



Office of the Children's Commissioner
Annual Report 2008



Report of

Children's Commissioner
Te Kaikomihana mo nga Tamariki
For the year ended 30 June 2008

Presented to the House of Representatives pursuant to
Section 28 of the Children's Commissioner Act 2003
and Section 150(3) of the Crown Entities Act 2004.

MINISTER FOR SOCIAL DEVELOPMENT AND EMPLOYMENT

Pursuant to the provisions of Section 28 of the Children's Commissioner Act 2003 and Section 150 of the Crown Entities Act 2004, I submit my Annual Report, incorporating the Financial Statements.

The report covers the period from 1 July, 2007 to 30 June, 2008.

I am satisfied that the Financial Statements fairly reflect the financial position and operations of the Office of the Children's Commissioner for the reporting period.

A handwritten signature in black ink, appearing to read 'C. Kiro', written in a cursive style.

Dr Cindy Kiro

Children's Commissioner

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VISION

The rights of every child and young person in New Zealand are recognised and each enjoys good health, education, safety and economic wellbeing.

OUTCOMES

Every child is safe and nurtured.

Every child has adequate resources and opportunities to develop.

Society's attitudes and behaviour change to become more child-focused.

LEGAL MANDATE

By statute, my office is required to:

- Inquire into and report on any matter relating to the welfare of children by investigating any decision or recommendation made, or any act done or omitted in respect of any child.
- Monitor Child, Youth and Family and other persons, bodies and organisations exercising a function or power conferred by the Children, Young Persons, and Their Families Act 1989.
- Advise the responsible Minister on any matters relating to the administration of the Children, Young Persons, and Their Families Act 1989.
- Advise Parliament of New Zealand's performance in respect of the Optional Protocol to the Convention against Torture And Other Cruel, Inhuman or Degrading Treatment or Punishment¹ (OPCAT).
- Promote public awareness of children's rights and issues relating to the welfare of children and young people.
- Advocate for and on behalf of children and young people.
- Seek children and young people's views on issues and enable their voices to be heard.
- Promote the development of policies and services designed to protect the interests, rights and welfare of children and young people.
- Raise awareness and understanding of the United Nations Convention on the Rights of the Child and advance and monitor its application by departments of State and other instruments of the Crown.
- Promote the establishment of accessible and effective complaints mechanisms, in key agencies, for children and monitor the nature and level of complaints.
- Undertake research into matters relating to the interests, rights and welfare of children and young people.

Note

1. Adopted by the General Assembly of the United Nations on 18 December 2002

THE COMMISSIONER'S REPORT



This has been another very busy year for the office. We have met or exceeded almost every target in our output agreement, acted consistently with our Statement of Intent, and participated in significant areas of change in respect of children's rights in New Zealand, such as that around the removal of section 59 of the Crimes Amendment Act 2007.

The office increased output, completing significant work, including reporting on child poverty; developing new resources around positive parenting; expanding the education outreach and training; community fora and consultation with children and young people; and opposing legislation that would conflict with our United Nations Convention obligations such as the Young Offenders Serious Crimes Bill. The commissioner has also developed and promoted a 10-year vision for all children and young people titled *Te Ara Tukutuku, early intervention and the importance of the early years*, and led the work on child maltreatment prevention being developed by the Taskforce for Action on Family Violence.

Monitoring of Child, Youth and Family has continued to grow, with an increase in public enquiries and complaints. A new, more audit-based framework has been agreed on between the Ministry of Social Development (MSD) and the office for implementation in 2008/09 year.

Additional obligations have also come into effect such as assuming a responsibility as a National Preventative Mechanism (NPM) for OPCAT. I continue to have representation on the Advisory Committee on Assisted Reproductive Technology (ACART).

There continues to be considerable demand for media comment on a wide range of matters relating to children and young people, public presentations and resources for many organisations in New Zealand. There is also increased demand for our input internationally, as our reputation grows.

All of this has been completed with no increased resource to the office. Between 12 and 16 staff completed this work. We work in collaboration with community based organisations, non-government organisations, and government agencies wherever we can achieve this.

This has been a difficult year, given the magnitude of the issues dealt with by the office.

The attempt to radically change our youth justice system to lower the age of criminal liability to 10 (or 12) years of age and punish young offenders rather than focusing on their early identification and intervention to stop such offending, along with the removal of reasonable force for parents who physically punish their children, are two examples. There has been a well-funded and organised response by those opposed to the legislation in both cases.

These positions adopted and promoted by myself and my office are entirely in keeping with the changes to our family laws, such as Care of Children Act 2004, Children, Young Persons and Their Families Act 1989, and also in keeping with our international commitments such as the Convention on the Rights of the Child.

Our focus is now on how we support adults and children to better understand and implement the child discipline law, providing advice and support for positive parenting that reinforces the excellent work being done by SKIP and organisations such as Barnardos and Plunket, and also on how we increase early identification and intervention to stop problems such as violent behaviour in children from increasing. I have also heavily promoted the importance of the early years and the need to better address issues arising as early as possible for children and young people and their families.

The work on child poverty has been intensive and extensive and I am proud of the report produced *A Fair Go for all Children, Actions to address child poverty in New Zealand*. In the 2008/09 year we will continue our advocacy of the importance of addressing child poverty to ensure that all children have a fair go in New Zealand.

We have completed our alternate report to the United Nations Committee on the Rights of the Child, which will be submitted about the same time as the Government's third and fourth periodic report in November 2008.

While my office has met or exceeded almost every target, we have slipped on providing resources when requested within five days. This has been due to the doubling of demand in one year, with no attendant increase in staffing. I have also cancelled the yearly report card, as advised last year, because this would have been a duplication of the work now being done by MSD on an annual basis in their *Children and Young People: Indicators of Wellbeing in New Zealand* report. We have worked with MSD to identify relevant indicators. The Pediatric Society also produced a comprehensive report that picks up many important child wellbeing indicators.

To achieve all of this work while consolidating our Auckland office, implementing new IT equipment and systems, negotiating new remuneration agreements to provide staff with more equitable conditions relative to similar agencies, and to meet increased demands from the public for complaints and enquiries, resources, meetings and public comment, is a demonstration of how efficient and effective the office has been in the past year.



Cindy Kiro

Children's Commissioner

OUTPUT DELIVERY

The Office of the Children's Commissioner (the "office") is funded through Vote Social Development and Vote Education. These monies have been allocated within the office into two output classes, *monitoring and investigating* and *individual and systemic advocacy*.

Output: Monitoring and Investigating

This output relates to the performance of the office in conducting its legislative responsibilities as defined under the Children's Commissioner Act 2003 to monitor Child, Youth and Family and other persons, bodies and organisations exercising any function or power conferred by the Children, Young Persons and Their Families Act 1989.

Transience investigation

As reported in last year's annual report, during May, 2007, the office brought together a group of teaching practitioners, policy advisors and researchers to focus on the issues surrounding students who move regularly between schools (commonly termed transient students) and the impact of this movement on school engagement.

Meetings were held with representatives from the policy division of the Ministry of Education (MOE), practitioners from within schools and researchers from the New Zealand Council of Education Research. Information and research was received.

The reasons for student movement between schools are complex. There are a number of monitoring (tracking) mechanisms, pastoral care strategies, home and school engagement initiatives and school enrolment procedures that collectively work towards maintaining students in one school. A final report was produced by Cognition Consulting for the commissioner on the experience of student mobility in education. The report presents a summary of findings from a review of national and international literature and integrated ideas and directions presented at a forum convened by the commissioner on this topic in May, 2007.

Immigration investigation

The majority of work in relation to the immigration investigation is complete. This has included interviews with stakeholders from the government sector primarily involved in the development of policies and procedures impacting on the citizenship status of children and their families, and non-government agencies providing support and advice to this group of people. Children and young people have also now been consulted. The commissioner expects this work to be released in the next six months.

Child mental health

A project has begun into child mental health, focusing on children who are dealing with stressful life events – the impact of stressful life events in children's lives and what types of services and therapeutic interventions are needed, and are available in the Auckland region, to help these children to heal.

Terms of Reference have been drafted and presented to the Child and Youth Interest Group at the Ministry of Health and discussed with key informants in the sector. In addition, a multidisciplinary advisory group has been formed for the project. This project will be completed by June, 2009.

Review of policy and legislative compliance with UNCROC

The United Nations Convention on the Rights of the Child (UNCROC) Compliance report has been completed and its release will coincide with the submission of the Government's UNCROC Report to the United Nations Committee on the Rights of the Child (United Nations Committee) to maximise awareness of issues relating to UNCROC and children's rights issues. The Government's report is expected to be submitted in November, 2008.

Enquiry line

The total number of calls received on the office's enquiry line for the year was 901. Of these, 38 percent of calls were in relation to Child, Youth and Family with the remaining 62 percent of calls being non- Child, Youth and Family related calls.

The office is unable to respond to calls if the issue is before the court, or is in relation to a court decision. In these instances, callers are referred to their local family court or to their lawyer, Community Law Centre, or lawyer for the children.

Calls concerning the welfare of children are wide ranging and range from Family Court matters through to benefits, finance and media.

Education calls deal with the processes used in suspensions, stand-downs and expulsions and bullying and the devastating effect this can have on children.

From time to time, the office receives child abuse notifications. In all cases, these calls are referred to the Child, Youth and Family call centre for allocation and investigation.

The enquiry line is a valuable part of the work of the office. It is a place where the public can seek advice and assistance.

The advice provided by the enquiry line was augmented by 612 education enquiries recorded from PLINFO – a service sub-contracted to Wellington Community Law Centre.

Child, Youth and Family

Monitoring Child, Youth and Family

Monitoring framework

The office has been involved in a joint project with MSD to redevelop and streamline the framework used to monitor the policies, practices, and services of Child, Youth and Family. The four primary reporting categories are 'strategic direction', 'policy and professional practice', 'performance', and 'organisational issues'. This review has clarified the office's current monitoring activities with respect to child deaths, social work reports to the commissioner, site and residence visits, care and protection resource panels, and grievance panels. This project has required significant liaison between the office and MSD. A commitment has been made for information, suitable for analysis and assessment, to be made available to the office on a regular and consistent basis.

Site and residence visits

As part of the commissioner's obligations pursuant to Section 13 (1) (b) of the Children's Commissioner Act 2003, the office undertakes visits to Child, Youth and Family site offices and care and protection and youth justice residences throughout New Zealand. The primary purpose of these visits is to hear from social work staff, and members of the care and protection resource and grievance panels, about the following information:

Sites

- The issues affecting local children and young people, and how these are in turn impacting on the work of social workers and the community in general
- the trends identified by care and protection and youth justice social workers in respect of children and young people in the region
- the local initiatives developed and/or lending support to children and young people, social workers and/or the community to address the issues identified
- the systemic issues impacting on the office
- the nature of relationships between the office and other community agencies.

In October, 2007, the office began extending the visits to Child, Youth and Family offices to include meeting with stakeholders in the community who are involved with local children and young people and also have an interface with Child, Youth and Family. Stakeholders generally include the judiciary, lawyers for children, caregivers, staff from the local DHB, representatives from primary and secondary schools, staff from the Police and Community Probation, and staff from a variety of community organisations. While these visits are typically now undertaken in two days, in February, 2008, staff spent a week in Canterbury visiting all four offices, and their stakeholders.

These visits have been valuable, and have allowed the provision of more comprehensive and meaningful feedback to the Deputy Chief Executive, Child, Youth and Family. Concerns that have been brought to the attention of the office this year, identified from both site visits and via other aspects of the office's monitoring duties include:

- depth of social work practice and quality of risk assessment in investigation
- quality of supervision
- frequency of sighting and talking to children in the care of the Chief Executive
- permanency and transition planning
- support/advice/responsiveness to caregivers
- relationships and communication with stakeholders
- effective functioning of care and protection resource panels
- the youth justice and care and protection interface.

Residences

Priorities for visits to the residences were identifying performance in respect of:

- integrated care plans
- delivery of health services
- programmes
- transition from residential care
- grievance panels.

In addition to these general areas, the visits also focused specifically on any issues that are identified from the service's annual audit reports.

The office made five scheduled visits to residences during this financial year, and one unscheduled visit to Whakatakopokai to monitor a Residence Improvement Plan implemented by Child, Youth and Family after a concerning audit report.

Staff members accompanied the commissioner on these visits along with Judges Becroft and Boshier, and their staff. The visit to Epuni Care and Protection Unit and the Severe Conduct Disorder Unit was a scheduled residence visit as well as the first to meet the office's new responsibilities as a National Preventive Mechanism under the OPCAT protocol (see page 17).

The five main issues that were identified in the visits were:

- transition plans
- integrated care plans
- health services
- grievance panels
- programmes operating for the residents.

Grievance panels

The office received and responded to 32 grievance panel reports this year. It is pleasing to note that the procedures are largely working well, with continuous improvement suggestions being acted upon by Child, Youth and Family.

Staff attended three regional grievance panel workshops, which focused on the process used for reviewing a grievance, and have also been involved in the selection of grievance panel members for vacancies at the Te Puna Wai O Tuhinapo, Puketai, Lower North Residence and Te Poutama Arahi Rangitahi.

Response to Child, Youth and Family residence regulations audit reports

Over the past year the office has received and responded to the following Child, Youth and Family residence audit reports:

- Korowai Maanaki (19 July, 2007)
- Te Poutama Arahi O Rangatahi (10 September, 2007)
- Epuni (5 December, 2007)
- Te Puna Wai o Tuhinapo (13 December, 2007)
- Whakatakakopai (13 December, 2007)

Section 47 reports

The commissioner's obligations also include the review of the social work reports pursuant to Section 47 of the Children, Young Persons and Their Families Act 1989. Briefly, where a child or young person is subject to a warrant (pursuant to sections 39, 40, or 42 of the Children, Young Persons, and Their Families Act 1989) but where no further court action is taken to seek ongoing custody, a social worker is required to forward a report to the commissioner. These reports are a very important tool used by the office to aid in the assessment and review of social work practice and to ensure that the interests of children and young people are being protected.

There were 22 reports received for the 2007/08 reporting period. The office has concerns about the social work practice described in the Section 47 reports and the quality of a number of the reports provided to the commissioner. Reports are discussed with Child, Youth and Family and explanations provided on practice concerns. Child, Youth and Family has distributed a practice note on requirements for Section 47 reports.

Child deaths

The office received advice from Child, Youth and Family about the deaths of children and young people known to the service within a year of the deaths.

The office records this information based on the date the advice was received not on the date the deaths of these children.

During the 2007/08 reporting period the office received advice from Child, Youth and Family about the deaths of 86 children and young people. The majority of these deaths were as a result of natural causes, health complications, or motor vehicle accidents.

Care and protection resource panels

The office has an interest in the functioning of the Care and Protection Resource Panels (CPRP). The office recognises the importance of their roles.

The office has had the opportunity to spend more valuable time with some of the panels around New Zealand during the extended site visits, and the office continues to receive copies of many panels' annual reports. The panels, nationwide, are an under-utilised and perhaps undervalued resource, and the office has called for the appointment of a National CPRP Co-ordinator with the Chief Executive of MSD. MSD is reviewing the panels' functions and the level of support provided to them to ensure they are able to undertake their duties.

Child, Youth and Family complaints

The total number of enquiries relating to Child, Youth and Family that came through the office child rights line was 341. This is 38 percent of the total incoming enquiries. Of the 341 enquiries received, 75 (22 percent) required further action, 25 of those 75 were complex cases involving extensive correspondence, liaison, consultation and enquiry with a number of different agencies.

Report card on the status of children

In the 2006/07 output agreement, the Children's Commissioner signalled her intention to produce a report card on the status of children in New Zealand.

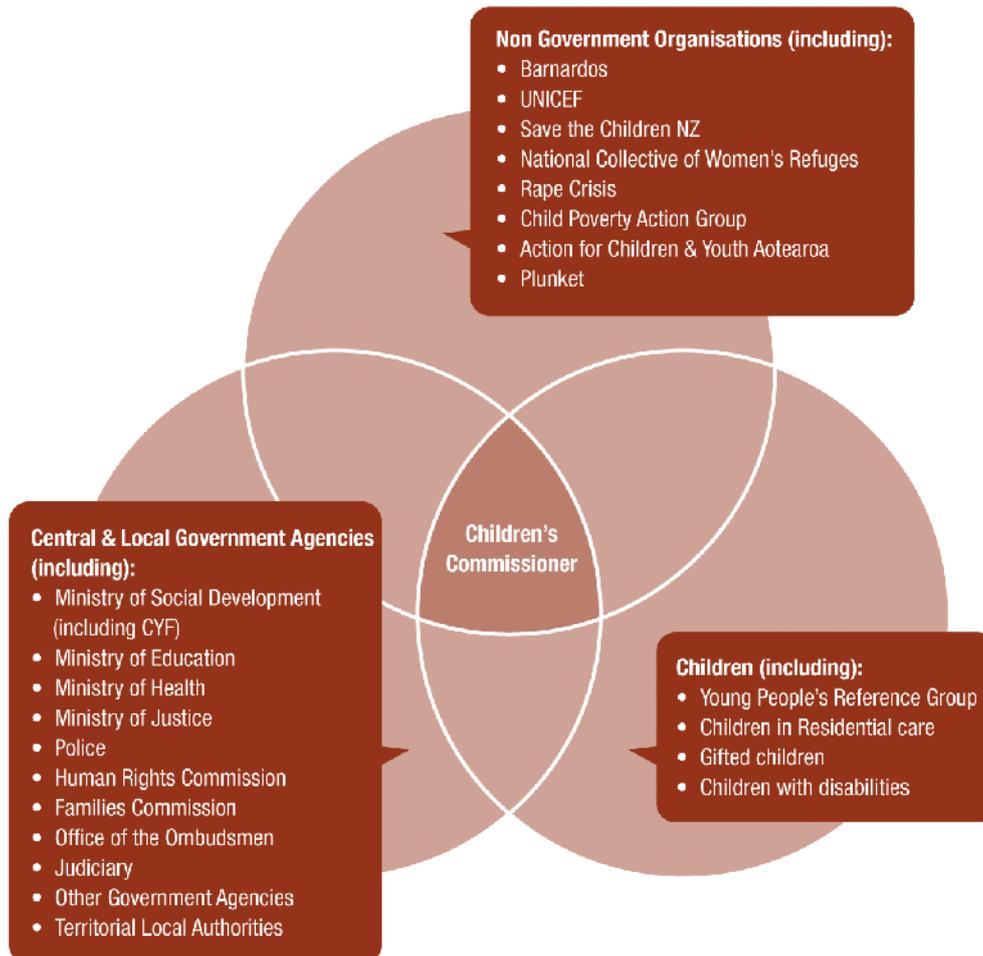
During 2007/08 a decision was made to discontinue this work because:

- In December, 2007, the Paediatric Society of New Zealand produced a comprehensive report *Monitoring the Health of New Zealand Children and Young People: Indicator Handbook*.
- MSD released its second report entitled *Children and Young People: Indicators of Wellbeing in New Zealand*. The office was consulted about appropriate measures.
- The completion of the office's report card was predominantly reliant on information contained in the MSD report and this would have duplicated resources.

Collaboration with key stakeholders

The office cannot achieve its vision on its own and needs to work with stakeholders, including government departments, non-government organisations, community groups, and children and young people in order to promote children's interest, rights and welfare. The office maintains independence from Government. Therefore, the activities of the office must focus on achieving change through collaborative relationships and by the processes of influence on others.

During this year the office continued to develop strong working relationships with a wide range of organisations both within the government and non-government organisation sectors.



During the year, the office has met regularly with:

- The Minister for Social Development and Employment
- Ministers and Members of Parliament
- Chief Executive of MSD
- Deputy Chief Executive, Child, Youth and Family
- Families Commission
- Human Rights Commission
- Ministry of Health
- Ministry of Education (including Student Support, Group Special Education)
- Ministry of Women's Affairs
- Ministry of Justice
- Ministry of Youth Development
- New Zealand Police
- Office of the Ombudsmen
- Statistics New Zealand

During the year, the office has, among others, also met and/or worked with:

- Auckland City Mission
- Auckland District Health Board
- Auckland Family Court Association
- Auckland Regional Council Youth Development Network
- Auckland Regional Public Health Service
- AUT's Local Government Centre
- Barnardos
- Building Human Rights Communities in Education
- Capital Coast District Health Board
- Central Auckland Strengthening Families Management Group
- Child Poverty Action Group
- Education Review Office
- Expertise Limited
- Family Start
- Health Promotion Forum of New Zealand
- Her Excellency Mrs Susan Satayanand
- Ideas (formerly IHC)
- Mangere Refugee Centre
- Manukau District Police
- Maori Language Commission – Te Taura Whiri I te Reo Maori
- New Zealand Educational Institute
- New Zealand Family Planning Association
- New Zealand School of Trustees Association
- New Zealand Stakeholders' Forum
- New Zealand Teachers Council
- Northern Regional Family and Community Services
- Office of the Auditor-General
- Paediatric Society
- Philanthropy New Zealand
- Plunket
- Preventing Violence in the Home
- Save the Children
- Skylight
- Social Service Providers Aotearoa
- Social Workers in Schools, Masterton
- State Services Commission
- Te Hauora O Te Hiku O Te Ika Board
- Te Kahui Mana Ririki Trust

- The Parenting Council
- Underage Prostitution Governance Group (Counties Manukau)
- UNICEF
- United Nations Youth Association of NZ (UNYANZ).
- Waitakere Mayoral Taskforce for Action on Violence in Families
- WAVES Trust
- Wellington Central Police
- Wellstop
- Women's Refuge
- World Vision
- Youth Organised and United
- Youthlaw

Optional Protocol to the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT)

This report for the year ending June, 2008 is the first on the office's activities under OPCAT.

The Convention Against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment is a human rights instrument that aims to prevent torture or degrading treatment in places of detention. The convention requires member states to take effective measures to prevent torture or degrading treatment within their borders. The text of the convention was adopted by the United Nations General Assembly (UN) on 10 December 1984 and came into force on 26 June 1987.

New Zealand ratified the convention on 10 December 1989. OPCAT was adopted by the United Nations in 2002, and opened for signature in February, 2003. It was added to the original convention to help member states to implement their existing obligations to prevent torture.

Inspired by the European Convention against Torture, OPCAT aims to, "establish a system of regular visits undertaken by independent and national bodies to places where people are deprived of their liberty, in order to prevent torture and other cruel, inhuman or degrading treatment or punishment" (Article 1).

OPCAT provides for a two-pronged approach to prevent torture. First, it establishes a new international entity, which is the Sub-committee against Torture. Second, it obliges each member state to establish one or more National Preventive Mechanisms (NPM) to visit places of detention within the state and to enter into a cooperative dialogue with the key agencies in order to help them ensure that torture does not take place.

New Zealand ratified OPCAT in March, 2007 and the office was designated an NPM. The Office of the Ombudsmen, the Office of the Judge Advocate General of the Armed Forces and the Police Complaints Authority are also designated as NPMs.

Each NPM is responsible for monitoring different places of detention and the office is specifically responsible for Child, Youth and Family residences. Child, Youth and Family have established nine residences under Section 364 of the Children, Young Persons, and Their Families Act 1989 – three Youth Justice residences and six Care and Protection residences. The office's role as a NPM overlaps with its statutory responsibility to monitor the policies and practices of Child, Youth and Family generally.

An NPM has four distinct functions. These are to:

- examine the conditions of detention and treatment of detainees
- make recommendations to improve the conditions of detention and treatment of detainees
- submit proposals on the development of existing or draft legislation
- prepare at least one written report annually outlining the findings and recommendations carried in an NPM's monitoring role.

This year, much of the focus of the office as an NPM has been in planning for preventive monitoring. The Human Rights Commission, as the Central Preventive Mechanism, has facilitated a number of meetings with all of the NPMs where jurisdictional and operational issues have been discussed. Meetings have been organised with government agencies and with representatives from civil society to build awareness of OPCAT.

The office has established an operational policy document to guide the OPCAT team in meeting its obligations. The policy document identifies the standards and measures that will be applied during a visit.

Specifically the visits review:

Treatment: identifying any incidents of torture and ill-treatment, the use of isolation and of force and restraint.

Protection measures: registers, provision of information, complaint and inspection procedures, disciplinary procedures.

Material conditions: accommodation, lighting and ventilation, personal hygiene, sanitary facilities, clothing and bedding, food.

Activities and access to others: contact with family and the outside world, outdoor exercise, education, leisure activities, religion.

Health services: access to medical care.

Staff: conduct and training.

This year the office established a process with Child, Youth and Family on the nature, frequency and duration of the visits and has agreed on a timetable of visits for the year ahead. The office has met regularly with senior Child, Youth and Family officials responsible for residential care (including all residence managers) keeping them abreast of OPCAT processes and standards and the procedure for preventive monitoring.

No new funding was received from government to undertake these new responsibilities. Funds from existing resources have been allocated to appoint a contractor to work with the staff from the office to complete and report on visits.

Visiting residences

Five Child, Youth and Family facilities were visited towards the end of 2007/08.

Within Child, Youth and Family residences there are a number of processes that are in place to ensure that children and young people are not exposed to torture, brutality or inhumane treatment. Most of these are prescribed by the Children Young Persons and their Families Act Regulations (1996). The key protective measures within the regulations are summarised as specified rights to be accorded to children and young people; limitations on powers of punishment and discipline; and processes for inspections and review process including the functions of an independent Grievance Panel. Child, Youth and Family audits its own compliance against these regulations. In turn these audit reports can assist the office to understand how OPCAT measures are being met and steps being applied to mitigate any issues identified in these audits.

The measures to ensure that these rights are being applied correctly rely on the following:

- Selection and training of appropriate staff who are effective in engagement and work with children and youth.

- Staff conducting themselves in pro-social, ethical ways in their interaction with children and youth.
- Supervision and oversight of these staff to enhance their knowledge and skills and to ensure work with the children and young people is purposeful and related to the treatment objectives identified as the reasons for the care or treatment offered.
- Establishment and reviews of personal plans for all the young people.
- Documentation for any limits imposed on young people.
- Legal status for being held in the residence.
- Periods of exclusion from the group be recorded in;
 - Daily logs
 - Timeout admission (incident report)
 - Secure admission (incident report). Those in the Secure Unit that are subject to further limitation such as being confined to their room require additional documentation.
- Reviews of all the above documents by a supervisory/management level beyond the staffing level that the actions were initiated by.
- Monthly national office (Child, Youth and Family) reporting on regulation compliance by the site Residential Manager.
- Visibility and access to the independent “Grievance Panel” and grievance process.
- Residential inspections by the Child, Youth and Family Audit Team (Social Work Quality Assurance).
- National office follow-up and action on any issues arising from the various reporting mechanisms.

All of the above are mandated by the Children, Young Persons and Their Families (Residential Care) Regulations 1996 and have been operationalised by the development of Standard Operating Procedures within a National Code of Practice of Child, Youth and Family.

As part of the preparation for the NPM site visits there was a review of relevant reports that had been completed since the last site visit of the office. They included:

- The Child, Youth and Family Residential Audit of Compliance with the Children, Young Persons and Their Families (Residential Care) Regulations 1996 undertaken by the Social Work Quality Assurance Team
- Quarterly grievance panel reports
- Documentation around the application of the regulations as defined in Standard Operating Procedures (SOPs) of Child, Youth and Family.

During the NPM visit to the two care and protection residences selected this year, there were discussions with children and young people, staff, management and the Grievance Panel. The visits took three days and required extensive verification of the processes that are in place to ensure that children and young people are not exposed to torture, brutality or inhuman treatment. A comprehensive report on both residences was completed reporting on their provision of protective factors. A summary of the key findings of these visits is provided below.

Key findings from visits

Both residences visited showed substantial compliance with measures to ensure that children and young people are not exposed to torture, brutality or inhuman treatment.

The visits to the residences have identified the following areas for improvement:

- Clearer recorded rationale for times when young people are confined to their rooms, while detained in the secure units.
- Policy and procedure around residents' opportunity for exercise and activity while in their rooms in the secure units needs greater clarity.
- Maintaining staff accreditation for the use of restraint.
- Staff recruitment and training to meet specialist needs presented by clients especially those with identified mental health needs.
- Further discussions with young people to clarify the distinction between a complaint and a grievance.
- The need for an expanded recruitment strategy to reduce the number of Residential Social Worker vacancies.
- The role and function of the Grievance Panel needs to be further clarified and operationalised.
- Grievance outcomes that are not signed by the young person being followed up by the Grievance Panel.

Response from Child, Youth and Family

Management from Child, Youth and Family have been helpful in facilitating access to the residential facilities, the staff, the residents and to written documentation. The OPCAT visits have identified a number of issues specific to each residence. All of the issues that have been identified have been raised, in a written draft report, with the management of each unit. Child, Youth and Family has taken the opportunity to discuss the report with the NPM before the report was finalised.

A final report on these visits has been provided to Child, Youth and Family and, at the time of writing this report, a written response had yet to be received.

Output: Individual and systemic advocacy

This output reflects the Children's Commissioner and the office's role in increasing public awareness of children's rights and in generating public interest and debate on the issues affecting children.

Submissions

During this year the office has made a number of submissions in relation to the interests, rights and welfare of children and young people. Submissions included:

- Social Services Select Committee for the enquiry into the care and rehabilitation of Youth Sex Offenders
- Oral submission to the Law and Order Select Committee on the Young Offenders (Serious Crimes) Bill, July, 2007, and responded to questions from the committee, August, 2007
- A submission to the Ministry of Justice regarding A Review of the Domestic Violence Act 1995 and Related Legislation: A Discussion Document for Public Release
- A submission to the Health Committee regarding the Public Health Bill
- A submission to the Law and Order Committee on the Summary Offences (Tagging and Graffiti Vandalism) Amendment Bill.

Policy advice

Policy advice has been provided to government organisations and Crown entities on a range of issues. Some of this advice (which could also be considered submissions) has been provided because the office is a member of specific advisory or reference groups including:

Ministry of Health

- Advice regarding the review of the Health and Disability Services (Safety) Act 2001.

Ministry of Justice

- Submission regarding A Review of the Domestic Violence Act 1995 and Related Legislation: A Discussion Document for Public Release.

Ministry of Social Development

- Advice regarding the Out of School Services Project, draft Children and Young People's Indicators report and development of the Maori Whanau Summit related to the Taskforce for Action on Violence Within Families workstream. The office provided input into a paper for MSD which focuses on how children's interests and rights might be given more weight in the policy work of central government.

Statistics New Zealand

- The office is a member of the Statistics on Families Advisory Group and has provided Statistics New Zealand with specific advice on the Review of Official Family Statistics and the research and design questions for the Family Survey.

Safekids

- The office participated in the Safekids key agency meeting and provided specific advice regarding the 2007/08 Safekids Public Awareness Campaign on drowning prevention and cycle safety.
- Presentation of a keynote address entitled *Building effective partnerships for children* at the SafeKids Leadership Conference 2008.

Advocating for legislative change where children and young people's interests, rights and welfare are compromised

Evidence Act 2006 and Evidence Regulations 2007

The office became aware during this reporting period of the concerns of some police, forensic interviewers and senior lawyers who had identified a potential risk to the rights and interests of children and young people who are required to give evidence in the criminal court.

The Evidence Act 2006 allows for video taped evidence to be provided to the defence and removed from the police station to enable defence lawyers to prepare a defence. Up until recently the law allowed for the tapes to be viewed by the defence at the Police station only – to protect the integrity of the tapes and to prevent any copying.

The office took up the issue with Police, Justice and the relevant Ministers as well as the Law Commission and the Principal High and District Court Judges. The office did not feel that the law, and the regulations surrounding the law, provided enough protection for the interests of children.

As a result of this advocacy, an amendment to the Evidence Act has been introduced to the House and the Minister of Justice is hopeful a speedy hearing will allow changes to be made early in the life of the next Government.

We also advocated for changes to the Evidence Regulations 2007 to better meet the needs and rights of child witnesses up to the age of 12. The Evidence Amendment Regulations 2008 came into law on 12 September, 2008.

Child poverty

Two projects were developed during this report period that focused on the issue of child poverty in New Zealand. There are too many poor children in New Zealand and ignoring them threatens our future economic prosperity and social well being. Latest figures show us that between 170,000 and 230,000 of our children are living in unacceptable poverty. That is a huge number of children whose lives are affected by something we can fix. Poverty has lifelong consequences for children. It impacts on their health, education and future productivity. It also affects their self-esteem and view of society.

Over the past few years there has been considerable improvement for children from a number of initiatives such as improved primary health funding, educational initiatives, Working for Families and income-related housing. However, firm commitments and targets for further reduction are needed.

The first project involved an assessment of New Zealand's performance in combating child poverty and options for improved policies for reducing child poverty. The work resulted in the published report for the Children's Commissioner and Barnardos, *A Fair Go for all Children, Actions to address child poverty in New Zealand*, which is an analytical look at the extent and characteristics of child poverty in New Zealand and what can be done about it.

The purpose of this report is to suggest actions New Zealand can take to address child poverty.

The second project, *This is how I see it: Children and young people's views and experiences of poverty* gives voice to the views of children and young people. This is not a research project, rather an informed perspective, drawing on photovoice methodology.

With photos, poems, artwork, stories and autobiographical accounts, about 80 children and young people have expressed their views and experiences of child poverty in New Zealand. Some of their descriptions of poverty have been included in the published report. Other work is displayed in an on-line gallery on the office's web site.

Children, young people and young parents from Otahuhu Raise Up n Represent, Creative Kidz Art Club Te Puru, Paeroa New Zealand Children's Art House, Te Aka Ora Charitable Trust, YMCA Wanganui, YMCA Palmerston North, Streets Ahead 237, Porirua Healthlinks and the Otago Youth Wellness Trust took part in the photovoice project.

The JR McKenzie Trust contributed funding and Kodak donated 150 disposable cameras.

Child impact assessments

During this reporting period, staff – in partnership with UNICEF New Zealand – led a project on child impact assessments with local councils and the Local Government Centre at AUT. The resulting discussion document includes a review of the literatures, two case studies of child impact assessments in Auckland and Manukau City Councils, lessons learnt and a template for ongoing action.

Child homicide and serious injury

The office has developed a report that summarises scientific literature on child homicide and serious injury. It also includes information about the incidence of physical injury through child maltreatment. The commissioner is considering a proposal for further research on this issue in New Zealand.

Witnessing domestic violence: creating a practical information resource for children

The office is working with UNICEF New Zealand to scope the development of an accessible information resource for children about managing the impact of witnessing domestic violence. The audience for the resource will be New Zealand children aged between eight and 12 years. The resource will develop key messages defining domestic violence – the effects of witnessing violence, managing those effects and enhancing safety. Work will continue on developing this resource with UNICEF New Zealand next year.

Taskforce for Action on Violence Within Families

The commissioner and staff continue to be actively involved in the work of the Taskforce for Action on Violence Within Families. The commissioner led the work on the prevention of child maltreatment, which has now been prioritised by the taskforce for the next few years. This included the establishment of a secretariat to support the work, an expert advisory group, working group and strategy that has been agreed to by the taskforce.

Key areas for action include work to join up the health, education and social development sector, so that opportunities for early identification and multi-disciplinary responses to child abuse are acted on. The taskforce also recognises the importance of neglect as a precursor to most forms of abuse, including physical injury, emotional harm and physical harm.

Detailed responses will be developed over the next year. This will continue to draw on many of the resources of the office.

Auckland office

The commissioner continues to maintain a presence in Auckland with a team made up of 2.4 FTE advisors, a principal advisor and 0.6 FTE administrative assistance.

Along with project work, the Auckland staff have provided advice to the Auckland District Health Board and Capital Coast District Health Board, Central Auckland Strengthening Families Management Group (transitioning to Regional Governance Group), Waitakere Mayoral Taskforce for Action on Violence in Families, Underage Prostitution Governance

Group (Counties Manukau), disability advocacy groups and child advocacy consortia in South Auckland and Hamilton. Policy and media advice was also provided to the representative from the United Nations Youth Association of NZ (UNYANZ).

South Island networks

The principal advisor, Wellington, has responsibility for developing the profile of the office in the South Island. This is achieved through a range of activities including participation in Child, Youth and Family residence and site visits and participation in activities associated with grievance panels. In the past year community forums took place in Timaru and the West Coast. Visits to community organisations are undertaken in association with these activities. The office also responds to requests for training. In addition to providing advocacy training reported on elsewhere in this report, training on communicating and working with children was undertaken in Queenstown.

Visits occur, on average, once a month and provide valuable opportunities to learn more about issues for children, young people and their families in the South Island and ways in which the office can contribute to addressing these.

Young people's reference group (YPRG)

This year saw the members of the office's reference group settling into their roles after their recruitment in the previous year (December, 2006). During the year, staff have provided them with guidance, strategies and contacts to enable them to network with groups of young people "beyond the school gates".

An important task for the new YPRG was the strengthening of their individual regional networks as they become more settled into their roles and aware of their work programmes for the coming year.

The group met four times during the year and participated in a variety of activities including:

- media training
- participating in discussions with the Ministry of Youth Development on how to bring together the many youth advisory groups that operate nationally
- participation in Children's Day at Government House
- preparation for involvement as delegates at the Involve 2008 conference
- the provision of youth perspectives to inform the commissioner's media releases
- consultation on resource development
- feedback to Youth Week's steering committee and involvement in the planning of youth week events at a local level
- development of a PowerPoint resource to use for networking and to promote their role and the role of the Children's Commissioner
- consultation with the Ministry of Education about positive school environments
- advising the Families Commission on engaging young people via the internet.

Contact between the group and the office was also maintained via email, telephone and mobile text messages. The office will develop ways to improve the level of communication and interaction with the group with regional networking technology over the year ahead.

Communications

The office responded to a large number of media requests across print, radio and television during this reporting period and the commissioner undertook many interviews. Major issues included child abuse, youth justice, the repeal of Section 59 of the Crimes Act (1961), bullying in schools, health and parenting issues.

The office's third Statement of Intent 2008-11 was developed, published and presented to the House.

Four issues of the commissioner's *Children* magazine were printed and distributed to a wide audience.

The office published *Lives Cut Short: Child death by maltreatment*, by Marie Connelly and Mike Doolan, and organised its launch at an event at Parliament on 5 December, 2007. There was strong media interest in the book, including from the Australian Broadcasting Corporation's Pacific radio news. Since its release the office has had high interest in the publication.

During this reporting period the office received 1224 individual email and resource requests from individuals (children and adults), schools, counselors, Child, Youth and Family social workers, District Health Boards, youth workers, positive parenting organisations, government and other community agencies.

The profile of these resources occur through various mediums including the Children newsletter, website, resource displays at public forums, presentations by the Commissioner and staff and through Child's Rights Advocacy Training (CRAT) and Education Advocacy Training (EAT).

A number of our popular resources have been reprinted during the year, as the demand for them continues to grow.

Children's Day

The office participated in Children's Day events including the Every Child Counts celebration at Government House. We have confirmed involvement in the steering group overseeing Children's Day.

Littlies Lobby

In 2003 Plunket and the office partnered in the establishment of Littlies Lobby.

Since then, parliamentary breakfasts, newsletters and a website enabled key issues relating to young children to be discussed between a wide group of politicians from across the political spectrum and key non-government organisations interested in children's issues.

The last Littlies Lobby breakfast was held in November last year. This was at Parliament on 6 December 2007 and hosted by Steve Chadwick and Jo Goodhew, representing Parliament. There were presentations by three high profile New Zealanders – actress Robyn Malcolm, and television presenters Suzy Cato and Mike McRoberts – and a group of five Wellington children who spoke about what children want.

No Littlies Lobby breakfasts were held in 2008 and none are planned. While holding these breakfasts is a good opportunity to impart new information and for those in influence to hear the importance of caring for the under fives in New Zealand, other avenues are being promoted, such as a cross-party caucus on children. The office has worked with Every Child Counts to promote this including through the recent visit of Baroness Massey, Chair of the UK cross-party caucus on children.

Key presentations

Work has continued during this reporting period to proactively seek opportunities to discuss the work of the office and to raise awareness of issues that concern children and young people.

A significant number of public presentations have been made during the year by the commissioner and office staff. The commissioner made the following presentations/speeches:

- Youth Parliament on the role of the office
- Medical Leadership Development Seminar – Poverty, violence, priorities and the nanny state
- Massey University – Children, climate change and innovation: The big issues of the future
- Public meeting on voting age organised by NZAAHD, YWCA and Save the Children
- Auckland University – speech to acknowledge YouthLaw's 20th birthday
- Wellington Council of Christians and Jews Symposium – Finding ways of dealing with child abuse for faith communities
- UNCROC 18th birthday
- National Funders Forum, "Sharing and Learning" – *Children are our future*
- Roots of empathy baby celebration
- Littlies Lobby – Give me five: taking action to support and protect our children in the first five years
- Children's Day family picnic organised by Every Child Counts
- Aotearoa New Zealand Association of Social Workers 2008 National Congress – The Merv Hancock Address: The essential role of social work in child welfare
- E Tu Taking Action: Family Violence Whanau Summit – *A standing rock in the sea, lashed by the tides*
- Child, Youth and Family Leadership Forum – Leading by example: putting children first
- New Zealand Paediatric Surgical Nurses and Anaesthetic Technicians Inaugural Conference – *Child health: the big picture*
- Speech for the official exhibition opening of creative children making a difference in New Zealand communities
- Victorian Aboriginal Child and Family Conference – *Public health and private problems: the challenge for indigenous child protection*
- Annual Kaumatua Kuia Luncheon – *Protecting our tamariki and mokupuna – the challenge for whanau, hapu and iwi.*

Key visits/visitors

During February, 2008 the office hosted the visit to New Zealand by Mr Bernard McDonald, Assistant Ombudsman for Children, Ombudsman for Children's Office, Dublin. An extensive programme of meetings was organised by the office for Mr McDonald with non-government organisations and other external agencies that advocate on behalf of children. Meetings were also held with officials from the Ministry of Health's Child & Youth Mortality Review Committee and Ministry of Justice officials in the youth justice area. In addition, Mr. McDonald had an opportunity to share his experiences and the work of his office with staff and those whom he met while in New Zealand.

Overseas travel

During October, 2007 the commissioner attended a two-day Asia Pacific Association of Children's Commissioners (APACC) meeting in Queensland, Australia hosted by the Commissioner for Children and Child Guardian, Elizabeth Fraser.

Following the APACC meeting, the office participated in the 11th Australasian Conference on Child Abuse & Neglect (ACCAN) held in Queensland from 30 October to 2 November, 2007. The theme of the Conference this year was "Voices Calling for Action". The conference was about raising awareness and understanding of issues affecting children and young people. It provided the chance for those who attended to consider research, policy and practice in the child protection area and to identify how we can reduce or prevent child abuse and neglect. A special feature of this important event was the inclusion of a Young Delegate Programme. The office was proud to have been able to sponsor two young people from Auckland's Dingwall Trust to attend. ACCAN 2007 wanted young people to take part in this event and be involved in the conference as co-chairs, facilitators and/or performers.

At the invitation of the Director of the UNICEF Innocenti Research Centre in Florence, Italy, Marta Santos Pais, the commissioner was invited to participate in both the Preparatory Meeting for the Second Global Meeting of Independent Human Rights Institutions for Children held in Florence in November, 2007 and in the Second Global Meeting of Independent Human Rights Institutions held in December in New York. The preparatory meeting was devoted to identifying achievements made since the Special Session on Children, prevailing challenges and key areas in which governments should invest as a matter of priority. It also enabled participants to discuss ways to strengthen the network and its role as a reference group for the advancement of the children's rights agenda. Participants shared their knowledge and experiences and prepared an advocacy strategy for the Five-year Review of the Special Session.

In December, 2007 the commissioner travelled as part of the New Zealand Government Delegation, to New York to participate in the Second Global Meeting of Independent National Human Rights Institutions for Children on the occasion of the Special Session on Children held at the United Nations General Assembly. The Second Global Meeting of Independent National Human Rights Institutions afforded participants the opportunity to follow-up on commitments made in 2002, assess progress and advocate for further change for the implementation of the Convention of the Rights of the Child and A World Fit for Children.

While at the United Nations General Assembly the commissioner was able to attend some interactive roundtable discussions.

In April, 2008, the commissioner traveled to the UNICEF Innocenti Research Centre in Florence, Italy at the invitation of its Director, Marta Sanots Pais. Time was spent meeting with officials and discussing the work the office has been undertaking and the projects the office are involved in.

On 6 June, 2008, at the invitation of the Victorian Aboriginal Child Care Agency, the commissioner delivered a keynote speech at their 2008 Victorian Aboriginal Child Care Agency Conference, in Melbourne. The theme of the conference was *The river of culture runs deep – Learning from old ways, creating a new approach*. The commissioner delivered a presentation entitled *Public Health and Private Problems: The Challenge for Indigenous Child Protection*. Keeping our children safe remains a major challenge for indigenous communities worldwide.

Community fora

The Children's Commissioner plays a brokering role between Government and non-government organisations by facilitating positive and proactive communication between the two sectors. Having strong relationships with the community allows the office to keep abreast of issues that are occurring in those communities around New Zealand. It provides opportunities to hear about key issues affecting children and young people, how effectively policy from government is being implemented, where gaps are occurring for children and young people, and if issues are specific to communities/regions or are occurring systemically. The developing and strengthening of collaborative relationships assists in achieving positive outcomes for all children and young people in New Zealand.

Over the past year, the office has hosted seven fora to discuss relevant issues pertaining to children and young people. These fora have had diverse sector attendance ranging from Child, Youth and Family social workers, police, youth workers, public health nurses, iwi social services, resource teachers: learning and behaviour (RTLBs) and representatives from the disability sector. They provide overarching transfer of information, networking and connection to communities.

During this reporting period, these fora have focused on rural communities and meetings were hosted in Whangarei, Rotorua, Kaikohe, Timaru, West Coast and Whakatane.

Those attending were asked to identify key issues in their communities. Feedback was wide-ranging and included issues such as, support for special needs children, family violence, poverty, transport in rural areas, young people's participation in the community planning process and support for caregivers.

Staff also led a training session for the Waitakere Family Violence Taskforce and a community forum in Waitakere called *In our hands – together* in association with community organisations.

Child's rights advocacy training (CRAT) and Education advocacy training (EAT)

This training engages people who are connected, through their work in communities or directly with schools, to ensure the widest possible contact with potential child and youth advocates.

A two-day training package is used by the office that focuses on child and youth development, societal views on youth and the discourse around this, compliance with UNCROC, the role of the office and a model for youth participation. This completes the first day's training.

The second day of training maintains an education focus, which builds on the first day but encourages participants to include themselves on our advocacy database.

The office reports to the Ministry of Education on the EAT programme through its quarterly reports.

In this reporting year the training has been carried out across New Zealand and included:

- an internal training session for office staff
- the Wakatipu Prevention of Abuse Network
- the McKenzie Centre, Hamilton
- Apumoana Marae, Rotorua (hosted by the National Kohanga Reo Trust)
- RTLBs in New Plymouth.

A multitude of issues and themes were explored with the diverse range of participants and included:

- the school decile formulas used to calculate base funding for all schools in New Zealand
- transition from early childhood to primary settings
- provision of funding
- legal requirements of schools
- special education structures
- attendance at school
- the ability for children with severe disabilities to attend school on a 'fulltime' basis
- the interpretation of "cultural rights" along with early intervention strategies
- research and practice around bullying
- increasing teacher capability in identifying and supporting students who were either victims or bullies.

This year training was delivered to more than 250 participants.

Research

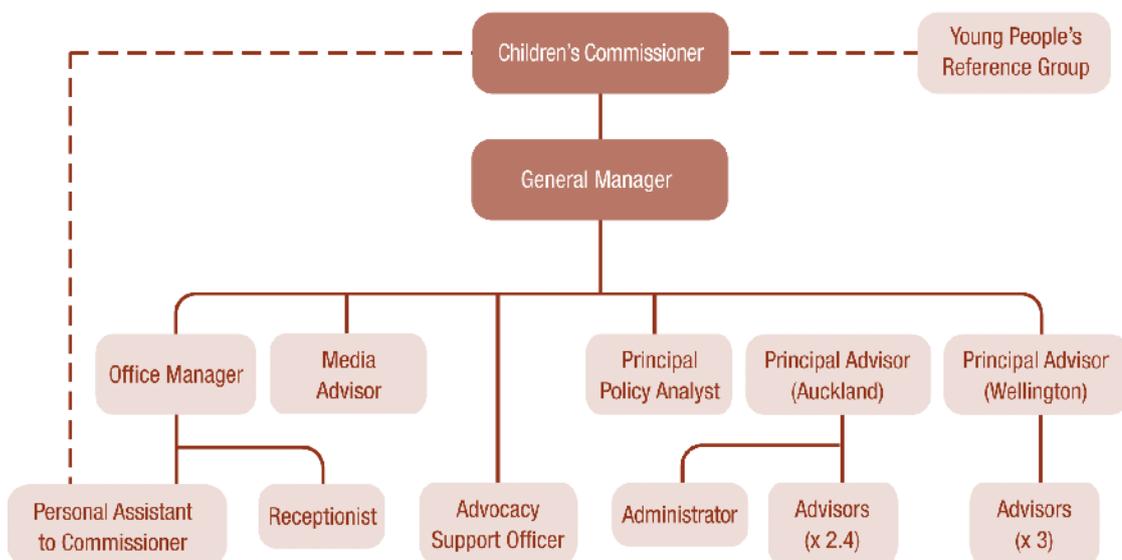
Apart from studies reported earlier in this document, the office did not commission or fund any other research projects in this financial year.

ORGANISATIONAL CAPABILITY

Capacity and capability

During the year there were no staff resignations, three new permanent appointments were made. As a result of a review of the communications function, the role of Communications Manager was disestablished and a new Media Advisor position created. The commissioner was also able to appoint two new advisors and an administrator in the Auckland office. Contractors were also appointed during the year to meet increased demand and to lift capacity.

Changes were made to the organisational structure, as a result of the communications review. The revised structure of the office is shown below.



As at 30 June the positions and staff² were:

Position	Staff Member
Children's Commissioner	Dr Cindy Kiro
General Manager	Gordon McFadyen
Principal Advisor – Auckland	Dr Emma Davies
Advisor – Auckland	Bianka Atlas
Advisor – Auckland	Michelle Egan-Bitran
Advisor – Auckland	David Kenkel
Principal Analyst – Wellington	Mereana Ruri
Principal Advisor – Wellington	Nicola Atwool
Advisor – Wellington	Rod Davis
Advisor – Wellington	Sheryn Elborn
Advisor – Wellington	Nic Johnstone
Media advisor	Josie Vidal
Advocacy Support Officer	Rebecca Blaikie
Office Manager	Rodney Farrant
Personal Assistant – Wellington	Robyn Brooks
PA/Office Administrator – Auckland	Kate McRae
Receptionist	Karen McKechnie

Strategic planning

Statement of intent

An internal review of our work programme provided the basis for the development of the 2008-11 Statement of Intent (SOI). During March the office worked with staff and key stakeholders to confirm that the strategic direction of the office was consistent with office's legal mandate and the outcomes stated in the first SOI were still appropriate. The office's third SOI was tabled in Parliament in July, 2008.

Office work programme

A work programme for the office has been developed to support the aims of the SOI and Output Agreement with the responsible Minister.

Good employer

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 which ensure the organisation meets "good employer" and "equal employment opportunity" requirements.

The following tables detail workplace composition³ of the office by gender and ethnicity and compares these figures with the previous financial year.

Gender	2006/07	2007/08
Female	10	12
Male	3	4

Ethnicity	2006/07	2007/08
Maori	3	3
Pacific Island	–	–
Asian	–	–
Pakeha/European	10	13
Other ethnic group	–	–

Leadership, accountability and culture

The office has a set of values that are espoused by every staff member. These are:

- 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.

The office has its own Code of Conduct, which communicates minimum standards of behaviour so that staff have a formal point of reference. During the year work was undertaken to align our Code of Conduct with the State Sector Standards of Integrity and Conduct released in June, 2007, this resulted in the development of a revised Code of Conduct.

The office is a member of the Equal Employment Opportunities Trust and seeks to champion its values through many activities.

Recruitment, selection and induction

It is the office's policy not to discriminate in employment practices and, when a vacancy exists, the focus is on ensuring the office finds the best candidate for a position.

The office is committed to providing all new staff with a friendly and informative introduction to the organisation.

The key to successful induction is assisting everyone to become familiar with the way that the office operates.

Key objectives of the induction process are:

- to make new employees familiar with the office's structure, people, systems, policies, strategies and procedures
- to make new employees familiar with the systems and practises of their work area, and the people they will be working with on a day-to-day basis
- to explain what the job entails and assist employees in meeting job requirements
- to ensure the new employee's first experience of the office's culture is positive and reinforces their decision to join the team.

Employee development, promotion and exit

The objectives of the office's capability and performance system are to:

- ensure organisational success
- grow employee capability and contribution
- promote open communication
- encourage the personal development of employees.

These objectives are achieved through a combination of performance planning, learning and personal development.

The management team is committed to the continued professional development of staff and aims to support and encourage learning and development programmes that will ensure the highest quality outputs and outcomes through employee excellence in performance.

The office takes an equitable approach to developing all employees through internal and external training, coaching and mentoring.

Internal presentations, sharing of skills and knowledge are actively encouraged to enhance the knowledge culture of the organisation.

Remuneration, recognition and conditions

A job sizing and remuneration review of all staff positions, was completed during this period. This resulted from an agreement with the PSA as part of the staff collective negotiations. An external HR consultant provided advice. Staff salary ranges have been increased, basis for remuneration negotiated with the PSA and staff, and all negotiations completed.

A review of the office's performance management framework also commenced.

Work will continue during 2008/09 to develop a new performance management framework for the office.

Harassment and bullying prevention

Sexual harassment is illegal and is unacceptable behaviour in the workplace and is under no circumstance condoned by the office. Should it be necessary, the office aims to provide any employee subjected to sexual harassment with a supportive environment. No incidents of sexual harassment have been reported to the commissioner.

Our Code of Conduct, which all employees are required to sign, articulates the requirement for all staff to respect the rights of others, and rejects:

- the discrimination against any person because of their sex, marital status, colour, race, ethnic or national origins, age, political opinion, employment status, family status, sexual orientation, ethnicity, disability or religious or ethical beliefs
- the harassment, bullying, or intimidation of colleagues and clients.

The office has not received any complaints of harassment, bullying or intimidation.

Safe and healthy environment

The office is committed to:

- Ensuring continuous improvement and high standards of health and safety in the workplace for all staff, contractors and visitors
- Creating a healthy and safe environment for all staff, visitors and contractors
- Complying with all relevant legislation, regulations, codes of practice and safe operating procedures and ensuring all our staff are safe at work.

Administration/infrastructure

Information technology

Work was undertaken on delivering an IT strategy that has resulted in the upgrade of computer desktops and the standardisation of operating systems across the office.

Work also progressed to upgrade the office's web platform technology to:

- update existing technology
- allow work towards compliance with web standards
- increase accessibility for a broader range of stakeholders
- upgrade the office corporate website.

Operation outreach

Work commenced during the year to enhance consultation and feedback mechanisms between children and young people and the office, through information communications technology.

A strategy was developed that aims to increase the available mechanisms for children and young people to engage with the Children's Commissioner. The overall aim of the strategy is made up of three components – for the office to inform, to receive and invite representation on matters that relate to the welfare of children, and to receive feedback from children and young people. The overall objective includes the development of a constituency between the Children's Commissioner and children and young people in New Zealand, and the creation of mechanisms to facilitate access between them.

Implementation continues in 2008/09.

Notes to the text

2. Does not include contracted staff.
3. Does not include contracted staff.

STATEMENT OF RESPONSIBILITY FOR THE YEAR ENDED 30 JUNE 2008

In terms of the Crown Entities Act 2004, Section 155, I Cynthia Alcyon Kiro, the Children's Commissioner:

- Accept responsibility for the preparation of these financial statements and the judgements used therein;
- Accept responsibility for the establishment and maintenance of internal controls, designed to provide reasonable assurances as to the integrity and reliability of these financial statements; and
- Submit that these financial statements fairly reflect the office's financial position, operations and cash flows as at for the year ended 30 June 2008.



Dr C A Kiro

Children's Commissioner

STATEMENT OF SERVICE PERFORMANCE

Output: Monitoring and investigating

To assist in its understanding of the issues facing Child, Youth and Family the office liaises regularly with key stakeholders, including the Principal Family Court and Youth Court Judges.

The commissioner undertakes a programme of visits to Child, Youth and Family sites and residences scheduled for the year.

To achieve this output, the commissioner:

- Monitored changes in policies and practices that seek to improve child safety, particularly around improvements in awareness of alternatives to physical disciplining of children and young people.
- Monitored the policies, practices and services of Child, Youth and Family. The office has worked closely with Child, Youth and Family, the Ministry of Justice (Youth Court) and Police (Youth Aid) to ensure that issues such as the use of police cells for young people on remand and the capability of the youth justice sector as a whole are discussed openly with the aim of improving services for the children and young people who are impacted by these issues.
- Monitored the level of co-ordination between government agencies working toward a reduction in child abuse and neglect.
- Undertook investigations into a number of systemic matters and followed up on many individual enquiries that required further investigation.
- Monitored compliance with UNCROC by government agencies, non-governmental and community organisations.
- Developed a process for meeting our obligations as a NPM to monitor Child, Youth and Family residences in respect of the Optional Protocol to the United Nations Convention against Cruel, Inhuman or Degrading Treatment or Punishment.

Quantity

Measure	Target	Actual
Monitoring and assessing the policies and practices of Child, Youth and Family.	10 Meetings with Chief Executive of MSD and Deputy Chief Executive, Child, Youth and Family. 10 site visits per year	Achieved. 15 13
Developing and publishing an annual Report Card on the performance of New Zealand in respect of poverty, violence towards children and children's rights.	1	Not proceeding. ⁴
Undertake investigation into matters requiring further enquiry by the Office of the Children's Commissioner.	3 systemic investigations completed and individual cases requiring further investigation as required.	Achieved. 2 systemic investigations completed. 1 completed and released for consultation with key stakeholders. 111 individual cases investigated.
Develop process for meeting requirements as a National Preventive Mechanism under the Optional Protocol to the United Nations Convention against Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT).	Process developed to meet requirements of the Optional Protocol to the United Nations Convention against Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT)	Achieved. Process completed and 2 National Preventive Mechanism visits undertaken.
UNCROC compliance review completed and findings disseminated.	1 report.	Achieved. Report completed. The release of this report will coincide with the presentation of New Zealand's next periodic report to the United Nations Committee on the Rights of the Child in November, 2008.

Quality and timeliness

Measure	Target	Actual
Monitoring and assessing the policies and practices of Child, Youth and Family.	Activity undertaken meets the legislative requirements of the Children's Commissioner Act 2003, in particular sections 13 and 23. Feedback provided to Child, Youth and Family meets standards set by the Memorandum of Understanding between the Children's Commissioner and the Deputy Chief Executive, Child, Youth and Family.	Achieved. Activity undertaken was in line with Memorandum of Understanding with Child, Youth and Family and within the requirements of the Children's Commissioner Act.
Developing and publishing an annual Report Card on the performance of New Zealand in respect of poverty, violence towards children and children's rights.	Data to be obtained from reliable sources such as the Social Report. Report card recognised as a valuable measurement and quality demonstrated in the demand for the card. Report Card produced by 31 December, 2007.	Not proceeding. ⁵
Undertake investigation into matters requiring further enquiry by the Office of the Children's Commissioner.	Investigations meet the requirements of the Children's Commissioner Act 2003, particularly sections 17, 19, 22, 23, 25 & 26. Investigations are completed within defined timeframes.	Achieved. One investigation required consultation with stakeholders and is complete but awaiting feed back. 2 investigations complete within time frames. All investigations were undertaken within legislative requirements.
Develop process for meeting requirements as a NPM under the Optional Protocol to the United Nations Convention against Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT).	Process developed and agreed with key stakeholders.	Achieved. Annual Report detailing OPCAT work programme and office's responsibilities as an NPM completed. Process agreed by key stakeholders.
UNCROC compliance review completed and findings disseminated.	Research and findings on the Government's current level of implementation of UNCROC, based on a review of legislation and policy, is completed. Content and quality of report to the satisfaction of steering group. Completed report released by 30 June, 2008.	Partially achieved. Compliance review completed and findings released for consultation with key stakeholders. The public release of findings has been delayed to coincide with the presentation of New Zealand's next periodic report to the United Nations Committee on the Rights of the Child in November 2008.

Output: Individual and systemic advocacy

This output reflects the Children's Commissioner and the office's role in increasing public awareness of children's rights and in generating public interest and debate on the issues affecting children.

To achieve these objectives this year the commissioner has undertaken the following responsibilities:

- Actively promoted the awareness of children's rights and the United Nations Convention on the Rights of the Child (UNCROC).
- Continued to manage an enquiries service for the public responding to telephone calls, letters, emails and web enquiries.
- As part of her commitment to early intervention she has promoted the development of a plan for all New Zealand children to ensure that their education, health and welfare (safety) needs are monitored at key life milestones and where required, planned, early interventions undertaken to ensure that their individual needs are met.
- Provided policy advice to a number of government agencies and Ministers. The office has assessed the adequacy and appropriateness of existing legislation, strategies, policies, practices and procedures and has recommended necessary or desirable changes. This has involved the commissioner promoting interagency co-operation and working across a range of government agencies.
- The office has provided advice and submissions where appropriate to Parliamentary Select Committees examining Parliamentary Bills and/or undertaking enquiries.
- Developed a discussion document on effective child impact assessments.
- Increased the presence and visibility of the office in the South Island, particularly Christchurch and Dunedin, through visits and training opportunities.
- Continued to participate in the Taskforce for Action on Violence within Families to work towards reducing the level of family violence in New Zealand and to raise public awareness about the impact it has on children and young people.
- New resources for children, schools, government and non-government organisations, iwi and other relevant organisations have been developed and distributed to support the key messages of the office.
- Significant effort has been directed at promoting the establishment of accessible and effective complaints mechanisms by organisations dealing with children, and monitoring the nature and level of complaints.
- The work of a new YPRG has ensured that children and young people are effectively engaged in the work of the office and that their views are well represented in key office initiatives and in the advice that it provides.
- Promoted the interests of children and young people in speeches and meetings. Staff have undertaken children's rights training and education with community groups across New Zealand.

Quantity

Measure	Target	Actual
Participating in the work of the Taskforce for Action on Violence within Families.	As determined by Taskforce for Action on Violence within Families programme.	Achieved. 22 meetings convened by the taskforce, all attended by the office.
Providing policy advice on the rights, interests and welfare of children and young people.	As requested.	Achieved. Advice provided on 16 occasions.
Advocating for legislative change where children and young people's interests, rights and welfare are compromised.	Ongoing during 2007/08.	Achieved. Legislative change advocated on 9 occasions.
Promoting the development of a plan for all New Zealand children (10 year vision).	As requested.	Achieved. 7 presentations promoting Te Ara Tukutuku (10 year vision for children).
Develop a discussion document on effective child impact assessments.	1	Achieved. Report completed.
Produce and promote a report into the impact of poverty on the lives children and young people.	1	Achieved. Report completed.
Promote adoption of UNCROC, including removal of reservations and other obstacles to its implementation by the State.	4 events hosted by the office.	Achieved. 6 events hosted by the office.
Provide training and education for people working with children and young people on their rights and participation.	4 training sessions provided.	Achieved. 6 training sessions delivered.
Respond to resource requests including UNCROC resources.	650	Achieved. 1106

Notes to the Statement of service performance text

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- 4 The scoping exercise used to develop the project specification for the Report Card identified the existence of either upcoming projects and resources, or existing resources and reports that would achieve the same purpose as the Report Card. This led to a decision not to replicate this process or these resources, which would have been wasteful, and to focus on other projects in the work programme.
- 5 The scoping exercise used to develop the project specification for the Report Card identified the existence of either upcoming projects and resources, or existing resources and reports that would achieve the same purpose as the Report Card. This led to a decision not to replicate this process or these resources, which would have been wasteful, and to focus on other projects in the work programme.

Quality and timeliness

Measure	Target	Actual
Participating in the work of the Taskforce for Action on Violence Within Families.	Participation in the work of the Taskforce for Action on Violence Within Families is effective in helping to reduce family violence and to raise public awareness about the impact of family violence on children. Assessed by a reduction in child death and injury measures over time. Ongoing during 2007/08.	Achieved. Attendance at 22 meetings ensured that child abuse was considered in the work of the taskforce during 2007/08 and in planning on a child abuse public awareness campaign. Child deaths as result of injury reduced from 1.07 per 100,000 children in 1995 to 0.79 per 100,000 children in 2005. Unintentional injury mortality reduced from 10 per 100,000 children in 2002 to 8 per 100,000 in 2004. Both measures trending down.
Providing policy advice on the rights, interests and welfare of children and young people.	Advice is evidenced based timely and meets audience requirements. Produced within agreed timeframe to be effective.	Achieved. Advice was provided to 16 organisations that was evidence-based, produced with in agreed timeframes and met audience requirements. Unprecedented requests for advice and consultations were received as a result of the quality of advice provided.
Advocating for legislative change where the rights, interests and welfare of children and young people are compromised.	Submissions, advocacy and influence contribute to changes of identified policy and legislation. Submissions to be provided through the year ending 30 June, 2008.	Achieved. Nine written and oral submissions were made which contributed to changes in policy and legislation. Submissions were made within the identified timeframes for each submission.
Promoting the development of a plan for all New Zealand children (10 year vision).	A series of meetings or fora are facilitated where acceptance is sought from Government and its agencies for the need for a plan for all New Zealand children (10 year vision).	Achieved. Framework was developed and presented to seven key government and agency stakeholders. Elements of the proposal have been incorporated into the Kia Puawai (Early Intervention) programme being developed by Government.
Develop a discussion document on effective child impact assessments.	Discussion document produced and disseminated.	Achieved. Report and development of assessment tool completed. Dissemination planned for October, 2008.
Produce and promote a report into the impact of poverty on the lives of children and young people.	A report will be produced and promoted to raise awareness of the impact of poverty in New Zealand.	Achieved. Report and Photo-Voice project both completed and disseminated.
Promote adoption of UNCROC, including removal of reservations and other obstacles to its implementation by the State.	Progress is made towards the removal of the Government's reservations to UNCROC.	Achieved. The office exceeded its target of 4 meetings to promote the removal of the reservations to UNCROC. In addition government departments were consulted in the course of the immigration investigation.
Provide training and education for people working with children and young people on their rights and participation.	Training programme established and implemented by June, 2008. Feedback is received that the training is recognised as a valuable resource and learning tool.	Achieved. Training programme established and six sessions implemented and excellent feedback has resulted in request for further training.
Respond to resource requests including UNCROC resources.	Resource requests responded to within five working days. On going during 2007/08.	Partially achieved. Nearly twice the number of anticipated information and resource requests have been actioned. As a result the performance target was not met. The staff member responsible for resource requests has other functions which impact on the timeliness measure. To meet the extra demand part time casual staff have been employed.

Statement of Financial Performance for the year ended 30 June 2008

	Notes	Actual 30/6/2008 \$	Budget 30/6/2008 \$	Actual 30/6/2007 \$
REVENUE				
Crown	(2)	2,448,112	1,948,111	1,948,112
Other		92,900	5,000	8,353
Interest		95,765	50,000	52,283
Total revenue		2,636,777	2,003,111	2,008,748
EXPENDITURE				
Personnel costs	(3)	1,422,237	1,315,140	1,145,219
Operating costs	(5)	775,160	657,950	625,213
Other		13,569	14,000	15,118
Depreciation and amortisation	(6)(7)	81,241	78,000	77,661
Project expenses		313,745	238,000	114,043
Total expenses		2,605,952	2,303,090	1,977,254
Net operating surplus/(deficit)		30,825	(299,979)	31,494

The attached notes and the *Statement of accounting policies* should be read in conjunction with these financial statements.

Statement of Movements in Equity for the year ended 30 June 2008

	Actual 30/6/2008 \$	Budget 30/6/2008 \$	Actual 30/6/2007 \$
Taxpayers' equity brought forward as at 1 July	675,084	704,212	643,590
Net operating surplus/(deficit)	30,825	(299,979)	31,494
Total recognised revenues and expenses for the year	30,825	(299,979)	31,494
Taxpayers' equity as at 30 June	705,909	404,233	675,084

The attached notes and the *Statement of accounting policies* should be read in conjunction with these financial statements.

Statement of Financial Position as at 30 June 2008

	Notes	Actual 30/6/2008 \$	Budget 30/6/2008 \$	Actual 30/6/2007 \$
Current assets				
Cash and cash equivalents	(11)			
– Current account		52,838	29,000	19,158
– Ready access account		101,040	300,134	301,865
– Child abuse account	(8)	302	0	10,281
Prepayments		1,450	0	1,520
Short-term investments		547,071	150,000	300,000
Debtors and other receivables	(9)	33,449	20,000	10,510
Total current assets		736,150	499,134	643,333
Property, plant and equipment	(6)	237,991	193,992	240,611
Intangible assets	(7)	2,139	0	3,255
TOTAL ASSETS		976,280	693,126	887,199
Current liabilities				
Accounts payable	(10)	189,193	218,893	155,163
Annual leave entitlement		64,160	50,000	35,705
GST payable		17,018	20,000	21,247
TOTAL CURRENT LIABILITIES		270,371	288,893	212,115
Taxpayers' equity		705,909	404,233	675,084
TOTAL FUNDS EMPLOYED		976,280	693,126	887,199

The attached notes and the *Statement of accounting policies* should be read in conjunction with these financial statements.

Statement of Cash Flows for the year ended 30 June 2008

	Actual 30/6/2008 \$	Budget 30/6/2008 \$	Actual 30/6/2007 \$
Cash flows from operating activities:			
Cash was provided from Crown	2,448,112	1,948,111	1,948,112
Other income	69,464	5,000	22,452
Interest income	92,261	50,000	41,473
	2,609,837	2,003,111	2,012,037
Cash was disbursed for supply of outputs			
– Suppliers	1,044,151	909,950	829,068
– Employees	1,422,236	1,315,140	1,145,219
	2,466,387	2,225,090	1,974,287
Net cash flows from operating activities	143,450	(221,979)	37,750
Cash flows from investing activities:			
Cash was provided from maturity of investments	300,000		508,620
Property, plant & equipment sales	3,998	0	0
Cash was distributed to property, plant and equipment purchases	77,503	30,000	6,210
Acquisition of investments	547,069	0	808,620
	(320,574)	(30,000)	(306,210)
Net cash flows from investing activities	(320,574)	(30,000)	(306,210)
Net increase (decrease) in cash held	(177,124)	(251,979)	(268,460)
Add: Cash and cash equivalents at the beginning of the year	331,304	731,113	599,764
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	154,180	479,134	331,304

The attached notes and the *Statement of accounting policies* should be read in conjunction with these financial statements.

Reconciliation of the Net Surplus/(Deficit) to Net Operating Cash Flow for the year ended 30 June 2008

	Actual 30/6/2008 \$	Actual 30/6/2007 \$
Net operating surplus/(deficit) for year	30,825	31,494
Gain/(loss) on sale of assets	(4,000)	(240)
Add/(less) depreciation	81,241	77,661
Movements in working capital		
(Increase) decrease in accounts receivable	(22,940)	3,535
(Increase) decrease in prepayments	69	0
(Decrease) Increase in GST	(4,229)	2,975
(Decrease) Increase in accounts payable	34,029	(69,415)
Increase (Decrease) in annual leave payable	28,455	(8,260)
Net working capital movements	35,384	(71,165)
Net cash flow from operating activities	143,450	37,750

The attached notes and the *Statement of accounting policies* should be read in conjunction with these financial statements.

Notes to the financial statements for the year ended 30 June 2008

(1) 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 report on the activities of the Children's Commissioner for the year ended 30 June, 2008. The financial statements for the Children's Commissioner were approved by the Commissioner on 31 October, 2008.

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.

This is the first set of financial statements prepared complying with NZ IFRS and NZ IFRS 1: First-time Adoption of NZ Equivalents to International Financial Reporting Standards has been applied.

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.

Differential reporting exemptions as available under the Framework for Differential Reporting has been applied in relation to:

NZ IAS 1 Presentation of financial statements

NZ IAS 8 Accounting policies, changes in accounting estimates and errors

NZ IAS 16 Property, plant and equipment

NZ IAS 17 Leases

NZ IAS 18 Revenue

NZ IAS 19 Employee benefits

NZ IAS 24 Related party disclosures

NZ IAS 36 Impairment of assets

NZ IAS 37 Provisions, contingent liabilities and contingent assets

NZ IAS 38 Intangible assets

NZ IFRS 7 Financial instruments: disclosures

An explanation of how the transition to NZ IFRS has affected the reported financial position and financial performance of the Children's Commissioner is provided in Note 16.

The accounting policies have been consistently applied to all periods presented in these financial statements and in the preparing of an opening NZ IFRS Statement of Financial Position as at 1 July, 2006 for the purposes of the transition to NZ IFRS.

Measurement base

The financial statements have been prepared on a historical cost basis, except for the measurement of derivative financial instruments which is at fair value.

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.

Going concern

The going concern concept is assumed when preparing these financial statements.

Significant Accounting Policies

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 and is reported in the statement of financial performance in the period to which it relates

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 recognised as an expense on a straight-line basis over the term of the lease 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 and motor vehicles. 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%)
Computer equipment	3–5 years (20 – 33%)
Motor vehicles	4 years (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 development and 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 long service leave entitlements expected to be settled within 12 months, and sick leave where these are material.

The Children's Commissioner recognises a liability for sick leave to the extent that compensated absences in the coming year are expected to be materially greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date.

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.

Good and service 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 are derived from the Statement of Intent as approved by the Minister at the beginning of the financial year. The budget figures have been prepared in accordance with NZ IFRS, using accounting policies that are consistent with those adopted by the Children’s Commission 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.

Comparative figures

To ensure consistency with the current period, comparative figures have been reviewed relative to current NZ IFRS, where appropriate, for presentation purposes. There have been no such changes in these financial statements resulting from this review .

Changes in accounting policies

Other than the adoption of NZ IFRS, there have been no changes in accounting policies. All accounting policies have been applied consistently with the previous year.

(2) Revenue from the Crown

The Children’s Commissioner has been provided with funding from the Crown for specific purposes as set out in the Children’s Commission Act and the government appropriations. Additional one-off Crown funding of \$500,000 was received for increased activity for personnel, operating and project costs. Apart from these general restrictions there are no unfulfilled conditions or contingencies attached to government funding (2007: nil).

(3) Remuneration and fees

In accordance with s28 of the Children’s Commissioner Act, including (3) (a) (b) (c) and (d), the following is reported:

	2008	2007
Dr Cindy Kiro	\$195,000	\$190,216

The number of employees whose remuneration was within the specified band is set out in the following table:

Remuneration band	Number of Employees	
	2008	2007
\$100,000 – 109,999	1	Nil

Committees established that received fees are paid for:

Young Peoples Reference Group with 10 members from 1 July, 2007 to 30 June, 2008 paid by OCC: \$6,700

(4) Compensation payments

During the year ended 30 June, 2008 1 employee received compensation in relation to cessation: \$10,696 (2007: Nil)

(5) Operating costs

	30/6/2008 \$	30/6/2007 \$
Accountancy fees	35,000	32,500
Auditors remuneration		
– Final	18,300	16,538
– NZIFRS	5,000	0
Contractor fees	50,159	6,499
Printing and stationery	16,484	17,040
Publication expenses	162,937	127,021
Rent and rates	162,238	139,836
Telephone, tolls and facsimile	43,834	42,435
Travel and accommodation	128,106	157,096
Other	153,102	86,248
Total operating costs	775,160	625,213

(6) Property, plant and equipment schedule

The following provides details of the cost of property, plant and equipment less accumulated depreciation:

2007/2008	Cost \$	Accumulated depreciation \$	Book Value 30/6/2008 \$	Depreciation for 30/6/2008 \$
Motor vehicles	20,436	6,131	14,305	6,131
Office furniture, equipment and leasehold improvements	353,638	209,086	144,552	58,230
Computer equipment	168,499	89,365	79,134	15,764
Total property, plant and equipment	542,573	304,582	237,991	80,125

2006/2007	Cost \$	Accumulated depreciation \$	Book value 30/6/2007 \$	Depreciation for 30/6/2007 \$
Motor vehicles	22,529	22,529	0	5,069
Office furniture, equipment and leasehold improvements	348,970	150,856	198,114	56,944
Computer equipment	116,098	73,601	42,497	15,183
Total property, plant and equipment	487,597	246,986	240,611	77,196

(7) Intangible assets schedule

The following provides details of the cost of intangible assets less accumulated amortisation:

2007/2008	Cost \$	Accumulated amortisation \$	Book Value 30/6/2008 \$	Amortisation for 30/6/2008 \$
Intangible assets – acquired software	3,720	1,581	2,139	1,116
Total intangible assets	3,720	1,581	2,139	1,116

2006/2007	Cost \$	Accumulated amortisation \$	Book Value 30/6/2007 \$	Amortisation for 30/6/2007 \$
Intangible assets	3,720	465	3,255	465
Total intangible assets	3,720	465	3,255	465

(8) Child abuse account

The child abuse account was established to assist organisations operating to reduce the incidence and effects of child abuse in New Zealand. The funds form part of the commissioner's equity but are held in a separate bank account.

	30/6/2008 \$	30/6/2007 \$
Opening balance	10,281	10,254
Interest received	21	27
Donations made	(10,000)	0
Funds held as at 30 June	302	10,281

(9) Debtors and other receivables

Debtors and other receivables are as follows:

	30/6/2008 \$	30/6/2007 \$
Sundry debtors	33,449	10,510
Total accounts receivable	33,449	10,510

The carrying amount of receivables reflects their fair value. No impairment was expensed in the reporting period (2007 : nil)

(10) Accounts payable

	30/6/2008 \$	30/6/2007 \$
Accounts payable – trade	168,073	60,935
Accruals	21,120	94,228
Total accounts payable	189,193	155,163

(11) Cash and cash equivalents

Cash on hand and at bank:	30/6/2008 \$	30/6/2007 \$
Westpac		
• Current account	52,838	19,158
• Ready access account	101,040	301,865
• Child abuse account	302	10,281
	154,180	331,304

(12) Statement of contingent liabilities as at 30 June 2008

There were no contingent liabilities as at 30 June, 2008. (2007: Nil)

(13) Statement of total commitments

	Actual 2007	Actual 2008
Operating lease commitments		
Less than one year	124,344	127,321
One to two years	124,344	42,742
Two to five years	41,448	1,295
More than five years	–	–
Total	290,136	171,358

The Children's Commissioner has a lease on its premises in Wellington, which expires on 15 October 2009. The Children's Commissioner has renewal options for a further 16 months for the Wellington premises.

The Children's Commissioner leases photocopiers. These leases expire in –

Fuji 36 months;

Onesource 6 months

There are no other operating leases.

Capital commitments

Estimated capital expenditure contracted for at balance date but not provided for as at 30 June, 2008 was nil. (2007: nil)

There are no other material agreements, contracts or other understandings, which commit the Children's Commissioner to any new and future expenditure.

(14) Financial instrument risks

The Children's Commissioner is a party to financial instruments as part of its normal operations. These financial instruments include bank accounts, bank deposits, receivables and payables. Revenues and expenses are recognised in the statement of financial performance. The Children's Commissioner's exposure to off-balance sheet financial instruments is limited to operating commitments (refer to the statement of commitments).

The Particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Credit risk

The financial instruments that expose the Children's Commissioner to credit risk are principally bank balances, deposits and accounts receivable. Bank balances are held with New Zealand registered banks in accordance with Children's Commissioner policy. No collateral is held by the Children's Commissioner in respect of accounts receivable or bank balance.

The Children's Commissioner does not have any significant concentrations of credit risk.

Interest rate risk

The Children's Commissioner does not have any significant exposure to interest rate risk. Any risk is managed by spreading deposits across New Zealand registered banks and holding funds at call, or on short-term deposit.

Currency risk

The Children's Commissioner does not have any significant exposure to currency risk.

Fair value

The fair value of financial instruments is equivalent to the carrying amount disclosed in the statement of financial position.

(15) Capital management

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

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

The Children's Commissioner manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities and general financial dealings to ensure the Children's Commissioner effectively achieves its objectives and purpose while remaining a going concern.

(16) Significant variances

The Children's Commissioner achieved a net surplus of \$30,825 relative to a budgeted loss of \$299,979.

Additional one-off Crown funding of \$500,000 was received for increased activity for personnel, operating and Project Costs.

Taxpayers Funds were increased by this surplus.

(17) Transition to NZ IFRS

The 2007/08 financial year is the first year that the Children's Commissioner has prepared its financial statements in accordance with NZ IFRS.

The Children's Commissioner's transition date is 1 July, 2006 and the opening NZIFRS balance sheet has been prepared as at that date.

The Children's Commissioner's NZIFRS adoption date is 1 July, 2006.

EXEMPTION FROM FULL RETROSPECTIVE APPLICATION ELECTED BY THE CHILDREN'S COMMISSIONER

In preparing these financial statements in accordance with NZIFRS1, the Children's Commissioner has not applied any optional exemptions to the full retrospective application of NZIFRS.

The only mandatory exception from the retrospective application that applies to the Children's Commissioner is the requirement for the Estimates under NZIFRS at 1 July, 2006 and 30 June, 2007 to be consistent with estimates made for the date under the previous NZ GAAP.

RECONCILIATION OF NZIFRS CHANGES

The only change to the Children's Commissioner's financial statements upon adoption of NZIFRS was the reclassification of software as an Intangible Asset from Property, Plant & Equipment. This change had no material impact on equity.

(18) Related party

The Commissioner is a wholly owned entity of the Crown. The Commissioner has entered into a number of transactions with Government Departments and Crown Agencies on an arm's length basis and where those parties are acting in the course of the normal dealings with the Commissioner.

There are close family members of key management personnel employed by the office. The terms and conditions of those arrangements are no more favourable than the office would have adopted if there were no relationship to key management personnel.

There were no other related party transactions.

(19) Events after balance sheet date

There have been no significant events after the Balance Sheet date.

Audit report to the readers of the Children's Commissioner's financial statements and statement of service performance for the year ended 30 June 2008

The Auditor-General is the auditor of the Children's Commissioner (the Commission). The Auditor-General has appointed me, Clare Helm, using the staff and resources of Audit New Zealand, to carry out the audit on his behalf. The audit covers the financial statements and statement of service performance included in the annual report of the Commission for the year ended 30 June, 2008.

Unqualified Opinion

In our opinion:

- The financial statements of the Commission on pages 42 to 56:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the Commission's financial position as at 30 June, 2008; and
 - the results of its operations and cash flows for the year ended on that date.
- The statement of service performance of the Commission on pages 36 to 41:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects for each class of outputs:
 - its standards of delivery performance achieved, as compared with the forecast standards outlined in the statement of forecast service performance adopted at the start of the financial year; and
 - its actual revenue earned and output expenses incurred, as compared with the forecast revenues and output expenses outlined in the statement of forecast service performance adopted at the start of the financial year.

The audit was completed on 31 October, 2008, and is the date at which our opinion is expressed.

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

Basis of Opinion

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

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

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

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

Audit procedures generally include:

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

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

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

Responsibilities of the Commissioner and the Auditor

The Commissioner is responsible for preparing the financial statements and statement of service performance in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the Commission as at 30 June, 2008 and the results of its operations and cash flows for the year ended on that date. The statement of service performance must fairly reflect, for each class of outputs, the Commission's standards of delivery performance achieved and revenue earned and expenses incurred, as compared with the forecast standards, revenue and expenses adopted at the start of the financial year. The Commissioner's responsibilities arise from the Crown Entities Act 2004.

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

Independence

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

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



Clare Helm

Audit New Zealand

On behalf of the Auditor-General

Wellington, New Zealand

Matters Relating to the Electronic Presentation of the Audited Financial Statements and Statement of Service Performance

This audit report relates to the financial statements of the Children's Commissioner for the year ended 30 June 2008 included on the Children's Commissioner's web site. The Commissioner is responsible for the maintenance and integrity of the Children's Commissioner's web site. We have not been engaged to report on the integrity of the Children's Commissioner's web site. We accept no responsibility for any changes that may have occurred to the financial statements and statement of service performance since they were initially presented on the web site.

The audit report refers only to the financial statements and statement of service performance named above. It does not provide an opinion on any other information which may have been hyperlinked to or from these financial statements and statement of service performance. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements, statement of service performance and related audit report dated 31 October 2008 to confirm the information included in the audited financial statements and statement of service performance presented on this web site.

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

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