

Children's Commissioner

Statement of Intent 2010 – 2013



Presented to the House of Representatives pursuant to section 149 of the Crown Entities Act 2004

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Commissioner's foreword

This Statement of Intent (SOI) sets out the direction of the Office of the Children's Commissioner for the years 2010 to 2013. The Office works to improve the position of all children¹ in New Zealand. The Children's Commissioner Act 2003 gives me responsibility for advocating for children's interests, rights and welfare generally. It mandates a wide range of activities from investigating complaints about the treatment of individual children, to raising awareness of children's interests, rights and welfare among New Zealanders generally.

The Act also requires my office to monitor, assess and report on policies and services under the Children, Young Persons and Their Families Act 1989 (CYPF Act), the Act that deals with the circumstances in which children are not safe and secure in their families, or where they are offending. I have given emphasis to this role in 2009 – 2010 and this SOI sets out how the role will be strengthened further over the coming years. Those children who come under the processes of the Act are amongst the most vulnerable in New Zealand, and those operating under it have some of the most intrusive powers of any officials. Monitoring their actions is important. In the 2010 – 2011 year I will review the effectiveness of the monitoring framework with Child Youth and Family that was set up in November 2008.

Over the next three years children in New Zealand will be impacted by uncertain economic circumstances, constraints on government expenditure, the ongoing high levels of violence in families (and sometimes in their schools), and changes in patterns of work and child care outside the home. There are challenges in improving the health status and education achievement of some children. The Office will work to have children's interests given more focus in policy and service delivery and to increase children's participation in decisions that affect them.

The current economic climate has meant that no budget increase has been planned for my office during the next three years. We will seek to use our resources in the most effective way to meet our responsibilities.

In 2010 – 2011 we will continue to work in some of the areas given emphasis in 2009 – 2010:

- contributing to work on keeping children safe, secure and well nurtured in their families, preventing child abuse and neglect and to preventing violence in the other settings in which children live their lives
- making recommendations about how the interests of children might be taken account of in the restructuring of local government in Auckland
- promoting the interests of young children in the provision of early childhood care and education
- inclusive education
- monitoring the impact of the recession on children's economic position and advocating for policies that mitigate against long term adverse effects

We will also prioritise work on:

- transition of children out of the care provisions of the CYPF Act

¹ Reference to "children" throughout this document means children and young people under the age of 18 years

- responses to child neglect under the CYPF Act
- how the interests of children might be given more weight in policy work
- the sexual health of young people
- child injury prevention

In respect of the effectiveness and efficiency of our operations, we will work with the Families Commission to identify if further efficiencies can be gained from shared support services.

A handwritten signature in black ink, appearing to read 'John Angus', with a large, sweeping flourish on the left side.

Dr John Angus
Children's Commissioner

About this report

This Statement of Intent (SOI) outlines what the Minister for Social Development and Employment, on behalf of all New Zealanders, is purchasing from the Children's Commissioner. This SOI informs the public and Parliament how the Office of the Children's Commissioner intends, now and in the future, to prioritise and carry out its functions and services. The SOI provides information against which our organisation's performance will be assessed.

Part One of the report sets out how we see our operating environment for the period 2010 – 2013.

Part Two of the report describes what we hope to achieve and how.

Part Three contains the annual financial and non-financial measures and standards by which our performance will be assessed.

Part one: Our operating environment

The position of children in New Zealand

In the last 15 to 20 years, the social and economic position of New Zealand children has been generally positive and improving. In health, infant mortality has more than halved, immunisation rates have improved and the incidence of smoking has fallen. On the other hand, rates of early childbearing remain high. In education, participation in early childhood education has increased, as has the proportion of school leavers with NCEA Level 2 qualifications. In terms of economic security, the proportion of children living in low-income households has almost halved since 1994, though it remains higher than in the period before 1986. In respect of safety, rates of death from road accidents have reduced substantially, as has the overall rate of deaths from unintentional injuries. The rate of deaths from assaults and maltreatment, however, has not fallen so much.

The picture is not quite so good when we consider comparisons with other OECD countries. While we do well in terms of education, outcomes for New Zealand children are not so good in some other significant domains:

- a larger proportion of New Zealand children live in low-income households than in most OECD countries and our rates of child poverty and hardship are in the bottom third
- our infant mortality rate is higher
- our rate of teenage births is much higher
- the levels of violence in our children's lives are higher: the rate of deaths from maltreatment remains well above the median, and there is some evidence that rates of bullying are also high.

The disparity between population groups is a feature of the well-being of children in contemporary New Zealand². The well-being of Maori children has improved across most domains of well-being in the past 15 – 20 years, but remains lower than for the population as a whole. The well-being of Pacific children has improved in many domains also, but remains lower than for the population as a whole on several significant indicators. These disparities, many of which might be explained by differences in levels of household income, remain a feature of the position of children in New Zealand.

The economic, social and political environment for children 2010 – 2013

The effects of the recession will continue to be the most significant feature of the economic environment for children over the next three years. It is already increasing the numbers of children in households dependent on income tested benefits. The recession will put at risk the gains made in reducing child poverty in the past decade. The fiscal constraints on government will put pressure on health and education services for children.

Violence is endemic in too many of the families, schools and other settings in which children live, and emotional and other forms of neglect blight too many children's lives. While these problems are well recognised, and efforts to address them are underway, it is unlikely that levels of violence and neglect will drop dramatically over the next three years. Indeed, it may be that more instances of violence come to notice, and that household overcrowding and economic hardship lead to increased levels of neglect.

Changes in local government in Auckland provide an opportunity to brand Auckland as a great city for children. There are several reasons for giving emphasis to this feature in the next three years. The changes will affect some 32 per cent of the children in New Zealand. Children's lives are based in local areas – schools, streets, parks and other local recreational facilities – so how local services are designed, controlled and delivered is vital to them. And they are heavy users of the services the super city will be responsible for – public transport, recreational facilities such as parks and swimming pools, libraries and public spaces. These changes will present many risks and opportunities. It is therefore very important that the views of children and their interests are taken account of in the redesign.

Another aspect of contemporary life that bears substantially on the interests of young children is the increasing use of formal and institutional early education and care, particularly for children under 24 months. The current generation of children is the first in which a majority are spending a large part of early childhood in some form of out-of-home care and education. Often our youngest children are spending the longest periods of time in childcare. The opportunities and risks in these new patterns of care need to be carefully explored and conveyed to parents.

Given the changing environment, we are revisiting the impacts we are seeking to influence. A number of impacts with new measures have been developed to ensure alignment with the outcomes we are seeking from our work.

² At the time of the 2006 Census, there were 1.05 million children under 18 years (77.0% European, 24.1% Maori, 10.0% Pacific peoples, 6.3% Asian, and 0.7% other), *Children and Young People: Indicators of Wellbeing in New Zealand 2008*, Ministry of Social Development, 2008.

How we operate

The position of Children's Commissioner was established in 1989 to provide a voice for the interests, rights and well-being of children in New Zealand, separate from the executive and administrative arms of government. Its independence was reinforced in 2003 and 2004 when given its own statute, the Children's Commissioner Act 2003, and the status of an Independent Crown Entity.

The Act sets out two main functions. The first is to monitor, assess and report on services provided under the Children, Young Persons, and Their Families Act 1989. We do this by reviewing the strategies, policies and practices of agencies operating under the Act, reviewing operations and obtaining feedback from stakeholders. Much of the focus is on the service of Child, Youth and Family. We review samples of cases, visit sites and residences and talk to stakeholders.

The Office has worked to increase the depth and robustness of its reports. This will continue in 2010 – 2011. We will review the monitoring framework agreed with Child, Youth and Family in 2008. The Commissioner also acts as a National Preventive Mechanism (NPM) to monitor residences in respect of the Optional Protocol to the United Nations Convention against Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT).

The second main function is to advocate for the interests, rights and well-being of children. The general duties of the Commissioner are to:

- investigate any decision or recommendation made, or any act done or omitted, in respect of any child in that child's personal capacity; promote the establishment of effective complaints mechanisms for children; and monitor the nature and level of complaints
- raise awareness and understanding of children's interests, rights and welfare, and our obligations under the United Nations Convention on the Rights of the Child (UNCROC)
- undertake and promote research into any matter that relates to the welfare of children
- act as an advocate for children's interests, rights, and welfare
- increase public awareness of matters that relate to the welfare of children
- promote the participation of children in decisions that affect them
- enquire generally into, and report on, any matter, including any enactment or law, or any practice or procedure, that relates to the welfare of children.

We carry out the advocacy function through three sets of actions:

- investigating individual complaints
- giving independent advice to select committees, Ministers, government departments and other organisations
- raising public awareness about children's interests, rights and well-being through presentations and speeches, information resources, presentations and media work.

Hearing children's voices

The Commissioner brings together a Young People's Reference Group (YPRG), a group of young people aged from 12 up to 18 years from around New Zealand who provide advice to assist the Office with its obligations to consult with children. The YPRG does this by building regional networks and finding out what young people in their region think about issues and by engaging in existing structures such as schools, youth councils, church groups, cultural groups, and other networks. The YPRG can also give advice to other government agencies on policies, services and programmes being developed for children and young people.

The Office also engages widely with children in different settings, for example, talking with children in schools and Child, Youth and Family residences.

Strategic framework 2010 – 2013

Vision	The interests and rights of every child and young person are recognised and each enjoys safety and security, good health and education, economic and sociocultural well-being and opportunities to actively participate in matters that affect them				
Government Priorities	Protecting our children Opportunities for youth				
Contributing outcomes	<p>CHILD SAFETY, SECURITY AND NURTURING <i>Children in New Zealand are safe, secure and well nurtured in their families and communities. The incidence of child abuse and neglect is reduced. Offending by children and young people is responded to in ways that reduce re-offending</i></p> <p>CHILDREN'S INTERESTS, RIGHTS AND WELL-BEING <i>Children in New Zealand live in a society that takes account of their interests, respects their rights, enhances their well-being and supports their active participation in decision-making</i></p>				
Key impacts we seek to influence	The quality of services provided to children and young people under the CYPF Act continues to improve	Children and young people in places of detention are protected from torture and other cruel, inhuman or degrading treatment or punishment	Individual cases where we intervene have outcomes that improve the interests, rights or well-being of the individual child	Children's rights are incorporated in New Zealand's law, upheld in policy and delivered in practice	Attitudes and behaviours change towards better understanding children's interests, rights and well-being and there is a greater recognition of children as members of society in their own right and increased participation in decisions that affect them
Children's Commissioner's priorities for 2010-11	<p><i>Response to child neglect under CYPF Act</i> <i>Quality of services to children in care under CYPF Act, with particular focus on transition out of care</i></p> <p><i>Policy development to include child impact assessments</i> <i>Sexual health of young people</i> <i>Child injury prevention</i></p>				
Actions 2010/11	MONITORING AND INVESTIGATING				
(Outputs)	Monitoring and assessing the policies and practices of CYF and other agencies providing services under the CYPF Act	Monitoring residences as NPM in respect of OPCAT	Child Rights enquiry line: the provision of advice and information to callers concerning the interests, rights and well-being of children and young people	Giving independent advice to Ministers, select committees, government departments, educational institutions and other organisations	Advocacy training Public education/speeches and presentations/resource distribution Media (speaking out on children's interests, rights and well-being) Children magazine Young People's Reference Group (YPRG)
Strategic capability	Identify further cost savings through administrative efficiencies / Staff training and development / Analysis of diversity within the workplace and cultural competencies				

Part two: Our direction

This part of the SOI sets out the outcomes, impacts, priorities and actions that form our strategic framework for 2010 – 2013.

The framework is set out on the opposite page.

Our outcomes framework

Our vision

Our vision for children in New Zealand is that the interests and rights of every child and young person are recognised and each enjoys safety and security, good health and education, economic and sociocultural well-being and opportunities to actively participate in matters that affect them.

Our outcomes

Child safety, security and nurturing

Contributing outcome: Children in New Zealand are safe, secure and well nurtured in their families and communities. The incidence of child abuse and neglect is reduced. Offending by children and young people is responded to in ways that reduce reoffending.

This outcome concerns children being free of violence, their physical and emotional needs being met, the security of their care, the quality of their nurturing and their socialisation. This outcome will be achieved when the personal safety and security of each child is assured, and all children in New Zealand are well nurtured.

We all contribute to children being safe, secure, well nurtured and well socialised. We do so as individuals, as family, as members of organisations and as taxpayers. The Office will focus attention on children's safety, security and nurturing at individual, family, community, institutional and society levels.

Children's interests, rights and well-being

Contributing outcome: Children in New Zealand live in a society that takes account of their interests, respects their rights, enhances their well-being and supports their active participation in decision-making.

This outcome concerns the economic and social well-being of children, and their optimum development. To reach their potential children need access to resources and opportunities.

Over the next three years this Office will focus on the material needs of children and families, the quality of early childhood care and education services and access to compulsory education services.

Our priority areas for 2010-11

These priorities have been identified through our current work programme and consultation undertaken with the Young People's Reference Group and external stakeholders.

Quality of services to children in care, with particular focus on transition out of care

Our current work in this area will identify gaps in the provision of services to children in care³. This will remain a priority to allow for follow up on specific issues or areas of practice, with our priority being support for children transitioning out of statutory care by Child, Youth and Family.

Responses to child neglect

The current project comprises a literature review and exploration of this issue in the New Zealand context. This will remain a priority because it is anticipated that further work will be needed to facilitate a more comprehensive approach to meeting the needs of children and young people whose needs are neglected.

Child injury prevention

Child injury prevention is a priority area. Statistics show that internationally, New Zealand children are more at risk of experiencing preventable, non-intentional injury⁴.

Giving children's interests more weight in policy work

Children are often invisible when policy is being formulated and yet social and economic policy has a direct impact on their lives. Child impact assessments and other processes can ensure that the implications for children are considered when policy is being developed. This is a priority over the next four years because of the fiscal policy decisions government will have to take.

Sexual health of young people

We have prioritised the sexual health of young people. It is a key priority for the Young People's Reference Group, and New Zealand's ranking in comparison with other OECD countries indicates that this is an issue that requires some attention.

³ As at February 2009, there were 5,444 children in the care of the Chief Executive of the Ministry of Social Development (Child, Youth and Family).

⁴ Gulliver PJ & Simpson JC (2007) Injury Prevention Research Unit: Fact-sheets No 38 and No 39; <http://www.otago.ac.nz/ipru/FactSheets/FactSheet38.pdf>

Our context

Our outcomes contribute to Government's social development themes of *protecting our children and opportunities for youth*.

Our outcomes are also related to those of other agencies, notably the Families Commission, who have a contributing outcome that *families and whanau have strong, safe and resilient relationships*.

Our impacts, actions and effectiveness

Within each contributing outcome, we have identified specific impacts that we seek to influence. These impacts frame our actions for positive change for children and young people.

The actions that we focus on need to be effective. This is achieved by producing work that is timely and relevant for children and young people and for those making decisions that affect them. We have identified specific quantity, timelines and quality measures as part of our Statement of Service Performance and we have also set out effectiveness measures for each intended impact.

Our strategic direction for 2010 – 2013 in summary is set out in the diagram on page 5. More detail is provided on the following pages.

Child safety, security and nurturing

Key impact one

The quality of services provided to children and young people under the Children, Young Persons and their Families Act 1989 continues to improve.

One of the Office's primary responsibilities is to monitor the services and actions by Child, Youth and Family and other agencies acting under the CYPF Act. Office staff undertake regular visits to Child, Youth and Family sites and residences where information is gathered on the quality of services delivered to children and young people. Over the past three years this work has become more structured and extended to include engagement with other agencies and community stakeholders. We also use information gathered at a national level.

What we will do

In 2010 – 2011 we will visit at least six sites and at least eight residences. We will undertake a review of the effectiveness of the monitoring framework currently in place and also explore ways to extend our monitoring work to include other agencies that deliver services under the CYPF Act.

We will undertake specific projects on responses to child neglect and services to children in care, building on work done in 2009 – 2010.

How do we make a difference?

We are the only agency with a specified statutory responsibility to monitor Child, Youth and Family and other agencies acting under the provisions of the CYPF Act. We are an independent check and measure of the quality of services delivered to children. Our work allows us to identify systemic themes and patterns and make recommendations for service improvement.

Who we will work with

Our monitoring work involves meeting with staff from Child, Youth and Family offices, members of their Care and Protection Resource Panel (CPRP), Family, Youth Court judges and local lawyers who act as Child and Youth Advocates, and children in care. We also meet with local school principals and staff, Police and District Health Boards, local community agencies, including Child, Youth and Family's Differential Response (DR) partners. We also work with Child, Youth and Family National Office, Police National Office and other stakeholders in CYPF Act services to children at a national level such as Barnados.

Effectiveness indicator

We will measure our effectiveness by the extent to which our advice and expertise is acknowledged and leads to changes that improve services to children and young people.

This indicator will be used to assess directly the effectiveness of the Office’s work as a contribution to the outcome. As this is a new measure, a baseline will be established in 2010 – 2011.

Indicator	Standard
Responses and follow up in relation to Child, Youth and Family site and residence monitoring recommendations	Percentage of recommendations responded to or followed up

Key impact two:

Children and young people in places of detention are protected from torture and other cruel, inhuman or degrading treatment or punishment.

In March 2007, New Zealand ratified the *Optional Protocol to the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT)*. Ratification of the protocol obliges member states to establish one or more National Preventive Mechanisms (NPM) to monitor places of state detention. The Commissioner is designated a NPM and is specifically responsible, jointly with the Ombudsmen, for monitoring and reporting on the safety and treatment of children and young people in residences established under section 364 of the CYPF Act⁵. Two visits to each residence are made every four years.

What we will do

Our approach to monitoring conditions of detention and treatment of children and young people in Child, Youth and Family residences include:

- examining conditions of detention and treatment of detainees in Child, Youth and Family residences
- making any recommendations considered appropriate for improving the conditions of detention and treatment of detainees, and for preventing torture or other cruel, inhuman or degrading treatment
- providing an annual report to the responsible Minister on its functions under the Act.

The Human Rights Commission has overall responsibility for coordinating New Zealand's programme of monitoring and reporting on places of detention in compliance with the protocol.

Who we will work with

Our monitoring work involves meeting with the grievance panel members (a panel appointed under the Regulations), the Residential Manager and any staff on duty. We also meet informally and formally with the young people in the residences.

We maintain relationships with other NPMs and work with the Human Rights Commission.

How do we make a difference?

While we have jointly designated NPM responsibilities with the Office of the Ombudsmen, we provide specialist expertise on children's interests, rights and well-being. We work with other NPMs to share best practice both nationally and internationally. We make an important contribution to ensuring that New Zealand fulfils its obligations under OPCAT.

⁵ There are currently eight residences, with a ninth due to open in late 2010.

Effectiveness indicators

These indicators will be used to assess the effectiveness of the Office’s work as a contribution to the outcome. As these are new measures, a baseline will be established in 2010-2011.

Indicator	Standard
The treatment of people in places of detention is improved by the systematic identification of issues and the development of policies to address them	The Office’s contribution to OPCAT annual report meets the UN subcommittee’s requirements

Indicator	Standard
Responses and follow up in relation to Child, Youth and Family residence NPM monitoring recommendations	Percentage of recommendations responded to or followed up

Children's interests, rights and well-being

Key impact one:

Individual cases where we intervene have outcomes that improve the interests, rights or well-being of the individual child

It is important that children and young people and their parents have access to quality information and advice that improves children's interests, rights and well-being, allowing them to make informed choices and decisions that result in positive outcomes.

The Office currently receives approximately 900 calls per year through a toll free child rights line on matters relating to individual children's interests, rights and well-being. In the main, these calls concern children who are involved with Child, Youth and Family, who have been suspended or expelled from school, or who are subjected to bullying.

The Office also contracts with the Wellington Community Law Centre's Parent Legal Information Line (PLINFO) where callers requiring specific legal advice can seek advice and support. The Office provides funding to the Wellington Community Law Centre to maintain the PLINFO service.

What we will do

In 2010-11 we will continue to maintain the child rights line to provide information and advice to members of the public. We will continue to fund the Wellington Community Law Centre.

How do we make a difference?

The service adds value by ensuring that individual callers are better informed on issues relating to children's interests, rights and well-being. We can provide information and advice on how to address the issue. In some cases we are able to advocate for the child where our intervention can provide more weight to resolving the issue.

The service also informs the broader work of the Office on emerging issues and trends that can provide a basis for the Office to explore a specific issue in our monitoring programme or systemic advocacy work.

Who we will work with

We will work with the Wellington Community Law Centre. We will also work with a wide range of Child, Youth and Family officials, school staff, Boards of Trustees and others on individual situations.

Effectiveness indicator

This indicator will be used to assess more directly the effectiveness of the Office’s work as a contribution to positive outcomes. As this is a new measure, a baseline will be established in 2010 – 2011. We will continue to monitor the effectiveness of this service by strengthening the feedback processes developed in 2009 – 2010.

Indicator	Standard
Individual cases where we intervene have actions that improve the interests, rights or well-being of the individual child	The percentage of individual case inquiries ⁶ where intervention by the Office has led to improvements to the interests, rights and well-being of the individual child.

⁶ Of the total number of calls answered, 82 percent of calls (2008/09) are resolved through the provision of information and advice, with no further action. The remainder of these calls (18 percent) require further investigation or follow up. We will be monitoring the impact of our investigation/follow up work to measure the extent to which there have been improvements to the interests, rights and well-being of the individual child.

Key impact two:**Children's rights are incorporated in New Zealand's law, upheld in policy and delivered in practice.**

The United Nations Convention on the Rights of the Child, which New Zealand ratified in 1993, sets out goals for children's well-being and defines the obligations of governments to take the best interests of children into account in their laws, policies and operations. Where and how children live, play, learn and grow depends on well informed adults making decisions that create a world fit for children, and recognize children's interests and rights as citizens.

What we will do

In 2010 – 2011 we will continue to provide independent advice to Ministers and government agencies on issues that affect children and we will prepare submissions to Select Committees examining Parliamentary Bills and/or undertaking inquiries.

We will undertake a specific project on ways to give children's interests more weight in central government policy work.

In some instances we will be the advocate. In other instances we will be part of a network of advocates, sharing knowledge and information to provide the evidence to key decision-makers.

Who we will work with

We will work with Ministers, government agencies, academic institutions, NGOs and experts in the areas we have identified as priorities to advocate for changes that will improve the well-being of children. We will consult with the Young People's Reference Group to ensure their views are represented.

How do we make a difference?

We will use the independent status of the Office to advocate both publically and in private for children's interests. We will draw on our expertise and ability to tap into research and other evidence to provide a sound basis for our proposals.

Effectiveness indicators

The effectiveness of policy and practices in achieving intended results will be monitored and, as necessary, reported on. The extent to which the Commissioner’s advice to Parliament and Ministers is acted on will be a measure of the Office’s impact on policies and practices that affect children. Other proxy measures of impact will be the amount of advice given on the operation of current legislation and government policies.

This indicator will be used to assess more directly the effectiveness of the Office’s work as a contribution to the outcome. As this is a new measure, a baseline will be established in 2010 – 2011.

Indicator	Standard
The information and evidence that the Children’s Commissioner has communicated or transferred has led to specific policy and/or practice change.	The percentage of recommendations to Ministers that have been adopted.

Key impact three:

Attitudes and behaviours change towards better understanding children's interests, rights and well-being and there is a greater recognition of children as members of society in their own right and increased participation in decisions that affect them.

We work at many levels to increase awareness of children's interests, rights and well-being and to promote the importance of children's place in society. We will support the strengthening of advocacy services that are available to children and young people.

The Office also engages widely with children in different settings, for example talking with children in schools and in Child, Youth and Family residences and establishing, maintaining and consulting regularly with a Young People's Reference Group (YPRG). Their views are sought on all submissions that the Commissioner produces.

What we will do

In 2010-11 we will carry out public education activities that promote the interests, rights and well-being of children. We will do this in a variety of ways including

- the delivery of speeches or presentations
- using the media as a platform to promote the interests, rights and well-being of children
- distributing resources to agencies, community groups and members of the public
- distributing *Children* magazine
- enhancing the use of our website as a tool for information on the interests, rights and well-being of children.

The Office will deliver advocacy training packages to communities throughout New Zealand.

We will consult with the YPRG in a variety of ways, including quarterly meetings, teleconferencing and web-based communication.

How do we make a difference?

We make a difference by presenting views and proposals that are demonstrably child focused, evidence based and well considered.

Who we will work with

We will give presentations to a wide variety of groups, including government agencies, NGOs, specialists and members of the public.

We will provide training and deliver resources to agencies and communities who deliver services to children and young people.

Our *Children* magazine has wide readership: we currently distribute it to over 2,000 recipients.

Effectiveness indicators

We will assess the effectiveness of our work using a measure of the effectiveness of our information services to those that receive them. As this is a new measure, a baseline will be established in 2010 – 2011.

Indicator	Standard
Organisations that receive our services find the information useful and their understanding of children’s interests, rights and well-being is increased.	The percentage of organisations that rate the resources and training received as useful and report that their understanding has been enhanced.

Strategic capability – organisational strength

Our objective is to ensure the Office of the Children’s Commissioner is respected as a credible, well-informed and considered advocate for children, and as an active monitor and accurate assessor of the quality of services provided to children under the CYPF Act.

Financial sustainability is a critical part of our strategy. We expect funding for the Children’s Commissioner to remain static for the next 3-5 years. The Office will continue to assess how its services can be delivered most efficiently and effectively while ensuring that:

- we maintain a capable organisation with skilled staff, reliable systems and processes, and strong relationships with our stakeholders
- the service standards and cost drivers of the business are understood and managed well
- tight, realistic budgets are established
- pay and employment conditions are realistic
- opportunities are explored to use technology or shared services to lower costs and improve services.

Organisational health and capability

The Office requires a high level of knowledge and expertise of children’s issues and the machinery of government and skills in research, communications, and media work.

The Office is committed to employment equity in all employment practices. The Office’s aim is to maintain and enhance practices which eliminate all forms of discrimination in employment matters and that ensure the organisation meets “good employer” and “equal employment opportunity” requirements. Staff are supported through flexible working arrangements and access to training and development. A culture is encouraged where staff are valued and feel that they are making a contribution to the outcomes the Office seeks to achieve.

Our human resource policies are consistent with good employer obligations; we have policies in three key good employer areas: health and safety, recruitment and equal employment. To support work in this area our Office is a member of the EEO Trust.

The staff of the Office share the following values:

- Willing spirit – We work with a willing spirit. We are positive, responding easily to new challenges and opportunities, taking responsibility for our work. We go the extra mile.
- Sincerity – We work to fulfill our purpose. We work with a sincere desire for better outcomes. We assume the best of intentions in others. We are straightforward, direct and engaging.
- Strategically focused – We know the big picture. We think about how best to make an impact. We work with others focused on improving outcomes for children in New Zealand.
- Integrity – We act in a way that protects the integrity of the Office. We act to build trust through our behaviour.

Systems and processes

We will set pay and employment conditions that are realistic and consistent with the Government's expectations for pay and employment conditions in the State Sector.

Our policies and processes are up to date, reflect best practice, and are regularly reviewed, and this will continue in 2010-11.

Regular fortnightly staff meetings that are chaired by the Commissioner support staff communication and engagement. All staff have scheduled individual catch-up sessions with their manager.

Administrative efficiencies

During the 2009-10 financial year the Office undertook a review of administrative efficiencies with the Families Commission to identify operational savings. As a result of the review, actions were undertaken to provide immediate savings, these included:

- shared office accommodation in Auckland
- shared office accommodation in Wellington
- shared IT services and telecommunications
- shared administrative/corporate services.

These actions have resulted in cost savings and will allow the Office to focus more resources on core statutory functions.

During 2010-11, the Office will identify if further efficiencies can be gained from co-location and greater co-ordination of operational activities with the Families Commission. Shared accommodation with the Families Commission presents potential opportunities for further cost savings that will be explored, these include:

- IT infrastructure
- financial systems and support
- human resources administrative support
- document management systems.

Options for shared operational activities should allow both entities to do more with less, while maintaining the statutory independence of the Children's Commissioner.

Risks

The five major risks to which we are exposed and our responses to these are:

Risk type	In response, our office will
<p><i>Credibility:</i> The risk that the Office loses the confidence of key stakeholders.</p>	<ul style="list-style-type: none"> • Maintain the quality of its investigation and reporting capability, and of its advice and advocacy. • Ensure statutory obligations are met, as well as advocacy and advisory responsibilities. • Ensure that its position and advice on issues is evidence based – through the use of reliable information and robust research.
<p><i>Representation:</i> The risk that the Office does not remain the authoritative advocate of the interests, needs and rights of children.</p>	<ul style="list-style-type: none"> • Maintain and develop the input it receives from children – particularly the Young People’s Reference Group. • Keep informed of national and international good practice and emerging issues.
<p><i>Results focus:</i> The risk that the Office could lose focus on its key outcomes and results and on business priorities.</p>	<ul style="list-style-type: none"> • Maintain results-focused planning systems within the office. • Manage external pressures and demands on the work agenda of the office. • Manage and monitor a sustainable, office-wide work plan and individual work plans. • Achieve a workable balance between the main lines of business: investigations, monitoring, advocacy and advisory.
<p><i>Staff skills:</i> The risk that key skill capabilities are not available for the Commissioner’s work.</p>	<ul style="list-style-type: none"> • Plan recruitment and retention to ensure that the required skills are developed and maintained. • Ensure induction programmes are supported with development and performance management systems. • Ensure adequate funding (for salaries and to meet good employer obligations) to attract and retain quality staff.
<p><i>Governance:</i> The Office systems fail to support the smooth transition to a new Commissioner in December 2010</p>	<ul style="list-style-type: none"> • We will work closely with Minister’s advisors who are supporting the Minister to recommend a new Commissioner.

Other business risks, such as maintaining business continuity in the case of emergencies, are dealt with through specific plans.

Consultation and reporting to the responsible Minister

Reporting to the responsible Minister

The Children's Commissioner has agreed to establish and sign an Output Agreement with the responsible Minister, setting out details on the way in which the Commissioner will continue to consult and report on the Government's purchase interests in the office.

Reporting will include:

- regular meetings with the responsible Minister and briefings on issues relating to the interests, rights and welfare of children
- quarterly reports on output delivery, key developments in the reporting period and financial reports.

The Commissioner will continue to work with the Minister on a "no-surprises" basis and raise issues at the earliest opportunity rather than waiting for formal reporting to be done. We will continue to brief the Minister on significant publications, speeches and releases.

Annual reporting

The Commissioner is required by the Crown Entities Act 2004 (Section 150) to provide the responsible Minister with an Annual Report on operations for each year. This report is separate from the quarterly reports already mentioned above and will provide information about the financial performance of the office and our performance against the key deliverables agreed with the Minister.

Where applicable, comments and reports will reflect a risk management perspective, in which potential risks are identified and strategies/action taken to minimise the impacts of these will be discussed.

Reporting will focus on:

- delivery of outputs – a detailed year-to-date report against progress against commitments, as detailed in the Output Agreement.
- financial statements – a comprehensive set of year-to-date reports and (where required) commentary against the forecast financial reports specified in the Output Agreement, and informative and accurate non-financial information.

In addition to the reporting described above, the Commissioner will also meet with the responsible Minister on a regular basis to ensure that an open dialogue continues.

Longer-term financial targets

The Commissioner looks to maintain Working Capital (Current Assets – Current Liabilities) at a base level of approximately \$250,000. This equates to approximately one month's operational activity.

Part three: Prospective statement of service performance and financial information

Statement of responsibility

The Children's Commissioner is an Independent Crown Entity under the Crown Entities Act 2004 with its role established under the Children's Commissioner Act 2003 to advocate for the interests, rights and welfare of children generally.

The Commissioner and his Office are responsible for the preparation of the Statement of Intent and prospective financial statements, including the assumptions on which the financial statements are based.

The prospective financial statements have been prepared in accordance with NZ IFRS, as have the retrospective financial statements at the end of the financial years 2008-09 and 2009-10.

The prospective financial statements have been developed for the purpose of presenting the Commissioner's intentions in Parliament, and should not be relied upon by any other party for any alternative purpose without the express written permission of the Commissioner. Actual results are likely to be different from the prospective financial statements and the variation may be material.

The Commissioner reviews the first half-year result and third quarter result in April of each year and restates the estimated out-turn for the current fiscal year.

I have authorised the issue of the financial statements on this day, 19 May 2010.

A handwritten signature in black ink, appearing to read 'John Angus', with a large, sweeping flourish underneath.

Dr John Angus
Children's Commissioner

Statement of service performance

The statement of service performance sets out the key activities and services the Commissioner will undertake in the 2010 – 2011 year period with associated performance measures.

The Commissioner's outputs are determined by its statutory functions. The Commissioner categorises these as:

- monitoring and investigating
- individual and systemic advocacy

The performance measures in this section relate to the outputs for 2010 – 2011, which in turn contribute to the longer-term impacts described in the outcome areas of part two, as illustrated in the table on page 5.

All of the Office's activities are primarily funded by the Crown through Vote Social Development, Non-departmental Expense, Children's Commissioner, with minor funding from interest earned from investments and the sale of resources.

The output agreement for 2010 – 2011 with the responsible Minister sets out the work programme designed to achieve our 2010 – 2011 objectives. It also details performance measures relevant to specific initiatives.

We adhere to the following quality principles for all outputs the Office produces:

- timeliness: all reporting deadlines are met or alternative arrangements made
- consultation and participation: potential affected parties and interested parties are consulted and their views considered
- presentation: documents adhere to internal guidelines and are presented clearly, logically and in plain, grammatically correct language
- practicality: viable options are presented and assessed practicalities are identified and solutions proposed, when appropriate
- internal standards: responsiveness, accessibility and professional behaviour are adhered to.

Output: Monitoring and investigating

Description

Through this output the Children's Commissioner monitors and assesses the policies and practices of Child, Youth and Family and other agencies providing services under the CYPF Act and acts as a National Preventive Mechanism with specific responsibility for monitoring and assessing the safety and treatment of children in eight Child, Youth and Family residences. This output contributes to the outcome that the Children's Commissioner is seeking to impact on "child safety, security and nurturing" by generating evidence of the quality of services delivered by Child, Youth and Family and other agencies.

Performance measures and goals

Key impact one

The quality of services provided to children and young people under the Children, Young Persons and their Families Act 1989 continues to improve.

Scope

The scope of the work to support this goal in 2010 – 2011 includes reviewing the effectiveness of the monitoring framework developed in 2008 to monitor Child, Youth and Family, addressing any areas identified as needing improvement and projects that respond to specific issues raised on child neglect, and children in the care of the Chief Executive of the Ministry of Social Development.

Quantity

Measure	Standard
Number of Child, Youth and Family site visits undertaken ⁷	6
Number of performance reports on Child, Youth and Family sites completed and delivered to the Deputy Chief Executive of the Ministry of Social Development responsible for Child, Youth and Family	6
Number of Child, Youth and Family residence visits undertaken	8
Number of performance reports on Child, Youth and Family residences completed and delivered to the Deputy Chief Executive of the Ministry of Social Development responsible for Child, Youth and Family	8
Review undertaken of the effectiveness of the monitoring framework	1
Project reports finalised	2

⁷ There are currently 58 Child, Youth and Family sites throughout New Zealand.

Timeliness

Measure	Standard
Activity undertaken in line with agreed standards and timeframes in line with the monitoring framework and schedule of visits agreed with Child, Youth and Family	100%
Projects to be delivered in 2010-11	Standard
Review of monitoring framework completed	31 December 2010
Report on children in care with focus on transition out of care	30 June 2011
Report on child neglect	30 June 2011

Quality

Measure	Standard
Monitoring of Child, Youth and Family complies with agreed standards and processes established by the memorandum of understanding between the Office and Child, Youth and Family, reported against in the site and residence reports	100%
The number of recommendations made to Child, Youth and Family that are implemented or responded to within agreed timeframes	75%
Recommendations resulting from the review of the effectiveness of the monitoring framework addressing any areas identified as needing improvement are implemented.	100%

Key impact two

Children and young people in places of detention are protected from torture and other cruel and inhuman or degrading treatment or punishment.

Scope

Quantity

Measure	Standard
Number of Child, Youth and Family residence NPM visits undertaken	5
Number of performance reports on Child, Youth and Family residences in compliance with OPCAT completed and delivered to the Deputy Chief Executive of the Ministry of Social Development responsible for Child, Youth and Family	5
An annual report of activities under the Crimes of Torture Act 1989 is presented to the Minister	1

Timeliness

Measure	Standard
A summary compliance report is drafted for inclusion in the Human Rights Commission's annual report	30 June 2010

Quality

Measure	Standard
The number of recommendations made to Child, Youth and Family that are implemented or responded to within agreed timeframes	75%

Resources⁸

Revenue	\$789,077
Expenses	\$756,274
Net surplus	\$32,803

⁸ All figures are GST exclusive. Indicative application of costs only.

Output: Individual and systemic advocacy

Description

This output gives effect to the general functions of the Commissioner set out in Section 12 of the Children's Commissioner Act 2003. It includes:

- investigating decisions or recommendations made in individual cases (including within Child, Youth and Family under Section 13 (1) (a)) and making recommendations
- advocating for children's interests generally in the policy and legislative work of government departments and Crown agencies. Achieved through the provision of advice and making submissions and at a systemic level for operational policies and practices that enhance the interests of children, such as the participation of children in decisions that affect them, the establishment of robust complaints systems and compliance with the provisions of UNCROC
- promoting children's interests, rights and well-being, in relation to decisions that affect the lives of children and the participation of children in those decisions
- undertaking public education activities to raise awareness of children's interests, rights and well-being, and of UNCROC.

This output contributes to the outcome that the Children's Commissioner is seeking to achieve on "children's interests, rights and well-being" by providing information, advice and specialist expertise to develop a greater understanding of what children's rights are across society and that children's place in society are upheld and respected.

Performance measures and goals

Key impact one

Individual cases where we intervene have outcomes that improve the interests, rights or well-being of the child.

Scope

The scope of the work to support this goal in 2010-11 includes maintaining a toll free Child Rights Line to provide members of the public with information or advice on issues concerning children. Based on historical activity, the Office expects to receive between 700-900 enquiries from respondents seeking advice or information on issues concerning children.

Quantity

Measure	Standard
Toll free child rights line offered to members of the public seeking advice and information on issues concerning children.	Service is offered during the business hours of 250 working days during the 2010-11 year.

Timeliness

Measure	Standard
Respondents' satisfaction with response time rated as satisfactory or better	80%

Quality

Measure	Standard
Respondents' satisfaction with the advice and information provided via the Child Rights Line is rated as satisfactory or better	80%

Key impact two

Children's rights are incorporated in New Zealand's law, upheld in policy and delivered in practice.

Scope

The scope of the work to support this goal in 2010-11 includes the delivery of independent advice that relates to the interests, rights and well-being of children to government departments, Ministers, academics and other organisations. We will also make submissions to select committees examining Parliamentary Bills and/or undertaking enquiries. We seek to influence decision-makers to ensure that children's perspectives are taken into account.

Projects will be undertaken to investigate priority areas identified, including:

- child injury prevention
- the sexual health of young people
- children's place in public policy

Quantity

Measure	Standard
Number of submissions provided to select committees examining Parliamentary Bills and/or undertaking enquiries and reports/advice provided to government agencies and Ministers	10
Number of projects/scoping exercises undertaken	3

Timeliness

Measure	Standard
Submissions, reports and advice produced within required timeframe	100%
Reports on projects/scoping exercises undertaken	30 June 2011

Quality

Measure	Standard
All published reports are peer reviewed by at least one external expert in the field and comments incorporated into the final report	100%

Key impact three

Attitudes and behaviours change towards better understanding children's interests, rights and well-being and there is a greater recognition of children as members of society in their own right and increased participation in decisions that affect them.

Scope

The scope of the work to support this goal in 2010-11 includes a child rights and education advocacy training programme delivered to community groups and agencies that provide services to children and young. We will deliver speeches, presentations and issue media statements on issues that concern children's interests, rights and welfare, distribute resources and publish *Children* magazine.

Quantity

Measure	Standard
Advocacy training workshops delivered	6
Speeches and presentations delivered	20
Editions of <i>Children</i> magazine published	4
Number of meetings convened of the Young People's Reference Group	4

Timeliness

Measure	Standard
Recruitment process for new Young People's Reference Group members completed by:	31 December 2010

Quality

Measure	Standard
The percentage of speaking event organisers with a level of satisfaction that the information provided and delivery of speech or presentation were of benefit to them and their audience will be no less than:	75%
The percentage of participants with a level of satisfaction that the workshops and information provided through advocacy training workshops were of benefit to them will be no less than:	75%
The percentage of the Young People's Reference Group that provide feedback that their views were sought and considered in the work of the Office.	100%

Resources (GST Exclusive)⁹

Revenue	\$1,393,923
Expenses	\$1,376,482
Net surplus	\$17,441

⁹ All figures are GST exclusive. Indicative application of costs only.

Financial Statements

Prospective statement of comprehensive income

	Estimated out turn 2009/10	Estimated out turn 2010/11
Revenue Crown	2,157,000	2,157,000
Revenue Other	3,080	1,000
Interest	25,000	25,000
Total Revenue	2,185,080	2,183,000
Personnel	1,265,100	1,472,738
Operating	505,191	495,618
Other	8,500	6,900
Projects	111,600	123,500
Depreciation	116,031	34,000
Total Expenditure	2,006,422	2,132,756
Net	178,658	50,244

Prospective statement of comprehensive financial position

	Estimated out turn 30 June 2010	Estimated out turn 30 June 2011
Current Assets	763,840	848,084
Current Liabilities	218,307	218,307
Net Working Capital	545,533	629,777
Fixed Assets	60,000	26,000
Net Assets	605,533	655,777
Taxpayers Funds	605,533	655,777

Prospective statement of movement in equity

	Estimated out turn 30 June 2010	Estimated out turn 30 June 2011
Taxpayers' equity brought forward (as at 1 July)	426,875	605,533
Net operating surplus/(deficit)	178,658	50,244
Total recognised revenues and expenses for the year	178,658	50,244
Taxpayers' equity as at 30 June	605,533	655,777

Prospective statement of cash flows

	Estimated out turn 30 June 2010	Estimated out turn 30 June 2011
<i>Cash flows from operating activities</i>		
Cash will be provided from:		
Government grant & other sources	2,157,000	2,157,000
Revenue from services	3,080	1,000
Interest received	25,000	25,000
	2,185,080	2,183,000
Cash will be applied to:		
Payments to Commissioner & employees	1,265,100	1,400,000
Payments to suppliers	625,291	698,756
	1,890,391	2,098,756
<i>Net cash flows from operating activities</i>	294,689	84,244
<i>Cash flows from investing activities</i>		
Sale of fixed assets	0	0
Purchase of fixed assets	0	0
Net increase/(decrease) in cash held	0	0
Plus opening cash balance	154,180	448,869
Closing cash balance	448,869	533,113

Statement of accounting policies

Reporting entity

The Children's Commissioner is a Crown Entity as defined by the Crown Entities Act 2004. It was established under the Children, Young Persons, and their Families Act 1989 and is continued by the Children's Commissioner Act 2003.

The Children's Commissioner is domiciled in New Zealand. As such, the Commissioner's ultimate parent is the New Zealand Crown.

The Children's Commissioner's primary objective is to ensure that children's and young people's rights and interests are recognised and widely supported and that children and young people are treated with respect, dignity and fairness.

The financial statements included in the Statement of Intent, report on the expected out turn of the Children's Commissioner for the year ended 30 June 2010 and the activities planned for the year ended 30 June 2011.

Statement of compliance and basis of preparation

The financial statements of the Children's Commissioner have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP). The financial statements comply with the Framework for Differential Reporting for Entities adopting the NZ equivalents to International Financial Reporting Standards (NZ IFRS) and its interpretations as appropriate to public benefit entities that qualify for and apply differential reporting concessions.

The Children's Commissioner qualifies for Differential Reporting exemptions as it has no public accountability and it does not qualify as large under the criteria set out in the Framework for Differential Reporting.

Measurement base

The financial statements have been prepared on an historical cost basis.

Functional and presentation currency

The financial statements are presented in New Zealand dollars. The functional currency of the Children's Commissioner is New Zealand dollars.

Revenue

Revenue is measured at the fair value of consideration received or receivable.

The Children's Commissioner is primarily funded by the Crown for the purposes and objectives set out in the Statement of Intent.

Revenue for services (Crown and other parties) is recognised when it is earned.

Interest

Interest income is recognised using the effective interest method.

Operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to the Children's Commissioner are classified as "operating leases". Lease payments under an operating lease are expensed as incurred in the Statement of Financial Performance. The Children's Commissioner leases Office premises and photocopiers only.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with domestic banks, other short-term, highly liquid investments with original maturities of three months or less, and bank overdrafts.

Debtors and other receivables

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Impairment of a receivable is established when there is objective evidence that the Children's Commissioner will not be able to collect amounts due according to the original terms of the receivable. Impairment losses are recognised in the statement of financial performance.

Bank deposits

Investments in bank deposits are initially measured at fair value plus transaction costs. After initial recognition, investments in bank deposits are measured at amortised cost using the effective interest method.

Property, plant and equipment

Property, plant and equipment asset classes consist of leasehold improvements, furniture, office equipment, motor vehicles and computer equipment. 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 Children's Commissioner and the cost of the item can be measured reliably.

Disposals

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

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 Children's Commissioner and the cost of the item can be measured reliably. The costs of

day-to-day servicing of property, plant and equipment are recognised in the statement of financial performance as they are incurred.

Depreciation

Depreciation is charged on a 'straight line' basis so as to write off the cost of the fixed assets over their expected economic lives. The depreciation rates of major classes of assets used in the preparation of these statements are:

Office furniture and equipment	5 years	20%
Leasehold improvements	5 years	20.0%
Computer equipment	3 – 5 years	20 – 33%
Motor vehicles	4 years	30.0%
Intangible assets		30%

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

Intangible assets

Software acquisition and development

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

Costs that are directly associated with the development of software for internal use by the Children's Commissioner are recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads. Staff training costs are recognised as an expense when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with the maintenance of the Children's Commissioner website are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is de-recognised. The amortisation charge for each period is recognised in the Statement of Financial Performance. The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

- acquired computer software: 5 years, 20%

Impairment of non-financial assets

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which

the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Creditors and other payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Employee entitlements

Short-term employee entitlements

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

Defined contribution schemes

Obligations for contributions to Kiwisaver, less the Crown employer subsidy, and the State Sector Retirement Savings Scheme are accounted for as defined contribution superannuation schemes and are recognised as an expense in the Statement of Financial Performance as incurred.

Provisions

The Children's Commissioner recognises a provision 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 and it is probable that expenditures 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 expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

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 Department (IRD) is included as part of receivables or payables in the statement of financial position. The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Children's Commissioner commitments and contingencies are disclosed exclusive of GST.

Income tax

The Children's Commissioner is a public authority and consequently is exempt from the payment of income tax. Accordingly, no charge for income tax has been provided for.

Budget figures

The budget figures have been prepared in accordance with NZ IFRS, using accounting policies that are consistent with those adopted by the Children's Commissioner for the preparation of the financial statements.

Critical accounting estimates and assumptions

In preparing these financial statements the Children's Commissioner 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.

Statement of cash flows

Cash means cash on hand, deposits held at call with domestic banks, other short-term, highly liquid investments with maturities of three months or less and bank overdrafts. Operating activities include cash received from all income sources of the Children's Commissioner and cash payments made for the supply of goods and services. Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Changes in accounting Policies

All policies will continue to be applied on a basis consistent with other years.

Statement of significant assumptions

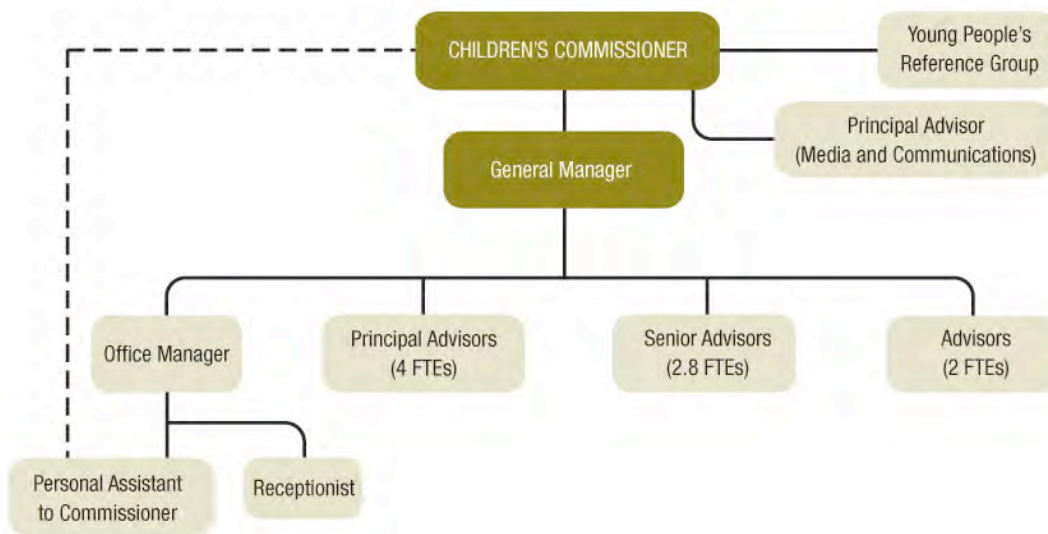
Crown Revenue has increased to \$2,157,000 due to a funding transfer of \$400,000 from the Families Commission into baseline. It is assumed Crown revenue will remain at this level over the next 3-5 years.

Appendix one – Organisational structure

John Angus was appointed as the Children’s Commissioner in May 2009 and the appointment is until December 2010.

The Office employs 13.8 full time equivalents. 13 FTEs are based in the Wellington office and 1.8 FTEs work in Auckland. An additional advisor/senior advisor will be appointed in the 2010-11 financial year to increase capacity in our monitoring and investigating output.

The General Manager oversees the work of all advisory staff, as well as the Office Manager in Wellington. A small number of staff are based in Auckland to facilitate our advocacy work and key stakeholder relationships.



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