



2023



Financial Report

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Independent Auditor's report to the members of Consumer NZ Incorporated

Opinion

We have audited the general purpose financial report of Consumer NZ Incorporated (“the Society”) and its subsidiaries (together, “the Group”), which comprise the consolidated financial statements on pages 1 to 16 and the consolidated service performance information on pages 17 to 22. The complete set of consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2023, consolidated statement of comprehensive revenue and expense, consolidated statement of changes in net assets and consolidated statement of cash flows for the period then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying general purpose financial report presents fairly, in all material respects:

- the consolidated financial position of the Group as at 31 December 2023, and of its consolidated financial performance, and its consolidated cash flows for the period then ended; and
- the consolidated service performance for the year ended 31 December 2023 in accordance with the Group’s service performance criteria

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime (“PBE Standards RDR”) issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (“ISAs (NZ)”) and the audit of the service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS) 1 *The Audit of Service Performance Information (NZ)*. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the General Purpose Financial Report* section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor, we have no relationship with, or interests in, Consumer NZ Incorporated or its subsidiary.

Board’s Responsibilities for the General Purpose Financial Report

The Board is responsible on behalf of the Group for:

- (a) the preparation and fair presentation of the consolidated financial statements and consolidated service performance information in accordance with PBE Standards RDR issued by the New Zealand Accounting Standards Board;



BDO Wellington Audit Limited

(b) Service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards RDR; and

(c) such internal control as the Board determines is necessary to enable the preparation of the consolidated financial statements and service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the general purpose financial report, the Board is responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole, and the consolidated service performance information are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

A further description of our responsibilities for the audit of the general purpose financial report is located at the External Reporting Board's website at: <https://www.xrb.govt.nz/assurancestandards/auditors-responsibilities/audit-report-13/>.

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the Society's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Wellington Audit Limited

BDO Wellington Audit Limited
Wellington
New Zealand
27 March 2024

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Consolidated Statement of Comprehensive Revenue and Expense

FOR THE YEAR ENDED 31 DECEMBER 2023 | CONSOLIDATED GROUP

Revenue	NOTES	2023	2022
Revenue from non-exchange transactions			
Donations	6	117,765	135,591
Grants	6	59,505	73,513
Revenue from exchange transactions			
Membership subscriptions		3,708,811	3,892,418
Dividend revenue		37,559	33,952
Other operating revenue	6	4,064,075	3,564,601
Total revenue		7,987,715	7,700,075
Expenses			
Administration		894,320	816,689
Depreciation and amortisation	12, 13	346,087	411,819
Information technology		583,696	694,755
Marketing & promotion		844,552	1,221,499
Personnel		4,492,891	4,258,497
Production & distribution		816,732	1,028,565
Total expenses	7	7,978,278	8,431,822
Finance activities			
Finance income		74,656	44,835
Net surplus from finance activities	6	74,656	44,835
Operating surplus/(deficit)		84,093	(686,913)
Other gains/(losses)			
Gain/(loss) on investments		145,933	(206,131)
Total other gains/(losses)		145,933	(206,131)
Surplus/(deficit) for the year		230,026	(893,044)
Other comprehensive revenue and expense		-	-
Total comprehensive revenue and expense for the year		230,026	(893,044)

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Consolidated Statement of Financial Position

AS AT 31 DECEMBER 2023 | CONSOLIDATED GROUP

Assets	NOTES	2023	2022
Current assets			
Cash and cash equivalents	9	1,548,478	395,150
Investments	10	2,330,051	2,766,119
Prepayments		152,697	154,045
Receivables from exchange transactions	11	311,739	379,814
Total current assets		4,342,965	3,695,128
Non-current assets			
Intangible asset	12	434,853	421,307
Property, plant and equipment	13	333,699	441,178
Total non-current assets		768,552	862,485
Total assets		5,111,517	4,557,613
Liabilities			
Current liabilities			
Payables under exchange transactions	14	482,936	347,455
Employee entitlements	15	276,669	174,112
Deferred subscriptions revenue	19	1,685,927	1,635,362
Other deferred revenue		330,129	321,151
Other provisions	20	20,556	20,556
Total current liabilities		2,796,217	2,498,635
Non-current liabilities			
Deferred subscriptions revenue	19	311,639	276,787
Other provisions	20	86,816	95,372
Total non-current liabilities		398,455	372,159
Total liabilities		3,194,672	2,870,794
Net assets		1,916,845	1,686,818
Equity			
Accumulated comprehensive revenue and expense		1,916,845	1,686,818
Total net assets attributable to the owners of the controlling equity		1,916,845	1,686,818

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Consolidated Statement of Changes in Net Assets

FOR THE YEAR ENDED 31 DECEMBER 2023 | CONSOLIDATED GROUP

	Accumulated comprehensive revenue and expense	Freda Love Foundation Reserves	Total equity
Balance 1 January 2023	1,686,818	-	1,686,818
Movement from statement of comprehensive revenue and expense	230,026	-	230,026
Balance 31 December 2023	1,916,845	-	1,916,845

	Accumulated comprehensive revenue and expense	Freda Love Foundation Reserves	Total equity
Balance 1 January 2022	2,568,744	11,119	2,579,863
Movement from statement of comprehensive revenue and expense	(881,925)	(11,119)	(893,044)
Balance 31 December 2022	1,686,818	-	1,686,818

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Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2023 | CONSOLIDATED GROUP

Cash flow from operating activities	NOTES	2023	2022
Cash was provided from/(applied to):			
Receipts from membership fees		3,794,228	3,835,900
Receipts from exchange transactions		4,137,249	3,306,481
Receipts from other non-exchange transactions		177,270	209,103
Interest received		57,198	24,912
(Payments) to suppliers		(3,030,218)	(3,918,178)
(Payments) to employees		(4,350,794)	(4,152,773)
Net cash from operating activities		784,932	(694,554)
Cash flow from investing activities			
Cash was provided from/(applied to):			
(Purchases) of fixed assets	13	(16,863)	(32,897)
(Purchases) of investments		(300,000)	(1,800,000)
Disposals of investments		920,550	2,550,000
(Purchase) of intangible assets	12	(235,291)	(36,110)
Net cash used in investing activities		368,397	680,993
Net increase/(decrease) in cash and cash equivalents			
		1,153,328	(13,561)
Cash and cash equivalents, beginning of the year		395,150	408,711
Cash and cash equivalents at end of the year	9	1,548,478	395,150

Signed for and on behalf of the Board who approved these financial statements for issue on 27 March 2024.



Robert Aitken Chair



Kate Tokeley Deputy Chair

These financial statements should be read in conjunction with the notes to the financial statements.

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Consolidated Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2023 | CONSOLIDATED GROUP

1. Reporting entity

The reporting entity Consumer NZ Incorporated (“Consumer NZ”) conducts consumer research and testing in New Zealand, and is a charitable organisation registered under the Incorporated Societies Act 1908 and Charities Act 2005 (registration number CC35296).

The consolidated financial statements comprising of Consumer NZ and its controlled entity, Consumer Foundation (incorporating the Emily Carpenter Consumer Charitable Trust), together the “Group”, are presented for the year ended 31 December 2023.

These consolidated financial statements and the accompanying notes summarise the financial results of activities carried out by the Group. All entities within the Group are charitable organisations registered under the Charitable Trusts Act 1957 and the Charities Act 2005.

These consolidated financial statements have been approved and were authorised for issue by the Board on 27 March 2024.

2. Statement of Compliance

The consolidated financial statements presented have been prepared in accordance with generally accepted accounting practice in New Zealand (“NZ GAAP”). They comply with Public Benefit Entity International Public Sector Accounting Standards (“PBE IPSAS”) and other financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit entities. For the purposes of complying with NZ GAAP, the Group is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability, and it is not defined as large.

The Board has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime (“RDR”) disclosure concessions.

3. Summary of accounting policies

The significant accounting policies used in the preparation of these financial statements as set out below have been applied consistently to both years presented in these financial statements.

3.1 Basis of measurement

These consolidated financial statements have been prepared on the basis of historical cost.

3.2 Functional and presentational currency

The consolidated financial statements are

presented in New Zealand dollars (\$) which is the Group’s functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar.

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction.

Trade creditors or debtors denominated in foreign currency are reported at the consolidated statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognised as income or expenses in the period in which they arise.

3.3 Basis of consolidation

Controlled entities are entities over which the controlling entity has the power to govern the financial and operating policies so as to benefit from its activities. The controlled entities are consolidated from the date on which control is transferred and are de-consolidated from the date that control ceases. In preparing the consolidated financial statements, all inter entity balances and transactions, and unrealised gains and losses arising within the consolidated entity are eliminated in full. The accounting policies of the controlled entity are consistent with the policies adopted by the Group, controlled entity has a 31 December 2023 reporting date.

3.4 Changes to accounting policies

There were no significant changes to the accounting policies during the reporting period.

3.5 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

The Group derecognises a financial asset when the rights to receive cash flows from the asset have expired or are waived, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- The Group has transferred substantially all the risks and rewards of the asset; or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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Consolidated Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2023 | CONSOLIDATED GROUP

Financial Assets

Financial assets within the scope of NFP PBE IPSAS 41. On initial recognition, a financial asset is classified as measured at: amortised cost; Fair value through other comprehensive revenue and expense (FVOCRE) – debt investment and equity investment; or fair value through surplus or deficit (FVTSD). The classifications of the financial assets are determined at initial recognition.

The categorisation determines subsequent measurement and whether any resulting revenue and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The Group's financial assets are classified as either financial assets at fair value through surplus or deficit or amortised cost. Financial assets include: cash and cash equivalents, short-term investments, receivables from non-exchange transactions, receivables from exchange transactions, and derivative financial instruments.

All financial assets except for those at fair value through surplus or deficit are subject to review for impairment at least at each reporting date.

Financial assets at fair value through surplus or deficit are carried in the statement of financial position at fair value with net changes in fair value presented as other expenses (negative net changes in fair value) or other revenue (positive net changes in fair value) in the statement of surplus or deficit.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTSD:

- it is held within a management model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCRE as described above are measured at FVTSD. This includes all derivative financial assets (see Notes 10 and 18). On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCRE as at FVTSD if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

The Group's financial liabilities include trade and other creditors (excluding GST and PAYE), and deferred revenue. All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair

value through surplus or deficit). They are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit in the Consolidated Statement of Comprehensive Revenue and Expense.

3.6 Income tax

Due to its charitable status, the Group is exempt from income tax.

3.7 Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except for receivables and payables, which are GST included.

The net GST recoverable from, or payable to, Inland Revenue Department is included as part of receivables or payables in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Inland Revenue Department is classified as part of operating cash flows.

3.8 Equity

Equity is the member's interest in the Group, measured as the difference between total assets and total liabilities. Equity is made up of the following components:

Accumulated comprehensive revenue and expense

Accumulated comprehensive revenue and expense is the accumulated surplus or deficit since its formation.

4. Significant accounting judgements, estimates and assumptions

Preparation of the Group's financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. However, circumstances

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Consolidated Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2023 | CONSOLIDATED GROUP

and assumptions about future developments, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to determine potential future use and value from disposal:

- The condition of the asset
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

The estimated useful lives of the asset classes held by the Group are listed in Notes 12 and 13.

5. Group information subsidiaries

The consolidated financial statements of the Group include the following subsidiary:

Name of subsidiary	Principal activities	Country of incorporation	Control percentage	
			2023	2022
Consumer Foundation (incorporating the Emily Carpenter Consumer Charitable Trust)	Supporting the education work of Consumer NZ to support a fair deal for all New Zealanders.	New Zealand	100%	100%

The reporting date of Consumer NZ and its subsidiary is 31 December.

There are no significant restrictions on the ability of the subsidiaries to transfer funds to Consumer NZ in the form of cash distributions or to repay loans or advances.

6. Revenue

Revenue from non-exchange transactions

Revenue is measured at the fair value of the consideration received. The following recognition criteria must be met before revenue is recognised.

Donations

Donations are recognised as revenue upon receipt and include donations from the public, donations received for specific programmes or services or donations in-kind. Donations in-kind include donations received for services, furniture and volunteer time and are recognised

in revenue and expense when the services or goods are received. Donations in-kind are measured at their fair value as at the date of acquisition, ascertained by reference to the expected cost that would be otherwise incurred by the Group.

Revenue from non-exchange transactions received during each reporting period is made up of the following:

	2023	2022
Donations - General	63,474	103,800
Donations - Corporate*	54,291	31,791
Grants**	59,505	73,513
Total revenue from non-exchange transactions	177,270	209,103

*Corporate donations received in 2023 were from: \$1,791 from Transpower for a staff member's time spent on the Transpower Consumer Advisory Panel, \$25,000 from Simplicity, \$2,500 from Whittakers, \$20,000 from Chorus NZ and \$5,000 from ASB supporting the Consumer NZ Utua atu initiative.

**The \$59,505 grants received in 2023 were from a contract with NZ on Air Broadcasting Commission in support of a public interest journalism fund.

Donations in-kind

Consumer NZ is the recipient of a US\$10,000 monthly grant in-kind from Google to assist running advertising for its free consumer advice services.

Revenue from exchange transactions

Membership subscription

Membership subscription is received in exchange for access to membership goods and services. It is initially recorded as revenue in advance and recognised in revenue evenly over the membership period.

Other revenue streams

All other revenue streams are recognised in the accounting period in which the goods or services are rendered.

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Consolidated Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2023 | CONSOLIDATED GROUP

Revenue from other exchange transactions	2023	2022
Business development	562,850	434,184
Consumer programmes & licence fees	998,625	888,936
Digital pass sales	164,504	166,248
Other income	68,314	66,547
Powerswitch	2,269,781	2,008,686
Revenue from other exchange transactions	4,064,075	3,564,601

Interest revenue

Interest revenue is recognised as it accrues, using the effective interest method.

Finance income	2023	2022
Interest income on bank deposits	74,656	44,835
Total finance income	74,656	44,835

7. Components of net surplus/(deficit)

Surplus/(deficit) includes the following specific expenses:	2023	2022
Audit fees	33,250	21,105
Board fees and expenses	100,707	104,346
Depreciation & amortisation	346,087	411,819
Foreign exchange loss / (gain)	3,382	(4,509)
Information technology & websites	583,696	694,755
Marketing & communications	844,552	1,221,499
Office premises rental	238,831	239,280
Other administration expenses	518,150	456,466
Personnel	4,492,891	4,258,497
Production & distribution	816,732	1,028,565
Total expenses	7,978,278	8,431,822

8. Auditor's remuneration

BDO Wellington provided audit services to the Group for \$33,250 in 2023 (2022: \$21,105). No non-audit services were provided by BDO Wellington during the year (2022: \$nil).

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Consolidated Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2023 | CONSOLIDATED GROUP

9. Cash and cash equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents include:

	2023	2022
Cash at bank	552,054	343,052
On-call deposit accounts	996,424	52,098
Total cash and cash equivalents	1,548,478	395,150

10. Investments

Short term investments comprise deposits greater than three months, no more than 12 months and therefore do not fall into the category of cash and cash equivalents. In June 2021 the Group commenced investing in an investment portfolio.

	2023	2022
Term deposits - maturing within 12 months of balance date	300,000	920,000
Portfolio investment	2,030,051	1,846,119
Short term investments	2,330,051	2,766,119

11. Receivables from exchange transactions

Receivables from exchange transactions include the following components:

	2023	2022
Trade debtors	305,709	365,018
Accrued interest	6,030	14,796
Total receivables from exchange transactions	311,739	379,814

12. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits or service potential in the asset are considered to modify the amortisation period or method, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in surplus or deficit as an expense which is consistent with the function of the intangible assets. The Group does not hold any intangible assets that have an indefinite life. The amortisation periods for the Groups assets are as follows:

Trademarks	7.5 – 10 years
Websites	4 years
Licences	3 years

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Consolidated Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2023 | CONSOLIDATED GROUP

Reconciliation of the carrying amount at the beginning and end of the period:

2023	Software	Licences	Trademarks	Total
Cost	3,279,824	550	17,272	3,297,646
Accumulated amortisation	(2,846,096)	(550)	(16,147)	(2,862,793)
Closing balance	433,728	-	1,125	434,853

2023				
Opening balance	419,056	-	2,251	421,307
Additions	235,291	-	-	235,291
Movement in WIP	-	-	-	-
Disposals	-	-	-	-
Amortisation	(220,619)	-	(1,126)	(221,745)
Closing balance	433,728	-	1,125	434,853

2022	Software	Licences	Trademarks	Total
Cost/Valuation	3,044,533	550	17,272	3,062,355
Accumulated Depreciation	(2,625,477)	(550)	(15,021)	(2,641,048)
Closing balance	419,056	-	2,251	421,307

2022				
Opening balance	659,447	-	3,331	662,778
Additions	133,948	-	-	133,948
Movement in WIP	(97,837)	-	-	(97,837)
Disposals	-	-	-	-
Amortisation	(276,502)	-	(1,080)	(277,581)
Closing balance	419,056	-	2,251	421,307

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Consolidated Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2023 | CONSOLIDATED GROUP

13. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure directly attributable to the acquisition of the asset.

Depreciation is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost of the asset less any estimated residual value over its remaining useful life:

Computer equipment	3 - 5 years
Office equipment	5 - 10 years
Office furniture, fixtures and fittings	3 - 10 years
Motor vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential in the asset.

Reconciliation of the carrying amount at the beginning and end of the period:

	Fixtures & fittings	Motor vehicles	Computer equipment	Office equipment	Total
2023					
Cost	639,734	8,696	280,634	167,794	1,096,857
Accumulated Depreciation	(382,084)	(8,696)	(249,547)	(122,832)	(763,159)
Net Book Value	257,650	-	31,087	44,962	333,699

2023					
Opening balance	326,894	753	66,811	46,719	441,177
Additions	-	-	9,834	7,028	16,862
Disposals	-	-	-	-	-
Depreciation on disposals	-	-	-	-	-
Depreciation	(69,245)	(753)	(45,559)	(8,785)	(124,341)
Net Book Value	257,650	-	31,087	44,962	333,699

	Fixtures & fittings	Motor vehicles	Computer equipment	Office equipment	Total
2022					
Cost	639,734	8,696	270,800	160,766	1,079,995
Accumulated Depreciation	(312,840)	(7,943)	(203,989)	(114,047)	(638,818)
Net Book Value	326,894	753	66,811	46,719	441,177

2022					
Opening balance	396,982	2,492	90,321	52,723	542,518
Additions	-	-	28,881	4,016	32,897
Disposals	-	-	-	-	-
Depreciation on disposals	-	-	-	-	-
Depreciation	(70,087)	(1,739)	(52,391)	(10,020)	(134,237)
Net Book Value	326,894	753	66,811	46,719	441,177

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Consolidated Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2023 | CONSOLIDATED GROUP

14. Payables under exchange transactions

	2023	2022
Trade creditors	294,567	212,123
Accruals	40,159	24,545
Sundry payables	16,055	12,220
GST (refundable) / payable	132,156	98,566
Total payables under exchange transactions	482,936	347,455

15. Employee entitlements

Wages, salaries and annual leave

Liabilities for wages and salaries, and annual leave are recognised in surplus or deficit during the period in which the employee provided the services. Liabilities for the associated benefits are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

Employees of the Group become eligible for long-service leave after a certain number of years, depending on their contract. The liability for long-service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method.

	2023	2022
Annual leave	250,609	206,151
Payroll accrual	(48,442)	(44,497)
Service leave	17,911	12,458
Redundancy provision	56,592	-
Total employee entitlements	276,669	174,112

16. Related party transactions

During the period, the Group incurred expenses totalling \$2,500 (2022: \$nil) relating to the Sentiment Tracker Survey Report provided to Telecommunications Dispute Resolution (TDR), of which Kate Tokeley is a Board Member. Kate is Deputy Chair of the Consumer NZ Board.

Key Management Personnel

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, are the members of the governing body of the Group, which is comprised of the Board, Chief Executive Officer, Head of Finance, Head of Operations, Head of Research & Advocacy, Head of Business Development and Head of Test. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

	2023	2022
Total remuneration and directors fees	1,006,682	1,121,977
Number of full-time equivalent persons	7	7

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Consolidated Notes to the Financial Statements

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17. Leases

Payments on operating lease agreements, where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense on a straight-line basis over the lease term.

Operating lease commitments

During 2018 the Group moved premises to 17 Whitmore Street. The lease runs from 1 September 2018 to 31 August 2027.

During 2021 the Group entered into a new five-year operating lease for a multi-functional printing device.

As at the reporting date, the Group has entered into the following non-cancellable operating leases in relation to office equipment and office rental:

	2023	2022
Not later than one year	255,995	247,780
Later than one year and not later than five years	679,510	956,076
Later than five years	-	-
Total lease commitments	935,505	1,203,856

18. Categories of financial assets and liabilities

The carrying amounts of financial instruments presented in the statement of financial performance relate to the following categories of assets:

Financial assets	2023	2022
<i>At amortised cost</i>		
Cash and cash equivalents	1,548,478	395,150
Prepayments	152,697	154,045
Receivables from exchange transactions	311,739	379,814
Receivables from non-exchange transactions	-	-
<i>Financial assets at fair value through surplus or deficit</i>		
Investments	2,330,051	2,766,119
Total financial assets	4,342,965	3,695,128

Financial liabilities	2023	2022
<i>At amortised cost</i>		
Trade and other creditors	350,780	248,888
Deferred revenue (conditions attached)	2,321,455	2,233,299
Total financial liabilities	2,672,225	2,482,188

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19. Deferred subscription revenue

	2023	2022
Current	1,685,927	1,635,362
Non-current		
1 year	270,930	240,370
1-2 plus years	40,708	36,417
Total non-current	311,639	276,787
Total Deferred subscription revenue	1,997,566	1,912,149

20. Other provisions

	2023	2022
Current		
Landlord fit out contribution	20,556	20,556
Non-current		
Landlord fit out contribution	54,816	75,372
Office premises make good provision	32,000	20,000
Total non-current	86,816	95,372

21. Capital commitments

There are no capital commitments at the reporting date (2022: \$nil).

22. Contingent assets and liabilities

There are no contingent assets or liabilities at the reporting date. (2022: \$nil)

23. Events after the reporting date

The Board and management are not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements, that have significantly or may significantly affect the operation of the Group. (2022: \$nil).

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Consolidated Service Performance Reporting

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Consumer New Zealand is an independent, not for profit established in 1959. We are dedicated to being the unbiased voice that protects and empowers New Zealand consumers. Our mission is to understand the dynamics of the modern marketplace and use our work to empower all New Zealand consumers to navigate that marketplace with confidence.

Our work is primarily funded via membership, with members paying to access our member-only information and advice. Membership fees also help to fund our research, investigations and campaigns. Other funds are sourced from business programmes licences, contract work, donations and grants.

All our work follows this basic model:

 Issue	Identify issues that affect New Zealand consumers
 Research	Undertake research to understand those issues
 Advice/ advocacy	Offer advice to help consumers navigate those issues and advocate for change where change is required

We identify consumer issues by:

- Monitoring markets, analysing trader conduct and consumer behaviour.
- Receiving reports of market activities from consumers, advocates, traders and enforcement agencies.
- Participating in committees or interest groups on matters relating to consumer issues.
- Conducting general research on consumer issues and specific industries to monitor trends over time.

We undertake research by:

- Testing products and services, both in-house and by contracting independent laboratories.
- Conducting market research, both through surveys of our members and supporters and by contracting nationally representative survey panels.
- Investigating specific businesses or issues.
- Mystery shopping businesses and surveying customer satisfaction.
- We belong to Consumers International which means we can draw on experience and information from consumer organisations around the world to inform our advocacy work.

We offer advice and undertake advocacy by:

- Making product and services recommendations based on our research and testing. We use our findings to encourage manufacturers and service providers to raise the bar in terms of safety, sustainability, durability and effectiveness.
- Publishing recommendations through a range of channels, including our websites, magazine, social media channels, public presentations and through the media.
- Providing data and advice to traders and other stakeholders to help them provide better goods or improved services to consumers.
- Advising and informing thousands of consumers about their rights and how to exercise them.
- Advocating on behalf of individual Consumer NZ members and consumers generally.
- Campaigning to get laws and regulations changed to benefit or reduce harm to consumers. We join with other advocacy groups pushing for change to benefit consumers where appropriate.
- Referring potential legal non-compliance by businesses to the appropriate enforcement agencies or complaints bodies.

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Primary ways we carry out our service performance activities:

Product Testing and Research

- Delivering product test results and research findings to members with some content made available to the general public to help with consumer decision-making. This can include contracting or collaborating with other organisations (such as Government agencies) to deliver outputs that benefit consumers.
- We produced four magazine issues in 2023, bringing together advice, information and advocacy work.

	2023	2022
Number of product types tested	52	48
Number of product tests	69	68
Number of products tested	972	962
Number of magazine issues produced	4	6
Number of magazines distributed	66,916	112,847

Membership and support

- Consumer NZ members have access to all our content and advisory services. A digital pass may be purchased by consumers who do not wish to become members, as this gives them full access to all content for a seven-day period. Some content is publicly available at no charge, particularly where information is of high importance to consumer safety, such as test results for sunscreen products, or has been funded by a government agency for public dissemination.
- Supporters are comprised of paying members, and non-paying consumers who support the work we do and wish to stay in the know of what we are working on. For example; receiving campaign update emails and/or being invited to complete Consumer NZ customer satisfaction surveys during the year.

	2023	2022
Number of members at year end	36,542	39,667
Number of supporters at year end	188,742	171,914
Number of digital pass sales in the year	9,462	8,929

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Advice and Information

- We provide advice and information across multiple channels including our websites (consumer.org.nz and powerswitch.org.nz), podcast, social media channels, magazine, regular media appearances and through our consumer advisory service.
- Consumer.org.nz is our most popular channel by a considerable margin.

	2023	2022
Site visits (sessions)	4,937,773	5,473,053

	2023
Top 5 product types viewed and number of page views	
Washing machines	280,161
Air fryers	218,346
Laundry detergents	217,361
Stick vacuum cleaners	172,294
Fridges	162,281

Top 5 article topics of interest and number of page views	
Win with the Consumer Tick	64,374
Appliance running costs	47,428
Fencing law	45,799
Privacy Policy	43,099
4 ways to keep flies out this summer	42,711

	2022
Top 5 product types viewed and number of page views	
Washing machines	283,085
Air fryers	240,291
Stick vacuum cleaners	230,778
Laundry detergents	197,189
Dishwashers	174,927

Top 5 article topics of interest and number of page views	
Sunscreens	255,857
Buying a mask	91,539
Fencing law	69,808
Consumer Guarantees Act	58,736
How to add your vaccine pass to your phone's home screen	37,203

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• Our energy comparison site, powerswitch.org.nz continued to grow in 2023. Powerswitch plays an important role in the energy sector by promoting competition between energy retailers through price comparison and switching activity:

	2023	2022
Number of visits (sessions) to Powerswitch website	1,019,138	868,759
Switches initiated	28,747	26,921
Confirmed switches	14,075	10,874
Total number of consumers within database	425,234	399,508

• Our consumer advice line is available to help members with any consumer-related issues such as problems with faulty products, shoddy service or misleading conduct by a retailer.

	2023	2022
Number of individual inquiries received	3,736	4,517
Number of individual members who contacted us for advice	2,632	2,722

• We produce the podcast *Consume This*. The podcast covers an interesting range of consumer-related topics and is aimed at a younger (25-40 years old) audience. *Consume This* won gold in the climate award category in the 2022 New Zealand podcast awards.

Consume This is available on all popular podcast platforms and is free to access.

	2023	2022
Number of episodes produced	13	15
Average number of listeners per episode	1,069	1,701

• We undertake customer satisfaction surveys conducted with either our members or a representative population sample using an established external provider. The findings these surveys produce helps us inform our work programmes, provide advice to consumers and form an evidence base for advocacy.

• For example, the People's Choice award recognises products and services that perform strongly in overall satisfaction from Consumer NZ surveys.

• Surveys conducted in 2023 included: appliance/product ownership, audience research, banking and KiwiSaver providers, car ownership, consumer sentiment tracker, energy providers, health insurance pricing, insurance providers, sunscreens, food safety, retailers, staff engagement, tech product ownership, and telecommunications providers.

	2023	2022
Number of internal surveys (Consumer NZ supporters)	10	10
Number of surveys conducted via external providers	12	14

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Campaigns and Submissions

- We campaigned on topics that materially impact consumers' lives with a strategic focus on the following areas:

2023	2022
Supermarkets – ending dodgy specials	The cost of living
Improved communication of flight rights by the major airlines	The climate cost of consumption
Combat greenwashing	Data and privacy
Right to repair	Health and wellbeing
	Housing fairness

Our campaign work includes information dissemination, submissions on policy and legislation, public advocacy, petitions, industry and government engagement and significant amounts of pro-active and reactive media engagement. This activity is supported by our evidence-based research, testing and investigations work. In 2023 we also launched a campaign hub to highlight the advocacy and campaign work we do.

- Progress on several campaign issues resulted in industry pressure and/or businesses changing the way they operate, e.g. airlines. We have engaged our members and supporters and allowed their voice to be heard on issues by running petitions and seeking examples of trader conduct directly from affected consumers. Examples include misleading pricing practices at supermarkets, examples of products and services that are greenwashing and misrepresentations by airlines about passenger refund and compensation rights.

	2023	2022
Total number of major campaigns	4	4
Submissions completed	23	22

Costs relating to campaigns and submissions cannot be easily identified as the work research writers do is also made available as published content in our magazines and/or on our website.

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