



MANAAKITIA Ā TĀTOU TAMARIKI

Children's
Commissioner

Annual Report

Office of the Children's Commissioner

2021-2022



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Annual Report for the year ended 30 June 2022

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

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Foreword to the Minister for Social Development and Employment

Pursuant to the provisions of Section 150 and 151(3) of the Crown Entities Act 2004, I submit my Annual Report, incorporating the Financial Statements. The report covers the period from 1 July 2021 to 30 June 2022. I am satisfied that the Financial Statements fairly reflect the financial position and operations of the Children's Commissioner for the reporting period.



Judge Frances Eivers
Children's Commissioner
Te Kaikōmihana mō ngā Tamariki
31 October 2022



Message from the Children's Commissioner

E ngā mana, e ngā waka, e ngā iwi o ngā hau e whā, tēnā koutou katoa

The winds of change have blown for the entire year covered by this Annual Report.

I have always seen the role of Children's Commissioner as one focused on passionate and determined advocacy for our mokopuna, but in reality, it is so much more. This year I have opposed legislation that effectively undermines a layer of protection that mokopuna deserve and need, and was honoured to testify at the Abuse in Care Royal Commission of Inquiry - to stand in the same company as purapura ora (survivors).

The tragedy is that the very existence of this Royal Commission holds a mirror up to Aotearoa's collective failure as a nation to tiaki those who need it most. The mokopuna who were not protected by the adults in their lives, and so could not find the space and support to thrive, are now adults. At the Royal Commission purapura ora were clearly and powerfully articulating the impact of the abuse they experienced on their lives, and the lives of their whānau and communities.

I anticipate this inquiry will provide strong and unwavering recommendations that represent the voices of purapura ora heard throughout this review, and countless reviews that have preceded it, and that seek to eliminate current and future harm. We have an opportunity to draw on the lessons from those who have been let down by the system as well as the wealth of evidence about what works both domestically and internationally.

Despite every effort, the Oversight of Oranga Tamariki System and Children and Young People's Commission Bill has been passed largely unchanged. While my view that the new legislation sets up a model that I

sincerely believe will not achieve the purpose intended for mokopuna and their whānau hasn't changed, I will continue to do what every single Commissioner has done before me:

- advocate for mokopuna to live their best lives, supported by their families and communities. They are an investment in the future and an underappreciated treasure. He taonga te mokopuna. We need to place the welfare and best interests of mokopuna at the centre of all decisions affecting them and their whānau.
- fight for children's rights as a 'must do' rather than a 'nice to have'. Those rights include enough good food; warm safe homes; appropriate inclusive education; the right to feel safe in their homes; the right to get help when life is overwhelming and the right to get medical attention when they need it
- call out any action or inaction that detracts from the core need to make sure our mokopuna thrive.

More widely speaking, it has been another challenging year for whānau. As we began to emerge from the day-to-day threat of COVID-19, we faced the bite of an increased cost of living, given cruel emphasis by the fact that 4,000 of our mokopuna are living in motels.

Travelling around New Zealand, I saw working families struggling to meet their accommodation costs, feed their family, and heat their homes. The concept of saving for a rainy day or a better future is out the window for a whole section of society.

A single health problem, or a car repair that can't be paid for, can change the trajectory of a family, and plunge them into crisis.

In this context I will continue to prioritise working to ensure the mental wellbeing of our mokopuna, advocating to end family violence, and fighting for the rights of mokopuna to participate in inclusive and equitable education.

During these rather turbulent times, it has been a very real pleasure and source of pride to have a team of dedicated people behind me.

To call out just two examples:

- our Strategy, Rights and Advocacy team undertook a major piece of work to prepare a comprehensive report to the United Nations Committee on the Rights of the Child as part of the New Zealand Government's sixth periodic review under the United Nations Convention on the Rights of the Child
- our Mai World team worked with multiple agencies that asked for advice and support on child and youth engagement; facilitated multiple workshops and participation advice sessions with practitioner networks including youth workers, social workers and teachers and analysed over 500 responses from mokopuna for the 'Mokopuna Voices Summary' report to the United Nations.

For a small team, my office delivers at the highest level. My team and I will continue to work closely with the Ministry of Social Development on transition planning activities as the new legislation comes into play.

Judge Frances Eivers

Children's Commissioner
Te Kaikōmihana mō ngā Tamariki



**Hurihia tō aroaro
ki te rā tukuna tō
ātārangi kia taka ki
muri kia koe.**

**Turn your face
toward the sun and
the shadows will fall
behind you.**

Insights – What Mokopuna Told Us

“(We need) Safe communities and environment. A lot of support for mental health people, as well with parents who can’t handle stress as well with their anger. Lots of counselling at school and at home for young people. We need to break the cycle by providing these needs. I want a safe place for everyone to feel free to voice their opinion.”

“Having a voice means that an adult listens and acknowledges what you are saying and that what you said is taken into account when they make the decision.”

“(We need) A good support system, a government that backs them and sees us as kids, rather than numbers in a broken system. Caregivers who see us as part of the family and treat us equally and equal opportunities, education and the same start to life as anyone”
– Mokopuna in care

“I was asked to do a haka for some visitors to school because the principal wanted to give a cultural experience. But it was annoying because that’s like the only time he cares about Māori culture.”

“At our school it was compulsory to learn Mandarin but it was an option to learn Te Reo Māori.”



The Role of the Children's Commissioner

To ensure all children in Aotearoa New Zealand live their best lives – kia kuru pounamu te rongō – we must all work together

At the Office of the Children's Commissioner (the OCC), we believe every child and young person, every mokopuna, has the right to grow up in a family/whānau, and among hapū, iwi and communities, who have the resources to provide them with supportive, loving homes and the best opportunity for a good life.

The Children's Commissioner (the Commissioner) represents the 1.2 million people in Aotearoa New Zealand under the age of 18 who make up 23 percent of the population. The Commissioner is an Independent Crown Entity (ICE) established under the Children's Commissioner Act 2003 (the Act).

The Commissioner advocates for the implementation of the United Nations Children's Convention:

- providing expert advice to courts, non-government, and Government agencies
- ensuring the voices of children are heard in decisions that affect them
- raising awareness about children's rights and wellbeing; and
- monitoring the services of Oranga Tamariki, and places where young people are detained.

The Commissioner has broad statutory responsibilities under several other Acts too:

1. Oranga Tamariki Act 1989 / Children and Young People's Well-being Act 1989
2. Oranga Tamariki (Residential Care) Regulations 1996
3. Crimes of Torture Act 1989 (COTA)
4. Human Assisted Reproductive Technology Act 2004.

Our priorities

In April 2022 the Commissioner set four new strategic priorities to complement the Statement of Intent 2021-2024, and the OCC is developing programmes of work under each priority. The priorities are listed below.

1. **Advocate for all mokopuna to have access to, and participate in, inclusive and equitable education.**
2. **Advocate for the mental wellbeing of mokopuna to be prioritised, so that they may thrive and flourish.**
3. **Advocate to end family violence and to help families heal.**
4. **Independently and regularly monitor places where mokopuna are deprived of their liberty and advocate for system change.**

The Year in Review: How we made a difference

As part of developing its strategic priorities framework, the OCC developed principles to support the work of achieving the Commissioner's vision for all mokopuna to live their best lives.

Te Tiriti o Waitangi underpins the OCC's work

The OCC honours and gives effect to Te Tiriti o Waitangi to improve the wellbeing of mokopuna in the context of their whānau, hapū, and iwi.

The OCC takes a whole of system approach

The OCC recognises that it is part of a community working within a wider system that affects the lives of mokopuna and their whānau. The OCC's actions and decisions are informed by a holistic and whole-system view.

The OCC focuses on being proactive

The OCC is forward looking with a focus on searching for opportunities to advocate for a better life for mokopuna and their whānau.

The OCC works collaboratively

The OCC works collaboratively with people from government and community to grow its collective knowledge.

The OCC demonstrates best practice in its work

The OCC demonstrates best practice in all it does to support mokopuna and their whānau to live their best lives.

The OCC focuses on work that makes a difference

The OCC focuses its effort and resources on the activities that will make a positive difference in the lives of mokopuna and their whānau.

The OCC performs its statutory role underpinned by these principles. This section of the report identifies key examples of change generated through the OCC's activities during the year under review.





Listening

The voices of mokopuna and their whānau guide the OCC's work

Under the Act, and in accordance with the UN Convention on the Rights of the Child and Te Tiriti o Waitangi, the OCC based all its advice, strategic direction, and influence on the voices of mokopuna including their whānau where necessary.

Voices Summaries

The OCC gathered and summarised the voices of diverse mokopuna to inform the Commissioner's strategic priorities framework and action plan. These voices were focused on:

- education
- mental wellbeing
- family violence.

Having a strategic plan and agreed action items that are firmly grounded in the voices of mokopuna enables the OCC to focus all its mahi on the most important issues for mokopuna.

Growing

A commitment to Te Tiriti o Waitangi in the OCC, and advocating for a by Māori, for Māori approach in our work and in the public sector

The OCC continues its Te Tiriti journey as a tari (office).

In November 2021, the new Commissioner, Judge Frances Eivers, determined that operating in accordance with and informed by Te Tiriti, kaupapa Māori and mātauranga Māori was a key operating principle for the OCC.

The Commissioner has taken steps to give life to this commitment and change the way the OCC works. This includes establishing a Te Tiriti Team.

Influencing

Influencing decision makers to prioritise structural change for the long-term wellbeing of mokopuna

Advocating in specific cases is important. But the long-term wellbeing of all mokopuna also requires structural change. The OCC is fortunate to both give advice that may lead quickly to change and, where necessary, to lead or build constituencies calling for change.



Amplifying

Amplifying the voices of mokopuna in decision making

There is a growing awareness across central and local government agencies and in community organisations that the voices of mokopuna are powerful and important to inform public decision-making.

The OCC's Mai World team supports others to engage ethically with mokopuna to seek their views. It also engages directly with a diverse range of mokopuna to support its child impact assessments, and the OCC's advocacy for their rights and wellbeing.

While there is some way to go before all agencies are competent in ethically engaging mokopuna, the Mai World role continues to amplify the voices of mokopuna so they can be heard and so listening to them becomes a normal part of the public decision-making process.

Voices Reports

Since 2018 the OCC's 'Voices' reports have supported several government processes. In November 2021 we added **Our Kind of School** to the collection. For this report Mai World partnered with the Ministry of Education, and spoke with hundreds of students, staff and whānau to understand why some kura and schools have low levels of bullying, and high levels of independently measured and verified student wellbeing.

The insights gathered have been presented to the New Zealand School Trustees Association (NZSTA) regional chairs, the Youth Plan cross-agency group, Pacific PPTA, ACE Aotearoa network of educators, and the Involve Conference. The report is available on the OCC's website.

A summary of mokopuna voices on racism (from existing Voices reports) was produced at the request of the Minister of Justice to inform the National Action Plan Against Racism and submitted to the Ministry of

Social Development (MSD) as part of the consultation on cross-government work to improve social cohesion. The Minister of Justice subsequently committed to understanding how children and young people experience racism and to listen and incorporate their voices. She directed officials to be guided by the information provided by Mai World when framing meaningful engagement with different communities of children and young people.

A summary of mokopuna voices on family and sexual violence (from existing Voices reports) was produced for the Joint Venture Business Unit at their request to inform the development of Te Aorerekura National Strategy. Voices of mokopuna from the engagements were also shared at the inaugural Te Aorerekura conference.

The Mai World team presented the OCC's model of child participation at the Involve Conference and ran a workshop for youth workers on engagement activities.

Mai World has also facilitated multiple workshops and participation advice sessions with practitioner networks including youth workers, social workers, and teachers. It has also attended conferences to present its reports to a wider audience.

The team supported design and facilitation community hui-fono using its 'Weaving Our Strengths' model to hear community voices and explore ways to collaborate for positive change.

In late 2021, the Mai World team engaged with schools and community partners to support mokopuna to share their views with the United Nations Committee on the Rights of the Child in preparation for the sixth periodic review of the Children's Convention.



“The negative statistics are always reminders of how we fail... why do we constantly get reminded of how we fail?”
– Student in alternative education, Māori

“When I don't trust adults in my life, I won't ask them for help”



Monitoring

A 'National Preventive Mechanism'

The Commissioner is designated as a 'National Preventive Mechanism' (NPM) under the Crimes of Torture Act 1989 and has responsibilities under the Optional Protocol to the **Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment** (OPCAT).

This gives the Commissioner a legal rights-based mandate to examine the quality of care and treatment of children and young people who are detained in secure care and protection facilities, youth justice residences, remand homes, mental health institutions and other health and disability places of detention. A specialised team is set up in OCC to carry out this work pursuant to the Commissioner's designation.

In addition, by delegation from the Chief Ombudsman, the Commissioner monitors Mother and Baby Units in the three Department of Corrections Women's Prison facilities.

Monitoring places of detention

The OCC undertook both unannounced and announced OPCAT monitoring visits to secure facilities. They visited:

- Puketai Care and Protection Residence
- Te Oranga Care and Protection Residence
- Te Puna Wai ō Tuhinapo Youth Justice Residence
- Te Au Rere a te Tonga Youth Justice Residence
- Whakatakopakai Youth Justice Residence
- Whare Tuhua (Remand home) – Te Tuinga Whānau Support Services Trust
- Whare Matariki (Remand home) – Te Tuinga Whānau Support Services Trust
- Regional Rangatahi Adolescent Inpatient Service
- Epuni Care and Protection Residence
- Child and Family Unit at Auckland's Starship Hospital
- Child and Adolescent Family Unit at Princess Margaret Hospital
- Mother and Baby Unit in Auckland Region Women's Corrections Facility.

The monitoring team interviewed mokopuna who chose to speak with the team, in accordance with its mokopuna-centred monitoring approach, and also interviewed staff and stakeholders. The team's focus was on the experiences of mokopuna in relation to their treatment and to conditions at the facilities.

The remand homes that were monitored are run by community organisations rather than Oranga Tamariki. The team employed a new monitoring approach specifically for these spaces which included face-to-face whakawhanaungatanga visits before a full monitoring visit. This was well received by the community organisations and staff and made monitoring in those smaller spaces easier.

In June 2022 the team attended an on-line United Nations Sub-Committee for the Prevention of Torture (SPT) meeting with delegates from Cambodia, Lebanon, and the Maldives. The New Zealand contingent was made up of representatives from the

Human Rights Commission, the Office of the Ombudsman, the Office of the Children's Commissioner and the Independent Police Conduct Authority.

The meeting provided a good opportunity for each country to outline to the SPT their current workplan and any issues they had fulfilling their designation as an NPM.

Mana Mokopuna

The OCC monitoring framework is a kaupapa Māori approach called Mana Mokopuna which is tamariki and whānau centred. Its six principles can be understood as a child's journey through life and are based on whakapapa. They are:

1. whakapapa
2. whanaungatanga
3. aroha (recognising that all children have the need to love and be loved).
4. kaitiakitanga
5. rangatiratanga
6. mātauranga.

By adopting this framework for monitoring the OCC expects those working with mokopuna to enable and support positive connections with their whakapapa. This approach is regarded as best practice by the United Nations.

Grievance Panels

OCC analysed reports from Grievance Panels located in secure residences across the country, drawing together themes and following up concerns on behalf of young people in places of detention.

Section 13 Monitoring of Oranga Tamariki

This function will transfer to the Independent Children's Monitor under the Oversight of Oranga Tamariki System Act 2022, due to come into force on 1 July 2023. Future monitoring work will be framed by the Commissioner's role as an NPM working under OPCAT.

Advocating

Raising awareness of the rights, interests, and wellbeing of mokopuna

The Commissioner has an ongoing role to actively advocate for the rights, interests, and wellbeing of mokopuna.

This is in addition to, and complements, other statutory roles including listening to the voices of mokopuna, monitoring the safety of those in detention, amplifying the views of mokopuna in decision-making processes, and encouraging decision makers to prioritise the interests and wellbeing of mokopuna.

The United Nations Committee report

The OCC submitted a comprehensive report to the United Nations Committee on the Rights of the Child (the UN Committee) in preparation for the New Zealand Government's sixth periodic review under the United Nations Convention on the Rights of the Child (the Children's Convention).

This report covered a wide range of issues that impact the rights of mokopuna in Aotearoa New Zealand and made recommendations to the UN Committee in preparation for the New Zealand Government's review in 2023.

In preparation for this report, the OCC developed an engagement toolkit: 'Children's Rights, Children's Voices: Have your Say!', with the support of the Child Rights Alliance Aotearoa, for schools and community partners to support mokopuna to share their views with the UN Committee. Their views were included in the comprehensive report as well as in a separate 'Mokopuna Voices Summary' Report (2021).

As part of the work on the UN report the OCC:

- gave feedback on the draft State Party report (2021) to the UN Committee
- facilitated bi-monthly meetings of the Children's Convention Monitoring Group (CMG) and, with the CMG met with the Children's Convention Deputy Chief Executives Group to discuss progress on the Children's Convention Work Programme.
- met online with international

counterparts at the Children and Young People's Commissioner Scotland to discuss children's rights and share knowledge.

Mokopuna and Whānau-centred Advice

OCC provided a number of pieces of mokopuna and whānau-centred advice this year ranging from advice about access to information held by schools, various aspects of the COVID-19 response, advice on legal cases, help to make tools and information more child-friendly, and support to agencies wanting to engage with mokopuna on their work.

Of particular note was the OCC participation in a panel discussion organised by the Department of Prime Minister and Cabinet which was attended by over 100 all-of-government senior managers.

Support to non-government organisations included participation in the Vodafone Thriving Rangatahi Explorer tool reference group, advice to Gymnastics New Zealand, collaboration with Ara Taiohi to complete the Pacific Warriors consultation and report, support for Ara Taiohi planning for Youth Week, assisting in Children's Day 2022, and supporting community organisations and schools to engage mokopuna after the Christmas holidays (especially due to the continued impact of Covid 19).

Child Poverty Monitor

The Child Poverty Monitor was set up to draw attention to the impacts on mokopuna of poverty in Aotearoa New Zealand. This project is a partnership between the JR McKenzie Trust, the University of Otago and the OCC.

Publication of the Monitor has played a major role in focussing attention on the experience of poverty for mokopuna and their whānau.

The 2021 Child Poverty Monitor focused on inequities for Māori, Pacific and disabled children, particularly in areas of food insecurity, housing quality, health, income, and material hardship. The launch was an online webinar with 279 online attendees, and there have been 2000 video views of the launch.

The Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions

The OCC made two written submissions (November 2019 and August 2021) and had several meetings with the Royal Commission of Inquiry into Abuse in Care. It also responded to a substantial information request under section 20 of the Inquiries Act 2013 and the Commissioner, the former Assistant Māori Commissioner Glenis Philip-Barbara and the Executive Director, Fiona Cassidy gave evidence in person to the State Institutional Response Hearing.

In December 2021, on request, OCC completed an internal scan of archived documents and provided responses to questions from the Royal Commission of Abuse in Care about Lake Alice.

Providing submissions and advice on issues of relevance to children's rights and best interests

OCC made submissions on a number of Bills, supported several Select Committee processes and provided advice on Cabinet papers to ensure the rights and interests of mokopuna were considered in the decision-making process.

Advice was also given to a number of Government agencies and local government groups to ensure their decision-making was consciously including the rights and interests of mokopuna.

The OCC routinely attends and participates in several cross agency working groups, bringing the mokopuna perspective to work across Government.

In particular the OCC participated in several COVID-related cross-agency and community hui to advocate for mokopuna, the child workforce, vaccination issues and sharing the findings from the Life in Lockdown report and recommendations from the Getting it Right: Children's Rights in the COVID-19 response report.



Partnering

Building partnerships is crucial to effecting change for mokopuna

The OCC's Mai World Voices team is in ongoing engagement with mokopuna in a wide range of settings. To recognise that mokopuna exist as part of their whānau and community, Mai World uses a village model to engage with, and hear from, mokopuna.

During the COVID-19 restrictions, Mai World stayed connected online, hosting engagements with mokopuna and their village and attending hui organised by the community.

Mai World partnered with the Department of the Prime Minister and Cabinet (DPMC) to hear from mokopuna about how they want to be engaged with, to inform the review of the Child and Youth Wellbeing Strategy.

Mai World also established a partnership and funding agreement with the Ministry of Education (MOE) that will establish a mechanism to gather mokopuna voices to ensure tauira will be meaningfully engaged in the refresh of the New Zealand Curriculum.

The OCC also continued to collaborate with the Ministry of Justice and the Iwi Chairs Forum to ensure that mokopuna voices are included in the development of the National Action Plan Against Racism (NAPAR).

Mai World is committed to working closely with Te Puna Aonui and community organisations in the family violence and sexual violence sector to establish best practice methods for mokopuna engagement and participation in Te Aorerekura.

Stakeholders – what they told us.

Stakeholders of the OCC include government agencies, NGOs and community organisations, crown-funded entities, academics, schools and early childhood centres, iwi, local government, businesses, and Māori organisations.

The OCC surveyed its stakeholders for their views on how we are contributing to better outcomes for New Zealand's 1.2 million children and young people.

97% percent of respondents agree that our advocacy improves the wellbeing of children.

When asked about how well the OCC was doing in certain areas, stakeholders mentioned listening to mokopuna voices, raising awareness of mokopuna rights and wellbeing, influencing decision-makers, and building partnerships.

Most respondents agreed that the OCC were doing well across every method of change.

About the Office of the Children's Commissioner



Organisational Health and Capability

Staff is our most valuable asset, and the OCC works to ensure a positive and supportive organisational culture.

Leadership, Accountability, and Culture

All our work is guided by our tikanga framework: The values of Aroha, Pono, Tika and Mātauranga.

Te Rōpū is a group of Māori kaimahi who meet regularly to provide professional support to each other and advice for the wider OCC.

Leadership training through the Public Service Commission was provided to staff members who stepped up to take on lead roles, mitigating impacts of vacancies in some management positions.

Equal Employment Opportunities

The OCC is committed to providing equal opportunities and is a member of the EEO Trust.

Recruitment, Selection, and Induction

Where a vacancy exists, the OCC ensures advertising is accessible to a diverse range of potential candidates.

Employee development and promotion

The OCC has formal annual performance and personal development agreements with all staff and supports staff development.

The capability and performance system recognises and supports performance and development.

Flexibility and work design

The OCC offers flexible work arrangements that balance personal and work obligations and a child friendly work environment. It supports staff who need school holiday care for their children by providing a care subsidy.

Harassment and bullying prevention

The OCC supports and promotes the Public Sector Code of Conduct and has its own Code of Conduct which rejects discrimination, harassment, bullying or intimidation based on religious or ethical beliefs. The OCC has a policy that addresses these issues and sets out how unacceptable behaviour will be dealt with. The OCC has had no reported instances of harassment or bullying during 2021/22.

Ongoing review/renewal of programmes and policies

The OCC's policies and procedures are reviewed on a yearly basis and policies are adjusted on an ongoing basis in line with revised legislation.

Safe and healthy environment

The OCC provides a safe working environment that supports staff health and wellbeing and has a health and safety committee meeting monthly. It maintains a hazard register. The OCC has staff trained in first aid, a business continuity plan, emergency food and water, first aid and civil defence supplies, and are located in a building that is code-compliant under section 95 of the Building Act 2004.



Kaimahi

As at 30 June 2022, the OCC had 29 employees (18 permanent, 7 fixed-term, and 4 on secondment) totaling 26.93FTEs, not including the Commissioner.

Gender	2022	%	2021
Female	21	79%	31
Male	8	21%	8

Ethnicity	2022	%	2021
Maori	14	35.9%	14
Pacific	3	12.8%	5
Asian	1	2.6%	1
Pakeha/ European	11	48.7%	19

Age profile Average age is 37 years

Disability Profile There are 3 employees with a disability

Effective governance

The OCC has continued to ensure an efficient and effective operation that delivers value for money by maintaining a small core staff and contracting out specialist functions when required.

Our **Statement of Intent 2021-2024** further refines our strategic outcomes framework focusing on our priorities, and a work plan to support its implementation.

The draft **Statement of Performance Expectations 2021/22** was submitted to the Minister for Social Development & Employment on 3 May 2021. It was published on our website on 30 June 2021 and tabled in Parliament on 20 June 2022.

Commitment to Te Tiriti o Waitangi

The OCC has adopted a Kaupapa Tiriti framework in its approach to its work. A Te Tiriti team will embed the strategic priorities for Kaupapa Tiriti for the years 2021-2024.

The OCC observes tikanga by holding pōwhiri or mihi whakatau to welcome new staff, poroporoaki to farewell staff, and when visiting OPCAT sites.

Te Tiriti Training For All Staff

Sixteen bespoke sessions were designed and delivered for our workforce, covering a range of areas of te Tiriti o Waitangi.

The first of these sessions started in quarter two of 2021/22.

External cultural supervision is available for all staff to work through any insights, issues or impacts of the learning in a safe and confidential way.

Risks

We monitored the risks identified in our Statement of Intent, Statement of Performance Expectations and Memorandum of Understanding with the responsible Minister.

Consultation and reporting to the Responsible Minister

The Memorandum of Understanding for the year ending 30 June 2022 with the responsible Minister was signed by the then-Commissioner (Judge Becroft) on 30 June 2021 and then by the Minister on 10 August 2021. The Commissioner meets regularly with the Minister and provides briefings on issues relating to children, quarterly reports, and works on a 'no surprises' basis.





Statement of Performance

The Estimates of Appropriations

The Children's Commissioner is funded through Vote Social Development – Non-Departmental Appropriations – Non-Departmental Output Expense – Children's Commissioner (M63)

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.

Summary of Expenditure Against The Appropriation

	2021/22 Actual \$000	2021/22 Budget \$000	2020/21 Actual \$000
Total appropriation	3,157	3,157	4,407
Supporting the Children's Commissioner to Make Changes Associated with the Independent Children's Monitor	1,200	1,200	
Children's Commissioner portion of appropriation (Crown Revenue)	4,357	4,357	4,407
Children's Commissioner expenditure against appropriation	4,590	4,977	4,231
Net surplus/(deficit)	(233)	(620)	176

Performance against the Appropriation

Performance measures and standards	Budget standard	2021/22 Actual	2020/21 Actual	Achievement
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%	95%	91%	Achieved

Development, Monitoring and Investigations

The OCC monitors the policies and practices of Oranga Tamariki, other organisations contracted by Oranga Tamariki to provide care services for children, young people and their whānau, DHBs and the Department of Corrections Mother and Baby Units. The Commissioner has the mandate to investigate any concerns on a case-by-case basis or to monitor Oranga Tamariki's investigation and resolution of any complaint. OCC works with Oranga Tamariki, DHBs and Corrections to support the design, development, and implementation of what is intended to be a world-leading care and protection, and youth justice system in Aotearoa, New Zealand

This year our monitoring activities not only included 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).

Financial Performance of Development, Monitoring and Investigations

2020/21 Actual \$000	2021/22 Actual \$000	2021/22 Budget \$000
1,919 Revenue from the Crown	1,502	1,405
328 Other Revenue	726	566
1,992 Expense	2,179	2,245
255 Net surplus/(deficit)	49	(274)

Performance measures

Performance measures and standards	Budget standard	2021/22 Actual	2020/21 Actual	Achievement/Comments
The number of COTA (OPCAT) monitoring visits to Oranga Tamariki secure residences will be at least	6-10	6	10	Achieved
The number of COTA (OPCAT) monitoring visits to Oranga Tamariki youth justice remand homes will be at least	2-4	2	4	Achieved
The number of COTA (OPCAT) monitoring visits to DHB child and adolescent mental health and youth forensic inpatient units will be at least	2-4	3	5	Achieved
The number of COTA (OPCAT) monitoring visits to Corrections Mother & Baby Units will be at least	1	1	New	Achieved
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%	7% ¹	67%	Not achieved
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%	100%	Achieved
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%	100%	Achieved
The number of COTA (OPCAT) public reports produced	2	4	New	Achieved
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	90% ²	100%	100%	Achieved
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%	100%	Achieved
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 ³	80%	100%	100%	Achieved

Outcomes

Throughout the year OCC met regularly with the CE and DCEs from Oranga Tamariki to review progress being made on systems, policy, and practice change.

¹ Due to a high staff turnover the reports could not be completed on time.

² 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

³ The result is based on SurveyMonkey result.

Strategy, Rights and Advice

OCC supports children and young people to have a say in matters that affect them. We use their views and voices to inform our submissions and advice to Government agencies. OCC maintain a child's rights and advice service that provides both general and individual advocacy for children in certain circumstances

OCC advocates for systemic changes to provide better outcomes for children and young people, in line with the UN Children's Convention. OCC provides independent advice to Select Committees, Ministers, Government Agencies, and Crown Entities on policy and legislation for the interests, rights, and wellbeing of children.

Financial Performance of Strategy, Rights and Advice

2020/21 Actual \$000		2021/22 Actual \$000	2021/22 Budget \$000
2,238	Revenue from the Crown	1,655	1,752
374	Other Revenue	798	736
2,310	Expense	2,451	2,761
302	Net surplus/(deficit)	2	(273)

Outcomes

*Example of Impacts achieved by advocacy activities

Advocacy directly from the Children's Commissioner to the Director-General of Health and Secretary for Education, relating to children's participatory rights being curtailed in the Traffic Light System, contributed to policy reconsideration. Ultimately, there was a decision to allow non-vaccinated children to participate in extra-curricular school sports and cultural activities, furthering their participatory and recreation rights under the Children's Convention.

The new independent redress system announced by the Government in response to the Royal Commission of Inquiry into Abuse in Care was informed by a number of recommendations made by the OCC in three submissions.

**Examples of impact achieved by voices of children and young people

Following advice provided to the Ministry of Justice about the Child Impact Assessment and Children's Rights, it has taken our advice on board. Their Adoption law review team and their National Action Plan Against Racism project have been strongly informed by voices of mokopuna through specific engagement activity. The OCC has an ongoing relationship to support the National Action Plan Against Racism to be informed by voices of mokopuna going forward.

Performance measures

Performance measures and standards	Budget standard	2021/22 Actual	2020/21 Actual	Achievement/Comments
The number of items of child-focused policy advice or submissions to Select Committees, government departments or Ministers will be at least	5	19 ¹	14	Achieved
The number of reports published on Child & Youth Voices will be at least	2	2	2	Achieved
The number of reports to advance child rights in Aotearoa New Zealand will be at least	1	1	3	Achieved
Keynote presentations on child rights, wellbeing or voices will be at least	4	8	8	Achieved
Child Poverty Monitor released	Achieved	Achieved	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%	100%	Achieved
The percentage of specified stakeholders ² 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 ³	80%	97%	95%	Achieved
The number of examples of impact achieved by advocacy activities will be at least	2	2*	3	Achieved See examples on left.
The number of examples of impact achieved by voices of children and young people will be at least	1	1**	1	Achieved See examples on left.

¹ This is a demand-driven measure and difficult to foresee. There was a higher demand on OCC to do submissions, and we were able to do more.

² 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

³ 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

Financial Statements

Statement of Responsibility

I am responsible for the preparation of the Children's Commissioner financial statements and statement of performance, and the judgments made in them.

I am responsible for any end-of-year performance information provided by the Children's Commissioner under section 19A of the Public Finance Act 1989.

I have the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In my opinion, these financial statements and statement of performance fairly reflect the financial position and operations of the Children's Commissioner for the year ended 30 June 2022.

Judge Frances Eivers
Children's Commissioner
31 October 2022

Statement of Comprehensive Revenue and Expense for the year ended 30 June 2022

	Notes	Actual 2022 \$000	Budget 2022 \$000	Actual 2021 \$000
REVENUE				
Revenue from the Crown		3,157	3,157	4,157
Revenue from MSD	2	1,200	1,200	
Other revenue	2	312	97	701
Interest revenue		12	5	1
Total revenue		4,681	4,459	4,859
EXPENSES				
Personnel costs	3	3,820	4,045	3,712
Operating costs	4	706	875	493
Projects costs	5	88	82	93
Depreciation	9	3	4	2
Amortisation		13		
Total expenses		4,630	5,006	4,300
Surplus/(deficit)		51	(547)	559
Other comprehensive revenue and expense		0	0	0
Total comprehensive revenue and expense		51	(547)	559

Explanations of major variances against budget are provided in note 17.

The accompanying notes form part of these financial statements.

Statement of Financial Position as at 30 June 2022

	Notes	Actual 2022 \$000	Budget 2022 \$000	Actual 2021 \$000
ASSETS				
Current assets				
Cash and cash equivalents	6	1,899	806	1,748
Receivables	7	121	61	91
Prepayments		1	2	2
GST receivable		65	0	1
<i>Total current assets</i>		<i>2,086</i>	<i>869</i>	<i>1,842</i>
Non-current assets				
Property, plant, and equipment	9	5	3	7
Intangible assets	10	91		
<i>Total non-current assets</i>		<i>96</i>	<i>3</i>	<i>7</i>
Total assets		2,182	872	1,849
EXPENSES				
Current liabilities				
Payables	11	429	88	49
Employee entitlements	12	232	270	278
Revenue received in advance		0	0	15
Accruals		153	210	186
GST Payable		0	16	0
Lease inducement		1	1	4
<i>Total current liabilities</i>		<i>825</i>	<i>585</i>	<i>532</i>
Non-current liabilities				
Employee entitlements	12	10	0	10
<i>Total non-current liabilities</i>		<i>10</i>	<i>0</i>	<i>10</i>
Total liabilities		825	585	542
Net Assets		1,357	287	1,307

Explanations of major variances against budget are provided in note 17.

The accompanying notes form part of these financial statements

Statement of Changes in Equity for the year ended 30 June 2022

	Actual 2022 \$000	Budget 2022 \$000	Actual 2021 \$000
Balance as at 1 July	1,160	834	498
Retained Earnings	104	0	0
Surplus/(deficit)	51	(547)	559
Capital Contributions	146	0	250
Contributed Capital	-104	0	0
Balance as at 30 June	1,357	287	1,307

Explanations of major variances against budget are provided in note 17.
The accompanying notes form part of these financial statements.

Statement of Cash Flows for the year ended 30 June 2022

	Notes	Actual 2022 \$000	Budget 2022 \$000	Actual 2021 \$000
Cash flows from operating activities				
Receipts from the Crown		3,157	3,157	4,157
Receipts from other revenue		1,467	1,047	650
Interest received		12	5	1
Payments to suppliers		(451)	(1,069)	(648)
Payments to employees		(3,866)	(4,095)	(3,673)
GST (net)		(64)	32	15
<i>Net cash flow from operating activities</i>		<i>255</i>	<i>(924)</i>	<i>502</i>
Cash flows from investing activities				
Receipts from sale of property, plant and equipment		0	0	0
Receipts from maturity of investments		0	0	0
Purchase of property, plant and equipment		0	0	(4)
Purchase of intangible assets		(104)	0	0
Acquisition of investments		0	0	0
<i>Net cash flow from investing activities</i>		<i>(104)</i>	<i>0</i>	<i>(4)</i>
Cash flows from financing activities				
Capital contributions		0	0	250
Net cash flow from financing activities		0	0	250
Net increase/(decrease) in cash & cash equivalents		151	(924)	748
Cash and cash equivalents at the beginning of the year		1,748	1,730	1,000
Cash and cash equivalents at the end of the year		1,899	806	1,748

Explanations of major variances against budget are provided in note 17.
The accompanying notes form part of these financial statements.

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1. STATEMENT OF ACCOUNTING POLICIES

Reporting entity

The Children's Commissioner is an Independent Crown Entity as defined by the Crown Entities Act 2004 and is domiciled and operates in New Zealand. The relevant legislation governing the Children's Commissioners' operations includes the Crown Entities Act 2004 and the Children's Commissioner Act 2003. The Children's Commissioners' ultimate parent is the New Zealand Crown.

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

The Children's Commissioner has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements for the Children's Commissioner are for the year ended 30 June 2022 and were approved by the Children's Commissioner on 31 October 2022.

Basis of preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

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 generally accepted accounting practice in New Zealand (NZ GAAP).

The Children's Commissioner is a Tier 2 entity and the financial statements have been prepared in accordance with PBE Standards.

These financial statements comply with PBE Standards Reduced Disclosure Regime.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000), except for related party transactions in Note 14, which are rounded to the nearest dollar.

Summary of Significant Accounting Policies

Significant accounting policies are included in the notes to which they relate and are highlighted with a blue background.

Significant accounting policies that do not relate to a specific note are outlined below.

Goods and services tax

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, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the 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 a net 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 provision has been made for income tax.

Budget figures

The budget figures are derived from the Statement of Performance Expectations as approved by the Children's Commissioner at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Children's Commissioner in preparing these financial statements.

Cost allocation

The Children's Commissioner has determined the cost of outputs using the cost allocation system outlined below.

Direct costs are those costs directly attributed to an output. Indirect costs are those costs that cannot be attributed to a specific output in an economically feasible manner.

Direct costs are charged directly to outputs. Indirect costs are charged to outputs based on cost drivers and related activity or usage information. Depreciation is charged on the basis of asset utilisation. Personnel costs are charged on the basis of actual time incurred.

Property and other premises costs, such as maintenance, are charged on the basis of floor area occupied for the production of each output. Other indirect costs are assigned to outputs based on the proportion of direct staff costs for each output.

There have been no changes to the cost allocation methodology since the date of the last audited 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.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Useful lives and residual values of property, plant, and equipment – refer to Note 9.
- Retirement and long service leave – refer to Note 12.

These significant estimates and assumptions are highlighted in the relevant note with a red background.

Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

- Other grants received – refer to Note 2.
- Grant expenditure – refer to Note 5.
- Lease classification – refer to Note 4.

These significant estimates and assumptions are highlighted in the relevant note.

2. REVENUE

Accounting policy

The specific accounting policies for significant revenue items are explained below.

Funding from the crown

The Children's Commissioner is primarily funded from the Crown. This funding is restricted in its use for the purpose of the Children's Commissioner meeting the objectives specified in its founding legislation and the scope of the relevant appropriation of the funder.

The Children's Commissioner considers that there are no conditions attached to the funding and it is recognised as revenue at the point of entitlement. This is considered to be the start of the appropriation period to which the funding relates.

The fair value of revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements.

Other grants received

Grants are recognised as revenue when they become receivable unless there is an obligation to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Donated assets

Where a physical asset is gifted to or acquired by the Children's Commissioner for nil consideration or at a subsidised cost, the asset is recognised at fair value. The difference between the consideration provided and fair value of the asset is recognised as revenue. The fair value of donated assets is determined as follows:

- For new assets, fair value is usually determined by reference to the retail price of the same or similar assets at the time the asset was received.
- For used assets, fair value is usually determined by reference to market information for assets of a similar type, condition, and age.

Interest revenue

Interest revenue is recognised by accruing on a time proportion basis the interest due for the investment.

Provision of services

Services provided to third parties on commercial terms are recognised as revenue in proportion to the stage of completion at balance date.

Breakdown of other revenue and further information

	Actual 2022 \$000	Actual 2021 \$000
JR McKenzie Trust*	27	52
Revenue from MSD**	1,200	
Other revenue***	178	201
Salary recovered****	107	448
Total other revenue	1,512	701

* Grant Agreement between the Children's Commissioner and the JR McKenzie Trust to produce and disseminate a snapshot with key facts and messages around child poverty in New Zealand.

** Other Revenue of \$1.2m from MSD Departmental Funding for supporting the Children's Commissioner to make changes associated with the Independent Children's Monitor.

*** Other Revenue of \$66,000 donation by the Ministry of Justice as a contribution to Judge Andrew Becroft's salary, and \$95,000 from the Ministry of Education, DPMC, and the Ministry of Justice for Voices engagements, as well as credit card rebates received.

**** Salary recovered from the Ministry of Health for the attendance of a staff member on the ACART Advisory Group, and a staff member seconded to the Ministry of Education.

3. PERSONNEL COSTS

Accounting Policy

Salaries and Wages

Salaries and wages are recognised as an expense as employees provide services.

Superannuation Schemes

Defined contribution schemes

Employer contributions to KiwiSaver, the Government Superannuation Fund, and the State Sector Retirement Savings Scheme are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Breakdown of personnel costs and further information

	Actual 2022 \$000	Actual 2021 \$000
Salaries and wages	3,720	3,545
Other personnel costs	44	71
Defined contribution plan employer contributions	94	90
Increase/(decrease) in employee entitlements	(38)	6
Total personnel costs	3,820	3,712

Employee remuneration

	Actual 2022	Actual 2021
Total remuneration paid or payable that is or exceeds \$100,000:		
\$100,000 – 109,999	2	-
\$110,000 – 119,999	1	1
\$120,000 – 129,999	1	2
\$130,000 – 139,999	-	1
\$140,000 – 149,999	1	-
\$150,000 – 159,999	1	2
\$170,000 - 179,999	-	1
\$200,000 - 209,999	1	-
Total employees	7	7

During the year ended 30 June 2022, no (2021: Nil) employees received compensation in relation to cessation (2021: Nil).

Commissioner's total remuneration

	Actual 2022	Actual 2021
Judge Becroft	90,664	272,000
Judge Eivers	183,867	

Judge Becroft and Judge Eivers are both on secondment from the Ministry of Justice (MoJ) and part of the total remuneration disclosed for 2021/22 is invoiced by MoJ in terms of the remuneration determination for the Children's Commissioner. Judge Becroft's term ended on 31 October 2021 and Judge Eivers' term started on 1 November 2021.

Since the Children's Commissioner is a corporation sole member, there are no other Board or committee members.

No indemnity has been provided to the Children's Commissioner or any employee.

The Office of the Children's Commissioner has Management Liability and Public Indemnity Insurance.

4. OTHER EXPENSES

Accounting policy

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Breakdown of other expenses and further information

	Actual 2022 \$000	Actual 2021 \$000
Accountancy fees	11	22
Accounting software fees	1	1
Fees to auditor		
> fees for audit of financial statements	27	26
Consumables & other expenses	75	75
Consultant fees	103	13
Information Systems	93	85
Power & Heating	5	6
Printing & Stationery	2	6
Publication expenses	27	19
Rent, rates and insurance	270	112
Telecommunication	14	12
Travel and accommodation	65	91
Website expenses	13	25
Total operating costs	706	493

Breakdown of operating lease commitments and further information

	Actual 2022 \$000	Actual 2021 \$000
Not later than one year	108	111
Later than one year and not later than five years	0	48
Later than five years	0	0
Total	108	159

An extension is in place from 8 December 2022 for 18 months but not yet formalised.

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

5. PROJECT COSTS

	Actual 2022 \$000	Actual 2021 \$000
Monitoring & Investigations	1	10
Poverty Measures Partnership	27	47
Voices Project	60	10
Te Kuku o Te Manawa	0	26
Total project costs	88	93

6. CASH AND CASH EQUIVALENTS

Accounting policy

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.

Breakdown of cash and cash equivalents and further information

	Actual 2022 \$000	Actual 2021 \$000
Cash at bank and on hand	1,899	1,748
Total cash and cash equivalents	1,899	1,748

7. RECEIVABLES

Accounting policy

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The Children's Commissioner applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

Breakdown of receivables

	Actual 2022 \$000	Actual 2021 \$000
Receivables	121	91
Accruals	0	0
Total receivables	121	91

8. INVESTMENTS

Accounting policy

Bank term deposits

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

9. PROPERTY, PLANT, AND EQUIPMENT

Accounting policy

Property, plant and equipment consists of five asset classes, which are measured as follows:

- Land, at fair value.
- Buildings, at fair value less accumulated depreciation and impairment losses.
- Leasehold improvements, at cost less accumulated depreciation and impairment losses.
- Furniture and office equipment, at cost less accumulated depreciation and impairment losses.
- Motor vehicles, at cost less 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.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

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 expensed in the surplus or deficit as they are incurred.

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 reported net in the surplus or deficit. When revalued assets are sold, the amounts included in the revaluation reserves in respect of those assets are transferred to the accumulated surplus/(deficit) within equity.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant, and equipment other than land, 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 property, plant, and equipment have been estimated as follows:

Furniture and office equipment	5 years	20%
Leasehold improvements	10 years	10%

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

Impairment of property, plant, and equipment

The Children's Commissioner does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

Property, plant, and equipment assets 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 service amount. The recoverable service amount is the higher of an asset's fair value, less costs to sell, and value in use.

Value in use is the present value of an asset's remaining service potential. It is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable service amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

Breakdown of property, plant, and equipment and further information

	Total 2022 \$000
Cost or valuation	
Balance at 1 July 2020	83
Additions	4
Disposals	0
Balance at 30 June 2021	87
Balance at 1 July 2021	87
Additions	0
Disposals	0
Balance at 30 June 2022	87
Accumulated depreciation and impairment losses	
Balance at 1 July 2020	78
Depreciation expense	2
Eliminate on disposal	0
Balance at 30 June 2021	80
Balance at 1 July 2021	80
Depreciation expense	3
Eliminate on disposal	0
Balance at 30 June 2022	83
Carrying amounts	
At 1 July 2020	4
At 1 July 2021	7
Balance at 30 June 2022	5

10. INTANGIBLE ASSETS
Accounting policy

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Acquired computer software	3 to 6 years	16.7% -33.3%
Developed computer software	3 to 6 years	16.7% -33.3%
Website Rebuild	2 to 5 years	20% - 50%

Impairment of intangible assets

Refer to the policy for impairment of property, plant, and equipment in Note 9. The same approach applies to the impairment of intangible assets.

The Children's Commissioner owns its newly rebuilt website occ.org.nz. Carrying amount of this new website is \$90,621.59 as at 30 June 2022.

Breakdown of intangible assets and further information

	Total 2022 \$000
Cost or valuation	
Balance at 1 July 2021	0
Additions	104
Disposals	0
Balance at 30 June 2022	104
Accumulated amortisation and impairment losses	
Balance at 1 July 2021	0
Amortisation expense	13
Eliminate on disposal	0
Balance at 30 June 2022	13
Carrying amounts	
At 1 July 2021	0
Balance at 30 June 2022	91

11. PAYABLES AND DEFERRED REVENUE
Accounting policy

Short-term payables are recorded at the amount payable.

Breakdown of payables and deferred revenue

	Actual 2022 \$000	Actual 2021 \$000
Payables and deferred revenue under exchange transactions		
Creditors	424	44
Income in advance	0	15
Credit Card	5	5
Payables and deferred revenue under non-exchange transactions		
Taxes payable (GST)	0	0
Grants received subject to conditions	0	0
Total payables	429	64

The Westpac Business Credit Card facility is \$20,000.

12. EMPLOYEE ENTITLEMENTS
Accounting policy
Short-term employee entitlements

Employee entitlements that are due to be settled within 12 months after the end of the year in which the employee provides the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, and sick leave.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the year in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on:

- likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information.
- the present value of the estimated future cash flows.

Presentation of employee entitlements

Sick leave, annual leave, and vested long service leave are classified as a current liability. Non-vested retirement and long service leave expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Breakdown of employee entitlements and further information

	Actual 2022 \$000	Actual 2021 \$000
Current portion		
Accrued salaries and wages	102	110
Annual leave	130	168
Long service leave	0	0
Total current portion	232	278
Non-current portion		
Long service leave	10	10
Total non-current portion	10	10
Total employee entitlements	242	288

13. CONTINGENCIES

There were no contingent liabilities or assets as at 30 June 2022 (2021: Nil).

14. RELATED PARTY TRANSACTIONS

Accounting policy

The Children's Commissioner is controlled by the Crown.

Related party disclosures have not been made for transactions with related parties that are:

- within a normal supplier or client/recipient relationship.
- on terms and condition no more or less favourable than those that it is reasonable to expect the Children's Commissioner would have adopted in dealing with the party at arm's length in the same circumstances.

Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies.

Related party transactions required to be disclosed

The Children's Commissioner didn't enter into transactions with other Crown related entities on non-commercial terms.

Key management personnel compensation

	Actual 2022	Actual 2021
Remuneration	1,282,507	1,085,369
Full-time equivalent members	6.70	5.85
Total key management personnel remuneration	1,282,507	1,085,369
Total full-time equivalent personnel	6.70	5.85

Actual and reasonable costs related to travel, hospitality and other expenses of \$3,732 have been paid and is not part of Judge Becroft's remuneration (2021: \$14,025). Actual and reasonable costs related to travel, hospitality and other expenses of \$13,934 have been paid and is not part of Judge Eivers' remuneration (2021: \$0).

15. FINANCIAL INSTRUMENTS

	Actual 2022 \$000	Actual 2021 \$000
Loans and receivables		
Cash and cash equivalents	1,899	1,748
Receivables	121	91
Investments - term deposits	0	0
Total loans and receivables	2,020	1,839
Financial liabilities measured at amortised cost		
Payables (excluding income in advance)	429	49
Total financial liabilities measured at amortised cost	429	49

16. EVENTS AFTER THE BALANCE DATE

There were no significant events after the balance date (2021: Nil).

17. EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET AND CAPITAL COMMITMENTS

Explanations for major variances from the Children's Commissioner's budgeted figures in the statement of performance expectations are as follows:

Statement of comprehensive revenue and expense

Other revenue

Other revenue was more than budgeted by \$112k, mainly due to receiving \$95k from the Ministry of Education, Ministry of Justice and the DPMC for Voices Engagements, \$15k from revenue in advance to pay for work done on our history, and the rest for keynote events and credit card rebates. Salary received was more than budgeted by \$103k for a staff member seconded to the Ministry of Education and a staff member attending ACART at the Ministry of Health. We had also received \$7k more in interest.

Operating Expenditure

Operating expenditure was significantly less than budgeted by \$169k due to lower travel and accommodation costs because of COVID-19, less rent paid, less publications printed, and less consumables used.

Personnel expenditure

Personnel expenditure was less than budgeted by \$225k due to staff changes and timing of the appointment of new staff, less contributions paid, and less training progressed. A number of staff moved to take up new opportunities while the uncertainty created by COVID-19 and a nationwide labour shortage limited recruitment options.

Project expenditure

Project expenditure was less than budgeted by \$6k and relates to an underspend of \$14k for transcription services for DMI and an overspend of \$20k on the Voices Project, but additional funding had been received for this.

COVID-19

There has been a significant level of impact from COVID-19, with isolation and lockdowns, staff being unwell – or needing to care for vulnerable whānau – as well as the challenges of moving to operate remotely, meaning a number of OPCAT visits could not be completed, and there were a limited number of staff able to complete briefings to the Commissioner or make submissions. This impacted both timeliness and output.

Statement of financial position

Net Assets

The increase in net assets compared to the budget is mainly due to a better than budgeted personnel and operational deficit, resulting in an improved cash and cash equivalent position when compared to budget.

Capital commitments

There are no capital commitments.

Independent Auditor's Report



Independent Auditor's Report

To the readers of the Office of the Children's Commissioner's financial statements and performance information for the year ended 30 June 2022

The Auditor-General is the auditor of the Office of the Children's Commissioner (the Office). The Auditor-General has appointed me, Cameron Town, using the staff and resources of Silks Audit Chartered Accountants Ltd, to carry out the audit of the financial statements and the performance information, including the performance information for an appropriation, of the Office on his behalf.

Opinion

We have audited:

- the financial statements of the Office on pages 31 to 45, that comprise the statement of financial position as at 30 June 2022, the statement of comprehensive revenue and expenses, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information of the Office on pages 25 to 29.

In our opinion:

- the financial statements of the Office on pages 31 to 45:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2022; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Reporting Standards Reduced Disclosure Regime; and
- the performance information on pages 31 to 45:
 - presents fairly, in all material respects, the Office's performance for the year



ended 30 June 2022, including:

- for each class of reportable outputs:
 - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
 - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year; and
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure.
- complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 31 October 2022. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Commissioner and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Commissioner for the financial statements and the performance information

The Commissioner is responsible on behalf of the Office for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Commissioner is responsible for such internal control as she is necessary to enable her to

prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Commissioner is responsible on behalf of the Office for assessing the Office's ability to continue as a going concern. The Commissioner is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Office, or there is no realistic alternative but to do so.

The Commissioner's responsibilities arise from the Crown Entities Act 2004 and the Public Finance Act 1989.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Office's statement of performance expectations and the relevant Estimates and Supplementary Estimates of Appropriations 2021/22.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioner.
- We evaluate the appropriateness of the reported performance information within the Office's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Commissioner and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Office to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Commissioner regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Commissioner is responsible for the other information. The other information comprises the information included on pages 1 to 45 but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is

materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Office in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board. Other than in our capacity as auditor, we have no relationship with, or interests, in the Office.



Cameron Town
Silks Audit Chartered Accountants Limited
On behalf of the Auditor-General Wellington, New Zealand





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