



LAW · COMMISSION
TE · AKA · MATUA · O · TE · TURE

E31(117)

2009–2010

ANNUAL REPORT





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Letter of transmittal

Minister Responsible for the Law Commission
Parliament Buildings
WELLINGTON

Dear Minister

I have the honour to present to you the report of the Law Commission for the year ended 30 June 2010.

This report is prepared under section 150 of the Crown Entities Act 2004.

Yours sincerely



Geoffrey Palmer SC
President

The Law Commission

te Aka Matua o te Ture

Directory

The Law Commission is an independent, publicly funded, advisory body established by statute to undertake the systematic review, reform and development of the law of New Zealand. Its purpose is to help achieve law that is just, principled, and accessible, and that reflects the heritage and aspirations of the peoples of New Zealand.

In developing its proposals, the Commission takes into account te ao Māori (the Māori dimension) as well as community and international trends and experience.

The members of the Law Commission as at 30 June 2010, appointed under section 9 of the Law Commission Act 1985, are:

- Rt Hon Sir Geoffrey Palmer SC
- Dr Warren Young
- Emeritus Professor John Burrows QC
- George Tanner QC
- Val Sim

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Information about the Law Commission and its work is available via the internet from the Commission's website at: www.lawcom.govt.nz.

Funding

The Law Commission is funded from money appropriated by Parliament through Vote:Justice.

President's foreword

The Law Commission has had an active and productive year. We produced eight final reports containing recommendations on a wide range of legal and social issues. We published three issues papers. In addition, we carried out a significant amount of work on ministerial briefings and criminal procedure simplification, as well as participating heavily in the affairs of the Legislation Advisory Committee and Legislation Design Committee.

Our project reviewing the Sale of Liquor Act 1989 culminated in the publication of the report *Alcohol in Our Lives: Curbing the Harm*. This project was a massive endeavour for the Law Commission. It was necessary to conduct public meetings all over New Zealand and carry out extensive legal, social, economic and health research. We received almost 3,000 submissions responding to our issues paper. The Law Commission was fortunate in having seconded staff from relevant government departments to bring an inter-disciplinary focus to this important work. The issues paper and the final report both attracted widespread public attention.

Our work on reform of the Misuse of Drugs Act 1975 is progressing well with the publication of an issues paper in February that has also generated approximately 3,800 submissions. There is a strong relationship between aspects of the liquor project and the one on drugs.

Another project with important social consequences that came to fruition this year was the review of the war pensions legislation. Our report, *A New Support Scheme for Veterans: A Report on the Review of the War Pensions Act 1954* was published in June. This legislation has been neglected for many years and consequently proved to be demanding in numerous ways. The lesson to be learnt in wider policy terms is that no legislation should continue without periodic review. We hope that our recommendation in this report that new veterans' legislation should be introduced as a "living statute" will prevent this legislation getting into this condition ever again.

For many years the Torrens system has been at the base of the New Zealand property law system. This very effective system of land transfer originated in Australia and New Zealand in the 19th century. It is far preferable to many systems that exist in other common law jurisdictions, which require title insurance and a considerable amount of legal advice to determine the state of a title. The Law Commission's report *A New Land Transfer Act* allows the tried and tested principles of the Torrens system in New Zealand to be brought into the digital age.

with assurance. This important report contains a draft Bill that should assist greatly in showing people the precise effect of the Commission's recommendations.

The Law Commission's large and multifaceted privacy project is now in its final stages. This year saw the publication of our report on stage three of the project, *Invasion of Privacy: Penalties and Remedies: Review of the Law of Privacy*. This report recommended that the common law relating to the tort of privacy should be permitted to continue to develop without legislative intervention. However, at the same time there are some aspects of the invasion of privacy through the use of new technologies that need to be regulated in the manner similar to that which has been adopted in several Australian jurisdictions. The issues paper on stage four of the privacy project relating to the Privacy Act 1993 was completed. It has generated 80 submissions, many of which are very helpful.

The Law Commission has continued to be highly active in the criminal law matters this year, as we have for the past few years. We published our review of the provisions of the Crimes Act 1961 relating to offences against the person. We also produced the report *Suppressing Names and Evidence*. Suppression is a subject in which the media shows much interest and which has attracted considerable publicity. This report was part of our criminal procedure project, to which we have devoted substantial resources. We are working jointly with the Ministry of Justice on it. This big project promises to change the face of criminal procedure in New Zealand, with an emphasis on modernising and streamlining it.

We have also devoted considerable resources to the legislation before the House of Representatives implementing our 2007 report *Search and Surveillance Powers*. This report recommended a significant reorganisation of the law.

We produced one report in 2009 on the review of the Civil List Act 1979. This recommended a reconstruction of those provisions in the Civil List Act 1979 relating to the Governor-General. This report was adopted swiftly and a Bill has already been introduced to the Parliament. A second report on this Act will be published in 2010.

Our brief but important report on private schools and the methods through which they should be regulated has been substantially adopted by the Government as well. A Bill is before the House.

I am coming to the end of my term as President of the Law Commission. It is a position that I have really enjoyed and I am pleased that there have been some achievements.

In considering the future focus of the Law Commission, I believe there is a need for the Law Commission to work in projects outside of the justice sector. Most of our projects have occurred within that sector but there are many areas of the law in New Zealand with numerous statutes that have never benefited from the Law Commission's attention. The agriculture sector is one area that comes to mind in that respect.

Furthermore, I believe that there needs to be a stress on commercial law projects. I do not think that there has been a sufficient number of commercial law projects in recent years. The expertise of the Commission needs to be directed towards that end. In my tenure the Law Commission has concentrated on public law and criminal law. Yet, as the needs of the New Zealand economy would indicate, the time has come for a period of diligent concentration on commercial law topics.

Each President of the Law Commission brings a different perspective to the tasks set out in the Law Commission Act 1985. My own approach has been deeply influenced by my experience within the Executive Government and in Parliament. I think it is futile to engage in law reform activities that have no practical importance or relevance. The Law Commission needs to be adding value to the legal enterprise of government.

A Law Commission has many advantages over a government department when it comes to generating legislative ideas. First, the Law Commission is a research-based institution. Second, we are independent of the Executive Government and not driven by political considerations. Thirdly, we are well equipped to engage in projects that span the interests of several departments which may be at odds with one another or have opposing interests.

In my view there are two factors that are key to the Law Commission's success and effectiveness in the future. Firstly, there is no point in the Law Commission reaching such lofty heights of detachment that we cannot deal with operational matters. The Commission needs to be able to interact with the government on a continuing basis throughout the life of projects so that we have a realistic appreciation of the problems that administrators face. Nevertheless, the administrators need to be on tap, not on top, when it comes to making the policy choices.

One of the disadvantages with government departments generating law reform projects is that they may not be able to escape their own administrative interests, which are sometimes at the expense of the public interest. A deep and effective knowledge of the operation of the Executive Government and of Parliament, where the law is made, adds substantial value to a Law Commission. It avoids spinning the

wheels. If that knowledge is absent a Commission is liable to become irrelevant. That has been the fate of many Law Commissions around the world, but not New Zealand's.

The second point is that if a Law Commission is to achieve much it needs to be properly resourced. The New Zealand Government runs a very lean operation in every respect and the Law Commission is particularly lean. I have often wondered how many other agencies are as productive as the Law Commission for the number of dollars expended. We have been particularly pressed in the last several years and there have been no extra resources. And now is not the time to be asking for them. (The current appropriation is \$4.7 million, but the baseline is only \$3.8 million.) Yet I do believe that in the long term the Law Commission could achieve more in securing the statutory objectives set for it by the 1985 Act if there were slightly more resources devoted to it.

The best thing would be to have a fixed amount of appropriation that did not vary over time, so that proper planning could take place. There is a need for Law Commission projects to be structured over several years rather than being dealt with on an annual basis. For example, our present law of trusts project is an immense undertaking with many wide-ranging implications. It could not be done within one or two years.

Because I firmly believe that a Law Commission has to engage with, although not be dominated by, the Executive Government, I have not used the power in the statute to self-refer projects that the Commission would like to do but which the Executive Government does not choose. In a time of straitened resources it is necessary for those resources to be used in the areas that the government of the day regards as priority. That is not to say the power that exists in the Law Commission Act 1985 is unnecessary. It needs to be preserved as a safety valve to deal with situations where the law has got into a seriously unfortunate state but has not received the Executive Government's attention.

At the beginning of my term there was a big change in the way in which the Commission's procedures worked and the way in which the Executive Government interacted with the Commission. These have been preserved by the incoming government of 2008 almost entirely in the most recent Cabinet Office Circular. The procedures have worked well and I hope that they are preserved in the future. The Law Commission is, in my view, capable of contributing much more to the health of New Zealand statute law. The Law Commission has a vital role to play in ensuring that New Zealand's statute book is kept up to date and the law purified and systemised. There is a long way to go in achieving these aims.

I want to pay a tribute to the very able staff that we are fortunate to have at the Law Commission. Without them not much would be achieved. Furthermore, my colleagues, the other Commissioners, are of the highest legal calibre and the level of productivity coupled with the excellence of the work is a tribute to their skills and dedication. I particularly want to express my public thanks to Dr Warren Young, the Deputy President of the Commission, who has shouldered many burdens in an uncomplaining fashion over the past five years.

Geoffrey Palmer
President

The Commission

Who are we

The Law Commission is an independent Crown entity governed by the Law Commission Act 1985 (LCA) and the Crown Entities Act 2004 (CEA). Our statutory purpose is to promote the systematic review, reform and development of the law of New Zealand.

The Board, for the purposes of the CEA, are the members of the Commission. In the financial year under review Commissioners were as follows:

- President, Rt Hon Sir Geoffrey Palmer SC
- Deputy President, Dr Warren Young
- Commissioner, Emeritus Professor John Burrows QC
- Commissioner, George Tanner QC
- Commissioner, Val Sim

At year end there were 23 staff in the Commission. This includes the General Manager, 15 legal and policy advisers and seven support staff. The Commission also makes use of consultants with expertise in specialist areas. We have our own law library and operate from offices that we sub lease within a modern office building in the Wellington CBD.

What do we do

We are a law reform agency. The Commission has an established policy and legal research culture and our project work programme falls into two categories: those referred by government to the Commission under section 7 of the LCA; and those that, upon its own motion, the Commission decides to embark upon. In recent years we have not carried out any self-referred projects as the weight of government references has been very heavy.

In addition to our core work programme, a principal function of the Commission under our Act is to advise the Minister of Justice and the Minister Responsible for the Law Commission on ways in which the law of New Zealand can be made more understandable and accessible as is practicable. The main way in which the Commission undertakes this function is through its servicing of two important executive government committees that are aimed at improving the quality of legislation. These are the Legislation Advisory Committee (LAC), which has existed since 1986, and the Legislation Design Committee (LDC), which was created in 2006.

The Commission is also called upon by departments and ministers to provide assistance on a wide variety of legislative proposals they have under consideration that involve particularly difficult legal or constitutional issues. We frequently collaborate with departments who are considering policy changes and improving ways to deal with issues. Upon request, the Commission also appears in front of select committees to provide advice on particular issues of legal concern.

The year in review

Law reform work programme

A Law reform projects

At the commencement of the year the Commission had 24 projects on the work programme. Of these, 22 were active law reform projects.¹ Seventeen projects were ‘work in progress’ carried over from the 2008/2009 year, as follows:

- Public safety and security
- Review of insanity
- Review of infanticide
- Review of maximum penalties
- Review of victims compensation
- Review of part 8 of the Crimes Act 1961
- Review of the Civil List Act 1979
- Review of the Land Transfer Act 1952
- Review of the Misuse of Drugs Act 1975
- Review of the Official Information Act 1981
- Review of the War Pensions Act 1954
- Review of the law of trusts
- Review of the law relating to private schools
- Review of the law of privacy (civil and criminal law)
- Review of the law of privacy (Privacy Act 1991)
- Review of the regulatory framework relating to the sale and supply of liquor
- Suppressing names and evidence (previously part of criminal procedure simplification)

New projects added to the 2009/10 work programme included a review of the law of contempt, an inquiry into alternative trial processes, and two small projects touching on various aspects of the Evidence Act 2006. In particular, the veracity and propensity provisions (sections 37–43) and the implications of the Court of Appeal decision in *Barlien* on section 35.

¹ At the commencement of the year work was not progressing on the public safety and security project or on the review of maximum penalties, as these were low priority projects and resources were diverted into other projects within the work programme.

The balance of the work programme consisted of policy and legislative advisory work in relation to the implementation of previous Commission reports, in two areas – search and surveillance, (*Search and Surveillance Powers* (NZLC R97, 2005)) and the simplification of criminal procedure (*Criminal Pre-Trial Processes* (NZLC R89, 2005)). In addition, the Commission continued its monitoring of the Evidence Act 2006. Under section 202 of the Evidence Act 2006, the Minister of Justice must ask the Law Commission to report on the operation of the Evidence Act approximately every five years, and recommend any amendments that may be necessary. The first report is likely to be due at the end of 2012. The Evidence Act monitoring project has been established to ensure that relevant case law is monitored on an ongoing basis.

During the year the Minister removed two projects from the work programme – the review of infanticide and the review of the law of contempt. In relation to the active projects, the Commission expected to publish four issues papers, nine final reports (including one draft final report and one final report including a draft bill and commentary), two draft bills with commentary and two Ministerial briefings. Specific detail on our publications at year end is included in the *Statement of Service Performance*.

In August 2008 the Commission was asked by the Minister to undertake a fundamental review of the regulatory framework relating to the sale and supply of liquor and to give the project a high priority. This project was a significant addition to the Commission's work programme has been the most resource intensive project over the past two years. The terms of reference were very wide and required the Commission to draw heavily on the wisdom, expertise and insights of a wide range of individuals, organisation and research. Fourteen government departments have an interest in some aspect of alcohol policy. They all contributed to the Commission's work and participated in an interdepartmental committee to provide information and feedback to the project. The Commission had the benefit of senior staff seconded from the Alcohol Liquor Advisory Council (ALAC), the Ministries of Health and Justice and the NZ Police for the duration of the project. The contribution of these staff and their agencies was of enormous assistance to the Commission.

The impact of this project and a reallocation of resources to meet the very tight deadline for the production of the final report resulted in a number of projects being delayed or deferred through the year. Specific timeline variations by project are set out more fully in the *Statement of Service Performance*.

B Law reform publications

Nine projects were completed in the 2009/10 year. The published output of the Commission at year end was eight final reports, three issues papers and one draft bill with commentary. In addition, two briefing papers including recommendations were provided to the Minister.

In addition to the liquor review, significant among the projects that were completed during the year were reviews of Part 8 of the Crimes Act 1961, the Land Transfer Act 1952 and the War Pensions Act 1954. In addition, the publication of the final report on invasions of privacy brought to an end part three of a very large four part project, reviewing the law of privacy.

The liquor review produced two publications during the year with the project coming to an end following the publication of our final report in April 2010. The report, entitled *Alcohol In Our Lives: Curbing the Harm* (NZLC R114, 2010) followed an extensive consultation process during which the Commission held 50 meetings around New Zealand. The assistance of management and staff within ALAC who organised many of the meetings was of great value to the Commission and we are extremely grateful to ALAC for this contribution to the project. The final 500 page report included 153 recommendations and has attracted much media and public comment. At year end we were awaiting the Government's response to this publication.

Our report *Review of Part 8 of the Crimes Act 1961: Crimes Against the Person* (NZLC R111, 2009) was tabled in Parliament in December 2009. We worked with Parliamentary Counsel Office and the Ministry of Justice to develop a bill for introduction that was presented to the government as an Appendix to the final report. The report recommended that many of the Part 8 offences should be repealed and replaced, including sections 188, 189, 193, and 196 (which are the core assault and injury offences); sections 145, 160 and 190 (which address criminally negligent behaviour); and offences relating to child neglect and ill treatment. The government accepted all but three of our recommendations, and has agreed to implement them.

The Commission's review of the Land Transfer Act 1952 concluded in June 2010 when we provided our report *A New Land Transfer Act* (NZLC R116, 2010) to the Minister. The report recommends replacing the Land Transfer Act 1952 and its two amendment Acts and it contains a Land Transfer Bill. The Bill modernises the current Act and reflects the fact that the system is now predominantly an electronic one. This project which began in July 2007 was a collaboration with Land Information New Zealand and the first comprehensive review of the 1952 Act since the early Land Transfer Acts over a century ago.

The Law Commission's report *A New Support Scheme for Veterans: A Report on the Review of the War Pensions Act 1954* (NZLC R115, 2010) was tabled in Parliament in June 2010. The report makes recommendations for new legislation to replace the War Pensions Act 1954. The proposed legislation would replace the current complex and outdated scheme with a modern system of decision-making and assistance that maintains the Government's duty of care towards veterans. The final report marks the completion of this project which was done in close collaboration with Veterans' Affairs New Zealand (VANZ). The Commission would like to acknowledge the significant resources that VANZ provided to assist the Commission throughout the period of this project. The recommendations in the final report were also a reflection of lengthy consultation with the Returned Services Association and other veterans' representatives.

The publication of the final report for Part 3 of the privacy project was also a significant milestone in what has been a project in progress since October 2006. *Invasions of Privacy: Penalties and Remedies: Review of the Law of Privacy: Stage 3* (NZLC R113, 2010) was tabled in late February 2010. The Commission recommended a new Surveillance Devices Act to fill gaps in the regulation of the most objectionable forms of surveillance. On the question of the common law privacy tort (publication of private facts), the Commission recommends that this area be left to the courts to develop over time, rather than introducing a statutory cause of action. This very large project will conclude in the next financial year with the publication of a final report on the Privacy Act 1993.

In addition to these reports, the Commission also produced two smaller reports, the first a *Review of the Civil List Act 1979 – the Governor General* (NZLC R112, 2009) and the second, *Private Schools and the Law* (NZLC R108, 2009). The recommendations in both of these reports have been adopted in whole or in part by government and at year end legislation to implement recommended reform had been introduced in Parliament.

The publication of three significant issues papers was also a feature of this year's work programme. The first paper was a liquor review publication, *Alcohol In Our Lives* (NZLC IP15, 2009). This paper which attracted a great deal of public and media interest identified significant problems with the current regulatory regime around the sale and supply of liquor. The three month consultation process generated submissions from across the community including, the hospitality and advertising industries, alcohol companies and related organisations, medical colleges, government departments, alcohol and drug counselling agencies, and school children. It was one of the Commission's most significant consultation processes generating nearly 3000 submissions.

The next issues paper, *Controlling and Regulating Drugs* (NZLC IP16, 2010) published 8 months after IP15 demonstrated the strong relationship between the liquor and drug projects. This paper was the first to be published in our review of the Misuse of Drugs Act 1975. It traced the history of drug policy and regulation in New Zealand, reviewed the current approach to drug control and regulation, and made proposals for how New Zealand's drug laws can be updated to put in place a modern and evidence-based statute. The media interest and the public response to the paper was significant. A number of newspaper editorials covered the difficulties associated with the current enforcement regime around illegal drugs and the number of public submissions to the project exceeded that received in the liquor review.

The final issues paper for the 2009/10 year, *Review of the Privacy Act 1993* (NZLC IP17, 2010) was published in March 2010. It examined a range of issues in relation to the Privacy Act 1993, including the scope and approach of the Act, the role of the Privacy Commissioner, complaints and enforcement processes, sharing of personal information between government agencies, the implications of technological developments, and direct marketing. The paper made some proposals for reform and also asked some open-ended questions. We received a large number of high quality submissions all of which will be carefully analysed prior to the publication of our final report for what has been one of the Commission's largest projects in recent years.

C Implementation of Law Commission reports

The financial year was again characterised by the amount of work done to contribute to the implementation of recommendations from previous reports. Significant resources were expended in the development of a Bill implementing the recommendations in our 2007 search and surveillance report, *Search and Surveillance Powers* (NZLC R97, 2007) and the development of a new criminal procedure Act building on our 2001 study paper *Simplification of Criminal Procedure Legislation* (NZLC SP7, 2001) and our 2005 report, *Criminal Pre Trial Processes: Justice Through Efficiency* (NZLC R89, 2005).

A revised Search and Surveillance Bill was introduced in August 2009. The Bill amends 84 Acts which are administered by 19 different departments. At year end the Bill remains before the Justice and Electoral Select Committee and we have provided support and advice to the Committee throughout the year in our role as independent adviser.

The project to simplify criminal procedure is a joint endeavour between the Law Commission and the Ministry of Justice. The final product will be major changes to the operation of the criminal courts, supported by

a new Criminal Procedure Bill to replace and reform relevant provisions of the Summary Proceedings Act 1957, District Courts Act 1947, and Crimes Act 1961. In December 2009, a Bill Plan setting out the key proposals in legislative form was released for consultation. Significant progress was made during the year on this very demanding and technically challenging project. The criminal process and case management work stream was completed during the year and the name suppression work stream closed with the publication of the Commission's final report *Suppressing Names and Evidence* (NZLC R109, 2009).

The following lists summarise the current situation with legislation arising largely or in part from Law Commission reports. Where the Commission does not take a lead role, preparation of Cabinet papers and updating drafting instructions is usually undertaken by the relevant agencies with the Commission involved in an advisory role with agencies and sometimes at Select Committee stage.

Acts implementing Commission recommendations passed in 2009/2010

- Crimes (Provocation Repeal) Amendment Act (NZLC R98, 2007)
- Unit Titles Act (NZLC R59, 1999)

Bills in Parliament as at 30 June 2010

- Education Amendment Bill (No 2) (NZLC R108, 2009)
- Governor General Bill (NZLC R112, 2009)
- Inquiries Bill (NZLC R102, 2008)
- Insurance (Prudential Supervision) Bill (NZLC R87, 2004)
- Legislation Bill (NZLC R104, 2008)
- Limitation Bill (NZLC R6, 1988 & NZLC R61, 2000)
- Search and Surveillance Bill (NZLC R97, 2007)
- Trustee Amendment Bill (NZLC R79, 2002)

Bills relating to Commission reports in progress as at 30 June 2010

- Land Transfer Bill (NZLC R116) drafted
- Crimes (Offences Against the Person) Amendment Bill (NZLC R111) drafted
- Habeas Corpus Amendment (NZLC R100) drafted
- Costs in Criminal Cases (NZLC R60) drafted
- Interest on Money Claims Bill (NZLC R28) in near final draft as at September 2009

D Advisory work

In addition to the law reform work programme, the Commission continued to be involved in advisory work much of which was on a regular and highly visible basis through the LAC and the LDC, both chaired by the President. The Commission did continue to respond to ad hoc requests for advice from Government, departments and other agencies. Specific information regarding this work is set out more fully in the *Statement of Service Performance*.

E Capability development

The Commission consolidated on the introduction of its project management guide during the last financial year, as legal and policy advisers used the project management tools to assist project planning, monitoring and monthly status reporting.

We are continuing to implement the recommendations of our 2007/08 records management review. Over the past two years we have developed systems and processes to ensure the records management system is understood and used appropriately by staff within the Commission. Responsibility for continuous implementation of our general disposal authority, ensuring that the requirements of the Public Records Act are met, and maintaining and promoting the filing system structure falls within the Commission's library function. We will sign up to an existing shared supply agreement with our current storage supplier very soon, and add document destruction to this agreement, as the next step.

A key strategic initiative that we have progressed this year has been the development of our online consultation and engagement capability through our second website www.talklaw.co.nz. This is an area that we are looking to develop further, as we seek to inform and support the process of law reform. The website analytics indicate a lively interest in those projects where we have sought online submissions. In particular, the reviews of the liquor laws and misuse of drugs have attracted large website visitor numbers, and a high rate of conversion into online submissions, participation in forums and responses to online surveys. Website visitor numbers viewing our material on the privacy and Official Information Act projects indicate that we have made good progress in creating a greater awareness and interest in law reform. We also looked for opportunities to expand the reach of the website by directing people to *talklaw* through the very popular social networking sites Twitter and Facebook. In 2009 we decided to only publish our issues papers online and will continue to look for opportunities to use digital technology to manage publication and project expenses more effectively within in the current financial environment.

The President and Commissioners were invited to present at a number of conferences and gave many speeches during the year about the work of the Commission, the LAC and law reform more generally. These presentations are part of our communication strategy emphasising an open approach to communication with our stakeholders and interested parties. A number of these speeches are posted on our lawcom website. We have also taken advantage of the functionality on our *talklaw* website to post videos with Commissioners speaking about the issues in a particular project. We hope that this provides a more dynamic engagement on specific areas of the law we have under review and encourages website users to go further into the site to participate in law reform. We continue to invite the media to the launch of our reports and post links to the video briefings on our website.

We remain firm in our commitment to provide appropriate opportunities for staff education and development. One legal adviser was sponsored to complete their legal professionals training. In addition, many staff have taken the opportunity to attend conferences and seminars relevant to their areas of interest and/or expertise.

Financial statements

for the year ended 30 June 2010

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FOREWORD

THE
COMMISSION

THE YEAR
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A & B

Statement of responsibility

The Commission accepts responsibility for the preparation of the financial statements, statement of service performance and the judgements used herein.

The Commission accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of its financial reporting.

In the opinion of the Commission the financial statements and statement of service performance for the year ended 30 June 2010 fairly reflect the financial position and operations of the Law Commission.

Signed on behalf of the Commission.



Dr Warren Young
Deputy President



**Emeritus Professor
John Burrows QC**
Commissioner

Statement of comprehensive income for the year ended 30 June 2010

	Note	2010	2010	2009
		Actual	Budget	Actual
		\$	\$	\$
Income				
Revenue from Crown	2	4,800,000	4,800,000	4,842,000
Interest income		57,477	84,000	101,151
Sale of publications		22,556	15,000	19,115
<i>Total income</i>		4,880,033	4,899,000	4,962,266
Expenditure				
Personnel	3	3,333,286	3,493,632	3,527,892
Direct project costs		533,813	398,000	343,849
Library		125,370	104,261	129,840
Occupancy	5	631,767	550,873	506,110
Amortisation	9	9,209	35,500	11,930
Depreciation	8	244,212	261,500	236,360
Audit		22,809	26,000	22,584
Other operating	4	254,405	224,050	320,893
Loss on disposal		3,357	0	0
<i>Total expenditure</i>		5,158,228	5,093,816	5,099,458
Net surplus/(deficit) and total comprehensive income		(278,195)	(194,816)	(137,192)

The accompanying notes form part of these financial statements.

Explanations of significant variances against budget are detailed in note 21.

Statement of financial position as at 30 June 2010

	Note	2010	2010	2009
		Actual	Budget	Actual
		\$	\$	\$
Assets				
Current assets				
Cash and cash equivalents	6	352,247	181,000	822,997
Debtors and other receivables	7	59,031	25,000	48,676
Prepayments		102,122	70,000	53,920
Investments	13	555,944	450,000	200,000
Total current assets		1,069,344	726,000	1,125,593
Non-current assets				
Property, plant and equipment	8	866,217	975,000	987,165
Intangible assets	9	66,039	109,000	9,901
Total non-current assets		932,256	1,084,000	997,066
Total assets		2,001,600	1,810,000	2,122,659
Liabilities				
Current liabilities				
Creditors and other payables	10	386,189	150,000	239,495
Employee entitlements	11	137,142	95,000	126,700
Total liabilities		523,331	245,000	366,195
Net Assets		1,478,269	1,565,000	1,756,464
Equity				
General funds	12	1,201,595	1,288,000	1,479,790
Revaluation reserves	12	276,674	277,000	276,674
Total equity		1,478,269	1,565,000	1,756,464

The accompanying notes form part of these financial statements.

Statement of changes in equity for the year ended 30 June 2010

	Note	2010	2010	2009
		Actual	Budget	Actual
		\$	\$	\$
Balance at 1 July		1,756,464	1,760,000	1,893,656
Amounts recognised directly in equity:				
<i>Property, plant and equipment</i>				
Total comprehensive income for the year		(278,195)	(195,000)	(137,192)
Total recognised income and expense		(278,195)	(195,000)	(137,192)
Balance at 30 June	12	1,478,269	1,565,000	1,756,464

The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 30 June 2010

	Note	2010	2010	2009
		Actual	Budget	Actual
		\$	\$	\$
Cash flows from operating activities				
Receipts from Crown revenue		4,800,000	4,800,000	4,842,000
Interest received		60,467	84,000	99,100
Sale of publications and other revenue		27,534	15,000	9,616
Payments to employees		(3,321,649)	(3,290,537)	(3,551,544)
Payments to suppliers		(1,452,767)	(1,531,824)	(1,398,361)
Goods and services tax (net)		(36,490)	22,361	31,368
<i>Net cash from operating activities</i>	15	77,095	99,000	32,179
Cash flows from investing activities				
Placement of funds on term deposits		(5,400,877)	0	(920,000)
Maturity of funds on term deposits		5,045,000	0	920,000
Purchase of property, plant and equipment		(126,621)	(175,500)	(93,838)
Purchase of intangible assets		(65,347)	(101,000)	(2,400)
<i>Net cash from investing activities</i>		(547,845)	(276,500)	(96,238)
Net(decrease)/increase in cash and cash equivalents		(470,750)	(177,500)	(64,059)
Cash and cash equivalents at the beginning of the year	6	822,997	358,500	887,056
Cash and cash equivalents at the end of the year	6	352,247	181,000	822,997

The accompanying notes form part of these financial statements.

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department.

Notes to the financial statements

1 Statement of accounting policies for the year ended 30 June 2010

Reporting entity

The Law Commission is an independent Crown entity for legislative purposes, established by the Law Commission Act 1985. The Law Commission is domiciled in New Zealand and as such its ultimate parent is the New Zealand Crown.

The Law Commission's primary objective is to review areas of the law that need updating, reforming or developing and to make recommendations to the New Zealand Parliament.

The Law Commission is accordingly a public benefit entity for the purposes of New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS").

The financial statements are for the year ended 30 June 2010 and were approved by the Commissioners on 26 August 2010.

Basis of preparation

Statement of compliance

These financial statements have been prepared in accordance with the Law Commission Act 1985 and the Crown Entities Act 2004 which includes the requirement to comply with New Zealand generally accepted accounting practice ("NZ GAAP").

They comply with NZ IFRS and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

The accounting policies set out below have been applied consistently to all periods in these financial statements.

Measurement base

The financial statements have been prepared on a historical cost basis, except where modified by the revaluation of library collections.

Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the Law Commission is New Zealand dollars.

Changes in accounting policies

There have been no changes in accounting policies during the financial year. The Law Commission has adopted the following revision to accounting standards during the financial year which have only had a presentational or disclosure effect:

NZ IAS 1 Presentation of Financial Statements (Revised 2007) replaces NZ IAS 1 Presentation of Financial Statements (Issued 2004). The revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. The statement of comprehensive income will enable readers to analyse changes in equity resulting from non-owner changes separately from transactions with owners. The Law Commission has decided to prepare a single statement of comprehensive income for the year ended 30 June 2010 under the revised standard.

Standards, amendments and interpretations issued that are not yet effective and have not been adopted early and which are relevant to the Law Commission include:

NZ IFRS 9 Financial Instruments will eventually replace NZ IAS 39 Financial Instruments: recognition and Measurement. NZ IAS 39 is being replaced in three phases. The approach in the new standard is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the many different impairment methods in NZ IAS 39. The new standard is required to be adopted for the year ended 30 June 2014. The Law Commission has not yet assessed the impact of the new standard and expects it will not be early adopted.

Significant accounting policies

The following particular accounting policies which materially affect the measurement of comprehensive income and financial position have been applied:

Revenue

The Commission derives revenue from the provision of outputs to the Crown, the sale of its publications to third parties, provision of specialist services and income from investments.

Revenue from the Crown

Revenue is restricted in its use for the purpose of the Law Commission meeting its objectives as specified in the statement of intent.

Such revenue is recognised when earned, is measured at the fair value of consideration received and is reported in the financial period to which it relates.

Interest

Interest income is recognised using the effective interest rate method.

Sale of publications

Sales of publications are recognised when the product is sold to the customer.

Provision of services

Revenue derived through the provision of services to third parties is recognised in proportion to the stage of completion at balance sheet date.

Leases

Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease expenses are recognised on a straight line basis over the period of the lease in the statement of comprehensive income.

Cash and cash equivalents

Cash and cash equivalents means cash balances on hand, cash held in bank accounts, term deposits with original maturities of three months or less and other highly liquid investments, in which the Commission invests as part of its day-to-day cash management.

The Statement of Cash Flows is prepared exclusive of GST, which is consistent with the method used in the Statement of Comprehensive income.

Definitions of the terms used in the Statement of Cash Flows are:

“Cash” includes coins and notes, demand deposits and other highly liquid investments readily convertible into cash.

“Investing activities” are those activities relating to the acquisition and disposal of current and non-current investments and any other non-current assets.

“Financing activities” are those activities relating to changes in equity of the entity.

“Operating activities” include all transactions and other events that are not investing or financing activities.

Debtors and other receivables

Accounts receivable are stated at their estimated realisable value after providing for doubtful and uncollectable debts. When the receivable is uncollectible, it is written off against the provision for doubtful debts.

Investments

Investments in bank deposits are initially measured at fair value and subsequently at fair value less any provision for impairment. Impairment is established when there is objective evidence that the Law Commission will not be able to collect any amounts due according to the original terms of the deposit.

Property, plant and equipment

Property, plant and equipment asset classes consist of library collection, furniture and fittings, computer hardware and office equipment.

All classes are initially recorded at cost. Library collections are stated at fair value. Fair value is determined using market based evidence by an independent valuer. Library collections are valued every four years. Additions between revaluations are recorded at cost.

The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

Accounting for revaluations

The Commission accounts for revaluations of property, plant and equipment on a class of assets basis.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the statement of comprehensive income. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the statement of comprehensive income will be recognised first in the statement of comprehensive income up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

The Library collection was revalued as at 30 June 2007 by independent valuer, David Smith of DTZ NZ Ltd.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Commission and the cost of the item can be measured reliably.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of comprehensive income.

When revalued assets are sold, the amounts included in revaluation reserves in respect of those assets are transferred to general 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 the Law Commission and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the statement of comprehensive income 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 values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Computer equipment	3 years	33.33 %
Office equipment	5 years	20 %
Furniture and fittings	10 years	10 %
Library collection	5 years	20 %

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

Intangible assets

Software acquisition

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

Staff training costs are recognised as an expense when incurred.

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

Costs associated with the maintenance of the Law Commission website are recognised as an expense when incurred. Costs associated with the development of the Law Commission website are capitalised.

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 period is recognised in the statement of comprehensive income.

The finite useful lives and associated amortisation rates of the major class of intangible assets has been estimated as follows:

Acquired computer software	3 years	33.33 %
Website	3 years	33.33 %

Impairment of non-financial assets

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

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the Law Commission would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the statement of comprehensive income.

For assets not carried at revalued amount, the total impairment loss is recognised in the statement of comprehensive income.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the statement of comprehensive income, a reversal of the impairment loss is also recognised in the statement of comprehensive income.

For assets not carried at a revalued amount the reversal of an impairment loss is recognised in the statement of comprehensive income.

Financial instruments

The Law Commission is a party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, debtors and creditors. All financial instruments are recognised in the Statement of Financial Position and all revenue and expenses in relation to financial instruments are recognised in the Statement of Comprehensive income. All financial instruments are shown at their estimated fair value.

Creditors and other payable

Creditors and other payables are measured at fair value.

Employee entitlements

Short term employee entitlements

Employee entitlements that the Commission expects to be settled within 12 months of balance date are measured at undiscounted nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date and sick leave.

The Commission recognises a liability for sick leave to the extent that compensated absences in the coming year are expected to be greater than the sick leave entitlements earned in the same year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date to the extent that the Commission anticipated it will be used by staff to cover those future absences.

Superannuation schemes

Obligations for contributions to KiwiSaver and the New Zealand Government Superannuation Fund are accounted for as defined contribution superannuation schemes and are recognised as an expense in the statement of comprehensive income as incurred.

Goods and Services Tax (GST)

All items in the financial statements are presented exclusive of GST, with the exception of receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as an input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from or payable to Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Taxation

The Law Commission is a public authority in terms of the Income Tax Act 2007 and consequently is exempt from income tax.

Budget figures

The budget figures are those as disclosed in the 2009-2012 Statement of Intent as approved by the Commissioners. The budget figures have been prepared using accounting policies that are consistent with those adopted by the Commission for the preparation of the financial statements.

Cost allocation

Direct costs identifiable against specific projects are charged directly to those projects. Indirect costs are charged to specific projects in proportion to the direct labour hours recorded against those projects.

“Direct costs” are those costs directly attributable to a specific project. “Indirect costs” are those costs which cannot be identified in an economically feasible manner with a specific project.

Critical accounting estimates and assumptions

In preparing these financial statements the Law Commission has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Property, plant and equipment useful lives and residual value

At each balance date the Law Commission reviews the useful lives and residual values of its property, plant and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires the Law Commission to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by the Law Commission, and expected disposal proceeds from the future sale of the asset.

The Law Commission has not made significant changes to past assumptions concerning useful lives and residual values. The carrying amounts of property, plant and equipment are disclosed in note 8.

Critical judgements in applying the Law Commission's accounting policies

Management has exercised the following critical judgement in applying the Law Commission's accounting policies for the period ended 30 June 2010:

Lease classification

Determining whether a lease agreement is finance or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to the Law Commission. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant and equipment, whereas for an operating lease no such asset is recognised.

2 Revenue from Crown

The Law Commission has been provided with funding from the Crown for the specific purposes of the Law Commission as set out in its founding legislation and the scope of the relevant government appropriations. Apart from these general restrictions, there are no unfulfilled conditions or contingencies attached to government funding (2009 nil).

3 Personnel costs

	2010	2009
	Actual	Actual
	\$	\$
Salaries and Wages	3,269,162	3,508,405
Employer contributions to defined contribution plans	53,682	35,833
Increase/(decrease) in employee entitlements (note 11)	10,442	(16,346)
Total personnel costs	3,333,286	3,527,892

Employer contributions to defined contribution plans are employer contributions to KiwiSaver only.

4 Other operating costs

	2010	2009
	Actual	Actual
	\$	\$
Staff travel	349	33,793
Operating lease expense – equipment	10,020	10,020
Repairs & Maintenance	9,003	13,237
Professional Services	54,316	73,340
Communications	44,127	38,814
Other operating	136,590	151,689
Total operating costs	254,405	320,893

5 Occupancy costs

	2010	2009
	Actual	Actual
	\$	\$
Rent	536,767	411,110
Operating lease expense – premises	95,000	95,000
Total accommodation costs	631,767	506,110

6 Cash and cash equivalents

	2010	2009
	Actual	Actual
	\$	\$
Cash on hand and at bank	102,247	422,602
Cash equivalents- term deposit	250,000	400,395
Total cash and cash equivalents	352,247	822,997

For an investment to qualify as a cash equivalent it must be readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value.

The carrying value of short-term deposits with maturity dates of three months or less approximates their fair value.

7 Debtors and other receivables

	2010	2009
	Actual	Actual
	\$	\$
Trade debtors	3,708	26,919
Less: provision for doubtful debts	(257)	(324)
GST receivable	54,496	18,007
Other	1,084	4,074
Total debtors and other receivables	59,031	48,676

The carrying value of receivables approximates their fair value.

At 30 June 2010 all overdue receivables have been assessed for impairment and if necessary, adjustments to existing provisions applied.

8 Property, plant and equipment

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

	Computer equipment	Furniture and fittings	Office equipment	Library collection	Total
	\$	\$	\$	\$	\$
Cost or valuation					
Balance at 1 July 2008	314,188	572,991	65,154	656,622	1,608,955
Additions	4,006	2,892	489	86,451	93,838
Disposals	(189,494)	0	0	0	(189,494)
Balance at 30 June 2009	128,700	575,883	65,643	743,073	1,513,299
Additions	45,055	2,787	1,006	77,773	126,621
Disposal	(1,420)	0	(10,240)	0	(11,660)
Adjustment	45,119	0	0	0	45,119
Balance at 30 June 2010	217,454	578,670	56,409	820,846	1,673,379
Accumulated depreciation					
Balance at 1 July 2008	270,563	65,752	18,681	124,272	479,268
Depreciation expense	25,119	58,231	11,737	141,273	236,360
Eliminate on disposal	(189,494)	0	0	0	(189,494)
Balance at 30 June 2009	106,188	123,983	30,418	265,545	526,134
Depreciation expense	16,548	57,450	12,888	157,326	244,212
Adjustment	45,119	0	0	0	45,119
Retirement	(1,420)	0	(6,883)	0	(8,303)
Balance at 30 June 2010	166,435	181,433	36,423	422,871	807,162
Carrying amounts					
At 1 July 2008	43,625	507,239	46,473	532,350	1,129,687
At 30 June and 1 July 2009	22,512	451,900	35,225	477,528	987,165
At 30 June 2010	51,019	397,237	19,986	397,975	866,217

The costs and accumulated depreciation of computer equipment disposed in the year ended 30 June 2009 (\$189,494) was overstated by \$45,119, in error. The error is corrected above. There is no impact on the carrying amount of the assets.

9 Intangible assets

	Website	Acquired software	Total
	\$	\$	\$
Cost			
Balance at 1 July 2008	132,526	331,669	464,195
Additions	2,400	0	2,400
Retirement	(36,494)	(279,676)	(316,170)
Balance at 30 June 2009	98,432	51,993	150,425
Additions	30,160	35,187	65,347
Retirement	0	(2,232)	(2,232)
Balance at 30 June 2010	128,592	84,948	213,540
Accumulated amortisation			
Balance at 1 July 2008	123,975	320,789	444,764
Amortisation expense	5,971	5,959	11,930
Retirement	(36,494)	(279,676)	(316,170)
Balance at 30 June 2009	93,452	47,072	140,524
Amortisation expense	3,951	5,258	9,209
Retirement	0	(2,232)	(2,232)
Balance at 30 June 2010	97,403	50,098	147,501
Carrying amounts			
At 1 July 2008	8,551	10,880	19,431
At 30 June 2009	4,980	4,921	9,901
At 30 June 2010	31,189	34,850	66,039

10 Creditors and other payables

	2010	2009
	Actual	Actual
	\$	\$
Creditors	226,891	177,562
Income in advance	0	18,234
Accrued expenses	159,298	43,699
Total creditors and other payables	386,189	239,495

Creditors and payables are non-interest bearing and are normally settled on 30 day terms, therefore the carrying value of creditors and other payables approximates their fair values.

11 Employee entitlements

	2010	2009
	Actual	Actual
	\$	\$
Current employee entitlements are represented by:		
Accrued salaries and wages	59,303	48,420
Annual leave	71,002	69,150
Sick leave	6,837	9,130
Total employee entitlements	137,142	126,700

12 Equity

	2010	2009
	Actual	Actual
	\$	\$
General funds		
Balance at 1 July	1,479,790	1,616,982
Surplus/(deficit)	(278,195)	(137,192)
<i>Balance at 30 June</i>	1,201,595	1,479,790
Property, plant and equipment (Library) revaluation reserves		
Balance at 1 July	276,674	276,674
<i>Balance at 30 June</i>	276,674	276,674
Total equity at 30 June	1,478,269	1,756,464

13 Investments

	2010	2009
	Actual	Actual
	\$	\$
Current investments are represented by:		
Term deposits	555,944	200,000
Total investments	555,944	200,000

There were no impairment provisions for investments.

Maturity analysis and effective interest rates of term deposits

	2010	2009
	Actual	Actual
	\$	\$
Term deposits with maturities of 4–6 months (average maturity 155 days)	555,944	200,000
<i>Effective interest rate</i>	3.00%	3.25%

The carrying amount of term deposits with maturities less than 12 months approximate their fair value.

14 Financial instruments

Categories of financial assets and liabilities

The carrying amounts of financial assets and liabilities in each of the NZ IAS 39 categories are as follows:

	2010	2009
	Actual	Actual
	\$	\$
Loans and receivables		
Cash and cash equivalents (note 6)	352,247	822,927
Debtors and other receivables (note 7)	59,031	48,676
Investments – term deposits (note 13)	555,944	200,000
Total loans and receivables	967,222	1,071,603
Financial liabilities measured at amortised cost		
Creditors and other payables (note 10)	386,189	239,495

15 Reconciliation of net surplus/(deficit) to net cash from operating activities

	2010	2009
	Actual	Actual
	\$	\$
Net surplus/(deficit)	(278,195)	(137,192)
Add/(less) non-cash items:		
Depreciation expense	244,212	236,360
Amortisation expense	9,209	11,930
Bad debts	(67)	0
Provision for sick leave adjustment	(2,293)	0
Add (less) loss (gain) on fixed assets sales	3,357	0
<i>Total non-cash items</i>	254,418	248,290
Add/(less) movements in working capital items:		
Debtors and other receivables	(58,557)	(5,810)
Creditors and other payables	146,694	(56,763)
Employee entitlements	12,735	(16,346)
<i>Net movements in working capital items</i>	100,872	(78,919)
Net cash from operating activities	77,095	32,179

16 Events after the balance sheet date

There were no significant events after the balance sheet date.

17 Commitments

Non-cancellable lease on office accommodation

	2010	2009
	Actual	Actual
	\$	\$
Not later than one year	614,842	498,950
Later than one year and not later than five years	2,459,366	1,995,800
Later than five years	1,740,002	1,912,643
Total	4,814,210	4,407,393

The lease on the office accommodation terminates on 24 April 2018 and there is no right of renewal.

Contract for the supply of library information

	2010	2009
	Actual	Actual
	\$	\$
Not later than one year	60,810	148,065
Later than one year and not later than five years	0	59,401
Total contract for the supply of library information	60,810	207,466

18 Related party transactions and key personnel remuneration

Related party transactions

The Law Commission is an independent crown entity. The government significantly influences the role of the Law Commission in addition to being its major source of revenue.

Any transactions that the Law Commission enters into with government departments, state-owned enterprises and other crown entities occur within a normal supplier or client relationship on terms and conditions no more or less favourable than those which it is reasonable to expect the Law Commission would have adopted if dealing with that entity at arms length. Therefore they are not considered related party transactions.

During the year there was a close family member of key management personnel employed by the Law Commission. The terms and conditions of this arrangement were no more favourable than the Law Commission would have adopted if there were no relationships to key management personnel.

Key management personnel compensation

	2010	2009
	Actual	Actual
	\$	\$
Salaries and other short-term employee benefits	1,597,957	1,596,453
Total key management personnel compensation	1,597,957	1,596,453

Employee remuneration

Remuneration range

	2010	2009
	Actual	Actual
	\$	\$
Between \$100,000 and \$109,999	4	5
Between \$110,000 and \$119,999	0	0
Between \$150,000 and \$159,999	0	0
Between \$160,000 and \$169,999	1	1
Between \$170,000 and \$179,999	1	0
Total employees	6	6

Commissioner remuneration

	2010	2009
	Actual	Actual
	\$	\$
Sir Geoffrey Palmer SC (President)	358,373	354,058
Dr Warren Young (Vice President)	286,460	280,087
Emeritus Professor John Burrows QC	273,598	269,623
George Tanner QC	258,922	269,623
Val Sim	273,598	269,623
Total	1,450,951	1,443,014

During the year ended 30 June 2010 no (2009: none) employees received compensation and other benefits in relation to cessation.

19 Contingencies

The Law Commission has no contingent liabilities or assets at balance date 30 June 2010. (2009: NIL)

20 Capital management

The Law Commission's capital is its equity, which comprises accumulated funds and other reserves. Equity is represented by net assets.

The Law Commission is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities and the use of derivatives.

The Law Commission manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities, investments and general financial dealings to ensure the Law Commission effectively achieves its objectives and purpose whilst remaining a going concern.

21 Explanation of significant variances against budget

Explanations for significant variances from the Law Commission's budgeted figures in the Statement of Intent (SOI) are as follows:

Statement of comprehensive income

At the request of the Government, the Commission's final report on the review of the regulatory framework relating to the supply and sale of liquor was completed more than 12 months early. This required project funds allocated to out years to be applied in the current financial year. As a result, direct project costs exceeded the Commission's budget. Personnel costs were less than budgeted following the resignation and non replacement of three staff members.

Statement of financial position

Delays in capital spending accounts for the cash variance in the current asset category of the position statement and also for the spending on fixed assets being lower than originally anticipated. This flows into the trade creditor figures which are higher than expected at year end. Additionally, the timing of expenditure in both the capital and operating areas accounts for the variance in GST receivable.

Leave balances were forecast to be lower than the actual result at year end resulting in a higher leave liability.

Statement of changes in cash flows

The timing of capital investment was later than anticipated at the commencement of the year, leaving a capital expenditure variance of nearly \$100,000.

22 Financial instrument risk

The Law Commission's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. The Law Commission 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

The interest rates on the Law Commission's investments are disclosed in note 13.

Fair value and cash flow interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Cash flow interest rate risk is the risk that cash flows from a financial instrument will fluctuate because of changes in market interest rates.

The Law Commission's exposure to fair value interest rate risk and cash flow interest rate risk is limited to its bank deposits which are held at fixed rates of interest. The risk is therefore managed by investing in on-call and short term deposits with high credit-rated financial institutions.

Credit risk

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

Due to the timing of its cash inflows and outflows, the Law Commission invests surplus cash with registered banks.

The Law Commission's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents (note 6), net debtors (note 7) and term deposits. There is no collateral held as security against these financial instruments.

The Law Commission has no significant concentrations of credit risk, as it has a small number of credit customers, rarely extends credit and only invests funds with registered banks with specified credit rating.

Liquidity risk

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

In meeting its liquidity requirements, the Law Commission maintains a target level of investments that must mature within specified timeframes.

All creditors and other payables are due for settlement within six months.

Statement of service performance

for the year ended 30 June 2010

Output Class: Policy Advice

Policy Advice covers all work done by the Commission including law reform projects and advisory work.

Budgeted Revenue: \$4,899,000

Actual Revenue: \$ 4,880,033

Budgeted Expenditure: \$5,093,816

Actual Expenditure: \$ 5,158,228

Performance Measures

The Commission identified quality, timeliness and cost as the three performance measures for the delivery of its work programme in the 2009–2012 Statement of Intent.

Project Delivery

At the commencement of the year the Commission had 24 projects on the work programme. Of these, 22 were active projects.² During the year two projects were removed from the work programme (review of infanticide and review of the law of contempt). In relation to the remaining 20 projects, the Commission expected to publish four issues papers, nine final reports (including one draft final report and one final report including a draft bill and commentary), two draft bills with commentary and two Ministerial briefings.

At year end we had delivered three issues papers, eight final reports (including the *Review of Part 8 of the Crimes Act 1961: Crimes Against the Person* (NZLC R111, 2010), which was previously forecast to be a draft bill and commentary; and *Alcohol In Our Lives: Curbing the Harm* (NZLC R114, 2010), a final report brought forward 12 months

² At the commencement of the year work was not progressing on the public safety and security project or on the review of maximum penalties, as these were low priority projects and resources were diverted into other projects within the work programme.

by the Minister), one draft bill with commentary, and two briefing papers (including a briefing on the evidence and veracity provisions of the Evidence Act, which was previously forecast to be a final report) including recommendations were provided to the Minister. The publications were as follows:

Issues Papers

- *Review of the Privacy Act 1993* (NZLC IP 17, 2010)
- *Controlling and Regulating Drugs* (NZLC IP16, 2010)
- *Alcohol In Our Lives* (NZLC IP15, 2009)

Final Reports

- *A New Land Transfer Act* (NZLC R116, 2010)
- *A New Support Scheme for Veterans: A Report on the Review of the War Pensions Act 1954* (NZLC R115, 2010)
- *Alcohol In Our Lives: Curbing the Harm* (NZLC R114, 2010)
- *Invasion of Privacy: Penalties and Remedies: Review of the Law of Privacy* (NZLC R113, 2010)
- *Review of the Civil List Act 1979 – the Governor-General* (NZLC R112, 2009)
- *Review of Part 8 of the Crimes Act 1961: Crimes Against the Person* (NZLC R111, 2009)
- *Suppressing Names and Evidence* (NZLC R109, 2009)
- *Private Schools and the Law* (NZLC R108, 2009)

Ministerial Briefings

- *Evidence Act: s.35 (Barlien) (July 09)*
- *Monitoring of the Evidence Act: Veracity and Propensity (March 2010)*

Draft Bill & Commentary

- *Criminal Procedure Simplification: A Bill Plan and Commentary* (NZLC LP0, 2009)

Published reports and papers were not the only products of the Commission's work during the year. Equally significant is work we are undertaking to implement the recommendations of earlier reports and work that delivers draft legislation usually based upon earlier Law Commission reports that have been tabled in Parliament. There are two major examples of this within the current year.

Search and Surveillance

A revised bill to implement our 2007 report, *Search and Surveillance Powers* (NZLC R97, 2007) was introduced in early July 2009. The Bill amends 84 Acts which are administered by 19 different departments. The inclusion of a number of regulatory powers, as well as law enforcement powers, within the Bill's regime significantly expanded the scope of our earlier work. That Bill remains before the Justice and Electoral Select Committee and we have provided support and advice to the Committee throughout the year in our role as independent adviser.

Simplification of Criminal Procedure

This project, being done jointly with the Ministry of Justice, has two objectives: to reduce unnecessary court delays through legislative and operational change; and to create a more accessible and simplified criminal procedure. The project builds on our 2005 report *Pre-Trial Processes: Justice Through Efficiency* (NZLC R89, 2005). It also incorporates a reference received by the Commission to review the law relating to the suppression of names and evidence. The final product will be major changes to the operation of the criminal courts, supported by new legislation to replace and reform relevant provisions of the Summary Proceedings Act 1957, District Courts Act 1947, and Crimes Act 1961. A draft Bill that incorporates the major reform proposals has been the subject of consultation with stakeholders (including the judiciary and legal profession) over 2009/10. It is expected that a final Bill will be introduced into Parliament in 2010.

Quality

The acceptance and implementation of our law reform recommendations are underpinned by high quality standards and the processes we use to research and present our proposals and advice. All publications completed by the end of the year complied with the Commission's internal quality processes and met the quality standards specified in the Statement of Intent to the extent applicable.

The Commission's quality criteria as set out in our statement of service performance are built into the standards and processes provided for in the Commission's project management guide. The project management guide, which was introduced in 2007/08, is not used as a rule book but rather as a guide to apply proven project management techniques to good effect.

The President takes overall responsibility for the projects that form the bulk of the Commission's work programme. In practice, the collection of projects that constitute our work programme each year is the result

of an iterative process that is managed in accordance with the criteria and guidance set out in Cabinet Circular CO (09)1. As many projects will span a number of financial years the work programme is dynamic, with projects finishing and others starting in each year. New projects to be added to the work programme are usually settled by the start of each financial year and set out in a Memorandum of Understanding between the Commission and the Minister. The priority accorded each project within the work programme is a matter that is determined following discussion with the Minister. If a new project is added to the work programme part way through the financial year this can involve a reprioritisation of resources and staff with a consequent impact on project timeliness and costs.

Once on our work programme each project is supervised by two Commissioners, with one taking the lead role and overall responsibility for the quality of the research, as well as the legal and policy analysis. The legal and policy resources assigned to a project are usually related to its priority in the work programme and its size in terms of legal and/or policy complexity. The General Manager is responsible for the management of staff and financial resources, and works closely with the President and Deputy President to ensure projects are sufficiently resourced in accordance with their priority status. The General Manager also takes responsibility for work programme management and for ensuring that project disciplines are applied to meet and maintain performance standards across all Commission projects.

In general terms, all projects require a project plan that identifies the project objectives, scope, constraints, schedule, linkages and dependencies, project structure (including internal review and external peer review processes, as appropriate), consultation and communication approaches, and project monitoring and controls. The project management process is supported through regular project team meetings, in which the relevant Commissioners, legal and policy advisers meet with the President and the General Manager. The General Manager reports on the overall progress of the work programme at the monthly Commission meeting and four monthly work programme reports are provided to the Minister.

Timeliness

The Commission is committed to completing its work within the timeframes specified in the annual work programme, as agreed with the Minister at the start of the financial year. Inevitably as work progresses through the year, circumstances will dictate the need to modify original dates and deadlines. This situation has arisen in the year under review, as the review of the regulatory framework relating to the

sale and supply of liquor was accorded high priority by the Government and required a significant resource commitment to publish our final report 12 months early in April 2010. At year end the actual status of projects as against the SOI forecast timelines was as follows:

2009/2010 MAJOR LAW REFORM PROJECTS	WORK PRODUCT	FORECAST SOI TIMELINE	PUBLISHED TIMELINE	EXPLANATION FOR TIMELINE VARIANCE
Review of Misuse of Drugs Act 1975	Issues Paper	Q2	Q3 Feb 10	Resources diverted to higher priority projects
Review of Crimes Act (Part 8) 1961	Draft Bill & Commentary	Q1	Q2 Dec 09	Work product changed to become final report requiring additional work
Simplification of criminal procedure	Various consultative papers, draft bill & Commentary	Ongoing	Q2 Aug 09	Draft Bill (including major reform proposals) & commentary circulated to key stakeholders during 2009/10. A final bill is expected to be introduced into Parliament in 2010/1011
Suppressing Names & Evidence	Final Report	Q1	Q2 Nov 09	Delay in sign off and publication process
Public safety and security	Issues Paper	TBD	-	Inactive – resources diverted to higher priority projects
Review of the law of privacy (PR3)	Final Report	Q2	Q3 Feb 10	Delay in sign off and publication process
Review of the Privacy Act 1991	Issues Paper	Q2	Q3 Mar 10	Delay in sign off and publication process
Review of the Official Information Act 1981	Issues Paper	Q2	-	Resources diverted to higher priority projects
Review of the Land Transfer Act 1952	Final Report & Draft Bill	Q2	Q4 Jun 10	Delay pending input from stakeholder agencies
Review of the War Pensions Act 1954	Final Report	Q2	Q4 Jun 10	Delay pending input from stakeholder agencies
Review of the law of trusts	Issues Paper	End of 2010	-	Research and analysis commenced
Review of the Civil List Act 1979	Final Report	Q1	Q2 (Pt 1) Dec 09	Delay at the request of key stakeholder agencies
Victims compensation	Final Report	Q3	-	Resources diverted to higher priority project
Review of maximum penalties	Report to Minister on first phase of work	Q2	-	Inactive – resources diverted to higher priority projects
Review of the regulatory framework relating to the sale & supply of liquor	Issues Paper Final Report	Q1 -	Q1 Mar 10 Q4 Apr 10	Final report brought forward 12 months in line with Government priorities
Review of law relating to private schools	Final Report	Q1	Q1 Jul 09	
Review of insanity	Draft final report	Q2	-	Resources diverted to higher priority project

2009/2010 MAJOR LAW REFORM PROJECTS	WORK PRODUCT	FORECAST SOI TIMELINE	PUBLISHED TIMELINE	EXPLANATION FOR TIMELINE VARIANCE
Review of infanticide	TBD	TBD		Removed from work programme November 2009
Search & surveillance powers	Briefing & advice to Select Committee	On request		Bill introduced in July 2009. Substantial amendments following Select Committee (SC) process. Advice & support provided to the SC through 2009/10 as independent adviser
Review of the law of contempt	Issues Paper	End of 2010		Removed from work programme February 2010
Inquiry into alternative pathways for processing sexual violence cases	TBD	End of 2010		Research and analysis on overseas models of alternative pathways commenced
Evidence Act 2006 – report on the veracity & propensity provisions;	Final report	Q3	Q3 Mar 10	The work product was changed to a Ministerial briefing
Evidence Act 2006 – s.35 amendment (Barlien)	Ministerial briefing & draft Cabinet paper	Q1	Q1 Jul 09	Ministerial briefing provided by Commission. Ministry of Justice are drafting Cabinet paper
Evidence Act 2006 – section 202	Ongoing monitoring 09/10			
	Project removed from work programme		Project inactive at commencement of financial year	

Cost

The final measure of the Commission's performance is the requirement to complete projects within the budgeted cost.

The budgeted project expenditure of \$0.398m as stated in the prospective financial statements within the Commission's 2009–2012 Statement of Intent was well below the actual project expenditure of \$0.534m at year end.

Executive Committees

Over the past three years, the Commission has had a developing role in providing advice to Ministers and government agencies on the design, and adherence to legal principles, of legislation being prepared for and presented to the House. This role is primarily performed through the support that the Commission provides to the Legislation Design Committee (LDC) and the Legislation Advisory Committee (LAC).

Legislation Design Committee (LDC)

Under Cabinet directive, the LDC provides departments with high level advice on the architecture of legislation referred by the department or the Cabinet Office. The primary reason for referral is to ensure advice is given early on the framework of new legislation, which in turn assists compliance with the LAC Guidelines. LAC receives legislative proposals too late to be effective in advising on the architecture of legislation. In this financial year LDC has met with officials from the Department of Internal Affairs to discuss Auckland Governance legislation, officials from the Ministry of Economic Development to discuss the Rugby World Cup consents legislation, the Electricity Industry Bill, and legislation relating to criminalising cartels, and officials from Treasury to discuss the Regulatory Responsibility Taskforce's report and draft Bill. All Commissioners have participated in providing the Commission's advisory contribution to the LDC through the year.

Legislation Advisory Committee (LAC)

The Commission writes reports for the LAC as a starting point for the Committee to consider all Government bills. Each report is an analysis of the bill against the LAC Guidelines for best legislative practice, using a standard template. If significant issues are identified by the LAC, the Committee may decide to provide comments to the relevant select committee.

The Commission's quality performance measures apply to the reports provided to the LAC. The Commission is required to provide reports for the LAC at the next meeting or as otherwise agreed. Where the timing

of the next LAC meeting means that it cannot consider the bill before the due date of submissions, the Commission either forwards the report to LAC members outside of the meeting and co-ordinates the LAC response, or seeks agreement from the Clerk of the select committee for a late submission. It is sometimes preferable for LAC members to have a full discussion at the regular meeting and make a late submission.

The Commission has no control over the number or timing of the Government bills it receives for review. The following process is used to manage the allocation, supervision and monitoring of the reports to ensure the quality and timeliness measures are met. This works as follows:

- New Government bills are entered by the Librarian into a Commission database that provides a standard analysis template.
- Bills are allocated to Legal and Policy Advisers and Commissioners on the basis of expertise in the particular content and sharing the workload equally. An allocation report is maintained for internal management.
- Legal and Policy Advisers do the analysis and complete a report under the supervision of a Commissioner.
- A date for completion of each report is set based on the date of the first reading, when submissions are due to the select committee and the date of the next LAC meeting. There is usually at least 3 weeks to provide the report to the LAC but sometimes a date is set that requires the work to be done urgently so the LAC can make a timely submission to the select committee.
- Completed reports are sent to the Secretary of the LAC in the MoJ, who sends out the papers for each LAC meeting. (MoJ provides administrative services for the LAC.)
- Reports are usually sent from the Commission to MoJ a week before the LAC meeting.
- All bills, their relevant dates and outcomes are recorded by the Commission on a status report, with an update provided for each LAC meeting.
- After the LAC has considered the bills at its monthly meeting, Commission staff may carry out follow-up work such as preparing a submission to Select Committee, contacting officials or writing to the Minister. This work is supervised by the relevant Commissioner and signed out by the President, in his capacity as Chair of the LAC.

Reports on 51 bills were provided to the LAC in the 2009/10 year and 12 papers were prepared by Commissioners for the LAC to follow up on issues with Government. Work continued on two major additions to the

Legislation Advisory Committee Guidelines which will be completed in 2010. The President Sir Geoffrey Palmer, and Commissioners John Burrows QC and George Tanner QC participated in targeted seminars given to two government departments and a full day seminar which was held for policy and legal advisers in conjunction with the Office of the Clerk entitled From Policy to Legislation.

Other Advisory Work

In addition to the work of the two executive committees, the Commission has provided advice directly to Government and officials on other matters pertaining to policy and/or legislation. The burden of this work usually falls on Commissioners. In 2009/10, of the total substantive hours available for project work, Commissioners expended 3.48 % of this time on advisory work. Advisory work included advice to the Finance and Expenditure Committee on the

Taxation (Consequential Rate Alignment and Remedial Matters) Bill, contributions to Cabinet papers on the presentation of New Zealand statute law and the review of the Statutes Drafting and Compilation Act 1920, the Customs and Excise Amendment Bill, the Education Amendment Bill (No.2), sexual violence legislation amendments, and advice to the Security Intelligence Service on policy issues.

Outcome Performance – Implementation of Reports

A significant measure of the quality of the Commission's work remains the extent to which government accepts our recommendations for law reform and takes steps to implement them. In taking this approach, we note that legislative enactment is only one measure of our effectiveness, as not all our projects are undertaken to alter legislation and in some cases it is not always possible to determine the degree to which recommendations have been taken up. Judgments can differ on how to characterise the achievement. While some recommendations seek fundamental changes to the statute book, others seek updating or amending of a statute, and some of our recommendations do not seek to alter legislation. Consideration of our recommendations occurs within a context of competing government priorities, limited parliamentary time and limited resources to implement reforms. We note therefore that even if accepted, some of our recommendations may not reach the statute book.

We have developed a methodology using a rolling five year cycle, to track the acceptance of our report recommendations over time. The methodology identifies the number of reports published in the last five years and categorises them as having been fully or substantially

accepted, partially accepted or not accepted. This approach does not lend itself to a formulaic approach and each report is considered on its merits to determine its correct categorisation. The rolling cycle is consistent with the Commission's annual work programme which has new projects added each year as current projects are completed. The current rolling five year period commenced 1 July 2005 and finishes 30 June 2010.

Methodology Definitions

Accepted

The Commission's report recommendations are fully or substantially accepted.

Partially Accepted

The Commission's report recommendations are accepted in part.

Not Accepted

The Commission's report recommendations are not accepted.

The table below demonstrates the application of the Commission's methodology for the period from 1 July 2005 to 30 June 2009 to completed projects which delivered a final report to Government.

Outcome of report recommendations 1 July 2005 to 30 June 2010

REPORT NAME	REPORT REFERENCE	ACCEPTED FULLY OR SUBSTANTIALLY	PARTIALLY ACCEPTED	NOT ACCEPTED	COMMENT
New Issues in Legal Parenthood	NZLC R88, (2005)			✓	Reform proposals not advanced by successive governments
Criminal Pre-Trial Processes: Justice Through Efficiency	NZLC R89, (2005)		✓		Interagency work to incorporate in new legislation underway
Forfeiture under the Customs and Excise Act 1996	NZLC R91, (2006)		✓		Revised after interagency work, <i>Customs and Excise Amendment Act (No 3) 2008</i>
Waka Umanga: A Proposed Law For Māori Governance Entities	NZLC R92, (2005)		✓		<i>Waka Umanga (Maori Corporations) Bill</i> intro 11/07, discharged 12/09

REPORT NAME	REPORT REFERENCE	ACCEPTED FULLY OR SUBSTANTIALLY	PARTIALLY ACCEPTED	NOT ACCEPTED	COMMENT
Access to Court Records	NZLC R93, (2006)		✓		New High Court Rules for access to court records came into force Feb 2009
Sentencing Guidelines and Parole Reform	NZLC R94, (2007)	✓			<i>Criminal Justice Reform Act 2007</i>
Reforming the Law of Sedition	NZLC R96, (2007)	✓			<i>Crimes (Repeal of Seditious Offences) Act 2007</i>
Search and Surveillance Powers	NZLC R97, (2007)	✓			<i>Search and Surveillance Powers Bill</i> introduced 9/08 Revised <i>Search and Surveillance Bill</i> intro 7/09
The Partial Defence of Provocation	NZLC R98, (2008)	✓			<i>Crimes (Provocation Repeal) Amendment Bill</i> intro 8/09, assent 12/09
Habeas Corpus Refining the Procedure	NZLC R100, (2008)				Government yet to consider <i>Habeas Corpus Amendment Bill</i> drafted
Public Registers: Review of the Law of Privacy Stage 2	NZLC R101, (2008)				Govt to consider after completion of whole Privacy project in late 2010
A New Inquiries Act	NZLC R102, (2008)	✓			<i>Inquiries Bill</i> introduced 9/08
Disclosure to Courts of Defendants' Previous Convictions, Similar Offending, and Bad Character	NZLC R103, (2008)	✓			LC to monitor operation of Act and report to Minister of Justice, first report due early 2010.
Presentation of New Zealand Statute Law	NZLC R104, (2008)	✓			<i>Legislation Bill</i> introduced 6/10, (See also R107)
Alcohol Legislation and the Conscience Vote	NZLC R106, (2009)				Government yet to consider
Review of Drafting and Statutes Compilation Act 1920	NZLC R107, (2009)	✓			<i>Legislation Bill</i> introduced 6/10 (See also R104)
Private Schools and the Law	NZLC R108, (2009)	✓			<i>Education Amendment Bill (No 2)</i> introduced 6/10

THE LAW COMMISSION:
TE AKA MATUA
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PRESIDENT'S
FOREWORD

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COMMISSION

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REPORT NAME	REPORT REFERENCE	ACCEPTED FULLY OR SUBSTANTIALLY	PARTIALLY ACCEPTED	NOT ACCEPTED	COMMENT
Suppressing Names & Evidence (part of joint Simplification Project)	NZLC R109, (2009)	✓			Report accepted as input to Simplification Project
Review of Part 8 of the Crimes Act 1961: Crimes Against The Person	NZLC R111, (2009)	✓			Bill ready for introduction
Review of the Civil List – the Governor-General (Part 1)	NZLC R112, (2009)	✓			<i>Governor-General Bill</i> introduced 6/10
Invasions of Privacy: Penalties and Remedies (Project 3: Privacy project)	NZLC R113, (2010)				Govt will consider after completion of whole Privacy project in late 2010
Alcohol In Our Lives: Curbing the Harm	NZLC R114, (2010)				Government yet to consider
A New Support Scheme for Veterans: Report on the review of War Pensions Act 1954	NZLC R115, (2010)				Government yet to consider
A New Land Transfer Act	NZLC R116, (2010)				Government yet to consider
TOTALS	24	12	4	1	7 AWAITING CONSIDERATION

Summary

Twenty-four reports were published in this period which included recommendations. Twelve reports were substantially accepted leading to the introduction of eight bills to Parliament (the Legislation Bill relates to two reports) and three bills have passed into law. Three reports that were accepted do not require legislation. Four reports were partially accepted and the recommendations in one report (dating from 2005) have not been accepted by successive governments. Seven reports are yet to be considered by Government with four of these published in the first half of 2010.

Audit Report

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

To the readers of the Law Commission's financial statements and statement of service performance for the year ended 30 June 2010

The Auditor-General is the auditor of the Law Commission (the Commission). The Auditor-General has appointed me, Clare Helm, using the staff and resources of Audit New Zealand, to carry out the audit on her behalf. The audit covers the financial statements and statement of service performance included in the annual report of the Commission for the year ended 30 June 2010.

Unqualified opinion

In our opinion:

- The financial statements of the Commission on pages 19 to 46:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the Commission's financial position as at 30 June 2010; and
 - the results of its operations and cash flows for the year ended on that date.
- The statement of service performance of the Commission on pages 47 to 58:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects for each class of outputs:
 - its standards of delivery performance achieved, as compared with the forecast standards outlined in the statement of forecast service performance adopted at the start of the financial year; and
 - its actual revenue earned and output expenses incurred, as compared with the forecast revenues and output expenses outlined in the statement of forecast service performance adopted at the start of the financial year.

The audit was completed on 26 August 2010, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Commission and the Auditor, and explain our independence.

Basis of opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements and statement of service performance did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and statement of service performance. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements and statement of service performance. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Commission;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement and statement of service performance disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and statement of service performance.

We evaluated the overall adequacy of the presentation of information in the financial statements and statement of service performance. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Commission and the Auditor

The Commission is responsible for preparing the financial statements and statement of service performance in accordance with generally accepted accounting practice in New Zealand. The financial statements

must fairly reflect the financial position of the Commission as at 30 June 2010 and the results of its operations and cash flows for the year ended on that date. The statement of service performance must fairly reflect, for each class of outputs, the Commission's standards of delivery performance achieved and revenue earned and expenses incurred, as compared with the forecast standards, revenue and expenses adopted at the start of the financial year. The Commission's responsibilities arise from the Crown Entities Act 2004.

We are responsible for expressing an independent opinion on the financial statements and statement of service performance and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and the Crown Entities Act 2004.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit, we have no relationship with or interests in the Commission.



Clare Helm
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Matters relating to the electronic presentation of the audited financial statements and statement of service performance

This audit report relates to the financial statements and statement of service performance of Law Commission for the year ended 30 June 2010 included on the Law Commission's website. The Law Commission is responsible for the maintenance and integrity of the Law Commission's website. We have not been engaged to report on the integrity of the Law Commission's website. We accept no responsibility for any changes that may have occurred to the financial statements and statement of service performance since they were initially presented on the website.

The audit report refers only to the financial statements and statement of performance named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements and statement of service performance. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and statement of service performance as well as the related audit report dated 26 August 2010 to confirm the information included in the audited financial statements and statement of service performance presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

Crown Entities Act reporting

Report on equal employment opportunities programme in terms of the Crown Entities Act 2004, sec 151 (1)(g)

The Law Commission complies with the principles of being a good employer.

It operates personnel policies containing provisions generally accepted as necessary for the fair and proper treatment of its employees in all aspects of their employment. It provides good and safe working conditions to its employees. It provides opportunities for the enhancement of the abilities of individual employees. The Commission also recognises the aims and aspirations and employment requirements and cultural differences of ethnic or minority groups.

The Commission operates an equal employment opportunities policy where the best person for the job is employed. The Commission has flexible employment arrangements, for example, to cater for those with childcare responsibilities and those approaching retirement. There is one woman Commissioner. As at the balance date 86% of employees are women.

Report on acts in breach of statute in terms of the Crown Entities Act 2004, sec 20(3)

The Law Commission did not carry out any act that is contrary to, or outside the authority of an Act. All its actions were for the purpose of performing its functions.

Report on permission to act despite being interested in a matter in terms of the Crown Entities Act 2004, sec 68(6)

As a former Member of Parliament and a former Prime Minister, the President of the Commission, Sir Geoffrey Palmer SC, is entitled to certain payments under the civil List Act 1979. As the Commissioner leading the Commission's project reviewing this Act, the President declared this interest to the Minister Responsible for the Law Commission by letter to Hon Simon Power (29 July 2009). The Commission's review of the Act is not looking at the amount of the payments under the Act but rather seeking to clarify the legislative framework and improve transparency. On this basis the Minister gave his permission for Sir Geoffrey to continue his role as Commissioner in charge of this review (18 August 2009).

Appendix A

Members and staff of the Law Commission as at 30 June 2010

Commissioners

Rt Hon Sir Geoffrey Palmer SC *President*

Dr Warren Young *Deputy President*

Emeritus Professor John Burrows QC

George Tanner QC

Val Sim

Staff

General Manager

Brigid Corcoran

Special Projects Adviser

Margaret Thompson

Senior Legal & Policy Advisers

Allison Bennett

Cate Brett

Claire Browning

Marion Clifford

Jo Dinsdale

Susan Hall

Joanna Hayward

Rachel Hayward

Andrea King

Ewan Lincoln

Janet November

Lecretia Seales

Legal and Policy Advisors

Steven Melrose

Julia Rendell

Principal Librarian

Peter Adamson

Librarian

Jacqueline Kitchen

Assistant Librarian

Katherine Narbey

Management Support Adviser

Brenda van Heezik

Finance Officer

Felicity Reid

Personal Assistants

Catriona Boyes

Naidene McClew

Appendix B

Law Commission publications as at 30 June 2010

Report Series

NO.	NAME	RELEASED	GOVERNMENT RESPONSE
NZLC R1	Imperial Legislation in Force in New Zealand	March 1987	Largely implemented by the Imperial Laws Application Act 1988 and associated legislation
NZLC R2	Annual Report	1987	
NZLC R3	The Accident Compensation Scheme: Interim Report on Aspects of Funding	November 1987	Considered in preparing the Accident Rehabilitation and Compensation Insurance Act 1992 and some recommendations reflected in its provisions
NZLC R4	Personal Injury: Prevention and Recovery (Report on the Accident Compensation Scheme)	May 1988	Considered also in connection with reviews of the Accident Rehabilitation and Compensation Insurance Act 1992 and implementing regulations undertaken in 1994
NZLC R5	Annual Report	1988	
NZLC R6	Limitation Defences in Civil Proceedings	October 1988	Update review completed November 2008, Limitation Bill introduced June 2009
NZLC R7	The Structure of the Courts	March 1989	Substantial effect given to the recommendations in various enactments reforming courts' jurisdiction in 1991 and 1992
NZLC R8	A Personal Property Securities Act for New Zealand	April 1989	Implemented by the Personal Property Securities Act 1999
NZLC R9	Company Law: Reform and Restatement	June 1989	Companies Act 1993, Receiverships Act 1993 and amendments to the Property Law Act 1952 and the Companies Act 1955 entered into force on 1 July 1994
NZLC R10	Annual Report	1989	
NZLC R11	Legislation and its Interpretation: Statutory Publications Bill	September 1989	Implemented in part by Regulations (Disallowance) Act 1989 and Acts and Regulations Publications Act 1989
NZLC R12	First Report on Emergencies: Use of the Armed Forces	February 1990	Implemented in the Defence Act 1990
NZLC R13	Intellectual Property: The Context for Reform	March 1990	For use as a resource, No law changes recommended
NZLC R14	Criminal Procedure: Part One: Disclosure and Committal	June 1990	Amendments contained in the Criminal Procedure Bill – assent given 25 June 2008, split between several statutes
NZLC R15	Annual Report	1990	
NZLC R16	Company Law Reform: Transition and Revision	September 1990	A supplement to NZLC R9
NZLC R17	A New Interpretation Act: To Avoid “Prolixity and Tautology”	December 1990	Recommendations reflected in the Interpretation Act 1999

NO.	NAME	RELEASED	GOVERNMENT RESPONSE
NZLC R18	Aspects of Damages: Employment Contracts and the Rule in <i>Addis v Gramophone Co</i>	March 1991	Implemented almost in entirety by the Employment Contracts Act 1991
NZLC R19	Aspects of Damages: The Rules in <i>Bain v Fothergill</i> and <i>Joyner v Weeks</i>	May 1991	Abolition of the rule in <i>Bain v Fothergill</i> implemented by the Property Law Amendment Act 1994 Problems with the rule in <i>Joyner v Weeks</i> partially addressed in <i>Māori Trustee v Rogross Farms Ltd</i> [1994] 3 NZLR 410 (CA)
NZLC R20	Arbitration	October 1991	Implemented by the Arbitration Act 1996
NZLC R21	Annual Report	1991	
NZLC R22	Final Report on Emergencies	December 1991	A supplement to NZLC R 12. Materially influenced the Biosecurity Act 1993
NZLC R23	The United Nations Convention on Contracts for the International Sale of Goods: New Zealand's Proposed Acceptance	June 1992	Implemented by the Sale of Goods (United Nations Convention) Act 1994
NZLC R24	Annual Report	1992	
NZLC R25	Contract Statutes Review	May 1993	Many of the recommendations have been included in the Statutes Amendment Bill 2001 . Others are not a high Ministerial priority
NZLC R26	Annual Report	1993	
NZLC R27	The Format of Legislation	December 1993	Adopted by Chief Parliamentary Counsel
NZLC R28	Aspects of Damages: The Award of Interest on Money Claims	May 1994	Interest on Money Claims Bill in draft 2008/9
NZLC R29	A New Property Law Act	June 1994	Property Law Act , assent 4/10/2007
NZLC R30	Community Safety: Mental Health and Criminal Justice Issues	August 1994	Included in the Criminal Procedure (Mentally Impaired Persons) Act passed in October 2003
NZLC R31	Police Questioning	October 1994	Not advanced by successive governments.
NZLC R32	Annual Report	1994	
NZLC R33	Annual Report	1995	
NZLC R34	A New Zealand Guide to International Law and its Sources	May 1996	For use as a resource – no law changes recommended
NZLC R35	Legislation Manual: Structure and Style	May 1996	For use as a resource Proposals on structure and style substantially adopted by the Parliamentary Counsel Office and in widespread use
NZLC R36	Annual Report	1996	
NZLC R37	Crown Liability and Judicial Immunity: A response to <i>Baigent's</i> case and <i>Harvey v Derrick</i>	May 1997	Recommendations as to <i>Baigent's</i> case accepted. Implemented in part by section 27 Interpretation Act 1999
NZLC R38	Succession Law: Homicidal Heirs	July 1997	Succession (Homicide) Act , assent 17/10/2007
NZLC R39	Succession Law: A Succession (Adjustment) Act	August 1997	Some issues addressed in the Property (Relationships) Amendment Act 2001
NZLC R40	Review of the Official Information Act 1982	October 1997	Some proposals included in the Statutes Amendment Bill (No 3) which was passed in Oct 2003; report considered in LC's 2009/11 OIA review project

NO.	NAME	RELEASED	GOVERNMENT RESPONSE
NZLC R41	Succession Law: A Succession (Wills) Act	October 1997	Wills Act , assent 28/8/2007
NZLC R42	Evidence Law: Witness Anonymity	October 1997	Largely implemented by the Evidence (Witness Anonymity) Act 1997
NZLC R43	Annual Report	1997	
NZLC R44	Habeas Corpus: Procedure	November 1997	Implemented by Habeas Corpus Act 2001 , further bill drafted to address deficiencies, refer NZLC R100 2008)
NZLC R45	The Treaty Making Process Reform and the Role of Parliament	December 1997	Partially implemented by changes to Standing Orders (SO 382-385)
NZLC R46	Some Insurance Law Problems	May 1998	Key recommendations included in Life Insurance report (NZLC R87) , Insurance (Prudential Supervision) Bill awaiting 2 nd reading June 2010
NZLC R47	Apportionment of Civil Liability	May 1998	Reform proposals not advanced by successive governments
NZLC R48	Annual Report	September 1998	
NZLC R49	Compensating the Wrongly Convicted (1998)	September 1998	Implemented by adoption of cabinet policy (prerogative)
NZLC R50	Electronic Commerce Part One: A Guide for the Legal and Business Community	October 1998	Report explores basis for reform to accommodate electronic commerce, followed by Part Two (see NZLC R58). Reflected in Electronic Transactions Act 2002
NZLC R51	Dishonestly Procuring Valuable Benefits	December 1998	Reflected in Crimes Amendment Act 2003
NZLC R52	Cross Border Insolvency: Should NZ Adopt the UNCITRAL Model Law on Cross-Border Insolvency?	February 1999	Reflected in Insolvency (Cross-border) Act 2006
NZLC R53	Justice: The Experience of Māori Women	April 1999	Resource only: no specific measures proposed
NZLC R54	Computer Misuse	May 1999	Included in the Crimes Amendment Act 2003
NZLC R55	Evidence	August 1999	Reflected in Evidence Act 2006
NZLC R56	Annual Report	September 1999	
NZLC R57	Retirement Villages	September 1999	Reflected in Retirement Villages Act 2003
NZLC R58	Electronic Commerce Part Two: A Basic Legal Framework	November 1999	Reflected in Electronic Transactions Act 2002 , (Part One NZLC R50)
NZLC R59	Shared Ownership of Land	November 1999	Dept of Building & Housing, with Justice and LINZ, reviewed the Unit Titles Act, including LC's recommendations relating to unit title developments. Unit Titles Act received assent April 2010
NZLC R60	Costs in Criminal Cases	May 2000	Legislation drafted 2007/08
NZLC R61	Tidying the Limitation Act	July 2000	Update review completed November 2008, Limitation Bill introduced June 2009 and in select committee June 2010
NZLC R62	Coroners	August 2000	Reflected in Coroners Act 2006
NZLC R63	Annual Report 2000	August 2000	
NZLC R64	Defaming Politicians: A Response to <i>Lange v Atkinson</i>	August 2000	C/Appeal held S19 of Act adequately balances protection of reputation versus freedom of speech, procedural recommendations considered in Evidence Act 2006

NO.	NAME	RELEASED	GOVERNMENT RESPONSE
NZLC R 65	Adoption and Its Alternatives: A Different Approach and a New Framework	September 2000	Policy proposals developed but proposals not advanced by successive governments.
NZLC R66	Criminal Prosecution	October 2000	Some amendments contained in Criminal Procedure Bill , assent 25/6/2008, divided between several statutes
NZLC R67	Tax and Privilege: Legal Professional Privilege and the Commissioner of Inland Revenue's Powers to Obtain Information	October 2000	The Taxation (Base Maintenance and Miscellaneous Provisions) Act 2005 extends a non-disclosure right to tax advisors
NZLC R68	Electronic Commerce Part Three: Remaining Issues	December 2000	Most recommendations relate to ongoing review by relevant agencies. NZ is now a member of the Hague Conference on Private International Law
NZLC R69	Juries in Criminal Trials	February 2001	Some amendments contained in Criminal Procedure Bill , assent 25/6/2008, divided between several statutes
NZLC R70	Acquittal Following Perversion of the Course of Justice	March 2001	Some amendments contained in Criminal Procedure Bill , assent 25/6/2008, divided between several statutes
NZLC R71	Misuse of Enduring Powers of Attorney	April 2001	Protection of Personal and Property Rights Amendment Act , assent 25/9/07
NZLC R72	Subsiding Litigation	May 2001	A conditional fee regime is included in the Lawyers & Conveyancers Act 2006
NZLC R73	Some Criminal Defences with Particular Reference to Battered Defendants	May 2001	See also <i>The Partial Defence of Provocation</i> NZLC R 98 2007. Crimes (Provocation Repeal) Act received assent Dec 2009
NZLC R74	Minority Buy-outs	August 2001	Companies (Minority Buy-out Rights) Amendment Act , assent 16/9/2008
NZLC R75	Annual report	August 2001	
NZLC R76	Proof of Disputed Facts on Sentence	December 2001	Incorporated in the Sentencing Act 2002
NZLC R77	The Future of the Joint Family Homes Act	January 2002	Reform proposals not advanced by successive governments
NZLC R78	General Discovery	February 2002	No Government action expected. Recommendations were made to the High Court Rules Committee
NZLC R79	Some Problems in the Law of Trusts	May 2002	Trustee Amendment Bill introduced 9/07, awaiting report-back June 2010
NZLC R80	Protections Some Disadvantaged People May Need	April 2002	Not advanced by successive governments and overtaken by Protection of Personal and Property Rights Amendment Act 2007
NZLC R81	Annual Report 2002	August 2002	
NZLC R82	Dispute Resolution in the Family Court	April 2003	A number of recommendations reflected in Family Courts Matters Bill introduced 8/07, including non-judicial led mediation – assent to divided bills 09/08
NZLC R83	Improving the Arbitration Act 1996	February 2003	Arbitration Amendment Act , assent 17/10/2007
NZLC R84	Annual Report 2003	August 2003	

NO.	NAME	RELEASED	GOVERNMENT RESPONSE
NZLC R85	Delivering Justice for All	March 2004	Main structural changes rejected, some recs advanced in service improvement & communications strategies for Courts; civil & criminal process recs considered in later, related policy work of Rules Cttee and MoJ; tribunals proposals followed by NZLC SP20 2008; recs re duty solicitors and Police custody legal aid advanced by LSA; open justice recs reflected in the Family Court Matters Act (see NZLC R82 above)
NZLC R86	Annual Report 2004	August 2004	
NZLC R87	Life Insurance	December 2004	Part of MED/ Reserve Bank review of regulation of financial products and providers 07/08; Insurance (Prudential Supervision) Bill awaiting report-back June 2010
NZLC R88	New Issues in Legal Parenthood	April 2005	Reform proposals not advanced by successive governments
NZLC R89	Criminal Pre-Trial Processes: Justice Through Efficiency	June 2005	Justice interagency project on Simplification of Criminal Justice Processes underway, Consultation Draft Bill available in December 2009
NZLC R90	Annual Report 2004–05		
NZLC R91	Forfeiture under the Customs and Excise Act 1996	January 2006	Customs and Excise Amendment Act (No 3) – assent 16/9/08
NZLC R92	Waka Umanga: A Proposed Law For Māori Governance Entities	May 2006	Waka Umanga (Maori Corporations) Bill introduced 10/07, discharged Dec 2009
NZLC R93	Access to Court Records	June 2006	New High Court Rules, including changes to access rules, in effect from 6/09; similar rules planned for District Court
NZLC R94	Sentencing Guidelines and Parole Reform	June 2007	Criminal Justice Reform Act , assent 31/7/07
NZLC R95	Annual Report 2005–2006		
NZLC R96	Reforming the Law of Seditious Offences	March 2007	Crimes (Repeal of Seditious Offences) Act, assent 5/11/2007
NZLC R97	Search and Surveillance Powers	June 2007	Search and Surveillance Powers Bill introduced 09/08, replaced by Search and Surveillance Bill, in select committee June 2010
NZLC R98	The Partial Defence of Provocation	October 2007	Crimes (Provocation Repeal) Act , assent Dec 2009
NZLC R99	Annual Report 2006–2007		
NZLC R100	Habeas Corpus Refining the Procedure	February 2008	Habeas Corpus Amendment Bill drafted, awaiting Government consideration
NZLC R101	Public Registers: Review of the Law of Privacy stage 2	February 2008	Government consideration awaiting completion of whole LC Privacy project
NZLC R102	A New Inquiries Act	May 2008	Inquiries Bill awaiting 2 nd reading June 2010
NZLC R103	Disclosure to Courts of Defendants' Previous Convictions, Similar Offending, and Bad Character	May 2008	Recommendation for LC to report to Minister of Justice on the working in practice of veracity and propensity provisions by 28/2/2010 accepted
NZLC R104	Presentation of New Zealand Statute Law	December 2008	Legislation Bill introduced June 2010

NO.	NAME	RELEASED	GOVERNMENT RESPONSE
NZLC R105	Annual Report 2007–2008		
NZLC R106	Review of Regulatory Framework for the Sale and Supply of Liquor: Part 1: Alcohol Legislation and the Conscience Vote	May 2009	Awaiting Government response June 2010
NZLC R107	Review of the Statutes Drafting & Compilation Act 1920	June 2009	Legislation Bill introduced June 2010
NZLC R108	Private Schools and The Law	September 2009	Reflected in Education Amendment Bill (No 2) introduced June 2010
NZLC R109	Suppressing Names and Evidence	November 2009	Draft bill incorporated into draft legislation being prepared in Simplification of Criminal Procedure project
NZLC R110	Annual Report 2008–09		
NZLC R111	Review of Part 8 of The Crimes Act 1961: Crimes Against the Person	December 2009	Amendment Bill awaiting introduction in June 2010
NZLC R112	Review of the Civil List Act – the Governor-General	December 2009	Governor-General Bill introduced June 2010
NZLC R113	Invasion of Privacy: Penalties and Remedies: Review of the Law of Privacy: Stage 3	February 2010	Government consideration awaiting completion of whole LC Privacy project
NZLC R114	Alcohol In Our Lives: Curbing the Harm	April 2010	Awaiting Government response in June 2010
NZLC R115	A New Support Scheme for Veterans: A Report on the Review of the War Pensions Act 1954	May 2010	Awaiting Government response in June 2010

Issues Paper Series

NO.	NAME	RELEASED	OUTCOME
NZLC IP1	The Role of Public Inquiries	January 2007	Followed by IP5 and NZLC R102
NZLC IP2	Presentation of New Zealand Statute Law	September 2007	Followed by NZLC R104
NZLC IP3	Public Registers – Review of the Law of Privacy: Stage 2	September 2007	Followed by Report NZLC R101
NZLC IP4	Disclosure of Previous Convictions	November 2007	Followed by Report NZLC R103
NZLC IP5	Public Inquiries: Draft Report	November 2007	Followed by report NZLC R102
NZLC IP6	Tribunals in New Zealand	January 2008	Followed by SP20
NZLC IP7	Towards a New Veterans' Entitlements Scheme: Discussion paper on a Review of the War Pensions Act 1954	July 2008	Followed by report NZLC
NZLC IP8	Review of The Civil List Act 1979	July 2008	Review of Civil List Act project split in 2009 and NZLC R112 published, plus ongoing project June 2010
NZLC IP9	Review of Prerogative Writs	August 2008	Contribution to review of prerogative writs, decision not to pursue in light of submissions received

NO.	NAME	RELEASED	OUTCOME
NZLC SP13	Treaty of Waitangi Claims: Addressing the Post-Settlement Phase: An Advisory Report for Te Puni Kokiri, the Office of Treaty Settlements and the Chief Judge of the Maori Land Court	August 2002	Advice to the Ministry for Maori Development, followed by <i>Waka Umanga: A Proposed Law for Māori Governance Entities</i> NZLC R92 2006
NZLC SP14	Liability for Loss Resulting from the Development, Supply or Use of Genetically Modified Organisms	August 2002	No further action by Government
NZLC SP15	Intimate Covert Filming	June 2004	Crimes (Intimate Covert Filming) Amendment Act 2006
NZLC SP16	The Infringements System: A framework for Reform	August 2005	This was a joint review with MoJ and LC developed a statutory framework to guide establishment and operation of infringement offences. MoJ provided guidelines for legislating for infringements on their website
NZLC SP17	Converging Currents: Custom and Human Rights in the Pacific	October 2006	Advice to Minister, Ministry of Foreign Affairs and Trade, and of interest to Pacific countries, No further action by Government
NZLC SP18	Further Reform of Habeas Corpus Procedure	August 2007	Habeas Corpus Amendment Bill drafted (NZLC R100 2008)
NZLC SP19	Privacy Concepts and Issues	February 2008	Contribution to LC Privacy project, ongoing 2008/09
NZLC SP20	Tribunal Reform	December 2008	Further progressed deferred 08/09

Miscellaneous Paper Series

NO.	NAME	RELEASED	OUTCOME
NZLC MP1	What Should Happen to your Property when you Die?	August 1996	Preliminary to NZLC PP24 and NZLC R41
NZLC MP2	Succession Law Wills Reforms	October 1996	Preliminary to NZLC PP24 and NZLC R41
NZLC MP3	Information about Lawyers' Fees	October 1996	Preliminary to NZLC SP1
NZLC MP4	Women's Access to Legal Information	March 1997	Preliminary to NZLC SP1
NZLC MP5	The Law of Parliamentary Privilege	December 1996	Resource only
NZLC MP6	The Taking into Account of Te Ao Māori in Relation to Reform of the Law of Succession	July 1996	Resource only
NZLC MP7	Strategic Business Plan 1996/97	December 1996	Resource only
NZLC MP8	Women's Access to Civil Legal Aid	March 1997	Preliminary to NZLC SP1
NZLC MP9	Women's Access to Legal Advice and Representation	April 1997	Preliminary to NZLC SP1
NZLC MP10	Lawyers' Costs in Family Law Disputes	June 1997	Preliminary to NZLC SP1
NZLC MP11	The Education and Training of Law Students and Lawyers	September 1997	Preliminary to NZLC SP1

NO.	NAME	RELEASED	OUTCOME
NZLC MP12	Costs in Criminal Cases	November 1997	Followed by report NZLC R60
NZLC MP13	Total Recall: The reliability of witness testimony	August 1999	Resource only
NZLC MP14	The Role of Public Inquiries	January 2006	Preliminary to NZLC IP1
NZLC MP15	Waka Umanga (Maori Corporations) Bill	May 2007	Draft bill for consultation with Māori and interest groups, superseded by revised bill introduced 10/07
NZLC MP16	Limitation Defences in Civil Cases: Update Report for Law Commission	June 2007	Resource for review of limitation issues, Limitation Bill introduced June 2009.
NZLC MP19	A Conceptual Approach to Privacy	November 2007	Contribution to LC Privacy project, ongoing 2008/09

Preliminary Paper Series (replaced by Issues Papers series from 2007)

NO.	NAME	RELEASED	OUTCOME
NZLC PP1	Legislation and its Interpretation: The Acts Interpretation Act 1924 and Related Legislation	June 1987	Followed by report NZLC R17
NZLC PP2	The Accident Compensation Scheme	September 1987	Followed by reports NZLC R3 and NZLC R4
NZLC PP3	The Limitation Act 1950	September 1987	Followed by report NZLC R6
NZLC PP4	The Structure of the Courts	December 1987	Followed by report NZLC R7
NZLC PP5	Company Law	December 1987	Followed by reports NZLC R9 and NZLC R16
NZLC PP6	Reform of Personal Property Security Law (report by Prof JH Farrar and MA O'Regan)	1988	Followed by report NZLC R8
NZLC PP7	Arbitration	November 1988	Followed by report NZLC R20
NZLC PP8	Legislation and its Interpretation	December 1988	Followed by report NZLC R17
NZLC PP9	The Treaty of Waitangi and Māori Fisheries – Mataitai Nga Tikanga Māori me te Tiriti o Waitangi	March 1989	For use as a resource, reference withdrawn by Minister of Justice at Law Commission's request
NZLC PP10	Hearsay Evidence	June 1989	Followed by report NZLC R55
NZLC PP11	"Unfair" Contracts	September 1990	No further consideration intended
NZLC PP12	The Prosecution of Offences	November 1990	Followed by further discussion paper NZLC PP28
NZLC PP13	Evidence Law: Principles for Reform	April 1991	Followed by report NZLC R55
NZLC PP14	Evidence Law: Codification	April 1991	Followed by report NZLC R55
NZLC PP15	Evidence Law: Hearsay	April 1991	Followed by report NZLC R55
NZLC PP16	The Property Law Act 1952	July 1991	Followed by report NZLC R29
NZLC PP17	Aspects of Damages: Interest on Debts and Damages	November 1991	Followed by report NZLC R28
NZLC PP18	Evidence Law: Expert Evidence and Opinion Evidence	December 1991	Followed by report NZLC R55

NO.	NAME	RELEASED	OUTCOME
NZLC PP19	Apportionment of Civil Liability	March 1992	Followed by report NZLC R47
NZLC PP20	Tenure and Estates in Land	June 1992	No further consideration intended
NZLC PP21	Criminal Evidence: Police Questioning	September 1993	Followed by report NZLC R31
NZLC PP22	Evidence Law: Documentary Paper	May 1994	Followed by report NZLC R55
NZLC PP23	Evidence Law: Privilege	May 1994	Followed by report NZLC R55
NZLC PP24	Succession Law: Testamentary Claims	August 1996	Followed by reports NZLC R38, NZLC R39, and NZLC R41
NZLC PP25	The Privilege Against Self-Incrimination	September 1996	Followed by report NZLC R55
NZLC PP26	The Evidence of Children and Other Vulnerable Witnesses	October 1996	Followed by report NZLC R55
NZLC PP27	Evidence Law: Character and Credibility	February 1997	Followed by report NZLC R55
NZLC PP28	Criminal Prosecution	March 1997	Followed by report NZLC R66
NZLC PP29	Evidence Law: Witness Anonymity	September 1997	Followed by report NZLC R42
NZLC PP30	Repeal of the Contracts Enforcement Act 1956	December 1997	No further action
NZLC PP31	Compensation for Wrongful Conviction or Prosecution	April 1998	Followed by report NZLC R49
NZLC PP32	Juries in Criminal Trials: Part One	July 1998	Followed by Juries in Criminal Trials: Part Two NZLC PP37 and Report NZLC R69
NZLC PP33	Defaming Politicians: A Response to <i>Lange v Atkinson</i>	September 1998	Followed by report NZLC R64
NZLC PP34	Retirement Villages	October 1998	Followed by report NZLC R57
NZLC PP35	Shared Ownership of Land	January 1999	Followed by report NZLC R59
NZLC PP36	Coroners: A Review	August 1999	Followed by report NZLC R62
NZLC PP37	Juries in Criminal Trials: Part Two	November 1999	Followed by report NZLC R69
NZLC PP38	Adoption: Options for Reform	October 1999	Followed by report NZLC R65
NZLC PP39	Limitation of Civil Actions	February 2000	Followed by report NZLC 61
NZLC PP40	Misuse of Enduring Powers of Attorney	May 2000	Followed by report NZLC R71
NZLC PP41	Battered Defendants: Victims of Domestic Violence Who Offend	August 2000	Followed by report NZLC R73
NZLC PP42	Acquittal Following Perversion of the Course of Justice: A Response to <i>R v Moore</i>	September 2000	Followed by report NZLC R70
NZLC PP43	Subsidising Litigation	December 2000	Followed by report NZLC R72
NZLC PP44	The Future of the Joint Family Homes Act	August 2001	Followed by report NZLC R77
NZLC PP45	Reforming the Rules of General Discovery	September 2001	Followed by report NZLC R78
NZLC PP46	Improving the Arbitration Act 1996	September 2001	Followed by report NZLC R83
NZLC PP47	Family Court Dispute Resolution	January 2002	Followed by report NZLC R82

NO.	NAME	RELEASED	OUTCOME
NZLC PP48	Some Problems in the Law of Trusts	January 2002	Followed by report NZLC R79
NZLC PP49	Protecting Personal Information From Disclosure	February 2002	As requested by the Ministry of Justice no further work will be done
NZLC PP50	Entry, search and Seizure	April 2002	Followed by report NZLC R97
NZLC PP51	Striking the balance, Your opportunity to have your say on the New Zealand Court System	May 2002	Followed by options paper, Seeking Solutions, PP52 and R85
NZLC PP52	Seeking Solutions: Options for Change to the New Zealand Court System	December 2002	Followed by report NZLC R85
NZLC PP53	Life Insurance – A Discussion Paper	December 2003	Followed by report NZLC R87
NZLC PP54	New Issues in Legal Parenthood – A discussion paper	March 2004	Followed by report NZLC R88
NZLC PP55	Reforming Criminal Pre-Trial Processes/Status Hearings Evaluation	August 2004	Followed by report NZLC R89
NZLC PP0	Reforms to the Sentencing and Parole Structure: Consultation Draft	August 2006	Followed by report NZLC R94

