistance and extradition regime

Crown Law performs a central role in facilitating international cooperation for law enforcement purposes. As the central authority for mutual assistance, Crown Law facilitates prosecuting agencies to obtain important evidence and assistance from other countries to support the investigation and prosecution of serious crime in New Zealand and provides the equivalent assistance to other countries.

In 2023/24, Crown Law provided and requested assistance in relation to a wide range of transnational criminal matters, including kidnapping, murder, rape, terrorism, fraud and money laundering. We continue to make requests to a variety of countries for evidence relating to the importation and attempted importation of drugs into New Zealand, particularly methamphetamine. A large proportion of our incoming requests relate to child sexual exploitation material or ransomware stored by the cloud storage company Mega.

Crown Law has a significant role in incoming extradition requests, providing advice to the Ministry of Justice on the adequacy of incoming requests and appearing in eligibility hearings and any resulting appeals. If eligibility is made out, Crown Law may, in a separate process, contribute advice to the Minister of Justice on surrender. Crown Law also works with prosecuting agencies and the Crown Solicitors to facilitate outgoing extradition requests under Parts 3 and 5 of the Extradition Act 1999 (Part 4 requests being facilitated primarily by Crown Solicitors).

## Criminal justice policy work

This year, Crown Law has provided advice on a range of criminal justice policy initiatives. This included advice on the criminal justice legislation amendments the Coalition Government committed to, in particular the Gangs Legislation Amendment Bill, Firearms Prohibition Orders Legislation Amendment Bill, Courts (Remote Participation) Amendment Bill, Corrections Amendment Bill and Legal Services Amendment Bill. We also provided advice on the Coalition Government's youth serious offender and military-style academy policies, advised on the Sentencing (Reinstating Three Strikes) Amendment Bill, participated in inter-agency work considering other changes to the Sentencing Act 2002 and provided input into a number of other criminal justice-related policy matters. In the cybercrime area, we have advised on the draft Bill aligning New Zealand's legislation with the requirements to accede to the Council of Europe Convention on Cybercrime (the Budapest Convention) as well as negotiations regarding the proposed new United Nations convention on cybercrime. We continue to contribute to the cross-sector approach being taken to improve court timeliness involving Crown Law, the Ministry of Justice, Department of Corrections, Police, other prosecuting agencies and defence counsel, and we remain involved in the Waitangi Tribunal's kaupapa inquiry into the justice system Te Rau o te Tika (Wai 3060).

## Illustrative legal and constitutional matters

Among the over 800 criminal appeals that Crown Law was responsible for this year, many involved matters of national importance. Crown counsel's role in these, and in all appeals, is to provide well informed legal submissions to assist the court to determine the appeal. The three decisions below illustrate the significance of the appeals we have represented the Crown on.



### **Burke v R [2024] NZSC 27**

The appeal raised subtle issues about party liability for manslaughter. Mr Burke is associated with the Nomads gang in Christchurch. The gang president ordered the physical punishment of another member and Mr Burke went with the sergeant at arms to inflict a beating on that person. The assault took place in darkness, outside a house. The sergeant at arms immediately stabbed the victim, who soon died. The Supreme Court held that the particular attack was “radically different” from the offenders’ common purpose, which had not involved of punishment with a lethal weapon.

For common purpose liability under section 66(2) of the Crimes Act 1961, the trial judge directed it was sufficient if Mr Burke knew that a probable consequence of the common purpose was the infliction of more than trivial harm (and the violence caused death). This was consistent with the definition of manslaughter and the intent required of the killer. Allowing the appeal, the Supreme Court held that, in these circumstances, a party under section 66(2) must know that “an assault of the type that actually occurred was the probable consequence of the prosecution of the common purpose”. The jury must be satisfied that Mr Burke knew his companion carried a weapon: “not necessarily a knife, but on the facts that was the only weapon in issue”.



### **Tamihere v R [2024] NZCA 300**

In 1990, Mr Tamihere was found guilty of murdering two Swedish tourists. The Court of Appeal rejected his appeal in 1992 and the Privy Council declined leave to appeal. Upon a referral by the Governor-General, the Court of Appeal heard a further appeal last year.

At trial, the Crown relied on the evidence of two trampers who encountered a couple in the Coromandel bush. The trampers’ descriptions of the couple generally matched the appellant and the female victim. The reference noted that two post-trial matters might affect the reliability of this identification:

- A prison informant testified that the appellant spoke about being nearly “sprung” by “a couple” while with the female victim. This might have reinforced the trampers’ account if they were assumed to be the couple, but 15 years after the first appeal, the informant was convicted of perjury for that evidence.
- The Crown proposed at trial that the victims were murdered on the western side of the peninsula, where the trampers saw the female victim. Yet in 1991, the body of the male victim was found on the eastern side, some 70 kilometres away.

The Court dismissed Mr Tamihere’s appeal. While it held that the informant’s perjury had caused a miscarriage of justice, that is, an error or shortcoming in the trial, it was satisfied that the evidence as a whole (including some fresh evidence) established the appellant’s guilt beyond reasonable doubt. The test under the proviso in section 385 of the Crimes Act requires the appeal court itself to be sure the appellant is guilty, despite the fact there was a problem with the trial. The Court declined to quash the convictions. Mr Tamihere has applied for leave to appeal to the Supreme Court.



### **M (SC 13/2023) v R [2024] NZSC 29**

The availability of name suppression for young offenders is an important issue, as publicity has the potential to affect the young person’s whole future life. In April 2024, the Supreme Court released its decision in *M (SC 13/2023) v R*,<sup>19</sup> dismissing an appeal against the lower courts’ refusal to grant permanent name suppression to a young adult convicted of sexual offending as a teenager. LF was charged with an array of sexual offences (including three of rape) against six female victims in both the Youth Court and the District Court. The offending occurred when he was aged between 14 and 17. He pleaded guilty to all charges and was sentenced in the District Court to home detention. He applied for permanent name suppression on the basis that publication was likely to cause him extreme hardship or endanger his safety. Name suppression was declined and his first appeal to the High Court was dismissed.

The Supreme Court did not have jurisdiction to hear LF’s application to appeal from the Court

of Appeal’s decision. The Court granted LF leave to appeal directly from the decision of the High Court on the basis that this was a rare and exceptional case. It said leave should be granted so the Court could consider the intersection of principles concerning open justice, youth justice, rehabilitation prospects and the risks arising from publication.

Notably, children and young persons prosecuted in the Youth Court are entitled to automatic statutory name suppression but lose that protection if they are transferred out of the Youth Court. The Supreme Court held that youth justice principles are a primary consideration to be given “powerful weight” in the assessment of name suppression, where youth are involved, in the adult courts. However, to go further and impose a presumption of suppression for youth would be inconsistent with the statutory scheme and would require legislative amendment. Open justice remains the starting point. Given the development of social media, the Court considered the potential for limited suppression, suppressing LF’s name on social media only (allowing conventional media to publish it), but ultimately decided this was not feasible. LF was not granted permanent name suppression but currently retains interim suppression until March 2025 or on earlier order of the court. The decision also addresses the position of another young person, M, who was in law a ‘connected person’ to LF but not involved in LF’s offending. M retains name suppression.

<sup>19</sup> [courtsfnz.govt.nz/assets/cases/2024/2024-NZSC-29.pdf](https://courtsfnz.govt.nz/assets/cases/2024/2024-NZSC-29.pdf).

# Our organisational capability

## Te āheitanga o tō mātou whakahaerenga

### People capability

For Crown Law to continue to provide excellent legal services that are relevant and valued both by our customers and New Zealand, we need our people to be engaged, work collaboratively and embrace a diverse range of views. It is essential for everyone to feel comfortable communicating and considering different perspectives.

### Diversity, equity and inclusion

Crown Law's Diversity, Equity and Inclusion Plan 2024/25<sup>20</sup> builds on the actions we are undertaking as part of our Kia Toipoto Pay Gap Action Plan 2023/24 which is published on our website.<sup>21</sup>

Crown Law continues to be committed to Papa Pounamu and the five priority areas that support our levels of representation and inclusion across all areas.

- **Addressing bias | Te Urupare i te Mariu** – in 2023/24 we offered a range of unconscious bias training and continued to embed changes introduced in 2022/23 to address potential bias during recruitment.
- **Cultural competence | Te āheinga ā-ahurea** – we updated our Whāinga Amorangi Plan and improved learning

opportunities for employees to achieve a comfortable level of cultural competence.

See *Māori Crown relations capability* (page 35) for more information.

- **Inclusive leadership | Hautūtanga Ngākau Tuwhera** – we launched an internal leadership expectations and behaviours framework and some of our leaders attended leadership programmes.
- **Employee-led networks | Ngā tūhononga e kōkiritia ana e ngā kaimahi** – we encourage and support employee-led networks at Crown Law. These networks provide the opportunity for our people to share their ideas and concerns.
- **Fostering diverse leadership | Hautūtanga Kākano Rau** – we made progress in setting leadership expectations, expecting performance development conversations, and developing equitable selection processes for training programmes.

<sup>20</sup> [crownlaw.govt.nz/assets/Uploads/Diversity-Equity-and-Inclusion-Plan-2024\\_25-a8063196.1.pdf](https://crownlaw.govt.nz/assets/Uploads/Diversity-Equity-and-Inclusion-Plan-2024_25-a8063196.1.pdf).

<sup>21</sup> [crownlaw.govt.nz/assets/Uploads/Kia-toipoto-Action-Plan-2023-2024.pdf](https://crownlaw.govt.nz/assets/Uploads/Kia-toipoto-Action-Plan-2023-2024.pdf).

Figure 1 – Crown Law pay gaps (as at 30 June)<sup>22</sup>

	2023		2024	
	Mean	Median	Mean	Median
Gender pay gap	18.2%	22.0%	17.2%	23.6%
Māori pay gap	24.2%	30.8%	12.4%	11.8%
Pacific people pay gap	34.0%	34.8%	22.2%	20.9%
Asian pay gap	-8.1%	-4.4%	19.7%	25.2%
Other ethnicity pay gap	1.7%	25.0%	-16.5%	-32.4%

### Kia Toipoto Pay Gap Action Plan

The gender pay gap compares the average salary for all men and women at Crown Law. Crown Law has a high proportion of support staff roles, which are predominantly filled by women, lowering the average pay for women overall. When we compare the pay of female and male employees undertaking the same roles, the gender pay gap is much smaller.

Crown Law has continued to reduce its overall gender pay gap to 17.2%, down from 18.2% in 2022/23.

Over half of Crown Law's managers are women, and the majority of Crown Law's workforce are women. At 1 July 2024, following an organisational review of strategy, corporate and system leadership teams, Crown Law's

Leadership Team (including the Solicitor-General) consists of one man and four women.

Our Kia Toipoto plan, which sets out our plan to identify and address pay gaps, is published on the Crown Law website.

### Māori Crown relations capability

As advisors to and representatives of the Crown, we need to be capable of readily engaging with te ao Māori. To achieve this, we must adopt a considered and appropriate approach to te ao Māori and tikanga Māori. To support this, we provide training in:

- Te reo Māori
- Te Tiriti/Aotearoa New Zealand history
- Tikanga/kawa Māori

<sup>22</sup> Ethnic pay gaps can vary substantially from year to year, primarily due to changes in the small population groups that make up each ethnic cohort at Crown Law.



**Our demographic profile<sup>23</sup>**

**Figure 2 – Crown Law demographic profile at 30 June 2024**

<b>Our Workforce<sup>24</sup></b>			
229	people	73.0% (165)	European
66.38% (152)	are women	7.1% (16)	NZ Māori
32.75% (75)	are men	4.9% (11)	Pacific people
0.87% (2)	are non-binary/another gender	13.7% (31)	Asian
		1.8% (4)	MELAA <sup>25</sup>
		13.7% (31)	Other ethnicity
<b>Our locations</b>			
90.0% (206)	are based in Te Whanganui-a-Tara Wellington		
7.4% (17)	are based in Tāmaki Makaurau Auckland		
2.6% (6)	are based in other regions around Aotearoa		
<b>Leadership cohort</b>			
24	people	75.0% (18)	European
62.5% (15)	of our tier 1-3 are women	8.3% (2)	Pacific people
37.5% (9)	of our tier 1-3 are men	4.2% (1)	Asian
		16.7% (4)	Other ethnicity
<b>Lawyer cohort</b>			
60.8% (76)	are women		
39.3% (49)	are men		

**Workplace wellbeing, health and safety**

Crown Law has a strong commitment to the wellbeing, health and safety (WHS) of our people.

The Leadership Team and Assurance and Risk Committee consider WHS at regular intervals. Activities over the last year have built on the foundational work of 2022/23 to better understand risk drivers, practically address risks

identified and mature the WHS framework for Crown Law. This included:

- Promotion of professional supervision (coaching) as a protective process that offers the opportunity for staff to reflect on work with a skilled supervisor.
- Increased promotion of the services available through a confidential employee assistance programme.<sup>26</sup>

<sup>23</sup> Figures include the Solicitor-General. Headcounts have been included in brackets.

<sup>24</sup> Ethnicity – total percentage exceeds 100% as employees can declare more than one ethnicity.

<sup>25</sup> MELAA includes Middle Eastern, Latin American and African ethnicities.

<sup>26</sup> The employee assistance programme provides counselling, trauma management (including vicarious trauma) and employee development services.

- Continued support of Safety Net – a working group of Crown Law volunteers with the purpose of “proactively keeping our people safe through policy, education, support and

growing cultural awareness” in relation to sexual misconduct and harassment in the workplace.

**Figure 3 – WHS performance indicators**

	<b>Actual 2022/23</b>	<b>Actual 2023/24</b>
Number of employees accessing employee assistance services	35	45
Number of employees accessing professional supervision	23	13
Early report pain or discomfort/workplace support provided for personal injuries	12	8
Workplace injuries (minor)	2	4
Workplace lost-time injuries	1	0

**Wellington accommodation project**

We completed our Wellington accommodation project in May 2024 and returned to our refreshed office space after 8 months working offsite. The project delivered against the agreed objectives and within budget as well as creating minimal disruption to our core legal service.

We installed new audio-visual hardware and software, which has improved our ability to conduct remote hearings as well as supporting our work and workforce.

**Systems, software and processes**

We continue to invest in and enhance systems and infrastructure to ensure efficient and secure functioning of Crown Law. During 2023/24, we completed a review of IT capability and developed a Digital Statement of Intent outlining core IT priorities for the next 3 years.

**Cyber security**

Crown Law’s Cyber Security Work Programme for 2023/24 consisted of ongoing certification

and accreditation processes against existing and new applications and implementation of a training tool to deliver security awareness education to staff about cyber security risks and good practices. We have also reviewed our approach to security and have developed a workplan for implementation in the next financial year based on an approved set of information security principles and objectives.

Crown Law takes a multi-layered approach to providing digital security for Crown Law information. Crown Law uses all-of-government and common capability ICT contracts to access suppliers procured through Department of Internal Affairs-led processes. We continue to educate, raise awareness and remind staff regularly about their obligations to keep Crown Law information safe. Crown Law responds to and follows the guidance of the Government Chief Information Security Officer, Te Tira Tiaki | Government Communications Security Bureau, National Cyber Security Centre, Government Chief Digital Officer and the national Computer Emergency Response Team (CERT NZ) among others.



## Governance and risk management

### Our governance framework

Crown Law's Leadership Team is supported by the following:

- The **Performance and Capability Governance Committee** (PCGC) reviews Crown Law's operational management and performance, including security, information and records, people capability, finance, and health and safety.
- The **Professional Standards Governance Group** (PSGG) reviews the professional performance of our legal services and of Crown Law's system leadership role across government.
- The **Assurance and Risk Committee** (ARC) provides an independent perspective on Crown Law's performance, assurance and strategic risk management. The Committee has two independent members including the Chair.
- The **GLN Governance Board** is responsible for the governance of the Government Legal Network and its activities. The Board supports the Solicitor-General in her consideration of and response to legal risk matters.

### Managing risk

Crown Law operates a risk assessment framework that helps to assess legal and operational risk (including technology, security, privacy, fraud and corruption, procurement and business risk). Crown Law maintains the Crown's Significant Legal Risk Register. This register captures significant legal risks for individual departments and systemic legal risks that affect multiple departments or the whole Crown. A report on key legal risks is provided twice a year to the Attorney-General.

## Quality framework

Crown Law has processes to ensure we provide high-quality, fit-for-purpose legal services that meet needs and expectations. The mechanisms we use include the following:

- **Continuous professional development (CPD):** Legal employees must maintain a programme of continuous professional development, as monitored by the New Zealand Law Society. We provide in-house CPD opportunities for employees including facilitated seminars and programmes. We also encourage employees to attend external training.
- **Professional standards:** The PSGG reviews our professional practices, ensuring policies, guidelines, templates and resources represent best practice. All advice provided to clients must be consistent with these policies and guidelines.
- **Peer review and consultation:** All written Crown Law advice must be peer reviewed by colleagues who have relevant and specific legal expertise. This process means fresh expert eyes consider an issue's complexity, which contributes to the delivery of high-quality legal advice.
- **Litigation management planning (LMP):** Involves planning by assigned lead counsel and communication with our clients and stakeholders. As with all our work, the outcome should be consistent with wider Crown interests. LMP requires a debrief at the conclusion of each case to discuss the lessons learned for future litigation.
- **Feedback from other agencies:** Our annual satisfaction survey offers an opportunity for other agencies to rate and comment on our service. We ask open-ended questions to help us understand how we can improve our legal advice and services.

## Our sustainability reporting

For the Carbon Neutral Government Programme (CNGP), we have chosen 2019/20 as our base year. Our emissions have been reported and independently verified by Toitū Envirocare. We are a Toitū carbonreduce organisation and a copy of our Toitū carbonreduce certification disclosure can be viewed on the Toitū website.

### Total annual emissions and their source

In 2023/24, we emitted 377 tCO<sub>2</sub>e (tonnes of

carbon dioxide equivalent), a 53% increase on our base year (247 tCO<sub>2</sub>e). This is mainly due to a one-off office fit-out that contributed 249.33 tCO<sub>2</sub>e. Without the one-off item and if we can maintain the current level of emissions, we will meet our 2025 and 2030 CNGP emissions targets.

Excluding the office fit-out, our emissions have decreased compared to our base year, primarily due to a decrease in air travel and paper use, which we committed to maintaining in the future.

Emissions profile broken down by scope and total annual emissions (tCO <sub>2</sub> e)	Base year 2019/20	Prior year 2022/23	Current year 2023/24
Category 1: Direct emissions	0.33	0.40	1.84
Category 2: Indirect emissions from imported energy	9.19	5.59	7.65
Category 3: Indirect emissions from transportation	194.76	91.70	345.90
Category 4: Indirect emissions from products used by the organisation	42.45	20.15	21.84
Category 5: Indirect emissions associated with the use of products from the organisation	0.00	0.00	0.00
Category 6: Indirect emissions from other sources	0.00	0.00	0.00
<b>Total direct emissions</b>	<b>0.33</b>	<b>0.40</b>	<b>1.84</b>
<b>Total indirect emissions</b>	<b>246.41</b>	<b>117.43</b>	<b>375.40</b>
<b>Total gross emissions in tCO<sub>2</sub>e</b>	<b>246.74</b>	<b>117.83</b>	<b>377.24</b>
<b>Change in gross emissions since base year</b>		<b>-52%</b>	<b>53%</b>

Total emissions breakdown by sources 2023/24	2023/24	Percentage
Construction	249.33	66%
Travel – flights	64.21	17%
Taxi, petrol and mileage	15.02	4%
Travel – accommodation	13.44	4%
Wastewater services	10.40	3%
Electricity transmission and distribution losses	9.81	3%
Paper	8.21	2%
Working from home	3.76	1%
Waste	1.68	0%
Water supply	0.93	0%
Freight	0.44	0%
<b>Total gross emissions in tCO<sub>2</sub>e</b>	<b>377.24</b>	<b>100%</b>

**Emissions intensity by FTE**

Since our base year, Crown Law has experienced a slight increase in full-time equivalent employees (FTEs) and expenditure.

Despite this and excluding the one-off office fit-out, we have achieved a reduction in emissions per FTE and per million dollars of expenditure.

Emissions intensity by FTE and expenditure	Base year 2019/20	Prior year 2022/23	Current year 2023/24
<b>KPI</b>			
FTEs	199	212	218
Expenditure (\$m)	72.64	120.05	129.60
<b>Emissions intensity</b>			
Total gross emissions per FTE in tCO <sub>2</sub> e	1.24	0.56	1.73
Total gross emissions per million dollars of expenditure in tCO <sub>2</sub> e	3.40	1.02	2.91

**Our reduction targets**

Crown Law is committed to reducing carbon emissions and has reduction targets aligned to keep global warming to less than 1.5°C of warming as required under the CNPG.

Our carbon emissions reduction targets are aligned to the CNGP requirements and to the requirements of the Toitū carbonreduce programme. We have set the following emissions reduction targets:

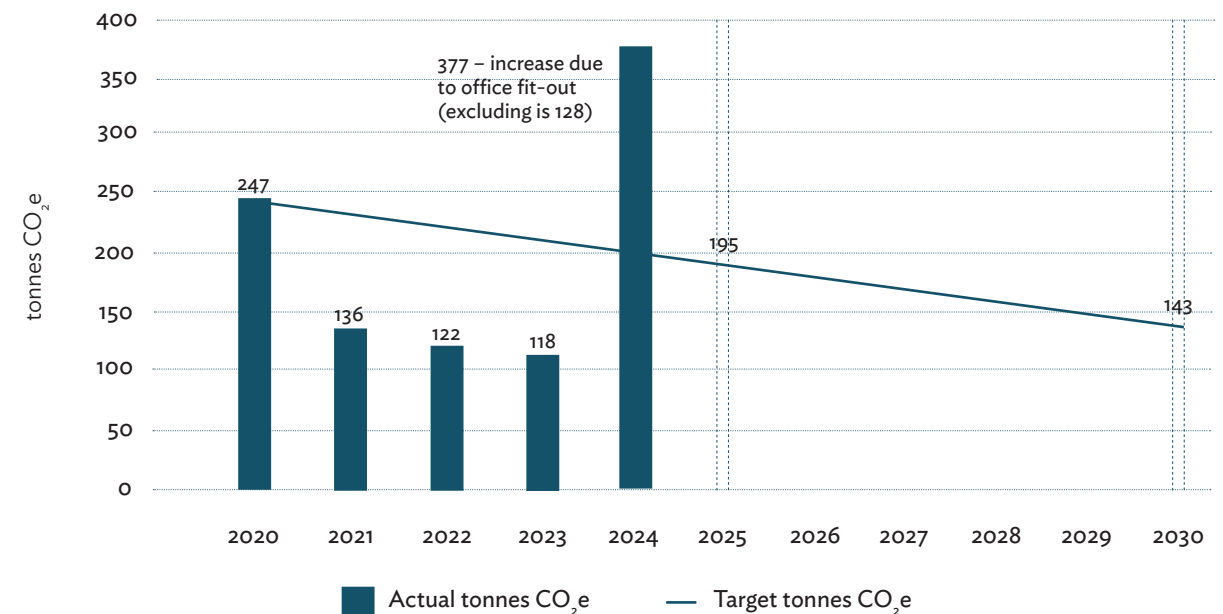
- **2025 target:** Gross emissions (all categories) to be no more than 195 tCO<sub>2</sub>e or a 21% reduction in gross emissions (all categories) compared to base year FY19/20.
- **2030 target:** Gross emissions (all categories) to be no more than 143 tCO<sub>2</sub>e or a 42% reduction in gross emissions (all categories) compared to base year FY19/20.

**Progress towards our targets**

Our emissions for 2023/24 have increased by 53% compared to our base year of 2019/20, primarily due to an office fit-out completed during the year. We do not anticipate any other significant emissions sources through to 2030. Excluding the office fit-out, our emissions for 2023/24 have decreased by 48% compared to our base year. Maintaining this current level of emissions would enable us to meet our emissions targets.

Our projected emissions are expected to decrease significantly over the upcoming financial year as 2023/24 was artificially high due to the office fit-out. Next financial year, our focus will be on minimising domestic and international travel emissions. The sustainability working group will drive emissions reduction initiatives and behavioural changes to prevent travel emissions from reverting to pre-COVID-19 levels.

**Total emissions against targets**



**Our reduction plans and future reporting**

**Future reduction plans**

We are on track to meet our reduction targets. In order to ensure our emissions remain on track, we are investigating and driving carbon reduction initiatives through our sustainability working group.

- **Paper:** Paper use has decreased since our base year. Recently, our sustainability working group conducted an organisation-wide survey to investigate office paper use and will promote behavioural changes to support this initiative.

- **Travel:** We are exploring options to increase the use of remote hearings. To support this, we conducted a survey to understand the reasons for counsel travel and assess the potential for more remote hearings. The findings will inform new initiatives and promote behavioural changes.

As part of our commitment to ongoing improvement, our plans for the 2024/25 financial year include:

- the sustainability working group will continue to focus on initiatives to minimise travel and paper use

- increasing awareness to promote staff decarbonising in their everyday lives.

### **Improving our data**

Crown Law is documenting current procedures for emissions reporting and collation to ensure continuity. Additionally, we are working with suppliers to generate emissions reports directly at the source.

## **Other organisational capability obligations**

Crown Law is subject to some other organisational capability obligations, noted below.

### **Treaty of Waitangi | Te Tiriti o Waitangi settlement commitments**

Crown Law has one Treaty settlement commitment from 1993 that is listed as outstanding in Te Haeata<sup>27</sup> – a procedural step set out in Wai 94 agreement paragraph 24. Crown Law is in discussion with the Ngāti Whakaue settlement team at Te Arawhiti regarding settlement matters.

### **Critical assets**

Agencies must report on relevant asset performance indicators for service critical assets in their annual reports.

Crown Law has identified no service critical assets in line with the reporting requirements in CO (23) 9.<sup>28</sup>

<sup>27</sup> Te Haeata is a database maintained by Te Arawhiti | The Office for Māori-Crown Relations containing a record of Treaty settlement commitments as recorded in deeds of settlement and settlement legislation.

<sup>28</sup> Cabinet Office circular CO (23) 9: [dpmc.govt.nz/sites/default/files/2023-09/co-23-09-investment-management-asset-performance.pdf](https://dpmc.govt.nz/sites/default/files/2023-09/co-23-09-investment-management-asset-performance.pdf).

# Our statement of service performance Ō mātou pūrongo pūtea

## Appropriations – audited service performance and financial performance

Crown Law’s vision is to build a better Aotearoa through responsible, lawful government. Crown Law supports the Attorney-General and the Solicitor-General to fulfil their constitutional responsibilities as Law Officers of the Crown as well as providing legal advice and representation services to the Government in matters affecting the Executive (particularly in the areas of criminal, public and administrative law). The Crown Law approach is focused on the three outcomes at the heart of our strategy:

- Democracy that serves all New Zealanders.
- Government decisions that inspire confidence.
- Justice that strengthens communities.

More information on how Crown Law’s work contributes to our outcomes can be found on pages 7-33 of this Annual Report.

### Identification of service performance information

Service performance information for Crown Law is contained in the following sections of the Annual Report:

- Our strategic intentions | Ō mātou takune rautaki (pages 7-33).
- Our statement of service performance | Ō mātou pūrongo pūtea (pages 44-54).

### Statement of Compliance

The service performance information has been prepared in accordance with the requirements of the Public Finance Act 1989, which includes the requirement to comply with New Zealand generally accepted accounting principles (NZ GAAP).

The service performance information has been prepared in accordance with Tier 1 public benefit entity (PBE) financial reporting standards, which have been applied consistently throughout the period, and complies with PBE financial reporting standards.

### Service performance judgements and assumptions

In the preparation of the service performance information contained in Crown Law’s Annual Report, Crown Law has made the following judgements in the selection of our service performance measures.

We have reflected on how best to capture our service performance by reporting on appropriate performance measures that are consistently measurable and provide the public with a good understanding of how Crown Law operates.



We have ensured that the performance measures adequately inform progress towards the outcomes in Crown Law's Strategic Intentions.

Under the Public Finance Act, we are mandated to provide standard performance measures so the public can compare the level of service provided in relation to the discharge of the Law Officers' constitutional, criminal law and system leadership responsibilities, including legal advice and representation. We are also required to demonstrate compliance with statutory measures (such as the percentage of responses to Official Information Act 1982 and Privacy Act 2020 requests on time).

Further to the above judgements in the selection of performance measures, we also apply judgements in the measurement, compilation and presentation of performance information.

Material judgements have been applied as follows:

- **Surveys:** To measure the quality of our outputs, we use surveys to assess how well we provide legal advice and representation services to our clients as well as the quality of our system leadership initiatives delivered through the Government Legal Network. Crown Law uses a commercially available survey tool when surveying clients and stakeholders. Surveys are designed to capture a snapshot of performance on a yearly basis and to elicit truthful responses from the groups surveyed (surveys do not contain leading questions and use a neutral tone).
- **External implications for statements about performance:** Conditions that affect the service performance results may result in variation from forecast or targeted results that are outside Crown Law's control such as where demand forces are the primary driver behind a performance measure's result. Examples include the number of judicial reviews and claims before the Waitangi Tribunal in a reporting year.
- **Assumptions:** Crown Law uses forecasting to determine future performance against our non-financial performance measures. Target ranges shown for each measure are based on forecast data.

## Law Officer Functions – multi-category appropriation (MCA)

### Overarching purpose and intention

The single overarching purpose of this appropriation is to provide for the discharge of the Law Officers' constitutional, criminal law and system leadership responsibilities including legal advice and representation.

This appropriation is intended to achieve improvement in the management of Crown legal risk and improved criminal justice, maintain strong legal institutions and strengthen the influence of the rule of law.

Performance measure	Actual 2022/23	Target 2023/24	Actual 2023/24	Comment
The Attorney-General is satisfied with the services provided by Crown Law <sup>29</sup>	Yes	Yes	Yes	-

### Audited financial performance (MCA summary) (GST exclusive)

Actual 2023 \$000		Actual 2024 \$000	Main Estimates 2024 \$000	Supplementary Estimates 2024 \$000
	<b>Revenue</b>			
97,330	Crown	109,448	101,712	109,449
22,724	Other	26,906	29,790	29,790
<b>120,054</b>	<b>Total revenue</b>	<b>136,354</b>	<b>131,502</b>	<b>139,239</b>
	<b>Expenditure</b>			
<b>111,258</b>	<b>Expenditure</b>	<b>129,597</b>	<b>131,502</b>	<b>139,239</b>
<b>8,796</b>	<b>Total annual and permanent appropriations</b>	<b>6,757</b>	-	-

The joint Ministers have approved an in-principle expense transfer of up to \$3.6 million from 2023/24 to 2024/25 and the next two financial years (\$1.2 million per year), which will be confirmed as part of the 2024 October Baseline Update.

<sup>29</sup> This measure is calculated based on the result of the annual Attorney-General's Satisfaction Survey. The survey asks the Attorney-General to provide a score out of five for several factors that contribute to their satisfaction with Crown Law's advice and representation. The 2023/24 average score for this part of the survey was 3.5 out of 5.

## Law Officer Functions (MCA) – Conduct of Criminal Appeals from Crown Prosecutions

This category is intended to achieve safer communities, reduced impact of crime and related justice sector outcomes.

Performance measure	Actual 2022/23	Target 2023/24	Actual 2023/24	Comment
<b>Quantity – new matters</b>				
Crown appeals	19 <sup>30</sup>	15–30	18	–
Accused appeals	671 <sup>31</sup>	625–675	841	This measure is wholly driven by demand forces external to Crown Law.
<b>Quality</b>				
Percentage of Crown appeals concluded in favour of the Crown	67%	60%	63%	–

### Audited financial performance (GST exclusive)

Actual 2023 \$000		Actual 2024 \$000	Main Estimates 2024 \$000	Supplementary Estimates 2024 \$000
<b>Revenue</b>				
8,357	Crown	9,283	10,295	9,283
–	Other	–	50	50
<b>8,357</b>	<b>Total revenue</b>	<b>9,283</b>	<b>10,345</b>	<b>9,333</b>
<b>Expenditure</b>				
5,079	Expenditure	7,444	10,345	9,333
<b>3,278</b>	<b>Total annual and permanent appropriations</b>	<b>1,839</b>	<b>–</b>	<b>–</b>

<sup>30</sup> The actual for 2022/23 has been restated from 9 to 19 as 9 is the number of matters disposed during 2022/23 not the number of matters opened during the year.

<sup>31</sup> The actual for 2022/23 has been restated from 636 to 671 as 636 is the number of matters disposed during 2022/23 not the number of matters opened during the year.

## Law Officer Functions (MCA) – Law Officer Constitutional and Criminal Law Duties

This category is intended to achieve increased trust in the justice system through the performance of the Principal Law Officers' constitutional and other duties.

Performance measure	Actual 2022/23	Target 2023/24	Actual 2023/24	Comment	
<b>Quantity – new matters</b>					
Applications processed on behalf of the Attorney-General	35	30–50	41	From year to year, the inflow of new matters may vary significantly. New matters mostly arise from circumstances external to Crown Law but in which Crown Law must subsequently become involved. In each year, as we prepare Budget documents, we consider whether there are any factors that could help us anticipate the numbers of new matters in the upcoming financial year. Such factors can include policy changes and recent events. The 2022/23 result for <i>Mutual assistance and extraditions</i> was unexpectedly high, and the 2023/24 result represents a return to a more typical result. The result for <i>Criminal cases (other types)</i> is also outside the forecast range. This measure is wholly driven by external demand factors, which can make accurate forecasting difficult.	
Advice on behalf of the Attorney-General	164	120–160	154		
Litigation on behalf of the Law Officers (Attorney-General and/or Solicitor-General)	17	10–25	17		
Criminal advice	6	5–10	6		
Judicial reviews	3	5–10	12		
Mutual assistance and extraditions	124	100–120	87		
Criminal cases (other types)	87	25–40	101		
Requests for prosecution appeals and judicial reviews	76	70–110	76		
<b>Timeliness</b>					
Ministerial correspondence on time	96%	100%	95%		Six responses were late in being sent back to the Attorney-General's office.
Responses to Parliamentary questions on time	100%	100%	100%	–	
Official Information Act 1982 and Privacy Act 1993 responses on time	98%	100%	99%	Statutory deadlines were not met in two cases due to administrative oversights.	

### Audited financial performance (GST exclusive)

Actual 2023 \$000		Actual 2024 \$000	Main Estimates 2024 \$000	Supplementary Estimates 2024 \$000
<b>Revenue</b>				
7,752	Crown	9,924	9,924	9,924
41	Other	93	70	70
<b>7,793</b>	<b>Total revenue</b>	<b>10,017</b>	<b>9,994</b>	<b>9,994</b>
<b>Expenditure</b>				
7,168	Expenditure	7,948	9,994	9,994
625	Total annual and permanent appropriations	2,069	-	-

### Law Officer Functions (MCA) – Public Prosecution Services

This category is intended to achieve safer communities, reduced impact of crime and related justice sector outcomes.

Performance measure	Actual 2022/23	Target 2023/24	Actual 2023/24	Comment
<b>Quantity</b>				
New Crown prosecutions, including appeals to the High Court from non-Crown prosecutions	8,032	6,000–8,000	8,155	Based on data collected by the Ministry of Justice.
Crown prosecutions, including appeals to the High Court from non-Crown prosecutions disposed of	5,892	5,000–7,000	6,729	-
Hours of service provided by the Crown Solicitors Network	274,295	250,000–300,000	294,783	-
Number of quality assurance reviews (full network is reviewed on rotation every 3 years)	6	6	6	Four reviews were conducted as part of the Crown Solicitor standard review cycle. An additional two special reviews were also undertaken.
<b>Quality</b>				
Reviews quality assessed as exceeding or meeting expected standards	6	6	4	All the reviews conducted as part of the Crown Solicitor standard review cycle met or exceeded expected standards. Two special investigations identified notable issues. Improvement recommendations were implemented as required.

### Audited financial performance (GST exclusive)

Actual 2023 \$000		Actual 2024 \$000	Main Estimates 2024 \$000	Supplementary Estimates 2024 \$000
<b>Revenue</b>				
79,690	Crown	87,254	79,506	87,255
2	Other	1	20	20
<b>79,692</b>	<b>Total revenue</b>	<b>87,255</b>	<b>79,526</b>	<b>87,275</b>
<b>Expenditure</b>				
71,943	Expenditure	83,022	79,526	87,275
7,749	Total annual and permanent appropriations	4,233	-	-

### Law Officer Functions (MCA) – Strategic and Operational Legal Advice and Representation

This category is intended to achieve improved management of Crown legal risk and better policy decisions informed by legal implications and enable the Crown to improve the value generated from the collective resources of the Government Legal Network.

Performance measure	Actual 2022/23	Target 2023/24	Actual 2023/24	Comment
<b>Quantity – new matters</b>				
Advice	308	300–400	242	From year to year, the inflow of new matters may vary significantly. New matters mostly arise from circumstances external to Crown Law but in which Crown Law must subsequently become involved. In each year, as we prepare Budget documents, we consider whether there are any factors that could help us anticipate the numbers of new matters in the upcoming financial year. Such factors can include policy changes and recent events. In election years, there is typically a decrease in <i>Advice matters</i> , which was seen in 2023/24.
Litigation	242	250–300	241	
Judicial review	75	80–100	66	
Claims before Waitangi Tribunal	56	50–70	130	This measure is wholly driven by factors external to Crown Law. For 2023/24, there was a large increase in new urgent Waitangi Tribunal inquiries as well as activity in kaupapa inquiries, with the Tribunal setting deadlines by which claims have to be filed.

Performance measure	Actual 2022/23	Target 2023/24	Actual 2023/24	Comment
<b>Quantity - new matters (continued)</b>				
Number of continuous professional development compatible hours delivered annually to the Government Legal Network	77.5	60-70	65.5	-
Number of reports submitted to the Attorney-General under the GLN Legal Risk Reporting System	2	2	2	-
<b>Quality</b>				
Responses to the client survey <sup>32</sup> that consider the advice and services received overall are good to excellent	100%	90%	100%	-
Responses to the client survey that consider the responsiveness, relevance, accuracy and clarity of advice are good to excellent	100%	90%	100%	-
Written opinions and advice that are peer reviewed	84%	80%	100%	-
Chief Legal Advisors consider SLG team engagement and communications are good to excellent <sup>33</sup>	100%	90%	100%	-
Departmental lawyers consider Government Legal Network activities and opportunities for participation are good to excellent	93%	85%	93%	-
The Attorney-General is satisfied with the GLN Legal Risk Reporting System <sup>34</sup>	Yes	Yes	Yes	-
<b>Timeliness</b>				
Responses to the client survey that consider timeliness in responding to requests is good to excellent	100%	85%	96%	-

<sup>32</sup> Crown Law surveys senior legal staff at client agencies through the annual Crown Law Client Survey, which seeks our clients' opinion of the quality of Crown Law's legal advice and services. Crown Law received 27 responses to the survey questions, except where noted otherwise.

<sup>33</sup> Crown Law received 26 responses to this question.

<sup>34</sup> This measure is calculated based on the result of the annual Attorney-General's Satisfaction Survey. The survey asks the Attorney-General to provide a score out of five to represent their satisfaction with the Government Legal Network (GLN) Legal Risk Reporting System. The 2023/24 score for this part of the survey was 4 out of 5.

Performance measure	Actual 2022/23	Target 2023/24	Actual 2023/24	Comment
<b>Timeliness (continued)</b>				
Written opinions/advice (final or draft) completed by the due date	80%	85%	81%	81% of matters were recorded as having advice provided to clients by the due date for the year. Administrative oversights in updating the records system on time have on occasion reduced the proportion of advice recorded as having met deadlines.
Litigation management plans completed by due date	81%	80%	80%	-
<b>Value for money</b>				
Percentage of responses to the client survey that consider the service received represents value for money is good to excellent <sup>35</sup>	100%	95%	100%	-

### Audited financial performance (GST exclusive)

Actual 2023 \$000		Actual 2024 \$000	Main Estimates 2024 \$000	Supplementary Estimates 2024 \$000
<b>Revenue</b>				
1,531	Crown	2,987	1,987	2,987
22,681	Other	26,812	29,650	29,650
<b>24,212</b>	<b>Total revenue</b>	<b>29,799</b>	<b>31,637</b>	<b>32,637</b>
<b>Expenditure</b>				
<b>27,068</b>	<b>Expenditure</b>	<b>31,183</b>	<b>31,637</b>	<b>32,637</b>
<b>(2,856)</b>	<b>Total annual and permanent appropriations</b>	<b>(1,384)</b>	-	-

The end-of-year deficit of \$1.384 million in this MCA has included the legal advice and representation (LAR) memorandum account deficit of \$707,000. The LAR memorandum account has a closing balance of -\$143,000 as at 30 June 2024.

<sup>35</sup> Crown Law received 25 responses to this question.



## Crown Law Office – capital expenditure PLA

This appropriation is intended to achieve the renewal and replacement of life-expired assets in support of the delivery of the Crown Law Office's services.

### Performance information

The expenditure was in accordance with Crown Law's capital asset management intentions in order to maintain service levels.

### Audited financial performance (GST exclusive)

Actual 2023 \$000	Actual 2024 \$000	Main Estimates 2024 \$000	Supplementary Estimates 2024 \$000
314	8,115	6,490	8,418

The actual capital spend reflects the revised expenditure phasing of Crown Law's Wellington office accommodation project. The work has been completed in 2023/24.

# Financial statements

## Ngā tauākī pūtea

## Statement of responsibility

### **I am responsible, as Chief Executive of Crown Law, for:**

- the preparation of Crown Law's financial statements and statements of expenses and capital expenditure and for the judgements expressed in them
- having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting
- ensuring that end-of-year performance information on each appropriation administered by Crown Law is provided in accordance with sections 19A to 19C of the Public Finance Act 1989, whether or not that information is included in this Annual Report
- the accuracy of any end-of-year performance information prepared by Crown Law, whether or not that information is included in the Annual Report.

### **In my opinion:**

- the Annual Report fairly reflects the operations, progress and the organisational health and capability of Crown Law
- the financial statements fairly reflect the financial position of Crown Law as at 30 June 2024 and its operations for the year ended on that date
- the forecast financial statements fairly reflect the forecast financial position of Crown Law as at 30 June 2024 and its operations for the year ended on that date.



### **Una Jagose KC**

Solicitor-General and Chief Executive

27 September 2024



**Independent auditor's report**  
**To the readers of the Crown Law Office's annual report**  
**for the year ended 30 June 2024**

The Auditor General is the auditor of the Crown Law Office (the Department). The Auditor General has appointed me, Julian Tan, using the staff and resources of Audit New Zealand, to carry out, on his behalf, the audit of:

- the financial statements of the Department on pages 62 to 93, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2024, the statement of comprehensive revenue and expense, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information;
- the performance information for the appropriations administered by the Department for the year ended 30 June 2024 on pages 7 to 14, 18 to 22, 24 to 31 and 44 to 54;
- the schedule of trust monies administered by the Department for the year ended 30 June 2024 on page 94; and
- the statements of expenses and capital expenditure of the Department for the year ended 30 June 2024 on pages 96 and 97.

### Opinion

In our opinion:

- the financial statements of the Department:
  - o present fairly, in all material respects:
    - its financial position as at 30 June 2024; and
    - its financial performance and cash flows for the year ended on that date; and
  - o comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the performance information for the appropriations administered by the Department for the year ended 30 June 2024:
  - o presents fairly, in all material respects:
    - what has been achieved with the appropriation; and
    - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure; and
  - o complies with generally accepted accounting practice in New Zealand;

- the schedule of trust monies presents fairly, in all material respects, the contributions, distributions, revenue and expenditure administered by the Department for the year ended 30 June 2024; and
- the statement of expenses and capital expenditure of the Department for the year ended 30 June 2024 are presented, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.

Our audit was completed on 27 September 2024. 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 Solicitor General and our responsibilities relating to the information to be audited, 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 audit opinion.

### Responsibilities of the Solicitor General for the audited information

The Solicitor General is responsible on behalf of the Department for preparing the:

- financial statements that present fairly the Department's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand;
- performance information that presents fairly what has been achieved with each appropriation, the expenditure incurred as compared with expenditure expected to be incurred, and that complies with generally accepted accounting practice in New Zealand;
- statements of expenses and capital expenditure of the Department, that are presented fairly, in accordance with the requirements of the Public Finance Act 1989; and
- schedule of trust monies that presents fairly the contributions, distributions, revenue and expenditure administered by the Department.

The Solicitor General is responsible for such internal control as is determined is necessary to enable the preparation of the audited information that is free from material misstatement, whether due to fraud or error.

In preparing the audited information, the Solicitor General is responsible on behalf of the Department for assessing the Department's ability to continue as a going concern. The Solicitor General is 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 Department, or there is no realistic alternative but to do so.

The Solicitor General's responsibilities arise from the Public Finance Act 1989.

### Responsibilities of the auditor for the audited information

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is 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 the information we audited.

For the budget information reported in the information we audited, our procedures were limited to checking that the information agreed to the Department's Statement of Intent, Estimates of Appropriation 2023/24 for Vote Attorney General, and the 2023/24 forecast financial figures included in the Department's annual report.

We did not evaluate the security and controls over the electronic publication of the information we audited.

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 information we audited, 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 Department's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Solicitor General.
- We evaluate the appropriateness of the reported performance information within the Department's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Solicitor General and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Department'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 information we audited

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 Department to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Solicitor General 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 Solicitor General is responsible for the other information. The other information is defined as all the information included in the annual report other than the information we audited and our auditor's report thereon.

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

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited 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 Department in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Department.

Julian Tan  
Audit New Zealand  
On behalf of the Auditor General  
Wellington, New Zealand



# Financial statements

## Statement of comprehensive revenue and expense

FOR THE YEAR ENDED 30 JUNE 2024

Actual 2023 \$000	Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000	
<b>Revenue</b>					
97,330	Revenue Crown	2	109,448	101,712	103,979
22,724	Other revenue	2	26,906	29,790	29,290
<b>120,054</b>	<b>Total income</b>		<b>136,354</b>	<b>131,502</b>	<b>133,269</b>
<b>Expenses</b>					
29,380	Personnel costs	3	34,970	30,195	34,441
455	Depreciation and amortisation	7,8	577	565	1,301
103	Capital charge	4	103	214	473
69,541	Crown Solicitors' fees		79,718	75,772	75,376
-	Restructuring costs		546	-	-
11,781	Other expenses	5	13,683	24,756	21,678
<b>111,260</b>	<b>Total expenses</b>		<b>129,597</b>	<b>131,502</b>	<b>133,269</b>
8,794	Surplus/(deficit)		6,757	-	-
<b>8,794</b>	<b>Total comprehensive revenue and expense</b>		<b>6,757</b>	<b>-</b>	<b>-</b>

Explanations for major variances against the original 2023/24 budget are provided in Note 18.

The accompanying notes form part of these financial statements.

## Statement of financial position

AS AT 30 JUNE 2024

Actual 2023 \$000	Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000	
<b>Current assets</b>					
11,997	Cash and cash equivalents		21,657	7,949	8,865
644	Prepayments		778	500	600
10,000	Debtor Crown		-	-	-
5,019	Receivables	6	5,414	3,000	5,000
<b>27,660</b>	<b>Total current assets</b>		<b>27,849</b>	<b>11,449</b>	<b>14,465</b>
<b>Non-current assets</b>					
656	Property, plant, and equipment	7	8,095	7,863	7,734
158	Intangible assets	8	257	184	826
<b>814</b>	<b>Total non-current assets</b>		<b>8,352</b>	<b>8,047</b>	<b>8,560</b>
<b>28,474</b>	<b>Total assets</b>		<b>36,201</b>	<b>19,496</b>	<b>23,025</b>
<b>Current liabilities</b>					
12,150	Payables and deferred revenue	9	15,847	8,450	11,570
-	Provisions	10	51	-	-
3,028	Employee entitlements	11	3,362	2,300	2,600
10,337	Return of operating surplus	12	7,438	-	-
<b>25,515</b>	<b>Total current liabilities</b>		<b>26,698</b>	<b>10,750</b>	<b>14,170</b>
<b>Non-current liabilities</b>					
-	Provisions	10	103	-	-
254	Employee entitlements	11	277	200	250
<b>254</b>	<b>Total non-current liabilities</b>		<b>380</b>	<b>200</b>	<b>250</b>
<b>25,769</b>	<b>Total liabilities</b>		<b>27,078</b>	<b>10,950</b>	<b>14,420</b>
<b>2,705</b>	<b>Net assets</b>		<b>9,123</b>	<b>8,546</b>	<b>8,605</b>
<b>Equity</b>					
2,061	Taxpayers' funds	13	9,160	8,546	8,605
644	Memorandum accounts	13	(37)	-	-
<b>2,705</b>	<b>Total equity</b>	<b>13</b>	<b>9,123</b>	<b>8,546</b>	<b>8,605</b>

Explanations for major variances against the original 2023/24 budget are provided in Note 18.

The accompanying notes form part of these financial statements.

## Statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2024

Actual 2023 \$000	Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
4,248		2,705	2,046	8,305
	<b>Balance at 1 July</b>			
8,794	Total comprehensive revenue and expense	6,756	-	-
	<b>Owner transactions</b>			
-	Capital injections	7,100	6,500	300
-	Capital withdrawals	-	-	-
(10,337)	Return of operating surplus to the Crown	(7,438)	-	-
2,705	<b>Balance as at 30 June</b>	9,123	8,546	8,605

Explanations for major variances against the original 2023/24 budget are provided in Note 18.

The accompanying notes form part of these financial statements.

## Statement of cash flows

FOR THE YEAR ENDED 30 JUNE 2024

Actual 2023 \$000	Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
	<b>Cash flows from operating activities</b>			
87,330	Receipts from revenue Crown	109,111	101,712	103,979
21,636	Receipts from other revenue	26,511	29,790	29,290
(29,141)	Payments to employees	(34,450)	(30,195)	(34,441)
(78,197)	Payments to suppliers	(91,398)	(100,528)	(97,054)
355	Goods and services tax (net)	1,004	-	-
(103)	Payment for capital charge	(103)	(214)	(473)
1,880	<b>Net cash flows from operating activities</b>	10,675	565	1,301
	<b>Cash flows from investing activities</b>			
(261)	Purchase of property, plant, and equipment	(7,999)	(6,440)	(415)
(53)	Purchase of intangible assets	(116)	(50)	(650)
(314)	<b>Net cash flows from investing activities</b>	(8,115)	(6,490)	(1,065)

## Statement of cash flows (continued)

FOR THE YEAR ENDED 30 JUNE 2024

Actual 2023 \$000	Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
	<b>Cash flows from financing activities</b>			
-	Capital injections	7,100	6,500	300
(199)	Repayment of operating surplus	-	-	(6,000)
(199)	<b>Net cash flows from financing activities</b>	7,100	6,500	(5,700)
1,367	<b>Net (decrease)/increase in cash</b>	9,660	575	(5,464)
10,630	Cash and cash equivalents at the beginning of the year	11,997	7,374	14,329
11,997	<b>Cash and cash equivalents at the end of the year</b>	21,657	7,949	8,865

Explanations for major variances against the original 2023/24 budget are provided in Note 18.

The accompanying notes form part of these financial statements.

## Statement of cash flows (continued)

FOR THE YEAR ENDED 30 JUNE 2024

Actual 2023 \$000	Actual 2024 \$000
8,796	6,757
	<b>Net surplus/(deficit)</b>
	<b>Add/(less) non-cash items</b>
455	577
455	<b>Total non-cash items</b>
	<b>Add/(less) items classified as investing or financing activities</b>
-	-
	<b>Add/(less) movements in statement of financial position items</b>
(11,088)	9,605
(57)	(134)
3,540	(6,641)
-	154
234	357
(7,371)	<b>Total net movement in statement of financial position items</b>
1,880	<b>Net cash flows from operating activities</b>

The accompanying notes form part of these financial statements.

## Statement of commitments

AS AT 30 JUNE 2024

Commitments are future expenses and liabilities to be incurred on contracts that have been entered into as at balance date. Information on non-cancellable capital and lease commitments are reported in the statement of commitments.

Crown Law has no capital commitments.

### Non-cancellable operating lease commitments

Crown Law leases property, plant, and equipment in the normal course of its business. The majority of these leases are for premises and photocopiers, which have a non-cancellable leasing period ranging from 5 to 11 years.

Crown Law's office lease at 19 Aitken Street, Wellington, is a sub-lease from the Ministry of Justice. The lease started from 1 July 2013, and the initial term of the lease was for a period of six and a half years expiring on 31 December 2019. The sub-lease then became open from January 2020, with 18 months' notice from both parties. Crown Law renewed the sub-lease with the Ministry of Justice in June 2024 to extend the lease term to 6 December 2034. Under the renewed lease, either party may terminate the lease with effect from a renewal date under the lease, being 6 December 2034 and then 6 December 2039, by giving the other party no less than 18 months' prior written notice.

Crown Law also leases an office with the Serious Fraud Office (SFO) in Auckland. The lease term is from 24 February 2022 to 24 February 2033. The SFO may terminate by giving Crown Law 18 months' prior written notice provided that no such notice can be given before 24 February 2023 and therefore cannot take effect before 24 August 2024. However, Crown Law may terminate the lease at any time by giving not less than 12 months' prior written notice to the SFO. Crown Law may be required to contribute up to \$15,000 should the SFO be required by the landlord to make good the premises at the time of termination of the lease as Crown Law is co-locating with the SFO. Should the lease be terminated by Crown Law before 24 February 2031, Crown Law will not be responsible for any make-good provision.

There are no restrictions placed on Crown Law by any of its leasing arrangements.

The amounts disclosed below as future commitments are based on the current rental rates.

Actual 2023 \$000		Actual 2024 \$000
-	Capital commitments	-
<b>There were no capital commitments as at 30 June</b>		
<b>Operating leases as lessee (inter-entity)</b>		
The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:		
1,285	Not later than 1 year	1,394
956	Later than 1 year and not later than 5 years	5,596
761	Later than 5 years	7,491
<b>3,002</b>	<b>Total non-cancellable operating lease commitments (inter-entity)</b>	<b>14,481</b>
<b>3,002</b>	<b>Total commitments</b>	<b>14,481</b>

## Statement of contingent liabilities and contingent assets

AS AT 30 JUNE 2024

### Quantified contingent liabilities

Crown Law has no quantifiable contingent liabilities at 30 June 2024 (30 June 2023: nil).

### Unquantified contingent liabilities

Crown Law has no unquantifiable contingent liabilities at 30 June 2024 (30 June 2023: nil).

### Contingent assets

Crown Law has no contingent assets as at 30 June 2024 (30 June 2023: nil).

*The accompanying notes form part of these financial statements.*

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2024

## NOTE 1:

### Statement of accounting policies

#### Reporting entity

Crown Law is a government department as defined by section 5 of the Public Service Act 2020 and is domiciled and operates in New Zealand. The relevant legislation governing Crown Law's operations include the Public Finance Act 1989 (PFA), and the Public Service Act 2020. Crown Law's ultimate parent is the New Zealand Crown.

In addition, Crown Law has reported on trust monies that it administers on page 94.

The primary objective of Crown Law is to provide services to the Government of New Zealand. Crown Law does not operate to make a financial return.

Crown Law has designated itself as a public benefit entity (PBE) for the purpose of complying with generally accepted accounting practice (GAAP).

The financial statements of Crown Law are for the year ended 30 June 2024, and were approved for issue by the Solicitor-General and Chief Executive of Crown Law on 27 September 2024.

#### Basis of preparation

The financial statements of Crown Law have been prepared on a going-concern basis, and the accounting policies have been applied consistently throughout the period. The accrual basis of accounting has been used unless otherwise stated (for example, the Statement of Cash Flows). Under an accrual basis, revenues are recognised when rights to assets are earned rather than when cash is received, and expenses are recognised when obligations are incurred rather than when they are settled.

#### Statement of compliance

The financial statements of Crown Law have been prepared in accordance with the requirements of the PFA, which include the requirement to comply with GAAP and Treasury instructions.

These financial statements have been prepared in accordance with and comply with Tier 1 PBE accounting 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).

### New or amended standards adopted

#### 2022 Omnibus Amendments to PBE Standards, issued June 2022

The 2022 Omnibus Amendments issued by the External Reporting Board (XRB) include several general updates and amendments to several Tier 1 and Tier 2 PBE accounting standards, effective for reporting periods starting 1 January 2023. Crown Law has adopted the revised PBE standards, and the adoption did not result in any significant impact on Crown Law's financial statements.

### Changes in accounting policies

There have been no changes in Crown Law's accounting policies since the date of the last audited financial statements.

### Standards issued and not yet effective and not early adopted

There have been no applicable standards and amendments issued but not yet effective at the balance date.

### Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate.

Significant accounting policies that do not relate to a specific note are outlined below.

#### Foreign currency transactions

Foreign currency transactions (including those that forward foreign exchange contracts are held for) are translated into NZ\$ (the functional currency) using the spot exchange rate at the date of the transaction. 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 surplus or deficit.

#### Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of 3 months or less.

Crown Law is permitted to expend its cash and cash equivalents only within the scope and limits of its appropriations.

#### Goods and services tax (GST)

Items in the financial statements and appropriation 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 (IR) is included as part of receivables or payables in the statement of financial position.



The net GST paid to, or received from, the IR, including 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

Crown Law is a public authority and consequently is exempt from income tax. Accordingly, no provision has been made for income tax.

### Critical accounting estimates and assumptions

In preparing these financial statements, Crown Law 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 a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### Measuring retirement and long-service leave

An analysis of the exposure in relation to estimates and uncertainties surrounding retirement and long service leave liabilities is disclosed in Note 11.

### Budget and forecast figures

#### Basis of the budget and forecast figures

The 2024 budget figures are for the year ended 30 June 2024 and were published in the 2022/23 Annual Report. They are consistent with Crown Law's best estimate financial information submitted to Treasury for the Budget Economic and Fiscal Update (BEFU) for the year ending 2023/24.

The 2025 forecast figures are for the year ending 30 June 2025, which are consistent with the best estimate financial forecast information submitted to Treasury for the BEFU for the year ending 2024/25.

The forecast financial statements have been prepared as required by the Public Finance Act to communicate forecast financial information for accountability purposes. The budget and forecast figures are unaudited and have been prepared using the accounting policies adopted in preparing these financial statements. The 30 June 2025 forecast figures have been prepared in accordance with and comply with PBE FRS 42 *Prospective Financial Statements*.

The forecast financial statements were approved for issue by the Chief Executive on 22 April 2024. The Solicitor-General, as Chief Executive of Crown Law, is responsible for the forecast financial statements, including the appropriateness of the assumptions underlying them and all other required disclosures.

Although Crown Law regularly updates its forecasts, it will not publish updated forecast financial statements for the year ending 30 June 2025.

### Significant assumptions used in preparing the forecast financials

The forecast figures contained in these financial statements reflect Crown Law's purpose and activities and are based on a number of assumptions on what may occur during the 2024/25 year. The forecast figures have been compiled on the basis of existing government policies and ministerial expectations at the time the Main Estimates were finalised.

The main assumptions, which adopted as at 22 April 2024, were as follows:

- Crown Law's activities and output expectations will remain substantially the same as the previous year focusing on the Government's priorities.
- Personnel costs were based on 226 full-time equivalent staff positions, which takes into account staff turnover. Remuneration rates are based on current wages and salary costs, adjusted for anticipated remuneration changes.
- Operating costs were based on historical experience and other factors that are believed to be reasonable in the circumstances and are Crown Law's best estimate of future costs that will be incurred.
- Estimated year-end information for 2023/24 was used as the opening position for the 2024/25 forecasts.

The actual financial results achieved for 30 June 2025 are likely to vary from the forecast information presented, and the variations may be material.

Since the approval of the forecasts, there has been no significant change or event that would have a material impact on the forecast figures.

## NOTE 2: Revenue

### Accounting policy

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

#### Revenue Crown

Revenue from the Crown is measured based on Crown Law'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 from the Crown. However, Crown Law can incur expenses only within the scope and limits of its appropriations.

The fair value of Crown revenue has been determined to be equivalent to the funding entitlement.

### Other revenue

Crown Law derives revenue through the provision of legal services to third parties, mainly government agencies. Such revenue is recognised when earned and is reported in the financial period to which it relates.

### Breakdown of other revenue and further information

Actual 2023 \$000		Actual 2024 \$000
	Revenue received from:	
22,574	Government departments/other government entities	26,812
144	Other	48
6	Court-awarded costs	46
<b>22,724</b>	<b>Total other revenue</b>	<b>26,906</b>

#### NOTE 3:

### Personnel costs

#### Accounting policy

##### Salaries and wages

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

##### Superannuation schemes

##### Defined contribution schemes

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

### Breakdown of personnel costs

Actual 2023 \$000		Actual 2024 \$000
27,730	Salaries and wages	32,958
200	Other personnel costs	83
1,217	Employer contribution to defined contribution plans	1,419
233	Increase/(decrease) in employee entitlements	510
<b>29,380</b>	<b>Total personnel costs</b>	<b>34,970</b>

#### NOTE 4:

### Capital charge

#### Accounting policy

The capital charge is recognised as an expense in the financial year that the charge relates.

#### Further information

Crown Law pays a capital charge to the Crown on its equity (adjusted for memorandum accounts) as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2024 was 5.0% (30 June 2023: 5.0%).

## NOTE 5: 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.

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 as a reduction of rental expense over the lease term.

The amounts disclosed in the statement of commitments as future commitments are based on the current rental rates.

#### Other expenses

Other expenses are recognised as goods and services when they are received.

### Breakdown of other expenses and further information

Actual 2023 \$000		Actual 2024 \$000
93	Fees to Audit New Zealand for audit of financial statements	105
1,259	Consultancy	680
1,424	Operating lease expenses (rent for office accommodation)	2,087
2,319	IT and library costs	2,568
2,996	External barrister/solicitor fees	2,962
1,836	Other matter related costs	2,390
1,854	Other expenses	2,891
<b>11,781</b>	<b>Total other operating expenses</b>	<b>13,683</b>

## NOTE 6: Receivables

### Accounting policy

#### Receivables

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). Crown Law applies the simplified ECL model of recognising lifetime ECLs for short-term receivables.

In measuring ECLs, short-term receivables have been assessed on a collective basis because they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Short-term receivables are written off when there are no reasonable expectations of recovery. Indicators that there are no reasonable expectations of recovery include the debtor being in liquidation or the receivable being more than 1 year overdue.

#### Work in progress

Work in progress is determined as unbilled time and disbursements that can be recovered from clients and is measured at the lower of cost or net realisable value. Work in progress is generally invoiced in the following month.

### Breakdown of receivables and further information

Actual 2023 \$000		Actual 2024 \$000
1,909	Debtors (gross)	2,793
(1)	Less: allowance for credit losses	(1)
3,094	Work in progress (gross)	2,603
16	Sundry debtors	19
<b>5,019</b>	<b>Total receivables</b>	<b>5,414</b>
	Total receivables comprise:	
5,003	Receivables from the sale of legal advice and representation services to other government agencies at cost recovery (exchange transactions)	5,395
16	Receivables from miscellaneous expense recoveries	19

### Ageing profile

	2023			2024		
	Gross \$'000	Expected credit loss \$'000	Net \$'000	Gross \$'000	Expected credit loss \$'000	Net \$'000
Current	1,735	(1)	1,734	2,663	(1)	2,662
1-2 months	41	-	41	43	-	43
2-3 months	43	-	43	24	-	24
3-4 months	27	-	27	8	-	8
4-6 months	5	-	5	1	-	1
6-12 months	54	-	54	43	-	43
1-2 years	4	-	4	11	-	11
>2 years	-	-	-	-	-	-
<b>Total</b>	<b>1,909</b>	<b>(1)</b>	<b>1,908</b>	<b>2,793</b>	<b>(1)</b>	<b>2,792</b>

The expected credit loss rates for receivables at 30 June 2023 and 30 June 2024 are based on the payment profile of revenue on credit over the prior 2 years at the measurement date and the corresponding historical credit losses experienced for that period. The historical loss rates are adjusted for current and forward-looking macroeconomic factors that might affect the recoverability of receivables. Given the short period of risk exposure, the impact of macroeconomic factors is not considered significant.

There have been no changes during the reporting period in the estimation techniques or significant assumptions used in measuring the loss allowance.

The allowance for credit losses at 30 June 2024 was determined as follows:

30 June 2024	Receivables past due								Total
	Current	1-2 months	2-3 months	3-4 months	4-6 months	6-12 months	1-2 years	>2 years	
Expected credit loss rate	0.02%	0.24%	-	-	-	-	-	-	
Gross carrying amount (\$'000)	2,663	43	24	8	1	43	11	-	2,793
Expected credit loss (\$'000)	(1)	-	-	-	-	-	-	-	(1)

30 June 2023	Receivables past due								Total
	Current	1-2 months	2-3 months	3-4 months	4-6 months	6-12 months	1-2 years	>2 years	
Expected credit loss rate	0.06%	0.35%	0.21%	-	-	0.49%	-	-	
Gross carrying amount (\$'000)	1,736	41	43	27	5	54	4	-	1,909
Expected credit loss (\$'000)	(1)	-	-	-	-	-	-	-	(1)

The movement in allowance for credit losses is as follows:

Actual 2023 \$'000	Actual 2024 \$'000
<b>14</b> Opening balance as at 1 July	<b>1</b>
- Increase in loss allowance made during the year	1
(13) Receivables written off during the year	(1)
<b>1</b> Closing allowance for credit losses as at 1 July	<b>1</b>

### NOTE 7:

## Property, plant, and equipment

### Accounting policy

Property, plant, and equipment consists of the following asset classes: leasehold improvements, computer hardware, furniture and fittings and office equipment.

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

Individual assets or groups of assets are capitalised if their cost is greater than \$1,000. The value of an individual asset that is less than \$1,000 and is part of a group of similar assets is capitalised.

### Additions

The cost of an item of property, plant, and equipment is recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to Crown Law 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 recognised at its cost. Where an asset is acquired through a non-exchange transaction or for a nominal cost, it is recognised at fair value as at the date of acquisition.



## Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of comprehensive income. When the revalued asset is sold, the amount included in the property, plant, and equipment revaluation reserve in respect of the disposed asset is transferred to taxpayers' funds.

## Subsequent costs

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 Crown Law and the cost of the item can be measured reliably.

The costs of day-today servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

## Depreciation

Depreciation is provided on a straight-line basis on all property, plant, and equipment at rates that will write off the cost (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 assets have been estimated as follows:

Asset Class	Useful Life	Depreciation Rate
Leasehold improvements	Up to 10 years	10%
Computer hardware	2 to 6 years	16.7% to 50%
Furniture and fittings	5 years	20%
Office equipment	5 years	20%

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

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

## Impairment

Property, plant, and equipment held at cost 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 cost to sell and value in use.

Value in use is the present value of the asset's remaining service potential. Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach or service units approach. The most appropriate approach used to measure the 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. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

## Breakdown of property, plant, and equipment and further information

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

	Leasehold improvements \$000	Office equipment \$000	Furniture and fittings \$000	Computer equipment \$000	Total \$000
<b>Cost</b>					
Balance as at 01 July 2022	1,940	544	1,730	2,183	6,397
Additions	-	6	5	250	261
Disposals	(4)	(373)	(7)	(874)	(1,258)
<b>Balance as at 30 June 2023</b>	<b>1,936</b>	<b>177</b>	<b>1,728</b>	<b>1,559</b>	<b>5,400</b>
Balance as at 01 July 2023	1,936	177	1,728	1,559	5,400
Additions	6,718	449	666	166	7,999
Disposals	(1,865)	(108)	(1,503)	(700)	(4,176)
<b>Balance as at 30 June 2024</b>	<b>6,789</b>	<b>518</b>	<b>891</b>	<b>1,025</b>	<b>9,223</b>
<b>Accumulated depreciation and impairment losses</b>					
Balance as at 01 July 2022	1,804	471	1,570	1,724	5,569
Depreciation expense	62	22	72	278	434
Elimination on disposal	(4)	(373)	(8)	(874)	(1,259)
<b>Balance as at 30 June 2023</b>	<b>1,862</b>	<b>120</b>	<b>1,634</b>	<b>1,128</b>	<b>4,744</b>
Balance as at 01 July 2023	1,862	120	1,634	1,128	4,744
Depreciation expense	186	33	93	248	560
Elimination on disposal	(1,865)	(107)	(1,503)	(701)	(4,176)
<b>Balance as at 30 June 2024</b>	<b>183</b>	<b>46</b>	<b>224</b>	<b>675</b>	<b>1,128</b>
<b>Carrying amount</b>					
At 30 June and 01 July 2022	136	73	160	459	828
At 30 June 2023	74	57	94	431	656
<b>At 30 June 2024</b>	<b>6,606</b>	<b>472</b>	<b>667</b>	<b>350</b>	<b>8,095</b>

There are no restrictions over the title of Crown Law's property, plant, and equipment. No property, plant, and equipment assets are pledged as security for liabilities.

## NOTE 8: Intangible assets

### Accounting policy

#### Software acquisition and development

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire the specific software and bring it to use.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset where this results in an asset controlled by Crown Law. Direct costs include software development employee costs and an appropriate portion of relevant overheads.

Where software is provided under a Software-as-a-service (SaaS) arrangement, costs of configuration and customisation are recognised as an intangible asset only if the activities create an intangible asset that Crown Law controls and asset recognition criteria are met. Costs, including ongoing fees for use of software, that do not result in an intangible asset or a software finance lease are expensed as a service contract as incurred. However, where fees represent payment for future services to be received, Crown Law recognises these as a prepayment and expenses these as subsequent services are received.

Staff training costs are recognised as an expense when incurred.

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

Costs of software updates or upgrades are capitalised only when they increase the usefulness or value of the software.

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

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

#### Impairment

Refer to the policy for impairment of property, plant, and equipment in Note 7. The same approach applies to the impairment of intangible assets.

### Critical accounting estimates and assumptions

#### Useful lives of software

The useful life of software is determined at the time the software is acquired and brought into use

and is reviewed at each reporting date for appropriateness. For computer software licences, the useful life represents management's view of the expected period over which Crown Law will receive benefits from the software but not exceeding the licence term. For internally generated software developed by Crown Law, the useful life is based on historical experience with similar systems as well as anticipation of future events that may impact the useful life, such as changes in technology.

### Breakdown of intangible assets and further information

Movements in the carrying value for intangible assets are as follows:

	Acquired software \$'000
<b>Cost</b>	
Balance as at 01 July 2022	2,203
Additions	53
Disposals	(200)
<b>Balance as at 30 June 2023</b>	<b>2,056</b>
Balance as at 01 July 2023	2,056
Additions	116
Disposals	(63)
<b>Balance as at 30 June 2024</b>	<b>2,109</b>
<b>Accumulated amortisation and impairment losses</b>	
Balance as at 01 July 2022	2,076
Amortisation expense	21
Elimination on disposal	(199)
Impairment losses	-
<b>Balance as at 30 June 2023</b>	<b>1,898</b>
Balance as at 01 July 2023	1,898
Amortisation expense	17
Elimination on disposal	(63)
Impairment losses	-
<b>Balance as at 30 June 2024</b>	<b>1,852</b>
<b>Carrying amount</b>	
At 30 June and 01 July 2022	127
At 30 June 2023	158
<b>At 30 June 2024</b>	<b>257</b>

There are no restrictions over the title of Crown Law's intangible assets. No intangible assets are pledged as security for liabilities.

## NOTE 9: Payables and deferred revenue

### Accounting policy

Short-term payables are recorded at the amount payable.

### Breakdown of payables and deferred revenue

Actual 2023 \$000		Actual 2024 \$000
	<b>Payables and deferred revenue under exchange transactions</b>	
106	Creditors – Crown Solicitors' fees	62
669	Creditors – other	915
10,242	Accrued expenses – unbilled Crown Solicitors' fees	12,983
391	Other accrued expenses	141
-	Income in advance for cost recovered services	-
<b>11,407</b>	<b>Total payables and deferred revenue under exchange transactions</b>	<b>14,100</b>
743	GST payable	1,747
<b>743</b>	<b>Payables and deferred revenue under non-exchange transactions</b>	<b>1,747</b>
<b>12,150</b>	<b>Total payables and deferred revenue</b>	<b>15,847</b>

## NOTE 10: Provisions

### Accounting policy

A provision is recognised for future payments of uncertain amounts or timing where there is a present obligation (either legal or constructive) as a result of a past event, it is probable that a payment will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for net deficits from future operating activities.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate based on market yields on government bonds at balance date with terms to maturity that match, as closely as possible, the estimated timing of the future cash outflows. The increase in the provision due to the passage of time is recognised as an interest expense and is included in finance costs.

### Restructuring

A provision for restructuring is recognised when an approved detailed formal plan for the restructuring has been announced publicly to those affected or implementation has already begun.

## Breakdown of provisions and further information

Actual 2023 \$000		Actual 2024 \$000
	<b>Current portion</b>	
-	Restructuring	51
	<b>Non-current portion</b>	
-	Restructuring	103
	<b>- Total provisions</b>	<b>154</b>

### Restructuring provision

The restructuring provision relates to the expected redundancy costs arising from Crown Law's recent organisational design process. The final decision was announced in April 2024. Crown Law anticipates that the restructuring will start to take place from June 2024 and be completed within 24 months by 30 June 2026, and the amount of the liability provided is considered to be reasonably certain.

## NOTE 11: Employee entitlements

### Accounting policy

#### Short-term employee entitlements

Employee entitlements that are expected to be settled wholly within 12 months after the end of the reporting period in which the employees provide the related service are measured based on accrued entitlements at current rates of remuneration. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, retirement leave, and long service leave entitlements expected to be settled within 12 months.

#### Long-term employee entitlements

Employee entitlements that are not expected to be settled wholly before 12 months after the end of the reporting period that the employees provide the related service in, such as long service leave and retirement leave, are calculated on an actuarial basis. The calculations are based on:

- likely future entitlement accruing to staff, based on years of service, 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, vested long service leave, and 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.

Annual leave is calculated using the number of days owing as at 30 June 2024.

The collective employment agreement and individual employment contracts provide 1 week's long-service leave after completing 10 years' service with Crown Law. A number of employees have grand-parented long-service arrangements prior to the above agreement.

The retirement and long-service leave from an old expired contract are maintained for three staff as at June 2024 (2023: three).

### Critical accounting estimates and assumptions

#### Long-service leave and retirement leave

The measurement of the long service leave and retirement leave obligations depend on a number of factors that are determined on an actuarial basis using a number of assumptions. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

Expected future payments are discounted using the discount rates derived from the yield curve of New Zealand government bonds. The discount rates used have maturities that match, as closely as possible, the estimated future cash outflows. The discount rates in year 1 of 5.30% (2023: 5.43%), year 2 of 4.49% (2023: 4.85%) and year 3 and beyond of 5.11% (2023: 4.84%) and a long-term salary inflation factor of 3.33% (2023: 3.35%) were used. The discount rates and the salary inflation factor are those advised by Treasury.

#### Sensitivity analysis

If the discount rates and the inflation rate were to differ by 1% from Crown Law's estimates, with all other factors held constant, the carrying amount of the liability and the surplus or deficit would be an estimated \$2,196 higher/lower.

### Breakdown of employee entitlements

Actual 2023 \$000		Actual 2024 \$000
<b>Current accruals</b>		
847	Personnel accruals	1,060
2,104	Annual leave	2,197
77	Retirement and long-service leave	105
<b>3,028</b>	<b>Total current portion</b>	<b>3,362</b>
<b>Non-current liabilities</b>		
254	Retirement and long-service leave	277
<b>254</b>	<b>Total non-current portion</b>	<b>277</b>
<b>3,282</b>	<b>Total employee entitlements</b>	<b>3,639</b>

### NOTE 12:

### Return of operating surplus

Actual 2023 \$000		Actual 2024 \$000
8,796	Net surplus/(deficit)	6,757
1,513	Add (surplus)/deficit of memorandum account: legal advice and representation	707
28	Add (surplus)/deficit of memorandum account: processing of King's Counsel applications	(26)
<b>10,337</b>	<b>Total return of operating surplus</b>	<b>7,438</b>

The return of operating surplus to the Crown is required to be paid by 31 October of each year.



## NOTE 13: Equity

### Accounting policy

Equity is the Crown's investment in Crown Law and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified as taxpayers' funds and memorandum accounts.

### Memorandum accounts

Memorandum accounts reflect the cumulative surplus/(deficit) on those departmental services provided that are intended to be fully cost recovered from third parties through fees, levies or charges. The balance of each memorandum account is expected to trend towards zero over time.

### Breakdown of equity and further information

Actual 2023 \$000		Actual 2024 \$000
	<b>Taxpayers' funds</b>	
<b>2,064</b>	<b>Balance at 1 July</b>	<b>2,061</b>
8,794	Net surplus/(deficit)	6,757
1,541	Transfer of memorandum accounts net (surplus)/deficit for the year	681
-	Capital injections	7,100
(1)	Other	(1)
(10,337)	Return of operating surplus to the Crown	(7,438)
<b>2,061</b>	<b>Balance at 30 June</b>	<b>9,160</b>
	<b>Memorandum accounts</b>	
2,184	Opening balance at 1 July	644
22,609	Revenue	26,718
(24,150)	Less expenses	(27,399)
(1,541)	Surplus/(deficit) for the year	(681)
1	Other	-
<b>644</b>	<b>Closing balance at 30 June</b>	<b>(37)</b>
<b>2,705</b>	<b>Total equity at 30 June</b>	<b>9,123</b>

### Breakdown of memorandum accounts and further information

Actual 2023 \$000		Actual 2024 \$000
	<b>Legal advice and representation</b>	
2,076	Opening balance at 1 July	564
22,573	Revenue	26,671
(24,086)	Less expenses	(27,378)
(1,513)	Surplus/(deficit) for the year	(707)
1	Other	-
<b>564</b>	<b>Closing balance at 30 June</b>	<b>(143)</b>
	<b>Processing of King's Counsel applications</b>	
108	Opening balance at 1 July	80
36	Revenue	47
(64)	Less expenses	(21)
(28)	Surplus/(deficit) for the year	26
<b>80</b>	<b>Closing balance at 30 June</b>	<b>106</b>
	<b>Total memorandum accounts</b>	
2,184	Opening balance at 1 July	644
22,609	Revenue	26,718
(24,150)	Less expenses	(27,399)
(1,541)	Surplus/(deficit) for the year	(681)
1	Other	-
<b>644</b>	<b>Closing balance at 30 June</b>	<b>(37)</b>

These memorandum accounts summarise financial information relating to the accumulated surpluses and deficits incurred in the provision of legal advice and representation services and processing of King's Counsel applications by Crown Law to third parties on a full cost recovery basis, as prescribed in the Lawyers and Conveyancers Act (Lawyers: King's Counsel) Regulations.

The balance of each memorandum account is expected to trend towards zero over a reasonable period of time, with any interim deficit being met whether from cash from Crown Law's statement of financial position or by seeking approval for a capital injection from the Crown. Capital injections will be repaid to the Crown by way of cash payments throughout the memorandum account cycle.

The transactions are included as part of Crown Law's operating income and expenses in the net surplus/(deficit). However, effective 1 July 2011, these transactions have been excluded from the calculation of Crown Law's return of operating surplus (refer Note 12). The cumulative balance of surplus/(deficit) of the memorandum accounts is recognised as a component of equity.

### Action taken to address surpluses and deficits

The fee strategy has been developed and will be regularly reviewed to ensure that the fee structure and associated revenues are in line with the forecast activities.

**NOTE 14:****Capital management**

Crown Law's capital is its equity, which comprise taxpayers' funds and memorandum accounts. Equity is represented by net assets.

Crown Law manages its revenues, expenses, assets, liabilities and general financial dealings prudently. Crown Law's equity is largely managed as a by-product of managing revenue, expenses, assets and liabilities and compliance with the government budget processes, Treasury instructions and the Public Finance Act 1989.

The objective of managing Crown Law's equity is to ensure that the office effectively achieves its goals and objectives for which it has been established while remaining a going concern.

**NOTE 15:****Related party information**

Crown Law 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 Crown Law 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 within the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

**Collective but not individually significant transactions with government-related entities**

The Cabinet Directions for the Conduct of Crown Legal Business 2016 (Cabinet Manual Appendix C) set out the requirements for chief executives of departments to refer specified legal work to Crown Law. During the year ended 30 June 2024, Crown Law has provided legal services to departments and government entities in the amount of \$26.671 million (2023: \$22.573 million).

**Transactions with key management personnel****Key management personnel compensation**

Actual 2023 \$000		Actual 2024 \$000
<b>Leadership Team, including the Chief Executive</b>		
2,350	Remuneration	2,288
6	Full-time equivalent staff	6

The key management personnel remuneration disclosure includes the Solicitor-General/Chief Executive, five other members of the Leadership Team, and those formally acting in these positions during the financial year on a full-time equivalent basis.

The Remuneration Authority determines the Solicitor-General's remuneration annually.

There are no related-party transactions involving key management personnel (or their close family members).

The above key management personnel disclosure excludes the Attorney-General. The Minister's remuneration and other benefits are not received only for their role as a member of key management personnel of Crown Law. The Remuneration Authority sets the Minister's remuneration and other benefits under the Members of Parliament (Remuneration and Services) Act 2013, and they are paid under permanent legislative authority on behalf of the Crown by the Department of Internal Affairs, not by Crown Law.

## NOTE 16: Financial instruments

### NOTE 16A: Financial instrument categories

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

Actual 2023 \$000		Actual 2024 \$000
<b>Financial assets measured at amortised cost</b>		
11,997	Cash and cash equivalents	21,657
5,019	Receivables	5,414
<b>17,016</b>	<b>Total financial assets measured at amortised cost</b>	<b>27,071</b>
<b>Financial liabilities measured at amortised cost</b>		
12,150	Payables	15,847
<b>12,150</b>	<b>Total financial liabilities measured at amortised cost</b>	<b>15,847</b>

### NOTE 16B: Financial instrument risks

Crown Law's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. Crown Law has a series of policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

#### Market risk

##### Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Crown Law occasionally purchases goods and services from overseas, such as Australia, but contracts are always signed in New Zealand currency. Therefore, Crown Law has no exposure to currency risk.

#### Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate, or the cash flow from a financial instrument will fluctuate due to changes in market interest rates.

Crown Law has no interest-bearing financial instruments and, accordingly, has no exposure to interest rate risk.

#### Credit risk

Credit risk is the risk that a third party will default on its obligations to Crown Law, causing Crown Law to incur a loss.

In the normal course of its business, credit risk arises from receivables, deposits with banks and derivative financial instrument assets.

Crown Law is permitted to deposit funds only with Westpac (Standard & Poor's credit rating of AA-), a registered bank with high credit rating.

Crown Law does not enter into foreign exchange forward contracts.

Crown Law's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents and receivables (refer Note 6). There is no collateral held as security against these financial instruments, including those instruments that are overdue or impaired.

#### Liquidity risk

Liquidity risk is the risk that Crown Law will encounter difficulty raising liquid funds to meet commitments as they fall due.

In meeting its liquidity requirements, Crown Law closely monitors its forecast cash requirements with expected cash drawdowns from the New Zealand Debt Management Office. Crown Law maintains a target level of available cash to meet liquidity requirements.

The table below analyses Crown Law's financial liabilities into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Notes	Carrying amount \$000	Contractual cash flows \$000	Less than 6 months	6 months to 1 year	1-5 years	Over 5 years
<b>2024</b>							
Payables	9	15,847	15,847	15,847	-	-	-
<b>2023</b>							
Payables	9	12,150	12,150	12,150	-	-	-

Crown Law has no finance leases and derivative financial instrument liabilities.

**NOTE 17:****Events after balance date**

There have been no significant events after the balance date.

**NOTE 18:****Explanation of major variances against budget****Statement of comprehensive revenue and expense****Revenue Crown**

Revenue Crown was \$7.736 million more than budgeted mainly due to a one-off funding transfer of \$7.749 million from 2022/23 for improving the justice response to sexual violence victims.

**Other revenue**

Income from other revenue was \$2.884 million lower than budgeted mainly due to a decrease in legal advice and representation work.

**Personnel costs**

Personnel costs were \$4.775 million more than budgeted mainly due to a small increase in staff numbers and an increase in remuneration costs following collective bargaining and the December 2023 one-off Public Sector Pay Adjustment.

**Crown Solicitors' fees**

Crown Solicitors' fees were \$3.946 million more than budgeted. This was mainly due to \$3.516 million backlog adjustment funding required to address the impact of the Ministry of Justice's Backlog Project, which has resulted in a significant increase in the number of prosecutions being disposed each month in the Auckland region.

**Statement of financial position****Cash and cash equivalents**

Cash and cash equivalents were \$13.708 million more than budgeted. This is largely attributable to an increase in payables and also reflects the surplus on operating costs.

**Payables and deferred revenue**

Payables and deferred revenue were \$7.397 million more than budgeted. This was mainly due to a higher than expected/budgeted accounts payable balance at year end due to timing of invoices being received for payments. This was in line with the higher than budgeted cash balances as at 30 June 2024.

**Return of operating surplus**

Return of operating surplus was \$7.438 million more than budgeted. This was in line with the higher than budgeted cash balances as at 30 June 2024.

**Statement of cash flows**

Statement of cash flows variances are in line with variances in the statement of comprehensive revenue and expense and statement of financial position as explained above.



## Schedule of trust monies

FOR THE YEAR ENDED 30 JUNE 2024

Actual 2023 \$000		Actual 2024 \$000
<b>Crown Law Office Legal Claims Trust Account</b>		
<b>1</b>	<b>Opening balance at 1 July</b>	<b>3</b>
460	Contributions	555
(458)	Distributions	(430)
1	Revenue	7
(1)	Expenditure	(1)
<b>3</b>	<b>Closing balance at 30 June</b>	<b>134</b>
<b>Crown Law Office Retention Money Trust Account</b>		
-	<b>Opening balance at 1 July</b>	-
-	Contributions	200
-	Distributions	(100)
-	Revenue	4
-	Expenditure	-
-	<b>Closing balance at 30 June</b>	<b>104</b>
<b>Trust account total</b>		
<b>1</b>	<b>Opening balance at 1 July</b>	<b>3</b>
460	Contributions	755
(458)	Distributions	(530)
1	Revenue	11
(1)	Expenditure	(1)
<b>3</b>	<b>Closing balance at 30 June</b>	<b>238</b>

This legal claims interest-bearing account is operated to receive and pay legal claims and settlements on behalf of clients of Crown Law, and the retention money account was opened to hold and manage retention money for the Wellington office fit-out construction contract as per the Construction Contracts (Retention Money) Amendment Act 2023. In accordance with the Public Finance Act 1989, the interest income is payable to the Crown.

## Appropriation statements

The following statements report information about the expenses and capital expenditure incurred against each appropriation administered by Crown Law for the year ended 30 June 2024. They are prepared on a GST-exclusive basis.

### Statement of cost accounting policies

Crown Law has determined the cost of outputs using the cost allocation system outlined below.

Direct costs are those costs directly attributed to an output. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific output.

Direct costs are charged directly to output expenses. Personnel costs are charged on the basis of actual time incurred. Depreciation, capital charge and other indirect costs are assigned to outputs based on the proportion of direct staff costs for each output.

There have been no changes in cost accounting policies since the date of the last audited financial statements.

## Statement of budgeted and actual expenses and capital expenditure incurred against appropriations

FOR THE YEAR ENDED 30 JUNE 2024

Actual 2023 \$000		Actual 2024 \$000	Main Estimates 2024 \$000	Supp. Estimates 2024 \$000	Approved approp. 2024* \$000	Location of end-of- year perf. info.
<b>Vote Attorney-General</b>						
<b>Law Officer Functions MCA</b>						
27,068	Strategic and Operational Legal Advice and Representation	31,183	31,637	32,637	32,637	**
5,079	Conduct of Criminal Appeals arising from Crown Prosecutions	7,444	10,345	9,333	9,333	**
7,168	Law Officer Constitutional and Criminal Law Duties	7,948	9,994	9,994	9,994	**
71,943	Public Prosecution Services	83,022	79,526	87,275	87,275	**
<b>111,258</b>	<b>Total appropriations for output expenses</b>	<b>129,597</b>	<b>131,502</b>	<b>139,239</b>	<b>139,239</b>	
<b>Appropriations for capital expenditure</b>						
314	Capital expenditure	8,115	6,490	8,418	8,418	**
<b>111,572</b>	<b>Total annual and permanent appropriations</b>	<b>137,712</b>	<b>137,992</b>	<b>147,657</b>	<b>147,657</b>	

\* The approved appropriation includes adjustments made in the Supplementary Estimates and the additional expenditures incurred under section 26 (nil for 2023/24) of the Public Finance Act 1989.

\*\* The 'Our statement of service performance' section of the Crown Law Annual Report.

As per section 2 and section 4 of the Public Finance Act 1989, expenditure reported should exclude remeasurements from appropriation.

There have been no remeasurements identified during the 2023/24 financial year, which implies that the actual expenditure incurred was equal to the expenditure after remeasurement.

## Statement of expenses and capital expenditure incurred without or in excess of appropriation or other authority

FOR THE YEAR ENDED 30 JUNE 2024

Crown Law has no expenses and capital expenditure incurred without or in excess of appropriation or other authority for the year ended 30 June 2024.

### Expenses and capital expenditure incurred in excess of appropriation

Nil.

### Statement of capital expenditure incurred without or outside scope or period of appropriation

Nil.

## Statement of departmental capital injections

FOR THE YEAR ENDED 30 JUNE 2024

Actual capital injections 2023 \$000	Actual capital injections 2024 \$000	Approved appropriation 2024 \$000
<b>Vote Attorney-General</b>		
-	7,100	7,100
		- Crown Law – capital injection

## Statement of departmental capital injections made without or in excess of authority

FOR THE YEAR ENDED 30 JUNE 2024

Crown Law has not received any capital injections during the year without or in excess of authority (2023: nil).

## Our funding

The Crown Law Office administers Vote Attorney-General. The total annual and permanent appropriations sought for Vote Attorney-General in 2023/24 are \$137.992 million. This is 6.5% more than the estimated actual expenditure of \$129.576 million in 2022/23.

The Vote for the 2023/24 financial year consists of two appropriations: Crown Law Office – Capital Expenditure (\$6.490 million) for renewal and replacement of assets in support of our service delivery) and the multi-category appropriation Law Officer Functions (\$131.502 million) to provide for the discharge of the Law Officers’ constitutional, criminal law and system leadership responsibilities including legal advice and representation (a combination of the remaining previous appropriations).

The amount of \$131.502 million is provided through a multi-category appropriation (MCA) for the Law Officer Functions, which includes the following categories:

- Leading and developing the collective strength of government lawyers and providing legal advice and representation services to state sector entities (\$31.637 million).
- Conducting appeals arising from Crown prosecutions (\$10.345 million).
- Providing assistance to the Law Officers in the exercise of their functions and providing advice on constitutional, criminal law, mutual assistance and extradition matters (\$9.994 million).
- The provision and supervision of a national Crown prosecution service and oversight of public prosecutions (\$79.526 million).

The legal advice and representation function is funded by charging government agencies fees on a cost-recovery basis. Other functions within the MCA are mainly funded by Crown revenue. Crown Law has a permanent legislative authority for capital expenditure.

Crown Law charges government agencies in order to recover the costs of legal advice and representation services. The latest fee rates review was completed with an effective date of 1 July 2023. The new rates reflected an increase from the fees previously charged but remained well below the rates of all-of-government legal panel members. Prior to implementing this new fee structure, fees had been held since 1 July 2021. Crown Law is planning to hold the current fee rates for the 2024/25 financial year.



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