



Office of the  
**Children's  
Commissioner**



Annual report 2010



Report of

**Children's Commissioner**

**Te Kaikomihana mō ngā Tamariki**

**For the year ended 30 June 2010**

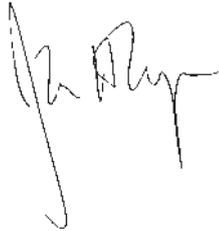
Presented to the House of Representatives pursuant to  
Section 150(3) of the Crown Entities Act 2004.

## **MINISTER FOR SOCIAL DEVELOPMENT AND EMPLOYMENT**

Pursuant to the provisions of Section 150(3) of the Crown Entities Act 2004, I submit my Annual Report, incorporating the Financial Statements.

The report covers the period from 1 July 2009 to 30 June 2010.

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 'John Angus', written in a cursive style.

Dr John Angus

**Children's Commissioner**

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## VISION

The interests and rights of every child and young person are recognised and each enjoys safety and security, good health and education, economic and sociocultural well-being and opportunities to actively participate in matters that affect them.

## OUTCOMES

All children are safe, secure and well nurtured

Every child has access to the resources and opportunities they need for their successful development

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

## PRIORITIES FOR 2009-10

- monitor and assess the quality of services provided under the Children, Young Persons, and their Families Act 1989 to children in care of the Chief Executive of the Ministry of Social Development and make recommendations for improvements
- sponsor and contribute to work on preventing child abuse and neglect in families and to preventing violence in the other settings in which children live
- advocate for and make recommendations about how the interests of children might be taken account of in the restructuring of local government in Auckland
- monitor and assess the weight given to the interests of young children in the provision of early childhood care and education
- monitor the impact of the recession on children's economic position and advocate for policies that mitigate against long term adverse effects
- promote increased use of mechanisms for children's participation in decision making and their access to review and grievance processes.

# LEGAL MANDATE

By statute, the Children's Commissioner is required to:

- investigate any decision or recommendation made, or any act done or omitted in respect of any child
- monitor and assess the policies and practices of 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
- keep under review the workings of the Children, Young Persons and Their Families Act 1989
- act as a national preventive mechanism in respect of the Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (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 (UNCROC) 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 and promote research into matters relating to the welfare of children and young people
- report, with or without request, to the Prime Minister on matters affecting the rights of children.

# THE COMMISSIONER'S FOREWORD



This is the second Annual Report of the Office of the Children's Commissioner I have had the honour to present. The Office has made very good progress this year.

In line with my priorities, and the Minister's wishes set out in her letter of expectations, the resources devoted to monitoring services delivered by Child, Youth and Family and others under the mandate of the Children, Young Persons and Their Families Act have been increased. The Office is now providing regular, soundly-based monitoring reports on Child, Youth and Family services and a stream of useful advice on how services might be improved. The basis for the assessments are regular site and residence visits, some substantial service specific reports and inquiries into specific cases or practices. In 2009-2010 we visited eight sites and eight residences. We have completed substantial reports on services to children in care and on responses to neglect, and we are completing specific reports on complaint processes for children.

The monitoring of sites and residences has led to improvements in services for children and young people. These have included new mattresses in residences, introducing suggestion boxes so that residents have a voice and involvement in decision making, improved assessment of needs and individual care planning at sites and residences, changes in provision of care services from some providers, strengthening of practice leadership in a number of sites, specific training in responses to family violence for social workers in several sites and better supervision for social workers in others.

The Office continues to carry out a wide range of activities to advocate for the interests, rights and well-being of children. At an individual level we responded to 961 cases, up almost seven percent on 2008-2009. In many of these cases our intervention led to a better process and better outcomes for individual children. We have completed a major project on the provision of formal out of family early childhood education and care to under two year olds, looking at policies and practices from a child's best interests perspective. A substantial report is being drafted and will be released in late 2010.

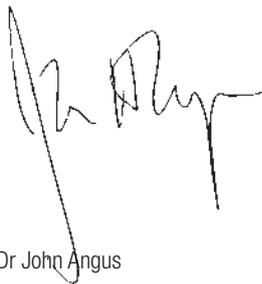
We have lobbied to have children's interests built into the structures and processes of the new Auckland local government and received a positive response from Auckland local body politicians and their advisors. I have continued to write and speak about the economic position of children in New Zealand and to advocate strongly for the impact on children to be part of work on tax, child support and welfare reforms.

There has been progress in paying attention to children and young people's interests and rights in the year under review. Government's commitment to the changes that removed the use of force for the purpose of correction from the law is one. Good progress on immunisation rates is another. Schools are more responsive to bullying now (and we completed a resource document to assist them earlier in 2010).

However, too often children's interests, rights and well-being do not appear to be given weight in policy and operational decision-making. Sometimes the information on the likely impact on children is simply not there - or not collected. Sometimes information is available but it is not much analysed. It may be that more rigorous, formal processes for assessing impacts on children need to be built into Government's policy and operational decision-making processes. Advocating for such processes will be a priority in our work in 2010-2011.

The financial position of the Office is sound. This Annual Report reports a turnaround from a deficit of \$279,033 in 2008-2009 to a surplus of \$135,220 in 2009-2010. The Office has demonstrated an ability to attract and retain excellent staff and it has, according to feedback received, strengthened its position as a provider of reasoned and reasonable evidence-based comment and advice on what is in children's interests.

It remains to acknowledge the hard work done by those working for the Office. Let me start with those young people who have been part of my advisory reference group and who are now graduating out of it, Katherine Rees, Jayran Mansouri, Anaru Joseph, Benjamin Carpenter, William Leith, Maryam Khan and Jayme Nuku. Second, I must pay a tribute to my colleagues in the Office who have worked hard and with passion in the interests of children. Finally, can I express my gratitude to the many stakeholders who have contributed to our work: the responsible Minister, the Hon Paula Bennett, leaders in government departments, children's interest groups and NGO leaders, and many, many members of the public.



Dr John Angus

**Children's Commissioner**

In 2009-2010 the Office of the Children's Commissioner was funded through Vote Social Development. Revenue was allocated to two output classes, monitoring and investigation and individual and systemic advocacy.

# OUTPUT 1: MONITORING AND INVESTIGATION

## Monitoring Child, Youth and Family

The Office has a function of monitoring, assessing and reporting on the services delivered by agencies exercising any function or power conferred by the Children, Young Persons and Their Families Act 1989. The services are primarily concerned with responding to child abuse, neglect and offending by children and young people.

Activities under this output contribute to two of the Office's outcomes: that all children are safe, secure and well nurtured and that every child has access to the resources and opportunities they need for their successful development.

Key activities under this output during 2009-10 include:

- monitoring and assessing the policies and practises of Child, Youth and Family and other agencies providing services under the Children, Young Persons and Their Families Act 1989
- monitoring residences as a National Preventive Mechanism (NPM) in respect of the Optional Protocol to the United Nations Convention Against Cruel, Inhuman, Or Degrading Treatment Or Punishment (OPCAT)
- undertaking an investigation into the adequacy of services being provided to children who are in the care of the Chief Executive of the Ministry of Social Development
- a project on complaints procedures for children and young people who are clients of Child, Youth and Family
- a project on the quality of responses across Child, Youth and Family, the Police, health and education sectors to children vulnerable to neglect.

### How we did it

We monitored Child, Youth and Family services by undertaking visits to site offices and residences, sampling care records and analysing management information. Our assessments were also informed by inquiries on individual cases, reports on case-by-case action as required by the law, discussions with stakeholders nationally and locally, and three specific inquiries.

### What we did

In 2009-2010 we:

- visited eight sites: Youth Justice Northland, Kamo, Dargaville, Kaikohe, Blenheim, Takapuna, Orewa and Dunedin
- visited four residences: Epuni, Te Oranga, Whakatakapokai and Korowai Manaaki
- completed a report on gender mixing in residences
- completed project work on children in care
- completed project work on responses to child neglect
- completed project work on complaints processes for children who are clients of Child, Youth and Family.

## What we found

Child, Youth and Family is in a stronger position than it has been for some time

In general terms:

- **Directions and strategies** are clear and priorities are focused on children and young people and on improving quality.
- **Policy and practice frameworks** have been strengthened - the challenge is to have them implemented consistently (over time and place).
- **Performance** is the area of greatest challenge. **Strengths** are: control over demand thresholds; low unallocated cases; meeting performance standards for high urgent and urgent timeframes; management of residential capacity; more timely youth justice services; better relationships with Police, education and health sector. **Areas for improvement** are: depth of assessment and quality of decision-making in care and protection "front end"; quality services to children in care; responses to children who offend; and managing internal interfaces.
- **Organisational structure and capability** – the strategic directions towards case management at sites as opposed to incident processing, and to implementing clinical services in residences as opposed to custodial supervision are entirely the right ones. Good progress is being made on the residential service changes.

## The specific reports found

- in respect of gender mixing in residences that the policy of mixed gender residences should be retained, that more attention should be paid to specific programmes for young women, and that each child be managed by a practice, where possible, of gender specific units within residences
- in respect of children in care, inconsistent practice and overall a need to lift the quality of service
- on neglect, the need to strengthen the descriptions, guidelines and information across those agencies that respond to concerns about children's needs not being met
- on complaints mechanisms, further development of ways for children and young people's concerns to be received and responded to.

## What changed

As a result of our monitoring and reporting, services have been improved in many areas, across sites and residences, as well as at a national level. Some examples are:

- at various sites strengthening the management of satellite sites, additional training in responding to family violence, and greater focus on supervision and practice leadership
- in residences new mattresses, suggestion boxes so that residents have a voice and involvement in decision making,
- for children in care we are working on significant service changes with Child, Youth and Family.

## Monitoring the treatment of children and young people in detention

The Children's Commissioner is a National Preventive Mechanism (NPM) under the Optional Protocol to the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT). The Office has joint responsibility with the Ombudsmen, to monitor children and young people in residences established under section 364 of the Children, Young Persons and Their Families Act 1989.

Child, Youth and Family are responsible for eight residences<sup>1</sup> for children and young people: four care and protection residences, three youth justice residences and a specialist residence for young men who have displayed sexually inappropriate behaviour.

## How we did it

Residences are visited every second year. All visits have been scheduled in advance but in 2010-2011 we intend to do at least one unscheduled visit. During the inspection we check recent internal audit reports, grievance panel reports and the processes and practices in place. The latter covers:

- **Treatment:** identifying any incidents of torture or ill treatment, the use of isolation and/or 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.

## What we did

During the 2009-10 financial year the Office undertook four inspections. The Office visited Puketai (Care and Protection) in August 2009; Lower North (Youth Justice) in August 2009; Te Poutama Arahi Rangatahi (specialist residence) in February 2010; and Te Puna Wai O Tuhinapo (Youth Justice) in May 2010.

During the visits, there were discussions with children and young people, staff, management and the grievance panel. Each visit took three days and required extensive verification of processes to ensure children and young people are not exposed to torture, brutality or inhuman treatment. Following each visit a comprehensive report was completed.

## What we found and what has changed

Within Child, Youth and Family residences, processes are in place to ensure that children and young people are not exposed to torture, brutality or inhuman treatment. Most of these processes are prescribed by the Children, Young Persons and their Families (Residential Care) Regulations 1996 (the Regulations). Child, Youth and Family audits its own compliance against these regulations annually.

The Office found that all residences have complied with their obligations under OPCAT to ensure children and young people are not exposed to torture, brutality or inhuman treatment. However, a number of issues were identified as areas where improvements could be made. These have been reported back to Child, Youth and Family who have given an assurance that each is being addressed. We will continue to monitor these during next year's visits.

*Transition planning* – For young people to move smoothly from residences to the community, residence and site staff need to be working together closely. We found that this is not always happening. Child, Youth and Family's new therapeutic approach for residential care, which requires transition planning as a focus from the time of admission, should address this.

*Suggestions for improvements* – Children and young people have told us they want a say in how residences could be improved. Residences have installed suggestion boxes and are developing procedures to support their use.

## Note to the text

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1. During this financial year, a fourth youth justice facility was built and this will be included as part of the NPM responsibilities during the next financial year.

*Critical incidents* – Residences report critical incidents, such as absconding or serious assaults, to Child, Youth and Family National Office and do not always receive good quality responses and guidance. We are advised this is now being addressed.

*Residences and schools to work together* – Child, Youth and Family has implemented a nationally approved Behaviour Management System. On-site school staff use a different model and this could lead to inconsistent treatment of young people. We have been assured that teachers are providing ratings and behavioural observations to residence staff, and that goal-setting occurs in a multi-disciplinary team meeting

## **Going forward**

During 2010-2011, the Office will continue to undertake all NPM visits in conjunction with other NPM agencies and complete reports. Four visits are planned for 2010-2011 and at least one unannounced visit will be undertaken.

We will also take a focused look at policies and practices in relation to the care of young people detained in police cells. This will be carried out in conjunction with staff from the Independent Police Conduct Authority (IPCA) and the Human Rights Commission. Although this is not work we are currently gazetted to do, we are concerned that young people in cells are a group who need the specific attention of an NPM. We have signed a Memorandum of Understanding with the IPCA outlining how our two agencies will support each other to address the needs of these young people.

The Office asked Child, Youth and Family to consider including information on the Crimes of Torture Act, NPM responsibilities and OPCAT, in the new induction training package being developed for residential staff and this has been actioned.

## **The quality of services to children in care**

A project was undertaken focusing on the quality of care provided to children and young people in the custody and/or guardianship of the Chief Executive of the Ministry of Social Development and to report, with recommendations, on areas where improvements could be made.

The project included an examination of policy, a review of the literature and an exploration of practice. Data was gathered through individual and focus group interviews, and analysis of data from Child, Youth and Family and calls to the Office's Child Rights Line.

An advisory group was established and included a representative of the New Zealand Family and Foster Care Federation, an academic, and a lawyer for child.

A full report (in draft form) integrating all findings was completed by 30 June 2010. The final report was released in September 2010.

### Enhancing services for children in care

*Children in Care – A report into the quality of care provided to children in care*, looked at how well children in state care are getting their education, health, recreational and cultural needs met. Many children in care have very high needs, often the result of their home environments - violence, abuse and neglect have often been a feature of their day-to-day lives. Sadly, their parents have failed to keep them safe, secure and well nurtured and the state must step in.

Their needs are complex and extend beyond simply finding them a new place to eat and sleep. The report emphasises that young people deserve the same chances in life as every other New Zealand child. They deserve access to good quality health care, the opportunity to strive for higher education and to have strong connections to their culture.

As part of the investigation, around 50 children were interviewed, as well as social workers, caregivers and lawyers for children. The children provided an interesting insight into some of the difficulties faced by young people in care. While many showed a strong generosity of spirit to the people who cared for them, they also expressed sadness about many aspects of their lives. A significant number wanted more contact with their birth families and some wanted more explanation about how they 'ended up' in care. Some of the children and young people clearly had aspirations for further education but expressed concern about what would happen to them once they turned 17 years and 'aged out' of the care system.

The report concluded that while many children were receiving good quality care, some were not and this needs to be made a priority.

The full report can be found at: [www.occ.org.nz/publications](http://www.occ.org.nz/publications)

## Children and young people's access to review and complaints procedures

One of the priorities for the Office in 2009-2010 was to monitor and assess the quality of Child, Youth and Family complaints procedures available to children and young people who have involvement with Child, Youth and Family

The specific goals of the project were to:

- explore the statutory and rights framework for the provision of complaints mechanisms for children and young people who are involved with Child, Youth and Family.
- carry out a literature review to identify what a good complaints mechanism for children and young people could look like and how New Zealand measures up
- explore practice including an analysis of complaints data obtained from Child, Youth and Family, analysis of calls to the Office's Child's Rights Line, the Ombudsmen and YouthLaw and focus groups with children and young people in contact with Child, Youth and Family.

A report is being completed.

## Responses to child neglect

The Office undertook work during 2009-2010 focusing on child neglect, its nature and prevalence in New Zealand society, arrangements for the identification and response to neglect and to make recommendations for improvements to existing processes and new response ideas.

The overall objective of this project was to review current policies and practices, placing these in the context of international findings about neglect and responses to neglect. The following work was undertaken:

- A literature review to identify and understand the nature of child neglect and its wider determinants of neglect
- An exploration of practice, which included discussions with a wide range of stakeholders

An analysis of findings and recommendations about policy and practice changes needed to ensure that New Zealand children and young people receive a best practice response to neglect will be released in November 2010.

## OUTPUT 2: INDIVIDUAL AND SYSTEMIC ADVOCACY

Activities under this output give effect to the Children's Commissioner's responsibilities to advocate for the interests of children, both in individual cases and for children as a group. Activities fall into three groups; advocating on behalf of individual children, work to influence the legislation and policy decisions of government, and general advocacy for a more child focused and responsive society.

These activities contribute to two of the Office's outcomes: ensuring every child has access to the resources and opportunities they need for their successful development, and that society's attitudes and behaviours change to become more child-focused.

### Advocacy in individual cases

#### How we did it

The Office staffs a telephone enquiry service, the Child Rights Line that provides information, advice and advocacy services for children. Most of the enquiries come from parents or other adults acting on behalf of their children.

#### What we did

The total number of calls received on the Office's enquiry line for this reporting period was 961.

Many of the calls received are responded to with advice and referral on to an appropriate agency. In the 2009-10 year 165 individual cases required further investigation or follow up. 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 nearest Family Court or to their lawyer, Community Law Centre, or lawyer for the children.

In 2009-10 the Office continued to provide funding to the Wellington Community Law Centre to manage the Parent Legal Information Line (PLINFO), a phone line for access to legal advice on education matters.

#### What we found

Thirty five percent of calls were in relation to Child, Youth and Family, 25 percent to education and 40 percent to other issues, including health and legal matters. The calls concerning Child, Youth and Family provide another source of information for the Office's monitoring role. Education calls most commonly concerned the processes and effects of suspensions, stand-downs and/or expulsions, bullying, and access to education for children with diverse needs.

The table below presents an overview of call activity in comparison with the previous reporting period:

Reporting period	2008–2009	2009–2010
Child, Youth and Family	303	334
Education	215	239
Other <sup>2</sup>	381	388
Total	899	961

#### Note to the text

2. Other category includes health and legal matters.

## Advocating for children's rights, interests and well-being

Over the year the Office has provided advice, information and advocacy to nearly 1000 callers to the Child Rights Line. They called about a wide variety of issues - ranging from school bullying, to difficulties with custody of children, to concern about sexual content on television. The cases below demonstrate the type of call received and the nature of the response from the Office.

*Case 1:* The mother of a nine year old boy with ADHD rang the Office because her son had been excluded from two schools. Both schools had provided very little assistance and been reluctant to put plans in place for dealing with his behaviour. The Office advised the mother about her son's education rights. Once he was enrolled in a new school the Office called the school to make sure they had a strategy prepared for the boy. They were able to assure the Office they had a good plan underway and intended meeting with organisations like mental health to provide support for the student.

*Case 2:* A woman called the Child Rights Line for guidance on a problem she was having with the school her son and niece attended. The woman had been looking after her niece and the school had provided her with a loan to buy the girl a school uniform. The niece subsequently returned to the care of her mother and the mother asked the school if she could take over the loan balance. The school refused. After some issues about paying back the loan, the school made the decision to exclude the woman's son from the school camp as punishment. The Child's Rights Line advisor contacted the school and advocated for the rights of the son, as it was not fair that he was punished for a loan taken out for his cousin's school uniform. The school subsequently reversed its decision.

Note: Some details in these cases have been changed to protect the privacy of callers to the Child Rights Line.

## Advocating for legislative and policy change

### How we did it

During this year the Office has made submissions to Select Committees, formal responses to policy consultations and less formal presentations to Ministers and policy agencies. We undertook specific projects on Auckland local government reforms, early childhood services for under two year olds and the economic position of children,

### What we did

*Submissions to Select Committees of Parliament included:*

- A submission to Health Select Committee on the inquiry into how to improve completion rates of childhood immunisation
- A submission to the Social Services Select Committee on the inquiry into the Identification, Rehabilitation, and Care and Protection of Child Offenders
- A submission to the Justice and Electoral Select Committee on the Child and Family Protection Bill.

### Influencing policy advice actions

This included submissions to;

- The Law Commission on the reform of New Zealand's liquor laws, the Commission's reviews of the Privacy Act 1993 and the Misuse of Drugs Act 1975
- The Ministry of Education on their *Review of Special Education 2010*
- The Ministry of Transport on their *Safer Journeys* discussion document.

Other policy related activity included advice to the Tax Working Group on the economic interests and well-being of children and young people in New Zealand, and to the Prime Minister on retaining the amendments to section 59 of the Crimes Act as they are.

## Promoting the interests of children and young people in Auckland local governance reforms

The changes in Auckland affect some 32 percent of the children in New Zealand. We gave priority to advocating for the incorporation of ways to give children's voices and interests weight in the new structures and processes. As part of this we made a number of submissions and reports including:

- Submission to the Auckland Governance Legislation Committee on the Local Government (Auckland Council) Bill
- Feedback on the Auckland Transition Agency Discussion Document *Organisational Structure and Staff Transition*
- Submission to the Local Government (Auckland Law Reform) Bill
- Feedback to the Ministry of Social Development on the Auckland Social Policy Forum, *Making Auckland a great place for children*.

Copies of submissions are accessible via the Office's web site [www.occ.org.nz](http://www.occ.org.nz). We also met with officials and lobbied mayoral candidates.

### Making Auckland super for children and young people

During the year there was intense debate about the Auckland local government reforms and how they would impact on various communities in the city. The Office wanted to ensure the interests of children were considered carefully and their voices heard. Children and young people represent a significant portion of the population, have specific needs and are heavy users of local government facilities like parks, transport and pools. They are also a diverse population, bringing a vitality and energy to the city as a whole. As well as a number of formal submissions, the Office also met with a variety of stakeholders, advocates and Auckland leaders. This included meeting with some prospective mayors, where the Commissioner asked for a commitment to the needs and participation of children and young people. He received a positive response and various promises to carefully consider the Office's recommendations. The Office also consulted with the Young People's Reference Group for their views of the supercity and supported regional youth councils to come together on various occasions to discuss the issue. The Spring issue of the Commissioner's newsletter was dedicated to the supercity debate and the impact on children. This issue can be found at: <http://www.occ.org.nz/publications/newsletter>

## Formal provisions of early childhood education and care for children in New Zealand, birth–two years

One of the priorities for the Office during 2010 was to consider the provision of early childhood education and care for infants from a perspective of children's interests. This project focused on the use of non-parental care (both centre-based and home-based) for infants under two years of age. It covered:

- patterns in the use of formal care
- what is known about the benefits and risks of formal care for the well-being of the infants
- the identification and regulation of the aspects of formal care services that impact on the risks and benefits to the well-being of the infants in care
- the quality and accessibility of information available to parents who are choosing when and how to use formal care services for their infants.

The report will be released in late 2010.

## **The impact of the recession on children's economic position**

We made submissions to the Prime Minister, the Minister of Finance and the Minister for Social Development and Employment urging them to seek advice on and give weight to the impacts on children of tax reform, welfare reform and fiscal policy generally.

Equity considerations and the income poverty levels of children were part of the debates that accompanied the policy development.

## **Report to the United Nations Child Rights Committee**

We prepared an updated report, sent to the Committee in early August. We also contributed to reports prepared by the NGO sector and by children.

## **Taskforce for Action on Violence within Families**

The Children's Commissioner continued to be active in the work of the Taskforce for Action on Violence within Families. During this reporting period work done on the prevention of child maltreatment was reported back, and priorities noted on:

- enhancing the contribution of the health, education and social services sectors to prevent child maltreatment
- understanding better and taking actions to reduce the incidence and prevalence of neglect, in particular of 0 – five year olds
- enhancing the effectiveness and sustainability of community led initiatives.

## **The provision of information and public education**

### **How we did it**

The third area of advocacy activities concerned the provision of information and public education and awareness raising. We provided training in children's rights, prepared and distributed information on children's interests, rights and well being, and ran a proactive speaking and media programme

### **What we did**

In this reporting year, training has been carried out with a range of community and government agencies working with children in Rangiora, Christchurch, Nelson, Blenheim, and Westport. Training was also provided to groups working with children who have been traumatised or have ADHD in Queenstown and Christchurch.

## **Communications**

Four issues of *Children* magazine were printed and distributed to a wide audience.

We received 814 requests for resources from children, adults, schools, counselors, Child, Youth and Family social workers, District Health Boards, youth workers, positive parenting organisations, government and other community agencies. Resources were made available through the Office's publications request line and downloadable from the Office's web site [www.occ.org.nz](http://www.occ.org.nz).

The Office responded to a large number of media requests across print, radio and television during this reporting period and the Children's Commissioner undertook many interviews on a range of issues relating to children. We also received complaints about children's treatment in the media and on several occasions took action to follow up on them.

## Getting a fair deal for children in the media

Earlier in the year the Office received an email from a member of the public concerned about a series of advertisements on television. The CalciYum adverts featured cartoons of children doing various 'illogical' things, with the final tagline "kids aren't that smart." The emailer suggested this was disrespectful to children and asked if the Commissioner would look into the matter. The Commissioner shared concerns about the derogatory nature of the adverts and wrote to Fonterra, the company responsible for CalciYum. He suggested it was inappropriate for CalciYum to promote its products in a way that belittled children, and their intelligence, on the basis of their age. While the Commissioner said he understood the adverts were intended to be humorous and satirical, he asked Fonterra whether it would be acceptable to make the same comments about another sector of society. For example, saying that a certain race or gender 'wasn't that smart' simply because of who they are. When a response was not received, the Commissioner took his concerns to the Advertising Standards Authority. After considering the case, the Authority deemed that the adverts did not meet the threshold of causing "serious or widespread offence" and the complaint was not upheld. However, as a result of the issues raised by the Commissioner, Fonterra reviewed the adverts and decided to remove reference to children not being "smart". They also wrote to the Commissioner and said his concerns would be taken into consideration in future advertising campaigns.

## Presentations, speeches and public forums

During this reporting period the Office continued to seek opportunities to discuss its work and to raise awareness of issues that concern children and young people. A full list of major speeches and presentations made by the Commissioner and staff are listed in *Appendix 1*.

## Young People's Reference Group

The Children's Commissioner has an obligation to seek the views of children and young people in their work. One vehicle for doing that is the Young People's Reference Group.

The group met four times during the year and participated in a variety of activities including the strategic planning of the Office, the preparation and presentation of submissions, articles in *Children* magazine, and research into young people's experience of education.

Many of the group will end their terms in December 2010. A recruitment process is underway at the time of publishing this report and a new reference group is expected to be in place by 31 December 2010.

The Commissioner's Young People's Reference Group (YPRG) has been involved in various projects over the year. One of the most exciting projects for the group has been a joint initiative with the Cognition Institute and the New Zealand Council for Educational Research. The institute is producing a publication designed to make sure young people's voices are heard when decisions are made about educational issues. They approached the Children's Commissioner earlier in the year, asking if the YPRG would be interested in participating. After discussion with the group, it was decided the project was an ideal opportunity for the YPRG to influence decision-makers and speak out about issues they face in the education system.

Each member of the YPRG has written a chapter for the publication, drawing on their personal experience as a student in New Zealand schools. The issues they have written about include Maori achievement in school, nurturing leadership among all students, the importance of different teaching styles and education being a right. The Children's Commissioner, Cognition Institute and the New Zealand Council for Educational Research have worked together to support members of the YPRG while they write their chapters, mainly providing editorial and research guidance.

Once completed, the chapters will form a web-based resource aimed at researchers and educational practitioners. A hard-copy version is also planned for publication at a later date.

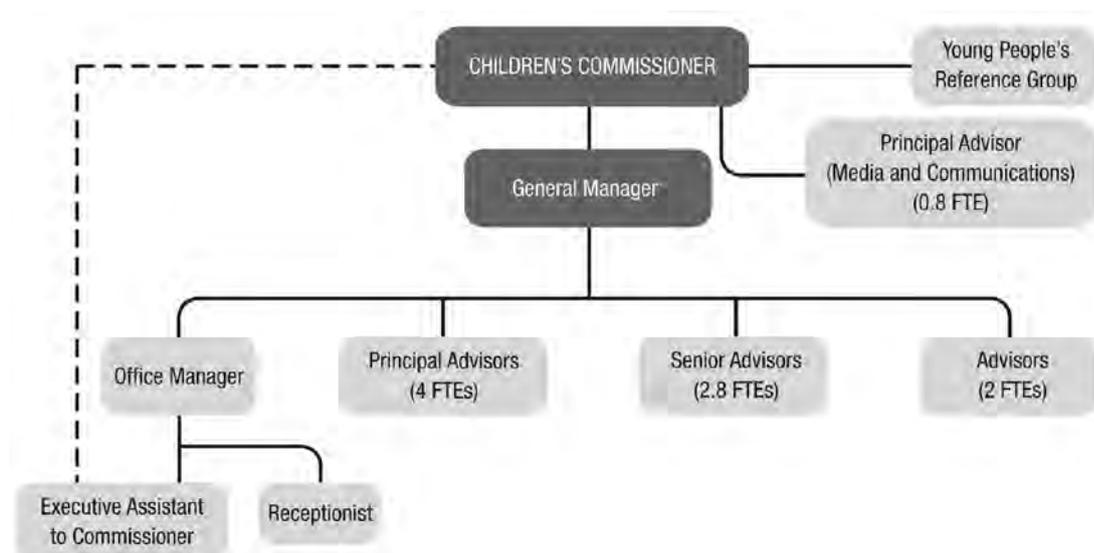
The publication will be launched after the Cognition Institute Educational Symposium in November 2010.

# Organisational capability

## CAPACITY AND CAPABILITY

Dr John Angus was appointed as Children's Commissioner, commencing on 2 May 2009. He was originally appointed for a six-month term. In August 2009 his term was extended.

The Office's organisational structure as at 30 June 2010 is shown below.



The staff establishment of the Office, excluding the Commissioner, fell from 14.8 full time equivalent positions (FTEs) on 1 July 2009 to 13.6 FTEs on 30 June 2010.

During the year there were two staff resignations. Four permanent appointments were made to replace exiting staff and to place permanent staff in vacancies filled by a fixed term contract and secondment. One position, a PA/Administrator position, based in Auckland, became surplus and was disestablished.

### Management Team

The management team comprises the Commissioner, the General Manager and the Office Manager.

## STRATEGIC PLANNING

### Statement of Intent

At the start of 2010 the Office's strategic priorities were reviewed and new priorities set. The Office followed a process that included consultation with external stakeholders, the Young People's Reference Group and all staff. These are set out in detail in the Statement of Intent 2010-13, which was tabled in Parliament in May 2010.

### Office work programme

A work programme for the Office has been developed to support the aims of the Statement of Intent 2010-13 and Output Agreement with the responsible Minister.

## Good employer

The Office is committed to creating a positive organisational culture by ensuring the fair and proper treatment of staff in all aspects of their employment. 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 Office is committed to the principles of being a good employer and is a member of the EEO Trust. The Office values equity and fairness and has policies and practices that promote values under seven identified key elements plus the engagement of staff through employee consultation.

As a good employer, the Office makes maximum use of all staff but has regard wherever practicable for those groups often overlooked or marginalised – including women, Māori, other ethnic communities, people with disabilities and other minority groups.

In order to clearly identify and best understand individual/group needs of all staff the Office of the Children's Commissioner has completed a Gender and Ethnic Workplace Profile. Figures include the Commissioner.

Gender	2008-2009	2009-2010
Female	13	13
Male	2	2

Ethnicity	2008-2009	2009-2010
Māori	2	2
Pacific Island	-	-
Asian	-	-
Pakeha/European	13	13
Other ethnic group	-	-

The Office has formal policies and informal practices/programmes in place for these elements:

- Leadership, Accountability and Culture
- Recruitment, Selection and Induction
- Employee Development, Promotion and Exit
- Flexibility and Work Design
- Remuneration, Recognition and Conditions
- Harassment and Bullying Prevention
- Safe and Healthy Environment

## 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 sets out standards of behaviour for all staff as a formal direction and point of reference.

A new organisational structure took effect on June 2009, with a smaller office in Auckland with two advisors. In Wellington, a flatter organisational structure was introduced and clearer accountabilities with most positions reporting directly to the General Manager.

Regular fortnightly staff meetings that are chaired by the Commissioner support staff engagement and communication.

## **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.

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
- build employees capability and contribution to the organisation
- 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, mentoring and secondment opportunities.

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

## **Flexibility and work design**

The Office is committed to providing staff with flexible work arrangements. Some examples include:

- part-time flexible hours
- working from home
- career breaks/gap, leave without pay (LWOP)

In addition to flexible work arrangements, the Office has the following policies in place to support staff:

- employee assistance programme
- child friendly, acceptable to bring children into the workplace
- facilities for nursing mothers to breastfeed their babies at work.

### **Remuneration, recognition and conditions**

Staff performance is managed through scheduled individual catch-ups during the year and performance feedback recognised in real time on an 'as and when' basis. Staff meet with their manager at the end of the performance year to review performance for the year. At the beginning of the performance year, two office-wide objectives are set as well as three individual objectives. Professional development objectives are also discussed and established.

The Commissioner and the PSA reached agreement on a new Collective Employment Agreement for PSA members in November 2009 valid for a two-year period.

### **Harassment and bullying prevention**

Sexual harassment is illegal and is unacceptable behaviour in the Office. Should it be necessary, the Office will provide any employee subjected to sexual harassment with a supportive environment. No incidents of sexual harassment have been reported in the 2009-2010 year.

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 in the 2009-2010 year.

### **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.

The Wellington office shifted premises in September 2009. As a result of the move, potential hazards were identified and mitigated, all staff received ergonomic assessments and the civil defence supplies were reviewed and upgraded.

During the year, the Office offered influenza vaccinations and eye tests to all staff.

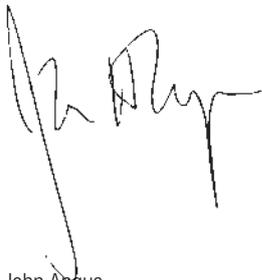
## **ADMINISTRATIVE EFFICIENCIES**

The recommendations from an administrative review concluded in April 2009 were implemented with the Wellington office relocating into space leased by the Families Commission on 28 September 2009. This resulted in approximately \$143,000 savings across both organisations in 2009-2010 and \$183,000 estimated for 2010-2011, through sharing of administrative resources. In addition, we are investigating the viability of shared IT infrastructure, financial and human resources and a document management system.

# Statement of responsibility for the year ended 30 June 2010

In terms of the Crown Entities Act 2004, Section 155, I John Hall Angus, the Children's Commissioner:

- accept responsibility for the preparation of these financial statements and statement of service performance, and the judgements made in them;
- accept responsibility for the establishment and maintenance of internal controls, designed to provide reasonable assurances as to the integrity and reliability of financial reporting; and
- submit that these financial statements and statement of service performance fairly reflect the Office's financial position, operations and cash flows for the year ended 30 June 2010.

A handwritten signature in black ink, appearing to read 'John Angus', with a long vertical stroke extending downwards from the end of the signature.

Dr John Angus

**Children's Commissioner**

# Statement of service performance

## OUTPUT: MONITORING AND INVESTIGATING

As part of its monitoring responsibilities, under the Children, Young Persons and Their Families Act 1989, the Office carried out the programme of visits to Child, Youth and Family sites and residences scheduled for the year. It also liaised regularly with key stakeholders, including the Principal Family Court and Youth Court Judges.

To achieve this output, the Office:

- obtained information, assessed and reported on Child, Youth and Family performance
- visited eight Child, Youth and Family site offices and their local communities of interest
- visited four Child, Youth and Family residences
- visited four Child, Youth and Family residences, as a National Preventive Mechanism, specifically to make sure young people in New Zealand are treated humanely in respect of the Optional Protocol to the United Nations Convention against Cruel, Inhuman, or Degrading Treatment or Punishment
- undertook a project to investigate and report on the adequacy of services being provided to children who are in the care of the Chief Executive of the Ministry of Social Development.

## Key performance standards

Monitor policies and practices under the CYPF Action 1989 – obtain information, assess and report on the performance of Child, Youth and Family		
Quantity, quality and timeliness	Target	Actual 2010
Three reports on Child, Youth and Family performance presented to the Ministry of Social Development's Deputy Chief Executive, Child, Youth and Family	3	3
Monitoring the number of recommendations made to Child, Youth and Family that are implemented within agreed timeframes.	Monitoring undertaken	Monitoring undertaken
No breaches of legislative compliance throughout the year	No breaches	No breaches
Activity undertaken in line with the monitoring framework with Child, Youth and Family	Activity undertaken in line with monitoring framework	Activity undertaken in line with monitoring framework

OPCAT responsibilities – implement responsibilities as a National Preventive Mechanism in respect of the Optional Protocol to the United Nations Convention against Cruel, Inhuman, or Degrading Treatment or Punishment.		
Quantity, quality and timeliness	Target	Actual 2010
Four residence reports on compliance with OPCAT presented to the Ministry of Social Development's Deputy Chief Executive, Child, Youth and Family.	4	3 A draft of the fourth report was sent to Child, Youth and Family for feedback on 14 July 2010.
An Annual Report of Activities under the Crimes of Torture Act 1989 is presented to the Minister.	Presented	Presented
Minister accepts report as indicated by written approval.	Minister accepts report	Not measured <sup>3</sup>
A summary compliance report drafted by 30 June for inclusion in the Office's Annual Report.	Report drafted	Report drafted and included in HRC's OPCAT Annual Report (Dec 2009)

### Notes to the text

3. These measures relate to actions for which the Human Rights Commission is responsible. New measures have been established in the Children's Commissioner's Statement of Intent 2010-2013.

Children in care project – investigate and report on the adequacy of services being provided to children who are in the care of the Chief Executive of Ministry of Social Development.

<b>Quantity, quality and timeliness</b>	<b>Target</b>	<b>Actual 2010</b>
Three reports to be undertaken on specific aspects of children in care, which will feed into one in-depth report.	3	3. The third report was issued in draft form in July 2010.
All published reports are peer reviewed by at least one external expert in the field and comments incorporated into the final report.	Achieved	Achieved
No breaches of legislative compliance throughout the year.	No breaches	No breaches
Investigations are completed within defined timeframes.	Completed as reported in Minister's Quarterly report	Not achieved. Delivery timeframes changed compared with what was originally planned.

## Resources (Monitoring and investigating)

	Actual 2009/10 \$000	Budget 2009/10 \$000
Revenue	691	612
Expenses	649	519
Net surplus/(deficit)	42	92

## OUTPUT: INDIVIDUAL AND SYSTEMIC ADVOCACY

To achieve this output, the Office:

- maintained a child rights line and responded to individual cases
- made submissions, as required, to Parliamentary Select Committees examining Parliamentary Bills and/or undertaking enquiries
- made submissions on taking children's interests into account in local government reforms in Auckland
- developed and delivered advice on issues of early childhood education standards, school engagement and the prevention of child maltreatment
- monitored decisions and processes during Auckland local government reform, participation generally in complaints and review processes – ensuring that the views of children are well represented
- promoted the participation of children in decision making and their access to review and grievance processes
- contributed to Children's Day and Youth Week
- produced *Children* newsletter
- produced and responded to requests for brochures, pamphlets and posters to support the key messages of the office
- delivered speeches on children's interests, rights and welfare to national and international audiences.

### Key performance standards

Individual advocacy – advocate for individuals on a case-by-case basis, via a Child Rights Line, to give advice and information on issues concerning children.		
Quantity, quality and timeliness	Target	Actual 2010
A minimum of 800 calls are responded to.	800	961
Participation in the respondents' satisfaction with the advice and information handling process rated as "satisfactory" or better in 80 per cent of responses to a survey of complaints received and closed in the preceding period. Feedback used to either improve or extend this service.	80%	100%
Respondents' satisfaction with the advice and information timeliness and response rated as "satisfactory" or better in 80 per cent of responses to a survey of complaints received and closed in the preceding period. Feedback used to either improve or extend this service.	80%	86%
The office promotes individual and systemic advocacy of children's rights as specified in the Output Agreement.	Met and reported in Minister's Quarterly report	Met and reported in Minister's Quarterly report

Advocacy at policy/legislation level – advice is provided to government agencies and Ministers, and submissions to Select Committees examining Parliamentary Bills and/or undertaking enquiries when appropriate.		
Quantity, quality and timeliness	Target	Actual 2010
A minimum of 10 submissions to Select Committees and specific reports to government agencies and Ministers.	10 submissions	12 submissions
An annual internal assessment is undertaken to measure whether submissions, advocacy and influence have contributed to changes of identified legislation.	Internal assessment undertaken	Internal assessment undertaken
The office ensures that children's voices are represented in any submission, advocacy or influence undertaken.	Children's voices represented in all submissions presented	Children's voices represented in all submissions presented
Advice is delivered in time to be well considered by recipient.	100% of advice delivered on time	100% of advice delivered on time

Advocacy at operational systems level – work with our partners and stakeholder groups to ensure the interests of children and young people are promoted in Auckland.		
Quantity, quality and timeliness	Target	Actual 2010
A minimum of one submission and a minimum of one report to the Auckland Transition Agency.	1 submission 1 report	2 submissions 2 reports
An annual internal assessment is undertaken to measure whether outputs have contributed to enhancing the interests, rights and welfare of children	Internal assessment undertaken	Internal assessment undertaken
The office ensures that children's voices are represented in any submission, advocacy or influence undertaken.	Children's voices represented in all submissions presented	Children's voices represented in all submissions presented
The office promotes individual and systemic advocacy of children's rights as specified in the Output Agreement.	Met and reported in Minister's Quarterly report	Met and reported in Minister's Quarterly report
Advice is delivered in time to be well considered by recipient.	100% of advice delivered on time.	100% of advice delivered on time.

Public education: deliver speeches or presentations		
Quantity, quality and timeliness	Target	Actual 2010
A minimum of eight speeches or presentations are delivered	8	32
Feedback will be sought to determine that the speech or presentation delivered meets the requirements of the organiser and is targeted to the audience/occasion.	Feedback sought and 100% requirements met	Feedback sought and 100% requirements met
Ongoing during 2009/10.	Service maintained throughout reporting period	Service maintained throughout reporting period

## Resources (Individual and systemic advocacy)

	Actual 2009/10 \$000	Budget 2009/10 \$000
<b>Revenue</b>	<b>1,518</b>	<b>1,161</b>
Expenses	1,425	1,392
Net surplus/(deficit)	93	(230)

# Statement of Comprehensive Income for the year ended 30 June 2010

	Notes	Actual 30/6/2010 \$000	Budget 30/6/2010 \$000	Actual 30/6/2009 \$000
<b>REVENUE</b>				
Crown	(2)	2,157	1,757	1,948
Other		20	1	17
Interest		32	15	39
Total revenue		2,209	1,773	2,004
<b>EXPENDITURE</b>				
Personnel costs	(3)	1,343	1,249	1,333
Operating costs	(5)	566	488	663
Depreciation and amortisation	(6)(7)	48	69	87
Project expenses	(12)	117	105	200
Total expenses		2,074	1,911	2,283
<b>Net surplus/(deficit)</b>		<b>135</b>	<b>(138)</b>	<b>(279)</b>
<b>Total comprehensive income/(expenditure)</b>		<b>135</b>	<b>(138)</b>	<b>(279)</b>

Explanations of significant variances against budget are detailed in note 17.

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 2010

	Notes	Actual 30/6/2010 \$000	Budget 30/6/2010 \$000	Actual 30/6/2009 \$000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	(11)	494	455	207
Child abuse account	(8)	0	0	0
Prepayments		7	0	0
Short-term investments		200	9	227
Debtors and other receivables	(9)	15	10	7
<b>TOTAL CURRENT ASSETS</b>		<b>716</b>	<b>474</b>	<b>441</b>
<b>Non-current assets</b>				
Property, plant and equipment	(6)	51	55	151
Intangible assets	(7)	4	0	1
Total non-current assets		55	55	152
<b>TOTAL ASSETS</b>		<b>771</b>	<b>529</b>	<b>593</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Creditors and other payables	(10)	119	148	98
Employee Entitlements		42	50	43
GST payable		41	20	25
<b>TOTAL CURRENT LIABILITIES</b>		<b>202</b>	<b>218</b>	<b>166</b>
<b>Non-current liabilities</b>				
Employee entitlements		7	0	0
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>7</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES</b>		<b>209</b>	<b>218</b>	<b>166</b>
Taxpayers' equity		562	311	427
<b>TOTAL FUNDS EMPLOYED</b>		<b>771</b>	<b>529</b>	<b>593</b>

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 2010

	Actual 30/6/2010 \$000	Budget 30/6/2010 \$000	Actual 30/6/2009 \$000
<b>Taxpayers' equity brought forward as at 1 July</b>	427	449	706
Total comprehensive income/expenditure	135	(138)	(279)
<b>Taxpayers' equity as at 30 June</b>	<b>562</b>	<b>311</b>	<b>427</b>

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 2010

	Actual 30/6/2010 \$000	Budget 30/6/2010 \$000	Actual 30/6/2009 \$000
<b>Cash flows from operating activities:</b>			
Cash was provided from Crown	2,157	1,757	1,948
Other income	12	1	42
Interest income	32	15	39
Goods & Services Tax (net)	(6)	0	9
	2,195	1,773	2,038
<b>Cash was disbursed for supply of outputs</b>			
Payments to suppliers	(589)	(640)	(993)
Payments to employees	(1,333)	(1,202)	(1,314)
	(1,922)	(1,842)	(2,307)
<b>Net cash flows from operating activities</b>	<b>273</b>	<b>(69)</b>	<b>(269)</b>
<b>Cash flows from investing activities:</b>			
Cash was provided from:			
Maturity of investments	227	0	321
Property, plant & equipment sales	5	0	1
Cash was distributed to:			
Property, plant and equipment purchases	(18)	0	0
Acquisition of investments	(200)	0	0
<b>Net cash flows from investing activities</b>	<b>14</b>	<b>0</b>	<b>322</b>
<b>Net increase (decrease) in cash held</b>	<b>287</b>	<b>(69)</b>	<b>53</b>
Add: Cash and cash equivalents at the beginning of the year	207	524	154
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>494</b>	<b>455</b>	<b>207</b>

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

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 2010

	<b>Actual 30/6/2010 \$000</b>	<b>Actual 30/6/2009 000\$</b>
<b>Net operating surplus/(deficit) for year</b>	135	(279)
Gain/(loss) on sale of assets	(5)	(1)
Gain/(loss) on relocation	67	0
Add/(less) depreciation	48	87
<b>Movements in working capital</b>		
(Increase) decrease in accounts receivable	(7)	26
(Increase) decrease in prepayments	(6)	1
(Decrease) Increase in GST	15	9
(Decrease) Increase in long-service leave	16	0
(Decrease) Increase in accounts payable	22	(92)
Increase (Decrease) in annual leave payable	(12)	(20)
<b>Net working capital movements</b>	28	(76)
<b>Net cash flow from operating activities</b>	273	(269)

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 2010

## (1) Statement of accounting policies

### Reporting entity

The Children's Commissioner is a Crown Entity as defined by the Crown Entities Act 2004 and is domiciled in New Zealand. As such, the Commissioner's ultimate parent is the New Zealand Crown.

The Children's Commissioner was first established on 1 November 1989 under the Children Young Persons and Their Families Act 1989, but whose functions were then mandated by the Children's Commissioner Act 2003. Its primary objective is to ensure that the interests and rights of every child and young person are recognised and each enjoys safety, good health and education, economic and sociocultural well-being and opportunities to actively participate in matters that affect them

Accordingly the Children's Commissioner has designated itself as a public benefit entity for the purposes of New Zealand Equivalents to the International Reporting Standards (NZIFRS).

The financial statements report on the activities of the Children's Commissioner for the year ended 30 June 2010. The financial statements for the Children's Commissioner were approved by the Children's Commissioner on 29 October 2010.

### 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 Public Benefit Entities adopting the NZ equivalents to International Financial Reporting Standards (NZ IFRS) and its interpretations as appropriate to public benefit entities that qualify for and apply differential reporting concessions.

The Children's Commissioner qualifies for Differential Reporting exemptions as it meets the criteria set out in the Framework for Differential Reporting.

Differential reporting exemptions as available under the Framework for Differential Reporting have been applied where applicable and have been consistently applied to all periods presented in these financial statements.

### 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 and all values rounded to the nearest thousand dollars (\$000). 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 comprehensive income 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 expensed as incurred in the Statement of Comprehensive Income. The Children's Commissioner leases Office premises and photocopiers only.

### Finance leases

The Children's Commissioner does not enter into finance leases.

### 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.

### 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 furniture, office equipment, motor vehicles and computer equipment. Property, plant and equipment are shown at cost or valuation, less any accumulated depreciation and impairment losses.

### Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Children's Commissioner and the cost of the item can be measured reliably. Individual assets or groups of assets are capitalised if their costs are greater than \$1,000 (excluding GST)

### Disposals

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

### 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 comprehensive income as they are incurred.

**Depreciation**

Depreciation is provided 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%)
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.

Individual assets, or groups of assets, are capitalised if their costs are greater than \$1,000 (excluding GST). The value of an individual asset that is less than \$1,000 (excluding GST) and is part of a group of similar assets is expensed. All are recorded at historical cost.

**Intangible assets**

*Software acquisition and development*

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

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

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

**Amortisation**

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is de-recognised. The amortisation charge for each period is recognised in the Statement of Comprehensive Income. 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 and long-service leave earned, but not yet taken at balance date. Long-service leave is calculated using Treasury Actuarial guidelines.

### *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 Comprehensive Income as incurred.

## **Provisions**

The Children's Commissioner recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event and it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

## **Goods and services tax (GST)**

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of comprehensive income. 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 Children's Commissioner 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 Commissioner for the preparation of the financial statements.

## **Critical accounting estimates and assumptions**

In preparing these financial statements the Children's Commissioner has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no known significant risks within these estimates and assumptions that would cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## 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

There have been no changes in accounting policies. All accounting policies have been applied consistently with the previous year.

## Changes to accounting standards

The Children’s Commissioner has adopted the following revisions to accounting standards during the financial year, which have had only a presentational or disclosure effect:

- NZ IAS 1 Presentation of Financial Statements (Revised 2007) replaces NZ IAS 1 Presentation of Financial Statements (Issued 2004). The revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. The statement of comprehensive income will enable readers to analyse changes in equity resulting from non-owner changes separately from transactions with owners. The Children’s Commissioner has decided to prepare a single statement of comprehensive income for the year ended 30 June 2010 under the revised standard. Financial statement information for the year ended 30 June 2009 has been restated accordingly. Items of other comprehensive income presented in the statement of comprehensive income were previously recognised directly in the statement of changes in equity.

## Standards, amendments, and interpretations issued that are not yet effective and have not been early adopted

Standards, amendments, and interpretations issued but not yet effective that have not been early adopted, and which are relevant to the Children’s Commissioner, are:

- NZ IAS 24 Related Party Disclosures (Revised 2009) replaces NZ IAS 24 Related Party Disclosures (Issued 2004) and is effective for reporting periods commencing on or after 1 January 2011. The revised standard simplifies the definition of a related party, clarifying its intended meaning and eliminating inconsistencies from the definition. The Children’s Commissioner has not yet assessed the effect of the new standard and expects it will not be early adopted.
- NZ IFRS 9 Financial Instruments will eventually replace NZ IAS 39 Financial Instruments: Recognition and Measurement. NZ IAS 39 is being replaced through the following 3 main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 on the classification and measurement of financial assets has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the many different impairment methods in NZ IAS 39. The new standard is required to be adopted for the year ended 30 June 2014. The Children’s Commissioner has not yet assessed the effect of the new standard and expects it will not be early adopted.

## (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 Commissioner Act 2003 and the government appropriations. Apart from these general restrictions, in 2010 there were no unfulfilled conditions or contingencies attached to government funding (2009: \$nil).

The Crown revenue appropriation was increased in the October Baseline Update 2009, to reflect within Vote Social Development, a transfer of \$0.400 million (GST exclusive) to non-departmental output expense Children's Commissioner from the Families Commission.

## (3) Remuneration and Fees

In accordance with Section 28 (3) (a) (b) and (d), of the Children's Commissioner Act 2003, the following is reported.

### Commissioner's total remuneration

Total remuneration includes other benefits received by the officeholder in the financial year 1 July 2009 to 30 June 2010

Name	Position	2010 (\$000)	2009 (\$000)
Dr John Angus	Children's Commissioner	\$199	\$33

### Employees' remuneration

The Children's Commissioner is a Crown Entity, and is required to disclose certain remuneration information in their annual reports. The information reported is the number of employees receiving total remuneration and other benefits in their capacity as employees of \$100,000 or more per annum. In the financial year 1 July 2009 to 30 June 2010, no employees received remuneration and other benefits in excess of \$100,000 (2009: nil).

### Reference group fees

Reference groups established that received fees:

*Young Peoples Reference Group.*

The Group comprised 6-8 members from 1 July 2009 to 30 June 2010.

\$5,000 was paid in fees by the Children's Commissioner (2009: \$7,000)

## (4) Compensation payments

In accordance with Section 28 (3) (c), of the Children's Commissioner Act 2003, the following is reported.

During the year ended 30 June, 2010 one employee received \$5,000 compensation in relation to cessation (2009: \$0).

## (5) Operating Costs

	30/6/2010 \$000	30/6/2009 \$000
Accountancy fees	39	39
Auditors remuneration	18	18
Consumables	52	55
Contractor fees	0	11
Entertainment	3	5
Information systems	29	40

Motor vehicle expenses	2	4
Occupancy costs	11	22
Office relocation	72	0
Printing and stationery	11	11
Publication expenses	122	130
Rent and rates	127	155
Telephone, tolls and facsimile	27	41
Travel and accommodation	53	132
<b>Total operating costs</b>	<b>566</b>	<b>663</b>

## (6) Property, Plant and Equipment Schedule

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

	Motor Vehicles	Office furniture, equipment and leasehold improvements	Computer equipment	Total
	\$000	\$000	\$000	\$000
<b>Cost or Valuation</b>				
Balance at 1 July 2008	20	354	168	542
Additions	0	0	0	0
Disposals	0	(24)	(68)	(92)
<b>Balance at 30 June 2009</b>	<b>20</b>	<b>330</b>	<b>100</b>	<b>450</b>

	Motor Vehicles	Office furniture, equipment and leasehold improvements	Computer equipment	Total
	\$000	\$000	\$000	\$000
Balance at 1 July 2009	20	330	100	450
Additions	0	3	11	14
Disposals	0	(305)	(7)	(312)
<b>Balance at 30 June 2010</b>	<b>20</b>	<b>28</b>	<b>104</b>	<b>152</b>

	Motor Vehicles	Office furniture, equipment and leasehold improvements	Computer equipment	Total
	\$000	\$000	\$000	\$000
<b>Accumulated Depreciation and Impairment Losses</b>				
Balance at 1 July 2008	6	209	89	304
Depreciation Expense	6	58	23	87
Eliminate on Disposal	0	(24)	(68)	(92)
<b>Balance at 30 June 2009</b>	<b>12</b>	<b>243</b>	<b>44</b>	<b>299</b>

	Motor Vehicles	Office furniture, equipment and leasehold improvements	Computer equipment	Total
	\$000	\$000	\$000	\$000
Balance at 1 July 2009	12	243	44	299
Depreciation Expense	6	16	24	46
Eliminate on Disposal	0	(237)	(7)	(244)
<b>Balance at 30 June 2010</b>	<b>18</b>	<b>22</b>	<b>61</b>	<b>101</b>

	Motor Vehicles	Office furniture, equipment and leasehold improvements	Computer equipment	Total
	\$000	\$000	\$000	\$000
Carrying Amounts				
At 1 July 2008	14	145	79	238
At 30 June and 1 July 2009	8	87	56	151
<b>At 30 June 2010</b>	<b>2</b>	<b>6</b>	<b>43</b>	<b>51</b>

## (7) Intangible Assets Schedule

Movements for intangible assets are as follows:

	Acquired Software \$000	Total \$000
<b>Cost or Valuation</b>		
Balance at 1 July 2008	4	4
Additions	0	0
Disposals	0	0
<b>Balance at 30 June 2009</b>	<b>4</b>	<b>4</b>

	Acquired Software \$000	Total \$000
Balance at 1 July 2009	4	4
Additions	4	4
Disposals	0	0
<b>Balance at 30 June 2010</b>	<b>8</b>	<b>8</b>

	Acquired Software \$000	Total \$000
<b>Accumulated Amortisation and Impairment Losses</b>		
Balance at 1 July 2008	1	1
Depreciation Expense	1	1
Eliminate on Disposal	0	0
<b>Balance at 30 June 2009</b>	<b>2</b>	<b>2</b>

	Acquired Software \$000	Total \$000
Balance at 1 July 2008	2	2
Depreciation Expense	2	2
Eliminate on Disposal	0	0
<b>Balance at 30 June 2009</b>	<b>4</b>	<b>4</b>

## Intangible Assets

	Acquired Software \$000	Total \$000
Carrying amounts		
At 1 July 2008	3	3
At 30 June and 1 July 2009	2	2
<b>At 30 June 2010</b>	<b>5</b>	<b>5</b>

## (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 Children's Commissioner's equity but are held in a separate bank account.

The account was closed in September 2010 with remaining funds transferred to the main cheque account.

	30/6/2010 \$	30/6/2009 \$
Opening balance	302	302
<b>Funds held as at 30 June</b>	<b>302</b>	<b>302</b>

## 9) Debtors and Other Receivables

Debtors and other receivables are as follows:

	30/6/2010 \$000	30/6/2009 \$000
Sundry debtors	15	7
<b>Total debtors and other receivables</b>	<b>15</b>	<b>7</b>

The carrying amount of receivables reflects their fair value. No impairment was expensed in the reporting period (2009: nil). All receivables are due within 30-days.

## (10) Creditors and other payables

	30/6/2010 \$000	30/6/2009 \$000
Accounts payable - trade	97	84
Accruals	22	14
<b>Total creditors and other payables</b>	<b>119</b>	<b>98</b>

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

## (11) Cash and Cash Equivalents

Cash on hand and at bank:	30/6/2010 \$000	30/6/2009 \$000
Westpac		
• Current account	156	106
• Ready access account	99	101
Short term investments	239	0
	<b>494</b>	<b>207</b>

## (12) Project Costs

	30/6/2010 \$000	30/6/2009 \$000
Wellington Projects	0	86
Investigation & Monitoring	19	0
Education & Training	11	0
PLINFO	20	0
YPRG & Consultation	21	35
Auckland Projects	0	20
Poverty Project	0	59
Advocacy	46	0
Total Project Costs	117	200

## (13) Statement of Contingent Liabilities as at 30 June 2010

There were no contingent liabilities as at 30 June 2010. (2009: Nil)

## (14) Statement of Total Commitments

	Actual 2010 \$000	Actual 2009 \$000
Operating lease commitments		
Less than one year	93	40
One to two years	91	3
Two to five years	218	1
More than five years	0	0
Total	402	44

The significant portion of the total non-cancellable operating lease expense relates to the lease of half a floor in Wellington sublet from the Families Commission. The lease will expire on 30 November 2014. The Children's Commissioner leases photocopiers. These leases expire in:

Fuji Xerox: 11 months

Leasing Solutions Limited: 27 months

There are no other operating leases and no restrictions are placed on the Children's Commissioner by any of its leasing arrangements.

## **Capital commitments**

Estimated capital expenditure contracted for at balance date but not provided for as at 30 June 2010 was nil. (2009: nil)

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

## **(15) 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 comprehensive income. 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 holds cash with Westpac. Westpac is part of the Crown Retail Deposit Guarantee Scheme and so all deposits up to \$1 million held with Westpac are guaranteed by the Crown. 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 only investing with 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.

## **(16) 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.

## **(17) Significant variances**

### **Statement of comprehensive income**

#### **Crown Revenue**

Funding for the Children's Commissioner has increased for 2009/2010 and out-years by \$0.4m (GST exclusive). The Office budgeted a loss of \$0.138m to maintain capacity and the delivery of outputs and anticipated using accumulated reserves to cover this deficit. The deficit was managed down during the year through retrenchment and downsizing. An actual net surplus of \$0.135m was achieved and taxpayers' funds were increased by this surplus.

#### **Personnel and operating expenses**

Personnel and operating expenses were managed down during the year through retrenchment and downsizing.

### **Statement of financial position**

A significant difference between cash budget and actual arose because funding for the Children's Commissioner increased for 2009/2010.

### **Statement of cashflows**

A significant difference in cashflow between budget and actual arose because funding for the Children's Commissioner increased for 2009/2010.

## **(18) Related party**

The Children's Commissioner is a wholly owned entity of the Crown. The Government significantly influences the role of the Children's Commissioner as well as being its major source of revenue.

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 were no related party transactions for the year ended 30 June 2010 (2009: There was a close family member of key management personnel employed by the Office).

## **(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 2010

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

### Unqualified Opinion

In our opinion:

- The financial statements of the Office on pages 28 to 45:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect:
    - the Office's financial position as at 30 June 2010; and
    - the results of its operations and cash flows for the year ended on that date.
- The statement of service performance of the Office on pages 24 to 27:
  - 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 29 October 2010, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the 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 Office as at 30 June 2010 and the results of its operations and cash flows for the year ended on that date. The statement of service performance must fairly reflect, for each class of outputs, the Office'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 and the Children's Commissioner Act 2003.

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

### **Independence**

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

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



**Ajay Sharma**

Audit New Zealand

On behalf of the Auditor-General

Wellington, New Zealand

## Matters relating to the electronic presentation of the audited financial statements

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

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements. 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 as well as the related audit report dated 29 October 2010 to confirm the information included in the audited financial statements presented on this website.

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

## Appendix 1: Speeches and presentations

Major speeches and presentations made by Dr John Angus included:

- Speech to the New Zealand Forum on the Family entitled *The face of child abuse in New Zealand and how we can change it*
- Speech to the Rotary Club of Alexandra, entitled *A great place to bring up children? The social and economic position of Children in New Zealand*
- Speech to the Royal New Zealand Plunket Society AGM entitled *Working Together Transforming the Future*
- Opening address at the National Immunisation Conference 2009 entitled *The face of children in New Zealand*.
- Speech to the Volunteer Community Co-ordinators and Positive Ageing Ambassadors Policy Forum entitled *A picture of New Zealand Children Today*
- Speech to Child Protection Study Day entitled *Ways ahead: keeping children safe, secure and well-nurtured*
- Speech to the Good Childhood Series entitled *The Gift of Children and the Gift of Childhood*
- Speech to StartStrong: a children's rights seminar on early and sustained support for children with a disability entitled *Attitudes to children, attitudes to disability and children's rights*
- Speech to the Youth Sensible Sentencing Trust Launch
- Address to the New Zealand Tertiary College 2010 Graduation Ceremony entitled *Dancing in their Hearts. Some comments on Early Childhood Education and Care*

Principal advisors have also been active in promoting the interests of children through speeches and presentations in their individual areas of expertise. This has included presentations at the following events:

- Deputy/Assistant Principal Training Course on *What is happening to New Zealand's Children?*
- Making Inclusive Education Happen Forum on *School for All: Children's Right to Inclusive Education in Wellington*
- Presentation to the Anglican Women's Trust for Women and Children, Enhancing Collaborative Practice on *The importance of early Intervention in achieving the rights of children.*
- Presentation to the Police National Family Violence Conference entitled *The Impact of Family Violence on children.*
- Presentation to the Law for Lunch seminar series, Wellington City Library entitled *School Bullies: What Can You Do?*

