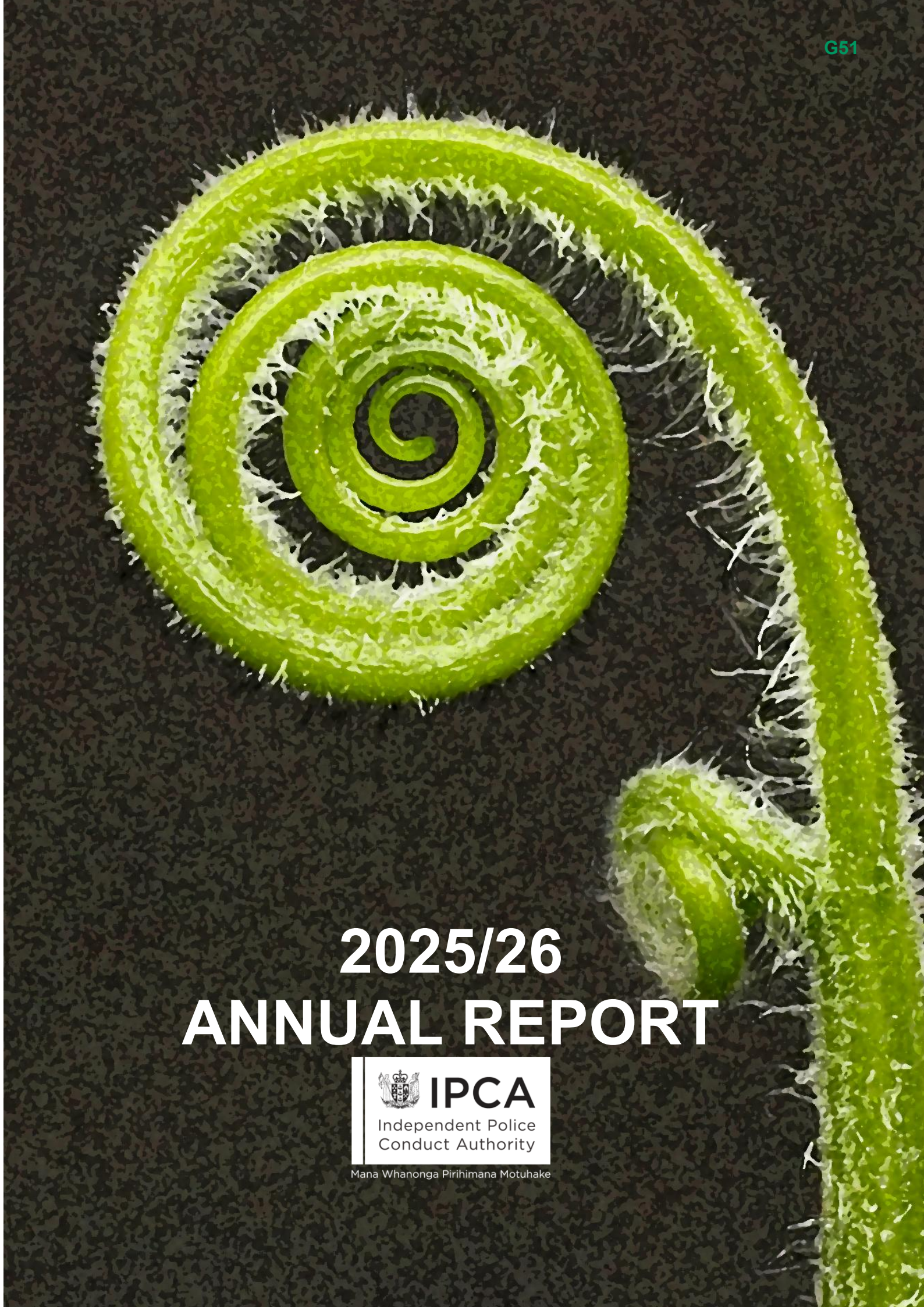
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2025/26 ANNUAL REPORT

IPCA
Independent Police Conduct Authority
Mana Whanonga Pirihimana Motuhake

TO THE HONOURABLE MINISTER OF JUSTICE

E harikoa ana te Poari ki te whakatakoto i te Pūrongo ā-Tau o Mana Whanonga Pirihimana Motuhake mō te tau i oti i te 30 o Pipiri, 2026.

We have the honour to present to Parliament the Annual Report of the Independent Police Conduct Authority, pursuant to the provisions of the Crown Entities Act 2004.

This Report covers the period 1 July 2025 to 30 June 2026.



Judge Kenneth Johnston KC	Liz Sinclair	Andrew Coleman
Chair	Member	Member

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FOREWORD BY THE CHAIR

Following the release of the Authority's McSkimming report in November 2025, the Attorney-General, standing in for the Minister of Justice, and the Minister of Police, announced that the Government not only accepted the recommendations the Authority had made in their totality, but also that it was proposing to establish an office of Inspector-General of Police which the public were told was: "…*the most robust level of oversight available to the Government*."

The assumption I made at the time, was that the Authority, which has existed more or less in its current form since 1989, would be subsumed into the new entity, with a new structure, a new leader or leaders, some additional jurisdiction such as own motion powers, which several of my predecessors and I have been contending for years, and additional resources. That remains my understanding of the position, though we will have to wait and see what develops.

One consequence of the above is that, since the announcement was made, the Authority has been operating in something of a crepuscular environment.

Of course the expectation has been that, in the meantime, the Authority will continue to do its job, and the New Zealand public is fortunate indeed that everyone connected with the Authority, our two non-executive board members; our senior management group; and our other staff, have accepted this situation with good grace and continued to do their jobs with their usual dedication and hard work. Certainly, I could not have asked for anything more. I for one am grateful.

Even putting aside the spectre of impending change, the year-ending June 2026 has been a trying one.

In my foreword last year I described how stretched the Authority was in terms of resources, the various steps we had taken to ensure that we were able to operate as efficiently as possible and how both the overall volume and complexity of the complaints that the Authority dealt with during the year had increased.

Nothing has changed. Our revenue remains the same. During this year, the overall number of complaints has increased by a further 8% (in the five years concluding 30 June 2026, the overall number of complaints increased from 4,257 in 2021 to 5,502 in 2026- a total of 29%). Although we have been unable to embark on any thematic projects – work that, in the past, we had believed very effective in bringing about change within Police – the gap has been more than filled by a series of extremely resource-hungry major investigations to which I refer below.

Last year I was relieved to be able to report that we had operated within our budget, that is to say that our costs did not exceed our revenue. I indicated that I was doubtful that that situation would continue in future years. That prediction could hardly be described as perspicacious. Our medium-term forecasts made the position blindingly obvious. And, indeed, this year we have had to resort to using a substantial proportion of our reserves in order to discharge our statutory responsibilities. We have of course kept our Minister and the Ministry informed throughout.

But for the fact that there is likely to be material change before 1 July 2027, I would have said that next year looks even bleaker. But, as already explained, with the prospect of the new entity, it is much harder to say where we will be at the end of the current financial year.

Since the announcements at the end of last year the Authority's senior management group and I have been involved working with Police as to how to implement those McSkimming recommendations which can be implemented without legislation, and with groups from the Ministry of Justice in relation to the development of a legislative framework for the new regime, and its implementation. These things have been time consuming for all concerned.

Even more time consuming have been broad ranging investigations including the McSkimming matter itself, historical miscarriage of justice cases including the Hall and Fuller-Sandys cases, critical incidents and other significant independent investigations.

The Minister's formal expectations of the Authority for the year-ending June 2025 were unchanged for the year that has just concluded. Again, key focuses for the Authority were therefore on the measurement of our effectiveness, the timeliness of our work and the effectiveness of our role as a national preventive mechanism under the Crimes of Torture Act 1989. In my foreword last year I said that we had made significant progress in all three areas. The same is true for the year-ending 30 June 2026 in relation to the first and last of those expectations. Regrettably, however, for obvious financially-driven reasons, the Authority has not achieved the targets associated with the timely completion of investigations (albeit it that it has improved its performance from last year). As I say, this is an unfortunate and regrettable reflection of matters I have already canvassed.

I am, as I have said previously, very proud of the work that the Authority and its staff do and want to acknowledge the huge contributions made by my fellow board members, the Authority's senior management group and all our staff. The year ahead is looking very challenging. It is likely that, if and when I write the foreword to our annual report for the year-ending 30 June 2027, that will be the last for the IPCA.



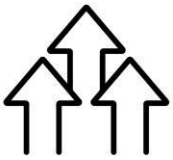
Judge Kenneth Johnston KC
Chair
INDEPENDENT POLICE CONDUCT AUTHORITY

The year in brief

During the year the Authority:



Received 5,502 complaints about Police



Experienced an 8% increase in core complaints on the previous year



OPCAT inspection work continues to support improvements in Police detention facilities and practices



Categorised 27 complaints for independent investigation and concluded 30 investigations



Categorised 176 Police investigations for oversight by the Authority



Facilitated 516 agreed resolutions of complaints against Police



Published 17 public reports relating to independent investigations



Published 103 website summaries of oversight outcomes of Police investigations



Responded to 400+ formal information requests

OVERVIEW | TIROHANGA WHĀNUI

The Authority delivers an oversight system that seeks to ensure complaints about, and incidents involving, Police conduct and any Police practice, policy, or procedure, are fairly and impartially investigated or reviewed; that complaints and issues are identified and resolved in a timely fashion; and that findings or recommendations that are made and implemented result in improved Police performance.

At the heart of our work is the belief that such a system will lead to greater trust by the public in Police and policing, which will in turn contribute toward increasing the overall effectiveness of Police and the Authority in achieving the Government's justice sector outcomes.

We are committed to:

- demonstrating to the community and to the Government that the Authority is an independent and effective oversight body that contributes significantly to the promotion of public trust and confidence in New Zealand Police;
- providing high levels of productivity, timeliness, and quality control in the delivery of services;
- ensuring that our findings and recommendations are well founded and feed into Police training and development; and
- acknowledging the status of Te Tiriti o Waitangi/The Treaty of Waitangi.

Our Governance Structure

The Authority is governed by a Board that is accountable to Parliament and reports to the Responsible Minister – currently the Minister of Justice. The Authority's Board has a full-time Chair and two part-time members. Including the Chair, the Board may comprise up to five members. Our current Chair, Judge Kenneth Johnston KC, commenced in the role on 1 May 2023.

The Chair discharges a range of executive functions and is supported by a senior management team of four managers.

Board members have a range of relevant skills and experience, including knowledge of the law and law enforcement, executive level management, and private and public sector expertise. The Board focuses on two key issues in its governance functions: performance (assessing the effectiveness of the Authority's delivery of services against its strategic objectives) against seven areas: strategic direction, monitoring performance, risk management, audit and compliance, financial monitoring, Chair's performance, members performance; and conformance (the extent to which the requirements of relevant legislation and public expectations are met).

The Board receives and acts upon public sector guidance and advice as needed. In recent times the board has incorporated Public Service Commission (PSC) advice focused on strategic financial management and strengthening financial stewardship further into its governance practices.

STATUTORY FUNCTION

The Authority is an Independent Crown Entity under Part 3 of Schedule 1 of the Crown Entities Act 2004. It was established under the Independent Police Conduct Authority Act 1988 (the IPCA Act) which defines our functions as:

- receiving and acting on complaints alleging misconduct or neglect of duty by any employee of the Police, or concerning any practice, policy, or procedure of the Police; and

- where we are satisfied there are reasonable grounds to do so in the public interest, investigating incidents involving death or serious bodily harm caused or appearing to have been caused by an employee of the Police acting in the execution of their duty.

The Authority also serves as a National Preventive Mechanism (NPM) under the Crimes of Torture Act 1989 (our OPCAT work). This provides a system of independent monitoring of all places of detention and involves inspecting New Zealand Police detention facilities and court cells to ensure they are safe and humane, and meet international standards. It also involves working closely with the other NPMs, the Human Rights Commission, the Office of the Ombudsman, the Children's Commissioner, and the Inspector of Service Penal Establishments to make recommendations that improve the detention conditions and treatment of detainees.

INDEPENDENT OVERSIGHT

We are not the police – we are completely independent of them. Our independence is critical to make sure the police complaints system delivers fair outcomes which hold the police to account when things do go wrong.

There are three factors that are critical to our independence.

Statutory independence. We are independent as provided for in the Independent Police Conduct Authority Act 1988 and the Crown Entities Act 2004. That statutory independence is critical for our effectiveness.

Operational independence. We must maintain the capability and capacity independently to carry out our own investigations into the most serious matters; to oversee Police investigations; to conduct our own reviews; to monitor Police performance; and to publish reports.

Impartiality. We act impartially in all our dealings. The importance of actual and perceived impartiality is constantly reinforced in all our actions.

We ensure that we maintain appropriate investigative expertise, as this capability goes to the heart of our performance, public perceptions of our credibility and ultimately trust and confidence in our work.

No serving member of any Police service is employed by the Authority. A small number of ex-Police personnel from New Zealand and overseas are employed in specialist roles alongside other staff with a range of backgrounds and expertise in investigation, law, and criminal justice.

We also ensure we have expertise in complaint resolution, since our ability to resolve complaints in a timely and effective way without lengthy and resource-intensive investigations is essential to ensure the effective delivery of our services and meet the expectations of complainants.

We have policies and procedures to identify and manage any conflicts of interest that arise. Operational staff do not work in isolation but as members of teams with complementary skills.

All investigations, reviews and resolutions are subject to constant and consistent managerial oversight. All decisions relating to the outcome of investigations are made collectively by the team and recommended to the Chair of the Authority for final determination before any public reports are issued.

RELATIONSHIP WITH POLICE

The Authority maintains professionally cooperative relationships with the Commissioner of Police, the Police executive, senior officers, Police Professional Conduct staff, and investigators. The Authority and Police have a common understanding of both how complaints are handled, and the agreed protocols that define our respective responsibilities. This ensures effective cooperation and avoids unnecessary duplication.

In addition to the statutory jurisdiction of the Authority, a Memorandum of Understanding with the Police specifies that internally reported matters of serious misconduct or criminal offending by Police that are likely to put Police reputation at risk, are to be notified to the Authority by the Commissioner. The Authority deals with such notifications as if they were externally reported complaints.

FUNDING

The Authority is funded by the Government through the Vote Justice Non-Departmental output class "Services from the Independent Police Conduct Authority".

This year the Authority's baseline appropriation was $6.74 million. Our current funding allows us to operate at the minimum viable level of what we would consider our recommended resourcing model and means a constant need to find further operational efficiencies to maintain current performance levels.

VALUES

Our organisational values were developed through wananga with kaimahi, the Board, and staff. This collaborative process ensured the values reflect who we are and how we aspire to work.

Manaakitanga (Respect)
We show respect, kindness, and care for others. It is about making people feel welcomed, valued, and acknowledged.

Mana Motuhake (Independence)
Mana Motuhake refers to self-determination, autonomy, and the right to make decisions for oneself or one's people. We take ownership of our choices and actions and is an expression of our identity without external control or imposition.

Kotahitanga (Teamwork)
Kotahitanga refers to unity, togetherness, a shared purpose and collective strength. It recognises that we achieve more when we support one another.

Mana Rangatira (Integrity)
Mana Rangatira emphasises leadership that earns respect through actions and responsibility rather than status alone. We demonstrate leadership through integrity, responsibility, and positive influence.

Ngākau Aroha (Empathy)
We have a commitment to understanding and supporting the wellbeing of others. It is an active principle that guides behaviour, decisions and interactions with others.

OUR WORK IN 2025/26

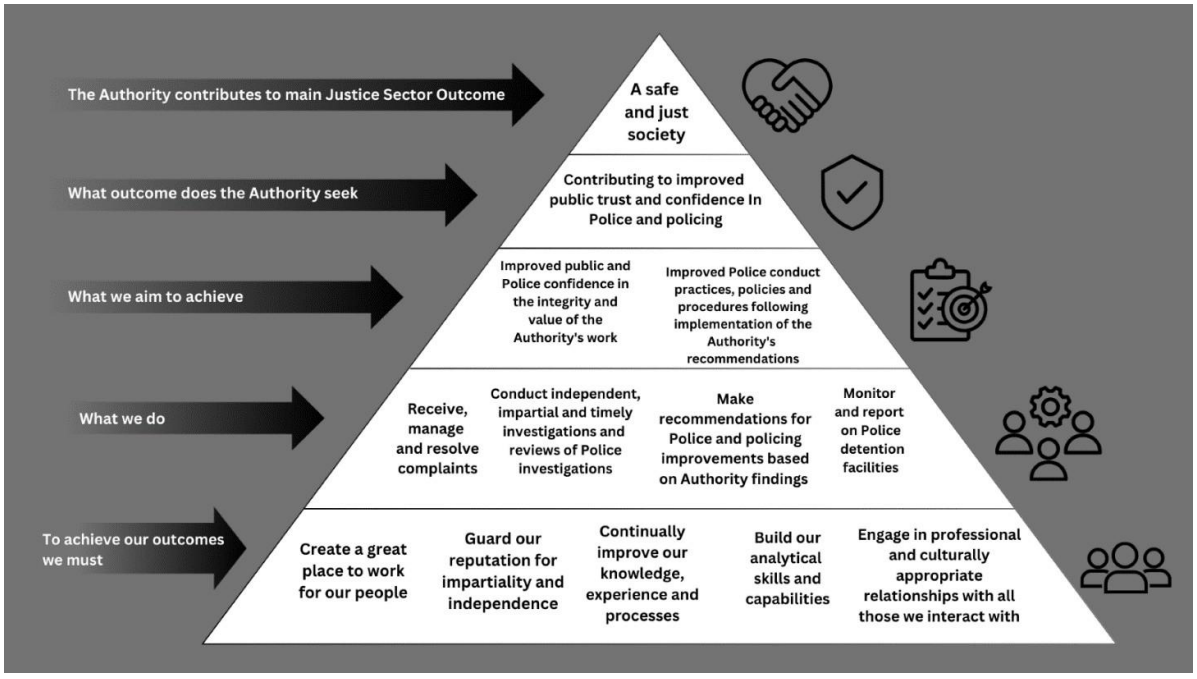
Complaint volumes continued to increase over the year, as forecasted. The 8% increase in complaint numbers was almost the same as the previous year's increase (9%) and represents a 29% increase over the last five years. As previously reported, this is an annual trend we expect to continue as more people seek to use our services.

Table 1. Comparative performance – Throughput

Action	2025/26	2024/25 Comparative	% change in throughput or complaint inventory
New complaints received during the period	5,502	5,115	8% ↑
Total number of files closed during the period	4,805	5,386	11%↓
Public reports released (during the period)	17	37	54%↓
Current open files as at 30 June 2026	1,112	972	14% ↑

Our performance framework

The Authority focuses on two main impacts that support the broader justice sector outcome of 'a safe and just society'. This represented in the graphic below.



In terms of the impacts of our work, these are measured by reference to public and Police confidence in the integrity of the Authority's work, and implementation of the Authority's recommendations about Police conduct, practices, policies and procedures.

Main outcome: contributing toward improved public trust in Police conduct

The justice sector has an aspirational goal that all New Zealanders should expect to live in a safe and just society. The Authority is part of the justice sector and sees its role as a contributor to achieving the outcomes set for the sector.

The two justice sector outcomes that the Authority most contributes toward are A trusted justice system and Effective constitutional arrangements.

We achieve our main outcome through the fulfilment of our key role:

- to ensure that people have confidence that complaints about, and incidents involving, Police conduct will be fairly and impartially investigated or reviewed;
- that issues relating to Police practice, policy or procedure will be properly identified and addressed; and
- that any recommendations made by the Authority will be implemented by Police and will be universally applied resulting in improved Police conduct across all New Zealand.

It is our job to ensure that the levels of trust and confidence that New Zealanders have in Police and policing generally remains high.

Impact Measure 1: Public and Police confidence in the integrity of the Authority's work

GOAL Improved satisfaction with our overall service			
Performance for 2025/26 Year			
Measures	Expectation 2025-26	Actual	Met / Not Met
Survey participants are satisfied with their contact with Authority staff	45% are satisfied	**Data not available**	Not met
Survey participants are satisfied with the Authority's processes	60% are satisfied	**Data not available**	Not met
Survey participants are satisfied that the work of the Authority improved confidence in policing	50% are satisfied	**Data not available**	Not Met

The survey was not undertaken in the 2025-26 year. The financial cost of an independent survey remains prohibitive within our current financial constraints. While internal work began on developing a new measurement methodology to record satisfaction levels of those participants in the Authority's processes, we did not settle on a confirmed framework inside the period under review.

The Authority notes the Ministry of Justice's New Zealand Crime and Victims Survey (NZCVS), which includes the 'Police Module'. This module, which measures the public's perceptions, experiences, and views about New Zealand Police, saw public trust and confidence in Police remain stable at 69% between October 2024 and October 2025.

Impact Measure 2: There is improved Police conduct, practices, and policies, following implementation of the Authority's recommendations

GOAL Police accept Authority recommendations for change and improvements in Police conduct, practice, policy and procedures and that following implementation of our recommendations this is reflected in the number and nature of complaints we receive.

Performance for 2025-26 Year				Comparative results reported 2024-25
Measure	Expectation 2025-26	**Actual**	Met / Not met	Actual
Police accept 95% of the Authority's recommendations for changes and improvements in Police conduct, practice, policy and procedures.	95%	**96%**	Met	96%

Recommendations to Police is the primary mechanism the Authority has to influence policy, practice and procedure. It is therefore a very important measure of our effectiveness.

The 96% uptake of our recommendations by Police is significant (27 out of 28 recommendations accepted, 8 recommendations were still pending a decision as at 30 June). This impact has been achieved despite other priorities, and obvious resourcing pressures within both the Authority and Police.

Monitoring recommendations is a joint responsibility, and we are continuing to work with Police to develop a transparent 'shared' monitoring system that can be easily administered by both organisations. This year we have adopted a new measure that seeks to record the *implementation*' of recommendations, going further than simply the acceptance by Police. More on this measure can be found on page 28 of this report.

McSkimming Report

The Authority published its review of the police handling of complaints against Jevon McSkimming (the 'McSkimming Report') on 11 November 2025 (see IPCA McSkimming Report). The Authority found significant failings in the way in which senior Police responded to serious complaints against Mr McSkimming in 2023 and early 2024.

The report made a number of fundamental recommendations for change. These included:

- more specific recognition of who is responsible for the protection of integrity at senior management level;
- a revamp of Police internal policies and programmes to promote positive culture around integrity issues and ethical behaviour;
- changes to the Integrity and Conduct Unit within Police to enable it to play a stronger and more independent role and more effectively to act against poor behaviour when it arises;
- legislative and structural changes to enable more robust criminal and employment processes and outcomes in relation to alleged misconduct by Police officers;
- a strengthening of the IPCA's oversight role; and
- enhanced Ministerial and Parliamentary oversight.

The full recommendations are published in pages 122-125 of the report, available online at www.ipca.govt.nz.

The Police and Government accepted all the recommendations in principle. Of note, the Government announced plans to establish an Inspector-General of Police, expected to include enhanced oversight powers and additional resourcing.

The release of the report generated significant media and public attention and elevated the awareness of the role and work of the Authority.

The Authority engaged immediately with the Ministry of Justice in late 2025 to discuss potential legislative and policy changes or initiatives needed to support the establishment of the Inspector-General. This work continued through the financial year.

Independent investigations – increasingly complex cases

During the year the Authority released 17 public reports detailing findings from our investigations. As with much of our work these cases are becoming more complex and require significant investigative and analytical resource.

Independent investigations concluded throughout the year included 14 critical incidents (14 critical incidents the previous year). These critical incidents were made up of five Police shootings, four vehicle pursuits, three deaths in custody, and two off-duty alleged criminal matters.

While these case numbers may appear relatively stable year to year, the complexity and seriousness of issues identified in these complaints has heightened the pressure placed on resources. Another factor that is influencing the time and resource allocated to independent investigations is the level of legal analysis required, the frequency of differing legal opinion between the Authority and Police, and the increasing occurrence of complaints investigated by the Authority also being investigated under adjacent legal jurisdictions, which can then result in expansion of scope into the Authority's jurisdiction, or vice versa, which ultimately requires further review or oversight by Authority staff.

Significant investigations and reports released during 2025-26 included:

- *Use of force in custody unjustified* In August 2025 the Authority released its summary report on the unjustified use of force by two Police staff to restrain a detainee in the Auckland Custody Unit. The Authority also found that the standard of care provided to the man while he was in custody was below the standard of care the Authority would generally expect. It also noted the Police conducted their own investigation and charged both officers with common assault. The charges against both officers were dismissed at the subsequent trial. Read the public report here 21 August 2025 - IPCA Public Report - Use of force in Auckland Custody Unit not justified .pdf

- *Non-fatal shooting in Auckland justified* In November 2025 the Authority released its summary report on the shooting of a man who fled from Police and then attempted to carjack vehicles at gunpoint, in Auckland. The Authority's investigation included a review of the incident from multiple angles using traffic cameras, dash cam footage, and Eagle (Police helicopter) footage. The Authority found the man posed a real and imminent threat of death, or serious injury to others, and that it was imperative that the officer respond with urgency to the situation. Given the circumstances, the Authority found that the officer was justified in shooting the man to defend himself and others. The use of force was reasonable and proportionate. Read the public summary report here 11 November 2025 - IPCA Public Report - Non-fatal shooting in Auckland justified.pdf

- ***Yacht abandoned off the Far North Coast after arrests at sea*** In December 2025 the Authority released its public report on an investigation into a Police decision to abandon a yacht following arrests made on the yacht at sea. Police responded to a mayday call reporting an assault between two men on the yacht. After locating the yacht, Police arrested both men on existing warrants. A decision was taken to leave the yacht adrift and return to shore. One of those men complained about the decision to abandon his yacht. The Authority found that the arrests of both men were lawful, but that Police should have done more in the planning stages to mitigate the loss of the yacht if it were to be abandoned, and to enhance the chances of its recovery. Read the full report here 18 December 2025 - IPCA Public Report - Yacht abandoned off the Far North coast after arrests at sea .pdf

- ***Police failings in care of a man who self-harmed in Police custody unit*** In February 2026 the Authority released its summary report on the care of a man in Police custody. In October 2023 Police arrested a man following a stabbing in Auckland. The man was acting aggressively and, given his behaviour, Police were unable to determine whether he had any injuries. The Authority was satisfied that urgent hospital attention was not needed and it was appropriate to take him to the Auckland Custody Unit. The Authority then considered the care of the man over the next 24 hours and found a number of examples where the monitoring of the detainee was not consistent with policy. Read the public report here 26 February 2026 – IPCA Public Report - Police failings in care of a man who self-harmed in Police custody unit.pdf

- ***Police failures led to fatal pursuit*** In June 2026 the Authority released its report on the October 2024 pursuit that ended in a crash where the 15-year-old fleeing driver died. The incident included miscommunications among Police officers as to the identity of persons in the car. Notwithstanding this, the Authority found that Police were justified in initiating the pursuit on what they mistakenly believed the circumstances to be. However, the Authority also found that the pursuit should have been abandoned by the despatcher or pursuing officers. The Authority concluded that the failings of multiple members of Police were significant factors that contributed to the crash. Read the public report here 4 June 2026 - IPCA Public Report - Police failures led to fatal pursuit in Rotorua .pdf

All the Authority's public reports can be viewed on its website at www.ipca.govt.nz

OPCAT – Monitoring places of Police detention

The Authority is designated as a National Preventive Mechanism (NPM) for the purposes of examining and monitoring the treatment of persons detained in court facilities, in police cells, and of persons otherwise in the custody of the New Zealand Police.

As the NPM for Police custody, our focus is to prevent human rights breaches and mistreatment in places of Police detention. This includes Police custody units and custody units within court precincts where Police detainees are held. Our NPM mandate is to prevent ill treatment of detainees and where risks, poor practices, or systemic problems are identified, made recommendations to resolve these areas.

In June 2026 we were able to expand on the initial Custody Monitoring Team establishment of three FTE by one fulltime OPCAT inspector role, increasing the team to one principal advisor and three inspectors.

To assist with structuring our inspection findings we developed and implemented an IPCA OPCAT Expectations for Police Custody framework in August 2025. The standards set out in our expectations framework has been the basis of our inspections and reports during this review period. This framework enables us to structure our inspections under eight areas of inspection, with each area supported by several subordinate expectations. We are then able to compare findings and recommendations across both districts and time. The eight inspection areas are:

- Inspection Area 1: Governance and leadership;
- Inspection Area 2: Equity, diversity, and Te Tiriti o Waitangi practices;
- Inspection Area 3: Detention conditions;
- Inspection Area 4: Detention practices;
- Inspection Area 5: Healthcare;
- Inspection Area 6: Reception practices;
- Inspection Area 7: Ongoing care; and
- Inspection Area 8: Transport and release

As part of the planned inspection schedule that supports visiting each of the twelve police districts on a three-year rotation, we completed inspections in the following districts during this review period (FY 25-26):

- Waikato;
- Waitematā;
- Canterbury; and
- Auckland Central.

We completed visits to all custody units designated to hold detainees overnight. We also visited court cells and selected custodial facilities intended as holding facilities. At the conclusion of our district inspections, we met with district commanders to gather further data for our inspection reports and share initial feedback. Draft reports were completed and feedback sought from the relevant district and the National Custody Team (NCT) at Police National Headquarters before finalising the report. The final report included detailed new recommendations and an assessment on the status of recommendations that had been made as part of previous inspections.

We conducted two joint court inspections with the Office of the Ombudsman. These inspections were to the Hamilton Court facility in Waikato and the Rotorua and Tauranga Courts in the Bay of Plenty.

In addition, we commenced a new initiative during this review period to conduct follow-up visits to specifically review the progress districts had made on the recommendations from previous inspection visits. This is an

initiative that we intend to continue. During the current review period we conducted follow-up visits to Counties Manukau and the Bay of Plenty.

During this period, we have expanded on the OPCAT training we have previously delivered to the Custody Supervisors course run by the NCT. At the end of 2025 we commenced delivering a variation of the OPCAT training we were already delivering to the Custody Authorised Officer (AO) course also run by the NCT. In May 2026 this again expanded to include the delivery of a training package on the impact of trauma and neurodivergence in custody.

Summarised outcomes of our OPCAT work over this review period include:

- Increased the capacity of our Custody Monitoring Team from three to four FTE;
- Inspected a total of 24 custodial facilities (14 Police custody units and 10 District Court custody cell blocks);
- Made 301 recommendations for improvements to custody conditions and practices following our district inspections across all eight areas of inspection. This number includes 73 for the Auckland Central district but this report is yet to be finalised so this number could fluctuate. We continue to work cooperatively with the NCT and directly with districts to support the implementation and resolution of these recommendations.
- Expanded work with Police to improve the content of custodial training, staff induction material and guidance.
- Expanded the delivering of OPCAT based preventative training across new NCT run custody training.
- Provided an independent assurance role in Police's quarterly Custody Quality Assurance and Improvement Framework.
- Continuing to work with the Ombudsman's office to conduct a joint inspection programme of court facilities.
- Further developed our working relationship with Mana Mokopuna to complete joint NPM visits which focused on the care and treatment of children and young people held in Police custodial facilities.

Volume of complaints, referrals, and trends

Incoming complaint volumes

The Authority experienced an 8% increase in complaints (a total of 387 cases) over the previous year.

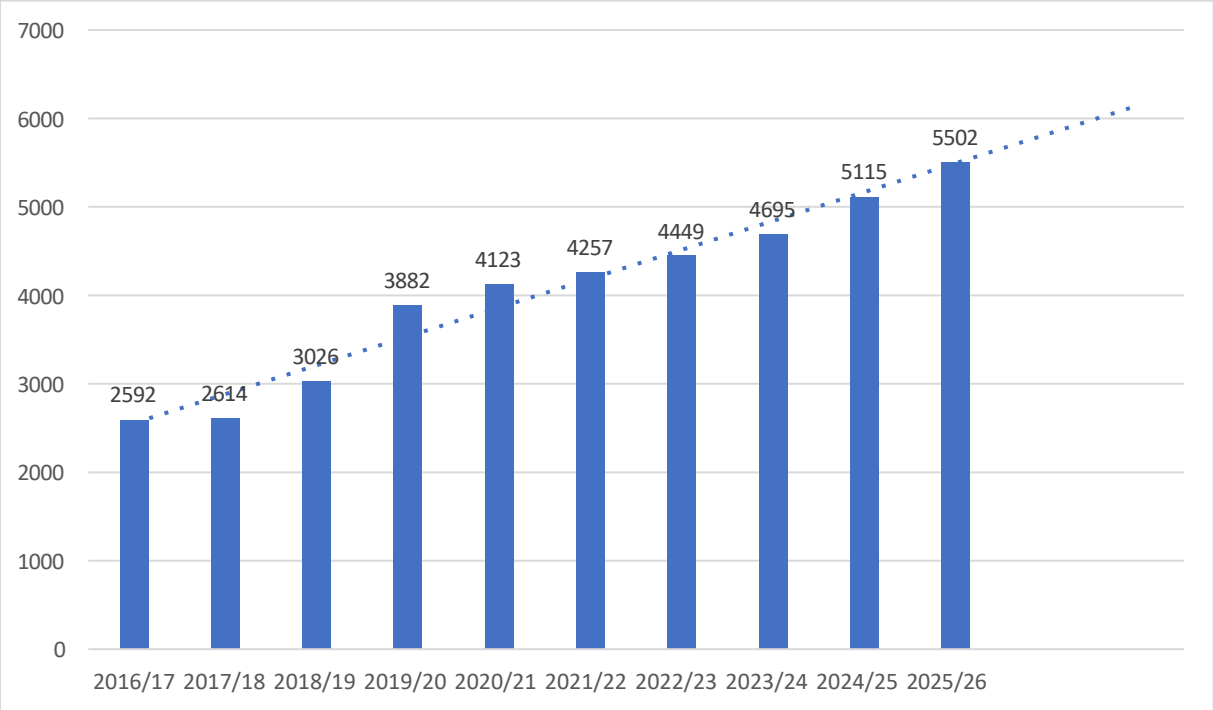
We assess and triage complaints and referrals to be managed within either the Investigations team or the Resolution team. The categories to which cases are allocated are:

- Category A – Independent investigation by the Authority.
- Category B – Police investigation of a complaint, with active oversight by the Authority and a full review of the file, by the Authority, at the conclusion of the investigation.
- Category C – resolution of a complaint through appropriate action by the Police to address the complainant's grievance.
- Category D – No action required by the Authority.

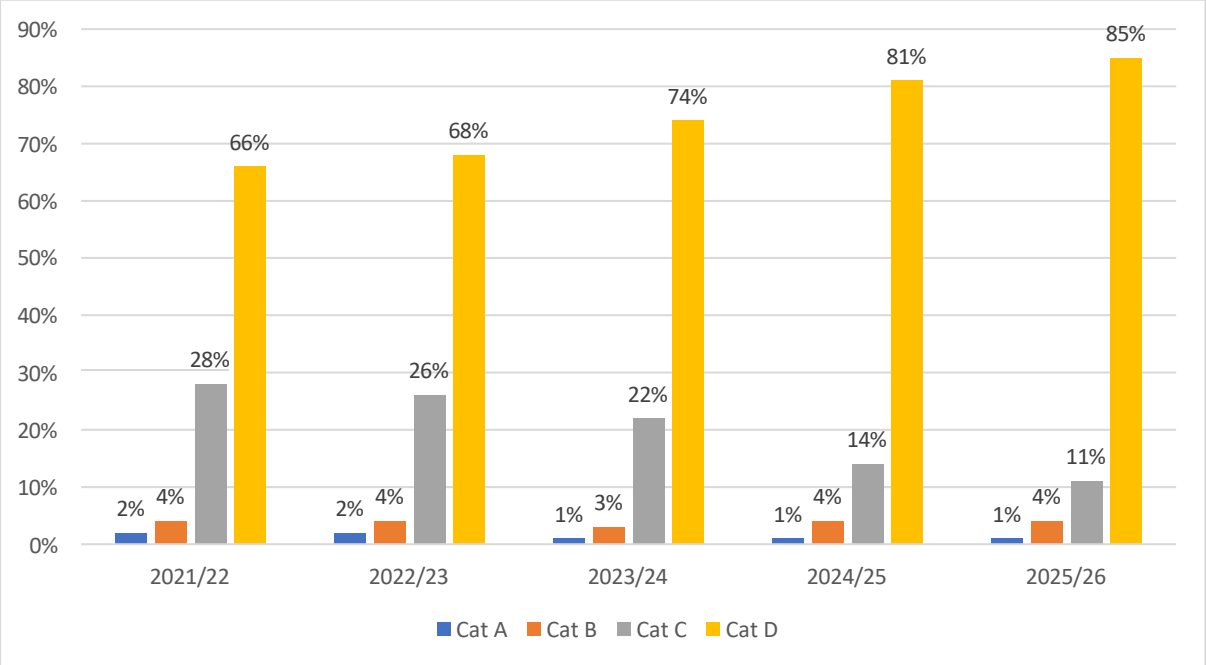
The categories to which cases are assigned are described in detail in Appendix 1 - Complaint Definitions.

The increase in complaint numbers continues to impact upon the Authority's ability to meet some of its performance targets. Despite this we have been able to post year-end results that largely reflect a similar performance over recent years. This has been achieved through the highly professional effort of our staff, and a continued emphasis on ensuring internal efficiency gains and processes are sustained, as well as focusing on improving the working relationship with Police.

Annual complaint numbers 2016/17 – 2025/26

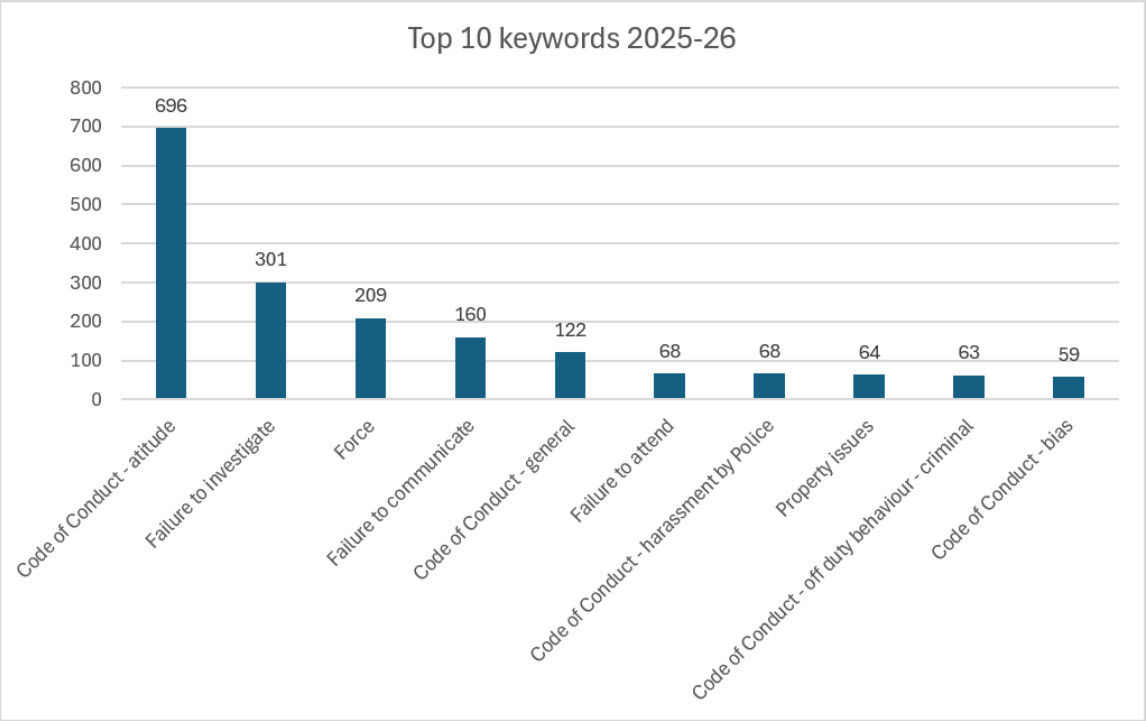


Annual categorisation profile 2021/22 – 2025/26



Note: Percentages may sum to more than 100% due to rounding.

Complaint Types 2025/26

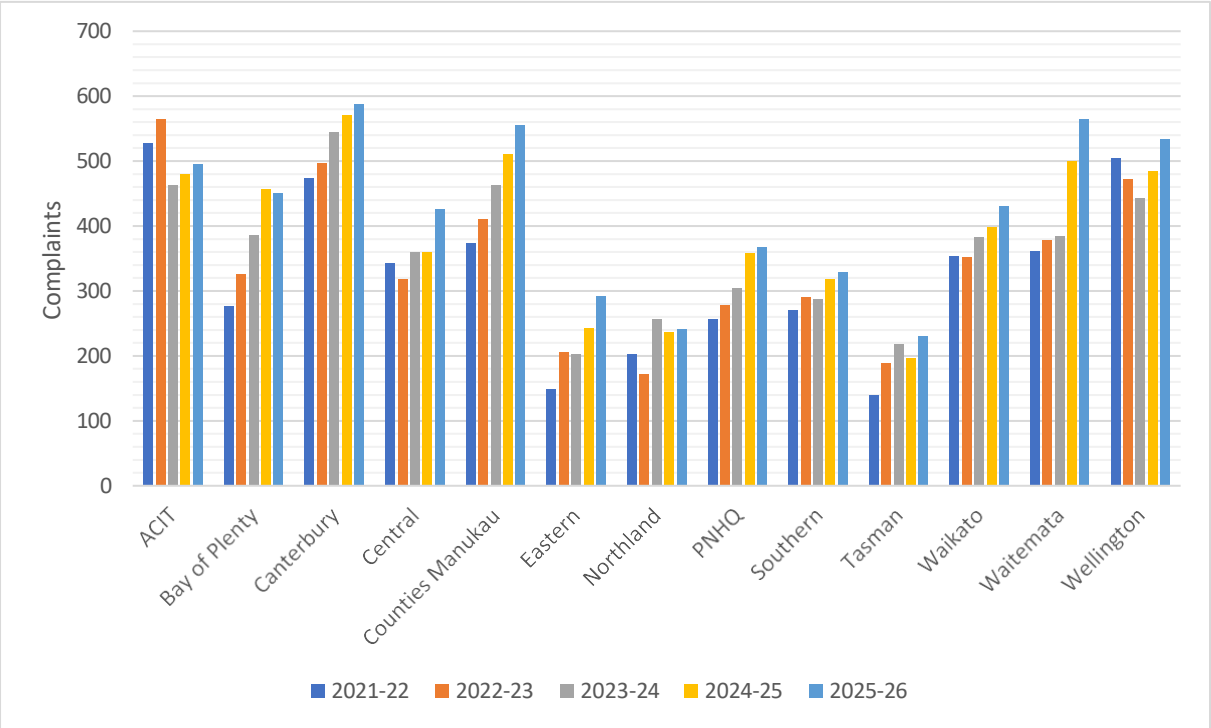


During the year under review we amended our practice using keywords, to better define the core of a complaint received. The result is that we now have an enhanced analysis with which to identify early indicators of change or specific issues arising from current policing activities.

This change in practice did not significantly alter the trend of previous years. Attitude or an officer's use of language, inadequate service – failure to investigate or lack of communication, and use of force rank consistently as the top complaint types each year.

Complaints by Police District

The increase in overall complaint numbers was generally spread across all Police districts, with the exception of one district that recorded a small decrease in complaints to the Authority (Bay of Plenty district (-1.5%). Four other districts also recorded an increase in complaints of less than 3% for the year (ACIT (or Auckland City), Canterbury, Northland, and PNHQ (or Police National Headquarters, Wellington)).



BROADER ORGANISATIONAL PERFORMANCE

As an independent crown entity, we respect the guidance provided to mandated agencies, and adhere to expectations about how we operate, and to government policy priorities that require an appropriate response and level of effort and resource to support improvement throughout the public sector as a whole. Through our participation we aim to achieve efficiencies and economies, develop expertise and capability, and provide transparency about how we utilise public money.

Workplace FTE Profile

(as at 30 June 2026)

Role	Full-time	Part-time	Fixed-term	Total
Chair	1			1
Senior Managers	4			4
Investigations	8			8
Assurance	8	2	0.5	10.5
Resolutions	14	2.4	1.6	18
Corporate	4			4
Total	39	4.4	2.1	45.5

The Authority has 49 individual staff members, excluding the Board Members other than the Chair, (45.5 full-time equivalents as at 30 June 2026) across a mix of permanent and fixed-term roles.

Staff turnover for 2025-26 was 7.5% (2024-25: 13.2%).

Wellbeing in our workplace

Our staff working in a police oversight environment are routinely exposed to accounts, evidence and investigations involving serious harm, violence, deaths in custody, traumatic incidents, and allegations of misconduct. While they are not directly present at these events, repeated exposure to distressing material can result in secondary traumatic stress and other adverse health impacts.

The negative impacts of this exposure can be immediate and cumulative. Given the unique demands of police oversight work, the Authority has partnered with a specialist provider to design and adopt a comprehensive wellbeing strategy to, in part, identify, prevent and respond to the risks associated with cumulative trauma exposure. While acknowledging that psychosocial risks are an important factor in the work environment, the wellbeing strategy is being widened to strengthen workforce wellbeing, support enhanced resilience, and contribute to a healthier workplace culture.

Refreshed remuneration strategy

The Authority recently completed a comprehensive review of its remuneration framework. This was necessary given the changes in organisational structure, roles and responsibilities, as well as the external market demands since the previous framework was instituted some years earlier.

A key component of this refresh was the job sizing assessment and market benchmarking work undertaken. This then provided the foundation for developing the salary and progression structure, pay ranges, and the remuneration policy now in place. This remuneration work also informed issues such as remuneration risks, workforce planning, and recruitment and retention objectives.

Financial Management

The Authority received an appropriation of $6.74 million (excluding GST) for the year ended 30 June 2026. Personnel and accommodation costs accounted for 83% of the actual amount spent. The remaining spending was primarily on professional services, computer expenses, travel, and depreciation. There is little expenditure of a discretionary kind. Any discretionary financial resources that do exist are allocated in a prioritised manner, and may be spent on staff training, software and IT improvements, and professional memberships.

Annual Accountability Statements

Statement of Responsibility for the year ended 30 June 2026

- We are responsible for the preparation of the Independent Police Conduct Authority's financial statements and statements of performance, and for the judgements made in them.
- We are responsible for any end-of-year performance information provided by the Independent Police Conduct Authority under section 19A of the Public Finance Act 1989.
- We have the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.
- In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of the Independent Police Conduct Authority for the year ended 30 June 2026.

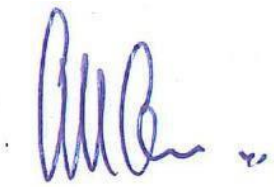
Signed on behalf of the Board



Judge Kenneth Johnston KC
Chair
INDEPENDENT POLICE CONDUCT AUTHORITY



Liz Sinclair
Member
INDEPENDENT POLICE CONDUCT AUTHORITY



Andrew Coleman
Member
INDEPENDENT POLICE CONDUCT AUTHORITY

Output Measure 1: Receive, manage and ensure resolution of complaints

Performance 2025/26 1 July 2025 – 30 June 2026				*Comparative result reported 2024-25*
Measures	Forecast	2025-26 result	Met / Not Met	*Actual*
1.1 Complete 90% of core complaints* within 6 months of receipt.	90% completed	98%	Met	*Not measured*

*Core complaints are those categorised as 'Category D' complaints (representing 85% of all categorised complaints in the 2025/26 year).

This is a new measure, introduced for the 2025-26 year. In simplifying this new measure from previous measures, the Authority sought to focus on a key impact for complainants, namely the time taken to receive, consider, and conclude a complaint.

The Authority is reporting a 98% result for the year.

Our analysis of Cat D complaints and conclusion for the 2025-26 year shows that 74% of complaints were concluded within 60 days of receipt, and a further 14% were concluded within 120 days (4 months) of receipt. A full breakdown is represented below.

Category D complaints closed 1 July 2025 – 30 June 2026

Closed within 1 - 60 days	74%
Closed within 61 - 120 days	14%
Closed within 121 – 180 days	10%
Open over 181 days	2%

Output Measure 2: Independent, high quality and timely investigations and reviews

Performance 2025/26 1 July 2025 – 30 June 2026				*Comparative result reported 2024/25*
Measures	Expectation 2025-26	2025-26 result	Met / Not Met	*Actual*
2.1 Independent investigations are concluded in a timely manner	60-75% within 12 months	50%	Not Met	*25%*
2.2 Independent investigations are concluded in a timely manner	90% within 24 months	80%	Not Met	*75%*
2.3 Reports from Category A investigations are clear, consistent, and well-structured, and have well-argued conclusions.	100% of reports meet the standard	100%	Met	*83%*

The timeframes for category A investigations continues to provide significant challenges. This is due to the increased complexity associated with these investigations, which invariably results in longer investigation timelines. Flexible resource allocation has meant that we are more resilient and better able to withstand spikes in demand, however, managing this balance remains a constant challenge.

The Authority is acutely aware of the requirement to conclude investigations in a timely manner, noting this must be balanced against the absolute need to conduct thorough, accurate, and robust investigations, and the timeframe to do so can at times require extension and/or is impacted by matters beyond the Authority's control (such as employment action, or court-related proceedings).

Notwithstanding these challenges it is noted that the Authority has improved both timeliness measures from those reported one year ago.

With respect to measure 2.3 above, we contract an external writing specialist to review a sample of our publications at 6-monthly intervals. This review measured all the reports as having met the standard expected.

Output Measure 3: Make recommendations for improved Police conduct

Performance 2025/26 1 July 2025 – 30 June 2026				*Comparative result reported 2024/25*
Measures	Expectation 2025/26	Actual	Met / Not Met	*Actual*
3.1 The IPCA make recommendations for improved police conduct, policies, practices and procedures, and monitor acceptance of those recommendations.	95 - 100% of recommendations are accepted by Police	96%	Met	*96%*
3.2 The Authority monitors the Police implementation of recommendations	75% implemented within 12 months	43%	Not Met	*Not measured previously*
3.3 The Authority monitors the Police implementation of recommendations	95% implemented within 24 months	57%	Not Met	*Not measured previously*
3.4 Following implementation of recommendations, the number of complaints specific to those recommendations reduces over time	Measured at 12, 24, and 36 month intervals	No measured in first year of operation	N/A	*Not measured previously*

For the 2025-26 year we have introduced new measures that focus on the *implementation* of recommendations made to Police. The results in this first year of reporting, drawing as they do on the previous two years of recommendations, show that there is work to do to strengthen the monitoring of implementation.

Our recommendations work with Police has also highlighted that data collection can be streamlined further to strengthen accuracy and timely results and we look forward to discussing further enhancements to the recommendations portfolio. This will be an ongoing focus as the Authority transitions into the planned Inspector-General of Police.

Output Measure 4: Monitor places of Police detention

Performance 2025/26 1 July 2025 – 30 June 2026			
Measure	Expectation	Actual	Met / Not Met
4.1 Police accept no less than 85% of recommendations made post-visit	No less than 85% of recommendations are accepted	100%	Met
4.2 The Authority monitors the Police implementation of recommendations	75% implemented within 12 months	70%	Not Met
4.3 The Authority monitors the Police implementation of recommendations	95% implemented within 24 months	100%	Met

Our OPCAT team has again performed strongly in the past year, as reported above in pages 17-18. The results for this past year are very encouraging given this is the first year of this measure and reporting.

As with the recommendations reported at Output Measure 3 (page 28) we expect to further refine the OPCAT recommendations data capture and reporting in association with Police, to improve further the impact of this recommendations work.

FINANCIAL STATEMENTS

2025/26 Financial Statements and Supporting Information

INDEPENDENT POLICE CONDUCT AUTHORITY
STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2026

2025 Actual $		Notes	2026 Actual $	2026 Unaudited Budget $
	Revenue			
6,742,000	Funding from the Crown	3	6,742,000	6,742,000
116,599	Interest revenue		66,091	122,852
6,858,599	Total revenue		6,808,091	6,864,852
	Expenditure			
18,286	Amortisation	8	22,046	28,464
22,121	Communication charges		21,187	24,549
58,533	Depreciation	7	77,942	89,645
70,567	Fees paid to auditor	4	71,698	70,567
6,310	Loss on disposal of assets		2,572	-
542,654	Office rent and associated services		554,871	563,012
5,325,153	Personnel costs and Board fees	5	5,276,899	5,288,790
7,718	Printing and stationery		6,680	8,993
251,086	Professional fees and contract services		333,497	264,161
365,578	Services and supplies		464,434	363,216
7,017	Subscriptions		10,023	11,542
52,084	Training		28,519	65,000
113,884	Travel and accommodation		118,580	125,787
6,840,991	Total expenditure		6,988,948	6,903,726
17,608	Surplus/(Deficit)		(180,857)	(38,874)
-	Other comprehensive revenue and expense		-	-
17,608	Total comprehensive revenue and expense		(180,857)	(38,874)

Explanations of major variances against budget are detailed in note 20.

The statement of accounting policies and the notes to the financial statements form an integral part of these financial statements.

INDEPENDENT POLICE CONDUCT AUTHORITY
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

2025 Actual $	Assets	Notes	2026 Actual $	2026 Unaudited Budget $
	Current assets			
1,537,067	Cash and cash equivalents	6	1,511,918	1,459,439
48,957	GST receivable		56,741	106,645
-	Prepayments		5,748	-
1,586,024	Total current assets		1,574,407	1,566,084
	Non-current assets			
88,182	Intangible assets	8	65,405	90,393
205,349	Property, plant and equipment	7	158,075	219,181
293,531	Total non-current assets		223,480	309,574
1,879,555	Total assets		1,797,887	1,875,658
	Liabilities			
	Current liabilities			
165,740	Creditors and other payables	9	223,694	240,062
244,154	Employee entitlements	11	275,389	238,501
409,894	Total current liabilities		499,083	478,563
	Non-current liabilities			
108,333	Provisions	18	118,333	113,333
108,333	Total non-current liabilities		118,333	113,333
518,227	Total liabilities		617,416	591,896
1,361,328	Net assets		1,180,471	1,283,762
	Crown equity			
1,361,328	Total investment by the Crown		1,180,471	1,283,762
1,361,328	Total Crown equity		1,180,471	1,283,762

Explanations of major variances against budget are detailed in note 20.

The statement of accounting policies and the notes to the financial statements form an integral part of these financial statements.

INDEPENDENT POLICE CONDUCT AUTHORITY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2026

2025 Actual $		2026 Actual $	2026 Unaudited Budget $
1,343,720	Total Crown equity at beginning of year	1,361,328	1,322,638
17,608	Total comprehensive surplus/(deficit)	(180,857)	(38,875)
1,361,328	Total Crown equity at end of year	1,180,471	1,283,763

Explanations of significant variances against budget are detailed in note 20.

The statement of accounting policies and the notes to the financial statements form an integral part of these financial statements.

INDEPENDENT POLICE CONDUCT AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

2025 Actual $		Notes	2026 Actual $	2026 Unaudited Budget $
	CASH FLOWS FROM OPERATING ACTIVITIES			
	Cash was generated from/(used in)			
6,742,000	Receipts from the Crown		6,742,000	6,742,000
116,599	Interest received		66,091	122,852
(6,763)	Net GST (paid)/received		(225)	(6,848)
(6,832,982)	Payments to suppliers and employees		(6,800,506)	(6,737,458)
18,854	Net cash flows generated from/(used in) operating activities		7,360	120,546
	CASH FLOWS FROM INVESTING ACTIVITIES			
	Cash was generated from/(used in)			
-	Proceeds from sale of property, plant and equipment		1,868	-
(65,378)	Purchase of property, plant and equipment		(34,376)	(96,000)
(34,000)	Purchase of intangible assets		-	(30,000)
(99,378)	Net cash flows generated from/(used in) investing activities		(32,508)	(126,000)
(80,524)	Net increase/(decrease) in cash and cash equivalents		(25,148)	(5,454)
1,617,591	Cash and cash equivalents at beginning of year	6	1,537,067	1,464,894
1,537,067	Cash and cash equivalents at end of year	6	1,511,919	1,459,440
1,537,067	Represented by: cash and cash equivalents	6	1,511,918	1,459,439

Explanations of significant variances against budget are detailed in note 20.

The statement of accounting policies and the notes to the financial statements form an integral part of these financial statements.

1. Statement of accounting policies

Reporting Entity

The Independent Police Conduct Authority (the Authority) is an independent Crown entity for legislative purposes, established by the Crown Entities Act 2004. The Authority is domiciled in and operates in New Zealand. The Authority's ultimate parent is the New Zealand Crown.

The principal activity of the Authority is to assess complaints made by members of the public against the Police. The primary objective is to provide public services to the New Zealand public, as opposed to that of making a financial return.

Accordingly, the Authority has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements are for the year ended 30 June 2026 and were approved by the Authority's Board on 29 October 2026.

Basis for Preparation

The financial statements have been prepared on a 'going concern' basis, and the accounting policies have been applied consistently throughout the period.

Establishment of Inspector-General of Police

In November 2025, the Government announced its intention to establish an Inspector-General of Police (the IGP). The Authority's functions will be absorbed into the IGP but as of 30 June 2026 the future operating model, legislative framework and implications for the Independent Police Conduct Authority have not yet been determined. The Authority continues to operate under its existing legislation and perform its statutory functions. This does not give material uncertainty related to going concern.

Statement of compliance

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with the Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR), authorised for use by the External Reporting Board. The Authority is a public sector entity and is eligible to apply the PBE Standards RDR on the basis that it does not have public accountability as defined under XRB A1 *Application of the Accounting Standards Framework,* and its total expenditure is less than $33 million.

Measurement base

The financial statements have been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets.

Presentation currency

The financial statements are presented in New Zealand dollars, rounded to the nearest one dollar.

Changes in accounting policies

There have been no changes in accounting policies. All policies have been applied on the basis consistent with those from previous financial statements.

2.1 Revenue

Revenue Funding from the Crown

The Authority is primarily funded through revenue received from the Crown. This funding is restricted in its use for the purpose of the Authority meeting its objectives as specified in legislation and the scope of the relevant government appropriations. Apart from these general restrictions, the Authority considers there are no unfulfilled conditions or contingencies attached to the funding and it is recognised as revenue at the point of entitlement.

Interest revenue

Interest revenue is recognised using the effective interest method.

2.2 Leases

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the Lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the period of the lease.

2.3 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks, other short-term highly liquid investments with original maturities of three months or less, and bank.

2.4 Property, plant and equipment

Property, plant and equipment consist of the following asset classes: office equipment, leasehold improvements and furniture and fittings.

Property, plant and equipment are shown at cost or valuation, less any accumulated depreciation and impairment losses.

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 Authority and the cost of the item can be measured reliably.

Cost includes consideration given to acquire or create the asset and any directly attributable costs of bringing the asset to working condition for its intended use.

In most instances an item of property, plant and equipment is initially recognised at its cost.

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 Authority and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is calculated on a diminishing value basis on office equipment and furniture and fittings. Depreciation is charged once the assets are on location and condition necessary for its intended use so as to write off the cost or valuation of the property, plant and equipment over their expected useful life to its estimated residual value.

The following estimated rates are used in the calculation of depreciation:

- Office equipment 20.0% - 67.0% DV
- Furniture & fittings 25.0% DV

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful life of the improvements, whichever is the shorter.

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

2.5 Intangible assets

Software acquisition

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

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

Costs associated with the development and maintenance of the Authority's website are recognised as an expense when incurred.

Software is a finite life intangible and is recorded at cost less accumulated amortisation and impairment.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a diminishing value 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 surplus or deficit

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

- Software 25.0% DV
- Case management system 25.0% DV

Impairment of property, plant and equipment and intangible assets

The Authority does not hold any cash generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

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

Value in use is determined using an approach based on a 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 Authority would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

2.6 Financial liabilities

Creditors and other payables

Short term creditors and other payables are recorded at their face value.

2.7 Employee entitlements

Employee benefits that are expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured at accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

A liability and an expense for bonuses is recognised where the entity is contractually obliged to pay them, or where there is a past practice that has created a constructive obligation.

2.8 Superannuation schemes

Defined contribution schemes - KiwiSaver

Obligations for contributions to KiwiSaver are accounted for as a defined contribution superannuation scheme and are recognised as an expense in the surplus or deficit as incurred.

2.9 Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount that reflects the current market assessment of the time value of money and the risks specific to the obligation.

2.10 Goods and Services Tax (GST)

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

The net amount of GST recoverable from, or payable to, the Inland Revenue is included as part of current assets or current liabilities in the statement of financial position.

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

Commitments and contingencies are disclosed exclusive of GST.

2.11 Income tax

The Authority is a public authority in terms of the Income Tax Act 2007 and consequently is exempt from the payment of income tax. Accordingly, no provision has been made for income tax.

2.12 Cash flow statement

The cash flow statement is prepared exclusive of GST, which is consistent with the method used in the statement of comprehensive revenue and expense.

Definitions of the terms used in the cash flow statement are:

- "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.

2.13 Budget figures

The budget figures are those that form part of the Authority's 2025/26 Statement of Performance Expectations as approved by the Board at the beginning of the year.

The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Authority for the preparation of the financial statements.

2.14 Output cost accounting

The Authority only has one output. All costs are allocated directly to that output.

2.15 Critical accounting estimates and assumptions

In preparing these financial statements, management 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.

There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

3. Revenue from the Crown

The Authority has been provided with funding from the Crown for the specific purposes of the Authority as set out in its founding legislation and the scope of the relevant government appropriations. Crown funding is recognised as a non-exchange transaction.

4. Remuneration to auditors

	2026 Actual $	2025 Actual $
Audit of the financial statements and statement of service performance	71,698	70,567
	71,698	70,567

Fees to KPMG are for the annual statutory audit, which includes the audit of its financial statements and statement of service performance (2025: same). No other services were received from, and other fees paid to, KPMG (2025: same).

5. Personnel expenses and Board fees

	Notes	2026 Actual $	2025 Actual $
Salaries and wages		4,450,778	4,580,880
KiwiSaver employer contributions		128,376	124,467
Increase/(decrease) in employee entitlements	11	31,235	(1,788)
Board fees	15	666,510	621,594
Total Personnel expenses and Board fees		5,276,899	5,325,153

During the year ended 30 June 2026, there were no cessation payments made to employees (2025: two employees received compensation and other benefits in relation to cessation totalling $50,711).

6. Cash and cash equivalents

	2026 Actual $	2025 Actual $
Cash and cash equivalents	1,511,918	1,537,067
Total cash and cash equivalents	1,511,918	1,537,067

While cash and cash equivalents at 30 June 2026 are subject to the expected credit loss requirements of PBE IFRS 41, no loss allowance has been recognised because there is a minimal risk of credit losses.

7. Property, plant and equipment

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

Cost	Office equipment	Furniture & fittings	Leasehold Improvements	Total
	$	$	$	$
Balance at 1 July 2024	553,255	91,909	467,176	1,112,340
Balance at 1 July 2025	417,488	72,132	467,176	956,796
Additions	34,376	-	-	34,376
Disposals	(34,936)	-	-	(34,936)
Balance at 30 June 2026	416,928	72,132	467,176	956,236

Accumulated depreciation	Office equipment	Furniture & fittings	Leasehold Improvements	Total
	$	$	$	$
Balance at 1 July 2024	491,570	71,578	345,052	908,200
Balance at 1 July 2025	324,636	57,731	369,081	751,448
Depreciation expense	50,313	3,600	24,029	77,942
Disposals	(31,228)	-	-	(31,228)
Balance at 30 June 2026	343,720	61,331	393,111	798,162
Carrying value				
Balance at 1 July 2024	61,685	20,331	122,124	204,140
At June 2025 & 1 July 2025	92,853	14,401	98,095	205,349
At June 2026	73,208	10,801	74,065	158,075

8. Intangible assets

Movements of each class of intangibles are as follows:

Cost	Case management system	Other software	Total
	$	$	$
Balance at 1 July 2024	183,562	296,033	479,595
Balance at 1 July 2025	183,562	283,366	466,928
Additions	-	-	-
Disposals	-	(110,050)	(110,050)
Balance at 30 June 2026	183,562	173,316	356,878

Accumulated depreciation	Case management system	Software	Total
	$	$	$
Balance at 1 July 2024	117,206	289,245	406,451
Balance at 1 July 2025	124,893	253,853	378,746
Amortisation expense	12,451	9,594	22,046
Disposals	-	(109,319)	(109,319)
Balance at 30 June 2026	137,345	154,128	291,473
Carrying value			
Balance at 1 July 2024	66,356	6,788	73,144
At June 2025 & 1 July 2025	58,669	29,513	88,182
At June 2026	46,217	19,188	65,405

9. Creditors and other payables

	2026 Actual $	2025 Actual $
Payables under exchange transactions		
Trade creditors	146,362	28,703
Accrued expenses	77,332	137,037
Total creditor and other payables under exchange transactions	223,694	165,740

All payables and creditors were classified as exchange transactions as at balance date. Trade creditors and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of trade creditors and other payables approximate their fair value. The Authority has a financial risk management policy in place to ensure that all payables are paid within the credit timeframe.

10. Financial instruments

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

Financial assets measured at amortised cost	2026 Actual $	2025 Actual $
Cash and cash equivalents	1,511,918	1,537,067
Total financial assets measured at amortised cost	1,511,918	1,537,067

Financial liabilities measured at amortised cost	2026 Actual $	2025 Actual $
Creditors and other payables	223,694	165,740

11. Employee entitlements

	2026 Actual $	2025 Actual $
Accrued salaries and wages	57,996	32,437
Annual leave	217,393	211,717
Total employee entitlements	275,389	244,154

12. Employee remuneration

Remuneration and other benefits of $100,000 per annum or more received by employees in their capacity as employees were:

	2026 Actual $	2025 Actual $
$100,000 - $109,999	3	8
$110,000 - $119,999	7	6
$120,000 - $129,999	2	1
$130,000 - $139,999	1	4
$140,000 - $149,999	4	2
$160,000 - $179,999	3	2
$180,000 - $199,999	1	1
	21	24

13. Related party transactions

The Authority is a wholly owned entity of the Crown. The Government significantly influences the role of the Authority as well as being its major source of revenue. However, transactions with other government agencies (for example, Government departments and Crown Entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

A close family member of a key management personnel, who was appointed in 2025, continued to be employed by the Authority during the year. The employee was employed on terms and conditions that were no more favourable than those the Authority would have adopted if there was no relationship to key management personnel. There were no other related party transactions during the year.

14. Key management personnel compensation

The compensation of the Authority's Chair, two Board members and the Leadership team being the key management personnel of the Authority, is set out below:

	2026 Actual $	2025 Actual $
Board members		
Remuneration	666,510	621,594
Full time equivalents	1	1
Leadership team		
Remuneration	712,535	697,934
Full time equivalents	4	4
Total key management personnel remuneration	1,379,045	1,319,528
Total full-time equivalent personnel	5	5

15. Board member remuneration

The total value of remuneration paid or payable to each Board member during the year was:

	2026 Actual $	2025 Actual $
Elizabeth Sinclair	22,392	10,264
Andrew Coleman (appointed 12 August 2024)	19,491	-
Simon Murdoch (resigned 12 August 2024)	-	11,632
Judge Kenneth Johnston	624,627	599,698
Total Board member remuneration	666,510	621,594

Ministry of Justice pay for Judge Kenneth Johnston's salaries and invoice the Authority for his services.

There were no payments made to committee members appointed by the Board who are not Board members during the financial year. No Board members received compensation or other benefits in relation to cessation (2025: $nil).

16. Commitments

(i) Capital commitments

There are no capital commitments this year (2025: $nil).

(ii) Operating lease commitments as lessee

Operating lease commitments relate to the lease with Stride Property Limited for building accommodation at 1 Grey Street, Wellington. The lease term is for a period of nine years commencing 1 September 2014, with rights of renewal for a term of six years after 1 September 2023 at the same or higher price.

On 1 September 2023, the Authority varied the right of renewal term and renewed the lease for a further term of four years.

The Authority does not have the option to purchase the leased asset at the expiry of the lease period. The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

	2026 Actual $	2025 Actual $
Less than one year	370,270	370,270
Between one and five years	61,711	431,981
Later than five years	-	-
Total operating lease commitments	431,981	802,251

In order to be consistent with the current year, service charges have been excluded as part of the operating lease commitments from the prior year's balance.

17. Contingency

There are no contingent liabilities or assets at reporting date (2025: $nil).

18. Provisions

Non-current provisions

Make-good provision

A provision for an expected make-good payment has been accrued in the accounts relating to the Grey Street Property. This final payment has been estimated at $130,000 based on prior make-good payments the Authority has paid and adjusted for inflation. It is expected to be settled at the end of the lease term. Due to the initial nine-year lease of the property and subsequent final renewal for a further term of four years, this accounts for an annual provision of $10,000 per year. As at balance date, 140 months of this figure has been accrued, based on the lease commencement date. The estimate at 30 June 2026 is $118,333 (2025:$108,333). This is classified as a non-current liability, as it is expected to be settled in September 2027.

19. Subsequent events

There are no events subsequent to reporting date, that the Authority is aware of, that would have a material impact on the financial statements for the period ended 30 June 2026 (2025: nil).

20. Major budget variances

Statement of Comprehensive Revenue & Expense

1. *Interest revenue*

Actual - $66,091; Budget - $122,852; Variance - ($56,761)

Interest revenue was lower than budget because both interest rates and cash balances remained below the levels assumed when the budget was prepared. As a result, returns earned on the Authority's cash deposits were lower than forecast.

2. *Training*

Actual - $28,519; Budget - $65,000; Variance - ($36,481)

Training expenditure was lower than budget because amounts were allocated in the budget for individual staff training courses in addition to identified training requirements. Individual training courses were underutilised by staff, resulting in total training expenditure being below budget.

Statement of Comprehensive Revenue & Expense

3. *Professional fees and contract services*

Actual - $333,497; Budget - $264,161; Variance - $69,336

Professional fees and contract services were higher than budget primarily due to unforeseen legal costs incurred in relation to judicial review proceedings involving the Authority. Additional consultancy and legal costs associated with the McSkimming inquiry were also incurred during the year and had not been anticipated when the budget was prepared.

4. *Services and supplies*

Actual - $464,434; Budget - $363,216; Variance - $101,218

Services and supplies expenditure exceeded budget primarily due to unplanned information technology development and certification work undertaken during the year. Additional expenditure was also incurred on professional transcription services that had not been anticipated when the budget was prepared.

Statement of Financial Position

5. *GST receivable*

Actual - $56,741; Budget - $106,645; Variance - $49,904

The GST receivable balance was lower than budget because the budget assumed the GST receivable would remain at a level similar to that at the time the budget was prepared. A reduced level of GST incurred on supplier invoices in the final GST return period resulted in a lower year-end GST receivable balance than budgeted.

Statement of Cash Flows

Any variances against budget in the statement of cash flows have been reflected in the notes above.

The Audit Office
Te Mana Arotake

Independent Auditor's Report

To the readers of Independent Police Conduct Authority's financial statements and statement of performance for the year ended 30 June 2026

The Auditor-General is the auditor of Independent Police Conduct Authority (the Authority). The Auditor-General has appointed me Sonia Isaac, using the staff and resources of KPMG, to carry out the audit of the financial statements and performance information on his behalf.

Opinion

We have audited:

- the financial statements of the Authority that comprise the statement of financial position as at 30 June 2026, the statement of comprehensive revenue and expenses, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information on pages 30 to 48; and
- the performance information that consists of the statement of performance for the year ended 30 June 2026 on pages 13 to 14 and 26 to 29.

Opinion

In our opinion:

- The financial statements of the Authority present fairly, in all material respects, its financial position as at 30 June 2026, and its financial performance and cash flows for the year then ended, in accordance with Public Benefit Entity Reporting Standards.
- The performance information is appropriate and meaningful and prepared in accordance with the Authority's measurement bases or evaluation methods and Public Benefit Entity Reporting Standards, and presents fairly, in all material respects:
    - the Authority's service performance and actual revenue and expenses for each reportable class of outputs for the year ended 30 June 2026 compared to the forecast standards and budgets included in the statement of performance expectations for the year.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): *The Audit of Service Performance Information* issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

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

Responsibilities of the Authority for the financial statements and the performance information

The Board is responsible on behalf of the Authority for preparing financial statements and performance information that are fairly presented and comply with Public Benefit Entity Reporting Standards. This includes:

- the selection of elements/aspects of service performance, performance measures and/or descriptions, and measurement bases or evaluation methods to enable the presentation of service performance information that is appropriate and meaningful; and

- the preparation of a statement of performance, in accordance with the Authority's measurement bases or evaluation methods, that provides an appropriate and meaningful basis to enable readers to assess what has been achieved for the year.

The Board are responsible for such internal control as they determine is necessary to enable them to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and performance information, the Board are responsible on behalf of the Authority for assessing the Authority's ability to continue as a going concern. The Authority is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Authority, or there is no realistic alternative but to do so.

The Authority's responsibilities arise from the Crown Entities Act 2004.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and performance information, as a whole, 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 carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the financial statements and performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Authority's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

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

- We identify and assess the risks of material misstatement of the financial statements and performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Authority.

- We obtain an understanding of the process applied by the Authority to select its elements/aspects of service performance, performance measures and/or descriptions and the measurement bases or evaluation methods.

- We evaluate whether:

    - the selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods present an appropriate and meaningful assessment of the entity's service performance; and

    - the performance information is prepared in accordance with the Authority's measurement bases or evaluation methods, and presents fairly, in all material respects in accordance with Public Benefit Entity Reporting Standards, for each class of reportable outputs;

        - the actual performance of the Authority as compared with the forecast standards of performance included in the Authority's statement of performance expectations for the financial year; and

- the actual revenue earned and output expenses incurred as compared to the expected revenues and the proposed output expenses included in the Authority's statement of performance expectations for the financial year.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Authority and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and performance information represent the underlying transactions and events in a manner that achieves fair presentation.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board are responsible for the other information. The other information comprises all of the information included in the annual report, but does not include the financial statements, the performance information consisting of the statement of performance, and our auditor's report thereon.

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

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Authority in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence*

Standards) (New Zealand) as applicable for audits of public interest entities issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests in, the Authority.



Sonia Isaac
KPMG
On behalf of the Auditor-General
Wellington, New Zealand
29 October 2026

Appendix 1 - Category definitions

In order to allocate resources most effectively, the Authority categorises cases by assessing them across a range of factors, including the level of seriousness and the most appropriate means of resolving the matter. Generally speaking, we will independently investigate the most serious complaints and incidents, while other matters will be referred to Police for investigation or resolution under the Authority's oversight. There are also cases that for a variety of reasons do not require further action.

There are four categories of complaint. Categories A, B, C, D.

Category A – IPCA independent investigation

Principle

This category comprises cases which, in the public interest, need to be independently investigated by the Authority in order to ensure public confidence in the integrity and objectivity of the investigative process and the outcome.

Guidelines

There are a number of cases that are so serious that they will typically lead to a Category A investigation. These include:

a) cases involving death or serious injury caused or appearing to be caused by Police actions;

b) cases containing elements of corruption or serious criminal misconduct;

c) other cases of deliberate wrongdoing or other serious misconduct that would significantly impact on public trust and confidence in Police.

A case that meets one of the above criteria will not necessarily be independently investigated if the Authority is satisfied that it has been or is being responded to robustly and expeditiously by Police (eg by investigation with a view to possible criminal prosecution or disciplinary proceedings against one or more Police employees). Conversely, a case that does not meet one of the above criteria may be deemed suitable for a Category A investigation if:

d) it raises one or more significant systemic issues;

e) it shows a pattern of significant misconduct by an individual Police employee;

f) it raises integrity issues in relation to a senior Police employee or a District, or Police generally;

g) a Police investigation on its own is unlikely, in the view of the Authority, to be perceived as having sufficient robustness to attract public credibility; or

h) Police have indicated, or the Authority determines, that for public interest reasons it is preferable for the Authority rather than Police to investigate.

Category B –Police investigation with active IPCA oversight

Principle

Where a case requires investigation before the appropriate resolution can be determined, but does not meet the criteria for independent investigation, it will be referred to the Police for investigation with active IPCA oversight.

At the conclusion of the Police investigation, it is subject to a full, independent review to confirm that all complaint issues have been addressed and that the outcomes achieved are in accordance with the weight of evidence. The Authority makes its own findings and reports these to the Commissioner and, where applicable, the complainant.

Category C – Facilitated Case Resolution

Principle

Where the complainant has a reasonable grievance to be addressed and the issues are clear, the case should be resolved by appropriate action and redress as soon as practicable.

Guidelines

This category of complaints has the following characteristics:

a) the issues raised by the complaint are clear;

b) there does not need to be a substantial investigation to determine the facts;

c) there is no need for a criminal or employment investigation into the actions of the Police employee complained about;

d) some redress or other action to resolve the issues raised by the complaint is practicable.

Complaints in this category can range from the serious to the relatively minor. Their distinguishing feature is that they can be resolved quickly, efficiently and effectively. This means that complainants can receive timely redress, and that appropriate lessons can be learned by individual officers or Police as an organisation soon after the event.

Before a case with these characteristics is categorised, there will be a discussion with the District Professional Conduct Manager (and, if necessary, Police Professional Conduct at Police National Head Quarters) to discuss and agree on the appropriate actions and a timeframe within which they are to be undertaken. If no such agreement is reached, the case will not be made a Category C.

Category D – No further action

Principle

It is in the interests of both the complainant and Police that matters of no real substance are identified and concluded at the earliest possible opportunity. This decision will only be made after appropriate research, collation and analysis of available information relating to the complaint has been undertaken.

Guidelines

This category of complaint has one or more of the following characteristics:

a) matters which the Authority considers as minor, frivolous or vexatious;

b) matters where there is no support from the person centrally aggrieved;

c) have been, are about to be or are able to be, decided by another tribunal or by the Court;

d) matters which disclose no issue requiring investigation;

e) matters which relate to an incident of which the complainant has had knowledge for over one year;

f) a conflict in the evidence about the issues complained of that is unlikely to be resolved by further investigation.

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Independent Police Conduct Authority
Mana Whanonga Pirihimana Motuhake