
11 MILLION led by The Children's Commissioner for England

Annual Report and Financial Statements 2008–2009
from The Children's Commissioner for England

Financial statements of 11 MILLION for the year ended 31 March 2009
together with the Certificate and Report of the Comptroller and
Audit General thereon.

Presented to Parliament by the Secretary of State for Children, Schools
and Families pursuant to the Children Act 2004 Section 8 (3)(B)

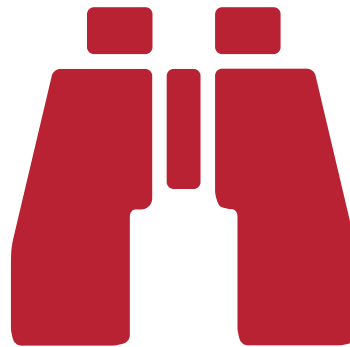
Ordered by the House of Commons to be printed 14 July 2009

HC 734 — London: The Stationery Office — Price £14.35

Contents



Foreword by Becky from Dudley Decision Making Kids	3
Foreword by Sir Al Aynsley-Green, Children's Commissioner for England	4
Performance review	5
Management report	12
Remuneration report	14
Statement of responsibilities of the Children's Commissioner	18
Statement of internal control	19
Audit certificate	22
Financial statements	24



© **Children's Commissioner 2009**

The text in this document may be reproduced free of charge in any format or medium providing it is reproduced accurately and not used in a misleading context. The material must be acknowledged as copyright and the title of the document specified.

Where we have identified any third party copyright material you will need to obtain permission from the copyright holders concerned.

For any other use of this material please e-mail info.request@11MILLION.org.uk

ISBN: 9780102960785

Foreword by **Becky** from Dudley Decision Making Kids

Hi! Welcome to the 11 MILLION annual report for 2008-09.

I am Becky. Just a typical 16-year-old from Dudley, who has been able to take part in so many things that other kids of my age wouldn't have dreamt of doing. And for that, I feel I am very lucky.

In November 2008, I had the most amazing two days with Sir Al Aynsley-Green in the East Midlands. I was given the opportunity to go on his Listening Tour and see what he got up to.

And if that wasn't enough, I took over his job on the second day as part of 11 MILLION Takeover Day. Who would have thought it, an ordinary young person being the Children's Commissioner for England for the day?

We went to a working dinner where we met with all the Directors of Children's Services in the East Midlands. I found that a real eye-opener into the way adults think about what is best for us children and young people. I also felt that they benefited from my comments about what children and young people think too.

Then came the important part: going round all the organisations where children and young people wanted to have their say and show off all the brilliant things they were doing. We went to lots of them over the two days, so many, we didn't stop. But it was such a fascinating experience to see what a difference people were making to lots of children and young people's lives.

For that experience I am forever grateful to all at 11 MILLION, and especially to Sir Al.

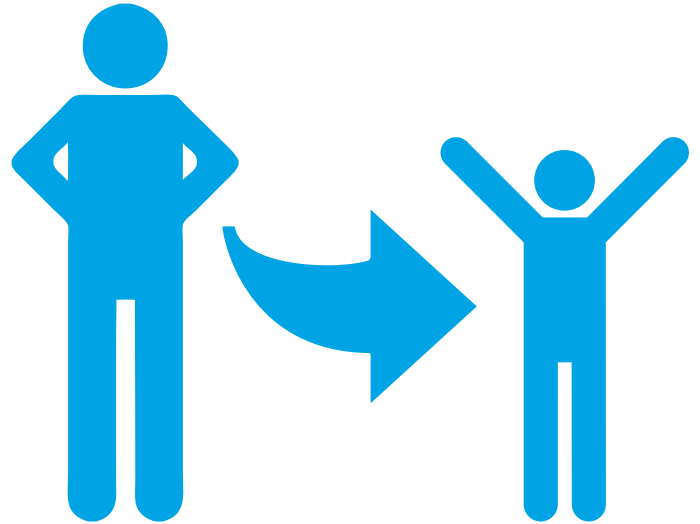
Enjoy the report.

Best wishes everyone.

Becky 😊



Becky with Sir Al Aynsley-Green the day she 'took over' his job.



Foreword by **Sir Al Aynsley-Green,** **Children's Commissioner for England**



Many significant improvements in children and young people's lives have come to fruition during 2008-09; and I am proud to say 11 MILLION has again played a key role in bringing them about.

This, my annual report and financial statements for 2008-09, gives you an overview of our major successes in this financial year and how we used our resources to achieve them.

Amongst our successes, using our powers and influence, we have:

- In collaboration with the other UK Children's Commissioners, reported our concerns on the state of children and young people's rights in the UK to the UN Committee on the Rights of the Child. We are pleased that the Committee took our concerns so seriously and we welcome the Government's lifting of the reservation to the United Nation Convention on the Rights of the Child (UNCRC) for children seeking asylum in this country.
- Delivered a significant awareness raising campaign resulting in a reduction of the use of mosquito ultrasonic dispersal devices by local authorities.
- Encouraged 17,000 children to 'take over' adult roles as a part of 11 MILLION Takeover Day 2008.
- Brought forward the views of children to Lord Laming as part of his safeguarding report.
- Published important work on gun and knife crime, and its impact on children and young people, in England.

None of these changes, campaigns or activities would have been possible without strong partnerships and alliances, frank and open discussions with ministers and officials and, above all, the involvement of children and

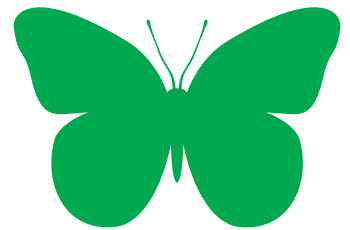
young people who have shared their views and opinions with me and my team. I am grateful and heartened by our collective progress for our country's children and young people. It is the courage and honesty of children and young people that leads to a real understanding of their lives today – and ultimately to improvements in law, policy and practice.

And so to 2009-10. This year will be my last as Children's Commissioner – but that will not result in a let-up of our work or determination. I have created 11 MILLION from scratch and I intend to hand over to my successor a sustainable, high-performing, impactful and high-achieving organisation that will continue to be a key voice in promoting the interests and views of our most precious resource – our children and young people.

Our new corporate strategy for 2009-2012, of which this report gives an outline, is as challenging as ever. To deliver it, we will continue to build strategic partnerships across Government, local authorities and the children's sector as a whole. In partnership with our local authority colleagues, we will pilot a new, dedicated post in the South East whose specific role will be to encourage and garner the views of children and young people across the 19 local authority areas in the region.

We are committed to promoting the views and best interests of children and young people efficiently and effectively resulting in tangible change and improvement. This continues to be 11 MILLION's enduring promise.

Professor Sir Al Aynsley-Green
Children's Commissioner for England
24 June 2009



Performance review

Gun and knife crime



Objective

To bring the views and opinions of children and young people to decision-makers and influencers.

Summary

The project was based on a three-tiered approach – to gather the lived experiences of some 90 children and young people aged eight to 17, from London, Manchester, Merseyside, Leicester and Birmingham; to find out what a larger group of children and young people thought about the issue; and to assess the effectiveness of anti-gun and anti-knife interventions. These elements culminated in a final report drawing all the evidence together. Throughout, all aspects of the project were solution-focused.

Achievements

- 1 Gave evidence to the Home Affairs Select Committee's inquiry into knife crime – our written submission was widely quoted in a House of Commons knife crime adjournment debate, while the Deputy Children's Commissioner and two young people from Merseyside appeared before the Committee to give oral evidence.
- 2 Gathered the views of more than 1,700 children and young people aged eight to 17, by conducting a nationally representative survey with YouGov with a particular focus on the police force areas identified by the Tackling Knives Action Programme.
- 3 Facilitated an increased understanding of gun and knife crime by commissioning the Centre for Crime and Justice Studies to undertake a review of the evidence around young people and gun and knife crime.

Example of good practice

The London Serious Youth Violence Board, on which Sue Berelowitz, Deputy Children's Commissioner, sits is developing comprehensive interventions co-ordinated across sectors and agencies that are necessary to tackle the problem.

"I think people carry knives and guns because they think they will be putting themselves out of danger but actually they are doing the opposite. They think they will be able to protect themselves."

Female, 12, from London.

"The media are focused on publishing a negative public image of young people. But this is a significant minority. I think it's important that people see that we are not all knife wielding maniacs."

'Goldenshadow' (14)



Over 2,000 children and young people had their say through our website, with more than 45,000 people visiting the site over the last year.



Respect and discrimination



Objective

To promote the views and interests of children and young people in the areas of equality and non-discrimination, specifically in the context of the Equality Bill 2009.

Summary

Our spotlight on Respect and Discrimination sought to explore the views and experiences of children and young people on the themes of equality, respect and non-discrimination. We engaged broadly with children and young people, including those from ethnic minority and Irish Traveller communities, those in care and in the criminal justice system, pre-school children, children with disabilities, lesbian, gay and bisexual young people and children belonging to religious groups. We used this engagement to inform our policies and priorities in relation to the Equality Bill 2009.

Achievements

- 1 We worked successfully with key Government departments to ensure that the Equality Bill proposals for public bodies to promote equal opportunity and good relations on grounds of age, apply equally to under-18s.
- 2 Through our participation sessions and publications we have reached out to over 5,000 children and young people, plus many more through our website, providing vehicles for children to share their views on the Equality Bill.
- 3 We succeeded in bringing children and young people's issues within mainstream equality debates and reaped the benefits of working in coalition, particularly with the Equality and Diversity Forum.

Example of good practice

We have had a positive response from schools to our work on equality, with many demonstrating a willingness to engage with their pupils in trying to eliminate discrimination and improve equality practices.

"When I see the world like that and then there's awful people who are racist to me because of the way I look or my colour and stuff, I say: 'you know what, you don't know me because if you did know me you wouldn't act like that.'"

Female, 15, London.

"This is to show that everyone is different so don't be afraid to be yourself. Everyone makes the world go round by being themselves."

Brooki (12)



The Department of Health distributed 11 MILLION's Summary of Children and Young People's Views report, published last year as part of the Happy and Healthy project, to all Healthy School leads in England.

Happy and healthy



Organisational capacity development



The Happy and Healthy project has resulted in a sustainable legacy of participation in all five partners who took part in the work, three of them being recognised through award schemes for their work with children and young people on this project. Through local celebration events, this year those children and young people involved in Happy and Healthy shared their recommendations creatively with local community leaders. The following media poem by the McGuiness Unit in Manchester is one example of this.

Communication... (and the lack of)

Listen to us, we just want to be heard.
We put on a brave face to hide our self-consciousness.

We feel very confused, always bottling the emotions up.

Listen.

Big brother never leaves us alone.

In a dark place they tell us to reach for the light.

We tend to get angry and lash out but it's not our fault.

Adults think they know best but they don't.

Listen.

They talk about our problems but they just make us feel humiliated.

It keeps going round in one big circle.

Our lives are controlled, but we're not told.

Listen.

We wish things to change.

Listen to us, we just want to be heard.

By young people at the McGuiness Unit, Manchester

Objective

To increase the impact that our work has on the outcomes and rights of the 11 million children in England.

Summary

We made major improvements during 2008-09 around developing the efficiency and effectiveness of our office, particularly regarding our financial management systems. This has enabled us to improve the quality of our financial management and ensure that we make the most of our financial resources.

Achievements

- 1 We brought in-house all of our financial accounting software, including payroll, greatly improving the timeliness and quality of our financial data. This included our payments systems, meaning that we could pay suppliers more rapidly.
- 2 We have made good progress in improving the security of our data, implementing the key Cabinet Office requirements around data security.
- 3 Children and young people have continued to play an active roll in the recruitment of all of our permanent staff, including the recruitment of our new Deputy Children's Commissioner/Chief Executive and Director of Policy.

We distributed around 22,000 quarterly reports to children and young people to keep them up to date on our work, and evaluated this series of publications in order to improve our communications work.

Just four of the young people who helped 11 MILLION recruit new staff members during 2008-09.



Asylum and trafficking



Objective

To ensure that Government puts the best interests of asylum seeking and trafficked children at the heart of the policies, procedures and practice that affects them.

Summary

11 MILLION's work on asylum, including consultation responses and regular meetings with stakeholders, has been key in helping the Government start to design a more child-friendly immigration system to which children's welfare is central. There is, however, still a great deal to do, particularly in developing alternatives to the detention of children and young people. 11 MILLION is committed to continuing to work with all agencies to ensure the immigration system is both effective and humane.

Achievements

- 1 We have contributed to persuading the Government to provide for a legal duty on those working in the immigration system to regard the need to safeguard and promote the welfare of children they come into contact with.
- 2 We have been instrumental in the UK Border Agency's (UKBA) decision to re-think the introduction of dental x-rays as a method of establishing the age of age-disputed asylum applicants.
- 3 Following the Children's Commissioner's visit to Yarl's Wood Immigration Removal Centre, we have highlighted poor practice around the detention of children, establishing a strong case that detaining children is harmful to their well-being.

Example of good practice

There is legislation currently underway to provide for a welfare duty on the UKBA and its contractors equivalent to the duty other statutory organisations are subject to under the Children Act 2004. We welcome this development.



11 MILLION worked alongside young people to reduce the use of the mosquito teen deterrent device. The campaign received a huge amount of media coverage, as well as the support of hundreds of children, young people and adults from across the country. Sixty-nine local authorities and three large private sector organisations now do not use Mosquito devices.

A drawing by a 14-year-old boy at Yarl's Wood about how he feels happy in his home near his friends, and sad when he's in detention.



Listening



Objective

Every child in England has a right to raise any issue with us. We promise to listen to the views and opinions of children and young people and tell others what we have learned.

Summary

This year has seen us once again working closely with children and young people across our priority areas. We use a range of different methodologies to raise awareness of the views and interests of children. These have included direct work with approximately 90 children and young people around England on the key theme of gun and knife crime, and the involvement of over 17,000 children and young people in our annual 11 MILLION Takeover Day.

In addition, our new website has gone from strength to strength with over 2,000 children and young people sharing their views with us. This was supported by the BUZZ OFF Facebook page, enabling young people over the age of 13 to debate an issue of great concern to them and help us identify where the devices are being used across England.

We have continued with our Listening Tours, when the Children's Commissioner and Deputy Children's Commissioner go out to meet children and young people across the country. This year over 130 children and young people were able to speak directly to Sir Al and Sue whilst they were on tour.

In promoting the views of children who are often not heard, we have continued to make arrangements to hear in person from those held at Yarl's Wood Immigration Removal Centre and those in the care system.

Our particular thanks this year go out to the 90 young people who worked with us on tackling gun and knife crime; those who have supported our recruitment of new staff; and the 400 young people who took part in helping

us decide our priority areas of work for the next three years via our Worries and Wishes research.

Key achievements

- 1 During 2008-09 through our work and our campaigns, like Takeover day, over 21,000 children and young people have been supported by us and our partners to engage as active citizens and contribute their views on issues that affect them – nationally, regionally and locally.
- 2 Lord Laming drew on the views of 15 young people who worked with us in his safeguarding report.
- 3 Over 400 young people took part in our Worries and Wishes project to help us decide our areas of work for the next three years.

Example of good practice

"Lord Laming's report is sound ...we are delighted that the views of young people have been placed at the heart of this debate, particularly those who have worked with us at 11 MILLION. Lord Laming has listened to their views seriously and drawn on their experiences in his report."
Sue Berelowitz, Deputy Children's Commissioner for England.

Some of the children and young people who helped design our Worries and Wishes project.



Children's rights



Objective

To give an accurate assessment of the Government's progress in implementing the UN Convention on the Rights of the Child (UNCRC) and to influence the concluding observations of the UN Committee on the Rights of the Child.

Summary

The process of reporting to the UN Committee on the Rights of the Child provided an opportunity for the four UK Children's Commissioners to work together, achieving their objectives in providing an overview of the implementation of the UNCRC in the UK and directly influencing the Committee's questioning of the Government, concluding observations and recommendations.

Achievements

- 1 The four UK Children's Commissioners worked collaboratively to produce a high quality report that provided an overview of how the UNCRC is being implemented in the UK and directly influenced the concluding observations and recommendations of the UN Committee on the Rights of the Child.
- 2 The UK Children's Commissioners gave a strong and united presentation to the UN Committee members and worked in partnership with NGOs and children and young people.
- 3 There was extensive and positive media coverage of the report and, more importantly, the children's rights issues raised within it.

Example of good practice

During the reporting process, the Government removed their reservations to the UNCRC in relation to immigration matters and detaining children separately from adults.

"The Children's Commissioners have come out fighting the corner for children, who remain disenfranchised and insufficiently heard in our society."

Frances Crook, Director of Howard League for Penal Reform
(Monday 9 June 2008).



11 MILLION Takeover Day

Takeover Day 2008 was a huge success. Seven hundred organisations took part, giving at least 17,000 children and young people a chance to make a change and get involved in decision-making in their communities.

The Children's Commissioner's job was 'taken over' by Becky from Dudley Decision Making Kids during his East Midlands Listening Tour.

"For Takeover Day I was a business manager for participation plus team. I went to ...a meeting with a local secondary school about anti-bullying week, I had a great time."

April (10)



2009–12 corporate strategy

We are entering an exciting phase of 11 MILLION's evolution, building on the successes and impact we have had in the first four years of our existence.

Our long-term goals

Children and young people see significant improvements in their well-being and can freely enjoy their rights under the United Nations Convention on the Rights of the Child (UNCRC).

Children and young people are more highly valued by adult society.

The HOME OF 11 MILLION

In order to achieve maximum influence within our limited resources, we will focus over the next three years on six major themes. Selection of these themes has been based on listening to children and young people in many different ways.

Our HOME OF 11 MILLION shows how children's rights, safety and quality of life will be upheld by our six strategic themes, within the context of national and international legislation. These six themes are underpinned by our golden thread, which is children and young

people's strategic engagement and participation, supported by effective stakeholder relationships and organisational development. All of these actions are watched over by our declared promises and ways of working with others.

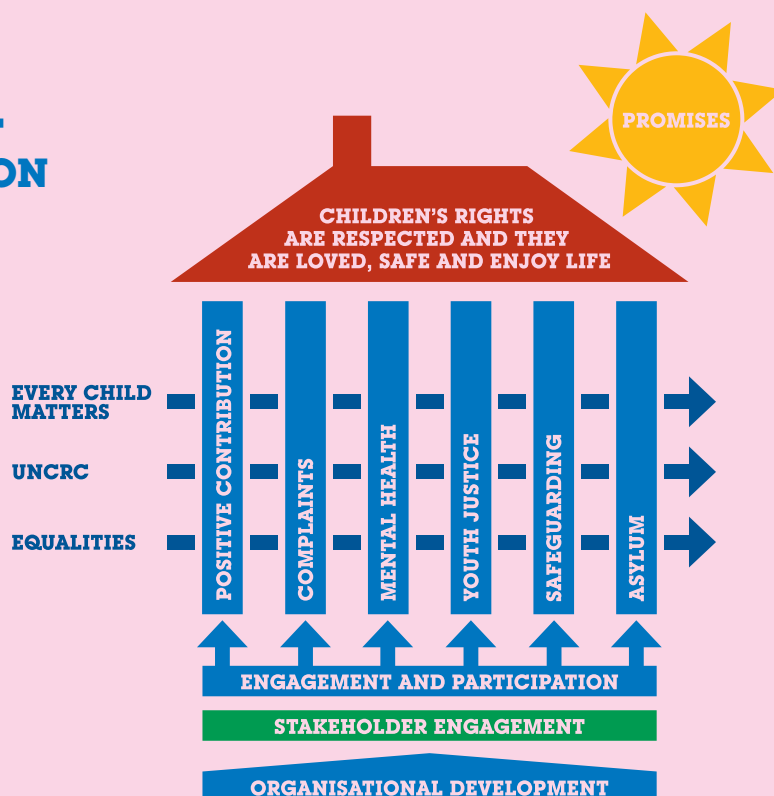
Achieving our objectives

In order to deliver our strategy, 11 MILLION will engage actively with children, young people, key partners and stakeholders. We will ensure that we deliver outstanding service through a highly motivated, capable and competent workforce which is always focused on achieving value for money.

Resources

11 MILLION receives its grant-in-aid funding from the Department for Children, Schools and Families (DCSF), which has been agreed at an annual level of £3million over the period 2008-09 to 2010-11. The total amount we can spend will depend on a number of factors including whether we raise any income by the rental of our participation suite and other technical financial accounting aspects.

HOME OF 11 MILLION



Management report

The Children's Commissioner is a Corporation Sole, established under the Children Act 2004, whose statutory role is to promote awareness of the views and interests of children and young people in England. The Children's Commissioner has a UK wide responsibility for issues that affect children and young people and which have not been fully devolved. In May 2007, we changed the name of our organisation from the Office of the Children's Commissioner to 11 MILLION. We are classified as a non-departmental public body sponsored by the Department for Children, Schools and Families (DCSF). Our budget is set by the Secretary of State for Children, Schools and Families who also appoints the Children's Commissioner. Each year the Children's Commissioner reports to Parliament through the Secretary of State for Children, Schools and Families.

Introduction

2008-09 was the second year of a five-year strategy, the aims of which are to achieve better outcomes and access to rights for children and young people and to improve the relationships between them and adults. Therefore it was the second year in which we structured our work between one large themed project and several smaller pieces of work which we called our spotlight issues. We benefited greatly from the additional focus this structure gave, and have seen many impacts from our work. We have continued to strengthen our business processes, moving to a three-year planning cycle, annually reviewed, with focused budget profiling. Details of our new corporate strategy can be found on page 11.

Investment in fixed assets

This year we spent £8,000 on the final stage of the implementation of our in-house accounting software. This system has greatly improved the quality of our financial management information and given us more control over our finances. We spent £14,000 in relation to equipment

and the final fit out costs of our premises at 1 London Bridge.

Future fixed asset investment

We are not expecting any further significant fixed asset investment in 2009-10.

Our staff

We started the year with 28 full-time staff and ended with 29 people on full-time contracts. We recruited one person to our participation team in 2008-09. We reviewed our management structure, resulting in a reduction in the number of staff on management grades. We spent £1,608,000 on staff costs in 2008-09. During 2008-09 the total number of working days lost due to sickness absence amounted to 196 days (2007-08: 179 days), an average of 6.5 days per employee (2007-08: 6.88 days). 11 MILLION employees are covered by the provisions of the Principal Civil Services Pension Scheme (PCSPS). Further details of this can be found in notes 1 and 3 of the accounts.

Project expenditure

We spent £360,000 on projects during the year. Of this, £61,000 was the overall cost of our participation work. We spent £74,000 on our website, £91,000 on our annual theme – Gun and Knife Crime, and £45,000 on completing the work on Happy and Healthy, which commenced in the previous year. The rest of our project expenditure was split between other smaller projects, including a big piece of work on asylum which resulted in a major report during early 2009-10.

Future financial risks

We are still monitoring the possible financial risks which may materialise by the end of our lease on 1 London Bridge. The terms on which the superior landlord agreed to an underlease allowed the superior landlord, on expiry of the original lease, to insist on restoration of the property to its original condition. We have protected our position in the lease agreements with our landlord. Our liability is limited to the removal of partitions, alterations

to compartment walls etc. Liability in respect of the restoration of the high cost items of mechanical and electrical installations, and floor, wall and ceiling finishes, is excluded.

Supplier payments

During 2008-09 we paid 83 per cent of our suppliers within 30 days (2007-08: 75 per cent).

Governance

The Children's Commissioner continues to be well served by his Strategic Management Board and by the Audit and Risk Committee. The Remuneration Committee carried out its duties scrutinising the operation of our pay and reward policy. Towards the end of the year we recruited a Legal Non-Executive Board Member. Our internal auditors, Bentley Jennison, carried a full year of audit testing on our internal controls, governance and risk management, and found our systems to be greatly improved. More details on this can be found within the statement of internal controls.

Child protection

We are committed to ensuring the safety of children and young people who become involved in our work. All staff are checked by the Criminal Records Bureau (CRB) to an enhanced level. We have a comprehensive safeguarding policy, and all staff have received training on how our policies and procedures work and where their responsibilities are engaged. All external suppliers who are expected to carry out work for us over a long period of time are also required to go through the CRB check process.

Opportunities and diversity

We aim to provide support and assistance to enable staff to manage their own career development in partnership with us and reach their full potential regardless of race, gender, marital status, sexual orientation, religion, ethnic origin, disability or age. We are developing a revised equality and diversity framework.

Health and safety management

The Children's Commissioner is committed to providing a safe and healthy workplace for all employees, consultants, agency workers and children and young people as specified by the occupational health and safety requirements in the Health and Safety at Work Act 1974 and subsequent legislation or amendments.

Environmental policy

The Children's Commissioner is committed to best environmental practices including recycling. This year we started work on developing our sustainability framework and will be developing comprehensive sustainability policies over the summer of 2009.

Data security

We are taking steps to ensure that we are effectively managing all personal and sensitive information held by us. During the year, all staff received training on how to handle data, and a staff handbook on this has been launched. We made good progress in implementation of the Cabinet Office requirements regarding data security, and we suffered no incidents of data loss during the year.

Audit

In accordance with the Children Act 2004, our financial accounts are audited by the National Audit Office under direction from the Comptroller and Auditor General. So far as the Accounting Officer is aware, there is no relevant information of which the auditors are unaware. The Accounting Officer has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.



Professor Sir Albert Aynsley-Green
Children's Commissioner and
Accounting Officer
24 June 2009

Remuneration report

Remuneration committee

The Children's Commissioner has appointed an Audit and Risk Committee. From May 2007, the Children's Commissioner established a separate remuneration committee as a sub-group of the Audit and Risk Committee, whose terms of reference include advising on remuneration for all staff in 11 MILLION. A merit-based pay review system has been introduced from April 2007.

The Children's Commissioner's pay is reviewed by the Permanent Secretary in the Department for Children, Schools and Families (DCSF), in line with average Senior Civil Service pay increases.

Service contracts

Professor Sir Al Aynsley-Green was appointed as the Children's Commissioner by the Secretary of State for Education and Skills. In accordance with the Children Act 2004, his salary is paid for by grant-in-aid from the Department for Children, Schools and Families and is identified separately in the accounts.

Other appointments are made in accordance with the Civil Service Commissioners' Recruitment Code, which requires appointment to be on merit on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended until they reach the normal retiring age. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Salary and pension entitlements (audited information)

The following sections provide details of the remuneration and pension interests of the senior officials of 11 MILLION.

Remuneration

	2008-09		2007-08	
	Salary in bands of £5,000	Benefits in kind (to nearest £100)	Salary in bands of £5,000	Benefits in kind (to nearest £100)
Al Aynsley-Green Children's Commissioner Contract for five years April 2005 to March 2010 Three months notice	£135,000 to £140,000	—	£135,000 to £140,000	—
Sue Berelowitz Deputy Children's Commissioner/Chief Executive Officer From 1 October 2008 Three months notice	£45,000 to £50,000 ¹	—	—	—
Rob Williams Chief Executive Officer until 25 September 2008	£40,000 to £45,000 ²	—	£80,000 to £85,000	—
Claire Phillips Director of Policy on secondment from Department of Health until 15 October 2008 Three months notice	£50,000 to £55,000 ³	—	£80,000 to £85,000	—
Lisa White Director of Communications and Participation Three months notice	£75,000 to £80,000	—	£70,000 to £75,000	—
Paul Evans Head of Corporate Services Three months notice	£50,000 to £55,000 ⁴	—		

1. Figure quoted for the period 1 October 2008 to 31 March 2009. The full year equivalent is £90,000 to £95,000.
2. Figure quoted for the period 1 April 2008 to 25 September 2008. The full year equivalent is £85,000 to £90,000.
3. Figure quoted for the period 1 April 2008 to 15 October 2008. The full time equivalent is £85,000 to £90,000.
4. The post holder was not part of the senior management team during 2007-08, so figures are only included for 2008-09.

Salary

'Salary' includes gross salary; performance pay or bonuses; London weighting; and any other allowance to the extent that it is subject to UK taxation.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the Inland Revenue as a taxable emolument.

Pension benefits

	Accrued pension at age 60 as at 31/03/09	Accrued lump sum at age 60 as at 31/03/09	Real increase in pension at age 60	Real increase in lump sum at age 60	CETV at 31/03/09	CETV at 31/03/08	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Al Aynsley-Green Children's Commissioner Three months notice	5 – 10 (5 – 10)	—	0 – 2.5 (0 – 2.5)	—	131	96	30 (34)
Sue Berelowitz Deputy Children's Commissioner/Chief Executive Officer Three months notice	—	—	—	—	—	—	—
Rob Williams Chief Executive Officer Until 25 September 2008	0 – 5 (0 – 5)	—	0 – 2.5 (0 – 2.5)	—	38	28	7 (15)
Claire Phillips Director of Policy on secondment from Department of Health Until 15 October 2008	30 – 35 (30 – 35)	95 – 100 (90 – 95)	0 – 2.5 (0 – 2.5)	0 – 2.5 (2.5 – 5)	572	524	1 (17)
Lisa White Director of Communications and Participation Three months notice	5 – 10 (5 – 10)	20 – 25 (15 – 20)	0 – 2.5 (0 – 2.5)	2.5 – 5 (2.5 – 5)	80	65	8 (11)
Paul Evans Head of Corporate Services Three months notice	0-5	—	0 – 2.5	—	1	1	—
Paul Evans preserved award from former employment at National Audit Office	0-5	0-5	—	—	14	14	—

Figures in brackets reflect values at 31 March 2008

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a 'final salary' scheme (classic, premium or classic plus); or a 'whole career' scheme (nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with changes in the Retail Prices Index (RPI). Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a good quality 'money purchase' stakeholder pension with a significant employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5 per cent of pensionable earnings for classic and 3.5 per cent for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits in respect of service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 calculated as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of

the scheme year (31 March) the member's earned pension account is credited with 2.3 per cent of their pensionable earnings in that scheme year and the accrued pension is updated in line with RPI. In all cases members may opt to give up (commute) pension for lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3 per cent and 12.5 per cent (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3 per cent of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8 per cent of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill-health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos.

Further details about the Civil Service pension arrangements can be found at the website www.civilservice-pensions.gov.uk

The Cash Equivalent Transfer Value (CETV)

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements and for which the CS Vote has received a transfer payment commensurate with the additional pension liabilities being assumed. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in Cash Equivalent Transfer Value (CETV)

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Civil Service pensions

This is covered in the notes to the accounts.

Statements of responsibilities of the Children's Commissioner

Under the Children Act 2004, Schedule I, Clause 8, the Children's Commissioner is required to prepare accounts in accordance with HM Treasury requirements. The accounts are prepared on an accruals basis and must give a true and fair view of the Children's Commissioner's state of affairs at the year end, and of its income and expenditure and cash flows for the financial year just ended.

In preparing the accounts the Children's Commissioner is required to:

- observe the accounts direction set out in the Financial Memorandum and Accounts Direction issued by the Secretary of State for Children, Schools and Families, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, and disclose and explain any material departure from these in the financial statements; and
- prepare financial statements on the going concern basis, unless it is inappropriate to presume that the Children's Commissioner or its functions will continue.

The Principal Accounting Officer for the Department for Children, Schools and Families has designated the Children's Commissioner as Accounting Officer for 11 MILLION. The Accounting Officer is responsible for the proper management of resources and staff, for ensuring that Government guidance on regularity, propriety and value for money is complied with, and is responsible for the following:

- keeping proper records and safeguarding 11 MILLION's assets;
- advising the Audit and Risk Committee on financial, risk and remuneration issues;
- ensuring the efficient, economic and effective management of the Children's Commissioner's resources, including cash, liquid assets, capital assets, equipment and personnel;
- signing the final statement of accounts and sending copies of the statement to the Secretary of Children, Schools and Families and the Comptroller and Auditor General in accordance with the timetable; and
- observing the guidance in Managing Public Money and all other guidance on the responsibilities of accounting officers that the Treasury or the Cabinet Office may issue from time to time.

A copy of the accounts is available from 11 MILLION at 1 London Bridge, London, SE1 9BG or via our website at www.11MILLION.org.uk

Statement of internal control

Introduction

The Children's Commissioner is a Corporation Sole, set up by the Children Act 2004.

I was appointed in March 2005 and took up my post as Children's Commissioner on a full-time basis on 1 July 2005. My appointment as the Accounting Officer was made on 26 July 2006. The resource budget was set at £3million per annum for the three year period 2008-09 to 2010-11. The financial year April 2008 to March 2009 is the fourth year of our operation as a non-departmental public body (NDPB).

Scope of responsibility

As Accounting Officer I have a personal responsibility for maintaining a sound system of internal control that supports the achievement of the Children's Commissioner's aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money. I am also accountable to Parliament for maintaining effective systems for identifying, evaluating and managing the principal risks of the Children's Commissioner as detailed in the management statement.

In order to meet my statutory responsibilities I have designed a structure that establishes robust scrutiny and governance arrangements for the Corporation Sole. In the first year of operation I established the core systems for assessing and reviewing risks and taking mitigating action where appropriate. During 2006-07 we worked to define a longer term strategy for the Children's Commissioner, resulting in a five-year strategy. During 2008-09 we developed a three-year Strategic Plan which will cover the period 2008-09 to 2010-11. We have developed a one year business plan for 2009-10.

Our governance process is led by the Strategic Board which consists of me, the Deputy Children's Commissioner/Chief Executive Officer, the Director of Policy, the Director of Communications and Participation, and the Head of Corporate Services and the Legal Non-Executive Director, both of whom joined the Board in 2008-09. In addition, to provide independent scrutiny, we appointed, through the Cabinet Office's public appointments procedure, an Audit and Risk Committee, comprising a Chair and three Members. The remit for this Committee covers the oversight of audit and risk management. The Audit and Risk Committee met five times in 2008-09. A separate Remuneration Committee has also been established responsible for approving pay reviews developed by the Strategic Board. This committee met twice during 2008-09. This Statement of Internal Control was reviewed by the Audit and Risk Committee at its meetings in May and June 2009.

The role of the Strategic Board is to determine the Children's Commissioner's strategy, as well as the risk management culture, an appropriate risk level of exposure, and it approves major decisions within the organisation's risk profile. It also has responsibility for monitoring management of corporate risks, for satisfying itself that risks are being actively managed and annually reviewing the Children's Commissioner's approach to risk management. The Audit and Risk Committee scrutinises the working of the Strategic Board in these areas.

The Children's Commissioner's relationship with its sponsor department, the Department for Children, Schools and Families (DCSF), is defined in the Management Statement with its accompanying Financial Memorandum, and is maintained through regular meetings with the DCSF sponsor team and periodic meetings with Ministers. DCSF has observer status on the Audit and Risk Committee. I continue to meet regularly with the DCSF Accounting Officer, the Permanent Secretary, to review my function as Accounting Officer.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a responsible level, rather than eliminate all risk of failure to achieve aims and objectives. It can therefore only provide reasonable assurance of effectiveness. The system of internal control is designed to identify and prioritise the risks to the achievement of the Children's Commissioner's aims and objectives; to evaluate the likelihood of those risks being realised; and to manage them efficiently, effectively and economically.

The system of internal control has been operative for the year ended 31 March 2009 and up to the date of approval of the Annual Report and Accounts. It accords with Treasury guidance.

The risk and control framework risk identification and assessment is now an integral part of the Children's Commissioner's corporate and business planning. The process of risk assessment is led by the Strategic Board, with inputs from managers and staff. All risks have a designated senior manager and managers responsible for reporting the status of each identified risk. New risks which are identified during the year are added to the risk register.

The risk register is reviewed at every meeting of the Strategic Management Board and Audit and Risk Committee. This review covers the top ten risks and changes to the register since the last review. The Strategic Management Board and the Audit and Risk Committee also review the whole register several times a year. The Audit and Risk Committee reported to me that they are content that appropriate consideration is being given to risk management.

Capacity to handle risk

11 MILLION has developed an effective risk management strategy around four key principles: clear ownership of roles and responsibilities; establishment of corporate systems to identify, report and evaluate risks and their potential impact; ensuring colleagues have the appropriate skills to identify and assess the potential for risks to arise in the delivery of 11 MILLION's remit; and embedding a culture which supports well-managed risk-taking where to do so is likely to lead to improvements in the delivery of our work.

Review of effectiveness

As Accounting Officer, I am responsible for reviewing the effectiveness of the system of internal control. My review is informed by the work of our internal auditors and 11 MILLION senior managers who have responsibility for the development and maintenance of the internal control framework. Bentley Jennison provides our internal audit function, having been appointed in October 2006 for a three-year period. We have taken careful account of comments made by the external auditors in their management letter following the 2007-08 audit of our financial statements.

Since implementation, the effectiveness of the system of internal control has been and will continue to be maintained by:

- regular monitoring of the status of corporate risks by the Strategic Board;
- review and approval by the Strategic Board of key policies which underpin internal control systems;
- oversight of the status of all risks by the Audit and Risk Committee when it meets;
- scrutiny of all internal and external audit reports by the Audit and Risk Committee, supported by follow-up reports on the management response;
- receipt of the Internal Auditor's Annual Report; and
- receipt of the Audit and risk Committee's Annual Report.

Data management

During the year, data management policies were developed and all staff have received training on handling data. The Head of Corporate Services was appointed as the Senior Information Risk Owner, in accordance with the Cabinet Office requirements on data security. We are currently developing processes to incorporate information data security management into our risk assessment framework. No incidences of data loss occurred during the year.

Internal control issues

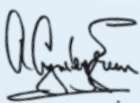
My review of the effectiveness of the internal control system shows that in 2008-09 we made significant improvements to our internal control systems. I am satisfied that we have adequate and effective risk management, control and governance processes to manage the achievement of our objectives, and this is confirmed within Bentley Jennison's annual report. They concluded that '11 MILLION has made significant improvements to its internal control system during the past 12 months'.

During the year we implemented our own internal finance and payroll functions, with these services previously being administered by DCSF. Bentley Jennison reviewed these new arrangements and provided us with substantial assurance that these key areas of internal control are working well. They concluded that 'the management of the organisation's core financial controls continues to be largely adequate and effective'.

Bentley Jennison undertook two full audits during the year, both of which resulted in a substantial level of assurance. This was an improvement from the previous year where their audit opinion on business continuity only gave us limited assurance. In addition to the two substantial assurance reviews, a number of advisory reviews were carried out in order to enhance the existing control frameworks in communications, risk management and corporate social responsibility. Our arrangements around business continuity have been formalised during the year and Bentley Jennison's follow-up review of this work concluded that their recommendations had been implemented.

Overall, Bentley Jennison's follow-up work indicated that reasonable progress had been made in implementing previous recommendations. In the final part of their conclusions, Bentley Jennison stated that 'on the basis of the management comments provided we are satisfied that management have taken time to consider the implications of our findings and associated risks... We consider there to be no recommendations that are not receiving adequate management attention'.

The organisation has now developed a sound control structure to mitigate its risks. We are heartened by the fact that considerable progress has been made in improving the control environment within our organisation, but remain eager for more progress. We know that we can improve our systems further and are committed to devoting resources to this work.



Professor Sir Albert Aynsley-Green
Children's Commissioner and Accounting Officer
24 June 2009

Audit certificate

The certificate and report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements of 11 MILLION for the year ended 31 March 2009 under the Children Act 2004. These comprise the Operating Cost Statement, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and Auditor

The Children's Commissioner as Accounting Officer is responsible for preparing the Annual Report which includes the Remuneration Report and the financial statements in accordance with the Children Act 2004 and directions made thereunder by the Secretary of State for Children, Schools and Families, and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Responsibilities of the Children's Commissioner.

My responsibility is to audit the financial statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Children Act 2004 and directions made thereunder by the Secretary of State for Children, Schools and Families. I report to you whether, in my opinion, the information, which comprises the Performance Review and Management Report, included in the Annual Report is consistent with the financial statements. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if 11 MILLION has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by HM Treasury regarding remuneration and other transactions is not disclosed. I review whether the Statement on internal control reflects 11 MILLION's compliance with HM Treasury's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or form an opinion on the effectiveness of 11 MILLION's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises the forewords, the 2009-12 corporate strategy, the Statement of Responsibilities of the Children's Commissioner, the unaudited part of the Remuneration Report and the Statement on Internal Control. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinions

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Accounting Officer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to 11 MILLION's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Opinions

In my opinion:

- the financial statements give a true and fair view, in accordance with the Children Act 2004 and directions made thereunder by Secretary of State for Children, Schools and Families, of the state of 11 MILLION's affairs as at 31 March 2009 and of its net expenditure for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Children Act 2004 and directions made thereunder by Secretary of State for Children, Schools and Families; and,
- information, which comprises the Performance Review and Management Report, included within the Annual Report, is consistent with the financial statements.

Opinion on regularity

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Report

- I have no observations to make on these financial statements.

Amyas C E Morse
Comptroller and Auditor General National Audit Office
151 Buckingham Palace Road
Victoria
London
SW1W 9SS
1 July 2009

Financial statements

Operating cost statement

For the year ended 31 March 2009

	Note	2008-09 £000	2007-08 £000
Income			
Grants	2	75	75
Other operating income	2	6	16
Total income		81	91
Operating expenditure			
Staff costs	3	1,608	1,523
Project costs	4	360	472
Other operating expenses	5	1,065	952
Cost of capital	6	24	14
Total operating expenditure		3,057	2,961
Net expenditure		(2,976)	(2,870)
Reversal of cost of capital/notional charges	6	24	14
Net expenditure for the year		(2,952)	(2,856)

Note:

A) All of the income and expenditure of 11 MILLION is in respect of continuing operations

B) There are no other gains or losses other than those reported above

Balance sheet

As at 31 March 2009

	Note	2008-09 £000	2007-08 £000
Fixed assets			
Tangible assets	7	579	877
Intangible assets	7a	100	128
		679	1,005
Debtors falling due after more than one year	8a	93	108
Current assets			
Debtors	8b	97	22
Cash at bank and in hand	9	21	357
		118	379
Creditors: amounts falling due within one year	10	(367)	(924)
Net current assets/(liabilities)		(249)	(545)
Total assets less current liabilities		523	568
Net assets		523	568
Represented by:			
Tax payers equity: general reserve	11	523	568
Total funds		523	568



Professor Sir Albert Aynsley-Green
Children's Commissioner and Accounting Officer
24 June 2009

Cash flow statement

For the year ended 31 March 2009

	Note	2008-09 £000	2007-08 £000
Net cash inflow from operating activities	12	(3,221)	(2,346)
Capital expenditure and financial investment	13	(22)	(154)
Financing	13	2,907	2,663
Cash inflow/(outflow) before use of liquid resources and financing		(336)	163
Increase/(decrease) in cash		(336)	163

Reconciliation of net cash flow to movement in net funds

	2008-09 £000	2007-08 £000
Increase/(decrease) in cash in the period	(336)	163
Decrease in short term deposits	—	—
Change in net funds	(336)	163
Net funds at 1 April 2008	357	194
Net funds at 31 March 2009	21	357

Notes to the accounts

1 Statement of principal accounting policies

a. Basis of preparation

The Children's Commissioner was created as a Corporation Sole under Schedule 1 of the Children Act 2004 and was established following the appointment of the Commissioner in March 2005. Accounts are drawn up in accordance with Treasury Guidance, Annual Reports and Accounts guidance, the Children Act 2004, and the Accounts Direction and the financial memorandum between the Secretary of State for Children, Schools and Families and the Commissioner dated 12 September 2005, copies of which can be obtained from the Children's Commissioner or the Department for Children, Schools and Families (DCSF). They are drawn up in accordance with the Financial Reporting Manual (FRM). This follows generally accepted accounting practice (UK GAAP) to the extent that it is meaningful and appropriate to the public sector.

The particular accounting policies adopted by the Children's Commissioner are described below. In accordance with FRS18, the accounting policies and estimation techniques used are those that are judged to be the most appropriate for the purpose of giving a true and fair view. These policies are reviewed regularly to ensure they remain the most appropriate.

They have been applied consistently in dealing with items considered material in relation to the accounts.

These accounts have been prepared on a going concern basis.

b. Accounting convention

The accounts are prepared using the modified historical cost convention and in accordance with the accounting disclosure requirements of Treasury, the Companies Act 1985 (as amended by the Companies Act 1989) and accounting standards adopted by the Accounting Standards Board; with the exception of the requirement contained in FRS3 for the inclusion of a note showing historical cost profits and losses.

c. Grant-in-aid

Grant-in-aid received from DCSF in respect of revenue expenditure or relating to general capital expenditure is recognised in the general reserve in the year it is received.

d. Income recognition

Grant income that is receivable for a specific purpose or project is credited to the Operating Cost Statement over the duration of the activity to which it relates. Other income is recognised in the Operating Cost Statement on an accruals basis.

e. Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). The defined benefit schemes are unfunded and are non-contributory except in respect of dependants' benefits. 11 MILLION recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution schemes, 11 MILLION recognises the contributions payable for the year. PCSPS also permits employees to opt for a partnership pension account, a stakeholder pension with an employer contribution. The defined benefit schemes are treated for accounting purposes as a defined contribution scheme as required by Financial Reporting Standard 17. The defined benefit scheme prepares its own financial statements. A description of the pension schemes is at Note 3.

f. Project costs

Expenditure on projects funded from grant-in-aid is charged to the Operating Cost Statement as it is incurred. Project grants payable by 11 MILLION are recognised when they fall due for payment.

g. Tangible fixed assets

Assets purchased for use on a continuous basis at a cost in excess of £2,500 are initially recorded at cost price. Assets other than construction in progress are revalued to current replacement cost as at 31 March using price indices for current cost accounting published by the Office for National Statistics, when the effect of their revaluation over time is material. In instances where there are separate individual items of IT hardware which individually fall below the capitalisation threshold, similar items are grouped together and the combined cost is used for the purposes of determining whether they fall within the threshold.

Construction in progress is capitalised at cost. When complete the cost of a construction project is transferred to the relevant asset class as a single item of expenditure.

h. Depreciation

Modified historic cost of a tangible fixed asset is depreciated to expected residual value by equal annual installments from the date of bringing into operation as follows:

Equipment -

Information technology, storages – over four years capital equipment is depreciated over its estimated useful economic life from the month of acquisition.

Furniture and fittings – the cost of improvements to leasehold premises that have been made are depreciated over the remaining life of the lease.

Intangible fixed assets – intangible fixed assets are amortised over expected useful economic life from the beginning of the calendar month after the acquisition.

Software licenses – over four years.

i. Notional charges

The Treasury Financial Reporting Manual requires that the result of operations disclosed in the Operating Cost Statement should reflect the true value of resources consumed. Where a supply of goods or services is received at less than full cost a charge equivalent to the estimated difference is introduced into the Operating Cost Statement.

j. Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made and due to be made under an operating lease of real property (net of any benefit received from the lessor) are charged by equal annual installments to the Operating Cost Statement over the period from the date of first occupation until expiry of the lease. Resulting debit balances are classified as prepayments in the Balance Sheet. Resulting credit balances that will be eliminated within one year are classified as current liabilities. Operating lease costs are charged to expenditure as they are incurred (see Note 14 for further details).

k. VAT

During 2008-09 11 MILLION became registered for VAT, and makes taxable supplies in relation to room hire. However, the majority of the VAT incurred on its expenditure does not relate to this supply and, as a consequence, it cannot reclaim most of the VAT charged by various suppliers. VAT costs incurred (where they cannot be reclaimed) are included in each expenditure category and are not identified separately in the accounts. 11 MILLION has submitted a claim to HMRC for a VAT refund which relates to previously capitalised fit-out costs for our premises. As the outcome for this claim is uncertain, the refund has not been accounted for in this year's financial statements. The total value of this refund is £156,000. If the refund had been accounted for it would have reduced the net book value of our fixed assets by £68,000, reduced operating expenditure by £99,000 and increased the value of our net assets by £99,000 to £622,000. If the claim is successful it will be accounted for in the 2009-10 financial statements.

1. Cost of capital

The cost of capital is calculated by applying a rate of 3.5 per cent to the average capital employed. The average capital employed is defined as the average of total assets less total liabilities at 1 April and 31 March. The total assets balance excludes non-interest bearing bank balances with the Paymaster General.

2 Income

	2008-09 £000	2007-08 £000
Project specific grant	75	75
Other operating income	6	16
	81	91

3 Staff costs

	Staff with a permanent (UK) contract £000	Government secondees £000	Contract personnel £000	Total £000	Total 2007-08 £000
Costs of employment					
Salary	1,139	50	—	1,189	1,108
Social security costs	102	5	—	107	100
Pension costs	237	10	—	247	244
Cost of non-employed staff	—	—	65	65	85
VAT on secondments	—	—	—	—	(14)
Total	1,478	65	65	1,608	1,523

The average number of persons employed by 11 MILLION during the period expressed as full-time equivalents was:

Executive	4.00	0.50	—	4.50
Other personnel	24.00	—	1.00	25.00
Total	28.00	0.50	1.00	29.50

The salary costs included an accrual of £1,100 (2007-08: £7,596) for staff bonuses in relation to 2008-09. The VAT on secondment costs relates to an erroneous accrual from 2006-07, which was reversed during 2007-08.

Pension costs

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme but 11 MILLION is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2007. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation, <http://www.civilservice-pensions.gov.uk/>

For 2008-09, employer's contributions of £247,000 (2007-08 £244,000) were payable to the PCSPS at one of four rates in the range 17.1 to 25.5 per cent of pensionable pay, based on salary bands. Employer contribution rates are reviewed every four years following a full scheme valuation by the Government Actuary. In 2007-08 the salary bands were revised but the rates remained the same. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme. Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. No employer's contributions were paid to any of the panel of three appointed stakeholder pension providers. No persons retired early on ill-health grounds.

4 Project expenses

	2008-09 £000	2007-08 £000
Annual theme – gun and knife crime	91	—
Happy and healthy	45	65
Website development and content	74	106
Grants to voluntary sector organisations	—	9
Correspondence tracking	—	22
Participation programme	61	99
Young commissioners	—	24
BINOCC	6	12
11 MILLION awareness survey	10	26
Youth justice and antisocial behaviour	—	2
Asylum	6	8
Mental health	—	17
Enjoying education and leisure	1	13
Other projects*	66	69
Project expenditure total	360	472

*In the 2007-08 accounts, training costs were charged to Other Project Costs. These have now been disclosed separately in Note 5.

The figures above are the direct costs of our projects. In addition, there is the cost of staff time in relation to the delivery of these projects. Staff costs are shown in Note 3, although they are not allocated across the projects.

5 Other operating expenses

	2008-09 £000	2007-08 £000
IT support costs	63	56
Corporate communications	40	43
Travel	4	31
Attendance at meetings and conferences	3	5
Training	23	7
Administration services	68	55
Office supplies	17	10
Depreciation and amortisation	348	324
Legal and professional expenses	31	(2)
Miscellaneous expenditures	8	2
Recruitment	80	59
Telephone	46	49
Auditors remuneration		
– External auditors - statutory audit work*	23	22
– External auditors - other assurance work	2	—
– Internal auditors	15	19
Governance costs**	12	—
Accommodation costs	268	267
Heating and lighting	14	5
	1,065	952

*The audit fee for the year 2007-08 was £23,000, but because of an over accrual of £1,000 in the prior year the amount charged in 2007-08 was £22,000.

** This includes the costs of the Audit and Risk Committee members.

11 MILLION has entered into an agreement to lease space in 1 London Bridge from February 2006. The cessation date of the lease is the end of March 2011 and the total rent payable over this term is £531,600. The rent forms part of the accommodation costs charged under Other Operating Expenses above.

6 Notional charges

	2008-09 £000	2007-08 £000
Cost of capital	24	14

7 Tangible assets

	Furniture and Fittings £000	Equipment £000	Total £000
Valuation/cost			
At 1 April 2008	1,310	131	1,441
Additions	11	3	14
At 31 March 2009	1,321	134	1,455
Depreciation			
At 1 April 2008	501	63	564
Charge for year	278	34	312
At 31 March 2009	779	97	876
Net book value			
At 31 March 2009	542	37	579
At 1 April 2008	809	68	877

The assets are stated at cost as the net increase in value when using modified historical cost convention is not material.

7a Intangible assets

	Software licenses £000	Total £000
Valuation/cost		
At 1 April 2008	142	142
Additions	8	8
At 31 March 2009	150	150
Amortisation		
At 1 April 2008	14	14
Charge for year	36	36
At 31 March 2009	50	50
Net book value		
At 31 March 2009	100	100
At 1 April 2008	128	128

8 Debtors

	2008-09 £000	2007-08 £000
8a Amounts falling due after one year		
Rent deposit	89	89
Pre-payments	4	19
	93	108
8b Amounts falling due within one year		
Pre-payments	90	18
Trade debtors	1	—
Staff debtors	6	4
	97	22

All debtor balances outstanding as at 31 March 2009 are with bodies external to Government.

9 Cash

	2008-09 £000	2007-08 £000
Paymaster general	9	326
Commercial bank and petty cash	12	31
	21	357

10 Creditors: amounts falling due within one year

	2008-09 £000	2007-08 £000
10a Analysis by type		
Trade creditors	106	532
Accruals	205	261
PAYE	21	20
National insurance contributions	14	14
Pension contributions	21	22
Deferred income	—	75
	367	924
10b Intra-government balances		
Balance with other central government bodies	56	137
Balance with local authorities	—	—
Intra government balances	56	137
Balance with bodies external to government	311	787
Total creditors at 31 March 2009	367	924

11 Movement on general reserve

	2008-09 £000	2007-08 £000
At 1 April: 2008	568	761
Net expenditure on continuing operations	(2,952)	(2,856)
Grant-in-aid received towards capital expenditure	22	154
Grant-in-aid received towards resource expenditure	2,885	2,509
At 31 March 2009	523	568

12 Reconciliation of consolidated net expenditure to net cash from operating activities

	2008-09 £000	2007-08 £000
Net expenditure	(2,952)	(2,856)
Depreciation and amortisation (notes 7 and 7a.)	348	324
Decrease/(increase) in debtors	(60)	(23)
Increase/(decrease) in creditors	(557)	209
Net cash inflow from operating activities	(3,221)	(2,346)

13 Other cash flows

	2008-09	2007-08
	£000	£000
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(14)	(39)
Payments to acquire intangible fixed assets	(8)	(115)
Total fixed assets acquired	(22)	(154)
Financing		
Grant received towards capital expenditure	22	154
Grant received towards resource expenditure	2,885	2,509
	2,907	2,663

14 Operating lease

11 MILLION has entered into operating lease contracts for the provision of photocopiers, post franking machine, hot and cold water systems and office accommodation. At 31 March 11 MILLION was committed to making the following payments during the next year, analysed according to the period in which the lease expires.

Expiry date:	31-Mar-09	31-Mar-08
	£'000	£'000
Within one year	—	—
Between two to five years	107	107
After more than five years	—	9
Total	107	116

15 Related parties

11 MILLION is sponsored by the DCSF which is regarded as a related party. There were material transactions with the DCSF in respect of grant-in-aid (Note 11). During the year 11 MILLION had material transactions with the Department of Health in respect of seconded staff and also with regards to a grant they provided us with (see Note 2). None of the Board members, key managerial staff or other related parties has undertaken any material transactions with 11 MILLION during the year.

16 Financial instruments

11 MILLION has no borrowings and relies primarily on departmental grants for its cash requirements, and is therefore not exposed to liquidity risk. It has no material deposits, and all material assets and liabilities are denominated in sterling so it is not exposed to interest rate risk or currency risk.

17 Post balance sheet events

There have been no events after the balance sheet date requiring an adjustment to the financial statements.

Thanks a million!

Our thanks go to all the children, young people and organisations who have helped us this year.

You continue to shape everything we do.

Working with others

11 MILLION is represented on a number of external bodies and boards, including: National Advisory Council on Children's Mental Health; London Serious Youth Violence Board; National Review into Elective Home Education; National Social Work Advisory Board; Family Justice Council; Voice of the Child Committee; Age Assessment Working Group; DCSF Stakeholder Board.

11 MILLION Takeover Day 2009

11 MILLION Takeover Day 2009 will be held on 6 November 2009.

Last year 700 organisations took part, giving at least 17,000 children and young people a chance to get involved in decision-making. This year, we want even more children and young people having their say through Takeover Day.

To find out more, visit
www.11MILLION.org.uk
or e-mail
takeover.day@11MILLION.org.uk



MILLION



"The 11 MILLION children
and young people in
England have a voice"
Children's Commissioner for
England, Professor Sir Albert
Aynsley-Green

11 MILLION

1 London Bridge
LONDON
SE1 9BG

General Enquiries: 0844 800 9113
E-mail: info.request@11MILLION.org.uk
Website: www.11MILLION.org.uk
C03/09



information & publishing solutions

Published by TSO (The Stationery Office)
and available from:

Online

www.tsoshop.co.uk

Mail, Telephone Fax & E-Mail

TSO
PO Box 29, Norwich, NR3 1GN

Telephone orders/General enquiries:
0870 600 5522

Order through the Parliamentary Hotline Lo-Call:
0845 7 023474

Fax orders: 0870 600 5533
E-mail: customer.services@tso.co.uk
Textphone: 0870 240 3701

The Parliamentary Bookshop

12 Bridge Street, Parliament Square,
London SW1A 2JX

Telephone orders/General enquiries: 020 7219 3890

Fax orders: 020 7219 3866

Email: bookshop@parliament.uk

Internet: <http://www.bookshop.parliament.uk>

TSO@Blackwell and other Accredited Agents

Customers can also order publications from

TSO Ireland
16 Arthur Street, Belfast BT1 4GD
028 9023 8451
Fax 028 9023 5401

ISBN 978-0-10-296078-5



9 780102 960785