



ÚDARÁS UCHTÁLA na hÉIREANN
THE ADOPTION AUTHORITY of IRELAND

THE ADOPTION AUTHORITY OF IRELAND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2021

THE ADOPTION AUTHORITY OF IRELAND

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THE ADOPTION AUTHORITY OF IRELAND

AUTHORITY INFORMATION

Composition of the Authority: Ms. Orlaith Traynor, Chairperson
Mr. Paul Harrison
Mr. Patrick McMahon
Dr. Helen Buckley
Dr. Margo Anglim
Professor Sheila Greene
Mr. Sean O'Brien

Chief Executive Officer: Patricia Carey

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Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Adoption Authority of Ireland

Opinion on the financial statements

I have audited the financial statements of the Adoption Authority of Ireland for the year ended 31 December 2021 as required under the provisions of section 112 of the Adoption Act 2010. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of comprehensive income
- the statement of financial position
- the statement of cash flows, and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Adoption Authority of Ireland at 31 December 2021 and of its income and expenditure for 2021 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Adoption Authority of Ireland and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on information other than the financial statements, and on other matters

The Adoption Authority of Ireland has presented certain other information together with the financial statements. This comprises the governance statement and Board members' report, and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

John Crean
For and on behalf of the
Comptroller and Auditor General

24 June 2022

Appendix to the report

Responsibilities of Board members

As detailed in the governance statement and Board members' report, the Board members are responsible for

- the preparation of annual financial statements in the form prescribed under section 112 of the Adoption Act 2010
- ensuring that the financial statements give a true and fair view in accordance with FRS 102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 112 of the Adoption Act 2010 to audit the financial statements of the Adoption Authority of Ireland and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements 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 my 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.
- I 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 internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Adoption Authority of Ireland's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Adoption Authority of Ireland to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

THE ADOPTION AUTHORITY OF IRELAND
GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

Governance

The Board of the Adoption Authority of Ireland was established under the Adoption Act 2010. The functions of the Board are set out in section 96 of this Act. The Authority is accountable to the Minister for Children, Equality, Disability, Integration and Youth and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of the Adoption Authority of Ireland is the responsibility of the Chief Executive Officer (CEO) and the senior management team. The CEO and the senior management team must follow the broad strategic direction set by the Authority and must ensure that all Authority members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The CEO acts as a direct liaison between the Authority and management of the Adoption Authority of Ireland.

Board Responsibilities

The work and responsibilities of the Board are set out in the Adoption Authority of Ireland's Code of Governance, which also contain the matters specifically reserved for Board's decision. Standing items considered by the Board include:

- declaration of interests,
- reports from Sub-Committees,
- financial reports/management accounts,
- performance reports, and
- reserved matters.

Section 112 of the Adoption Act 2010 requires the Board of the Adoption Authority of Ireland to keep, in such form as may be approved by the Minister for Children, Equality, Disability, Integration and Youth with the consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the Board of the Adoption Authority of Ireland is required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that it will continue in operation, and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Board is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with Section 112 of the Adoption Act 2010. The maintenance and integrity of the corporate and financial information on the Adoption Authority of Ireland's website is the responsibility of the Board of the Authority.

The Board is responsible for approving the annual plan and budget. Evaluation of the performance of the Adoption Authority of Ireland by reference to the annual plan and budget is regularly considered at Board meetings.

The Board is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board considers that the financial statements of the Adoption Authority of Ireland give a true and fair view of the financial performance and the financial position of the Adoption Authority of Ireland at 31 December 2021.

THE ADOPTION AUTHORITY OF IRELAND
GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

Board Structure

The Board consists of the Chairperson, the Deputy Chairperson and 5 ordinary members, all of whom are appointed by the Minister for Children, Equality, Disability, Integration and Youth. The members of the Board were appointed for a period of five years and meet at least on a monthly basis. The table below details the appointment period for current members:

Board Member	Role	Date Appointed
Orlaith Traynor	Chair	01/11/2020
Sean O'Brien	Deputy Chair	01/11/2020
Helen Buckley (Dr.)	Board Member	01/11/2020
Margo Anglim (Dr.)	Board Member	01/11/2020
Patrick McMahon	Board Member	01/11/2020
Paul Harrison	Board Member	01/11/2020
Sheila Greene (Professor)	Board Member	01/11/2020

The Board undertook an external evaluation of its own effectiveness in 2020 and will carry out a further internal review in the first half of 2022.

The Board has established two sub-committees, as follows:

- 1. Risk and Audit Committee** comprises two Authority members and two independent members. The role of the Risk and Audit Committee (RAC) is to support the Board in relation to its responsibilities for issues of risk, control and governance and associated assurance. The RAC is independent from the financial management of the organisation. In particular the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The RAC reports to the Board after each meeting, and formally in writing annually.

The members of the Risk and Audit Committee are Ms. Claire Byrne (Chair), Ms. Orlaith Traynor (Chairperson of the Authority), Paul Harrison (Board Member) and Tara McDermott (External Member). There were four meetings of the Committee in 2021.

- 2. Research Committee:** comprises four Authority members, two independent members and six staff members.

The main functions of the Research Advisory Committee are to support the AAI in the development of a research strategy, to regularly review and advise on such projects as are proposed by the AAI, and to consider and make recommendations on matters of policy relating to research to the Board.

The Committee also advises on research commissioned by the Board, promotes the dissemination of any research that is completed, and advises on the allocation of research funds.

The members of this committee are: Dr Helen Buckley (Board Member), Ms. Orlaith Traynor (Chairperson of the Authority), Prof. Sheila Greene (Board Member), Dr. Margo Anglim (Board Member), Ms. Claire McGettrick, UCD (External Member), Dr. Richard Sullivan, Professor Emeritus, University of British Columbia (External Member), Ms. Patricia Carey (CEO), Dr. Judy Lovett (Research Officer), Mr Darren Broomfield (Head of Social Work), Ms. Mary Coffey (Head of Information and Tracing), Mr. Mark Kirwan (Head of Domestic Adoption) and Ms. Orla Bolger (Head of Intercountry Adoption). There were four meetings of the Committee in 2021.

THE ADOPTION AUTHORITY OF IRELAND
GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Board and Committee meetings for 2021 is set out below including the fees and expenses received by each member:

	Board	Risk & Audit Committee	Research Committee	Fees 2021 €	Expenses 2021 €
	24	4	4		
Orlaith Traynor	24	4	4	52,869	294
Helen Buckley (Dr.)	21	-	4	7,695	-
Margo Anglim (Dr.)	21	-	4	7,695	-
Patrick McMahon	20	-	-	7,695	-
Paul Harrison	22	4	-	7,695	-
Sheila Greene (Prof.)	21	-	3	7,057	-
Sean O'Brien	24	-	-	7,057	-
Claire Byrne	-	4	-	-	-
Tara McDermott	-	4	-	-	-
Claire McGettrick	-	-	3	-	-
Patricia Carey	-	-	4	-	-
Joan Groves	-	-	-	-	-
Mark Kirwan	-	-	3	-	-
Nicole Scannell	-	-	0*	-	200
Judy Lovett	-	-	-	-	117
Darren Broomfield	-	-	1*	-	-
Richard Sullivan (Prof.)	-	-	3	-	-
Orla Bolger	-	-	4	-	-
Mary Coffey	-	-	3	-	-
				97,763	611

*Mr Broomfield replaced Ms Scannell on the Research committee when he joined the AAI mid 2021 and attended 1 out of 2 meetings in 2021.

The Adoption Act 2010 states that a person is only eligible for appointment as Chairperson of the Board if the person is or was, at any time during the 2 years immediately before the appointment, a Judge of the Supreme Court, the High Court, the Circuit Court or the District Court or is a barrister or solicitor of not less than 10 years standing.

The Chairperson was paid in accordance with agreed rates from the Department of Children, Equality, Disability, Integration and Youth and the Department of Public Expenditure and Reform on the basis of the skill sets required as stated in The Adoption Act 2010.

Key Personnel Changes

Mr Darren Broomfield started as Principal Social worker in 2021 and replaced Ms Nicole Scannell on the Research Sub Committee.

THE ADOPTION AUTHORITY OF IRELAND
GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

Disclosures Required by Code of Practice for the Governance of State Bodies (2016)

The Authority is responsible for ensuring that the Adoption Authority of Ireland has complied with the requirements of the Code of Practice for the Governance of State Bodies ("the Code"), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code:

Employee Short-Term Benefits Breakdown

Employees' short-term benefits in excess of €60,000 are categorized into the following bands:

From	Range		Number of employees	
		To	2021	2020
€ 60,000	-	€ 69,999	2	3
€ 70,000	-	€ 79,999	2	-
€ 80,000	-	€ 89,999	-	-
€ 90,000	-	€ 99,999	-	1
€100,000	-	€109,999	-	-
€110,000	-	€119,999	-	-
€120,000	-	€129,999	1	1

Note: For the purposes of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary, overtime allowances and other payments made on behalf of the employee but exclude employer's PRSI.

THE ADOPTION AUTHORITY OF IRELAND
GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

Consultancy Costs

Consultancy costs include the cost of external advice to management and exclude outsourced 'business-as-usual' functions.

	2021	2020
	€	€
Legal advice		
- General Advice	128,269	275,259
- File Review	-	7,210
GDPR	44,244	59,549
Review of Accredited Bodies	34,835	11,180
Pension and Human Resources Advice	7,855	4,859
Other Consultancy Costs	36,422	30,103
Information and Tracing *	303,870	232,314
Medical advice	19,775	17,653
Covid-19 Legal Advice and Support - Remote Judicial Hearings	26,187	113,292
Covid-19 Return to Work Assessment and Protocols	2,018	6,840
Development of Strategic Plan	190,258	1,538
Total consultancy costs	793,732	759,797
Consultancy costs capitalised	-	-
Consultancy costs charged to the Income and Expenditure and Retained Revenue Reserves	793,732	759,797
Total	793,732	759,797

** included in Information and Tracing costs above is digitisation work associated with the preservation of the Authority's adoption information and tracing files. Since the end of 2019 the Adoption Authority has acquired information and tracing files from a number of accredited adoption agencies that closed their services and transferred their files to the Adoption Authority. The Authority was required to prepare for the acquisition of these agency files in order to carry out information and tracing services.*

THE ADOPTION AUTHORITY OF IRELAND
GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

Legal Costs and Settlements

The table below provides a breakdown of amounts recognized as expenditure in the reporting period in relation to legal costs, settlements and conciliation and arbitration proceedings relating to contracts with third parties. This does not include expenditure incurred in relation to general legal advice received by the Adoption Authority of Ireland which is disclosed in Consultancy costs above.

	2021	2020
	€	€
Legal fees - legal proceedings	1,046,948	1,504,831
Settlements	-	435,750
Total	1,046,948	1,940,581

Travel and Subsistence Expenditure

Travel and subsistence expenditure are categorized as follows:

	2021	2020
	€	€
Domestic		
Board*	-	-
Employees	1,985	6,400
International		
Board*	-	-
Employees	-	344
Total	1,985	6,744

* includes travel and subsistence of €nil paid directly to Board members in 2021 (2020: €nil) and expenditure paid by Adoption Authority of Ireland on behalf of the Board members.

Hospitality Expenditure

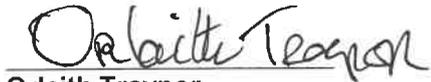
The Income and Expenditure account includes the following hospitality expenditure:

	2021	2020
	€	€
Authority / Committee / Staff hospitality	322	-
Client hospitality	-	-
Total	322	-

THE ADOPTION AUTHORITY OF IRELAND
GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

Statement of Compliance

The Adoption Authority of Ireland has adopted the Code of Practice for the Governance of State Bodies (revised 2016), as published by the Department of Public Expenditure and Reform in August 2016 and has put procedures in place to ensure compliance with the Code.



Orlaith Traynor
Chairperson



Patricia Carey
Chief Executive Officer

Date 22.06.2022

THE ADOPTION AUTHORITY OF IRELAND

STATEMENT ON INTERNAL CONTROL

Scope of Responsibility

The Adoption Authority of Ireland was established with effect from 1st November 2010 in accordance with The Adoption Act 2010. I, as Chairperson of the Board make this statement in accordance with the requirement set out in the Department of Public Expenditure and Reform's Code of Practice for the Governance of State Bodies (2016) and I acknowledge the Authority is responsible for the system of Internal Control. The Authority has delegated responsibility to the Chief Executive to deal with management and operational issues and to report to the Authority regularly.

The Authority's payroll administration, processing and payment is carried out by the Payroll Shared Services Centre (PSSC) under a service management agreement which outlines the roles and responsibilities of each party in relation to payroll processing.

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, that transactions are authorised and properly recorded, and that material error or irregularities are either prevented or would be detected on a timely basis.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in the Adoption Authority of Ireland for the year ended 31 December 2021 and up to the date of approval of the financial statements.

Capacity to Handle Risk

The Authority has an Risk and Audit Committee (RAC) comprising two Authority members and two external members. The Authority has also established an internal audit function which is adequately resourced and conducts a program of work agreed with the ARC. The ARC met four times in 2021.

The Authority has procured the services of an external firm to carry out the Internal Audit function based on a program of work agreed with the RAC. The internal auditor carried out an audit, in February 2022 of the internal controls in operation in 2021 and their report was submitted to the RAC and the Board as part of the annual review of the effectiveness of internal controls. The internal audit function operates in accordance with the Code of Practice for the Governance of State Bodies (2016).

Impact of Covid-19 pandemic to the Control Environment

The onset of the COVID 19 pandemic in early 2020, and the resulting public health advise and safety measures rapidly changed the working practices of the AAI.

AAI has monitored the developments closely, looking to mitigate the risks that may affect the AAI's business operations, staff and stakeholders. Actions taken by the Authority includes: -

- Initiate AAI's Business as Usual (BAU) model.
- Transition the Board of the Authority to a remote environment for the purpose of making adoption orders.
- Make necessary adaptations to the AAI's physical office environment in line with published guidance and expert assessment.
- Ongoing COVID-19 risk assessments for staff and stakeholders.

THE ADOPTION AUTHORITY OF IRELAND

STATEMENT ON INTERNAL CONTROL

- Continual assessment of significant risks pertaining to the Covid-19 pandemic and the agility of AAI to respond effectively.
- Ensuring robust segregation of duties remains and adequate cover is in place should specific approving authorities be unavailable.
- Ensuring all existing data protection and records management policies and procedures continue to apply as normal.
- Assess potential for weaknesses in internal controls resulting from COVID-19 and took measures to monitor and update internal controls where necessary

Risk and Control Framework

The Adoption Authority of Ireland has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks. A risk register is in place which identifies the key risks facing the Adoption Authority of Ireland and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the RAC on a regular basis. Risks and risk management are also standing agenda items at Board meetings. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff. I confirm that a control environment containing the following elements is in place:

- procedures for all key business processes have been documented,
- financial responsibilities have been assigned at management level with corresponding accountability,
- there is an appropriate budgeting system with an annual budget which is kept under review by senior management,
- there are systems aimed at ensuring the security of the information and communication technology systems,
- there are systems in place to safeguard the assets, and
- control procedures over grant funding to outside agencies ensure adequate control over approval of grants and monitoring and review of grantees to ensure grant funding has been applied for the purpose intended

Ongoing Monitoring and Review

The system of Internal Control is based on a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. In particular, it includes:

- Appropriate budgeting system with an annual budget which is reviewed regularly by senior management.
- Regular review by senior management of periodic and annual financial reports which indicate financial performance against forecasts.
- Regular senior management team meetings.
- Service Management Agreements are in place for areas which are administered on behalf of the Authority.

THE ADOPTION AUTHORITY OF IRELAND

STATEMENT ON INTERNAL CONTROL

The following steps have been taken to ensure an appropriate control environment:

- The Authority has a regular schedule of meetings at which it is provided with regular updated reports of expenditure.
- An Audit and Risk Committee of the Authority (ARC) has been established. Its terms of reference include ensuring that the systems of Internal Control are operating effectively.
- Management responsibilities are clearly assigned, with corresponding accountability.

Mechanisms for ensuring the adequacy of the security of the Information and Communication Technology (ICT) systems that include the establishment of appropriate policies and control procedures have been established.

Internal Control Issues

No internal control issues were identified during the year.

Procurement

The Adoption Authority of Ireland has procedures in place to ensure compliance with current procurement rules and guidelines. Matters arising regarding controls over procurement are highlighted under internal control issues below.

Review of Effectiveness

I confirm that the Adoption Authority of Ireland has procedures to monitor the effectiveness of its risk management and control procedures. Adoption Authority of Ireland's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work, and the senior management within the Adoption Authority of Ireland responsible for the development and maintenance of the internal financial control framework.

I confirm that the Authority conducted an annual review of the effectiveness of internal controls for 2021 on 12 April 2022.

Signed 
Orlaith Traynor
Chairperson

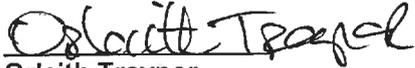
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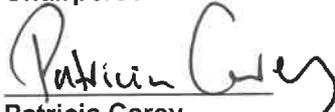
THE ADOPTION AUTHORITY OF IRELAND

STATEMENT OF INCOME AND EXPENDITURE AND RETAINED REVENUE RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Year ended 31 December 2021 €	Year ended 31 December 2020 €
INCOME			
Oireachtas Grants	2	4,139,377	5,064,102
Other Income	3	7,538	8,938
Deferred retirement benefit funding		514,000	524,000
		4,660,915	5,597,040
EXPENDITURE			
Staff Costs	4	2,115,036	2,071,357
Board Costs	5	97,763	115,958
Grant Payments	6	120,130	237,465
Office Expenses	7	360,127	270,490
Professional Fees	8	2,088,449	2,499,554
Information and Tracing		303,870	232,314
Travel Expenses	9	1,985	6,744
Depreciation	10	48,663	37,092
		5,136,023	5,470,974
(Deficit)/Surplus for the year before appropriations		(475,108)	126,066
Transfer (to)/to capital account	14	(52,727)	(16,553)
(DEFICIT)/SURPLUS FOR THE YEAR		(527,835)	109,513
Balance brought forward at 1 January		(815,320)	(924,833)
BALANCE CARRIED FORWARD AT 31 DECEMBER		(1,343,155)	(815,320)

The Statement of Cash Flows and Notes 1 to 20 form part of these financial statements.

Signed 
Orlaith Traynor
Chairperson

Signed 
Patricia Carey
Chief Executive Officer

Date 22.06.2022

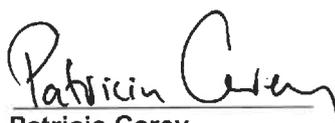
THE ADOPTION AUTHORITY OF IRELAND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	€	€
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR	<u>(527,835)</u>	109,513
Experience gains/(losses) on retirement benefit obligations	140,000	(3,802,000)
Changes in assumptions underlying the present value of retirement benefit obligations	(908,000)	(369,000)
Total actuarial (losses) in the year	(768,000)	(4,171,000)
Adjustment to deferred retirement benefits funding	<u>768,000</u>	4,171,000
Total Comprehensive Income for the year	(527,835)	109,513

The Statement of Cash Flows and notes 1 to 20 form part of these financial statements.

On behalf of the Authority of the Adoption Authority of Ireland:


 Orlaith Traynor
 Chairperson


 Patricia Carey
 Chief Executive Officer

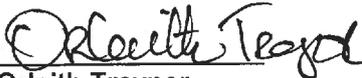
Date: 22.08.2022

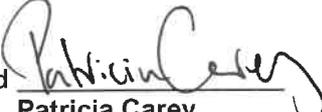
THE ADOPTION AUTHORITY OF IRELAND

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 2021

	Notes	2021 €	2020 €
FIXED ASSETS			
Property, Plant and Equipment	10	191,834	139,107
CURRENT ASSETS			
Cash and Cash Equivalents		93,006	137,040
Receivables	11	33,338	32,257
		<u>126,344</u>	<u>169,297</u>
CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)			
Payables	12	<u>(385,499)</u>	<u>(251,817)</u>
NET CURRENT LIABILITIES		(259,155)	(82,520)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(67,321)</u>	<u>56,587</u>
Provision for Liabilities and Charges	13	(1,084,000)	(732,800)
RETIREMENT BENEFITS			
Retirement benefits obligations	18(iii)	(10,794,000)	(9,854,000)
Deferred retirement benefit funding asset	18(iv)	10,794,000	9,854,000
NET LIABILITIES		<u>(1,151,321)</u>	<u>(676,213)</u>
REPRESENTING			
Retained Revenue Reserves		(1,343,155)	(815,320)
Capital Account	14	191,834	139,107
		<u>(1,151,321)</u>	<u>(676,213)</u>

The Statement of Cash Flows and notes 1 to 20 form part of these financial statements.

Signed 
Orlaith Traynor
Chairperson

Signed 
Patricia Carey
Chief Executive Officer

Date: 22.06.2022

THE ADOPTION AUTHORITY OF IRELAND
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 €	2020 €
<u>Cash flows from operating activities</u>			
(Deficit)/Surplus for the year		(527,835)	109,513
Depreciation	10	48,663	37,092
(Increase) in debtors	11	(1,081)	(2,965)
Increase / (Decrease) in creditors	12 & 13	484,882	(122,814)
Capital account movement	14	52,727	16,553
Loss on Disposal of Assets	7	5,863	-
Net cash inflow from operating activities		63,219	37,379
<u>Cash flows from investing activities</u>			
Payment to acquire fixed assets	10	(109,903)	(53,645)
Proceeds from the sale of fixed assets		2,650	-
Net cash outflow from investing activities		(107,253)	(53,645)
Decrease in cash in the year		(44,034)	(16,266)
Cash and cash equivalents at the beginning of the year		137,040	153,306
Cash and cash equivalents at the end of the year		93,006	137,040

THE ADOPTION AUTHORITY OF IRELAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 ACCOUNTING POLICIES

The basis of accounting and significant accounting policies adopted by the Adoption Authority of Ireland are set out below. They have been applied consistently throughout the year and for the preceding year.

a) General Information

The Adoption Authority of Ireland was set up under the Adoption Act, 2010 with a head office at Shelbourne House, Shelbourne Road, Dublin 4. The functions of the Adoption Authority of Ireland are set out in section 96 of the Adoption Act 2010. They include the following:

- performing in the State the role of a Central Authority under The Hague Convention;
- at the request of the Minister, providing general advice to him or her about adoption matters;
- undertaking or assisting in research projects and activities relating to adoption services;
- compiling statistical information and other records as to the proper planning, development and provision of those adoption services;
- maintaining the register of accredited bodies; and
- maintaining the register of intercountry adoptions.

The Adoption Authority of Ireland is a Public Benefit Entity (PBE).

b) Statement of Compliance

The financial statements of the Authority for the year ended 31 December 2021 have been prepared in compliance with the applicable legislation, and with FRS 102 the Financial Reporting Standard applicable in the UK and the Republic of Ireland issued by the Financial Reporting Council in the UK.

c) Basis of Preparation

The financial statements are prepared under the accruals method of accounting and under the historical cost convention in the form approved by the Minister for Children, Equality, Disability, Integration and Youth with the concurrence of the Minister for Public Expenditure and Reform, in accordance with Section 112 of the Adoption Act 2010.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Authority's financial statements.

d) Revenue

Oireachtas Grants

Revenue is generally recognized on an accrual basis; one exception to this is in the case of Oireachtas Grants which are recognized on a cash receipts basis and also include amounts paid on behalf of the Authority by the Department of Children, Equality, Disability, Integration and Youth.

Capital Grants

Grant funding used to purchase property, plant and equipment is transferred to a Capital Account and released back to income in line with the depreciation of the related assets. The balance on the Capital Account represents the unamortized value of grant received for capital expenditure purpose.

Other Income

Income shown in the financial statements under Other Income represents amounts invoiced to third parties in the ordinary course of business.

THE ADOPTION AUTHORITY OF IRELAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

e) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation, adjusted for any provision for impairment. Depreciation is provided on all property, plant and equipment, other than freehold land and artwork, at rates estimated to write off the cost less the estimated residual value of each asset on a straight-line basis over their estimated useful lives, as follows:

(i)	Fixtures and Fittings	10% per annum
(ii)	Office and IT Equipment	20% per annum

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

If there is objective evidence of impairment of the value of an asset, an impairment loss is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in the year.

f) Foreign Currencies

Transactions denominated in foreign currencies are translated into euro and recorded at the rate of exchange ruling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into euro at the rates of exchange ruling at the reporting date or at forward purchase contract rates where such contracts exist.

g) Receivables

Receivables are recognised at fair value, less a provision for doubtful debts. The provision for doubtful debts is a specific provision and is established when there is objective evidence that the Adoption Authority will not be able to collect all amounts owed to it. All movements in the provision for doubtful debts are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

h) Employee Benefits

Short-term Benefits

Short term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year-end are included in the Payables figure in the Statement of Financial Position.

Retirement Benefits

The Adoption Authority of Ireland Superannuation Scheme came into operation on 3 April 2017 under S.I. No. 157 of 2017. This scheme relates to around two-thirds of the Authority's staff who redeployed to the Authority from other civil or public service organisations. Prior to this Scheme, the Authority operated the model superannuation scheme (model scheme) for State employees.

Employee deductions under the Scheme are retained by the Department of Children, Equality, Disability, Integration and Youth.

The Authority also joined the Public Service Transfer Network in 2017 and work is continuing to finalise the arrangements for the transfer of reckonable service for former civil and public service staff who redeployed to the Authority. The Authority has included an actuarially calculated pension liability and pension asset in respect of its superannuation scheme in these financial statements.

THE ADOPTION AUTHORITY OF IRELAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Single Public Service Pension Scheme

The Authority also operates the Single Public Service Pension Scheme (Single Scheme). New entrant public service staff employed by the Authority after 1 January 2013, are members of the Single Scheme in accordance with the Public Service Pensions (Single Scheme and Other Provisions) Act 2012. The Single Scheme provides for consumer price index-linked defined benefit pensions based on career average pay. The Authority makes the necessary deductions from salaries for staff who are part of the scheme and employee contributions are transferred to the Department of Public Expenditure and Reform on a monthly basis in accordance with the provisions of the Scheme.

Both pension schemes are unfunded pay-as-you-go statutory schemes with benefits payable under the Schemes funded by the Exchequer. (See note 18).

i) Provisions

Provisions are recognised when the Authority has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

j) Contingent Liabilities

Contingent liabilities arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of the uncertain future events not wholly within the Authority's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow is remote.

k) Critical Accounting Judgements and Estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

Depreciation and Residual Values

The Directors have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of fixtures and fittings and have concluded that asset lives and residual values are appropriate.

Provisions

The Adoption Authority makes provisions for legal and constructive obligations, which it knows to be outstanding at the period end date. These provisions are generally made based on historical or other pertinent information, adjusted for recent trends where relevant. However, they are estimates of the financial costs of events that may not occur for some years. As a result of this and the level of uncertainty attaching to the final outcomes, the actual out-turn may differ significantly from that estimated.

THE ADOPTION AUTHORITY OF IRELAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2 GRANTS	2021 €	2020 €
Department of Children, Equality, Disability, Integration and Youth	4,219,354	5,151,462
Less employee contributions retained by DCEDIY	(13,529)	(20,464)
Less employee contributions remitted to DPER (SPSPS)	(42,790)	(35,536)
Less ASC retained by DCEDIY	(23,658)	(31,360)
	<u>4,139,377</u>	<u>5,064,102</u>

Grants are drawn down from the Department of Children, Equality, Disability, Integration and Youth Vote 40 subhead C6.

3 OTHER INCOME	2021 €	2020 €
Income from Adoption Certificates	6,338	7,438
Courier Income	1,200	1,500
	<u>7,538</u>	<u>8,938</u>

Courier income represents charges which the Authority makes applications in order to contribute towards the Authority's courier costs (note 7).

4 STAFF COSTS AND EMPLOYEE INFORMATION	2021 €	2020 €
Wages and Salaries (incl PRSI er)	1,512,463	1,487,746
Retirement Benefit Costs (note 18ii)	434,023	436,640
Outsource Finance Support	110,108	105,795
Training	23,307	18,670
Recruitment Costs	35,135	22,506
	<u>2,115,036</u>	<u>2,071,357</u>

Whole Time Equivalents (WTE) at the end of the year were 38 (2020: 35).

An amount of €23,658 (2020: €31,360) in respect of additional superannuation contributions was deducted from staff salaries and retained by the Department of Children, Equality, Disability, Integration and Youth. In 2021, employee pension contribution amounting to €42,790 (2020: €35,536) was deducted from staff in respect of the Single Scheme and transferred to the Department of Public Expenditure and Reform.

An amount of €509 (2020: €nil) of overtime payments or allowances was made in the year. No termination payments were made in the year.

THE ADOPTION AUTHORITY OF IRELAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4(a) Employee benefits breakdowns

Range of total employee benefits		Number of Employees	
From	To	2021	2020
€60,000	- €69,999	2	3
€70,000	- €79,999	2	-
€80,000	- €89,999	-	-
€90,000	- €99,999	-	1
€100,000	- €109,999	-	-
€110,000	- €119,999	-	-
€120,000	- €129,999	1	1

4(b) CHIEF EXECUTIVE OFFICER'S REMUNERATION	2021	2020
	€	€
Chief Executive Officer's annual basic salary	<u>126,997</u>	<u>121,577</u>

The Chief Executive Officer did not receive any performance related payments or any other benefit in kind during the year. The Chief Executive Officer's pension entitlements are in line with standard entitlements in the model public sector defined benefit superannuation scheme.

5 BOARD COSTS	2021	2020
	€	€
<u>Board members fees and stipends: -</u>		
Geoffrey Shannon (Chair to 31 st October 2020)	-	52,701
Orlaith Traynor (Chair from 1 st November 2020)	52,869	22,204
Anne O'Flaherty	-	6,425
Patrick McMahon	7,695	7,695
Paul Harrison	7,695	7,695
Helen Buckley	7,695	7,695
Margo Anglim	7,695	7,695
Shelia Greene	7,057	1,924
Sean O'Brien	7,057	1,924
	<u>97,763</u>	<u>115,958</u>

The Adoption Act 2010 states that a person is only eligible for appointment as Chairperson of the Board if the person is or was, at any time during the 2 years immediately before the appointment, a Judge of the Supreme Court, the High Court, the Circuit Court or the District Court or is a barrister or solicitor of not less than 10 years standing.

The Chairperson was paid in accordance with agreed rates from the Department of Children, Equality, Disability, Integration and Youth and the Department of Public Expenditure and Reform on the basis of the skill sets required as stated in The Adoption Act 2010.

THE ADOPTION AUTHORITY OF IRELAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

6 GRANT PAYMENTS

	2021 €	2020 €
Grant Funding for Accredited Agencies	120,130	124,260
Pandemic Relief Emergency Funding*	-	113,205
	<u>120,130</u>	<u>237,465</u>

* in light of the COVID-19 pandemic the Authority approved once off emergency funding to the Helping Hands Adoption Mediation Agency to assist with unforeseen expenses.

7 OFFICE EXPENSES

	2021 €	2020 €
Contract Cleaning	35,204	26,929
Office Expenses	25,365	16,428
Office Furniture (under €1,000)	11,705	6,404
Conference and Catering Costs	7,920	6,994
Annual Membership, Subscriptions and Registration	13,368	8,782
International Social Service **	5,000	5,000
Telephones and Internet	20,837	20,230
Light and Heat	17,877	16,554
Postage	12,614	12,221
Office Supplies/Stationery	29,527	31,675
Courier	3,749	7,416
Printing	5,330	5,859
Advertising	-	200
Information Communication Technologies	146,318	75,568
Translation Expenses	3,035	4,222
Stenography	8,685	9,079
Hospitality	625	-
Bank Charges	1,222	477
Covid-19 Expenses	2,859	16,452
Library	3,024	-
Loss on Disposal of Fixed Assets	5,863	-
	<u>360,127</u>	<u>270,490</u>

** expenditure on International Social Service represents Ireland's contribution to the International Reference Centre for the Rights of the Children deprived of their Family (ISS/IRC).

THE ADOPTION AUTHORITY OF IRELAND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

8 PROFESSIONAL FEES	2021 €	2020 €
Legal Fees		
Operational Cases (Sections 18,30,54 and 92)	880,626	993,074
General Advices	128,269	275,259
Legacy Cases	20,852	323,837
Other Cases	145,469	623,670
File Reviews	-	7,210
Legal Contractor	44,097	29,972
Increase / (decrease) in Provision	351,200	(119,700)
Accountancy and Compliance Costs	76,157	69,237
Review of Accredited Bodies under the remit of s.133, Adoption Act 2010	34,835	11,180
Pensions and Human Resources Advice	7,855	4,859
Professional Fees	34,735	13,952
Audit and Risk Committee Costs	30,383	35,104
Audit	17,800	17,600
Internal Audit	33,689	15,428
Medical Contractor	19,775	17,653
GDPR	44,244	59,549
Covid-19 Legal Advice and Support - Remote		
Judicial Hearings	26,187	113,292
Covid-19 Return to Work Assessment and Protocols	2,018	6,840
Development of Strategic Plan	190,258	1,538
	<u>2,088,449</u>	<u>2,499,554</u>

* included in legal fees are amounts paid for litigation in which the authority was (a) the applicant and (b) the respondent. The authority is obliged to bring certain cases to the High Court where, in domestic adoption, the birth father cannot be notified and consulted on the proposed adoption.

The Authority is also obliged to attend the High Court as a respondent where a birth parent guardian is not consenting to the adoption, where the child is not an orphan or, in certain circumstances, where a party wishes to have an entry in the Register of Intercountry Adoptions and the authority has not been able to grant same in accordance with the provision of the 2010 Adoption Act.

Included in legal fees are amounts paid for litigation in which the authority was the respondent. Included in legal fees are amounts for legal settlements of €nil (2020: €435,750).

9 TRAVEL EXPENSES	2021 €	2020 €
Domestic Travel	1,985	6,400
Foreign Travel	-	344
	<u>1,985</u>	<u>6,744</u>

THE ADOPTION AUTHORITY OF IRELAND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10 PROPERTY, PLANT AND EQUIPMENT

	IT and Office Equipment	Fixtures and Fittings	Total
	€	€	€
Cost			
At 1 st January 2021	247,915	79,616	327,531
Additions for the period	40,527	69,376	109,903
Disposals	(129,648)	(2,069)	(131,717)
At 31 st December 2021	<u>158,794</u>	<u>146,923</u>	<u>305,717</u>
Accumulated Depreciation			
At 1 st January 2021	157,133	31,291	188,424
Depreciation charge for the period	37,069	11,594	48,663
Disposals	(121,793)	(1,411)	(123,204)
At 31 st December 2021	<u>72,409</u>	<u>41,474</u>	<u>113,883</u>
Net Book Value			
At 31 st December 2021	<u>86,385</u>	<u>105,449</u>	<u>191,834</u>
At 31 st December 2020	<u>90,782</u>	<u>48,325</u>	<u>139,107</u>

	2021	2020
	€	€
11 RECEIVABLES		
Prepayments	<u>33,338</u>	<u>32,257</u>
	<u>33,338</u>	<u>32,257</u>

	2021	2020
	€	€
12 PAYABLES		
Amounts falling due within one year:		
Creditors	150,890	17,379
Accrued Expenses	158,401	145,745
Value Added Tax	4,986	1,526
Professional Services Withholding Tax	67,746	85,092
Other Creditors	3,476	2,075
	<u>385,499</u>	<u>251,817</u>

Amounts due in respect of Professional Services Withholding Tax relate to amounts withheld from payments to suppliers of professional services. These amounts were paid to the Revenue Commissioners after the year end.

THE ADOPTION AUTHORITY OF IRELAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13 PROVISION	As at 31 December 2021 €	As at 31 December 2020 €
<u>Legal Costs</u>		
Amount at the beginning of the year	732,800	852,500
Additions to provision	459,200	422,800
Amounts charged against the provision	(108,000)	(542,500)
Unused amounts reversed	-	-
Amount at the end of the year	1,084,000	732,800

There are a small number of on-going cases which involve (i) issues which arose following Ireland's accession to The Hague Convention, and (ii) historic matters which arose under the remit of An Bord Uchtála. The Authority is a respondent in these cases and is actively defending the cases. Should it be unsuccessful in these proceedings the Authority will strongly resist the imposition of costs orders. The Authority has made a provision for the costs associated with these proceedings.

In consultation with the Authority's legal advisors the provision made by the Authority is a best estimate of the costs of the proceedings.

14 CAPITAL ACCOUNT	2021		2020	
	€	€	€	€
Balance at 1 st January 2021		139,107		122,554
Purchase of Fixed Assets	109,903		53,645	
Amount amortised in line with asset depreciation for the year	(48,663)		(37,092)	
Loss on Disposal of Fixed Assets	(8,513)		-	
Transfer from Income and Expenditure Account		52,727		16,553
Balance at 31st December 2021		191,834		139,107

15 CAPITAL COMMITMENTS

There were no capital commitments at 31st December 2021.

16 CONTINGENT LIABILITIES

As outlined in the accounting policies the Authority makes provision for legal costs where it is probable that an outflow of resources will be required to settle the obligation and the amount of the obligation can be reliably estimated.

While there are a number of cases whereby costs can be estimated and provided for, certain cost elements relating to these cases are uncertain and cannot be reliably estimated due to uncertainty surrounding how the cases will proceed.

THE ADOPTION AUTHORITY OF IRELAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

17 RELATED PARTY TRANSACTIONS/ DISCLOSURE OF INTERESTS

Key management personnel consist of the CEO and members of the Authority. Total compensation paid to key management personnel, including Authority members' fees and total CEO remuneration, amounted to €224,760 (2020: €237,535) (Notes 4 and 5).

The Adoption Authority of Ireland complies with the Code of Practice for the Governance of State bodies issued by the Department of Public Expenditure and Reform in relation to the disclosure of interests by the Authority members and its staff. Formal procedures exist to ensure adherence with this requirement of the code. No related party transactions took place in 2021.

18 RETIREMENT BENEFIT COSTS

i. Authority Staffing

In accordance with Section 123 of the Adoption Act 2010, the Authority has prepared and submitted to the Minister for his approval a scheme for the granting of superannuation benefits to these staff members and in respect of such members of the staff of the Authority as it may think fit. Administrative approval for the staff superannuation scheme has been received from the Department of Public Expenditure and Reform.

New entrant staff employed by the Authority after 1 January 2013 are members of the Single Public Service Pension Scheme in accordance with Public Service Pensions (Single Scheme and Other Provisions) Act 2012. Deductions from staff salaries are transferred to the Department of Public Expenditure and Reform on a monthly basis in accordance with the Act.

ii. Analysis of total retirement benefit costs charged to the Statement of Income and Expenditure and Retained Revenue Reserves

	31 December 2021	31 December 2020
	€	€
Current service cost *	415,000	452,000
Interest on retirement benefit scheme liabilities	99,000	72,000
Less employee contributions	(79,977)	(87,360)
Total charges to the statement of income and expenditure and retained revenue reserve	434,023	436,640

* the current service cost includes employee contributions totaling €79,977 in 2021. (2020: €87,360)

THE ADOPTION AUTHORITY OF IRELAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

iii. Movement in net retirement benefit obligations during the financial year

	31 December 2021	31 December 2020
	€	€
Net retirement benefit obligation at 1 January	9,854,000	5,443,000
Current service costs	415,000	452,000
Interest costs	99,000	72,000
Benefits paid in period	(342,000)	(284,000)
Past Service (gain) / loss	-	-
Experience loss/(gain) on liabilities	(140,000)	3,802,000
Changes in actuarial assumptions	908,000	369,000
Net retirement benefit obligations at 31 December	<u>10,794,000</u>	<u>9,854,000</u>

iv. Deferred funding asset for retirement benefits

The Authority recognises amounts owing from the State for the unfunded deferred liability for retirement benefits on the basis of the set of assumptions described above and a number of past events. These events include the statutory basis for the establishment of the retirement benefit scheme, and the policy and practice currently in place in relation to funding public service pensions including contributions by employees and the annual estimates process. The Authority has no evidence that this funding policy will not continue to meet such sums in accordance with current practice.

The net deferred funding for retirement benefits recognised in the Statement of Income and Expenditure and Retained Revenue Reserves is as follows:

	31 December 2021	31 December 2020
	€	€
Funding recoverable in respect of current year retirement benefit costs	514,000	524,000
	<u>514,000</u>	<u>524,000</u>

The deferred funding liabilities for retirement benefit as at 31 December 2021 amounted to €10,794,000. The Oireachtas grant from DCEDIY (Note 2) did not include funding in respect of pensions as the pension payments of €342,000 (Note 18 iii) were met from Vote 12 Superannuation and Retired Allowances.

v. History of defined benefits obligations

	2021	2020
	€'000	€'000
Defined benefit obligations	10,794	9,854
Experience losses/(gains) on defined benefit scheme liabilities	-	-

THE ADOPTION AUTHORITY OF IRELAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

vi. Description of scheme

Authority Scheme

The pension scheme is a defined benefit final salary pension arrangement with benefits and contributions defined by reference to current "model" public sector scheme regulations. The scheme provides a pension (one eightieth per year of service), a gratuity or lump sum (three eightieths per year of service) and spouse's and children's pensions. Normal Retirement Age is a member's 65th birthday, and pre 2004 members have an entitlement to retire without actuarial reduction from age 60. Pensions in payment (and deferment) normally increase in line with general public sector salary inflation.

Single Scheme

The Single Scheme is the occupational pension scheme for public servants hired since 2013. It is a defined benefit scheme, with retirement benefits based on career-average pay. The scheme generates pension credits and retirement lump sum credits for each scheme member. These money credits, known as "referable amounts", accrue as percentages of pay on an ongoing basis. The referable amounts accrued each year are revalued annually until retirement in line with inflation increases (Consumer Price Index). The annual pension awarded on retirement is the cumulative total of a scheme member's pension referable amounts, and the retirement lump sum awarded is, similarly, the total of the scheme member's lump sum referable amounts.

Valuation

The valuation used for FRS 102 disclosures has been based on a full actuarial valuation by a qualified independent actuary taking account of the requirements of the FRS in order to assess the scheme liabilities at 31 December 2021.

The principal actuarial assumptions used to calculate the components of the defined benefit cost for the year ended 31 December 2021 were as follows:

	31 December 2021	31 December 2020
Discount rate	1.40%	1.00%
Inflation rate	2.15%	1.30%
Salary increases	3.65%	2.80%
Pension increases	3.15%	2.30%

The mortality basis adopted allows for improvements in life expectancy over time, so that life expectancy at retirement will depend on the year in which a member attains retirement age (age 65). The number of members in the Scheme and the number of deaths is too small to analyze and produce any meaningful Scheme-specific estimates of future levels of mortality. Average future life expectancy according to the mortality tables used to determine the pension liabilities are:

	31 December 2021	31 December 2020
	Years	Years
Male aged 65	21.9	21.8
Female aged 65	24.2	24.2

19 ACCOMMODATION

The Adoption Authority of Ireland operates from Shelbourne House, Shelbourne Road. Rent is funded in kind by the OPW.

THE ADOPTION AUTHORITY OF IRELAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

20 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Adoption Authority of Ireland at its meeting on 12th April 2022. _____