

Statement of Intent

2013–2016

STATEMENT OF INTENT FROM THE CHILDREN'S COMMISSIONER



MANAAKITIA A TĀTOU TAMARIKI

Children's
Commissioner

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FOREWORD FROM THE CHILDREN'S COMMISSIONER



*Ki te kahore he
whakakitenga ka
ngaro te iwi*

Without foresight
or vision the
people will be lost

I am pleased to present this Statement of Intent, which sets out my priorities for 2013-2016.

While most of New Zealand's children do well, a substantial proportion do not do as well as they should. A fifth of our children live in poverty, which has profound and lifelong consequences across many aspects of their lives. Māori and Pasifika children have disease and death rates typically 2-4 times that of other children. Our rates of child abuse are high by international standards. While New Zealand students do very well in international achievement tests on average, we also have one of the highest differences in achievement between the best and worst achieving students. None of these are acceptable to New Zealanders and all can be changed, if we choose to.

As the statutory independent advocate for children in New Zealand, I have set priorities for the Office for my five-year term to improve outcomes for children related to health, poverty, education, and abuse and neglect.

I am the statutory independent monitor of services delivered under the Children, Young Persons, and Their Families Act 1989 (CYPF Act). Two issues will impact our monitoring function in the period of this Statement of Intent. Firstly, we will be working with Child, Youth and Family to develop our role as a catalyst for improvement. Secondly, the Children's Action Plan is likely to require an increase in our monitoring role. We will work closely with Ministers and officials to ensure all services under the CYPF Act are delivered to the highest possible standards.

I am fortunate to be leading a talented, motivated and committed team at the Office. We strive to continually increase our capability and effectiveness to tackle such difficult but important issues. I am pleased with our progress on our priorities so far, and I am looking forward to the year ahead.

A handwritten signature in black ink, appearing to read 'Russell Wills', written over a light grey background.

Dr Russell Wills

MB, ChB, Dip Obst, DCH, FRACP, MPH

Children's Commissioner

WHO WE ARE

The Children's Commissioner is an independent Crown entity established under the Children's Commissioner Act 2003. The Act provides the Commissioner with a primary role to advocate for New Zealand children aged under 18 years.

Dr Russell Wills was appointed by the Governor-General as the Children's Commissioner from 1 July 2011 for a five year period. Dr Wills is the first half-time Children's Commissioner and continues to work in clinical paediatrics at Hawke's Bay Hospital.

OUR VISION

The Office of the Children's Commissioner's vision is to ensure that *New Zealand is a place where all children thrive*.

FUNCTIONS

Our main functions include:

- > monitoring and assessing the services provided under the CYPF Act
- > advocating for the interests, rights and well-being of children

- > raising awareness and understanding of the United Nations Convention on the Rights of the Child (UNCROC) and advancing and monitoring the application of UNCROC by the State.

The Children's Commissioner is supported by a staff of 15FTE and has an annual budget of \$2.157 million.

The Children's Commissioner has set four strategic priorities for his term under this overall mandate:

- > more children are safe and free from all forms of abuse and neglect
- > more children grow up with access to adequate resources
- > more children grow up healthy
- > more children achieve their education potential.

HOW WE WORK

Our small size means we need to work strategically and influence others to deliver the services and support children need to thrive.

The Office works across multiple sectors. Our key stakeholders include a diverse range of organisations, groups and individuals who have responsibilities and powers relating to children, as well as children themselves. We work closely with many government agencies, providing child-centred policy advice.

Through all our work and interactions, we strive to:

- > promote, raise awareness and act in accordance with UNCROC
- > engage children and include their voices and perspectives
- > promote a child-centred perspective
- > advocate for individual children and systemic change
- > work collaboratively to maximise our influence.

WHAT WE DO

The Treaty of Waitangi is central to the work of the Office and honouring the Treaty is one of the core values that drive our work. Our tikanga framework includes the concepts of aroha, tika, pono and matauranga and we continue to support staff to apply these concepts in their projects and mahi.

All of our work feeds into our vision of ensuring *New Zealand is a place where all children thrive*.

The Children's Commissioner Act 2003 (our Act) mandates the Commissioner to monitor services provided under the CYPF Act. This includes reviewing the strategies, policies and practices of agencies operating under the Act. At present the focus is on Child, Youth and Family. To do this we review samples of cases, visit sites and residences¹ and talk to children, families, young people and stakeholders. This results in feedback to Child, Youth and Family on areas of good practice as well as areas for improvements. The Children's Commissioner is designated under the Crimes of Torture Act 1989² as a National Preventive Mechanism with specific responsibility for monitoring the safety and treatment of children in residences, through unannounced visits to these residences.

In addition, we seek to influence government and society to take action to better support children. An example is establishing and supporting an Expert Advisory Group to report on Solutions to Child Poverty in New Zealand in 2012.

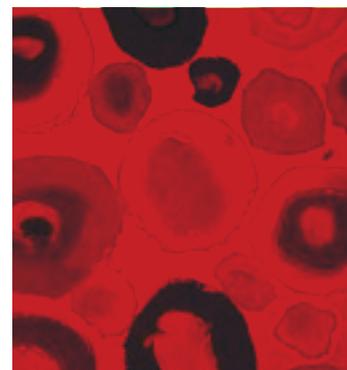
We support the Government's Better Public Service targets to improve outcomes for vulnerable children, and we are also actively involved in the work underway to implement

the Children's Action Plan. We work across government agencies and alongside community and non-government sectors to achieve these goals.

Explicit in our Act is our responsibility to raise awareness, advance implementation and monitor the application of UNCROC by the State. We fulfil this through delivery of our core services as well as opportunities to promote implementation in legislation through Select Committee submissions. We also monitor UNCROC implementation through the coordination of a NGO group that tracks the State's progress on responding to the United Nation's specific recommendations to New Zealand.

Our Act enables us to carry out a wide range of general functions and responsibilities. The Office has established a range of core services and activities that fulfil our statutory requirements. These core services provide a foundation for our strategic work aimed at improving the well-being of children. They include:

- > maintaining a 'Child Rights and Advice Line'
- > investigating individual complaints
- > supporting a Young Persons Advisory Group
- > providing child-centred advice to Select Committees, Ministers, Crown entities and local and non-government organisations
- > raising awareness of children's interests among New Zealanders generally.



Our small size means we need to work strategically and influence others to deliver the services and supports children need to thrive.

We continually develop and enhance key relationships and partnerships in order to extend our networks and expand our influence with decision-makers.

1 When we refer to residences in this document, we refer to any residence established under section 364 of the CYPF Act, including four Youth Justice residences, four care and protection residences, and one residence run by Barnardos (nine in total).

2 New Zealand is a signatory to the United Nations Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment of Punishment. The purpose of the protocol is to establish a system of independent monitoring of places of detention. The Crimes of Torture Act 1989 gives effect to New Zealand's international obligations in this regard.

STATE OF CHILDREN IN NEW ZEALAND

Children and young people make up a large part of New Zealand's population. Just over one million of New Zealand's citizens are under the age of 18 years (26 percent of the population).³

One-third of New Zealand's households include children, at an average of 1.9 children per household. Sixty-nine percent of families with children are two-parent families while the remaining 31 percent are one-parent families.

While almost half of all New Zealand children live in the Auckland region, Gisborne is the region with the highest proportion of children (27 percent) while the Otago Region has the lowest proportion (19 percent).

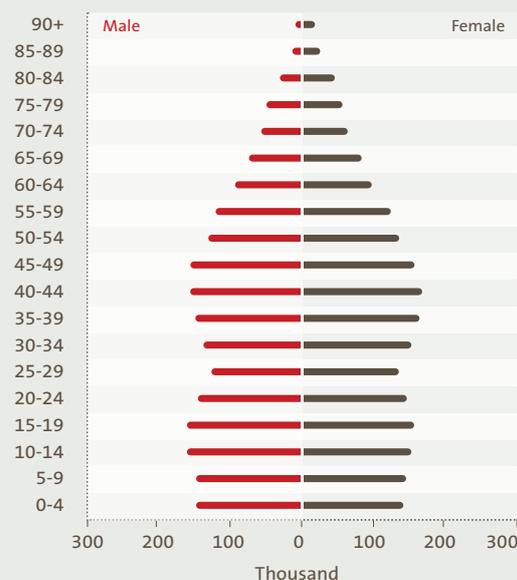
Not all New Zealand children are thriving.

The majority of New Zealand children and their families enjoy a high quality of life and experience good outcomes. This is reflected in New Zealand's high international ratings in comparative surveys measuring quality of life and in areas such as educational attainment.

However, some of New Zealand's children do not experience the good outcomes the majority enjoy. The circumstances of these children are reflected in New Zealand's poor rating in international comparisons of child health and well-being and in our level of investment in young children.⁴

Ethnicity matters. 73 percent of New Zealand children are of European ethnicity, with Māori, Pasifika and Asian being the other large population groups (24, 12 and 9 percent respectively)⁵. Unfortunately children's outcomes differ significantly by ethnicity in New Zealand. While there are children across all ethnic groups who are achieving excellent outcomes and thriving, we know that there is significant over-representation of Māori and Pasifika children among those experiencing poor outcomes.

NZ population distribution by age groups, 2006



It is important to emphasise that it is not that being Māori and Pasifika leads to poor outcomes, but rather that a disproportionate number of these children are exposed to multiple risk factors that contribute to poorer outcomes. Nonetheless, ethnicity, along with other measures of need, provides us with a useful starting point in ensuring children in vulnerable circumstances get the services and supports they need to thrive. For Māori and Pasifika children and their families, this may mean different approaches or considerations that better address their needs.

³ Unless otherwise stated, population data based on Statistics New Zealand Census 2006.

⁴ Organisation for Economic Co-operation and Development, *Doing Better for Children NZ Country Highlights*. 2009, Paris.

⁵ Statistics New Zealand, *National Ethnic Population Projections: 2006 (base) – 2026*. People who identify with more than one ethnicity are included in each ethnic population they identify with, therefore total does not add to 100%.

TOO MANY CHILDREN DO NOT GROW UP WITH ACCESS TO ADEQUATE RESOURCES

Too many of our children do not have access to adequate resources to meet their basic needs. Last year, we sponsored a major project, the Expert Advisory Group on Solutions to Child Poverty, to consider the extent of the issue, provide rigorous information on the causes and consequences of poverty, and most importantly, to develop a range of practical recommendations to address child poverty.

The proportion of children living in poverty is too high and has risen over time. We know that 25 percent of all New Zealand children – 270,000 children – live in poverty (using the income poverty threshold of 60 percent of median household income after housing costs). In 1986 child poverty was 10 percent using this same measure. Children have the highest poverty rates of any population age group.

Child poverty is costly and affects everyone.

For individual children, the short-term impacts of poverty include:

- > not having sufficient nutritious food and going to school hungry
- > living in cold damp houses
- > missing out on important childhood opportunities like school outings and sports activities
- > being more likely to have lower educational achievement and poor health.

Life-time impacts include reduced employment prospects, lower earnings, poorer health, and higher rates of criminal offending.

Considerable sums of public money are spent dealing with these negative consequences of child poverty – estimated at about 4 percent of GDP per annum. Failure to address child poverty now will damage the nation's long-term prosperity.

Some children are at greater risk. Growing up in poverty can have particularly damaging impacts on younger children, as many significant aspects of child development occur

in the earliest years and harm in this period has life-long impacts. We also need to give specific attention to overcoming inequalities for Māori and Pasifika children, as they make up a disproportionate number of children in poverty. Children in sole-parent families are also much more likely to grow up in poverty.

Many children live in poor quality and overcrowded houses. Housing is critically related to child poverty. Poor quality housing is a cause of many health issues for children, including infectious diseases, respiratory illness and preventable injury. Overcrowding is linked to the spread of diseases and also impacts children's mental health, social well-being and school performance. Approximately 50 percent of Pasifika children and 25 percent of Māori children live in overcrowded housing conditions, compared to 5 percent of European children.

Solutions to child poverty need to cover a range of factors. There are no inexpensive silver bullets. Rather, we need an evidence-informed, comprehensive, sustained effort across many fronts. Key well-being domains include:

- > stable, nurturing family
- > supportive community
- > affordable, safe, healthy homes
- > accessible health services
- > supportive education sector
- > adequate income, through employment and welfare support.

MANY CHILDREN DO NOT GROW UP HEALTHY

Childhood is a critical period for laying the foundations for life-long health and well-being. Childhood is therefore a key period for investing in human capital development and in reducing inequities. There is a high social and economic cost to the nation of a poor start in life. Children living in poverty are at greater risk of poor health outcomes, which amplifies the need to address our high rates of child poverty. Children's physical and emotional health is also linked to their educational achievement, adult employment and family relationships.

New Zealand's child health and well-being outcomes are poor by international standards.

According to the Organisation for Economic Co-operation and Development (OECD), New Zealand children experience especially high levels of infectious disease, injury, maltreatment, social morbidity and suicide compared to children from other OECD countries.⁶ Mortality rates have declined over time, however the decline has been less than that of other prosperous nations and inequalities have persisted or even widened.⁷

There are stark differences in many New Zealand child health indicators between population groups.

The mortality rate for infants in our least deprived neighbourhoods is the same as the best-performing countries in the OECD. However, the infant mortality rate in our poorest neighbourhoods is worse than in most OECD countries⁸. Children living in more deprived neighbourhoods have disproportionately high rates of a range of issues, including: unintentional injury; maltreatment; dental caries; SUDI (Sudden Unexpected Death in Infancy); and hospitalisation for a number of conditions such as bronchiolitis, rheumatic fever and pneumonia.

Māori and Pasifika children experience a particularly high burden of poor health.

Māori and Pasifika children growing up in New Zealand are much more likely to experience socio-economic deprivation and have higher rates of poor health.⁹

Child health outcomes can be improved. There are examples of good practice for getting better child and youth health outcomes across New Zealand. We believe that outcomes can be improved by working across the District Health Boards (DHBs) to share good practice, reduce inequalities and raise the quality of health services for children and youth.

MANY CHILDREN ARE NOT ACHIEVING THEIR EDUCATION POTENTIAL

New Zealand's current education system is, overall, a strong performer when compared with similar countries. The results of the 2009 Programme for International Student Assessment (PISA), which compares educational outcomes for 470,000 15 year old students across 65 countries (including all 34 OECD nations) confirmed New Zealand's high ranking internationally. However, the study also found a gap of over 50 points (about the equivalent of a year and a half of schooling) between high-achieving and low-achieving students in New Zealand, significantly above the OECD average of 38 points. And the percentage of variation explained by differences in our students' socio-economic status (SES) backgrounds was again higher than the OECD average, and the slope of our socio-economic gradient was the highest in the OECD.

Too many children are being left behind. The system that serves some children so well is not supporting many Māori and Pasifika children and children living in poverty to achieve their potential. Around half of Māori rangatahi leaving school in 2011 had not attained NCEA level 2, the minimum qualification benchmark for successful entry into the labour market. The figures for Pasifika and European/Pākehā leavers were 63 percent and 77 percent respectively. This differentiated pattern of achievement is apparent from the very early years of schooling, and is clearly unacceptable. Not only does it impact on the lives of individuals, but it burdens the health, welfare and criminal justice systems, contributing in turn to our persistently low levels of productivity.

6 Organisation for Economic Co-operation and Development, *Doing Better for Children*. 2009, Paris.

7 Child and Youth Mortality Review Committee, *Fifth Report to the Minister of Health: Reporting mortality 2002–2008*. 2009, Wellington.

8 Public Health Advisory Committee, *The Best Start in Life*. 2010, Ministry of Health: Wellington.

9 NZ Child & Youth Health Epidemiology Service, *The Children's Social Health Monitor, 2011 Update*. 2011, Dunedin.

Many changes are underway and are starting to make a difference. Educational outcomes for Māori and Pasifika children are steadily improving. Early childhood education participation rates and the proportion of school leavers from both groups achieving at least NCEA level 2 are improving, and Māori and Pasifika learners are increasingly likely to stay on at school past age 16 (when they may legally leave).¹⁰ Both Ka Hikitia – the Māori Education Strategy and the Pasifika Education Plan have been recently refreshed and challenging goals set.

Further improvements can be made. It is well-evidenced that some of the key drivers of education success are the home learning environment, parent involvement in education, and home-school partnerships focussed on educational achievement. There is a lot of effort being expended on bolstering all these areas, by a range of agencies. These efforts will be essential in achieving the Government's Better Public Services targets for vulnerable children. However, in our view, these efforts are not always effectively coordinated, and therefore likely to be not maximally effective.

MANY CHILDREN ARE NOT SAFE AND ARE THE VICTIMS OF ABUSE AND NEGLECT

Too many children experience abuse and neglect. In the year ending June 2011, Child, Youth and Family received 150,747 notifications or reports of concern. Substantiated abuse was found in 57,949 (38 percent).¹¹ Of these cases, emotional abuse was the most common, followed by behaviour/relationship concerns, neglect, physical abuse, sexual abuse and self harm. Approximately 46 percent of Child, Youth and Family child clients are Māori, 36 percent European Pākehā and 10 percent Pasifika.

Hospital admission rates for assault, neglect and maltreatment have declined slightly from 2000 to 2010. However, children who live in

New Zealand's most deprived areas have rates of admissions under these grounds that are nearly six times that of those children living in the least deprived areas.¹² Mortality as a result of assault, abuse or neglect fluctuates from year to year. However, on average seven children die each year as a result of maltreatment. Between 2003 and 2008, 68 children aged under 19 years died as a result of assault.¹³

Too many children are exposed to family violence. Numbers of police family violence attendances have steadily increased over the past four years. In the year ending 2011, June 2011, Police made 57,153 notifications to Child, Youth and Family for family violence referrals, made when Police attend a family violence case and find a child present. Police estimate that only 18 percent of family violence incidents are reported.

Too many young people are offending. There continues to be a downward trend in the rate of police apprehensions of young people. However there are still concerning statistics that relate to an increase in the number of apprehensions for violent offences; the overrepresentation of young Māori in the youth justice system; and the fact that females are a growing proportion of the overall youth justice statistics.¹⁴

Children's Action Plan. The current Government has initiated a Children's Action Plan to improve the outcomes of our most vulnerable children – those at risk of and subject to abuse. We are actively contributing to the design and implementation of various elements of the Children's Action Plan, and see this as a significant opportunity for us to bring about improvements to the systems, approaches and practises of those various agencies tasked with supporting children in vulnerable circumstances.

¹⁰ All data taken from www.educationcounts.govt.nz

¹¹ MSD, Statistical Report for the Year to June 2011, table CY.1.

¹² NZ Child & Youth Health Epidemiology Service, *The Children's Social Health Monitor, 2011 Update*. 2011, Dunedin.

¹³ Ibid.

¹⁴ Ministry of Justice, Child and Youth Offending Statistics 1992 to 2008.

MAKING A DIFFERENCE FOR CHILDREN

The priority goals outlined in this section are intended to address the most significant issues for New Zealand children.

Much of our monitoring, advocacy and core activities are directly linked to these four priorities. But we are also continually scanning for opportunities to achieve better outcomes for children. In some areas we have yet to scope fully the shape and impact of the work, such as engaging with local councils to further support children and young people. Similarly, the priorities and impacts below do not include explicit actions or indicators set around

children’s participation in decision-making or our promotion of UNCROC. However, these activities are embedded across our monitoring and advocacy work programmes.

Based on our main functions the Children’s Commissioner intends to make a difference for children through the following priorities and impacts:

| | | | | |
|---|--|--|---|--|
| Vision | NEW ZEALAND IS A PLACE WHERE ALL CHILDREN THRIVE | | | |
| Our priority outcomes¹⁵ | MORE CHILDREN ARE SAFE AND FREE FROM ALL FORMS OF ABUSE AND NEGLECT | MORE CHILDREN GROW UP WITH ACCESS TO ADEQUATE RESOURCES | MORE CHILDREN GROW UP HEALTHY | MORE CHILDREN ACHIEVE THEIR EDUCATION POTENTIAL |
| Our Monitoring Impact Achieved by assessing the services, policies and practices of CYF and other delivery agencies so that children in contact with Statutory Services ¹⁶ thrive. | More children in contact with Statutory Services receive quality social work practice that ensures they are safe and revictimisation is reduced. | More children in contact with Statutory Services have adequate resources to meet their needs. | More children in contact with Statutory Services are connected to health services as appropriate. | More children in contact with Statutory Services are connected to education services as appropriate. |
| Our Advocacy Impact Achieved by undertaking specific initiatives to advocate for the interests, rights and well-being of children. | More children are kept safe through community leaders playing their part in addressing family violence. | Increased community, philanthropic, business and government priority and action underway to address child poverty. | District Health Boards undertake quality improvement initiatives to deliver better child and youth health services. | More parents, caregivers and organisations provide a positive learning environment for children. |

¹⁵ These are social sector outcomes that the Office of the Children’s Commissioner contributes to.

¹⁶ Statutory Services established under the CYPF Act 1989 are all care and protection and youth justice services, including residential services. They apply to children in State care as well as those in families receiving services and support.

These priority outcomes and impacts are further detailed on the following pages, along with actions to drive and measure both the monitoring and advocacy impacts.

We have identified key measures within each priority area to determine if we are making an impact over time through our output activities. Many factors will influence these medium-term outcomes, a number of which are outside of our control. We cannot achieve these outcomes alone – it will take involvement and focus of all of our stakeholders.

It is a rapidly changing environment. Our monitoring functions are constantly evolving to keep pace in a changing environment. Currently we are working with Child, Youth and Family to make quality improvements within a collaboration framework. We will continue to look at best practice¹⁷ to see how we can continue to improve our approach. As well, work underway in the sector may well have an impact, creating a greater role. We are considering what capacity and capability would be needed to ensure we have a credible platform for undertaking the activities.



Lily
Hataitai Primary School

¹⁷ For example, the Institute for Healthcare Improvement (IHI) provides internationally recognised frameworks delivering and monitoring service quality improvement.

PRIORITY OUTCOME 1

MORE CHILDREN ARE SAFE AND FREE FROM ALL FORMS OF ABUSE AND NEGLECT

We are concerned about the safety of children, and want to support government and community responses that will reduce abuse, violence and neglect, and help build stronger families so that parents do better for their children.

Last year we worked with leaders representing most major and minor religious faiths across the country to understand their potential role in addressing family violence. By the end of 2012, over 40 faiths had signed up to a statement in principle, 'Faith Communities Against Violence: A National Statement' signifying their commitment to a united stand against family violence. We will support these leaders to put their commitment into action, so that faith communities can respond effectively to violence, particularly against women and children.

We will continue to seek out other opportunities to support communities to play their part in promoting safety for children. For example, working with individual local government councils, and exploring options with other groups such as the Federation of Multicultural Councils as they embark on a family safety programme.

Our monitoring work aligns to the Ministry of Social Development outcomes and measures related to child safety. We are also undertaking significant work to support the development of the Children's Action Plan.

| | | |
|------------------------|--|---|
| Outcomes | MORE CHILDREN ARE SAFE AND FREE FROM ALL FORMS OF ABUSE AND NEGLECT Outcome measures for 2013-16 Positive shifts in child safety as measured by: <ul style="list-style-type: none">> Substantiated child abuse rates.> Family violence referrals from the Police to Child, Youth and Family. Data sourced from MSD's Annual Statistical Report | |
| Impacts | More children are kept safe through community leaders playing their part in addressing family violence | More children in contact with Statutory Services receive quality social work practice that ensures they are safe and revictimisation is reduced |
| Indicators | <ul style="list-style-type: none">> Proportion of faith communities proceeding to undertake family violence prevention activities Baseline: during 2011/12, 40 faith communities signed a Family Violence National Statement. Target: 20 faith communities (e.g. 50 percent) to have further progressed family violence prevention initiatives 2013/14. 28 faith communities (e.g. 70 percent) to have further progressed family violence prevention initiatives 2014/15. 32 faith communities (e.g. 80 percent) to have further progressed family violence prevention initiatives 2015/16.> Number of our monitoring recommendations regarding child safety actioned by CYF Baseline: 2011/12 100 percent response by CYF to recommendations (145 completed; 55 progressed) – in future, we will categorise our recommendations to track our impact within this priority area. Target: 100 percent response by CYF to recommendations 2013/14. 100 percent response by CYF to recommendations 2014/15. 100 percent response by CYF to recommendations 2015/16. | |
| 2013/14 Actions | <ul style="list-style-type: none">> Facilitate opportunities for community leaders to grow their capability to address family violence.> Monitor CYF sites and residences and undertake thematic reviews. | |

PRIORITY OUTCOME 2

MORE CHILDREN GROW UP WITH ACCESS TO ADEQUATE RESOURCES

Child poverty has consequences for health, education and productivity of New Zealanders, and there are more than a quarter of a million children living in poverty.

Last year, we established and supported an Expert Advisory Group (EAG) to report on Solutions to Child Poverty in New Zealand. Our focus for child poverty now turns to working with private sector businesses, philanthropists and community organisations to encourage all New Zealanders to play their part in reducing child poverty. We will continue to progress the uptake of the EAG's 78 recommendations where we can.

We will re-convene the EAG group for one special session to assess progress and comment on a strategy to advise, influence and partner with

philanthropic and business sectors. Above all, we will be open to opportunities for partnering with many other organisations that want to step up to take a lead in reducing child poverty.

We will convene a group to develop a set of guidelines for schools on the effective implementation of school food programmes.

Our monitoring work will examine whether children in contact with Statutory Services have adequate resources and supports to achieve better outcomes.

| | | |
|------------------------|--|---|
| Outcomes | <p>MORE CHILDREN GROW UP WITH ACCESS TO ADEQUATE RESOURCES</p> <p>Outcome measures for 2013-16</p> <p>Positive shifts in children's access to adequate resources as measured by:</p> <ul style="list-style-type: none"> > Percentage of children below 60% median income AHC > Percentage of children in material hardship <p>Data sourced from the annual Household Economic Survey</p> | |
| Impacts | <p>Increased priority and action by community, philanthropic, business and government to address child poverty</p> | <p>More children in contact with Statutory Services have adequate resources to meet their needs</p> |
| Indicators | <ul style="list-style-type: none"> > Number of EAG recommendations being wholly or partially progressed by organisations to address elements of child poverty. <ul style="list-style-type: none"> Baseline: no recommendations wholly or partially progressed. Target: 10 percent of recommendations wholly or partially progressed 2013/14. 15 percent of recommendations wholly or partially progressed 2014/15. 20 percent of recommendations wholly or partially progressed 2015/16. > Number of our monitoring recommendations regarding adequate resources actioned by CYF <ul style="list-style-type: none"> Baseline: 2011/12 100 percent response by CYF to recommendations (145 completed; 55 progressed) – in future, we will categorise our recommendations to track our impact within each priority area. Target: 100 percent response by CYF to recommendations 2013/14. 100 percent response by CYF to recommendations 2014/15. 100 percent response by CYF to recommendations 2015/16. | |
| 2013/14 Actions | <ul style="list-style-type: none"> > Reconvene the EAG for one special session. > Develop a strategy for advising, influencing and partnering with philanthropic and business sectors. > Develop a set of guidelines for schools on the effective implementation of school food programmes. > Continue to advocate for solutions to child poverty across all our activities. > Monitor Child, Youth and Family sites and residences and undertake thematic reviews. | |

PRIORITY OUTCOME 3

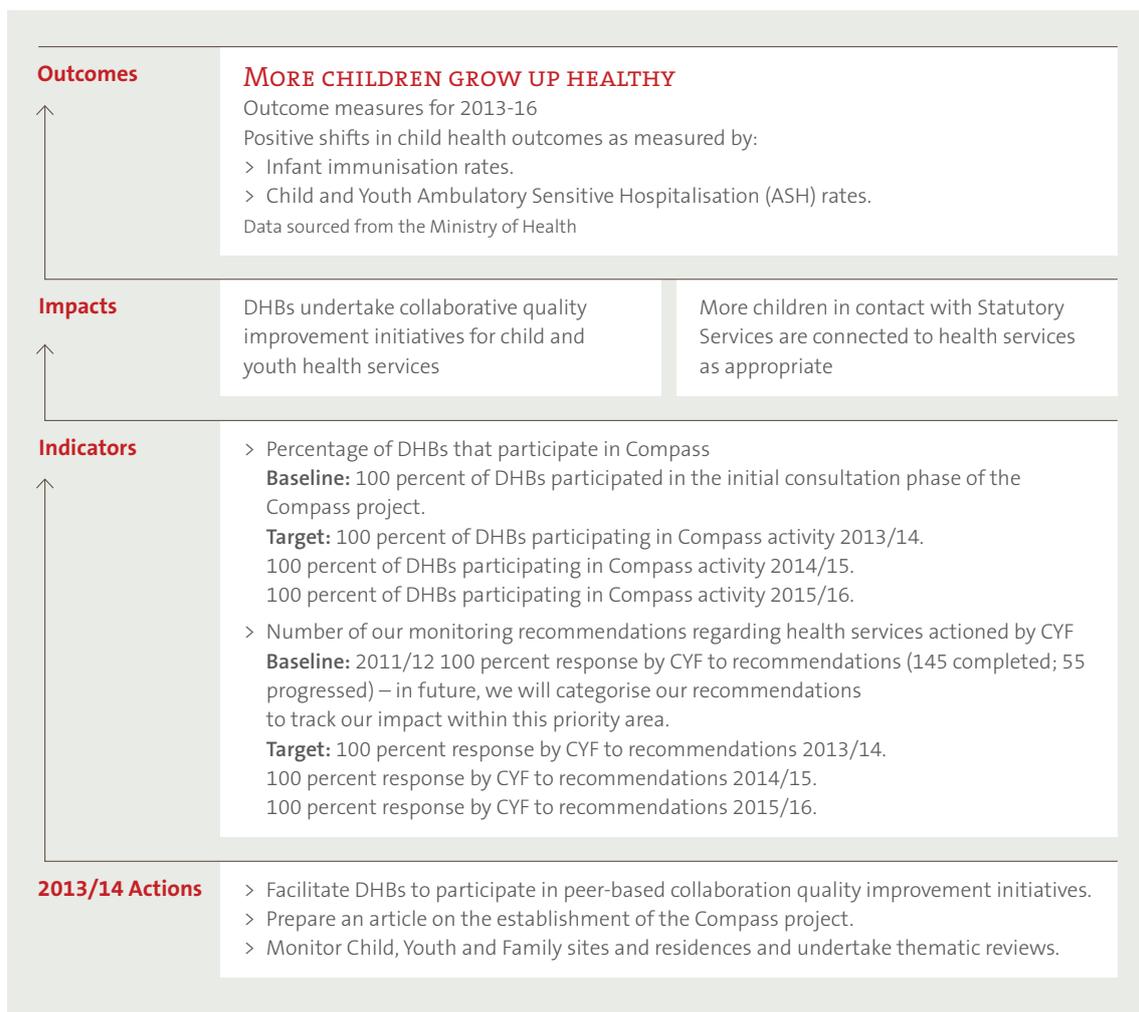
MORE CHILDREN GROW UP HEALTHY

Childhood is the critical period in life for laying the foundations for lifelong health and well-being.

There are stark differences in many child health outcomes between population groups, and across the country. Last year we initiated the Child & Youth Health Compass project with the aim of identifying examples of exemplary practice, innovation and resources that can be shared between District Health Boards (DHBs) to improve the quality of health services, leading to improved health outcomes for children and young people. We are continuing to progress this work, and in 2013-14 will facilitate a DHB peer-based collaboration to improve quality and to support transfer of innovation and good practice.

We are also working in partnership with the Privacy Commissioner and health sector to introduce information-sharing guidelines that will support better collaborative services for children with high and complex needs.

Our monitoring work will examine whether children in care and youth justice residences have adequate health screening and access to any required health services.



PRIORITY OUTCOME 4

MORE CHILDREN ACHIEVE THEIR EDUCATION POTENTIAL

Our efforts to ensure more children achieve their education potential need to be flexible to address the gaps and emerging issues in the current system.

We recognise the importance of supporting early development and learning, as the foundations for children's education potential are set in their early years. For this reason, we are initially investigating how to generate improvements for younger children. While there is currently a great deal of focus on early childhood education (ECE), there is less well-coordinated support for parents and caregivers to provide a positive home learning environment. Providing simple, clear messaging on the basic things parents can do to support their child's development in the home environment will improve outcomes for children, whether they attend formal

ECE or not. It will also maximise the value of the efforts being put into promoting ECE participation.

Other issues will be pursued to ensure all children have access to education (as outlined in UNCROC article 28 and 29), such as responding to issues related to stand-downs and suspensions and appropriate education support for children with disabilities and other high needs.

Our monitoring work will also examine how agencies are ensuring older children are engaged in education and have adequate transition plans as they age out of care.

| | | |
|------------------------|--|---|
| Outcomes | MORE CHILDREN ACHIEVE THEIR EDUCATION POTENTIAL Outcome measures for 2013-16 Positive shifts in children achieving their education potential as measured by: > Participation in early childhood education prior to school entry. > Achievement of NCEA level 2 or greater. Data sourced from the Ministry of Education | |
| Impacts | More parents, caregivers and organisations provide a positive learning environment for children | More children in contact with Statutory Services are connected to education services as appropriate |
| Indicators | > Information made available to support parents and organisations (including schools) to improve the home learning environment is useful. Baseline: new measure Target: to be determined > Number of our monitoring recommendations regarding engagement with education actioned by CYF. Baseline: 2011/12 100 percent response by CYF to recommendations (145 completed; 55 progressed) – in future, we will categorise our recommendations to track our impact within this priority area. Target: 100 percent response by CYF to recommendations 2013/14. 100 percent response by CYF to recommendations 2014/15. 100 percent response by CYF to recommendations 2015/16. | |
| 2013/14 Actions | > Working paper on the home learning environment in NZ, including how it might be strengthened to deliver improved support for children. > Monitor CYF sites and residences and undertake thematic reviews. | |

ORGANISATIONAL HEALTH

The Office is located in a small office in Wellington with 15 staff and the Children's Commissioner, with 1.8 staff based in Auckland.

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

We ensure that staff have a high level of expertise and are skilled in a broad range of competencies, with an emphasis on having expertise in a wide range of children's issues, social work practice, relationship management and machinery of government. The Office is supported by systems and processes that are effective and efficient. We honour the Treaty of Waitangi and UNCROC and maintain relationships and partnerships that influence and inform decision-makers and we have a targeted communications approach that can disseminate our advice, findings and information through a variety of channels.

Good employer practices and Equal Opportunities statement. The Office encourages the achievement of a work-life balance and supports staff through flexible working arrangements. It takes a flexible approach to part-time work. Staff turnover is low.

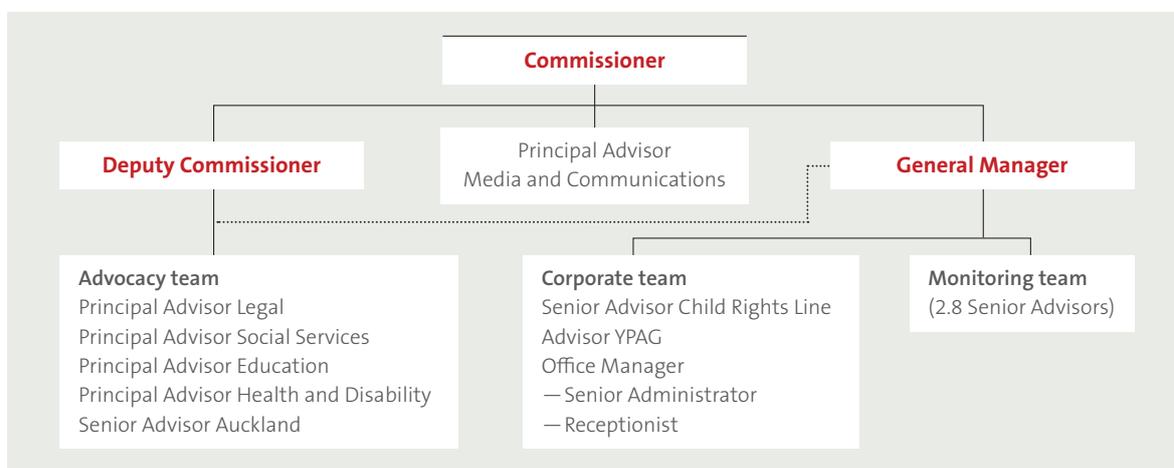
Training and development. Staff have access to mentoring/coaching and professional development. The Office has a dedicated staff training budget.

Performance management processes are embedded and linked to the deliverables expected of the Office.

Organisational design. The Children's Commissioner is a 'corporation sole' and is 'the board' for the purposes of parts of the Children's Commissioner Act 2003. The Commissioner is part-time and is supported by a full-time Deputy Commissioner who oversees all aspects of the Office's operations. For efficiency, certain functions are contracted out in full, or in part, such as information technology, web design, and financial accounting services.

Systems. Information technology is a critical component in supporting the Office's strategy. All components of information technology are outsourced. This arrangement has provided the Office with an opportunity to allow staff to work remotely, enhance its business continuity and disaster recovery arrangements, and to maximise the effectiveness of the Office's expenditure.

Accommodation. The Office co-locates with the Families Commission in both Wellington and Auckland. This co-location arrangement continues to provide value for money. The Auckland Office lease ends in November 2013, and we will be seeking alternative accommodation arrangements for our Auckland-based staff by this time.



RISK MANAGEMENT

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

| Risk type | In response, our office will: |
|--|--|
| Credibility: The risk that the Office loses the confidence of key stakeholders. | <ul style="list-style-type: none"> > maintain the quality of its investigation and reporting capability, and of its advice and advocacy > ensure statutory obligations are met, as well as advocacy and advisory responsibilities > ensure that its position and advice on issues is evidence-based through the use of reliable information and robust research. |
| Representation: The risk that the Office does not remain the authoritative advocate of the interests, needs and rights of children. | <ul style="list-style-type: none"> > maintain and develop the input it receives from children – particularly the Young People’s Advisory Group > keep informed of national and international good practice and emerging issues. |
| Results focus: The risk that the Office could lose focus on its key outcomes and results and on business priorities. | <ul style="list-style-type: none"> > create and maintain results-focused planning systems within the office > manage external pressures and demands on the work agenda of the office > manage and monitor a sustainable, office-wide work plan and individual work plans. |
| Staff skills: The risk that key skill capabilities are not available for the Commissioner’s work. | <ul style="list-style-type: none"> > plan recruitment and retention to ensure that the required skills are developed and maintained > ensure induction programmes are supported with development and performance management systems. |
| Capacity: The risk that expansion of the monitoring function is constrained by amount of specialist resources in the Office. | <ul style="list-style-type: none"> > look for opportunities to maximise our monitoring impact within capacity available as far as practicable. |

CONSULTATION AND REPORTING TO THE RESPONSIBLE MINISTER

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

Reporting will include:

- > regular meetings with the responsible Minister and briefings on issues relating to the interests, rights and well-being of children

- > quarterly reports on output delivery, key developments in the reporting period and financial reports.

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

FORECAST FINANCIAL STATEMENTS

INTRODUCTION

This section contains the following forecast financial statements:

- > Statement of responsibility
- > Statement of forecast service performance
- > Statement of forecast comprehensive income
- > Statement of forecast changes in equity
- > Statement of forecast financial position
- > Statement of forecast cash flows
- > Statement of accounting policies to explain the basis on which the Office of the Children's Commissioner has compiled the forecast financial statements.

STATEMENT OF RESPONSIBILITY

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

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

The prospective financial statements have been prepared in accordance with NZ IFRS. The Children's Commissioner does not intend to update and republish the prospective financial statements.

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

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

I have authorised the issue of the financial statements on this day, 17 May 2013.



Dr Russell Wills
Children's Commissioner

FORECAST STATEMENT OF SERVICE PERFORMANCE

The statement of service performance sets out the key activities and services the Commissioner will undertake in the 2013-14 year period, with associated performance measures, to achieve its outcomes. This includes defining the activity, how it contributes towards the outcomes, the cost to deliver that work and the performance measures and standards required to ensure effective, timely and high-quality outputs.

These output activities in this section relate to the outputs for 2013-14, and are linked to the goals and priority areas identified the previous section of this report.

The Office's activities are primarily funded by the Crown through Vote Social Development, Non-departmental Expense, Children's Commissioner, with minor funding from interest earned from investments and the sale of resources. The Office will draw on its reserves to fund three part-time fixed-term positions to work on strategic priorities and the completion of a website refresh in 2013. Existing personnel and operational costs have been funded within existing appropriations.

The output agreement for 2013-14 with the responsible Minister sets out the work programme designed to achieve our 2013-14 objectives. It also details performance measures relevant to specific initiatives.

SUMMARY OF OUTPUT COSTS 2013-14

| Output class | Revenue (\$000) | Expenditure | Surplus/(deficit) |
|--------------|-----------------|-------------|-------------------|
| Monitoring | 917 | 999 | (82) |
| Advocacy | 1,271 | 1,427 | (156) |
| Total | 2,188 | 2,426 | (238) |

NB: Indicative of costs only. The Children's Commissioner has a single appropriation.

OUTPUT CLASS

MONITORING

These monitoring outputs contribute to all four priority outcome areas as well as our statutory obligation to monitor and assess the performance of Child, Youth and Family:

> more children grow up with access to adequate resources

> more children grow up healthy

> more children achieve their education potential

> more children are safe and free from all forms of abuse and neglect.

| Outputs | 2013-14 Key deliverables and performance measures | Estimated 2012/13 | Actual 2011/12 |
|---|---|-------------------------|-------------------------|
| Monitor Child, Youth and Family sites and residences and undertake thematic reviews | 10 Child, Youth and Family site visits completed by 30 June 2014 | 10 | 8 |
| | 10 performance reports on Child, Youth and Family sites completed and delivered to the Deputy Chief Executive of the Ministry of Development responsible for Child, Youth and Family by 30 June 2014 | 10 | 8 |
| | 9 Child, Youth and Family residence visits completed by 30 June 2014 | 9 | 10 |
| | 9 performance reports on Child, Youth and Family residences completed and delivered to the Deputy Chief Executive of the Ministry of Development responsible for Child, Youth and Family by 30 June 2014 | 9 | 9 |
| | One thematic review undertaken by 30 June 2014 | New measure for 2013/14 | New measure for 2013/14 |
| | Monitoring of Child, Youth and Family complies with agreed standards and processes established by the Memorandum of Understanding between the Children's Commissioner and Child, Youth and Family will be no less than 100% ¹⁸ | 100% | 55% |
| | 100% of monitoring reports are reviewed by Deputy Commissioner ¹⁸ | 100% | New measure for 2012/13 |

¹⁸ These quality standards apply across all deliverables

ADVOCACY

These advocacy outputs contribute to all four priority outcome areas as well as our statutory obligation to advocate for the interests, rights and well-being of children:

> more children are safe and free from all forms of abuse and neglect

> more children grow up with access to adequate resources

> more children grow up healthy

> more children achieve their education potential.

| Outputs | 2013/14 Key deliverables and performance measures |
|--|--|
| Delivery on the work programme measures as identified in the output agreements between the Minister for Social Development and the Children's Commissioner | Implementation of the work programme will be no less than 100% <i>New measure for 2013/14</i> |
| Facilitate opportunities for faith leaders to grow their capability to address family violence | Two forums with faith leaders held by 31 July 2013 Publication and distribution of case studies by 31 March 2014 <i>New measures for 2013/14</i> |
| Develop a strategy for advising, influencing and partnering with philanthropic and business sectors | Re-convene EAG to advise on strategy: One meeting of EAG by 31 August 2013 Share information and advice with business, community and philanthropic leaders: 10 meetings by 30 June 2014 <i>New measures for 2013/14</i> |
| Develop a set of guidelines for schools on the effective implementation of school food programmes | Guidelines released publically by 31 January 2014 Guidelines signed off by Development Group before release <i>New measures for 2013/14</i> |
| Facilitate DHBs to participate in peer-to-peer mentoring quality improvement initiatives | Co-create delivery plan with DHBs and project partners: Delivery plan completed by 31 Dec 2013 with at least 75% DHBs participating <i>New measure for 2013/14</i> |
| Prepare a report on the Compass project | Summary article completed by 30 June 2014 <i>New measure for 2013/14</i> |
| Prepare a working paper on the current support for the home learning environment in NZ, and identify how it might be strengthened to deliver improved support for children | Working paper released publically by 31 August 2013 Paper is peer-reviewed by external expert prior to release <i>New measures for 2013/14</i> |
| Advocating for the interests, rights and well-being of children | 10 child-focused policy advice or submissions to select committees, government departments and Ministers by 30 June 2014 <i>Actual 2011/12: 19</i> <i>Estimated 2012/13: 10</i> 100% of submissions, reports and advice produced within required timeframes where the information is clear, accurate and accessible <i>Actual 2011/12: 84%</i> <i>Estimated 2012/13: 100%</i> |

FINANCIAL STATEMENTS

FORECAST STATEMENT OF COMPREHENSIVE INCOME

| | 2012/13 (\$000) | 2013/14 (\$000) | 2014/15 (\$000) | 2015/16 (\$000) |
|--------------------------|--------------------|--------------------|--------------------|--------------------|
| Revenue Crown | 2,157 | 2,157 | 2,157 | 2,157 |
| Revenue Other | 1 | 1 | 1 | 1 |
| Expenses recovered | 60 | 0 | 0 | 0 |
| Interest | 36 | 30 | 25 | 20 |
| Total Revenue | 2,254 | 2,188 | 2,183 | 2,178 |
| Personnel | 1,546 | 1,794 | 1,506 | 1,551 |
| Operating | 576 | 489 | 543 | 559 |
| Other | 10 | 7 | 11 | 11 |
| Projects | 239 | 131 | 182 | 182 |
| Depreciation | 7 | 5 | 15 | 14 |
| Total Expenditure | 2,378 | 2,426 | 2,257 | 2,317 |
| Net | (124) | (238) | (74) | (139) |

FORECAST STATEMENT OF FINANCIAL POSITION

| | 2012/13 (\$000) | 2013/14 (\$000) | 2014/15 (\$000) | 2015/16 (\$000) |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| Current Assets | 955 | 695 | 635 | 510 |
| Current Liabilities | 280 | 267 | 275 | 289 |
| Net Working Capital | 675 | 428 | 360 | 221 |
| Fixed Assets | 5 | 14 | 8 | 8 |
| Net Assets | 680 | 442 | 368 | 229 |
| Taxpayers Funds | 680 | 442 | 368 | 229 |

FORECAST STATEMENT OF MOVEMENT IN EQUITY

| | 2012/13 (\$000) | 2013/14 (\$000) | 2014/15 (\$000) | 2015/16 (\$000) |
|--|--------------------|--------------------|--------------------|--------------------|
| Taxpayers' equity brought forward (as at 1 July) | 804 | 680 | 442 | 368 |
| Net operating surplus/(deficit) | (124) | (238) | (74) | (139) |
| Total recognised revenues and expenses for the year | (124) | (238) | (74) | (139) |
| Taxpayers' equity as at 30 June | 680 | 442 | 368 | 229 |

FORECAST STATEMENT OF CASH FLOWS

| | 2012/13 (\$000) | 2013/14 (\$000) | 2014/15 (\$000) | 2015/16 (\$000) |
|---|--------------------|--------------------|--------------------|--------------------|
| <i>Cash flows from operating activities</i> | | | | |
| <i>Cash will be provided from:</i> | | | | |
| Government grant and other sources | 2,157 | 2,157 | 2,157 | 2,157 |
| Revenue from services | 1 | 1 | 1 | 1 |
| Expenses recovered | 60 | 0 | 0 | 0 |
| Interest received | 36 | 30 | 25 | 20 |
| <i>Cash will be applied to:</i> | | | | |
| Payments to Commissioner and employees | (1,546) | (1,794) | (1,506) | (1,551) |
| Payments to suppliers | (825) | (627) | (736) | (752) |
| Net cash flows from operating activities | (117) | (233) | (59) | (125) |
| <i>Cash flows from investing activities</i> | | | | |
| Sale of fixed assets | 0 | 0 | 0 | 0 |
| Purchase of fixed assets | 0 | (15) | 0 | 0 |
| Net increase/(decrease) in cash held | (117) | (248) | (59) | (125) |
| Plus opening cash balance | 437 | 320 | 72 | 13 |
| Closing cash balance | 320 | 72 | 13 | (112) |

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 those 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 included in the Statement of Intent, report on the expected out turn of the Children's Commissioner for the year ended 30 June 2013 and the activities planned for the year ended 30 June 2014 and out years.

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.

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 Forecast Statement of Comprehensive Income. The Children's Commissioner leases Office premises 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, 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, less any provision for impairment.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment asset classes consist of furniture, office equipment, leasehold improvements 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). The value of an individual asset that is less than \$1,000 (excluding GST) and is not part of a group of similar assets is expensed. All are recorded at historical cost.

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 financial performance as they are incurred.

DEPRECIATION

Depreciation is charged on a straight-line basis so as to write off the cost of the fixed assets over their useful 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% |

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

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

INTANGIBLE ASSETS

Software acquisition and development.

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

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

Costs associated with the maintenance of the Children's Commissioner web-site 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 Forecast 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 face value.

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 annual leave and long-service leave earned, but not yet taken at balance date.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year.

Long-term employee entitlements. Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave have been calculated on an actuarial basis using Treasury 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 Forecast 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 financial position. The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Forecast 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.

CHANGES IN ACCOUNTING POLICIES

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

STATEMENT OF SIGNIFICANT ASSUMPTIONS

Crown Revenue is \$2,157,000. It is assumed Crown revenue will remain at this level over the next 3-5 years.



MĀNAAKITIA A TĀTOU TAMARIKI
**Children's
Commissioner**

*Tristyn
Gracefield Primary School*