



ANNUAL REPORT AND PERFORMANCE REPORT

for the year ended 30 June 2022



OUR VISION

What we would like to see as a result of our work

A world with trusted integrity systems in which government, politics, business, civil society and the daily lives of people are free of corruption.

OUR MISSION

What we are going to do to contribute to our vision

To foster a New Zealand culture where transparency, integrity, good governance and ethical standards and practices are the core values of all New Zealanders.

OUR VALUES

What we embody as an organisation

Integrity: We behave responsibly, acting honestly and ethically in everything we do

Courage: We act in accordance with our values, even when it is hard to do

Transparency: We are visibly open and honest

Respect: We treat everyone with respect as we would like to be treated, acknowledging and valuing differences.

GLOBAL STRATEGIC PURPOSE

Holding power to account for the common good

FROM OUR PATRON



It is heartening to see the good work that Transparency International New Zealand has undertaken throughout this last year. I support all that they do, including their work on strengthening integrity systems and on good governance. These are vital to community wellbeing and fairness, and we need to prioritise them. In times of challenge both legislative fairness and the rule of law are more important than ever.

I congratulate and thank the Board and staff for their excellent work this year

Dame Patsy Reddy
GNZM CVO QSO DSTJ
Patron TINZ

FROM THE CHAIRPERSON



This year almost all New Zealanders have had to find reserves of energy and resilience, to persist, to be patient, to live with less and to be more careful.

We now realise how we took for granted the pre-pandemic years of personal and public freedoms that have, by necessity, been curtailed during COVID-19. There is a lot of reflection going on about how we can improve the way restrictions are applied, but history also tells us that both the impact and the solutions are quickly forgotten.

The application of restrictions has embedded trust in our integrity systems by some kiwis, and has fractured the trust of others. The gaps between are being exploited by those who will profit from disruption, either for power or for financial gain, and through spreading misinformation.

A well-functioning democracy enables diversity of views, free speech, informed consent, compromise and challenge. I would like to honour all of those in the public, private and community sectors who have shown persistence, resilience, integrity and patience during the year and who have buttressed our democracy.

Transparency International New Zealand offers a strong thread to the fabric of society. It does this by monitoring and challenging the

use of power; by advocating and influencing for more transparency and greater integrity in business practice; and by seeking greater public participation.

I am fortunate to lead a fantastic TINZ Board. Our decision-making is collective and evidence based. We have diversity of views on the Board and there is room for them all. We have a strategic approach and that is delivering results. I would like to thank each Board member, every Member with Delegated Authority, all personnel and project leaders and every TINZ member for their perseverance and commitment.

A special thanks to our hard working CEO Julie and our wonderful staff.

Our organisation also experiences changes and we honour those who have served and welcome new volunteers, staff and Directors. At last year's AGM, we farewelled Lyn Provost as Patron and Stephanie Hopkins from the Board. Stephanie Hopkins and Lyn Provost were awarded Life Membership. We also welcomed new Patron Dame Patsy Reddy as Patron and Debbie Gee and Alan McDonald as Directors.

Anne Tolley
Chairperson

CHIEF EXECUTIVE REPORT

Tēnā koutou katoa,

The theme of this report is impact and I am happy to report that TINZ has had a positive impact on integrity in New Zealand, as we applied strategic thinking and resources to influence change, for the common good.

Transparency International New Zealand is in great heart. It is powered by people with passion (volunteer and personnel), respectful, sometimes challenging relationships and collaboration.

We have good relationships with public sector organisations, with other civil society organisations and increasingly this year private sector organisations. There is more to be learned, and more to be achieved when we work together.

In particular this report reflects the strength of our work with civil society organisations on the Open Government Partnership, on public procurement, with the Office of the Auditor General and Te Kawa Mataaho on Leaders Integrity Forums, and with many private and public sector organisations in the development of the FISA Self-Assessment.

We are part of a global movement, and the collegiality and learnings between chapters in the Pacific, and across Asia and Pacific are invaluable. Integrity Fiji have been an essential partner in many of our activities during the year.



I thank the TI Global team and the TI Pacific and Asia coordinators for the hard work they have put in to energise the movement through teams and strategies and remote events. We were very happy to receive a positive accreditation result as part of our TI Chapter Accreditation process. It is always very useful to have external review of one's work and processes.

Working with TINZ is demanding and invigorating. I am very grateful to those in governance and amongst members, staff and allied organisations, who offer advice and expertise and are prepared to have adventures for a common cause. Thanks to Anne, Steve, Liat and Chelsea for their fantastic contributions during the year. Thanks also to Helen Bewley who left TINZ after many years of superb work on Finance and Membership.

Ngā mihi nui

Julie Haggie
Chief Executive Officer



Ethics Committee, and Complaints/Concerns

The TINZ Ethics Committee was led this year by Gillian Greer, Deputy Chair of TINZ, with membership of Karin Lasthuizen and Jane Mitson.

During the year the Ethics Committee starting reviewing TINZ's risk framework, and at the January 2022 Board meeting it ran an 'ethical risk management' session for the Board. This focussed on particular areas – member complaints and issues, future work programmes and sponsorships/partnerships.

The Committee also offered advice on general internal ethical questions, and contributed to TINZ's accreditation process which occurred during 2021.

Complaints and Concerns

TINZ has not received any complaints during the year about its internal projects or communications.

TINZ receives on average one concern each month from members of the public about alleged corruption in New Zealand.

TINZ rules specifically preclude TINZ from investigating or exposing individual cases of corruption.

Most correspondence relates to experience of individuals with some part of the public system. In the year to end June 2022 this included concerns about alleged workplace bullying, agency complaints systems and employment court disputes. Where appropriate we provide advice about the proper authority to hear or review a complaint. In one instance related to local government we made a direct connection to an agency. We also received two concerns about judicial and lawyer independence.

Accreditation

Transparency International New Zealand is reviewed every three years as part of Chapter Accreditation process. This involves an extensive self-assessment which is then reviewed by the Membership Accreditation Committee. This process was helpful to TINZ in ensuring it is meeting standards set by the movement, and checking its internal integrity processes, it also gives credibility to national and international funders. The review started in July 2021 and we received our accreditation document in November 2021. In our Accreditation letter the global TI Chair Delia Ferreira Rubio noted that "your Chapter continues to make a significant contribution to the TI Movement in your country and the movement is truly grateful to you and your colleagues for that".

GETTING RESULTS

In 2021 the TINZ Board agreed on its strategic direction.

The TINZ Board set strategic goals, to:

- Protect public resources and value
- Stop flows of dirty money
- Secure integrity in politics and public sector
- Drive integrity into business
- Expand civic space for accountability
- Build community leadership against corruption
- Give effect to the Treaty of Waitangi
- Whilst also maintaining a sustainable TI Chapter (financial, human resources)

Māori Caucus and Te Tiriti

Giving effect to Te Tiriti is a challenge for our organisation as it is for others, and this was discussed at a Board hui in September 2021, led by the Māori caucus. Advocating for increased flexibility in Māori electoral options, for te Tiriti inclusion in the Open Government Partnership model, and for discussion with public sector leaders on partnership are first steps. We have a range of views within the organisation, and so we are on a journey, of relationships and learning.

MEASURING OUR IMPACT

We measured our progress this year against some key performance indicators in each of our activities and goals. We can't claim sole responsibility for success and most areas require the engagement of public policy or international influence. Contributory impact also often occurs over time. However we have targeted our influence and resources and our views are sought and considered. On the following page you can see the connections between our strategic goals, the types of impacts we aimed for from our activities and an estimation of our impact in each KPI. Our impact is further explained in the pages that follow.



TYPES OF IMPACT

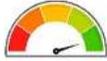
Recently our global body adopted a new approach to monitoring impact for anti-corruption work. This approach is designed to help the movement gain a better understanding of what works in the fight against corruption, why and how it works.

This is also a useful Impact Matrix to look at TINZ's effectiveness. It shows the three main types of impact that we aim for, and what we can do to improve and expand our impact. Awareness and Outreach are useful, but we also want to achieve policy change and behavioural change.



HOW DID WE DO?

This table shows our estimated 'traffic light' impact against performance indicators. Estimated impact is based on progress in each area of the performance indicator. More information is provided in the text sections

ACTIVITIES	KEY PERFORMANCE INDICATOR	TYPE OF IMPACT & ESTIMATED	TYPE OF IMPACT/COMMENT
Procurement Analysis & advocacy	Govt procurement transparency and integrity reviewed		Policy Change: Procurement review underway,
Supply chain integrity inc labour and sustainability	MBIE engagement – effective and scalable		Awareness: Webinar
Algorithmic Transparency	TINZ and CSO recommendations applied		Policy Change: Early engagement, slowed
Research Money laundering	Recommendations positively noted by influential agencies		Policy/Awareness: Research completed, advocacy needed
FATF/AML/Exporting Corruption	Risk management awareness raised on trusts		Policy/Awareness: report completed
Advocacy open register of ben. Ownership	Beneficial ownership register established		Policy change: Legislation proposed, good advocacy
Corruption Perceptions Index	Awareness maintained, good coverage		Awareness: Increased
National Integrity System Assessment	Scoping, funding		Policy/Awareness: Scoping underway
Defence Integrity Index – advocacy	Recommendations agreed to by Defence		Policy: Defence forces engaged
Leaders Integrity Forums	Growth		Outreach: Strong growth
Political integrity work and lobbying	Lobbying standards promoted by others		Awareness: Limited impact
Transparency resource	Resource supported by LGNZ/SOLGM		Awareness: Resource released, supported
Elections advocacy	Critical friend status on electoral reform		Policy: Good engagement
Financial Integrity System Assessment	Funding sustainable. Self assessment 50% market engagement		Policy: Ready for release
Business Integrity Programme	Developed, branding. Engagement 2 businesses		Institution change: Slow uptake
Advocacy on whistleblowing	Protected Disclosure – influence on regulation		Policy: Strong advocacy, some improvement
Advocacy on Media Freedom	Recommendations agreed to		Outreach: engagement
Open Govt Partnership	Extended CSO engagement,		Behaviour: Better engagement, work to do
Newsletters, Submission, Webinars, Events, Social Media	Growth, increased readership, webinars, reach		Awareness: Strong growth & collaboration
Give effect to Te Tiriti	Caucus guidance, active across projects		Awareness: Some action
Maintain Pacific networks	Pacific Corruption Barometer Engagement GOPAC Oceania engagement Paper on civil society value		Awareness: Collaboration, good reports & papers

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**STRATEGIC
ACTIVITIES**

PROTECT PUBLIC RESOURCES AND VALUE



Under this goal we advocate for greater transparency in the way public resources are used and in the value gained from those resources. TINZ members working in this area include Laurence Millar, Tod Cooper and James Bushell.

Procurement analysis/advocacy

The new team responsible for cross government leadership of government procurement at MBIE have defined a work programme to “refresh strategic procurement priorities and position New Zealand’s government procurement for the future”, and *Data and Transparency* is one of three focus areas of the strategy.

TINZ has analysed the data published from GETS¹ since 2019, and has found that the contract award notices consistently cover about 2.5% of total government procurement. We are pleased that our finding is cited in the Cabinet paper on the work programme.

We believe there is plenty of opportunity for improved transparency in government procurement, and we have highlighted the absence of published information on contracts awarded for the national response to COVID-19.

We also continue to call for changes to the procurement rules to ensure publication of all contract award notices. The exemptions from the current rules are a major cause for the non-publication of information about more than 97% of government expenditure.

The procurement strategy describes a future that TINZ fully supports – we hope its aspirations survive contact with the reality of government procurement.

Algorithmic Transparency

The Algorithm Charter for Aotearoa New Zealand, which was launched in 2020 and has been adopted by 27 government agencies, included a commitment to conduct a review of its operation after twelve months. The objectives of the review included lessons learned from the first year about the experiences and support needs of agencies, the positive impacts or unintended consequences of the charter, te ao Māori perspectives and the relationship between the charter and Māori data sovereignty.

The report from the review was completed in December 2021, and identified 25 matters for consideration but although TINZ were interviewed for the report, we only received a copy in August 2022². We understand that as a result of staff turnover and other priorities, StatsNZ is only now reactivating work on algorithms. This is disappointing, because in 2021, governments around the world were looking to the lead that Aotearoa had taken in publishing the Charter.

¹ Government Electronic Tender System

² The [report](#) is published on the [data.govt.nz](#) website, but is not located by a search on Stats NZ, [data.govt.nz](#) or google websites.

During the year, TINZ also participated in discussions with TI colleagues in Europe on the fraud risks of AI based algorithms, and the challenges of even detecting fraud when there is no way to understand how machine-based decisions are made. We will continue to monitor developments in the domains of AI ethics and Algorithm Transparency.

Supply chain integrity including labour and sustainability

In July 2021 we collaborated with the Brian Picot Chair in Ethical Leadership at VUW Te Herenga

Waka on a webinar on the topic of *Modern Slavery: Consumerism, Exploitation and Transparency*. Speakers from World Vision, Walk Free and Tod Cooper from TINZ talked about institutionalised and systemic slavery, and in particular in the supply chains of the products and services that we buy. The session was chaired by James Bushell, MDA and Director of MOTIF. The target audience was students, and there was good discussion about practical things that consumers can do to effect change.

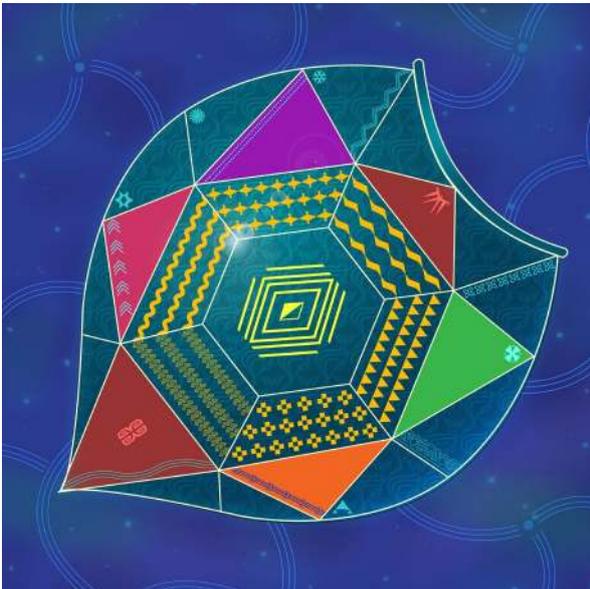
STOP FLOWS OF DIRTY MONEY

Under this strategic goal we advocate for greater transparency about who is in control of companies and trusts that operate in New Zealand or use its financial system. Our aim is to ensure increased accountability for corrupt enabling networks. We also advocate on New Zealand's legal framework on matters such as bribery. The TINZ governance lead on this work has been Adam Hunt. Past TINZ Director John Hopkins was the lead researcher, and Claire Johnstone and Ash Johnstone were involved in the research project. Member Taleafoa Alfred Schuster also supported the launch of our report.

Corruption and Money Laundering in the Pacific: Intertwined Challenges and Interlinked Responses was our major piece of research, launched in May 2022. It highlights that insufficient attention is paid to the link between corruption and money laundering, and the dirty money that flows from and through Pacific Island countries.

The research, undertaken by Professor John Hopkins and Chat le Nguyen from Canterbury University examines the capacity and practice of implementing these standards in the Pacific, with detailed analysts of and case studies from seven selected Pacific Island Countries (PICs). It finds that most Pacific Island countries have a sound Anti Money Laundering legal framework for combating corruption and confiscating its proceeds. But corruption and money-laundering remain an issue because of lack of will, insufficient attention and because of lack of policies, resources and expertise. Better due diligence is needed, as well a strengthening legal frameworks and better resourcing and training for staff. Better collaboration and cross border cooperation would also support each country's efforts.

The report was launched in early May 2022 at an online webinar where we had 221 registered and over a 100 attend from within New Zealand and across the Pacific. The Facebook campaign was also very successful as were our other social media campaigns.





Beneficial Ownership – who is in control

We were pleased to see an announcement by Minister of Commerce and Consumer Affairs David Clark in March 2022 that the Government intends to pass a bill that will make it easier to see who owns and controls a company. We have advocated for such transparency for many years. Importantly, a key change will be the use of unique identifiers for all beneficial owners, directors and general partners of limited partnerships. It will make it easier for anyone who needs to know who truly controls a company.

Two of our members – Board member Adam Hunt and MDA Mark Bennett sat on an Industry Advisory panel that worked through some of the issues ahead of the announcement. TINZ also lobbied, and advocated through news media.

We contributed to submissions from our global movement on the reviews of both FATF Recommendation 24 (transparency of beneficial ownership of legal persons) of FATF Recommendation 25 (relating to Trusts). There was movement towards more transparency on 24 and we hope to see more on 25.

We submitted on the Statutory Review of New Zealand's Anti-Money Laundering and Countering Financing of Terrorism (AML/CFT) Act 2009. In this submission we put the case, amongst other things for a better resourced intelligence focused anti-corruption agency; clear policy direction; removal of the NZ residents' exemption from Politically Exposed Persons (PEP) checks; and of course for a register of beneficial control, alongside a register of Trusts.

We contributed to the 2022 'Exporting Corruption' report by seeking information on foreign bribery cases and referrals by the appropriate regulators and by redrafting the New Zealand chapter within that report. The whole report was published in October 2022.



SECURE INTEGRITY IN THE PUBLIC SECTOR

TINZ promotes integrity practices in central and local government. It does this by running forums, analysing systems, and developing resources. In general TINZ takes a systems approach and does not look at individual cases. Ann Webster, Anne Gilbert, Liz Brown, Len Cook, John Hall, Steve Snively and Lewis Rowland worked on programmes and projects.

Public Sector Leaders Integrity Forums (LIF)

For the last six years we have facilitated peer led Leaders Integrity Forums (LIF) for public service leaders, as part of our work with the Office of the Auditor-General. In the year to June 2022 we ran seven forums, with COVID causing the cancellation of one, and moving online for several. We also tested a hybrid online-face-to-face model with the OAG, and that generally worked well with increased numbers attending.

During the year we more explicitly included Tiers 2-3, future leaders, Integrity Officers, CFOs and Internal Audit and Risk officers for whom culture and conduct are a prime focus. This has meant that numbers attending the LIFs has grown to over 200 leaders during the year. The audience is also more diverse, depending on the topic. We regularly have

over 50 in face to face, hybrid and online, which is sizeable growth over the last two years. There is always huge enthusiasm to attend forums on Te Tiriti with over 90 participating in the (fully online) forum on Whakatinanahia.

We are also working on our relationships with Auckland public service leaders. While the pandemic disrupted our plans for two face-to-face forums per year the hybrid model allowed us to invite the Auckland officials to join the Wellington forums online. Consequently we have seen a growth in Auckland numbers despite COVID.

The Office of the Auditor-General produces a blog on each forum which is available on the OAG website. Anne Gilbert our Public Sector Integrity Manager runs this programme.



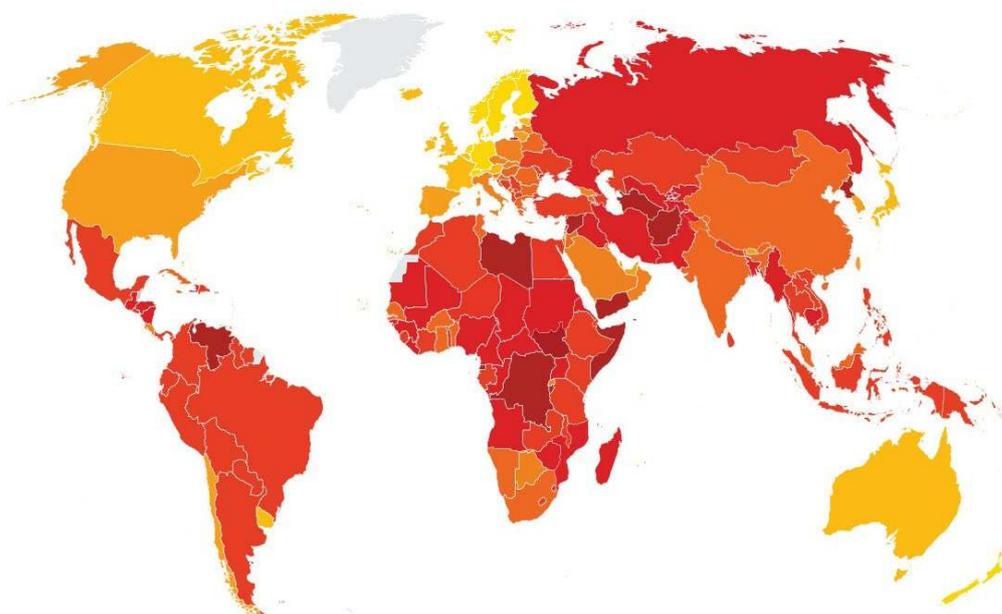
Forums held during the year to end of June 2022 were

7 July 2021	Auckland Public Sector LIF, <i>Integrity through Uncertainty</i>	Chair: John Ryan, Presenters: Meg Poutasi (Auckland DHB) and Mark Goldsmith (MSD)
29 July 2021	<i>Cybersecurity</i>	Chair: Rob Pope, Speakers: Lisa Fong (GCSB), Mark Peterson (NZX)
5 August 2021	CEO Only: <i>Kenneth Hayne reflected on lessons from the Australian Financial Services Royal Commission that may warrant thought in the New Zealand context, about the relationships between regulators and regulated entities.</i>	
16 Nov 2021	<i>Whakatinanahia: Words to Action</i>	Chair: Karen Coutts, Lil Anderson (Te Arawhiti) and Dr Carwyn Jones (TE Waananga o Raukawa)
15 March 2022	<i>Ethical Use of Algorithms</i>	Chair: John Ryan, Speakers: Dr Craig Jones (StatsNZ) and Liz McPherson (Privacy Commission)
12 May 2022	<i>Great Powers, great responsibilities: balancing competing rights in the age of COVID-19.</i>	Chair: Paul James, Speakers Professor Paul Hunt (Human Rights Commission) and Professor Andrew Geddis (Canterbury Uni)
21 June 2022	<i>Digital Danger – Misinformation</i>	Chair: Marilyn Little (DIA), Brent Carey (Netsafe), Rupert Ablett-Hampson (Classification Office)

Corruption Perceptions Index

New Zealand ranked first equal in Corruption Perceptions Index, and although our score has not improved, the index still reflects highly on our public sector and judiciary. The Corruption Perceptions Index is well known now, but many believe it makes a general statement about New Zealand's level of corruption (i.e. including private and community sectors, trade etc). Nevertheless it is a measure increasingly referred

to globally as part of country assessments for business and trade, and that is because an accountable public sector is sought for in trade and inter country relationships. Len Cook, Steve Snively, Chelsea Cain and worked on this with the CEO and we also had great interaction with Integrity Fiji which appeared in the CPI for the first time since 2005. TINZ's targeted advocacy and attention is a factor in Fiji's re-inclusion.



National Integrity System (NIS) Assessment – monitoring and planning

During the year TINZ continued to monitor progress against the recommendations made in previous National Integrity System Assessments (2013 and 2018 update). There was movement in a few areas, such as procurement and public sector integrity but not in others. Liz Brown undertook the monitoring during this year, and experts across TINZ contributed to it.

Directors Ann Webster and John Hall led a process of planning for a 2013 NIS. They looked at different models of the NIS, which has a high resource demand. The TINZ Board agreed to take an approach similar to that trialled in Australia of focussing on functions rather than pillars, and to address two functions each year.

Government Defence Integrity Assessment

The 2020 Government Defence Integrity Index is run from Transparency International UK. The process takes some time from 2019-2021. This comprised work by an independent New Zealand assessor researching five risk areas: procurement, political, financial, personnel and operations. Their research is checked by an independent reviewer and chapter review. TINZ assisted with connections to researchers, provision of a TINZ reviewer of the draft summary and promotion of the results. TINZ team members involved included Lewis Rowland, Peter Kelly and the CEO.

New Zealand was the only country to be in the top band, out of just under 90 country assessments published between October 2019 and November 2021. This is an extraordinary achievement.

The Assessment found that, comparatively, New Zealand faces a very low corruption risk across its defence institutions. Strong institutional resilience to corruption is built on effective external oversight and transparency of policy-making, financial management and arms acquisitions. Anti-corruption safeguards are also strong for military operations and personnel management, although whistleblower protections could be enhanced and lobbying remains a key area of concern.



SECURE INTEGRITY IN POLITICS

TINZ promotes integrity practices in central and local government. It does this by running forums, analysing systems, and developing resources. TINZ takes a systems approach and does not look at individual cases. TINZ team members involved are Ann Webster, Anne Tolley, Gillian Greer, John Hall, Peter Kelly, Helen Bewley, Steve Snively, the CEO and Ellie McKenzie.

GOPAC New Zealand

Since 2019 TINZ has acted as Secretariat to the New Zealand Chapter of Global Organisation of Parliamentarians against Corruption, previously chaired by Anne Tolley MP and Louisa Wall MP. The current co-chairs are Stuart Smith MP and Deborah Russell MP

COVID-19 substantially interfered with meeting availability. However TINZ completed, with input from Parliamentary Services Library staff, a paper requested by GOPAC that offered an *Assessment of New Zealand's Arrangements against the OECD Principles for Transparency and Integrity in Lobbying*. In quick summary the conclusion of this paper is that New Zealand does not have a lobbying regime comparable to the jurisdictions outlined in the OECD's ten principles.

GOPAC met in May 2022 and asked TINZ to prepare a short report that includes a matrix of what other countries are doing generally around lobbying. This was underway at the financial year end.

During the year we also facilitated a presentation to GOPAC Oceania of the findings of the Pacific Corruption Barometer and have been assisting GOPAC Oceania with a regional meeting in New Zealand in late November 2022.



General Advocacy on political integrity

Transparency International New Zealand consistently advocates for greater transparency in political party funding, in political advertising, in lobbying practices, in transparency of political decision-making, secondary legislation and in political behaviour. This year it has been good to see additions to the online legislation site to make it easier for the public to access and understand secondary legislation and know who to contact in relation to the secondary legislation. This was one recommendation made in our National Integrity System Assessment report in 2013 and it was also an Open Government partnership commitment.

We had hoped to see a Parliamentary Code of Conduct being fully supported and acted upon. This has morphed into 'Behavioural Statements for the Parliamentary Workplace'. We are pleased to see the introduction of an Independent Person to receive, investigate, and resolve complaints about members' conduct that do not align with the Behavioural Statement.

During the year we submitted on proposed changes to Māori electoral options and on proposed changes to political donations rules. We are also actively following the Electoral Review.

Local Government Transparency resources

During the year TINZ worked on two tools for use by local government. The first is a self-assessment option focussed on local government integrity systems. This has been tested with one local authority and TINZ will continue to develop it as resources and time allow.

The second resource was developed for the 2022 local body elections. This is a learning resource for newly elected local government officials. It will be released in October to align with the local government elections.

DRIVE INTEGRITY INTO BUSINESS

Under this strategic area, TINZ aims for a critical mass of business leadership fulfilling strong integrity commitments.

Financial Integrity System Assessment

During the second half of the financial year the TINZ Board reviewed FISA. The use of the online tool was delayed due to COVID-19. TINZ used the delay to include a set of benchmarks in the online self-assessment tool. This enabled planning for a launch of the FISA self-assessment in October 2022.

The FISA Self-Assessment is a free tool designed for financial entities: Banks, financial service providers, KiwiSaver providers, credit unions, building societies, insurance companies and related financial institutions such as trust companies and fund managers. It assists organisations to examine how well they implement integrity practices that shape and strengthen culture and conduct across organisations — and how they can improve further. If proactively applied, these practices contribute to the prevention of corruption, enhance the mana of the organisation and nurture trust with consumers and stakeholders. TINZ's aims for this project are:



- Improved integrity practices within financial organisations
- Stronger trust and confidence of customers and stakeholders
- Improved integrity of the broader New Zealand financial system.

The tool was launched with the support of Victoria University Te Herenga Waka on 18 October, and will be open until the end of February 2023, at which time the TINZ Board will consider the aggregated anonymised results, and report publicly. We were fortunate to have pro bono support from a range of organisations and Suzanne Snively as Project Director. Also providing considerable voluntary input were Bernie McKendrey, Cameron Smith and Tim Downes. We also had oversight from Tod Cooper, Ann Webster and the TINZ Board, and launch support from Anna Muir.

EXPAND CIVIC SPACE FOR ACCOUNTABILITY

Under this strategic area TINZ seeks increased channels & capacity for people to challenge and demand results for the common good.

OGP process

During the year, the government embarked on the development of the 4th National Action Plan (NAP4) to describe future commitments to Open Government. TINZ joined with other civil society organisations (CSOs) to work with Te Kawa Mataaho³ on the co-creation of NAP4. During the year CSOs met with the Minister for the Public Service to discuss our priorities, and were encouraged by his support for many of our ideas and the concept of a bold action plan. The Minister acknowledged that the Public Service Act (2020) includes the principle to foster a culture of open government, and that he expected public service chief executives to uphold this principle.

We attended multiple workshops where opportunities for improvements in Open Government were identified, categorised and prioritised into a list of 19 possible commitments. As part of the co-creation process, CSOs have prepared draft detailed statements of the key commitments. We are hopeful that government entities will give their support when NAP4 is approved by cabinet, and formally submitted to the Open Government Partnership by December 2022. Our team on the OGP was Laurence Millar and Julie Haggie.



Advocacy on Whistleblowing



In October 2021 TINZ and the Honest Bunch Foundation co-hosted a webinar on the topic of 'Speak up Safely'. This was attended by over 100 participants. The webinar looked at good and bad speak up practice from an integrity and trust perspective and how to meet the demands of our ever changing and social media savvy work audience. Debbie Gee chaired the event, and speakers were Kyle Welch from George Washington University, Georgia Bates from Minter Ellison Rudd Watts and Hadyn Smith, CEO, Integrity Line. Chelsea Cain was on tech.

TINZ also commented on the passing of the Protected Disclosures Act. It has some positive elements but could have provided more protection for whistleblowers including in the private sector.

Advocacy on Media Freedom

TINZ submitted on the Ministry of Justice proposals against the incitement of hate and discrimination. We also queried the 'strings attached' approach of government public media funding.

³ Te Kawa Mataaho is the Public Service Commission, previously the State Services Commission, responsible for leadership of the development of the National Action Plan.

BUILD COMMUNITY LEADERSHIP AGAINST CORRUPTION

Our aim has been to work with other organisations on common issues and strengthen each other's understanding and position through mutual sharing and activity. This strengthens communities generally. This includes our work with Pacific chapters and colleagues. TINZ Team members working on this included the CEO, Gillian Greer, Debbie Gee and Claire Johnstone.

Global Corruption Barometer – Pacific – Advocacy

In November 2021 Transparency International global released its public survey of the views and experiences of 6000 Pacific citizens. TINZ was very active in hosting a launch event and enabling advocacy opportunities across Pacific and local networks.

The survey gives voice to Pacific Islanders themselves on their views and experiences of corruption in their countries and is both powerful and a credible tool to drive change. The first-ever Pacific Corruption Barometer was conducted in ten Pacific countries and territories. Over 6,000 people were interviewed in the Federated States of Micronesia, Fiji, French Polynesia, Kiribati, New Caledonia, Papua New Guinea, Samoa, Solomon Islands, Tonga and Vanuatu. The survey covered adult men and women of all ages and socio-

economic backgrounds, using quota sampling based on national population parameters.

Key findings were that:

- Corruption is frequently a problem in both government and business throughout the Pacific
- Many government-business relationships lack integrity
- Corrupt officials often go unpunished
- Corruption in public services is common
- Uneven access to public services drives corruption
- Political integrity is low, particularly around elections
- Sexual extortion – or sextortion – is a very concerning issue
- People support their Governments' anti corruption efforts



- Citizens believe they can help stop corruption
- While there are common findings across the Pacific, it is also noteworthy that the survey results vary substantially between countries.
- The report was published on November 16th and is publicly available on the Transparency International website: <https://www.transparency.org/en/gcb>. A further report on seven further Pacific islands not included in the survey report is planned for publication in 2023.

Paper on Civil society value

TINZ completed an action from a small 2020 grant from the Ministry of Foreign Affairs & Trade to develop a paper on the contribution made by Pacific civil society organisations to anti-corruption efforts. TI Pacific chapters contributed to the paper.

Paper on National Integrity System Assessment for small Pacific nations

TINZ and Integrity Fiji also completed a discussion paper on National Integrity System Assessments for Small Island nations. This considered the possibility of applying a 'functions' model where one state agency may hold several integrity functions, or where there are important local governance models that work alongside those run by the public sector.

Achievement: Integrity Fiji in the Corruption Perceptions Index.

In 2022 Fiji was included in the Corruption Perceptions Index for the first time since 2001. To be included in the CPI countries need to be covered by three of the 13 contributing surveys of the CPI. TINZ actively pursued the specific contributory sources of the Corruption Perceptions Index, and Fiji is now covered by three sources.

Collaboration and Presentations

We had great collaborations with many organisations during the year. Most notably:

- TI Global: July 8, 2021, TI Global briefing to TINZ members
- TI Regional and GOPAC Regional: presentation on Corruption Barometer: Pacific
- Crimestoppers: Whistleblowing Webinar with international speaker
- Employers and Manufacturers Association: EMA Presentation
- Modern Day Slavery.
- Multiple CSOs on Open Government Partnership, also OGP Global.
- Transparency International Taiwan: Presentation on to Taiwan government/military on Government Defence Index.





Newsletters, Website Use

During the period covered by the report TINZ published 12 Transparency Times to the website. This consisted of 105 articles. We have a newsletter email distribution to around 2350, with a net gain of over 500 sign ups during the year. Articles are also promoted in social media which promotes connection back to our website. We know that the newsletter contributes to our messaging because 38% of our web traffic goes to newsletter content and both open rate and click through rates are on the rise.

Steve Snively was, again, our marvellous newsletter editor. During the year we have aimed to have content more focussed on our strategic areas. Our website received 28,000 page views. Our analysis of website viewing is not in depth but we know what just over half of visitors to our website are New Zealand based and the age range 40% above 45, 50% are between 25 and 44 and 13% are younger than 25.

We had many fantastic articles from colleagues, volunteers and guests. A few stars were:

Integrity in Tennis by Marcus Daniell, August 2021

Guest author and Olympic Bronze Medal Winner, Marcus Daniell discussed the pressure placed on tennis players to cheat and the importance of individual integrity on the part of athletes.

TINZ project has boosted Integrity Fiji's anti-corruption work, September 2021

Joseph Veramu, from Civic Leaders for Clean Transactions Integrity Fiji. Joseph talked about working with Transparency International New Zealand in the development of the South Pacific Outreach Project.

The government's distrust of our right to know, February 2022, Andrew Ecclestone, Deputy Chair, NZ Council for Civil Liberties.
From the perspective of judging a government's commitment to openness, the signal is that there is no policy coherence between stated intent and reality.

Corruption fuels conflict, March 2022. Anne Tolley, Chair of TINZ.
The West can no longer allow its financial systems to enable dirty money flows around the globe.

You can't stop money flows you don't know about, March 2022, Adam Hunt, TINZ Director.
Organisations around the world are scrambling to quickly identify customers recently added to sanctions lists. They are discovering just how challenging this is through the jungle of opaque ownership.

What's driving the Distrust of Media? By Alan McDonald, TINZ Director, April 2022
The often toxic environment of social media and fake news needs to be countered by a trusted media. Perceptions of government influence on those outlets should not be part of the conversation.

Social Media
We were particularly successful in marketing of the Corruption Perceptions Index result and our Money Laundering Research report, our social media channels had steady growth during the year. Thanks to Chelsea Cain who also gave great support to Integrity Fiji to help them with their social media campaigning and story telling.

TINZ Submissions in the year to 30 June 2022.

- Submission on the Independent Person Protocol (to consider complaints about parliamentary behaviour)
- Consultation on Political Party Donations
- Open Government Partnership Independent Reporting Mechanism transitional report, & OGP National Action Plan 4 submissions
- Proposals for establishing an independent Inspector-General of Defence in New Zealand
- AML-CFT Legislation review
- Proposals against incitement of hatred and discrimination
- Māori electoral option proposals

Suzanne Snively Scholarship

In 2021 Danika Hotham was the inaugural recipient of the TINZ Victoria University Scholarship, in honour of the immediate past Chair, Suzanne Snively. Danika contributed to our work by interviewing Ruth Liloqula from Transparency International and Joseph Veramu from Transparency Fiji. She acknowledged the insight she gained from interviews with Ruth and Joseph into the real experiences of civil society on the ground, as she wrote her paper *International Influence of Pacific Civil Society: Channels and Barriers*, which contributed to her contribution to her research project related *Politics, State and Society in the Pacific Islands*. As we headed towards the end of this financial year, the process was well underway to appoint the second scholarship recipient.

02

**OUR
PEOPLE**



BOARD OF DIRECTORS AS AT 30 SEPTEMBER 2022



*Anne Tolley
(Chairperson)*



*Brendon Wilson
(Deputy Chair,
Chair, Personnel Committee)*



*Karen Coutts
(Chair, Māori Caucus)*



*Ann Webster
(Chair, Audit & Risk)*



*Luke Qin
(Treasurer)*



Peter Kelly



Tod Cooper



Gillilan Greer



John Hall



Alan McDonald



Adam Hunt



Debbie Gee

Others who served as Directors during this financial year were:

Stephanie Hopkins.

PERSONNEL AS AT 30 SEPTEMBER 2022



*Julie Haggie,
CEO*



*Anne Gilbert,
Public Sector Integrity
Manager*



*Steve Snively,
Co-editor newsletter
& Website manager*



*Chelsea Cain,
Contract Social media
& Project support*



*Liat Gush,
Finance &
Memberships Officer*

Members with Delegated Authority at 30 September 2022

Mark Bennett, Liz Brown, Fuimaono Tuiasau, James Bushell, Tim Downes, Debbie Gee, Gillian Greer, Claire Johnstone, Declan Mordaunt, Laurence Millar, Lexi Mills, Anna Muir, Mark Nicholas, Teresa Thorp, Rae Julian, Michelle Gauler, Dan Wildy, Andrew Hunt, Ellie McKenzie

Life Members

Dame Suzanne Snively ONZM, Murray Petrie, Sir Anand Satyanand, Hugh Templeton, Claire Johnstone, Stephanie Hopkins, Lyn Provost

Others providing expert support during the year:

Jane Mitson (*Returning Officer and member Ethics Committee*), Karin Lasthuizen, *member Ethics Committee*, Len Cook, Ash Johnstone, Helen Bewley

AFFILIATES AND SUPPORTERS

We value our affiliations, partnerships, and financial and pro bono supporters

Affiliates: Organisations with which TINZ has a formal Memorandum of Understanding



Central government organisations that provided project and mission support (financial or in kind) during the year.

Core Public Sector Funding is received from:



Other Public Sector Funding is received from



Business supporters (support in kind/pro bono)



Deloitte, ANZ Bank, Electra, Tai Shan Foundation, KPMG, Bell Gully, PWC, Google, Techsoup, Chapman Tripp, Russell McVeagh, NZ Story

Other collaboration and support

Victoria University of Wellington: School of Management, School of Government, Business School, and Institute for Governance and Policy Studies; University of Canterbury, Public Service Association, Internet NZ, Chartered Accountants of Australia & New Zealand, Employers and Manufacturers Association, many OGP civil society organisations, Massey University Centre for Defence & Security Studies Strategic Advisory Board, Centre for Countering Digital Hate, NZ Council for Civil Liberties

FINANCIAL REPORT

TINZ finished the year with a modest surplus and a positive, secure balance sheet.

We were fortunate to negotiate a longer term funding arrangement with five agencies, facilitated through the Ministry of Justice and Te Kawa Mataaho that was effective for the 2021-2022 financial year. While this resulted in some movement in the individual agencies that provide us support, we continue to work across the core public sector. Local government funding was not renewed during the year. We are working to demonstrate our specific benefit to local government integrity systems, and to other significant communities.

We also received project funding from Transparency International (global) to undertake the research on the connections between money laundering and corruption across the Pacific. This project slowed during 2021 due to COVID-19 impacts on the researchers and on those they needed to consult with. At the end of the financial year there was a portion remaining, and this will be spent on project advocacy in 2021-22 year, so is recognised as grants in advance.

The COVID pandemic generated delays to several projects and communications and reduced or delayed expenditure, on communications, FISA management and AGM costs.

03

FINANCIAL STATEMENTS

Entity Information

TRANSPARENCY INTERNATIONAL NZ INCORPORATED

for the year ended 30 June 2022



Legal Name of Entity: Transparency International NZ Incorporated

Type of Entity and Legal Basis: Incorporated Society and Registered Charity

Registration Number: Society # 1132910 Charities # CC32305

Entity's Purpose or Mission:

TINZ Mission: To foster a New Zealand culture where transparency, integrity, good governance and ethical standards and practices are core values of all New Zealanders

General Objectives of TINZ are:

- 1) to promote transparency, good governance and ethical practices in all sectors of society in New Zealand;
- 2) to promote ethical business practices by New Zealand business offshore, and transparency and good governance in our region;
- 3) to contribute to the international effort to reduce corruption and promote good governance and ethical business practices

Our Values are:

- 1) Integrity: We behave responsibly, acting honestly and ethically in everything we do
- 2) Courage: We act in accordance with our values even when it is hard to do
- 3) Transparency: We are visibly open and honest
- 4) Respect: We treat everyone with respect as we would like to be treated, acknowledging and valuing differences.

Entity Structure:

TINZ is an accredited chapter of Transparency International, an international movement of 100 countries, with headquarters in Berlin.

Board Structure: Our Rules require that the TINZ Board will consist of between 5 and 12 members, including a Chairperson and Deputy Chairperson. All Board members are volunteers. Lyn Provost is our current Patron. Other volunteers are TINZ members who have delegated authority for specific roles as approved by the Board members.

Operational Structure: Our operations are managed by our full-time Chief Executive - a paid position. Part-time contract staff support events, communications and finance/membership.

Main Sources of the Entity's Cash and Resources

Fundraising - Sustained efforts by our past TINZ Chairperson Suzanne Snively, our current Chair Anne Tolley, CEO Julie Haggie, Board members, Members with Delegated Authority and staff have helped maintain the financial assistance TINZ needs to continue to build a sustainable NZ Chapter. These efforts have taken the form of presentations to varied audiences, organisation of the public sector leader's integrity forums, support with Open Government Partnership work, media releases, engagement with Government departments and Parliamentarians and with Local Government representatives to engage and participate in projects.

Other income has come from membership fees, donations and event registrations.

Grant funding from Ministry of Foreign Affairs and Trade (MFAT) and from Transparency International Secretariat (TI-S) went towards research projects and assistance in the Pacific.

Entity Information

TRANSPARENCY INTERNATIONAL NZ INCORPORATED

for the year ended 30 June 2022

Entity's Reliance on Volunteers and Donated Services

TINZ relies on considerable volunteer time, expertise and donated services. The Board of Directors and the TINZ Patron with their many and varied experiences are unpaid for their work.

Members with delegated responsibility who contribute to the work done by TINZ including writing blog articles for TINZ newsletter, attending events and meetings, contributing their expertise to webinars, offering professional advice, expertise and research work also do most of this work on a voluntary basis.

Most of the events held by TINZ are organised by volunteers and in-kind support is also appreciated and relied on by TINZ. This includes the provision of rooms for meetings, for the AGM and for most of the events hosted by TINZ. Legal services including advice on the TINZ Rules and advice on supplier contracts have been provided on a pro-bono basis.

We continue to be especially grateful to the Office of the Auditor General for their support of the Leaders Integrity Forums.

Additional Information

1. In June 2020 a grant of \$95,000 was received from MFAT for TINZ to lead a joint TINZ/South Pacific civil society activity on anti corruption, integrity and transparency under the Pacific Enabling Fund. This project was extended and was fully completed, with all funding spent in February 2022.
2. The first tranche of a total \$117,000 grant was received from TI-Secretariat in April 2021 for research work on Money Laundering and its effect in the Pacific. This project has now been completed.

Contact details

Physical Address	TINZ does not have a physical office
Postal Address	PO Box 10123, Wellington 6140
Email/Website	admin@transparency.org.nz www.transparency.org.nz
Facebook	https://www.facebook.com/TINZ.org https://www.facebook.com/SouthPacificOutreach/
LinkedIn	https://www.linkedin.com/company/Transparency-international-new-zealand/
Twitter	@NZTransparency
Instagram	https://www.instagram.com/transparencynz/

Statement of Service Performance

TRANSPARENCY INTERNATIONAL NZ INCORPORATED

for the year ended 30 June 2022

OUTCOMES and OUTPUTS

Protect Public Resources and Value

Monitoring of procurement including that made under Emergency Conditions, and reporting where rules have not been met. Continuing advocacy for greater transparency of government procurement.

Monitoring of recommendations in TINZ National Integrity System Assessment 2018 Update.

Webinar on Modern Slavery, partnering with Brian Picot School of Ethical Leadership, Walkfree, World Vision

Partnering with Stats NZ on a programme focussed on Algorithmic Transparency.

Publication through events on the 2021 Pacific Corruption Barometer which reflects the views and experience of 6000 Pacific Island people.

Stop flows of dirty money

Publication of report on the nexus between money laundering and corruption across the Pacific.

Advocacy for open register of Beneficial Ownership including submission and advisory participation in FATF/AML review.

Advocacy with international colleagues on revised OECD Anti-Bribery Recommendation.

Advocacy on amendments to global anti money laundering standards.

Monitoring and reporting on New Zealand's global anti corruption commitments.

Secure integrity in politics and public sector

6 Public sector Leaders Integrity forums (co-hosted with the OAG) including online and blended forums, with average attendance of 70 attendees.

Strong advocacy and information on the Corruption Perceptions Index.

Concept development of the Transparency and Governance (TAG) learning resource for local government elected officials.

Secretariat support for the Global Organisation of Parliamentarians against Corruption (GOPAC).

Contribution (chapter review, and contact support) to the 2021 Edition for the New Zealand country report in the TI Government Defence Integrity Index, and publication of results.

Drive integrity into business

Progressing TINZ Financial Integrity System Assessment project, Self-Assessment launch, inclusion of benchmark questions, prep for release later in 2022.

Development of business integrity programme concept.

Expand civic space for accountability

Encouraging strong citizen engagement in OGP NAP4 consultation, and working closely with a group of civil society organisations to be part of the civil society response.

Webinar with Integrity Line on Speaking up Safely.

Attendance at External Advisory Group for NZ Centre for Defence and Security.

Nine Submissions on: Independent Person Protocol, on Political Donations, on OGP Independent Reporting Mechanism report, on establishment of Independent Inspector-General of Defence, on AML-CFT Legislation, on proposals against incitement of Hatred and Discrimination, on Māori Electoral Option, on OGP NAP4, and consultation on OAG integrity programme.

Build community leadership against corruption

Webinars on Procurement Transparency, on Speaking up Safely, on Modern Slavery and on the launch of our report on Corruption and Money-Laundering in the Pacific.

Active communications to extensive network. This includes a newsletter covering 105 articles with a focus on topics and themes, such COVID-19 response, procurement, data integrity, Pacific messages, anti-corruption activities. We include articles from affiliated organisations, government agency partners and subject matter experts. Our social media engagement is also steady.

TINZ/Integrity Fiji paper on Small Nation Risk Assessment completed.

Publication of a report on the contribution of civil society anti corruption organisations in the Pacific.

Close work with Integrity Fiji to assist their preparation for accreditation as a chapter of Transparency International, and success in Fiji being included in the Corruption Perceptions Index.

Media releases relating to Defence integrity Index, Anti corruption in the Pacific, & NZ topping the Corruption Perception Index.

Appointment of inaugural recipient of TINZ Scholarship, in honour of the immediate past Chairperson Suzanne Snively, working with her to include Pacific chapter views in her research.

Statement of Financial Performance

TRANSPARENCY INTERNATIONAL NZ INCORPORATED

for the year ended 30 June 2022

	Notes	Actual This Year \$	Budget This Year \$	Actual Last Year \$
Revenue				
Donations, fundraising and other similar revenue	1	320	2,600	1,340
Fees, subscriptions and other revenue from members	1	8,618	9,110	9,565
Revenue from providing goods or services	1	50,786	31,000	40,000
Public Sector Support: Operational Funding	1	295,000	275,000	237,174
Grant Revenue and TI-Secretariat Funding or Reimbursement	1	81,855	18,000	126,210
Interest, dividends and other investment revenue	1	1,359	600	1,409
Total Revenue		437,938	336,310	415,698
Expenses				
Expenses related to public fundraising	2	3,862	2,000	3,578
Volunteer and employee related costs	2	250,404	272,250	254,253
Costs related to providing goods or services	2	42,426	57,715	82,027
Grant Spending and Donations made	2	60,017		87,617
Total Expenses		356,709	331,965	427,475
Surplus/(Deficit) for the Year		81,229	4,345	(11,777)

Statement of Financial Position

TRANSPARENCY INTERNATIONAL NZ INCORPORATED

as at 30 June 2022

	Notes	Actual This Year \$	Actual Last Year \$
Assets			
Current Assets			
Bank accounts and cash	3	149,675	387,310
Investments	3	200,996	-
Debtors and prepayments	3	30,190	1,120
GST Receivable	3	962	-
Accrued Interest	3		24
Total Current Assets		381,823	388,454
Investments		-	-
Other non-current assets		-	-
Total Non-Current Assets		-	-
Total Assets		381,823	388,454
Liabilities			
Current Liabilities			
Creditors and accrued expenses	3	29,516	34,587
Grant Funding Received In Advance	3	12,257	32,681
Public Sector Funding Received in Advance	3	20,000	70,000
Other current liabilities - GST		-	12,365
Total Current Liabilities		61,773	149,633
Non-Current Liabilities			
Other non-current liabilities		-	-
Total Non-Current liabilities		-	-
Total Liabilities		61,773	149,633
Total Assets less Total Liabilities (Net Assets)		320,050	238,821
Accumulated Funds			
Accumulated surpluses or (deficits)	4	81,229	238,821
Total Accumulated Funds		320,050	238,821

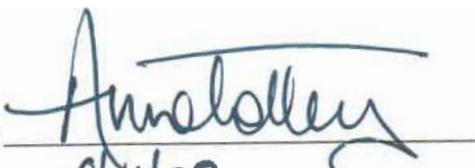
Statement of Cash Flows

TRANSPARENCY INTERNATIONAL NZ INCORPORATED

as at 30 June 2022

	Notes	Actual This Year \$	Actual Last Year \$
Cash Flows from Operating Activities			
Cash was received from:			
Donations, fundraising and other similar receipts		320	1,340
Fees, subscriptions and other receipts from members		8,340	9,108
Grants and TI-S reimbursement		61,431	64,006
Receipts from providing goods or services		786	65,000
Interest, dividends and other investment receipts		1,385	1,750
Public Sector Support: Operational Funding		270,000	178,913
Net GST		-	-
Cash was applied to:			
Payments to suppliers and employees		300,420	336,417
Donations or grants paid		60,017	87,617
Net GST		17,693	14,878
Net Cash Flows from Operating Activities		(35,870)	(118,796)
Cash flows from Investing and Financing Activities			
Cash was received from:			
Receipts from term deposits			28,932
Cash was applied to:			
Term Deposits		200,996	
Net Cash Flows from Investing and Financing Activities		(200,996)	28,932
Net Increase / (Decrease) in Cash		(236,866)	(89,864)
Opening Cash (includes credit card)		386,322	476,186
Closing Cash (includes credit card)		149,456	386,322
Closing cash is represented by:			
Bank Accounts and Cash	3	149,675	387,310
Visa Card	3	(219)	(988)
Total		149,456	386,322

Anne Tolley
Chair
Date:


9/11/22

Luke Qin
Board Member - Treasurer
Date:


09/11/2022

Statement of Accounting Policies

TRANSPARENCY INTERNATIONAL NZ INCORPORATED

for the year ended 30 June 2022

Basis of Preparation

Transparency International NZ Inc has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

Changes in Accounting Policies

There have been no changes in accounting policies.

Income Tax

The entity is exempt from income tax under section CW42(1)(a) of the Income Tax Act 2007. The entity has been granted tax exempt status and is registered as a charity under the Charities Act 2005.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Revenue Recognition

Revenue is accounted for as follows:

Donations, fundraising, grants and similar revenue

Donations are voluntary transfers of assets, including cash, goods in-kind and services in-kind that Transparency International NZ Inc. receives which are free from stipulations. Donations are recognised as revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably. This is usually upon receipt of the donation.

Public Sector Funding received as support for TINZ operational costs is accounted for on an accruals basis and accounted for in accordance with the substance of the transaction. If the support received is substantive, the revenue will be allocated against operational expenses over the period of the support, usually a year. If received prior to the period for which funding is intended, income will initially be recorded as a liability on receipt. The income is then subsequently recognised within the Statement of Financial Performance for the financial year to which it applies.

Grant income is accounted for depending on whether or not it has a 'use or return' condition attached. Where no use or return conditions are attached, the revenue is recorded as income when the cash is received, or on invoice date if an invoice has been raised. Where income includes a use or return condition, it is initially recorded as a liability on receipt. The income is then subsequently recognised within the Statement of Financial Performance as the performance conditions are met.

Membership Income

Membership fees are recorded as revenue in full when the annual renewal invoice is issued. If a membership is cancelled, the invoice will be made void or a credit issued on cancellation.

Revenue from Providing Services - Events, Training and Local Government Support

Fees for events, training and forums are generally recorded as revenue when the event takes place. Revenue received from Local Government agencies is recognised in full on invoice date.

Interest Income

Interest income is recognised on an accruals basis.

Notes to the Performance Report

TRANSPARENCY INTERNATIONAL NZ INCORPORATED

for the year ended 30 June 2022

Note 1 : Analysis of Revenue			
Revenue Item	Analysis	This Year \$	Last Year \$
Donations, fundraising and other similar revenue	Donations used for current operations	320	1,340
	Total	320	1,340
Revenue Item	Analysis	This Year \$	Last Year \$
Fees, subscriptions and other revenue from members	Fees and subscriptions from members	8,618	9,565
	Total	8,618	9,565
Revenue Item	Analysis	This Year \$	Last Year \$
Revenue from providing goods or services	Revenue from grants or contracts for service with local government	-	40,000
	Revenue from events	-	-
	Speaking engagements	786	-
	Revenue from grants or contracts for service with central government	-	-
	FISA Online Assessment Tool Support	50,000	-
	Total	50,786	40,000
Revenue Item	Analysis	This Year \$	Last Year \$
Public Sector Support: Operational Funding	PSC and Participating Agencies Funding Agreement	250,000	152,174
	Other Public Sector support	45,000	85,000
	Total	295,000	237,174
Revenue Item	Analysis	This Year \$	Last Year \$
Other revenue: Grants and TI-S Funding	Transparency International Secretariat reimbursement of AMM	-	-
	MFAT Funded Projects: Pacific Enabling Fund	16,383	78,617
	TI Secretariat: IPP STRONGG Pacific Project	65,472	45,450
	Transparency International Secretariat: Other Projects	-	2,143
	Total	81,855	126,210
Revenue Item	Analysis	This Year \$	Last Year \$
Interest and other investment revenue	Interest	1,359	1,409
	Total	1,359	1,409

In addition to the donations recorded in the financial reports, pro-bono legal fees and services were provided by Gibson Sheat

Notes to the Performance Report

TRANSPARENCY INTERNATIONAL NZ INCORPORATED

for the year ended 30 June 2022

Note 2 : Analysis of Expenses

Expense Item	Analysis	This Year \$	Last Year \$
Expenses related to public fundraising	Promotional Material	3,862	2,807
	General fundraising costs (excl travel and admin costs)		771
	Total	3,862	3,578

Expense Item	Analysis	This Year \$	Last Year \$
Volunteer and employee related costs	Administration Officer	-	838
	Administration Support: Fundraising	-	4,663
	Communicatons Support staff	24,100	25,600
	Executive Officer	170,004	170,003
	Finance Officer	21,635	16,065
	Newsletter Co-Editor	3,400	7,280
	Public Sector Project Manager	31,200	27,390
	Recruitment Costs	65	-
	Social Media and Research Project Manager	-	2,415
	Total	250,404	254,254

Expense Item	Analysis	This Year \$	Last Year \$
Costs related to providing goods or services	Administration and overhead costs	23,834	51,286
	Audit Fee	4,150	4,050
	Research Project costs: FISA and NIS	14,442	26,691
	Total	42,426	82,027

Expense Item	Analysis	This Year \$	Last Year \$
Grants and donations made	MFAT Grant: Management and TINZ administration costs	-	-
	MFAT PEF Pacific Chapter distributions and expenses	5,000	13,000
	MFAT PEF Project Contractor Expenses	5,546	34,167
	TI-S IPP STRONGG Project Contractor Expenses	47,471	40,450
	Suzanne Snively Scholarsip	2,000	-
	Total	60,017	87,617

Notes to the Performance Report

TRANSPARENCY INTERNATIONAL NZ INCORPORATED

for the year ended 30 June 2022

Note 3 : Analysis of Assets and Liabilities

Asset Item	Analysis	This Year	Last Year
		\$	\$
Bank accounts and cash	ANZ Current account balances	63,665	86,694
	ANZ Savings account balance	85,668	300,370
	ANZ Term Deposits (less than 90 days)	-	-
	Petty Cash	242	246
	Total	149,575	387,310

Asset Item	Analysis	This Year	Last Year
		\$	\$
Investments	ANZ Term Deposits	200,996	-
	Total	200,996	-

Asset Item	Analysis	\$	\$
Debtors and prepayments	Accounts receivable	30,190	1,120
	Total	30,190	1,120

Asset Item	Analysis	This Year	This Year
		\$	\$
Other current assets	Accrued Interest	-	24
	Total	-	24

Liability Item	Analysis	This Year	Last Year
		\$	\$
Creditors and accrued expenses	Trade and other payables	25,147	29,549
	Accrued expenses	4,150	4,050
	GST Payable	-	12,365
	ANZ Visa Card	219	988
	Total	29,516	46,952

Liability Item	Analysis	This Year	Last Year
		\$	\$
Grant Funding Received In Advance	MFAT Grant Received in Advance: PEF Pacific Project	-	16,383
	TI-S Grant Funding Received in Advance: Pacific	12,257	16,298
	Total	12,257	32,681

Liability Item	Analysis	This Year	Last Year
		\$	\$
Public Sector Funding in Advance	Public Sector Funding in Advance	20,000	70,000
	SSC and Participating Agencies Funding	-	-
	Total	20,000	70,000

Notes to the Performance Report

TRANSPARENCY INTERNATIONAL NZ INCORPORATED

for the year ended 30 June 2022

Additional Notes

Note 4: Accumulated Funds

Description	Capital Contributed by Owners or Members	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	-	238,821	-	238,821
Surplus/(Deficit)	-	81,229	-	81,229
Closing Balance	-	320,050	-	320,050

Note 5: Goods or Services Provided to the Entity in Kind

Description - only some of the in-kind support providers are listed

OAG Partnership with TINZ for LIF events

VUW Brian Picot Chair, event collaboration

Grant Thornton, meeting room use

Speaker and Louisa Wall provision of AGM event space

Gibson Sheat provision of legal services

Motif Agency support with social media

Techsoup for free use of Google services

FISA Support - Bernie McKendry, Cameron Smith (Omni Risk), Forsyth Barr, Lowndes and others.

Financial Donations >\$5000 - Thank You

Past Donors

Electra

Tai Shan Foundation

Note 6: Related Party Transactions

Description	Description (cash or amount in kind)	This year	Last year
TI -Secretariat	Grant Funding	65,472	42,593
MoreMedia	Executive Assistant Services	-	4,663
Steve Snively	Communications Support Staff	-	25,600

Note 7: Related Party Disclosures:

Transparency International New Zealand Inc. is an accredited chapter of Transparency International which has its Secretariat in Berlin. Transparency International Secretariat (TI-S) provided grant funding to allow research work on Money-Laundering and its effect in the Pacific. Two additional small grants allowed work on (1) Exporting Corruption NZ Chapter case and on (2) Online Political Advertising research. Related party transactions last year both were connected to Suzanne Snively, chair of Transparency International NZ until January 2021. While TINZ still transacts with MoreMedia and Steve Snively, in the normal course of business, these are no longer a related party transaction.

Note 8: Events After the Balance Date:

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (Last year - nil).

Note 9: Commitments and Contingent Liabilities

There are no commitments or contingent liabilities at balance date (Last year - nil).

Independent auditor's report

To the Members of Transparency International New Zealand Incorporated

Opinion

We have audited the accompanying performance report of Transparency International New Zealand Incorporated on pages 5 to 12 which comprises the statement of financial performance and statement of cash flows for the year ended 30 June 2022, the statement of financial position as at 30 June 2022, and the statement of accounting policies and notes to the performance report.

In our opinion:

- a) the accompanying performance report presents fairly, in all material respects:
- the financial position of Transparency International New Zealand Incorporated as at 30 June 2022, and its financial performance, and cash flows for the year then ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the performance report' section of our report.

We are independent of Transparency International New Zealand Incorporated in accordance with Professional and Ethical Standard 1 (Revised) 'Code of ethics for assurance practitioners' issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other than our capacity as auditor we have no relationship with, or interests in, Transparency International New Zealand Incorporated.

Other information

The Board are responsible for the other information. The other information obtained at the date of this auditor's report is the entity information and statement of service performance, but does not include the statement of financial performance, statement of cash flows, statement of financial position, the statement of accounting policies and notes to the performance report, and our auditor's report thereon.

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

In connection with our audit of the performance report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the statements audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

Board's responsibilities for the performance report

The Board are responsible for:

- a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance
- b) the preparation and fair presentation of the performance report on behalf of Transparency International New Zealand Incorporated which comprises:
 - the entity information
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board, and
- c) for such internal control as the Board determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Board are responsible on behalf of Transparency International New Zealand Incorporated's for assessing Transparency International New Zealand Incorporated's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate Transparency International New Zealand Incorporated or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the performance report

Our objectives are to obtain reasonable assurance about whether the performance report 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 conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the performance report.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, 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.
- 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 Transparency International New Zealand Incorporated's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Transparency International New Zealand Incorporated'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 performance report 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 Transparency International New Zealand Incorporated to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.

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

This report is made solely to the members of Transparency International New Zealand Incorporated. Our audit has been undertaken so that we might state to the members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members, for our audit work, for this report, or for the opinions we have formed.

Moore Markhams

Moore Markhams Wellington Audit | Qualified Auditors, Wellington, New Zealand
9 November 2022

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