



Statement of Performance Expectations

Tauākī Ā-Whāinga Whakatutuki

2022/23



Legislation enforced by the Commerce Commission

Commerce Act 1986

Credit Contracts and Consumer Finance Act 2003

Dairy Industry Restructuring Act 2001

Fair Trading Act 1986

Fuel Industry Act 2020

Telecommunications Act 2001

Retail Payment System Act 2022

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Presented to the House of Representatives pursuant to section 149L(3) of the Crown Entities Act 2004.

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Overview | Tirohanga whānui

Introduction | Kupu whakataki

The Commerce Commission (the Commission) is Aotearoa New Zealand’s competition, fair trading, consumer credit and economic regulatory agency.

We are an independent Crown entity with a Commission structure. Our Commissioners:

- exercise functions, powers and duties under the Commerce Act 1986 and other Acts
- operate as a Board under the Crown Entities Act 2004.

While the Commission is part of the wider public sector, the independence of our decision making is important and is further reinforced by our status as an independent Crown entity. We are not subject to direction from the Government in carrying out our enforcement and regulatory activities, and we are required to be an impartial promoter and enforcer of the law. We are primarily accountable to the Minister of Commerce and Consumer Affairs and the Minister for the Digital Economy and Communications for our performance. The Ministry of Business, Innovation and Employment (MBIE) is our monitoring agency.



As an agency of the public sector, we are expected to act with a spirit of service to the community and meet high standards of integrity and conduct consistent with the State Services Code of Conduct. Being fair, impartial, responsible and trustworthy are the behaviours and values we follow at the Commission when acting on behalf of all New Zealanders.

Our vision to make New Zealanders better off is at the centre of everything we do. This work supports the Government's economic and wellbeing objectives by ensuring a more competitive, confident and productive business environment that delivers positive outcomes for everyone in Aotearoa.

In the 2022/23 financial year, we will contribute towards the Government's three overarching objectives:

- Keeping New Zealanders safe from COVID-19.
- Accelerating New Zealand's economic recovery.
- Laying the foundations for a better future.

A key part of achieving these objectives is the Government's plan for the economy to be more productive, sustainable and equitable.

The Commission plays an important role in the economy through the delivery of our strategic objectives that markets work well and consumers and businesses are confident market participants. We will continue to support and contribute to the Government's economic plan and overarching objectives in 2022/23.

Further detail about our specific priority areas for the year, as agreed with our Minister, can be found on our website.

Legislated responsibilities and essential functions

Ngā haepapatanga ā-ture me ngā tino mahi

We have responsibility for enforcing a range of laws including those relating to competition, fair trading and consumer credit contracts. We also have a range of regulatory responsibilities, including those in the electricity lines, gas pipelines, telecommunications, retail payments, dairy, fuel and airport sectors.

The key laws we are responsible for administering and enforcing are outlined below.

The infographic is a grid of nine boxes, each representing a different legislative act. Each box contains an icon at the top, the name of the act, and a brief description of its purpose. The acts are: Commerce Act 1986 (Parts 2, 3 and 5), Credit Contracts and Consumer Finance Act 2003, Fair Trading Act 1986, Commerce Act 1986 (Part 4), Commerce Commission New Zealand logo, Telecommunications Act 2001, Fuel Industry Act 2020, Dairy Industry Restructuring Act 2001, and Retail Payment System Act 2022.

Act Name	Description
Commerce Act 1986 (Parts 2, 3 and 5)	Prohibits anti-competitive behaviour and acquisitions that substantially lessen competition. It also provides for a clearance and authorisation regime for mergers and restrictive trade practices. Enables the Commission to carry out competition (or market) studies.
Credit Contracts and Consumer Finance Act 2003	Protects the interests of consumers in relation to consumer credit contracts, consumer leases and buy-back transactions of land. It includes provisions relating to disclosure and unforeseen hardship and sets out rules about interest, payments, credit fees, responsible lending and lender certification.
Fair Trading Act 1986	Prohibits false and misleading behaviour by traders and a range of other unfair business practices. It also requires that consumers are given specified information about certain products and promotes product safety.
Commerce Act 1986 (Part 4)	Part 4 provides for the regulation of price and quality of goods and services in markets where there is little or no competition and little or no likelihood of a substantial increase in competition. Sectors that are currently subject to the provisions of Part 4 are electricity distribution and transmission, gas pipelines, and selected airport services.
Commerce Commission New Zealand	Te Komihana Tauhokohoko
Telecommunications Act 2001	Regulates the supply of certain wholesale telecommunications services (including the price and quality of fibre networks) and the quality of retail services.
Fuel Industry Act 2020	Promotes competition in engine fuel markets for the long-term benefit of fuel users. It establishes a wholesale pricing regime, rules governing wholesale contracts, an information disclosure regime and requirements for the display of price information at retail fuel sites.
Dairy Industry Restructuring Act 2001	Promotes the efficient operation of dairy markets in New Zealand by regulating the activities of Fonterra to ensure New Zealand markets for dairy goods and services are contestable.
Retail Payment System Act 2022	Promotes competition and efficiency in the retail payment system for the long-term benefit of merchants and consumers.

In addition to carrying out our responsibilities under these Acts, we contribute to the development and implementation of competition, fair trading, consumer credit and economic regulatory policy settings and laws.

Statement of responsibility | Tauākī haepapatanga

The Commerce Commission prepares and presents this Statement of Performance Expectations to the House of Representatives under Part 4, section 149L(3) of the Crown Entities Act 2004.

The prospective financial statements and performance expectations, prepared following generally accepted accounting standards for this Statement of Performance Expectations, were not audited and may not be relied upon for any other purpose.

The Board acknowledges responsibility for the preparation of this Statement of Performance Expectations, reflecting the forecast performance and the Commission's forecast financial position for the financial year ending 30 June 2023.



Anna Rawlings
Chair



Sue Begg
Deputy Chair

Our strategic objectives | Whāinga rautaki

Our two strategic objectives underpin our vision and support each other.

The more confidence consumers and businesses have when they participate in markets, the better markets are likely to function. Well-functioning markets also help to ensure that consumers and businesses can participate with confidence. The table below outlines the Commission’s strategic objectives.

<p>Markets work well</p> <p>Our role in encouraging markets to work well is to provide that:</p> <ul style="list-style-type: none"> • businesses understand and operate according to the rules • there is effective competition between businesses • competition is not undermined by anti-competitive arrangements • market power is not used to frustrate competition • mergers do not substantially lessen competition • regulated sectors are incentivised to perform efficiently • accurate information is available to both consumers and businesses • new laws/regulations relevant to us are well targeted, efficient and effective. 	<p>Consumers are confident market participants</p> <p>Our role in contributing to consumer confidence is to:</p> <ul style="list-style-type: none"> • educate New Zealanders about consumer laws so they can be empowered • help ensure consumers have access to information so they can make informed purchasing choices • monitor terms and conditions related to purchase of goods and services to ensure they are fair and clear • help ensure consumers are not misled about the price, characteristics and quality of goods and services and credit terms • help ensure consumers benefit from dependable and efficient regulated services • help ensure consumers have access to innovative products and services • promote compliance with the law, prosecute violations of the law and deter wrongful behaviour. 	<p>Businesses are confident market participants</p> <p>Our role in improving business confidence is to:</p> <ul style="list-style-type: none"> • enhance business understanding of the legislation we are responsible for so that businesses do not unintentionally breach the law • ensure the rules and regulations in relation to regulated businesses are applied equally and impartially • minimise anti-competitive or misleading conduct by competitors • provide a predictable regulatory regime for businesses.
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Our strategies | Ngā rautaki

To support our strategic objectives, we have three key strategies that drive our approach. Our strategies are to:

- seize opportunities to have the greatest impact
- protect, inform and empower consumers and businesses
- be trusted, influential and high performing.

The first two strategies determine what we are going to do and how we are going to do it. The third strategy sets out how we must shape our organisational health and capability to deliver on the other strategies.

We engage our strategies when we select our priorities across each of our main areas of work. In this way, they inform the work we do to achieve our strategic objectives and our vision.

Our values | Ngā uara

Our organisation's values form the foundation of our strategic framework. These values guide the way we operate to implement our three strategies and achieve our strategic objectives. Our values are:

- excellence
- integrity
- accountability
- respect
- good judgement.

The layers of this framework are detailed in our Statement of Intent 2020–2024.



How we will assess our performance

Te aromatawai i ā mātou tutukitanga

This section describes our outputs and how we will measure performance. It also provides a breakdown of expected revenue – Crown and other revenue and proposed expenditure for each output class.

The Commission generally uses a range of internal systems and processes to capture and track output measures and performance throughout the period. Results against our performance measures and targets for 2022/23 will be reported in our 2022/23 Annual Report.

Output measures and financial information

Ngā inenga hua me ngā pārongo taha pūtea

We will achieve our strategic objectives in 2022/23 by implementing our plan and carrying out our functions across our output classes.

Our work is primarily funded through a variety of annual and multi-year appropriations¹ under Vote Business, Science and Innovation (Vote BSI).²

The largest contribution to our revenue is from the Crown through a combination of general taxes and industry levies (for instance, to pay for the regulation of electricity lines services). Other sources of revenue include interest on cash we hold, court cost awards from litigation and application fees paid by businesses seeking clearances and other determinations.

Competition, market studies and consumer

Tirohanga whakataetae, māketē hoki, kiritaki

This section outlines our output measures, expected revenue and proposed expenditure relating to our role under the:

- Commerce Act 1986 (Parts 2, 3 and 5)
- Credit Contracts and Consumer Finance Act 2003
- Fair Trading Act 1986.

1. Please refer to Treasury Technical Guide [Estimates, Supplementary Estimates and their Supporting Information](#) (December 2021) for further information.

2. The Commission's appropriations are included in Vote BSI, which is administered by our monitoring agency MBIE.

Competition | Whakataetae

We believe competitive markets deliver long-term benefits to the economy. Competition between businesses contributes to:

- more affordably priced goods and services at the quality that consumers demand
- stronger incentives for businesses to innovate and make efficient use of resources
- a more productive economy with higher standards of living for New Zealanders.

This output class is intended to achieve the prevention, identification, investigation and remediation of market behaviour that is anti-competitive and includes administration of clearance and authorisation regimes under the Commerce Act 1986. It includes our work with other government agencies in policy development and regulatory initiatives, understanding the impact on markets and educating industry about its obligations under competition law.

Output performance measure	2021/22 Target	2021/22 Estimated actual	2022/23 Target
Percentage of merger clearance decisions made within 40 working days when no statement of issues is published	75%	100%	75%
Average number of working days from date of decision to date of publication of reasons for declined merger clearance applications	10 days	There have been no declined applications so far in 2021/22 ³	10 days
Number of Commerce Act 1986 matters completed	5–20	17	5–20
Percentage of competition investigations decided within 18 months of the investigation being opened	75%	80%	75%
Percentage of investigations involving a court action, statutory undertaking or negotiated settlement response meeting our internal process quality standards	100%	100%	100%

Our competition work is funded through the multi-category appropriation *Vote Business, Science and Innovation: Enforcement of General Market Regulation – Enforcement of Competition Regulation*.⁴

Expected revenue and proposed expenditure	2021/22 Budget \$000	2021/22 Estimated actual \$000	2022/23 Budget \$000
Operating revenue			
Revenue – Crown	13,289	13,289	11,879
Other revenue	175	178	213
Total operating revenue	13,464	13,467	12,092
Total operating expenses	13,464	12,822	12,092
SURPLUS/(DEFICIT)	0	645	0

3. At the time of publication, three merger clearance applications had been withdrawn in 2021/22.

4. 2021/22 Budget and Estimated Actual expected revenue and expenditure includes \$1.25 million in funding subsequently provided through *Vote Business, Science and Innovation: Enforcement of General Market Regulation – Retail Payment Systems Administration and Enforcement*.

Market studies (also known as competition studies) | Tirohanga māketē

Some markets may not be performing as we would expect if competition was working well for consumers. Our market studies (also called competition studies) examine the factors affecting competition in a market and consider whether competition is working well and, if not, what can be done to improve it.

This output class is intended to achieve improved market performance and outcomes through detailed research into a particular market or markets where there are concerns the market could be functioning suboptimally.

Output performance measure	2021/22 Target	2021/22 Estimated actual	2022/23 Target
All competition studies undertaken are completed within agreed timeframes	Achieved	Achieved	Achieved

Our market studies work is funded through *Vote Business, Science and Innovation: Competition Studies*.

Expected revenue and proposed expenditure	2021/22 Budget \$000	2021/22 Estimated actual \$000	2022/23 Budget \$000
Operating revenue			
Revenue – Crown	3,330	2,903	3,022
Other revenue	17	13	14
Total operating revenue	3,347	2,916	3,036
Total operating expenses	3,347	2,916	3,036
SURPLUS/(DEFICIT)	0	0	0

Consumer (including fair trading and credit) | Kiritaki

An integral part of our role is to protect consumers from harm caused when traders and lenders breach fair trading and consumer credit laws. Tackling consumer harm is vital to ensuring New Zealanders have the confidence to participate in our economy as buyers and sellers of goods and services and as users of consumer credit.

This output class is intended to achieve the prevention, identification, investigation and remediation of market behaviour that is harmful for consumers. Under the Credit Contracts and Consumer Finance Act 2003, we help protect consumers when they borrow money or buy goods on credit, including through mortgages, credit cards and short-term or long-term loans. Under the Fair Trading Act 1986, we help make sure consumers are not misled when buying products and services and enforce rules relating to product safety and consumer information standards and other unfair business practices.

Output performance measure	2021/22 Target	2021/22 Estimated actual	2022/23 Target
Number of Credit Contracts and Consumer Finance Act 2003 matters completed	At least 50	35	At least 50
Number of product safety and information standards matters completed	At least 75	55–60	At least 75
Number of Fair Trading Act 1986 matters completed	At least 175	156	At least 175
Percentage of Fair Trading Act 1986 investigations decided within 12 months of the investigation being opened	95%	90%	95%
Percentage of Credit Contracts and Consumer Finance Act 2003 investigations decided within 18 months of the investigation being opened	95%	95%	95%
Percentage of investigations involving a court action, statutory undertaking or negotiated settlement response meeting our internal process quality standards	100%	100%	100%
Fit and proper person applications processed under the Credit Contracts and Consumer Finance Act 2003 within 30 working days where all information has been received and no conditions have been imposed	75%	55%	75%

Our consumer work is funded through the multi-category appropriation *Vote Business, Science and Innovation: Enforcement of General Market Regulation – Enforcement of Consumer Regulation*.

Expected revenue and proposed expenditure	2021/22 Budget \$000	2021/22 Estimated actual \$000	2022/23 Budget \$000
Operating revenue			
Revenue – Crown	19,084	19,084	19,123
Other revenue	1,970	1,943	509
Total operating revenue	21,054	21,027	19,632
Total operating expenses	20,648	20,354	19,720
SURPLUS/(DEFICIT)	406	673	(88)

Economic regulation | Ngā ture ohaoha

This section outlines our output measures, expected revenue and proposed expenditure relating to our role under the:

- Telecommunications Act 2001
- Commerce Act 1986 (Part 4)
- Fuel Industry Act 2020
- Dairy Industry Restructuring Act 2001
- Retail Payment System Act 2022.

Our targets for economic regulation often fluctuate year to year due to the phasing of the regulatory cycle.

Telecommunications | Torotoro waea

From 2022/23, the telecommunications and fibre appropriations have been combined into one multi-year appropriation. This was approved by the Cabinet Economic Development Committee as part of the levy funding review in April 2021.

Our role is to promote competition in fixed-line and mobile markets for the long-term benefit of end users. Under the Telecommunications Act 2001 we have functions at both the wholesale and retail levels.

At the wholesale level, we set and administer the price-quality regulation of Chorus' fibre network, the information disclosure of Chorus and local fibre companies and the access terms of certain mobile and legacy copper services.

At the retail level our focus is on improving the quality of services provided to consumers by retail service providers (RSPs). We publish the results of our monitoring to help people understand the performance of RSPs and to support end-user choice. We also have code-making powers relating to copper withdrawal, 111 access and aspects of retail service quality that fall below end-user expectations.

This output class is intended to achieve the promotion of competition in broadband and mobile markets for the benefit of consumers through regulation of wholesale telecommunications services and monitoring of how the retail market is performing by the Commission.

Output performance measure	2021/22 Target	2021/22 Estimated actual	2022/23 Target
Number of determinations (includes determinations, clarifications, reviews, codes and amendments)	Telco: at least 4 Fibre: at least 4	Telco: 4 Fibre: 6	At least 10 ⁵
Percentage of Telecommunications Act 2001 determinations completed by statutory deadlines	Telco: N/A Fibre: 100%	Telco: N/A Fibre: 100%	100%
Average time to complete telecommunications determinations ⁶	Telco: 6 months Fibre: N/A	Telco: 6 months Fibre: N/A	Measure removed
Number of reports completed (monitoring reports, summary and analysis reports and information disclosure reports)	Telco: at least 3 Fibre: at least 1	Telco: 7 Fibre: 1	At least 3 ⁵
Quality assurance processes for determinations and code amendments are in place and applied	Telco: 100% Fibre: 100%	Telco: 100% Fibre: 100%	100%

5. The 2022/23 targets for the number of determinations and number of reports completed have changed due to the previously separate fibre and telecommunications output classes being combined into one output class in 2022/23, the phasing of the regulatory cycles and planning decisions around the related work programme.

6. This measure only includes routine determinations that are completed on a regular basis. Distinct one-off determinations are excluded as inclusion would skew the average for the year in which they were completed so it is no longer comparable with other years.

Our telecommunications work is funded through the multi-year appropriation *Vote Business, Science and Innovation: Regulation of Telecommunications Services 2022–2025*.⁷

Expected revenue and proposed expenditure	2021/22 Budget \$000	2021/22 Estimated actual \$000	2022/23 Budget \$000
Operating revenue			
Revenue – Crown	15,092	14,028	14,500
Other revenue	81	64	63
Total operating revenue	15,173	14,092	14,563
Total operating expenses	15,173	14,092	14,563
SURPLUS/(DEFICIT)	0	0	0

Fuel | Hinu

Our role is to promote competition through a monitoring and enforcement regime for liquid fuels under the Fuel Industry Act 2020. Core components of the regime involve oversight of wholesale pricing and contracts, information disclosure requirements and how price information is displayed at retail fuel sites.

This output class is intended to achieve the promotion of competition in engine fuel markets for the long-term benefit of end users of engine fuel products.

Output measure	2021/22 Target	2021/22 Estimated actual	2022/23 Target
Number of Fuel Industry Act 2020 reports completed	At least 1	1	At least 2 ⁸

Our fuel work is funded through *Vote Business, Science and Innovation: Enforcement of General Market Regulation – Liquid Fuels Monitoring and Enforcement*.

Expected revenue and proposed expenditure	2021/22 Budget \$000	2021/22 Estimated actual \$000	2022/23 Budget \$000
Operating revenue			
Revenue – Crown	3,830	3,830	4,819
Other revenue	17	14	20
Total operating revenue	3,847	3,844	4,839
Total operating expenses	3,847	2,687	4,839
SURPLUS/(DEFICIT)	0	1,157	0

7. The 2021/22 budget and estimated actual figures in the table are the combined expected revenue and expenditures for telecommunications and fibre output classes recorded separately in our 2021/22 Statement of Performance Expectations to enable comparability between years.

8. The 2022/23 target for the Number of Fuel Industry Act 2020 reports completed has changed due to the phasing of the regulatory cycle and planning decisions around the related work programme.

Electricity lines services | Ratonga waea hiko

Our role is to regulate the monopoly providers of electricity lines and national electricity grid services under Part 4 of the Commerce Act 1986 to ensure monopolies have incentives to deliver reliable and resilient services to consumers at the lowest cost. We use a range of regulatory tools to achieve this such as price-quality and information disclosure regulation, and we can take enforcement action when monopolies break the rules.

This output class is intended to achieve the delivery of regulated electricity lines services at prices and quality that would have been available if the market were competitive for the long-term benefit of consumers.

Output performance measure	2021/22 Target	2021/22 Estimated actual	2022/23 Target
Number of determinations (includes determinations, clarifications, reviews, codes and amendments)	At least 3	6	At least 4⁹
Percentage of Part 4 of the Commerce Act 1986 determinations completed by statutory deadlines	100%	100%	100%
Number of reports completed (monitoring reports, summary and analysis reports and information disclosure reports)	At least 5	5	At least 4⁹
Quality assurance processes for determinations and code amendments are in place and applied	100%	100%	100%

Our electricity lines services work is funded through the multi-year appropriation *Vote Business, Science and Innovation: Regulation of Electricity Lines Services 2019–2024*.

Expected revenue and proposed expenditure	2021/22 Budget \$000	2021/22 Estimated actual \$000	2022/23 Budget \$000
Operating revenue			
Revenue – Crown	8,541	6,620	8,510
Other revenue	44	34	39
Total operating revenue	8,585	6,654	8,549
Total operating expenses	8,585	6,654	8,549
SURPLUS/(DEFICIT)	0	0	0

9. The 2022/23 targets for the number of determinations and number of reports completed have changed due to the phasing of the regulatory cycle and planning decisions around the related work programme.

Gas pipeline services | Ratonga kapuni

Our role is to regulate the transmission and distribution businesses that own and operate New Zealand’s gas pipeline infrastructure under Part 4 of the Commerce Act 1986 to ensure they have incentives to deliver reliable and resilient services to consumers at the lowest cost. We use a range of regulatory tools to achieve this such as price-quality and information disclosure regulation, and we can take enforcement action when monopolies break the rules.

This output class is intended to achieve the delivery of regulated gas pipeline services at prices and quality that would have been available if the market were competitive for the long-term benefit of consumers.

Output performance measure	2021/22 Target	2021/22 Estimated actual	2022/23 Target
Number of determinations (includes determinations, clarifications, reviews, codes and amendments)	At least 4	4	At least 2 ¹⁰
Percentage of Part 4 of the Commerce Act 1986 determinations completed by statutory deadlines	100%	100%	100%
Number of reports completed (monitoring reports, summary and analysis reports and information disclosure reports)	At least 3	3	At least 3
Quality assurance processes for determinations and code amendments are in place and applied	100%	100%	100%

Our gas pipeline services work is funded through the multi-year appropriation *Vote Business, Science and Innovation: Regulation of Gas Pipeline Services 2019–2024*.

Expected revenue and proposed expenditure	2021/22 Budget \$000	2021/22 Estimated actual \$000	2022/23 Budget \$000
Operating revenue			
Revenue – Crown	3,717	3,573	3,812
Other revenue	20	15	18
Total operating revenue	3,737	3,588	3,830
Total operating expenses	3,737	3,588	3,830
SURPLUS/(DEFICIT)	0	0	0

10. The 2022/23 target for the number of determinations has changed due to the phasing of the regulatory cycle and planning decisions around the related work programme.

Specified airport services | Ratonga tauranga rererangi

Our role is to regulate specific airport services at New Zealand's three international airports (Auckland, Wellington and Christchurch) under Part 4 of the Commerce Act 1986.

This output class is intended to achieve the delivery of regulated specified airport services at prices and quality that would have been available if the market were competitive for the long-term benefit of consumers. It includes our work monitoring airport pricing and spending decisions to improve transparency about the airports' performance.

Output performance measure	2021/22 Target	2021/22 Estimated actual	2022/23 Target
Number of determinations (includes determinations, clarifications, reviews, codes and amendments)	At least 2	2	At least 2
Percentage of Part 4 of the Commerce Act 1986 determinations completed by statutory deadlines	100%	100%	100%
Number of reports completed (monitoring reports, summary and analysis reports and information disclosure reports)	At least 2	2	At least 1¹¹
Quality assurance processes for determinations and code amendments are in place and applied	100%	100%	100%

Our airport services work is funded through the multi-year appropriation *Vote Business, Science and Innovation: Regulation of Specified Airport Services 2019–2024*.

Expected revenue and proposed expenditure	2021/22 Budget \$000	2021/22 Estimated actual \$000	2022/23 Budget \$000
Operating revenue			
Revenue – Crown	600	387	896
Other revenue	2	2	4
Total operating revenue	602	389	900
Total operating expenses	602	389	900
SURPLUS/(DEFICIT)	0	0	0

11. The 2022/23 target for the number of reports completed has changed due to the phasing of the regulatory cycle and planning decisions around the related work programme.

Retail payment systems | Pūnaha utu hokohoko

Our role is to promote competition and efficiency in the retail payment system for the long-term benefit of merchants and consumers. Our main regulatory functions include monitoring and analysing competition and efficiency in the retail payment system, recommending regulation for specific retail payment networks where competition or efficiency can be improved and setting and enforcing rules for regulated networks.

This output class is intended to achieve the promotion of competition and efficiency in the retail payment system for the long-term benefit of merchants and consumers.

Output measure	2021/22 Target	2021/22 Estimated actual	2022/23 Target
Number of retail payment systems reports completed	New measure	New measure	At least 1

Our retail payment systems work is funded through the multi-category appropriation *Vote Business, Science and Innovation: Enforcement of General Market Regulation – Retail Payment Systems Administration and Enforcement*.¹²

Expected revenue and proposed expenditure	2021/22 Budget \$000	2021/22 Estimated actual \$000	2022/23 Budget \$000
Operating revenue			
Revenue – Crown	0	0	4,577
Other revenue	0	0	19
Total operating revenue	0	0	4,596
Total operating expenses	0	0	4,596
SURPLUS/(DEFICIT)	0	0	0

12. 2021/22 budget and estimated actual expected revenue and expenditure funded by this category of appropriation is included in the competition output class above as the category did not exist when the Commission's 2021/22 budget was set.

Input methodologies | Huarahi kōkūhanga

Our regulation helps mimic the effects of competition by ensuring monopolies have incentives to deliver reliable and resilient services to consumers at the lowest cost. The upfront rules or input methodologies are used to set a range of regulatory tools to achieve this such as price-quality and information disclosure regulation.

This output class is intended to achieve the review of input methodologies in order to promote certainty for suppliers and consumers in relation to the rules, requirements and processes applying to the regulation, or proposed regulation of goods and services under Part 4 of the Commerce Act 1986.

Output measure	2021/22 Target	2021/22 Estimated actual	2022/23 Target
Input methodologies under Part 4 of the Commerce Act 1986 are reviewed by December 2023 ¹³	Achieved	Achieved	Achieved

By achieved, we mean the measure is on track to be achieved by December 2023.

Our input methodologies work is funded through the multi-year appropriation *Vote Business, Science and Innovation: Review of Commerce Act Input Methodologies for Economic Regulation for the Period 2021–2024*.

Expected revenue and proposed expenditure	2021/22 Budget \$000	2021/22 Estimated actual \$000	2022/23 Budget \$000
Operating revenue			
Revenue – Crown	500	466	5,600
Other revenue	3	2	25
Total operating revenue	503	468	5,625
Total operating expenses	503	468	5,625
SURPLUS/(DEFICIT)	0	0	0

13. The input methodologies review is a seven-year statutory review that formally commenced in February 2022.

Dairy | Mahi miraka kau

This output class is intended to achieve incentives for Fonterra to operate efficiently while providing for contestability in the market for the purchase of milk from farmers. Our main role is to administer the milk-price monitoring regime that applies to Fonterra under the Dairy Industry Restructuring Act 2001. This involves reporting on the extent to which Fonterra's milk price-setting processes and calculations provide incentives for Fonterra to operate efficiently and are consistent with contestability in the market for purchasing farmers' milk.

Output measure	2021/22 Target	2021/22 Estimated actual	2022/23 Target
Number of reports completed (monitoring reports, summary and analysis reports and information disclosure reports)	At least 2	2	At least 2

Our dairy work is funded through *Vote Business, Science and Innovation: Enforcement of Dairy Sector Regulation and Auditing of Milk Price Setting*.

Expected revenue and proposed expenditure	2021/22 Budget \$000	2021/22 Estimated actual \$000	2022/23 Budget \$000
Operating revenue			
Revenue – Crown	757	688	757
Other revenue	4	3	3
Total operating revenue	761	691	760
Total operating expenses	761	691	760
SURPLUS/(DEFICIT)	0	0	0

Part 4 inquiries | Uiuinga Wāhanga 4

Part 4 of the Commerce Act 1986 sets out the particular goods and services that are currently subject to regulation as well as the process for us to undertake inquiries into whether regulation of other goods or services may be needed.

This output class is intended to achieve better long-term outcomes for consumers by undertaking economic regulation inquiries (if required) under Part 4 of the Commerce Act 1986 in markets where there is little or no competition and little or no likelihood of a substantial increase in competition. Such inquiries can be undertaken on our own initiative or at the direction of the Minister of Commerce and Consumer Affairs.

Output measure	2021/22 Target	2021/22 Estimated actual	2022/23 Target
Part 4 inquiries will be completed as required	Achieved	Achieved	Achieved

Our Part 4 inquiries work is funded through *Vote Business, Science and Innovation: Economic Regulation Inquiries*.

We have not budgeted for any Part 4 inquiries as no inquiries have yet been approved or are under consideration by the Commission.

Major litigation | Ngā take ture

Our litigation workload varies considerably each year based on the:

- number and types of cases we choose to litigate or that are brought against us
- appeals we defend
- complexity of the cases we have before us
- court timetables
- parties' approaches to the litigation.

This output class is intended to achieve the best possible outcomes for New Zealanders in competitive and regulated markets by undertaking major or complex litigation where appropriate.

Output measure	2021/22 Target	2021/22 Estimated actual	2022/23 Target
Litigation funds are utilised in accordance with the Litigation Fund criteria	Achieved	Achieved	Achieved

Our major litigation work is funded through the multi-category appropriation *Vote Business, Science and Innovation: Commerce Commission Litigation Funds* consisting of *Internally-Sourced Litigation* and *Externally-Sourced Litigation*.

Internally sourced litigation

Expected revenue and proposed expenditure	2021/22 Budget \$000	2021/22 Estimated actual \$000	2022/23 Budget \$000
Operating revenue			
Revenue – Crown	5,201	5,063	5,585
Other revenue	35	28	31
Total operating revenue	5,236	5,091	5,616
Total operating expenses	5,236	5,091	5,616
SURPLUS/(DEFICIT)	0	0	0

Externally sourced litigation

Expected revenue and proposed expenditure	2021/22 Budget \$000	2021/22 Estimated actual \$000	2022/23 Budget \$000
Operating revenue			
Revenue – Crown	8,000	4,763	8,500
Other revenue	0	0	0
Total operating revenue	8,000	4,763	8,500
Total operating expenses	8,000	4,763	8,500
SURPLUS/(DEFICIT)	0	0	0

Our prospective finances

Ō mātou pūtea āmua

Statement of significant underlying assumptions

Tauākī whakapae matua

The prospective financial statements are presented on pages 23–25 based on existing government policies and in consultation with our monitoring agency, the Ministry of Business, Innovation and Employment. There are several assumptions used in preparing the prospective financial statements. The prospective financial statements should be read with these assumptions in mind.

We have made the following significant underlying assumptions in preparing the prospective financial statements:

- The Commission’s functions will remain broadly the same as in the previous year, with the addition of regulating retail payment systems.
- Application fee revenue for the fit and proper person certification regime is broadly consistent with the forecast developed at the start of the five-year cycle. Surpluses and deficits for this function are held in a separate reserve.
- Revenue from the Crown received by the Commission is consistent with the 2022/23 Estimates of Appropriations and the anticipated Supplementary Estimates of Appropriations.
- The Commission’s operations are largely unaffected by any further COVID-19 restrictions as staff can continue to work remotely. While the Commission continues to adapt a range of activities in response to COVID-19, the Commission’s core operations remain unaffected.
- We will not commence any Part 4 inquiries during the year.
- We have based our expected expenditure on major litigation activities on our estimate of the timing and extent of court hearings for existing and expected litigation cases. If delays, settlements, or significant other litigation matters arise from Commission cases, expenditure on major litigation will change, favourably or unfavourably, for the year.
- A significant portion of our work is reactive, based on requests from Ministers or the public and on complaints we receive. In preparing the prospective financial statements, we have assumed that some activity (particularly in our competition and consumer work) will occur at a level in line with historical activity.

The Commission has adopted these assumptions as at 30 June 2022.

Prospective financial statements | Tauākī pūtea āmua

Statement of prospective comprehensive revenue and expense

Tauākī moni puta, utu āmua hoki

for the year ending 30 June 2023

	2021/22 Budget \$000	2021/22 Estimated actual \$000	2022/23 Budget \$000
Operating revenue			
Revenue from non-exchange transactions			
Revenue – Crown	81,941	74,694	91,580
Court cost awards	100	100	50
Total revenue from non-exchange transactions	82,041	74,794	91,630
Revenue from exchange transactions			
Fees and recoveries	1,996	1,868	513
Interest	150	150	300
Other revenue	122	178	95
Total revenue from exchange transactions	2,268	2,196	908
Total operating revenue	84,309	76,990	92,538
Operating expenses			
Members and personnel	52,314	48,817	60,440
Legal and other professional fees	21,920	16,777	22,418
Computer information and information technology	2,445	2,164	3,442
Occupancy	2,922	2,733	2,846
Depreciation and amortisation	1,831	1,922	1,585
Other expenditure	2,471	2,102	1,895
Total operating expenses	83,903	74,515	92,626
Surplus/(deficit)	406	2,475	(88)
Total comprehensive revenue and expense for the year	406	2,475	(88)

Statement of prospective changes in equity | Tauākī panoni ōritetanga āmua

for the years ending 30 June 2023

	2021 Budget \$000	2021 Estimated actual \$000	2022 Budget \$000
Balance at 1 July	17,215	16,856	16,331
Comprehensive revenue and expense			
Surplus/(deficit)	406	2,475	(88)
Total comprehensive revenue and expense	406	2,475	(88)
Less repayment of reserves	0	(3,000)	0
Balance at 30 June	17,621	16,331	16,243

Statement of prospective financial position | Tauākī tūranga ā-pūtea āmua
for the year ended 30 June 2022

	2021/22 Budget \$000	2021/22 Estimated actual \$000	2022/23 Budget \$000
Equity			
General funds	14,215	12,799	12,799
Registry function reserve	406	532	444
Litigation costs reserve	3,000	3,000	3,000
Total equity	17,621	16,331	16,243
Current assets			
Cash and cash equivalents	5,413	5,166	5,008
Fees and recoveries receivable	50	229	290
Short-term investments	14,000	19,000	15,000
Prepayments	1,250	1,325	1,405
Total current assets	20,713	25,720	21,703
Non-current assets			
Property, plant and equipment	2,573	2,344	1,967
Intangibles	1,682	889	481
Total non-current assets	4,255	3,233	2,448
Total assets	24,968	28,953	24,151
Current liabilities			
Creditors and other payables	1,792	1,707	1,984
Accrued expenses	936	900	954
Lease incentive	170	170	170
Penalties and cost awards held in trust	50	50	50
Crown funding repayable	8	5,291	5
Employee entitlements	3,711	3,824	4,235
Total current liabilities	6,667	11,942	7,398
Non-current liabilities			
Lease incentive	680	680	510
Total non-current liabilities	680	680	510
Total liabilities	7,347	12,622	7,908
Net assets	17,621	16,331	16,243

Statement of prospective cash flows | Tauākī kapewhiti āmua

for the year ended 30 June 2022

	2021/22 Budget \$000	2021/22 Estimated actual \$000	2022/23 Budget \$000
Cash flow from operating activities			
Crown funding received	82,600	83,481	91,585
Fees and recoveries received	2,239	2,138	658
Receipts and payment of penalties (net)	0	(45)	0
Interest received	148	2	239
Member and employee payments	(51,669)	(48,353)	(59,891)
Supplier payments	(29,913)	(24,323)	(30,753)
Repayment of Crown funding	(2,169)	(4,971)	(5,291)
Goods and services tax (net)	199	278	95
Net cash inflow/(outflow) from operating activities	1,435	8,207	(3,358)
Cash flow from investing activities			
Investment receipts/(deposits)	0	(11,000)	4,000
Property, plant and equipment purchases	(707)	(554)	(800)
Intangible assets purchases	(1,145)	(571)	0
Net cash inflow/(outflow) from investing activities	(1,852)	(12,125)	3,200
Cash flow from financing activities			
Repayment of reserves	0	(3,000)	0
Net cash inflow/(outflow) from financing activities	0	(3,000)	0
Net increase/(decrease) in cash and cash equivalents	(417)	(6,918)	(158)
Opening cash and cash equivalents	5,830	12,084	5,166
Closing cash and cash equivalents	5,413	5,166	5,008

The goods and services tax (net) component of operating activities reflects the net GST paid and received from the Inland Revenue Department. We have presented the GST (net) component on a net basis as the gross amounts do not provide meaningful information for financial statement purposes.

Penalty receipts and payment and cost awards are shown net because the Commission holds these funds in trust in accordance with agreements.

Statement of accounting policies | Tauākī kaupapa-here kaute

Reporting entity

The Commerce Commission is a Crown entity (defined by the Crown Entities Act 2004) established under the Commerce Act 1986 and operating solely within New Zealand. The ultimate parent of the Commission is the New Zealand Crown.

The Commission's main objective is to provide services to the New Zealand public instead of making a financial return. We provide public services to meet our responsibilities under the Commerce Act 1986, the Fair Trading Act 1986, the Dairy Industry Restructuring Act 2001, the Telecommunications Act 2001, the Credit Contracts and Consumer Finance Act 2003, the Fuel Industry Act 2020 and the Retail Payment System Act 2022.

We are a public sector public benefit entity (PBE) for the Accounting Standards Framework issued by the New Zealand External Reporting Board because we are a public entity defined in the Public Audit Act 2001.

Measurement base and statement of compliance

We have prepared these prospective financial statements to comply with the requirements of the Crown Entities Act 2004. We prepared these financial statements on a historical cost basis for a going concern to comply with New Zealand generally accepted accounting practice (GAAP), which includes the PBE accounting standards that apply to a public sector PBE. The Commission authorised the financial statements for issue on 30 June 2022.

The prospective financial statements comply with PBE FRS 42 – *Prospective Financial Statements*. We are required to prepare a Statement of Performance Expectations, including prospective financial statements, at or before the start of each financial year to promote public accountability. The prospective financial statements may not be appropriate for any other purposes.

We have prepared the prospective financial statements based on the best estimates and assumptions about future events that we expect to occur. As the financial statements are prospective, actual results will vary from the information presented. We will disclose and explain all material variations in the subsequent Annual Report.

Functional and presentation currency

The Commission's functional currency is the New Zealand dollar, so we have presented these financial statements in New Zealand dollars (rounded to the nearest thousand).

Significant accounting policies

We have applied the significant accounting policies that significantly affect the measurement of comprehensive revenue and expenditure, financial position and cash flows consistently for all reporting periods covered by these financial statements, including the comparative (prior-year budget and estimated actual) information. The following are the significant accounting policies.

Revenue – Revenue is measured at the fair value of the consideration (eg, money) received or receivable. We earn revenue from providing specific services (known as outputs) for the Crown, services to other third parties, court cost award recoveries and interest income.

Revenue – Crown – The Commission receives funding via appropriations from the Crown. Revenue from the Crown is a form of non-exchange transaction because there is no direct relationship between the services we provide (funded through taxation and levies) and the general public we ultimately provide the services to. Our appropriations are restricted in their use to meet the Commission’s objectives and the scope of the relevant appropriations. Revenue from the Crown we receive but do not spend is refunded to the Crown after year end for all output classes except those funded by *Vote Business, Science and Innovation Enforcement of General Markets Regulation*, which the Commission is allowed to retain as reserves. Also, we may retain specific ring-fenced revenue provided to build up our ability to meet the cost of adverse cost awards.

Revenue from the Crown is initially recognised as a liability when received and then as revenue when we have provided services that entitle us to the funding.

Expenditure – All expenditure we incur in providing services for the Crown or to other third parties is recognised in the statement of comprehensive revenue and expense when an obligation to pay arises on an accruals basis.

Foreign currency transactions – Transactions in foreign currencies are converted into the Commission’s functional currency (New Zealand dollars) at exchange rates on the transaction date. Monetary liabilities in foreign currencies at the reporting date are converted to New Zealand dollars at the exchange rate on that date.

Leases – The Commission is a party to various operating leases as a lessee. As the lessors retain all of the risk and rewards of ownership of the leased property, plant and equipment substantially, the operating lease payments are recognised as expenses only in the period in which they arise. Any lease incentives received or obligations to reinstate the condition of leased premises are recognised in the statement of comprehensive revenue and expense over the term of the lease. Any unamortised lease incentive and outstanding obligation for reinstatement are recognised as a liability at the balance date.

Depreciation and impairment – Depreciation and amortisation for intangible assets are provided on a straight-line basis on all assets to allocate the asset’s cost (less any estimated residual value) over its useful life. The residual values and remaining useful lives of property, plant and equipment components are reviewed at least annually. All items of property, plant and equipment are subject to an annual test of impairment to test the recoverable amount. Any impairment losses are recorded as an expense in the statement of comprehensive revenue and expense in the period in which they are first identified.

Estimated useful lives of the major asset classes:	
Computer and office equipment	Up to 5 years
Furniture and fittings	Up to 5 years
Leasehold improvements	For the period of the lease
Motor vehicles	Up to 5 years
Software and other intangible assets	Up to 5 years

Taxation – The Commission is exempt from income tax under section CW 38 of the Income Tax Act 2007.

Cost allocation – Direct costs are charged directly to outputs. Personnel costs are allocated to outputs based on time records. The indirect costs of support groups and corporate overhead costs are charged to outputs based on each output’s budgeted relative time records.

Goods and services tax – All items in the financial statements are presented exclusive of GST except for receivables and payables and unearned revenue – Crown received in advance, which are presented on a GST-inclusive basis. Where we cannot claim a portion of GST, we recognise the GST portion as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or creditors in the statement of financial position and classified as an operating cash flow in the statement of cash flows.

Equity – Equity is the Crown’s ownership interest in the Commission and is measured as the difference between total assets and total liabilities. We have classified equity into components and disclosed these separately to allow clearer recognition of the specified uses that we have for our equity.

Cash and cash equivalents – Cash and cash equivalents are our cash on hand, transactional cash balances in bank accounts and some term deposits with maturities of less than 90 days held with New Zealand registered banks.

Investments – Investments are term deposits issued by New Zealand registered banks with maturities of more than 90 days. Term deposits are initially measured at fair value plus any transaction costs. After initial recognition, investments are remeasured at amortised cost using the effective interest rate method.

Property, plant and equipment – All items of property, plant and equipment owned are recorded at historical cost of purchase, less accumulated depreciation and any impairment losses. An item of property, plant and equipment acquired in stages is not depreciated until the item of property, plant and equipment is in its final state and ready for its intended use. Any later expenditure that extends the useful life or enhances the service potential of an existing item of property, plant and equipment is also capitalised and depreciated.

All other costs we incur in maintaining the useful life or service potential of an existing item of property, plant and equipment are recognised as expenditure when incurred. Any gain or loss arising from the sale or disposal of an item of property, plant and equipment is recognised in the period in which the item is sold or disposed of.

Intangible assets – Computer software that is not integral to the operation of the hardware is recorded as an intangible asset, less accumulated amortisation.

Employee entitlements – Employee entitlements are unpaid salaries, bonuses and annual leave that we owe to our personnel. At balance date, we recognise any unpaid employee entitlements as a liability and charged as an expense. Entitlements are calculated on an actual entitlement basis using current salary rates.

Contingencies – As the Commission is a quasi-judicial body, it is engaged in litigation activity, resulting in costs being ordered against or in favour of the Commission. The outcome of an order for costs may not be certain until all appeal processes are completed. Therefore, the possibility of a costs award being incurred or received is first disclosed as either a contingent liability or a contingent asset. An award for costs, whether for or against the Commission, is only recognised in the statement of comprehensive revenue and expense when it is probable that there will be a payment or receipt of resources (for example, cash) and we can measure the amount reliably.

Comparatives – To ensure consistency with the current year, all comparative information including the prior-year budget has been restated or reclassified where appropriate. The budget comparatives are those approved by the Commission at the beginning of the prior year for inclusion as prospective financial statements in our last Statement of Performance Expectations. The estimated actual is our current expectation of the financial year's outcome prior to the budget presented in this Statement of Performance Expectations. We prepared the budget to comply with GAAP and used accounting policies consistent with what we have used to prepare these financial statements.

Changes in accounting policies

The accounting policies adopted are consistent with the previous year.

Financial statements glossary | Kuputaka mō ngā tauākī pūtea

The following table provides definitions for some terms used in our financial statements. Please note that these definitions are only provided as an aid to readers and are not part of the financial statements, nor do they necessarily reflect the way we interpret and apply accounting standards.

Accounts payable	Debts owed to somebody (for example, a company) for goods or services provided to us that we have not yet paid at balance date.
Accounts receivable	Debts owed to us by somebody (for example, a company) for a service we have provided where we have not been paid at balance date.
Asset	An asset is something that we own, expect to receive in the future or control.
Amortisation	Amortisation is basically the same as depreciation (see below), except that it is applied to intangible assets (for example, software).
Balance date	The date at which a set of accounts is prepared. For the Commission, that date is 30 June of each year.
Cash equivalents	Cash equivalents are assets like term deposits that share most of the characteristics of cash. They are cash equivalent because we can quickly turn them into cash, but they are technically not cash in a bank account or in the hand.
Comprehensive revenue and expense	Comprehensive revenue and expense is a broader concept of revenue that includes a surplus (or loss) from an entity's operations and movements in parts of equity that aren't the result of surpluses or owner transactions. An example is a revaluation gain on the value of assets, which increases equity by increasing the value of an asset revaluation reserve.
Current asset (or liability)	A current asset is an asset that can be converted into cash or used to pay a liability within 12 months. A current liability is a liability that we expect to repay within 12 months.
Depreciation	Depreciation is the charge of an asset's cost over a certain time period. Depreciation recognises that assets decline in their value and usefulness over time.
Equity	Equity represents the value of an entity to its owners and is the amount left over after deducting all liabilities from all assets. It is also known as net assets.
Exchange transactions	Exchange transactions are transactions where goods or services are received in exchange for payment of approximately equal value. The vast majority of transactions in everyday life are exchange transactions.
Financial instruments	Financial instruments are assets or liabilities that are tradable in some way such as cash, shares or loans. Other financial instruments include derivatives, which are traded securities that get their value from an underlying asset (for example, a future oil shipment or a future foreign currency purchase).
Generally accepted accounting practice (GAAP)	GAAP is the series of standards, interpretations and concepts that are followed by accountants. NZ GAAP is defined by law to include standards issued by the External Reporting Board and, where that (or a specific law) does not cover a matter, accounting policies considered authoritative by the accounting profession in New Zealand.
Going concern	An assumption made by an entity that it will continue to operate into the foreseeable future. If this is incorrect, the entity has to prepare its accounts as if it was being wound up.
Intangible assets	Intangible assets are assets that do not have a physical substance and are not cash.

Liability	A liability is something we owe, expect to pay in the future or may have to pay in the future.
Monetary assets	Monetary assets are assets that are cash or will become cash in a short timeframe (for example, bank account balances, term deposits and accounts receivable).
Monetary liabilities	Monetary liabilities are debts owed to another party, such as accounts payable, loans or unpaid salaries.
Non-current asset (or liability)	A non-current asset is an asset that we cannot ordinarily turn into cash within 12 months. A non-current liability is a liability that we would not ordinarily have to repay within 12 months.
Non-exchange transactions	Non-exchange transactions are transactions where goods or services are received but there is no direct payment for those services. Taxes paid to the government and then passed on to a public sector agency like the Commission to fund services are a form of non-exchange transaction.
Provision	An estimate of an amount that an entity may (or will) have to pay as a result of an obligation the entity has to another party.
Public benefit entity (PBE)	An entity that aims to provide goods or services to the general public to meet a specific need, rather than to make a profit for its owners.
Public sector	Government departments, local and regional councils, Crown entities such as the Commission and other agencies that are part of the government.
Related party	Another person or entity that is related to us because of, for example, a common owner or person in a position of authority (for example, a director or senior management).
Statement of cash flows	A statement that shows how much cash we have received from various sources (for example, investments, operating activities and cash injections received from the Crown) and cash payments we have made (for example, expenses, salaries and repayment of money to the Crown).
Statement of comprehensive revenue and expense	A statement that shows our surplus or deficit from our operating activities plus or less any movements in non-owner equity items (see comprehensive revenue and expense above). This is the public sector equivalent of a statement of comprehensive income, which we used to prepare.
Statement of financial position	A statement that shows what assets we own or control, what liabilities we have and the remainder (equity) at the balance date.

Commonly used terms | Ngā kupu waiwai

Appropriation	A parliamentary authorisation for Ministers of the Crown or an Office of Parliament to incur expenses or capital expenditure.
Authorisation	Under the Commerce Act, certain agreements and mergers are prohibited as they can lead to anti-competitive outcomes such as increased prices or lower quality goods or services. However, the Commerce Act recognises that, in some circumstances, an anti-competitive transaction may lead to sufficient public benefits that would outweigh the competitive harm. In this case, the Commission can grant an authorisation for the agreement or merger to proceed.
Clearance	Under the Commerce Act, the Commission can grant a clearance for a proposed merger if we are satisfied that it is not likely to substantially lessen competition in a market. We compare the likely state of competition if the merger proceeds with the likely state of competition if the merger does not proceed.
Determination	A formal and binding decision made by the Commission under the legislation it administers.
Information disclosure	Under Part 4 of the Commerce Act (subpart 4), sufficient information is to be readily available to interested persons so that they can assess whether the purpose of Part 4 is being met. Under the Telecommunications Act, regulated telecommunication services are required to make reliable and timely information prescribed by the Commission publicly available so that a wide range of people are informed about their operation and behaviour.
Merger	An amalgamation of two or more business enterprises into a single enterprise. Colloquially, mergers also include business acquisitions that involve the acquisition of assets or shares of a business.
Output class	A grouping of outputs or activities with similar objectives. A reportable class of outputs is a class of outputs the Crown entity proposes to supply in the financial year that is directly funded (in whole or in part) by the Crown. The Commission's output classes are primarily funded by appropriations from the Crown via the Ministry for Business, Innovation and Employment.
Outputs	Goods or services provided by the Commission.
Part 4	Part 4 of the Commerce Act. Under Part 4 of the Commerce Act, the Commission has a role regulating the price and quality of goods or services in markets where there is little or no competition and little prospect of future competition. This includes electricity, gas and airport sectors.
Product safety and consumer information standards cases	Product safety and consumer information standards cases include investigations of products such as bikes, cots, cigarette lighters, baby walkers, children's sleepwear and children's toys to which certain safety standards apply, as well as the incorrect labelling of footwear and clothing and failure to display required information on motor vehicles offered for sale.
Strategic objective	A broadly defined objective that an organisation must achieve to make its strategy succeed.
Substantially lessen competition	A reduction in competition that is real or of substance, which will be reflected in higher prices or lower-quality goods or services.
Vote	A grouping of one or more appropriations that are the responsibility of one or more Ministers of the Crown and are administered by one department.

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