

2024/2025

Annual Report

Pūrongo ā-tau



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



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o te Karauna**
Crown Law

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

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Solicitor-General's foreword

I am pleased to report that Crown Law continued to provide high-quality legal services and to perform all our functions diligently throughout 2024/25, serving New Zealand by supporting government to operate lawfully.

Our new strategic priorities

This is the first report against our new strategic intentions, published in February 2025, and the three strategic priorities we set for ourselves.

Our strategic priorities reflect our focus on our core functions and responsibilities.

Leading with a system view: Crown Law leads the Government Legal Network and the Crown Solicitors Network and is a key member of the justice sector. To lead well, deliver effectively and maintain public trust, we need to think about the whole system – not just our part. That means understanding what has happened before, what's coming next and what others are doing or experiencing.

Delivering right sized, timely services that meet government needs: It is critically important that we understand what it is our clients across government need and want from us. This does not mean rubber stamping but rather listening and understanding in order to support lawful operations.

Sustaining core services and capabilities: Much of our role is work that only Crown Law is mandated and resourced to deliver. We must be confident in our ability to continue performing this core function. To achieve that, we need to ensure that our people, processes, policies and tools are all fit for purpose.

Doing our core business well

A key focus for the year was delivering our core business well – starting with a clear understanding of what that business is and where Crown Law can provide the greatest value to New Zealand by doing what only we can do. Through this work, we identified opportunities to improve and we designed and tested several new initiatives that set us up well for further progress in 2025/26. We have also drawn lessons from the past – both successes and challenges.

At Crown Law, we wear many hats. We are part of the legal profession, the public service, the justice system and the executive, balancing the need to collaborate with the importance of independence. This can be a difficult path to walk, which is why that understanding of our core functions and what we prioritise is so important.

Legal services remain our primary reason for existing, whether advice or representation. Crown Law counsel appear in courts and tribunals at all levels and around New Zealand. We advise Ministers, senior officials and other decision makers on a wide range of important matters, whether policy development or operational decision making. There continues to be high demand for our services, and I thank all those agencies who work with us.

Looking back to go forward

This year, we also marked 150 years of a Crown Law Office supporting the independent Solicitor-General, which began on 31 March

1875. We marked the occasion in March 2025, and in June 2025, Her Excellency The Right Honourable Dame Cindy Kiro, Governor-General of New Zealand, hosted a celebration at Government House that brought together past and present Crown Law employees as well as former Solicitors-General.

This anniversary has been an opportunity for me to reflect as both Solicitor-General and Chief Executive of Crown Law about the role of these institutions and how, even though the ways we work may evolve rapidly, what we do does not.

Survivors of abuse in state care

In November 2024, I publicly apologised for Crown Law's failure to treat all survivors of abuse in state care with the dignity they deserved. The Royal Commission of Inquiry into Historical Abuse in State Care and the Care of Faith-based Institutions brought home the lessons of how legal processes can impact on survivors. I heard the challenge of survivors and have promised them we will do better.

That work is underway and will continue. We have also made changes to the way we conduct historical abuse litigation. We are committed to be more compassionate than we have been in the past. In all our work we strive to remember that there are people's lives at the heart of our files.

Acknowledgements

Crown Law is an organisation that relies heavily on good people and having them in the right roles. We also started and ended this financial year with structural change and the disestablishment of some positions. I acknowledge those colleagues who have left us as a result.

As always, I would like to thank everyone working at Crown Law for your professionalism, your commitment to our core legal work and for continuing to be fantastic people. The work we do can be tough, but to do it alongside you all is a privilege and a pleasure.



Una Jagose KC

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

Te Kupu Whakataki a te Rōia Mātāmua o te Karauna

E pai ana au ki te pūrongo atu i te tuku tonu a Te Tari Ture o te Karauna i ngā ratonga ture kouna, me te whakatutuki pukumahi tonu i ā mātou mahi katoa puta noa i te tau 2024/25, e whakarato nei i a Aotearoa mā te tautoko i te kāwanatanga ki te mahi i āna mahi e ai ki te ture.

Ā mātou whakaarotau rautaki hou

Koinei te pūrongo tuatahi ki ā mātou Takune Rautaki hou, i whakaputaina i te Pēpuere i te tau 2025, ki ngā whakaarotau rautaki e toru nā mātou anō i whakatakoto.

E whakaaturia ana e ā mātou whakaarotau rautaki tō mātou aronga ki ā mātou mahi matua, ki ā mātou haepapa matua.

Te ārahi ki te tirohanga ā-pūnaha: Ka arahina e Te Tari Ture o te Karauna te Kōtuitui Ture Kāwanatanga me te Kōtuitui Rōia Karauna, ā, he mema matua hoki o te rāngai tika. Kia pai ai te ārahi, te tuku, me te pupuri i te whakawhirinaki tūmatanui, me whakaaro e tātou te pūnaha katoa – kua ko tō mātou wāhanga anake. Ko te tikanga o tērā ko te mārama ki ngā āhuatanga i pā i mua, ki ngā āhuatanga e heke mai ana, ki ngā mahi, ki ngā wheako rānei o ētahi atu hoki.

Te tuku i ngā ratonga e tika ana te rahi me te wā e whakatutukihia ai ngā hiahia o te kāwanatanga: He mea tino waiwai kia mārama tātou ki ngā hiahia, ki ngā tūmanako ki a mātou o ā mātou kiritaki puta noa i te kāwanatanga. Ehara tēnei i te whakaae noa, engari kē ia ko te whakarongo me te mārama kia tautoko ai i ngā mahi tika ā-ture.

Te tautīnei i ngā ratonga me ngā āheinga matua: Ko te nuinga o tā mātou mahi ko Te Tari Ture o te Karauna anake e whakamanatia ana, e whai rawa ana hei tuku atu. Me māia mātou ki tō mātou āheinga ki te whakatutuki tonu i tēnei mahi matua. E whakatutukihia ai tērā, me mātua whakarite e mātou e tika ana ā mātou tāngata, tukanga, kaupapa here, taputapu hoki mō te take.

Te mahi pai i tā mātou mahi matua

Ko tētahi aronga matua o te tau ko te tuku pai i tā mātou mahi matua – i tīmata nei ki te māramatanga pūrangiaho o te āhua o taua mahi, i ngā wāhi e taea ana e Te Tari Ture o te Karauna te tuku i te uara tino nui ki a Aotearoa mā te mahi i ngā mahi e taea ana e mātou anake. Nā tēnei mahi, i tautohu mātou i ngā ara wātea ki te whakapai ake, ā, nā mātou ētahi kaupapa hou i hoahoa, i whakamātau hoki e takatū pai ai mātou mō te kokenga atu anō ā te tau 2025/26. Kua ako hoki mātou i ngā akoranga o mua – i ngā angitu, i ngā wero anō hoki.

I Te Tari Ture o te Karauna, he maha ā mātou pōtae. He wāhanga mātou o te umanga ture, o te ratonga tūmatanui, o te pūnaha tika, o te taha whakahaere hoki, e whakataurite nei i te hiahia ki te mahi ngātahi i te hiranga o te motuhaketanga. He uaua pea tēnei ara hei hīkoi, koinei i hira ai taua māramatanga ki ā mātou mahi matua, ki ngā mahi ka noho hei whakaarotau ki a mātou hoki.

Ko ngā ratonga ā-ture tonu te take matua e tū nei mātou, ahakoa hei tohutohu atu, ahakoa hei māngai rānei. Tū ai ngā rōia o Te Tari Ture o te Karauna i ngā kōti, i ngā taraipiunara i ngā taumata katoa huri noa i Aotearoa. E tohutohu ana mātou i ngā Minita, i ngā āpiha matua, me ētahi atu kaiwhakatau mō te whānuitanga o ngā kaupapa hira, ahakoa ko te whanaketanga kaupapa here tērā, ko te whakatau take ā-mahi rānei tērā. He nui tonu te hiahia ki ā mātou ratonga, ā, e mihi ana au ki ngā tari katoa e mahi tahi nei ki a mātou.

Te titiro whakamuri ki te haere whakamua

Ko tēnei tau hoki te tau 150 o tētahi Tari Ture o te Karauna e tautoko ana i te Rōia Mātāmua o te Karauna motuhake, i tīmata ai i te 31 o Māehe i te tau 1875. I whakanuia taua wā i te Māehe, ā, i te Hune nā Tōna Hiranga, te Hōnore Kahurangi Cindy Kiro, nā te Kāwana-Tianara o Aotearoa tētahi whakanui i manaaki i Government House i whakemi ai i ngā kaimahi a Te Tari Ture o te Kāwanatanga nō mua, nō nāianei hoki, tae atu ki ngā Rōia Mātāmua o te Karauna hoki.

He ara wātea taua huritau kia huritao ahau hei Rōia Mātāmua o te Karauna, hei Tumu Whakarae o Te Tari Ture o te Kāwanatanga hoki mō te wāhi kei ēnei whakahaere, ā, ahakoa ka tere whanake mai ngā āhua o tā mātou mahi, kāore i te pērā ngā mahi e mahia ana e mātou.

Ngā mōrehu o te tūkinotanga i te tiakanga kāwanatanga

I te Noema i te tau 2024, nāku i whakapāha tūmatanui mō te korenga nō Te Tari Ture o te Karauna ki te aro atu ki ngā mōrehu katoa o te tūkinotanga i te tiakanga kāwanatanga i runga i te whakarangatira me whai ka tika. Nā te Kōmihana Uiui a Te Karauna mō te Tūkinotanga i te Wā Tiaki e te Kāwanatanga me ngā Whakanōhanga Pūtake-whakapono i

whakaū mai ngā akoranga mō te āhua o te pā a ngā tukanga ā-ture ki ngā mōrehu. I rongo ahau i te wero a ngā mōrehu, ā, kua kī taurangi atu au ki a rātou ka pai ake tā mātou.

Kei te haere kē taua mahi, ā, ka haere tonu ake. Kua whakarerekētia hoki e mātou te āhua o tā mātou whakahaere i ngā mahi kōti mō te tūkinotanga ā-hītori. E ū ana mātou kia nui ake te āroharoha i tērā o mua. I roto i ā mātou mahi katoa e whai ana mātou ki te maumahara ko ngā ao o ngā tāngata kei te ngako o ā mātou kōnae.

Ngā Mihi

Ko te Tari Ture o te Karauna ko tētahi whakahaere he kaha te whirinaki atu ki ngā tāngata pai, me te whai i aua tāngata ki ngā tūnga tika. I tīmata, i mutu hoki tēnei tau amuhoni ki te huringa ā-hanga, me te whakakorenga o ētahi tūnga. E mihi ana au ki ērā hoamahi kua wehe nei i a mātou hei hua o tērā.

Kei te hiahia anō au ki te mihi atu ki ngā tāngata katoa e mahi nei i Te Tari Ture o te Karauna mō tō koutou ngaio, mō tō koutou ūnga ki tā tātou mahi ā-ture matua, mō te tū tonu mai hei tāngata rawe. He taumaha pea tā tātou mahi, heoi he whiwhi painga, he pārekareka hoki te mahi i taua mahi i tō koutou taha.



Una Jagose KC

Rōia Mātāmua o te Karauna me te Tumu Whakarae

Statement of responsibility

Tauākī haepapa

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.
- the forecast financial statements fairly reflect the forecast financial position of Crown Law as at 30 June 2026 and its operations for the year ended on that date



Una Jagose KC

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

30 September 2025

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 2025 and its operations for the year ended on that date

Who we are and what we do

Ko wai mātou, he aha tā mātou mahi

Trusted legal advisors to the New Zealand Government since 1875.

The Crown Law Office has provided independent legal advice and representation to the New Zealand Government for 150 years.

Crown Law has two primary roles in providing these services.

- To ensure that the operations and responsibilities of executive government are conducted lawfully.
- To ensure that the government is not prevented, through legal process, from lawfully implementing its chosen policies and discharging its governmental responsibilities.

Law officers of the Crown

By long tradition the Crown has appointed two Law Officers to represent its interest in the courts. The offices of Attorney-General and Solicitor-General retain the responsibility of being the principal legal advisers to the government and representatives in court.

The Attorney-General

The Attorney-General has two roles in government. The Attorney-General is:

- the senior Law Officer of the Crown with principal responsibility for the government's administration of the law. This function is exercised in conjunction with the Solicitor-General, who is the junior Law Officer

- a Minister of the Crown with ministerial responsibility for the Crown Law Office.

The Solicitor-General

The Solicitor-General holds office as an official of government and is also the Chief Executive of the Crown Law Office. The Solicitor-General is:

- the government's chief legal advisor and advocate in the courts, subject only to overarching authority of the Attorney-General
- responsible for the prosecution of criminal jury trials and the conduct of criminal appeals.

The Crown Law Office

Crown Law supports the Attorney-General and the Solicitor-General to fulfil their constitutional responsibilities as Law Officers of the Crown. We do this by:

- leading the government legal profession
- overseeing public prosecutions
- providing legal services to government.

Leading the government legal profession

The Solicitor-General is the professional head of more than 900 government lawyers, comprising the Government Legal Network – a collaborative initiative by departmental Chief Legal Advisors and the Solicitor-General

to promote across-government collaboration in delivery of legal services to the Crown. A networked approach enhances the Crown's legal capability and facilitates the Law Officers' constitutional functions.

Overseeing public prosecutions

Crown Law assists the Solicitor-General's oversight of public prosecutions and administers the network of Crown Solicitors. Crown Solicitors are funded through a capped bulk funding model. For non-Crown prosecutions, Crown Law maintains the In-House Public Prosecutors classification framework, which determines the level of experience needed to conduct prosecutions. We also carry out quality assurance reviews of Crown Solicitors and for prosecuting agencies.

Providing legal services to government

Crown Law provides legal advice and representation services to government in matters affecting the Crown, particularly in the areas of criminal, public and administrative law. Crown Law's focus is on core Crown legal work – essentially, the core legal work for which the Attorney-General and Solicitor-General are constitutionally responsible – and how that work is to be conducted.

Who we work with

We work with a wide range of agencies and stakeholders to help achieve our strategic priorities, including:

- the Law Officers (Attorney-General and Solicitor-General)
- Parliamentary Counsel Office
- public sector agencies that we represent and to which we provide legal advice
- Government Legal Network
- the network of Crown Solicitors.

We also work with our partners in the justice sector to deliver accessible justice services for all New Zealanders.

Our strategic intentions Ā mātou takune rautaki

We have three strategic priorities:

- Leading with a system view.
- Delivering right-sized timely services that meet Government needs.
- Sustaining core services and capabilities.

Our strategic priorities are the areas where we are focusing our resources and investment in the short to medium term so that we continue to deliver our functions to a very high standard and achieve our purpose.

Although we discuss our priorities separately, our priorities have significant overlap and dependency in both delivery and timing of objectives.

Strategic Intentions 2024-29



OUR PURPOSE

We serve New Zealand by supporting government to operate lawfully

OUR FUNCTIONS

- Supporting the Law Officers of the Crown
- Leading the government legal profession
- Overseeing public prosecutions
- Providing legal services to government

OUR PRIORITIES

Leading with a
system view

Delivering
right sized, timely
services that meet
government
needs

Sustaining
core services
and capabilities

OUR VALUES

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

Our long-term indicators

We use the three indicators below from the World Justice Project Rule of Law Index¹ to track how we are achieving our purpose. Crown Law is one of many institutions that contribute to the rule of law in New Zealand. We expect

to see New Zealand's score and ranking in the index to remain stable in the medium to long term. In the latest Rule of Law Index, which was released in October 2024, New Zealand's global rank improved for two of the three indicators that we track.

World Justice Project Rule of Law Index - NZ ranking for selected factors

	2019	2020	2021	2022	2023	2024
Overall index score						
Index score	0.82	0.83	0.83	0.83	0.83	0.83
Global rank	8/126	7/128	7/139	7/140	8/142	6/142
Government powers are effectively limited by the judiciary						
Index score	0.86	0.87	0.88	0.87	0.87	0.87
Global rank	4/126	4/128	4/139	4/140	4/142	4/142
Due process of the law and rights of the accused						
Index score	0.76	0.77	0.79	0.78	0.78	0.81
Global rank	15/126	15/128	14/139	15/140	15/142	11/142

¹ worldjusticeproject.org/rule-of-law-index/

Leading with a system view

Te ārahi ki te tirohanga ā-pūnaha

An important part of the Solicitor-General's role is providing leadership of government's legal system. To do this effectively, the Solicitor-General must take a system-wide view and draw on the expertise within the Government Legal Network (GLN) to deliver the best legal services in support of government. This focus underpins everything we do across the organisation.

Contributing to public confidence in law and order is also central to our work, through our oversight of public prosecutions and our conduct of criminal appeals. Crown warrants holders are held to high standards by both the profession and the public, and we work closely with all Crown Solicitors to support them in meeting those expectations.

Leadership of the Government Legal Network

The GLN is a collaborative initiative led by the Solicitor-General and Chief Legal Advisors from government departments. The Government Legal Services Strategy 2022-2026 outlines how the GLN can ensure quality government legal services that are timely, practical and proactive.

Training for government lawyers

Crown Law provided 35 hours of training to government lawyers, reducing departments' costs of compulsory professional development. This training was delivered to 1,200 attendees.

Highlights included:

- the GLN Conference 2025 which was attended by 570 lawyers. Topics included updates on recent legal decisions, discussions on social investment and responding to external scrutiny and a panel on government legal work
- training for new-to-government lawyers and legal training on the Treaty of Waitangi | te Tiriti o Waitangi
- a day of training and legal updates for Chief Legal Advisors from government departments
- seminars on current legal topics, including automated decision making and climate change cases.

GLN Graduate Programme

Crown Law supported the pipeline of government legal talent through the GLN Graduate Programme. The five successful applicants to the 2023/24 programme completed their first two placements in government legal teams. Some of them recently took up permanent legal roles in government, achieving the overall objective of the programme.

Implementing the Solicitor-General's Prosecution Guidelines

The new prosecution guidelines were published in December 2024, and prosecutors began using them from 1 January 2025. This project represented the most comprehensive update to the guidelines since 1992. The guidelines help ensure fair, objective decisions that consider all relevant factors, and are the key mechanism for promoting consistency across more than 40 prosecuting agencies.

Crown Law delivered a comprehensive training programme for all public prosecutors – both agency and Crown prosecutors – to support the implementation of the updated guidelines. In 2024/25, we ran nine training sessions covering different aspects of the guidelines, with additional sessions in July 2025. At its peak, more than 200 prosecutors attended the online interactive sessions. Feedback shows the training was extremely valuable in supporting the rollout of the updated guidelines.

To build on this, Crown Law plans to facilitate a discussion forum for prosecuting agencies to share insights and support each other as they update their own prosecution policies. Agencies have also been invited to submit draft policies for review. So far, Crown Law has reviewed three policies, with at least two more expected in early 2025/26.

Oversight of public prosecutions

Prosecuting agency reviews

In August 2024, Crown Law published a review of the WorkSafe New Zealand | Mahi Haumaru Aotearoa prosecution function.² The review considered WorkSafe's internal structures and systems and was not a review of individual prosecution decisions. Key findings included

the need for stronger engagement between investigation and legal teams, particularly early in an investigation. The review also recommended that WorkSafe clarify its processes for adding, withdrawing, amending or resolving charges.

At the same time as our review, WorkSafe was developing a refreshed regulatory strategy, a structured triage process for prosecution decision making, and a function-specific assessment of the public interest test for prosecuting. These initiatives, along with the engagement across different units at WorkSafe, are positive steps and consistent with our recommendations. We also noted the establishment of a central file support unit to audit files and ensure timeliness and completeness in matters being transferred to the legal team.

Stakeholder engagement

Between March and June 2025, we started regular engagement meetings with prosecuting agencies, which have deepened our understanding of the challenges they face. Based on feedback from those meetings, we are planning:

- a discussion forum for agencies to discuss amendments to policy and legislation
- a review of the agency prosecution classification framework in 2025/26.

Oversight of Crown Solicitors

In 2024/25, four survey-based reviews of Crown Solicitor offices in Manukau, Christchurch, Napier, and Timaru were completed. The surveys engage a range of stakeholders, including defence counsel and prosecuting agencies. The results identified strong legal expertise, effective leadership, professional

² The review is available on our website crownlaw.govt.nz/assets/Uploads/Reports/Review-of-WorkSafes-Prosecution-Function-James-Carruthers-August-20248044684.7.pdf.

courtroom advocacy, respectful and highly functional stakeholder relationships, and a clear commitment to victim engagement. Communication, timeliness, and quality of legal advice were highly regarded. Minor areas were identified for improvement.

In addition, one in-depth review was conducted as part of the appointment process for the Whanganui Crown Solicitor warrant. This review involved in-person interviews with a wide range of stakeholders, including representatives of the judiciary.

The Criminal Group received and resolved two complaints in the reporting period. One complaint led to a formal investigation by the Deputy Solicitor-General, Criminal, into alleged conduct of a Crown Solicitor. The complaint was found to be unsubstantiated, and no further action was taken. The second complaint related to an investigation by a prosecuting agency and legal advice given by a lawyer in a Crown Solicitor's office. We found there was no misconduct or breach of the Crown Solicitor's terms of office in this case.

Victims' Rights Act 2002

The Victims' Rights Act 2002 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 2024/25, Crown Law did not receive any complaints from victims under section 49 of the Victims' Rights Act. Three enquiries were made to Crown Law by victims' whānau regarding concerns about active prosecutions. These matters were referred back to the relevant Crown Solicitor and no further action was required from Crown Law.

The Solicitor-General's Prosecution Guidelines include a guideline to assist prosecutors, and prosecuting agencies, to support victims throughout the life of a prosecution, as well as meeting their own obligations under the Victims' Rights Act 2002.

The Solicitor-General met with the new Chief Victims Advisor (CVA), Ruth Money, to discuss her priorities for the role and what she considers to be the most important needs of victims. The Crown Law Criminal Team has developed a relationship with the CVA's office, including receiving training on her role and the experiences of victims in the justice system. We collaborated with the CVA in developing a resource to assist victims in understanding the criminal appeal process.

How we are performing

Leadership of the Government Legal Network

	2021	2022	2023	2024	2025
Satisfaction of Chief Legal Advisors with System Leadership Group’s engagement and communication					
Excellent	34.8%	41.2%	70.8%	50.0%	70.0%
Very good	43.5%	37.5%	25.0%	42.3%	30.0%
Good	21.7%	20.8%	4.2%	7.7%	-
Continuous professional development delivered to the Government Legal Network					
Hours delivered	N/A	72.5	77.5	65.5	35 ³

Refer to *Training for government lawyers* for information about the continuous professional development opportunities that Crown Law provided to the GLN in 2024/25.

Crown Solicitor network

In 2024/25, our oversight of the Crown Solicitor network included:

- four survey-based reviews
- one in-depth review
- one formal investigation in response to a complaint
- delivery of nine training sessions for Aotearoa New Zealand’s public prosecuting agencies.

Refer to *Implementing the Solicitor-General’s Prosecution Guidelines* and *Oversight of Crown Solicitors* for more information.

³ The performance target for this indicator was reduced to 30 hours in 2024/25 due to changed priorities.

Delivering right-sized, timely services that meet government needs

Te tuku i ngā ratonga e tika ana te rahi me te wā e whakatutukihia ai ngā hiahia o te kāwanatanga

We are a small agency that has served governments for 150 years. Our well-established professional practices stand us in good stead to continue delivering 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 is evidenced repeatedly through our work. 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 supporting government to operate lawfully and determining disputes.

Our 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** – legal employees must maintain a programme of continuous professional development.
- **Professional standards** – our internal Professional Standards Committee reviews our professional practices, ensuring policies, guidelines, templates and resources represent best practice. All advice provided must be consistent with these policies and guidelines.
- **Peer review and consultation** – all formal Crown Law advice must be peer reviewed by colleagues with relevant and specific legal expertise.

- **Litigation management planning** – involves planning by assigned lead counsel and communication with stakeholders. As with all our work, the outcome sought should be consistent with wider Crown interests.
- **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.

Working with government agencies and stakeholders

Crown Law supports collaboration on cross-government legal issues. One example is the Emerging Technology Legal Group. Members of the group from government departments identify and address legal questions to facilitate the provision of technology-based public services.

Inquiries

The Royal Commission of Inquiry into Covid-19 Lessons Learned phase one report was published in November 2024. Phase two, which was established in November 2024, involved scrutiny of key decision made by the Government during 2021/22 relating to the use of vaccines, the use of lockdowns, and the procurement of testing and tracing tools and other public health materials. Crown Law is providing advice and representation to agencies that have been asked to respond to the inquiry and co-ordinating an all-of-government legal response.

The Royal Commission of Inquiry into Abuse in Care delivered its final report in June 2024. Most of the Inquiry's recommendations specific to Crown Law had already been addressed by the recent review of the Solicitor-General's Prosecution Guidelines. In November 2024, the Government delivered a formal apology to

survivors of abuse in state care, following the Royal Commission's final report. Crown Law is continuing to provide advice to agencies with the work required to address the Inquiry's recommendations on redress.

Advising government agencies

Crown Law provides legal advice and representation to public service agencies in a wide range of areas, including their implementation of government priorities. Our role is to help agencies achieve their objectives lawfully and manage legal risk to the Crown. In 2024/25, this included advice on:

- resource management law reform including fast-track legislation
- Treaty of Waitangi | te Tiriti o Waitangi settlements and Waitangi Tribunal kaupapa inquiries
- climate change and the Government Target to reduce greenhouse gas emissions
- other legislation such as pay equity reform and the Regulatory Standards Bill.

We also provided advice and representation on specific issues that arose during the year, such as Waitangi Tribunal urgent inquiries and the HMNZS *Manawanui* sinking.

Providing proactive advice

Crown Law gives system-wide legal advice on strategic legal topics to facilitate consistency and control legal risk across government. The advice covers matters requiring immediate action and more in-depth legal analysis. In 2024/25, our work included advice on statutory delegations, on the Waitangi Tribunal and analysis of key Supreme Court decisions. Our legal bulletin, *Te Kawerongo*, shares updates with government lawyers on legal developments specific to government.

Crown Law reports twice-yearly to the Attorney-General on significant and systemic legal risks. With departments we identify emerging and existing legal risks that may affect government. This enables system-wide risk management and appropriate action by individual agencies.

In 2024/25, we began to expand the amount of legal advice shared on a secure online workspace for government lawyers. By sharing precedents, advice and templates duplication of effort is reduced, and consistency is improved.

How we are performing

Stakeholder satisfaction measures

	2021	2022	2023	2024	2025
Attorney-General satisfaction with the quality of advice and representation provided by Crown Law					
	Satisfied	Satisfied	Satisfied ⁴	3.5/5	4.5/5
Partner satisfaction with the quality of advice and representation provided by Crown Law					
Overall quality of advice and services:					
Excellent	33.3%	29.2%	37.5%	44.4%	50%
Very good	54.2%	58.3%	45.8%	48.1%	46.7%
Good	12.5%	12.5%	16.7%	7.4%	3.3%
Satisfaction with timeliness:					
Excellent	16.7%	20.8%	41.7%	44.4%	48.3%
Very good	50.0%	58.3%	45.8%	33.3%	48.3%
Good	29.2%	20.8%	12.5%	18.5%	3.4%
Did not meet expectations	4.2%	-	-	3.7%	-
Percentage of clients who consider the service received represents value for money					
Excellent	22.7%	45.8%	52.2%	36.0%	48.2%
Very good	54.5%	29.2%	34.8%	44.0%	33.3%
Good	18.2%	20.8%	13.0%	20.0%	18.5%
Did not meet expectations / poor	4.5%	4.2%	-	-	-

⁴ Results for 2021, 2022 and 2023 were from a different Attorney-General and used a different survey format. They are not comparable to the 2024 and 2025 results.

Sustaining core services and capabilities

Te whakaū i ngā ratonga matua me ngā āheinga

Financial sustainability is a significant ongoing focus for both Crown Law and Crown prosecution services.

We began financial sustainability and prioritisation work in August 2023. By June 2024, we had decreased our enduring expenditure in line with government expectations from the 2024/25 financial year.

We have planned further activity so Crown Law can continue to operate under both the known cost pressures and foreseeable financial constraints over the longer term (3-4 years).

Crown Law financial sustainability

The Financial Sustainability Programme (FSP) was established by the Crown Law Leadership Team in July 2024 to drive an intensive focus on organisational sustainability. The programme will run until June 2026, with continuous improvement initiatives and workstreams continuing beyond that date.

The Leadership Team confirmed two strategic aims: maintain operations within current baseline and support our longer-term sustainability.

The FSP has helped Crown Law achieve the first of those strategic aims, with our operations for the 2024/25 financial year, and our 2025/26

forecast maintained within baseline. Work completed as part of the FSP includes:

- financial monitoring and modelling
- cost recovery analysis and pilots which informed our legal advice and representation fee rate review
- analysis of our direct organisational costs to identify and implement efficiencies.

Since February 2025, our focus has shifted to ensuring ongoing financial sustainability and improving service delivery. We are looking at:

- further standardising core business processes to reduce inefficiencies
- ensuring tools and technology are being used effectively
- prioritising where we put our effort
- developing a deeper understanding of our organisational cost drivers.

Sustainability of Crown prosecution services

The demand for Crown prosecution services provided by the Crown Solicitor network continued to increase in 2024/25. This was evident in the increasing volume of Crown prosecutions being disposed by the network and the increasing volume of Crown

prosecution hours being reported. This pressure is likely to continue over the short term with an increasing volume of serious prosecutions forecast to enter the court system in 2025/26. We continue to actively manage Crown

Solicitor funding to ensure the Crown Solicitor network, and individual Crown Solicitor offices, are sustainably funded and able to respond to regional challenges such as priority-based scheduling in large metropolitan centres.

How we are performing

Our clients confirm that we are doing the right things

	2021	2022	2023	2024	2025
Crown Law's understanding of clients' business and operating environment					
Excellent	12.5%	25.0%	37.5%	18.5%	23.3%
Very good	58.3%	62.5%	37.5%	51.9%	46.7%
Good	29.2%	12.5%	25.0%	29.6%	30.0%
How responsive Crown Law is to client needs					
Excellent	25.0%	54.2%	50.0%	55.6%	50.0%
Very good	50.0%	29.2%	37.5%	33.3%	36.7%
Good	25.0%	12.5%	12.5%	11.1%	13.3%
Did not meet expectations	-	4.2%	-	-	-

Operating within baseline

In 2024/25, Crown Law operated within its approved baseline. Total revenue was \$133.1 million and total expenses were \$129.2 million, resulting in a surplus of \$3.9 million. Expenditure was managed within appropriations, supported by savings from reduced contractor spend, efficiency measures, and a comprehensive review of revenue and fee structures under the FSP.

Refer to the *Statement of comprehensive revenue and expense* and the *Statement of budgeted and actual expenses and capital expenditure against appropriations* for more information.

Assessment of operations

Te aromatawai i nga mahi

Implementing the Government's priorities

Baseline savings

Crown Law's baseline was reduced by \$2 million in 2024/25 as part of the Government's Budget 2024 Initial Baseline Exercise, which required agencies to identify savings. We achieved these savings by scaling back support functions and non-essential legal functions.

Reduction in expenditure on contractors and consultants

In 2024/25, Crown Law reduced expenditure on contractors and consultants by \$1.4 million.

Total expenditure on contractors and consultants in 2024/25 was \$2.2 million (6.1% of total departmental workforce expenditure). This compares to total expenditure of \$3.5 million in 2022/23 and \$3.6 million in 2023/24, which represents 11.8% and 10.3% of total departmental workforce expenditure in these years respectively.

The decreased expenditure on contractors and consultants is mainly due to reduced resources required post June 2024 following the completion of our Wellington office accommodation project, and some IT projects being deferred from 2024/25 to 2025/26.

Government targets

Crown Law is not a lead agency for the Government Targets. As one of the justice sector agencies, we support delivery of the following.

- Reduced violent crime – 20,000 fewer people who are victims of an assault, robbery, or sexual assault (lead agency – Ministry of Justice).
- Reduced child and youth offending – 15% reduction in the total number of children and young people with serious and persistent offending behaviour (lead agency – Oranga Tamariki).

Other Government and ministerial priorities

The Attorney-General has the role of ensuring government according to law and has set a specific priority of a sustainable Crown prosecution service.

Crown Law's strategic priority sustaining core services and capabilities includes sustainability of Crown prosecution services. See page 19 for more information.

Crown Law also supports the justice sector timely justice priority. We contribute to this work through our membership of the Justice Sector Leadership Board and through our role assisting the Solicitor-General's oversight of public prosecutions and administering the network of Crown Solicitors.

Assessment of operations

Crown Law's services are primarily delivered by our three legal groups, each of which has several teams and is led by a Deputy Solicitor-General. The services delivered by these teams are covered by the Law Officer Functions –

multi-category appropriation. The 2024/25 performance information for this appropriation is included in *Performance information on appropriations*.

Criminal group provides advice and representation on criminal appeals and related criminal matters. The Public Prosecutions Unit provides oversight and supervision of public prosecutions, including managing funding for all Crown prosecutions.

Attorney-General's group provides advice and representation on constitutional and human rights matters, and in relation to Treaty of Waitangi | te Tiriti o Waitangi matters. The System Leadership Team provides oversight and leadership to the Government Legal Network.

Crown Legal Risk group provides advice and representation across a wide range of subjects through four public law teams. A fifth team advises and represents the Crown on matters concerning the protection of revenue.

Our legal groups are supported by the **Strategy and Corporate group**, which provides essential enabling business services, and administrative and specialist legal support services to support Crown Law to operate efficiently and achieve its purpose.

Our business groups collectively contribute to our strategic priorities.

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 strategic priorities in Crown Law's Strategic Intentions.

Under the Public Finance Act 1989, 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, aggregation 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 forecasted 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.

- **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.

Performance information on appropriations

Identification of service performance information

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

- Our strategic intentions (pages 11–20).
- Performance information on appropriations (pages 24–30).

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 performance information on appropriations 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.

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.

Actual 2023/24	Performance measure	Budget standard 2024/25	Actual 2024/25
Yes	The Attorney-General is satisfied with the services provided by Crown Law ⁵	At least 3 out of 5	4.5

How much it cost

Actual 2024 \$000		Actual 2025 \$000	Main Estimates 2025 \$000	Supplementary Estimates 2025 \$000
Revenue				
109,448	Crown	105,169	103,979	105,169
26,906	Other	27,904	29,290	30,790
136,354	Total revenue	133,073	133,269	135,959
Expenditure				
129,597	Expenditure	129,150	133,269	135,959
6,757	Total annual and permanent appropriations	3,923	-	-

⁵ This performance measure is calculated based on an averaged 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.

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

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

What we achieved

Actual 2023/24	Performance measure	Budget standard 2024/25	Actual 2024/25
Quantity – new matters			
18	Crown appeals	15–30	22
841	Accused appeals	625–675	821

This performance measure is demand-driven and the inflow of new matters may vary significantly from year to year. There has been an upward trend in accused appeal numbers with multiple appeals challenging the same pre-trial judgements each year. The forecast range for 2025/26 has been updated to reflect this.

Quality

63%	Percentage of Crown appeals concluded in favour of the Crown	60%	76%
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How much it cost

Actual 2024 \$000		Actual 2025 \$000	Main Estimates 2025 \$000	Supplementary Estimates 2025 \$000
Revenue				
9,283	Crown	11,365	12,065	11,365
-	Other	-	50	50
9,283	Total revenue	11,365	12,115	11,415
Expenditure				
7,444	Expenditure	7,382	12,115	11,415
1,839	Total annual and permanent appropriations	3,983	-	-

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.

What we achieved

Actual 2023/24	Performance measure	Budget standard 2024/25	Actual 2024/25
Quantity – new matters			
41	Applications processed on behalf of the Attorney-General	30–50	46
154	Advice on behalf of the Attorney-General	120–160	141
17	Litigation on behalf of the Law Officers (Attorney-General and/or Solicitor-General)	10–25	20
6	Criminal advice	5–10	5
12	Judicial reviews	5–10	5
87	Mutual assistance and extraditions	100–120	115
101	Criminal cases (other types) ⁶	80–100	111
This performance measure is demand-driven and the inflow of new matters may vary significantly from year to year. We consider whether to update the forecast range based on a historical trend analysis and consideration of factors such as policy changes and recent events.			
76	Requests for prosecution appeals and judicial reviews	70–110	84

Timeliness⁷

95%	Ministerial correspondence on time	100%	90%
We responded to 51 of 58 Ministerials and 33 of 35 Ministerial OIAs on time. Deadlines were not met in some cases due to resourcing challenges, which have subsequently been resolved. We expect performance to improve in 2025/26.			
100%	Responses to Parliamentary questions on time	100%	100%
99%	Official Information Act 1982 and Privacy Act 2020 responses on time	100%	100%

⁶ The criminal cases under this performance measure include stays due to death, consent to criminal prosecutions, immunities from prosecution and request to amend murder to manslaughter or other charge.

⁷ The timeframes for delivering Ministerial correspondence and Parliamentary questions are agreed with the Attorney-General's Office. Delivery of Official Information Act 1982 and Privacy Act 2020 responses are determined by legislative deadlines.

How much it cost

Actual 2024 \$000		Actual 2025 \$000	Main Estimates 2025 \$000	Supplementary Estimates 2025 \$000
Revenue				
9,924	Crown	12,085	10,895	12,085
93	Other	57	70	70
10,017	Total revenue	12,142	10,965	12,155
Expenditure				
7,948	Expenditure	8,990	10,965	12,155
2,069	Total annual and permanent appropriations	3,152	-	-

Law Officer Functions (MCA) – Public Prosecution Services

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

What we achieved

Actual 2023/24	Performance measure	Budget standard 2024/25	Actual 2024/25
Quantity			
8,155	New Crown prosecutions including appeals to the High Court from non-Crown prosecutions	6,000-8,000	8,597
This performance measure is demand-driven and the inflow of new matters may vary significantly from year to year. The results from this measure are based on data collected by the Ministry of Justice.			
6,729	Crown prosecutions, including appeals to the High Court from non-Crown prosecutions, disposed of	5,000-7,000	6,760
294,783	Hours of service provided by the Crown Solicitor Network	340,000-380,000	312,092
This performance measure is demand-driven. Although, as expected, the result has increased from last year, the increase was less than originally forecast. The forecast range for the 2025/26 financial year has been set at a lower level based on a historical trend analysis and consideration of factors such as policy changes and recent events.			
6	Number of quality assurance reviews (full network is reviewed on rotation every three years)	5-6	5
Quality			
4	Reviews, quality assessed as exceeding or meeting expected standards	5-6	5

How much it cost

Actual 2024 \$000		Actual 2025 \$000	Main Estimates 2025 \$000	Supplementary Estimates 2025 \$000
Revenue				
87,254	Crown	79,110	79,110	79,110
1	Other	-	20	20
87,255	Total revenue	79,110	79,130	79,130
Expenditure				
83,022	Expenditure	82,607	79,130	79,130
4,233	Total annual and permanent appropriations	(3,497)	-	-

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.

What we achieved

Actual 2023/24	Performance measure	Budget standard 2024/25	Actual 2024/25
Quantity - new matters			
242	Advice	300-400	327
241	Litigation	250-300	259
66	Judicial review	80-100	84
130	Claims before Waitangi Tribunal	50-70	88
This performance measure is demand-driven and the inflow of new matters may vary significantly from year to year. In 2023/24, there was a large increase in new urgent Waitangi Tribunal inquiries as well as activity in kaupapa inquiries. The 2024/25 result represents a gradual return to a more typical result.			
65.5	Number of continuous professional development compatible hours delivered annually to the Government Legal Network	30	35
2	Number of reports submitted to the Attorney-General under the Government Legal Network Risk Reporting System	2	2
Quality			
100%	Responses to the client survey that consider the advice and services received overall are good to excellent ⁸	90%	100%

What we achieved (continued)

Actual 2023/24	Performance measure	Budget standard 2024/25	Actual 2024/25
100%	Responses to the client survey that consider the responsiveness, relevancy, accuracy, and clarity of advice are good to excellent ⁸	90%	100%
100%	Written opinions and advice that are peer reviewed	80%	100%
100%	Chief Legal Advisors consider Government Legal Network team engagement and communications as good to excellent ⁸	90%	100%
Yes	The Attorney-General is satisfied with the Government Legal Network Risk Reporting System	Yes	Yes

Timeliness

96%	Responses to the client survey that consider timeliness in responding to requests are good to excellent ⁸	85%	100%
81%	Written opinions/advice (final or draft) completed by the due date	85%	87%
80%	Litigation Management Plans completed by the due date	80%	82%

Value for money

100%	Percentage of responses to the client survey that consider the service received represents value for money is good to excellent ⁸	95%	100%
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How much it cost

Actual 2024 \$000		Actual 2025 \$000	Main Estimates 2025 \$000	Supplementary Estimates 2025 \$000
Revenue				
2,987	Crown	2,609	1,909	2,609
26,812	Other	27,847	29,150	30,650
29,799	Total revenue	30,456	31,059	33,259
Expenditure				
31,183	Expenditure	30,171	31,059	33,259
(1,384)	Total annual and permanent appropriations	285	-	-

⁸ 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. The results of these performance measures exclude "unable to rate yet" responses.

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.

How much it cost

Actual 2024 \$000	Actual 2025 \$000	Main Estimates 2025 \$000	Supplementary Estimates 2025 \$000
8,115 Total capital expenditure	71	1,065	253

The decreased actual capital spend was mainly due to the IT projects for software upgrades and the replacement of end-of-life hardware devices being postponed from 2024/25 to 2025/26.

Report against Statement of Intent 2021-25

Crown Law's Strategic Intentions 2024-29, which were published in February 2025 replaced the Statement of Intent 2021-2025. Some of the impact indicators from the Statement of Intent 2021-2025 have been retained as medium-term indicators in Crown Law's Strategic Intentions 2024-29. The remaining impact indicators

were discontinued as they are no longer fit for purpose.

The table below sets out where the most current Crown Law reporting information can be found for the impact indicators in the Statement of Intent 2021-2025.

Impact indicator	Location of most current reporting information
Outcome 1 - Democracy that services all New Zealanders	
World Justice Project Rule of Law Index:	
• Overall index score	Page 11
• Government powers are effectively limited by the judiciary	Page 11
• Due process of the law and rights of the accused	Page 11
Bertelsmann Sustainable Governance Indicators (SGI) – Robust Democracy	
• Rule of law element	Annual Report 2023/2024 page 10
• Civil Rights and Political Liberties element	Annual Report 2023/2024 page 10
Treasury Living Standards Framework – level of trust in the public service	Annual Report 2023/2024 page 12
Verian Public Sector Reputation Index – Crown Law Office reputation score	Annual Report 2023/2024 page 12
Outcome 2 - Government decisions that inspire confidence	
Attorney-General satisfaction with the quality of advice and representation provide by Crown Law	Page 18
Partner satisfaction with the quality of advice and representation provided by Crown Law	
• Overall quality of advice and services	Page 18
• Satisfaction with timeliness	Page 18
Number of secondments of lawyers between departments in the Government Legal Network	Annual Report 2023/2024 page 19
Satisfaction of Chief Legal Advisors with System Leadership Team engagement and communication	Page 15
Outcome 3 - Justice that strengthens communities	
World Justice Project Rule of Law Index:	
• The criminal justice system is impartial	Annual Report 2023/2024 page 26
• The criminal investigation system is effective	
• People can access and afford civil justice	
Crown criminal appeals concluded in favour of the Crown	Page 25 - appropriation measure
Defendant criminal appeals concluded in favour of the defendant	Annual Report 2023/2024 page 27
Statistics NZ General Social Survey:	
• Level of trust in the Courts (population)	Annual Report 2023/2024 page 27
• Level of trust in the Courts by Māori	

Our organisational capability

Te āheinga o tō mātou whakahaere

Te Taunaki Public Service Census

Te Taunaki Public Service Census was conducted in March 2025 and 200 of our kaimahi/staff (80%) took part. We are very proud of the results, which show that our people feel connected to each other, and our values are embedded in the way we work.

Results we're proud of

- **Our integrity culture** – the five questions in this area scored between 85% and 91% agree or strongly agree.
- **Being a respectful workplace** – the three questions in this area scored between 85% and 94% agree or strongly agree.
- **Enablers of productivity** – responses in this area are above the public service average and give us a strong base to deliver on our priorities.

Areas of opportunity

- **Use of technology** – 29% of our people reported that lack of access to appropriate tools, technology and information is a barrier to them performing at their best, and 61% think we could take better advantage of technology to deliver services and information to the public.
- **Wellbeing** – 44% of our people reported that they often or always experience work stress, and 58% report that their workload is above capacity.
- **Innovation** – our people reported a disconnect between the fact that they are encouraged to come up with new or better ways of doing things (78%) and whether they feel those suggestions are taken seriously and acted upon (67%).

Our average results are predominantly more positive when compared to the public service. We are looking for the areas where we can move from good to great. Managing workload remains an area of focus for us.

Our initial actions include conducting role and topic-based focus groups with our people. See *Digital transformation* and *Workplace health, safety and wellbeing* for more information about actions that are planned and under way.

People capability

For Crown Law to continue delivering excellent, relevant, and valued services to our customers and to New Zealand, we need our people to be engaged, work collaboratively, and welcome diverse perspectives. It is essential that everyone feels comfortable sharing and contesting ideas, and considering different viewpoints.

Diversity, equity and inclusion

Crown Law meets its equal employment opportunities commitments through its Diversity, Equity and Inclusion and Kia Toipoto action plans. They include strategies to identify and eliminate conscious and unconscious bias. Both action plans for 2024/25 are published on the Crown Law website.⁹

Crown Law continues to be committed to Papa Pounamu and its five priority areas to support representation and inclusion.

- **Addressing bias | Te urupare i te mariu** – in 2024/25, we offered a range of unconscious bias training including on neuroinclusivity, and continued to embed changes introduced in 2022/23 to address potential bias during recruitment.
- **Cultural competence | Te āheinga ā-ahurea** – we continued work on our Whāinga Amorangi Plan and provided a range of learning opportunities for employees to achieve a comfortable level of cultural competence. See *Māori Crown relations capability* for more information.

- **Inclusive leadership | Hautūtanga ngākau tuwhera** – we continued using our internal leadership expectations and behaviours framework, ran an in house Experienced People Leaders programme and supported leaders to attend external leadership development opportunities.
- **Employee-led networks | Ngā tūhononga e kōkiritia ana e ngā kaimahi** – we continue to encourage and support employee-led networks to thrive 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 embedding leadership expectations, refreshing tools and guidance for performance development conversations, and continuing equitable selection processes for training programmes.

Kia Toipoto Pay Gap Action Plan

Crown Law's Kia Toipoto action plan aims to identify and address pay gaps.

The figures below show the current gender and ethnic pay gaps in Crown Law. The gender pay gap compares the average salaries for all men and women at Crown Law. Likewise, the ethnic pay gaps compare the average salary of those identifying in particular ethnic group compared to the average for those who do not.

⁹ crownlaw.govt.nz/assets/Uploads/Publications/DEI-Plan-24-25.pdf.
crownlaw.govt.nz/assets/Uploads/Publications/Kia-Toipoto-Action-Plan.pdf.

Crown Law pay gaps (as at 30 June 2025)¹⁰

	2024 (mean)	2025 (mean)
Gender pay gap	17.2%	21.0%
Māori pay gap	12.4%	13.2%
Asian pay gap	19.7%	16.1%
Other ethnicity pay gap	-16.5%	-7.5%

Notes: Pay gap data has been reported where population exceeds 20. Negative gap means there is no gap with that population having an average salary higher than all others not declaring that ethnicity.

The majority of Crown Law’s workforce are women. Over half of Crown Law’s managers are women. As at 1 July 2025, Crown Law’s Leadership Team consists of one man and four women (including the Solicitor-General).

A key initiative within the Kia Toipoto action plan is an annual gender pay analysis to ensure there are no unjustified horizontal pay gaps. This assesses pay rates across roles and looks for anomalies in pay rates that cannot be explained, such as given differences in length of experience or qualifications. No anomalies were identified in the October 2024 review. However, the overall gender pay gap has increased over the last year. This is directly related to the organisational structure. Junior lawyers and support staff paid in the lower pay bands are predominantly female. As a small organisation, the data was also impacted by a small number of senior higher-paid women who left Crown Law over the past year.

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 a range of training opportunities in:

- te reo Māori
- te Tiriti/Aotearoa New Zealand history
- tikanga/kawa Māori.

¹⁰ 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

Crown Law demographic profile (as at 30 June 2025)¹¹

Our workforce¹²

241	people	71.1% (171)	European
69.3% (167)	of our workforce are women	8.8% (21)	NZ Māori
29.9% (72)	of our workforce are men	5.0% (12)	Pacific people
0.8% (2)	of our workforce are non-binary/another gender	13.0% (31)	Asian
		0.8% (2)	MELAA ¹³
		15.1% (36)	Other ethnicity

Our locations

86.7% (209)	based in Te Whanganui-a-Tara / Wellington
9.1% (22)	based in Tāmaki Makaurau / Auckland
4.2% (10)	based in other regions around Aotearoa / New Zealand

Leadership cohort¹²

24	people	75.8% (18)	European
54.2% (13)	of our tier 1-3 are women	4.2% (1)	NZ Māori
45.8% (11)	of our tier 1-3 are men	4.2% (1)	Asian
		20.8% (5)	Other ethnicity

Lawyer cohort

64.2% (86)	identify as women
35.8% (48)	identify as men

Workplace health, safety and wellbeing

The Crown Law Leadership Team and external Assurance and Risk Committee consider wellbeing, health and safety (WHS) at regular intervals. In 2024/25, we continued strengthening our WHS system, including focusing on sources of psychosocial risk. Actions included:

- professional supervision (coaching) to build resilience and develop strategies for enhanced professional practice
- availability of flu shots for all our people
- introducing menopause support services as part of the Employee Assistance Programme (EAP) to help address performance and career-impacting symptoms of perimenopause
- promotion of confidential counselling through EAP to provide support
- support and training for Safety Net – a 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
- a refreshed Worker Participation Agreement with the Public Service Association
- a refreshed WHS policy and guidelines
- increasing representation of staff in counsel roles on the WHS Committee.

¹¹ Figures include the Solicitor-General. Headcounts have been included in brackets.

¹² Ethnicity – total percentage exceeds 100% because employees can declare more than one ethnicity.

¹³ MELAA includes Middle Eastern, Latin American and African ethnicities.

WHS performance indicators

	2023/24	2024/25
Workplace lost-time injuries	0	0
Workplace injuries (minor)	4	2
Early report pain or discomfort / workplace support provided for personal injuries	8	1
Number of employees accessing professional supervision*	13	10
Number of employees accessing employee assistance services (counselling)*	45	48

** increases in staff attending EAP counselling or supervision are not considered an indicator of poor wellbeing or mental health. Staff are encouraged to use these services.*

Digital transformation

In March 2025, a new Digital Transformation Strategy was launched which positions digital technology as a key enabler for Crown Law. By 2027, Crown Law envisions that IT will have matured and delivered:

- modern digital services that enable flexibility and value, reducing reliance on vendor-hosted infrastructure
- strategic and planned IT delivery that actively supports business goals and digital transformation
- inclusive and accessible technology, ensuring all staff, regardless of digital literacy levels or accessibility needs, can effectively use IT services
- a transparent and trusted IT function that engages with staff in a clear, jargon-free, and empathetic manner, ensuring visibility of decision making.

This year, we realigned our IT function to enable modern and future-ready digital technology services. A change consultation opened in April, with the finalised structure commencing in July 2025. The new IT structure includes redesigned roles that will support a modern, cloud-first, and people-centred

approach. New leadership in technology and project delivery is enabling clearer responsibility in governance, vendor performance, and cost management.

In March 2025, Te Taunaki Public Service Census was conducted, and an initial action plan was developed to address the key areas where staff feedback indicated Crown Law could improve. One key theme from the results was the need to enhance our use of technology. Our initial actions, included in the digital transformation programme, focuses on improving the use of Microsoft 365 productivity tools, rolling out access of Microsoft Copilot Chat and Copilot 365, and updating technology policies to ensure safe and appropriate use of new digital tools with ongoing support, ensuring adoption is successful.

We will also modernise our monitoring tools and services to give better visibility of how digital tools are used. This will allow us to identify risks in real time and make continuous improvements, ensuring both the quality of our technology and the way it is adopted across Crown Law.

Governance and assurance

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 Crown Law's legal services and system leadership role across government. The PSGG is supported by a working group, the Professional Standards Committee.
- **The Assurance and Risk Committee** (ARC) provides an independent perspective on Crown Law's performance, assurance and strategic risk management. The ARC has two independent members, including the Chair.
- **The GLN Governance Board** oversees activities to support the GLN, and supports the Solicitor-General in her consideration of and response to legal risk matters. It has independent members from across the GLN.

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.

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 Carbon Reduce organisation and a copy of our Toitū Carbon Reduce certification disclosure can be viewed on the Toitū website.

Total annual emissions and their source

In 2024/25, Crown Law emitted 121.22 tCO₂e (tonnes of carbon dioxide equivalent), a 51% reduction from our base year (247 tCO₂e). This decrease is primarily due to a 64% reduction in air travel compared to the base year.

The introduction of Te Au Reka, the Ministry of Justice's digital case management initiative, will further support emissions reduction by enabling more remote hearings and reducing the need for physical court attendance.

The sharp drop compared to the prior year reflects the completion of a one-off office fit-out in 2023/24, which contributed 249.33 tCO₂e.

Across our two offices, the main sources of emissions were business travel, wastewater, paper use, and electricity.

Our Sustainability Working Group continues to identify and implement strategies to minimise emissions and prevent future increases.

Emissions profile broken down by scope and total annual emissions (tCO ₂ e)	Base year 2019/20	Prior year 2023/24	Current year 2024/25
Category 1: Direct emissions	0.33	1.84	2.10
Category 2: Indirect emissions from imported energy	9.19	7.65	4.31
Category 3: Indirect emissions from transportation	194.76	345.90	91.04
Category 4: Indirect emissions from products used by the organisation	42.45	21.84	23.77
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
Total direct emissions	0.33	1.84	2.10
Total indirect emissions	246.41	375.40	119.12
Total gross emissions in tCO₂e	246.74	377.24	121.22
Change in gross emissions since base year		53%	-51%

Total emissions breakdown by sources 2024/25	2024/25	Percentage
Travel - flights	57.50	48%
Taxi, petrol and mileage	19.27	16%
Wastewater services	11.47	9%
Paper	8.85	7%
Travel - accommodation	7.99	7%
Electricity transmission and distribution losses	6.33	5%
Working from home	5.71	5%
Waste	1.77	1%
Water supply	1.32	1%
Freight	1.03	1%
Total gross emissions in tCO₂e	121.22	100%

Emissions intensity by FTE

Since our base year, Crown Law has achieved a significant reduction in emissions intensity. Emissions per full time equivalent (FTE) and per million dollars of expenditure have both decreased, reflecting our commitment to sustainability and our initiatives to reduce our carbon footprint.

Emissions intensity by FTE and expenditure	Base year 2019/20	Prior year 2023/24	Current year 2024/25
KPI			
FTEs	199	222	232
Expenditure (\$m)	72.64	129.60	129.15
Emissions intensity			
Total gross emissions per FTE in tCO ₂ e	1.24	1.70	0.52
Total gross emissions per million dollars of expenditure in tCO ₂ e	3.40	2.91	0.94

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 Carbon Neutral Government Programme.

Our target also aligns to the Toitū Carbon Reduce programme. We have set the following emissions reduction targets.

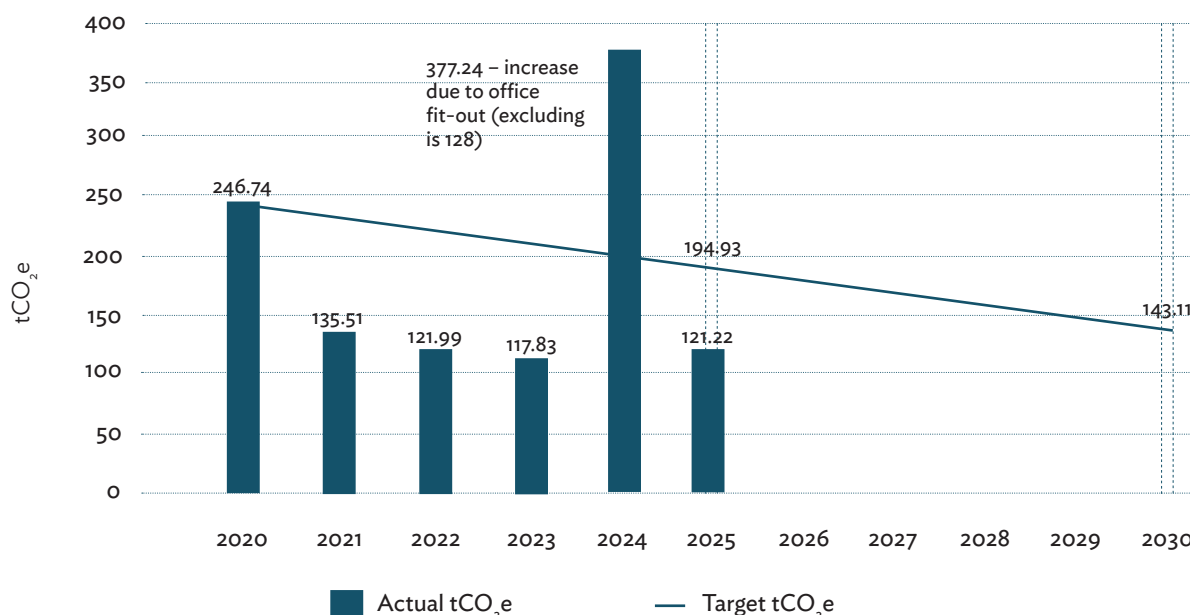
- **2025 target:** Gross emissions (all categories) to be no more than 195 tCO₂e or a 21% reduction in gross emissions (all categories) compared to base year FY19/20.
- **2030 target:** Gross emissions (all categories) to be no more than 143 tCO₂e, or a 42% reduction in gross emissions (all categories) compared to base year FY19/20.

Progress towards our targets

Our emissions for 2024/25 have decreased by 51% compared to our base year of 2019/20, primarily due to a reduction in air travel and paper use. Maintaining this current level of emissions would enable us to meet our emissions targets.

We anticipate our projected emissions to hold steady over the next financial year, and our primary objective will be to reduce business travel emissions. Our Sustainability Working Group is committed to leading this effort through reduction initiatives and promoting new behaviours, thereby preventing a return to pre-COVID-19 travel emissions levels. This endeavour will be strongly complemented by the wider government's digitising courts initiative.

Total emissions against targets



Our reduction plans and future reporting

Future reduction plans

We are on track to meet our emissions reduction targets. To stay on course, we are exploring and implementing carbon reduction initiatives through our Sustainability Working Group.

- **Paper:** Paper use has decreased compared to our base year, and we remain dedicated to reducing paper usage across our organisation.
- **Travel:** We are focused on increasing our use of remote hearings. Our recent office fit-out included infrastructure investments, such as dedicated remote hearing courtrooms, to better support this. These efforts will be further strengthened by the Te Au Reka initiative to digitise courts.

As part of our commitment to ongoing improvement, our plans for the 2025/26 financial year include:

- our Sustainability Working Group will continue to prioritise initiatives that reduce travel and paper use. This includes implementing foundational technology solutions and providing legal support to enable the wider government's drive toward digital transformation
- increasing awareness to promote staff decarbonising in their everyday lives.

Improving our data

Crown Law has strengthened its processes for emissions reporting to ensure accuracy and continuity. We are also planning a system upgrade to our financial management platform, which provides an opportunity to enable better recording and tagging of carbon-related data, supporting more detailed and reliable reporting in the future.

Other reporting obligations

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

Treaty of Waitangi | Te Tiriti o Waitangi settlement commitments

Crown Law has one Treaty settlement commitment from 1993 that is outstanding in Te Haeata – a procedural step set out in Wai 94 agreements paragraph 24. Crown Law is in discussion with Te Tari Whakatau regarding settlement matters.

Critical assets

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

Crown Law has not identified any service critical assets in line with the reporting requirements in CO (23) 9.

Financial statements

Ngā tauākī pūtea

Financial statements

Statement of comprehensive revenue and expense

FOR THE YEAR ENDED 30 JUNE 2025

Actual 2024 \$000		Notes	Actual 2025 \$000	Unaudited Budget 2025 \$000	Unaudited Forecast 2026 \$000
Revenue					
109,448	Revenue Crown	2	105,169	103,979	104,017
26,906	Other revenue	2	27,904	29,290	30,790
136,354	Total income		133,073	133,269	134,807
Expenses					
34,970	Personnel costs	3	35,601	34,441	36,069
577	Depreciation and amortisation	7,8	1,155	1,301	1,266
103	Capital charge	4	458	473	473
79,718	Crown Solicitors' fees		80,011	75,376	74,310
546	Restructuring costs		224	-	-
13,683	Other expenses	5	11,701	21,678	22,689
129,597	Total expenses		129,150	133,269	134,807
6,757	Surplus/(deficit)		3,923	-	-
6,757	Total comprehensive revenue and expense		3,923	-	-

Explanations for major variances against the original 2024/25 budget are provided in Note 18.

The accompanying notes form part of these financial statements.

Statement of financial position

AS AT 30 JUNE 2025

Actual 2024 \$'000	Notes	Actual 2025 \$'000	Unaudited Budget 2025 \$'000	Unaudited Forecast 2026 \$'000
Current assets				
21,657	Cash and cash equivalents	21,609	8,865	7,772
778	Prepayments	761	600	600
-	Debtor Crown	-	-	-
5,414	Receivables	5,054	5,000	5,000
27,849	Total current assets	27,424	14,465	13,372
Non-current assets				
8,095	Property, plant, and equipment	7,122	7,734	7,234
257	Intangible assets	147	826	37
8,352	Total non-current assets	7,269	8,560	7,271
36,201	Total assets	34,693	23,025	20,643
Current liabilities				
15,847	Payables and deferred revenue	17,242	11,570	9,570
51	Provisions	156	-	-
3,362	Employee entitlements	3,672	2,600	2,600
7,438	Return of operating surplus	3,799	-	-
26,698	Total current liabilities	24,869	14,170	12,170
Non-current liabilities				
103	Provisions	-	-	-
277	Employee entitlements	277	250	250
380	Total non-current liabilities	277	250	250
27,078	Total liabilities	25,146	14,420	12,420
9,123	Net assets	9,547	8,605	8,223
Equity				
9,160	Taxpayers' funds	9,459	8,605	8,223
(37)	Memorandum accounts	88	-	-
9,123	Total equity	9,547	8,605	8,223

Explanations for major variances against the original 2024/25 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 2025

Actual 2024 \$000	Notes	Actual 2025 \$000	Unaudited Budget 2025 \$000	Unaudited Forecast 2026 \$000
2,705	Balance at 1 July	9,123	8,305	7,923
6,756	Total comprehensive revenue and expense	3,923	-	-
	Owner transactions			
7,100	Capital injections	300	300	300
-	Capital withdrawals	-	-	-
(7,438)	Return of operating surplus to the Crown	(3,799)	-	-
9,123	Balance as at 30 June	9,547	8,605	8,223

Explanations for major variances against the original 2024/25 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 2025

Actual 2024 \$000	Notes	Actual 2025 \$000	Unaudited Budget 2025 \$000	Unaudited Forecast 2026 \$000
Cash flows from operating activities				
109,111	Receipts from revenue Crown	105,169	103,979	104,017
26,511	Receipts from other revenue	28,264	29,290	30,790
(34,450)	Payments to employees	(35,308)	(34,441)	(36,069)
(91,398)	Payments to suppliers	(89,995)	(97,054)	(96,999)
1,004	Goods and services tax (net)	(511)	-	-
(103)	Payment for capital charge	(458)	(473)	(473)
10,675	Net cash flows from operating activities	7,161	1,301	1,266
Cash flows from investing activities				
(7,999)	Purchase of property, plant, and equipment	(71)	(415)	(1,086)
(116)	Purchase of intangible assets	-	(650)	-
(8,115)	Net cash flows from investing activities	(71)	(1,065)	(1,086)
Cash flows from financing activities				
7,100	Capital injections	300	300	300
-	Repayment of operating surplus	(7,438)	(6,000)	-
7,100	Net cash flows from financing activities	(7,138)	(5,700)	300
9,660	Net (decrease)/increase in cash	(48)	(5,464)	480
11,997	Cash and cash equivalents at the beginning of the year	21,657	14,329	7,292
21,657	Cash and cash equivalents at the end of the year	21,609	8,865	7,772

Explanations for major variances against the original 2024/25 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 2025

Reconciliation of the net surplus to net cash flows from operating activities

Actual 2024 \$000		Actual 2025 \$000
6,757	Net surplus/(deficit)	3,923
	Add/(less) non-cash items	
577	Depreciation and amortisation expense	1,155
577	Total non-cash items	1,155
	Add/(less) items classified as investing or financing activities	
-	Net (gain)/loss on disposal of property, plant, and equipment	-
	Add/(less) movements in statement of financial position items	
9,605	(Increase)/decrease in receivables	360
(134)	(Increase)/decrease in prepayments	17
(6,641)	Increase/(decrease) in payables and deferred revenue	1,395
154	Increase/(decrease) in provision	154
357	Increase/(decrease) in employee entitlements	157
3,341	Total net movement in statement of financial position items	2,083
10,675	Net cash flows from operating activities	7,161

The accompanying notes form part of these financial statements.

Statement of commitments

AS AT 30 JUNE 2025

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 (30 June 2024: nil).

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 2024 \$000		Actual 2025 \$000
-	Capital commitments	-
	There were no capital commitments as at 30 June	
	Operating leases as lessee (inter-entity)	
	The future aggregate minimum lease payments to be paid under non-cancellable operating leases	
1,394	Not later than 1 year	1,566
5,596	Later than 1 year and not later than 5 years	6,284
7,491	Later than 5 years	6,850
14,481	Total non-cancellable operating lease commitments (inter-entity)	14,700
14,481	Total commitments	14,700

Statement of contingent liabilities and contingent assets

AS AT 30 JUNE 2025

Quantified contingent liabilities

Crown Law has no quantifiable contingent liabilities at 30 June 2025 (30 June 2024: nil).

Unquantified contingent liabilities

Crown Law has no unquantifiable contingent liabilities at 30 June 2025 (30 June 2024: nil).

Contingent assets

Crown Law has no contingent assets as at 30 June 2025 (30 June 2024: nil).

The accompanying notes form part of these financial statements.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2025

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, 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 behalf of clients of Crown Law on page 76.

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 2025 and were approved for issue by the Solicitor-General and Chief Executive of Crown Law on 30 September 2025.

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 Public Finance Act, which include the requirement to comply with GAAP and Treasury instructions issued in August 2024.

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

Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1)

Disclosure of fees for audit firms' services amendments to PBE IPSAS 1 has been adopted in the preparation of these financial statements. The amendments change the required disclosures for fees relating to services provided by the audit or review provider, including a requirement to disaggregate the fees into specified categories, and to provide comparative information for the year ended 30 June 2024. This new disclosure is included in Note 5.

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

Standards and amendments issued but not yet effective that have not been early adopted, that are relevant to Crown Law are as follows.

2024 Omnibus Amendments to PBE Standards (Amendments to PBE IPSAS 1)

These amendments clarify the principles for classifying a liability as current or non-current. The amendments are effective for Crown Law for the year ending 30 June 2027.

Crown Law has not yet assessed in detail the impact of these amendments. However, these amendments are not expected to have a significant impact.

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 2025 budget figures are for the year ended 30 June 2025 and were published in the 2023/24 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 2024/25.

The 2026 forecast figures are for the year ending 30 June 2026, which are consistent with the best estimate financial forecast information submitted to Treasury for the BEFU for the year ending 2025/26.

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 2026 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 9 April 2025. 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 2026.

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 2025/26 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, adopted as at 9 April 2025, 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 239 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 2024/25 was used as the opening position for the 2025/26 forecasts.

The actual financial results achieved for 30 June 2026 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

Actual 2024 \$000		Actual 2025 \$000
Revenue received from:		
26,812	Government departments/other government entities	27,847
48	Other	12
46	Court-awarded costs	45
26,906	Total other revenue	27,904

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 2024 \$000		Actual 2025 \$000
32,958	Salaries and wages	33,651
83	Other personnel costs	126
1,419	Employer contribution to defined contribution plans	1,511
510	Increase/(decrease) in employee entitlements	313
34,970	Total personnel costs	35,601

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 as at 30 June 2025 was 5.0% (30 June 2024: 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

Actual 2024 \$000		Actual 2025 \$000
104	Fees to Audit New Zealand for audit of financial statements	126
1	Disbursements to Audit New Zealand for audit of financial statements	1
680	Consultancy	468
2,087	Operating lease expenses (rent for office accommodation)	1,641
2,568	IT and library costs	2,716
2,962	External barrister/solicitor fees	3,292
2,390	Other matter related costs	1,402
2,891	Other expenses	2,055
13,683	Total other operating expenses	11,701

NOTE 6: Receivables

Accounting policy

Receivables

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECLs). 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 and net realisable value. Work in progress is generally invoiced in the following month.

Breakdown of receivables and further information

Actual 2024 \$000		Actual 2025 \$000
2,793	Debtors (gross)	2,444
(1)	Less: allowance for credit losses	-
2,603	Work in progress (gross)	2,604
19	Sundry debtors	6
5,414	Total receivables	5,054
	Total receivables comprise:	
5,395	Receivables from the sale of legal advice and representation services to other government agencies at cost recovery (exchange transactions)	5,048
19	Receivables from miscellaneous expense recoveries	6

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%	0.00%	0.00%	0.00%	0.00%	0.19%	-	-
Gross carrying amount (\$'000)	2,663	43	24	8	1	43	11	-	2,793
Expected credit loss (\$'000)	(1)	-	-	-	-	-	-	-	(1)

The movement in allowance for credit losses is as follows.

Actual 2024 \$'000	Actual 2025 \$'000
1 Opening balance as at 1 July	1
1 Increase in loss allowance made during the year	-
(1) Receivables written off during the year	(1)
1 Closing allowance for credit losses as at 30 June	-

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 economics 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 revenue and expense. 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-to-day 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.

Leasehold improvements	Up to 10 years	10%
Computer hardware	2-6 years	16.7%-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
Cost					
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)
Balance as at 30 June 2024	6,789	518	891	1,025	9,223
Balance as at 01 July 2024	6,789	518	891	1,025	9,223
Additions	1	39	6	25	71
Disposals	-	-	-	-	-
Balance as at 30 June 2025	6,790	557	897	1,050	9,294
Accumulated depreciation and impairment losses					
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)
Balance as at 30 June 2024	183	46	224	675	1,128
Balance as at 01 July 2024	183	46	224	675	1,128
Depreciation expense	672	96	146	130	1,044
Elimination on disposal	-	-	-	-	-
Balance as at 30 June 2025	855	142	370	805	2,172
Carrying amount					
At 30 June and 01 July 2023	74	57	94	431	656
At 30 June 2024	6,606	472	667	350	8,095
At 30 June 2025	5,935	415	527	245	7,122

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
Cost	
Balance as at 01 July 2023	2,056
Additions	116
Disposals	(63)
Balance as at 30 June 2024	2,109
Balance as at 01 July 2024	2,109
Additions	-
Disposals	-
Balance as at 30 June 2025	2,109
Accumulated amortisation and impairment losses	
Balance as at 01 July 2023	1,898
Amortisation expense	17
Elimination on disposal	(63)
Impairment losses	-
Balance as at 30 June 2024	1,852
Balance as at 01 July 2024	1,852
Amortisation expense	111
Elimination on disposal	(1)
Impairment losses	-
Balance as at 30 June 2025	1,962
Carrying amount	
At 30 June and 01 July 2023	158
At 30 June 2024	257
At 30 June 2025	147

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 2024 \$000		Actual 2025 \$000
Payables and deferred revenue under exchange transactions		
62	Creditors – Crown Solicitors' fees	60
915	Creditors – other	442
12,983	Accrued expenses – unbilled Crown Solicitors' fees	15,142
140	Other accrued expenses	362
-	Income in advance for cost recovered services	-
14,100	Total payables and deferred revenue under exchange transactions	16,006
1,747	GST payable	1,236
1,747	Payables and deferred revenue under non-exchange transactions	1,236
15,847	Total payables and deferred revenue	17,242

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 2024 \$000		Actual 2025 \$000
	Current portion	
51	Restructuring	156
	Non-current portion	
103	Restructuring	-
154	Total provisions	156

Movements of provisions

Balance at 1 July 2024	154
Additional provisions made	70
Amounts used	(17)
Unused amounts reversed	(51)
Balance as at 30 June 2025	156

Restructuring provision

The restructuring provision relates to the expected redundancy costs arising from Crown Law's organisational review processes in 2024 and 2025 and is based on the final decisions announced. Crown Law anticipates that the restructuring decisions will be completed 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 2025.

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 2025 (2024: 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 3.14% (2024: 5.30%), year 2 of 3.47% (2024: 4.49%) and year 3 and beyond of 5.58% (2024: 5.11%) and a long-term salary inflation factor of 2.89% (2024: 3.33%) 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 \$2,017 higher or lower.

Breakdown of employee entitlements

Actual 2024 \$000		Actual 2025 \$000
	Current accruals	
1,060	Personnel accruals	1,052
2,197	Annual leave	2,501
105	Retirement and long service leave	119
3,362	Total current portion	3,672
	Non-current liabilities	
277	Retirement and long service leave	277
277	Total non-current portion	277
3,639	Total employee entitlements	3,949

NOTE 12:

Return of operating surplus

Actual 2024 \$000		Actual 2025 \$000
6,757	Net surplus/(deficit)	3,923
707	Add (surplus)/deficit of memorandum account: legal advice and representation	(125)
(26)	Add (surplus)/deficit of memorandum account: processing of King's Counsel applications	1
7,438	Total return of operating surplus	3,799

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

Actual 2024 \$000		Actual 2025 \$000
Taxpayers' funds		
2,061	Balance at 1 July	9,160
6,757	Net surplus/(deficit)	3,923
681	Transfer of memorandum accounts net (surplus)/(deficit) for the year	(125)
7,100	Capital injections	300
(1)	Other	-
(7,438)	Return of operating surplus to the Crown	(3,799)
9,160	Balance at 30 June	9,459
Memorandum accounts		
644	Opening balance at 1 July	(37)
26,718	Revenue	27,758
(27,399)	Less expenses	(27,633)
(681)	Surplus/(deficit) for the year	125
-	Other	-
(37)	Closing balance at 30 June	88
9,123	Total equity at 30 June	9,547

Breakdown of memorandum accounts and further information

Actual 2024 \$000		Actual 2025 \$000
Legal advice and representation		
564	Opening balance at 1 July	(143)
26,671	Revenue	27,746
(27,378)	Less expenses	(27,620)
(707)	Surplus/(deficit) for the year	126
-	Other	-
(143)	Closing balance at 30 June	(17)
Processing of King's Counsel applications		
80	Opening balance at 1 July	106
47	Revenue	12
(21)	Less expenses	(13)
26	Surplus/(deficit) for the year	(1)
106	Closing balance at 30 June	105
Total memorandum accounts		
644	Opening balance at 1 July	(37)
26,718	Revenue	27,758
(27,399)	Less expenses	(27,633)
(681)	Surplus/(deficit) for the year	125
-	Other	-
(37)	Closing balance at 30 June	88

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.

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 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 2025, Crown Law has provided legal services to departments and government entities in the amount of \$27.746 million (2024: \$26.671 million).

Transactions with key management personnel

Key management personnel compensation

Actual 2024 \$000		Actual 2025 \$000
Leadership Team, including the Chief Executive		
2,288	Remuneration	2,092
6	Full-time equivalent staff	5

The key management personnel remuneration disclosure includes the Solicitor-General/Chief Executive, and four 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 2024 \$000		Actual 2025 \$000
Financial assets measured at amortised cost		
21,657	Cash and cash equivalents	21,609
5,414	Receivables	5,054
27,071	Total financial assets measured at amortised cost	26,663
Financial liabilities measured at amortised cost		
15,847	Payables	17,242
15,847	Total financial liabilities measured at amortised cost	17,242

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
2025							
Payables	9	17,242	17,242	17,242	-	-	-
2024							
Payables	9	15,847	15,847	15,847	-	-	-

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 \$1.190 million more than budgeted mainly due to an increase of \$1.200 million in the Law Officer Functions MCA that is transferred from 2023/24 to fund the deferred and reprioritised IT work programmes and offset by a one-off funding transfer of \$10,000 from the Law Officer Functions MCA to the Ministry of Justice to fund a non-departmental ex-gratia payment.

Other revenue

Income from other revenue was \$1.386 million lower than budgeted mainly due to decreased revenue in legal advice and representation work.

Personnel costs

Personnel costs were \$1.160 million more than budgeted mainly due to a small increase in remuneration costs for band step movements.

Crown Solicitors' fees

Crown Solicitors' fees were \$4.635 million more than budgeted. This was mainly due to \$3.946 million of the backlog adjustment funding required to address the adverse scheduling effects resulting from the Ministry of Justice's Backlog Project, which caused a significant increase in the number of prosecutions being disposed in the Auckland and Christchurch region.

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

Cash and cash equivalents were \$12.744 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 \$5.672 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 2025.

Return of operating surplus

Return of operating surplus was \$3.799 million more than budgeted. This was in line with the higher than budgeted cash balances as at 30 June 2025.

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 2025

Actual 2024 \$000		Actual 2025 \$000
Crown Law Office Legal Claims Trust Account		
3	Opening balance at 1 July	134
555	Contributions	9,268
(430)	Distributions	(9,376)
7	Revenue	63
(1)	Expenditure	(69)
134	Closing balance at 30 June	20
Crown Law Office Retention Money Trust Account		
-	Opening balance at 1 July	104
200	Contributions	-
(100)	Distributions	(100)
4	Revenue	5
-	Expenditure	(9)
104	Closing balance at 30 June	-
Trust account total		
3	Opening balance at 1 July	238
755	Contributions	9,268
(530)	Distributions	(9,476)
11	Revenue	68
(1)	Expenditure	(78)
238	Closing balance at 30 June	20

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 2025. 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 2025

Actual 2024 \$000		Actual 2025 \$000	Main Estimates 2025 \$000	Supp. Estimates 2025 \$000	Approved approp. 2025* \$000	Location of end-of- year perf. info.
Vote Attorney-General						
Law Officer Functions MCA						
31,183	Strategic and Operational Legal Advice and Representation	30,171	31,059	33,259	33,259	**
7,444	Conduct of Criminal Appeals arising from Crown Prosecutions	7,382	12,115	11,415	11,415	**
7,948	Law Officer Constitutional and Criminal Law Duties	8,990	10,965	12,155	12,155	**
83,022	Public Prosecution Services	82,607	79,130	79,130	79,130	**
129,597	Total appropriations for output expenses	129,150	133,269	135,959	135,959	
Appropriations for capital expenditure						
8,115	Capital expenditure	71	1,065	253	253	**
137,712	Total annual and permanent appropriations	129,221	134,334	136,212	136,212	

* The approved appropriation includes adjustments made in the Supplementary Estimates and the additional expenditures incurred under section 26 (nil for 2024/25) of the Public Finance Act 1989.

** The *Assessment of operations* 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 2024/25 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 2025

Crown Law has no expenses and capital expenditure incurred without or in excess of appropriation or other authority for the year ended 30 June 2025.

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 2025

Actual capital injections 2024 \$000		Actual capital injections 2025 \$000	Approved appropriation 2025 \$000
Vote Attorney-General			
7,100	Crown Law – capital injection	300	300

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

FOR THE YEAR ENDED 30 JUNE 2025

Crown Law has not received any capital injections during the year without, or in excess, of authority (2024: nil).

Our funding

The Crown Law Office administers Vote Attorney-General. The total annual and permanent appropriations sought for Vote Attorney-General in 2024/25 are \$134.334 million. This is 2.7% less than the estimated actual expenditure of \$137.992 million in 2023/24.

The Vote for the 2024/25 financial year consists of two appropriations: Crown Law Office – Capital Expenditure (\$1.065 million) for renewal and replacement of assets in support of our service delivery and the multi-category appropriation Law Officer Functions (\$133.269 million) to provide for the discharge of the Law Officers’ constitutional, criminal law and system leadership responsibilities, including legal advice and representation services.

The amount of \$133.269 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 to State Sector entities (\$31.059 million).
- Conducting appeals arising from Crown prosecutions (\$12.115 million).
- Providing assistance to the Principal Law Officers in the exercise of their functions, and providing advice on constitutional, criminal law, mutual assistance and extradition matters (\$10.965 million).
- The provision and supervision of a national Crown prosecution service and oversight of public prosecutions (\$79.130 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 2025. 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 2023.

Independent auditor's report

To the readers of

the Crown Law Office's annual report

for the year ended 30 June 2025

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 annual financial statements of the Department, that comprise the statement of financial position, statement of commitments, and statement of contingent liabilities and contingent assets as at 30 June 2025, 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 on pages 43 to 75;
- the end-of-year performance information for appropriations of the Department for the year ended 30 June 2025 on pages 10 to 31;
- the statements of expenses and capital expenditure of the Department for the year ended 30 June 2025 on pages 78 to 79; and
- the schedule of trust monies which are managed by the Department for the year ended 30 June 2025 on page 76.

Opinion

In our opinion:

- The annual financial statements of the Department:
 - o fairly present, in all material respects:
 - its financial position as at 30 June 2025; 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 end-of-year performance information for appropriations of the Department for the year ended 30 June 2025:

- o provides an appropriate and meaningful basis to enable readers to assess what have been achieved with the appropriations as determined in accordance with generally accepted accounting practice in New Zealand; and
- o fairly presents, in all material respects:
 - what have been achieved with the appropriations; and
 - the actual expenses or capital expenditure incurred in relation to the appropriations as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred; and
- o complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- The statements of expenses and capital expenditure of the Department have been prepared, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.
- The schedule of trust monies which are managed by the Department for the year ended 30 June 2025 has been prepared, in all material respects, in accordance with the Treasury Instructions 2024.

Our audit was completed on 30 September 2025. This is the date at which our opinion is expressed.

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, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): The Audit of Service Performance Information 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 annual financial statements that fairly present the Department's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand.
- The end-of-year performance information for appropriations that:
 - o provides an appropriate and meaningful basis to enable readers to assess what have been achieved with the appropriations, as determined in accordance with generally accepted accounting practice in New Zealand; and

- o fairly presents, in all material respects:
 - what have been achieved with the appropriations;
 - the actual expenses or capital expenditure incurred in relation to the appropriations as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred; and
- o complies with generally accepted accounting practice in New Zealand.
- The statements of expenses and capital expenditure of the Department, that are prepared in accordance with section 45A of the Public Finance Act 1989.
- The schedule of trust monies which are managed by the Department in accordance with the Treasury Instructions 2024.

The Solicitor-General is responsible for such internal control as she 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'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 audited information, 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 audited information.

For the budget information reported in the information we audited, our procedures were limited to checking that the information agreed to the Department's Strategic Intentions 2024/25 - 2028/29 and Estimates of Appropriations for the Department for the year ending 30 June 2025. For the forecast financial information for the year ending 30 June 2026, our procedures were limited to checking to the best estimate financial forecast information based on the Budget Economic Fiscal Update for the year ending 30 June 2026.

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

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain

audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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, by reference to generally accepted accounting practice in New Zealand, whether the end of year performance information for appropriations:
 - o provides an appropriate and meaningful basis to enable readers to assess what have been achieved with the appropriations; and
 - o fairly presents what have been achieved with the appropriations.
- We evaluate whether the statements of expenses and capital expenditure, and schedule of trust monies have been prepared in accordance with legislative requirements.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Solicitor-General.
- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information 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 comprises all of the information included in the annual report other than the audited information and our auditor's report thereon.

Our opinion on the audited information 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 audited information, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the 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) 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



**Te Kāwanatanga
o Aotearoa**
New Zealand Government

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