

Statement of Performance Expectations

For the financial year ending 30 June 2022

Statement of Performance Expectations for the Office of the Children’s Commissioner

For the financial year ending 30 June 2022

Presented to the House of Representatives pursuant to Section 149L(3) of the
Crown Entities Act 2004

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Statement of Responsibility

The Children's Commissioner is an Independent Crown Entity established under the Children's Commissioner Act 2003. It operates pursuant to the Crown Entities Act 2004 and represents and advocates for the 1.2 million people in Aotearoa New Zealand under the age of 18, who make up 24 percent of the population.

Our primary responsibilities are to advocate for the interests, rights and wellbeing of children and young people; monitor the services provided under the Oranga Tamariki Act 1989; examine places of detention for children and young people; and develop means of consulting with children and young people.

We must also advocate for the implementation of the United Nations Convention on the Rights of the Child.

This Statement of Performance Expectations (SPE) is complemented by our 2021-2024 Statement of Intent (SOI), which describes our strategic intentions and outlines the overall direction and priorities of the Office of the Children's Commissioner (OCC).

The last year has seen progress across a number of key priority areas. We continued to support national progress on child poverty and wellbeing, and our work advancing system change to better support mokopuna and whānau Māori resulted in the second of a two-part inquiry into the care and protection of pēpi Maori – Te Kuku o Te Manawa.

Meanwhile, our own Te Tiriti journey saw the appointment of an Assistant Māori Commissioner for Children who is leading a cross-office effort to grow our capability to embed Te Tiriti in all our work.

Looking towards the coming year, our Office is on the cusp of significant change in both how we are structured and our statutory functions. As an office we are willing and prepared to rise to any challenges, and make the most of all opportunities to improve life for New Zealand's 1.2 million mokopuna, during this period of uncertainty.

Our office has 36.3 FTE staff members, who are experts in the various fields of child policy, advocacy and monitoring, and who are absolutely committed to ensuring that New Zealand is a country where all Aotearoa's mokopuna can flourish and thrive.

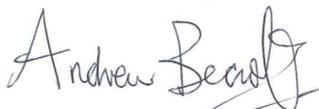
I accept responsibility for the preparation of this SPE, which details our annual performance measures and prospective financial statements. It includes the

assumptions on which the financial statements are based, and information on the reportable class of outputs I intend to supply in the 2021/22 financial year.

The prospective financial statements have been prepared in accordance with Generally Accepted Accounting Practice (NZ GAAP) and the Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS). As a Tier 2 entity with expenditure under \$30 million, under PBE IPSAS we will apply the reduced disclosure requirements for reporting.

The prospective financial statements have been prepared for the purpose of presenting our intentions in Parliament and should not be relied upon by any other party for any alternative purpose without my express written permission. I am of the opinion that these financial statements fairly reflect the expected financial position and operations of the Children's Commissioner.

I have authorised the issue of the Statement of Performance Expectations on this day, 30 June 2021.



Judge Andrew Becroft

Children's Commissioner | Te Kaikōmihana mō ngā Tamariki o Aotearoa

Overview and Purpose

Reportable class of outputs

This Office of the Children's Commissioner (OCC) proposes to supply and deliver on outputs purchased by the Minister for Social Development through the following two outputs:

- 1) **Development, Monitoring and Investigations** of Oranga Tamariki, Health and Corrections facilities. This will include policies, practices and decisions arising under s13 of the Oranga Tamariki Act 1989.

We will also be monitoring an increasing number of Places of Detention for children and young people as a designated National Preventive Mechanism (NPM) under the Crimes of Torture Act 2003 (COTA), New Zealand's mechanism for implementation of the Optional Protocol to the United Nations Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT).

- 2) **Strategy, Rights and Advice.** This will include activity in respect of issues relating to children and young people and developing mechanisms to hear from and collect the voices of children.

The activities of OCC are primarily funded by the Crown through a non-departmental output expense (Children's Commissioner M63) in Vote Social Development. A small amount of funding is received from interest earned on investments. From time to time one-off funding is received from other agencies for specific projects. Any operating deficit will be funded through prior-year surpluses.

Why do we have a Children's Commissioner?

Mokopuna¹ under the age of 18 are a core part of our society. They account for nearly a quarter of our population (there are 1.2 million under 18-year olds). However, they are not included in our democratic process; they have no vote and often no voice in major decisions that impact them. Governments can sometimes overlook their interests.

It is the role of the Children's Commissioner to be their voice: to encourage organisations to take more child-centred approaches, to advocate for improving their well-being, and to raise awareness of issues that directly or indirectly affect children

¹ In Te Ao Māori we are all mokopuna, no matter our culture or background. By using "mokopuna" to talk about children and young people aged under 18 we are acknowledging their connection to family, to hapū and iwi, and to their ancestors and descendants. It's saying that who they are matters, throughout every stage of their life.

or where children are not getting a fair go. There are also specific monitoring and other responsibilities in respect of Oranga Tamariki and other places of detention for children and young people. It is also the role of the Children's Commissioner to develop means of consulting with mokopuna.

We monitor how well New Zealand children are doing

OCC monitors how well all children are doing. We consider several perspectives to make that assessment and determine where we should advocate for change. These include a child rights framework based on the United Nations Convention on the Rights of the Child, research, evidence and emerging trends, and, the voices and views of children and young people themselves. Our rights framework is grounded in the Treaty of Waitangi and takes into account Mātauranga Māori.

For mokopuna in the care and protection, youth justice system and in child and adolescent mental health in-patient facilities, we have an added legislative mandate to monitor to greater depth New Zealand's compliance with the Oranga Tamariki Act 1989, the United Nations Convention on the Rights of the Child, and the Optional Protocol to the United Nations Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment. This monitoring enables us to identify areas of concern, to provide advice to Oranga Tamariki, contracted care agencies and District Health Boards, and to advocate for better outcomes for all mokopuna.

Our vision; te moemoea

All mokopuna live their best lives; Kia kuru pounamu² te rongo.

This means every child in Aotearoa, regardless of their background, grows up knowing they belong with a whānau that has what they need to thrive. It also means mokopuna have a say about what really matters for them, and that their rights are honoured by those in power.

² A child cherished by their whānau.

Our mission

The Office of the Children’s Commissioner advocates for system change so Aotearoa New Zealand works better for mokopuna in every way, throughout their entire life. For us, child wellbeing is about whānau wellbeing.

We are committed to honouring and embedding Te Tiriti o Waitangi in all our work. Alongside that we have three key statutory roles³:

- **Advocating** for the rights⁴, interests and wellbeing of New Zealanders under the age of 18, including implementing the UN Convention on the Rights of the Child
- **Monitoring** places where mokopuna are detained and services that care for them
- **Ensuring** the voices of mokopuna are heard and acted on by decision makers.

Our core functions

Our main functions include:

- encouraging the development within Oranga Tamariki of policies and services that are designed to promote the wellbeing of mokopuna
- monitoring and assessing the services provided by Oranga Tamariki
- investigating the actions of Oranga Tamariki and contracted agencies that provide care services under the Oranga Tamariki Act 1989 (also referred to as the Children’s and Young People’s Well-being Act 1989)
- monitoring the eight Oranga Tamariki care and protection and youth justice Oranga Tamariki residences and the secure residential care hub in Auckland, as well as the youth justice community-based remand homes under our NPM mandate
- monitoring the three DHB managed child and adolescent mental health units and the two youth forensic inpatient units, under our NPM mandate
- systemic advocacy and investigation of issues compromising the interests, rights and wellbeing of children and young people
- raising awareness and understanding of the United Nations Convention on the Rights of the Child, and advancing and monitoring its application by the State
- developing mechanisms for hearing and sharing children’s voices and perspectives
- ensuring the voices of children and young people are included in our work and directly inform our monitoring findings and the advice we provide

³ In addition to our functions in the Children’s Commissioner Act 2003, we also have specific statutory responsibilities under several other Acts : Oranga Tamariki Act 1989 / Children and Young People’s Well-being Act 1989; Oranga Tamariki (Residential Care) Regulations 1996; Crimes of Torture Act 1989 (COTA); Human Assisted Reproductive Technology Act 2004.

⁴ As articulated in Te Tiriti o Waitangi, the United Nations Convention on the Rights of the Child, and other international instruments.

- demonstrating best practice in listening to children and using their views in decision-making
- providing child-centred advice to Select Committees, Ministers, and government and non-government organisations
- providing support to members of the public relating to their enquires related to concerns for individual children or issues;
- maintaining membership of and providing advice to the Advisory Committee on Assisted Reproductive Technology (ACART)
- raising awareness of children’s interests among New Zealanders generally.

Improving lives for mokopuna

Most mokopuna aged under 18, and their families enjoy a high quality of life and experience good outcomes. However, a significant proportion of our children and young people need extra support and services so they can live their best lives.

For about 70 percent of Aotearoa New Zealand’s 1.2 million mokopuna that goal is fulfilled. By and large they are doing well. But for 30 percent there is much work to do to ensure they can also thrive. On many measures, about 20 percent are doing it tough, and 10 percent experience persistent, intergenerational, life-damaging disadvantage.

While there are mokopuna across all ethnic groups who are achieving excellent outcomes and thriving, there is significant over-representation of mokopuna Māori among those experiencing poor outcomes. Extra attention is needed to address systemic inequities for mokopuna Māori.

We are also concerned about the disproportionate levels of low wellbeing for Pacific mokopuna and those with disabilities.

Our strategic approach

The Office actively seeks to build relationships and work collaboratively with decision makers to ensure that children and young people’s issues are prioritised in the early stages of policy, legislation and service delivery development. This allows us to be more effective in advocating for the rights, best interests and views of mokopuna to be considered.

To ensure that our work is credible, professional and impactful we have:

- expertise in engaging with children and young people, and ensuring their views are heard in decision-making processes
- understanding of child-centred approaches and the rights of children and young people

- a broad perspective of what all children and young people need to thrive, at different ages and stages
- special knowledge and understanding of care and protection and youth justice-based services.

Our role is to support other agencies to develop child-focused policy advice as well as advise them on how they can engage effectively with children, young people, families and whānau.

We will continue to invest in our staff and in building our expertise and knowledge base, so that we are the authoritative, independent expert on issues facing children and young people.

Our priorities for 2021 to 2022

We understand the range of issues children and young people face. We also understand our operating environment, and where the biggest impact for children and young people may be possible.

We have established a solid platform of work that contributes to improving the wellbeing of mokopuna. We work to ensure all children and young people's rights are upheld, and strive for improved well-being and outcomes for all children and young people. We do this by focusing on three key interrelated activities: child rights, child voices and child-centred policy.

Our work programme also supports the government's Child and Youth Wellbeing Strategy.

In addition, we have established a set of three priorities that have the potential to contribute to transformational shifts for children and young people:

1. Advocating for the elimination of racism in the public sector and advancing *by Māori for Māori* approaches for mokopuna Māori

When racism is eliminated from the public sector, tamariki and rangatahi across Aotearoa will achieve their potential as Te Tiriti o Waitangi intended.

The OCC will model positive approaches to Te Tiriti o Waitangi as a crown agency through our leadership model, and respect for and engagement with mātauranga Māori in relationship with whanau, hāpu and iwi.

The first priority is to amplify *by Māori for Māori* approaches, and the voices and experiences of Māori and care-experienced whānau, to influence decision-makers during this critical period of ambiguity in the care and protection system.

2. Prioritising the views of mokopuna and increasing public sector capability to listen and act on them

OCC's vision is that within the context of Aotearoa, children and young people will have their perspective sought, listened to, and given due weight in all decisions that affect them.

In order to achieve this, we will expand our capability and the capability of others, to listen to, and share, children's views, through meaningful participation.

3. Advocating for improved mental wellbeing for mokopuna and their whānau

Advocating for improved mental wellbeing for children and young people and their families and whānau, needs a focus on structural enablers through a child's life journey.

The OCC aims to increase the understanding of decision-makers, policy and public that drivers of mental wellbeing are structural (poverty, inequities, discrimination, climate crisis and toxic stress), and that solutions must address these structural foundations of wellbeing.

We achieve change by

- Listening – to the voices of mokopuna and their whānau to guide our work
- Influencing – so decision makers prioritise structural change for the long-term wellbeing of mokopuna
- Advocating – to raise awareness of the rights, interests and wellbeing of mokopuna
- Monitoring – to ensure monitoring in places of care and detention are safe and heard
- Amplifying – the voices of mokopuna in decision making
- Growing – understanding of by Māori for Māori approaches in our work and the public sector
- Building – community partnerships to expand our impact.

Appropriation Assessment of Performance

This appropriation is limited to the provision of services from the Children’s Commissioner including the discharge of the Commissioner’s duties under the Children’s Commissioner Act 2003, monitoring and reporting on services delivered under the Oranga Tamariki Act 1989, and the identification of aspects of law, policy and practice that might adversely affect children and the development and proposal of remedies.

Non-Departmental Output Expense	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	4,157	4,157	3,157

Policy Initiatives	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Budget \$000	2023/24 Budget \$000	2024/25 Budget \$000
Baseline Funding	2,157	2,157	2,157	2,157	2,157
State Care for Children and Young people – Improving Outcomes through Independent Monitoring	1,000	-	-	-	-
Addressing Cost Pressure and Additional Capacity	1,000	1,000	1,000	1,000	1,000
Capital Injection	250	-	-	-	-
Total	4,407	3,157	3,157	3,157	3,157

Departmental Output Expense - Planning, Correspondence and Monitoring (M63) Policy Initiatives	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Budget \$000	2023/24 Budget \$000	2024/25 Budget \$000
Supporting the Children's Commissioner to Make Changes Associated with the Independent Children's Monitor	-	1,200	-	-	-

Assessment of Performance	2020/21		2021/22
	Budgeted Standard	Estimated Actual Standard	Budget Standard
The percentage of key deliverables agreed with the Minister for Social Development in the Children's Commissioner's Statement of Performance Expectations completed to agreed standards will be no less than	90%	100%	90%

Output One: Development, Monitoring and Investigations

What is intended to be achieved?

This year our monitoring activities will not only include the services delivered under the Oranga Tamariki Act 1989, but also enhanced monitoring of Places of Detention for children and young people as a designated National Preventive Mechanism (NPM) under the Crimes of Torture Act 2003 (COTA).

Through our monitoring activities we aim to support:

- Oranga Tamariki to deliver quality and child focused statutory care and protection and youth justice residential care and social work services
- Oranga Tamariki to deliver quality and child focused youth justice remand home care and social work services
- Corrections to deliver quality and child focused care services for mothers with babies
- the Auckland, Canterbury and Christchurch DHBs to deliver quality and child-centred in-patient care services for children and young people.

Our monitoring framework takes a broad and systemic approach, and has a strong focus on capturing the voices and service experiences of children and young people. Over this year we will ensure that our monitoring activity continues to support the envisioned transformation of the Oranga Tamariki statutory service delivery system.

Our monitoring activity will identify best practice and areas for development, including recommendations for system and practice changes to improve the service experiences of children, young people, their families and whānau. With a focus on continuous improvement, we will continue to support the effective design and implementation of Oranga Tamariki's new operating model by:

- under our COTA mandate, undertaking performance reviews of between six to ten Oranga Tamariki secure residences to assess how well they are implementing the changes required to improve outcomes for children and young people in care
- under our COTA mandate, undertaking a monitoring review of between two to four of the newly established youth justice remand care homes, contracted by Oranga Tamariki to Iwi, Māori and community providers
- under our COTA mandate, monitoring the quality of care and services provided by three DHBs (Auckland, Capital and Coast and Canterbury) for children and young people placed in New Zealand's three child and adolescent mental health and two youth forensic inpatient units

- under our COTA mandate, monitoring the quality of care and services provided by at least one of the three Mother Units located within three Women's Prisons in Auckland, Wellington and Christchurch
- reviewing section 47 reports⁵
- applying our developmental mandate under section 13(1)(c) of the Children's Commissioner's Act 2003 to inform organisational change, new service design and capability development within Oranga Tamariki and/or contracted care providers to mobilise a positive transformation in the service experience of children, young people, their families and whānau
- robustly and systematically obtaining the views of children and young people in care or custody or involved with Oranga Tamariki, Mental Health and Corrections services and their families and whānau
- increasing transparency of the monitoring work through publishing one or more public reports on our monitoring activity
- providing professional advice into the development and establishment of the new independent monitoring service, including assistance with design of the framework for monitoring the implementation of the Care Standard Regulations, in accordance with the Memorandum of Understanding agreed between the Children's Commissioner and the Ministry of Social Development.

⁵ Under section 47 of the Oranga Tamariki Act 1989, reports must be provided to the Commissioner when a child or young person is released from custody under section 39, 40, 42 and 45(a) before being required to be brought before the court.

Expected revenue and forecast expenses

Output 1: Development, Monitoring & Investigations	2021/22 \$000
Crown Revenue	1,405
Other Revenue	566
Expense	2,245
Surplus/(deficit)⁶	(274)

Outputs

Performance measures and standards	2020/21	2021/22
The number of COTA (OPCAT) monitoring visits to Oranga Tamariki secure residences will be at least	8-10	6-10
COTA (OPCAT) monitoring review of Kahui Whetu ⁷ , the Oranga Tamariki secure residential assessment hub in Auckland will be at least	1	_ ⁸
The number of COTA (OPCAT) monitoring visits to Oranga Tamariki youth justice remand homes will be at least	4	2-4
The number of COTA (OPCAT) monitoring visits to DHB child and adolescent mental health and youth forensic inpatient units will be at least	5	2-4
The number of s13 ⁹ thematic monitoring reviews covering four or more Oranga Tamariki sites will be at least	1-2	0 ¹⁰

⁶ Deficits are funded by retained equity.

⁷ New name for the Northern Residential Care Services Hub in Auckland

⁸ Kahui Whetu now included under the secure residence monitoring visits

⁹ Specified the section in the Children's Commissioners Act 2003 to differentiate it from COTA (OPCAT)

¹⁰ s13 monitoring to be transitioned to ICM

Performance measures and standards	2020/21	2021/22
The number of COTA (OPCAT) monitoring visits to Corrections Mother & Baby Units will be at least	New	1
The percentage of findings from monitoring visits that will be reported to Oranga Tamariki, relevant DHB and Corrections within three months of the visit will be no less than	100%	100%
The percentage of the OCC monitoring of Oranga Tamariki and subsequent reporting that complies with agreed standards and processes established by the Memorandum of Understanding between OCC and Oranga Tamariki will be no less than	100%	100%
The percentage of OCC professional advice and assistance into the development and establishment of the new independent monitoring service that complies with agreed standards and processes established by a Memorandum of Understanding between OCC and the Ministry of Social Development will be no less than	100%	100%
The number of thematic public reports produced	1-2	0 ¹¹
The number of COTA (OPCAT) public reports produced	New	2

Impacts

We will achieve impact when Oranga Tamariki acts on our advice and recommendations. Oranga Tamariki will act on our advice if it is seen as credible and outlines practical and achievable ways to improve outcomes for children and young people.

¹¹ Due to s13 monitoring transition to ICM

Impact: Our recommendations for improving Oranga Tamariki systems and services are responded to	2020/21	2021/22
The percentage of monitoring report recommendations accepted by Oranga Tamariki – Ministry for Children and/or contracted care providers as evidenced and in line with the provisions of the Oranga Tamariki Act 1989 and Oranga Tamariki – Ministry for Children policies and practices, will be no less than ¹²	90%	90% ¹³
The percentage of monitoring report recommendations to Oranga Tamariki and/or contracted care providers that are followed by actions will be no less than	100%	100%
The percentage of Oranga Tamariki and contracted care providers, DHBs and Corrections experiencing our monitoring services who rate their overall satisfaction with OCC’s approach as ‘satisfied’ or ‘very satisfied’ will be no less than	80%	80%

Outcomes

In addition to measuring our own outputs and impacts, we will also monitor Oranga Tamariki’s progress with implementing systems, policy and practice changes designed to ensure that children, young people and their families and whānau have a high-quality service experience and can achieve good outcomes. Our monitoring activity will identify required improvements in the services and care being provided by Oranga Tamariki, other approved care providers and DHBs, for children and young people in the care and protection, youth justice and in-patient mental health systems. Our reports and recommendations are designed to assist Oranga Tamariki, other contracted care providers and the DHBs, to continually improve so that they can more effectively support and enable immediate safety and sustained wellbeing for these children and their families and whānau.

¹² Appropriations Performance Measure

¹³ The measure will be evidenced in the minutes of meetings held between the Office of the Children’s Commissioner and Oranga Tamariki – Ministry for Children, to confirm which monitoring recommendations are to be accepted

Output Two: Strategy, Rights and Advice

What is intended to be achieved?

This year we will start expanding our Mai World: Child & Youth Voices initiative and we will ensure that children's interest and rights are clearly put before Government decision makers and the public. We aim to improve child wellbeing and outcomes of children and young people by influencing others. To have impact, our advice must be seen as credible and be valued by our stakeholders. Activities we will undertake include:

- providing advice to agencies on child-centred policy, legislation and services for children
- continuing to advocate for use of the Child Impact Statement
- influencing others to take action or to advocate for children and young people based on our advice
- gathering and sharing the voices, views and opinions of children and young people
- developing mechanisms for hearing from children and young people
- providing reports, as requested, to inform judicial hearings
- raising awareness of issues and needs of children
- producing an annual Child Poverty Monitor
- providing advice and support to callers on our Child Rights Line (CRL)
- promoting progressive implementation by the State of the United Nations Convention on the Rights of the Child obligations
- preparing a detailed submission to the United Nations Committee on the Rights of the Child, for that Committee's five-yearly review of New Zealand's compliance with the Convention
- delivering on the Commissioner's priorities.

Expected revenue and forecast expenses

Output 2: Strategy, Rights and Advice	2021/22 \$000
Crown Revenue	1,752
Other Revenue	736
Expense	2,761
Surplus/(deficit)¹⁴	(273)

Outputs

Performance measures and standards	2020/21	2021/22
The number of items of child-focused policy advice or submissions to Select Committees, government departments or Ministers will be at least ¹⁵	5	5
The number of reports published on Child & Youth Voices will be at least	2	2
The number of reports to advance child rights in Aotearoa New Zealand will be at least	1	1
Keynote presentations on child rights, wellbeing or voices will be at least	4	4
Child Poverty Monitor released	Achieved	Achieved
The percentage of submissions, reports and other pieces of advice that are produced within required timeframes will be no less than	100%	100%

¹⁴ Deficits funded by retained equity

¹⁵ This is a demand-driven measure

Impacts

We advocate for the needs of children to ensure they get the services, supports and resources they need to be kept safe and thrive. We do not provide any direct supports or services to children. We achieve impact by influencing agencies and government departments to consider the needs of children and young people in their policy advice and services. We also achieve impact by consulting with and supporting children to have a voice in matters that impact them, and then incorporating their views in decision making.

Impact: Our advice is valued and sought by stakeholders and is used to shape policy and legislation for children and young people	2020/21	2021/22
The percentage of specified stakeholders ¹⁶ that agree that the Office of the Children’s Commissioner’s advocacy activities contribute to improving the wellbeing of children and young people will be no less than ¹⁷	80%	80% ¹⁸
The number of examples of impact achieved by advocacy activities will be at least	2	2
The number of examples of impact achieved by voices of children and young people will be at least	1	1

¹⁶ Specified stakeholders will be listed in the Memorandum of Understanding between the Office of the Children’s Commissioner and the Minister for Social Development and Employment for the new financial year, but subject to change if new work is taken on

¹⁷ Appropriations Performance Measure

¹⁸ The measure will be evidenced by the results from an annual stakeholder survey of specified stakeholders who will be outlined in the Memorandum of Understanding with the Minister for Social Development and Employment

Forecast Financial Statements

Statement of forecast comprehensive revenue and expense for the year ending 30 June 2022

	2020/21 Budget \$000	2020/21 Est. Actual \$000	2021/22 Budget \$000
REVENUE			
Revenue from the Crown	4,157	4,157	3,157
Other revenue	651	701	1,297
Interest	10	1	5
Total revenue	4,818	4,859	4,459
EXPENSES			
Personnel	4,159	3,748	4,045
Operating	690	668	875
Projects	102	105	82
Depreciation	4	2	4
Total expenses	4,955	4,523	5,006
Surplus/(deficit)	(137)	336	(547)
Other comprehensive revenue and expense	0	0	0
Total comprehensive revenue and expense	0	0	0

Statement of forecast financial position for the year ending 30 June 2022

	2020/21 Budget \$000	2020/21 Est. Actual \$000	2021/22 Budget \$000
ASSETS			
Current assets			
Cash and cash equivalents	784	1,730	806
Receivables	37	61	61
Investments	-	-	-
Prepayments	2	2	2
GST receivable	-	16	-
<i>Total current assets</i>	823	1,809	869
Non-current assets			
Property, plant and equipment	250	8	3
<i>Total non-current assets</i>	250	8	3
Total assets	1,073	1,817	872
LIABILITIES			
Current liabilities			
Payables	81	197	88
Employee entitlements	248	321	270
Revenue received in Advance	-	250	0
Accruals	118	210	210
GST Payable	2	-	16
Lease Inducement	1	5	1
<i>Total current liabilities</i>	450	983	585
Non-current liabilities			
Employee entitlements	-	-	-
<i>Total non-current liabilities</i>	-	-	-
Total liabilities	450	983	585
Working Capital	373	826	284
Net Assets	623	834	287

Statement of forecast changes in equity for the year ending 30 June 2022

	2020/21 Budget \$000	2020/21 Est. Actual \$000	2021/22 Budget \$000
Balance as at 1 July	510	498	834
Total comprehensive revenue and expense	(137)	336	(547)
Capital contributions	250	-	-
Balance as at 30 June	623	834	287

Statement of forecast cash flows for the year ending 30 June 2022

	2020/21 Budget \$000	2020/21 Est. Actual \$000	2021/22 Budget \$000
Cash flows from operating activities			
Receipts from the Crown	4,157	4,157	3,157
Receipts from other revenue	651	951	1,047
Interest received	10	1	5
Goods and services tax (net)	17	-	32
Payments to suppliers	(892)	(776)	(1,069)
Payments to employees	(4,158)	(3,596)	(4,095)
Net cash flow from operating activities	(215)	737	(924)
Cash flows from investing activities			
Receipts from sale of property, plant and equipment	-	-	-
Receipts from maturity of investments	-	-	-
Purchase of property, plant and equipment	(250)	(6)	-
Acquisition of investments	-	-	-
Net cash flow from investing activities	(250)	(6)	-
Cash flows from financing activities			
Capital contributions	250	-	-
Net cash flow from financing activities	250	-	-
Net increase/(decrease) in cash and cash equivalents	(215)	731	(924)
Cash and cash equivalents at the beginning of the year	999	999	1,730
Cash and cash equivalents at the end of the year	784	1,730	806

Statement of accounting policies for the year ending 30 June 2022

Reporting entity

The Children's Commissioner is a Crown Entity as defined by the Crown Entities Act 2004, is a Commissioner sole 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 (now the Oranga Tamariki Act). However, the functions of the Commissioner were then separately 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 that each child enjoys safety, good health and education, economic and sociocultural wellbeing and opportunities to actively participate in matters that affect children.

Accordingly, the Children's Commissioner has designated itself as a public benefit entity for the purposes of International Public Sector Accounting Standards (IPSAS).

The forecast financial statements for the Children's Commissioner are for the year ending 30 June 2022 and approved in June 2021.

Basis of preparation

Purpose

The forecast financial statements of the Children's Commissioner have been prepared to promote public accountability by providing a base against which its actual performance can later be assessed. The information in these statements may not be appropriate for purposes other than that described.

Statement of compliance

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). These forecast financial statements are the second set of prospective financial statements presented in accordance with public benefit entity (PBE) accounting standards with reduced disclosing requirements, as appropriate for public benefit entities of the size of the Children's Commissioner.

The adoption of these PBE accounting standards has not materially affected financial disclosures in the prospective financial statements or the comprehensive financial information provided.

Measurement base

The forecast financial statements have been prepared on a historical cost basis.

Functional and presentation currency

The forecast 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.

Basis for assumptions, risks and uncertainties

In preparing these forecast financial statements, the Children's Commissioner has made estimates and assumptions concerning the future.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

The forecast financial statements have been prepared on a going concern basis. The estimates and assumptions used are consistent with the strategic direction outlined in the Children's Commissioners' Statement of Intent. They also reflect Crown Estimates and existing contractual obligations.

Subsequent actual results achieved for the period may vary from the information presented, and variances may be material.

Significant accounting policies

The following accounting policies, which materially affect the measurement of comprehensive income and expense and financial position, have been applied consistently.

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 specified in its accountability documents.

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 Financial Performance. 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.

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.

Investments

At each balance sheet date, the Children's Commissioner assesses whether there is objective evidence that an investment is impaired.

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 and computer equipment. Property, plant and equipment are shown at historical cost or valuation, less accumulated depreciation and any accumulated 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 and expense.

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 on all property, plant and equipment, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Office furniture and equipment	5 years	20%
Computer equipment	3 – 5 years	20 – 33%

The residual value and useful life of an asset is reviewed and adjusted if applicable at each financial year end. It is important to note that OCC leases all of its computer equipment from the Ministry of Social Development.

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. Software is capitalised if its cost is greater than \$2,000 (excluding GST).

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: 3 years, 33%
- developed computer software: 4 years, 25%

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, 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.

Restructuring

A provision for restructuring is recognised when the Children's Commissioner has approved a detailed formal plan for the restructuring which has either been announced publicly to those affected, or for which implementation has already commenced.

Goods and services tax (GST)

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

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

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

Crown Revenue

Crown Revenue is \$3.157 million for the 2021/22 financial year.

Statement of significant underlying assumptions

- (i) Assumptions underlying the forecast financial statements include:
 - that government funding does not change over the period covered by this statement
 - there is a risk that these events and the associated income and expenditure may not occur
- (ii) All figures are GST exclusive
- (i) Financial year end is 30 June.

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