





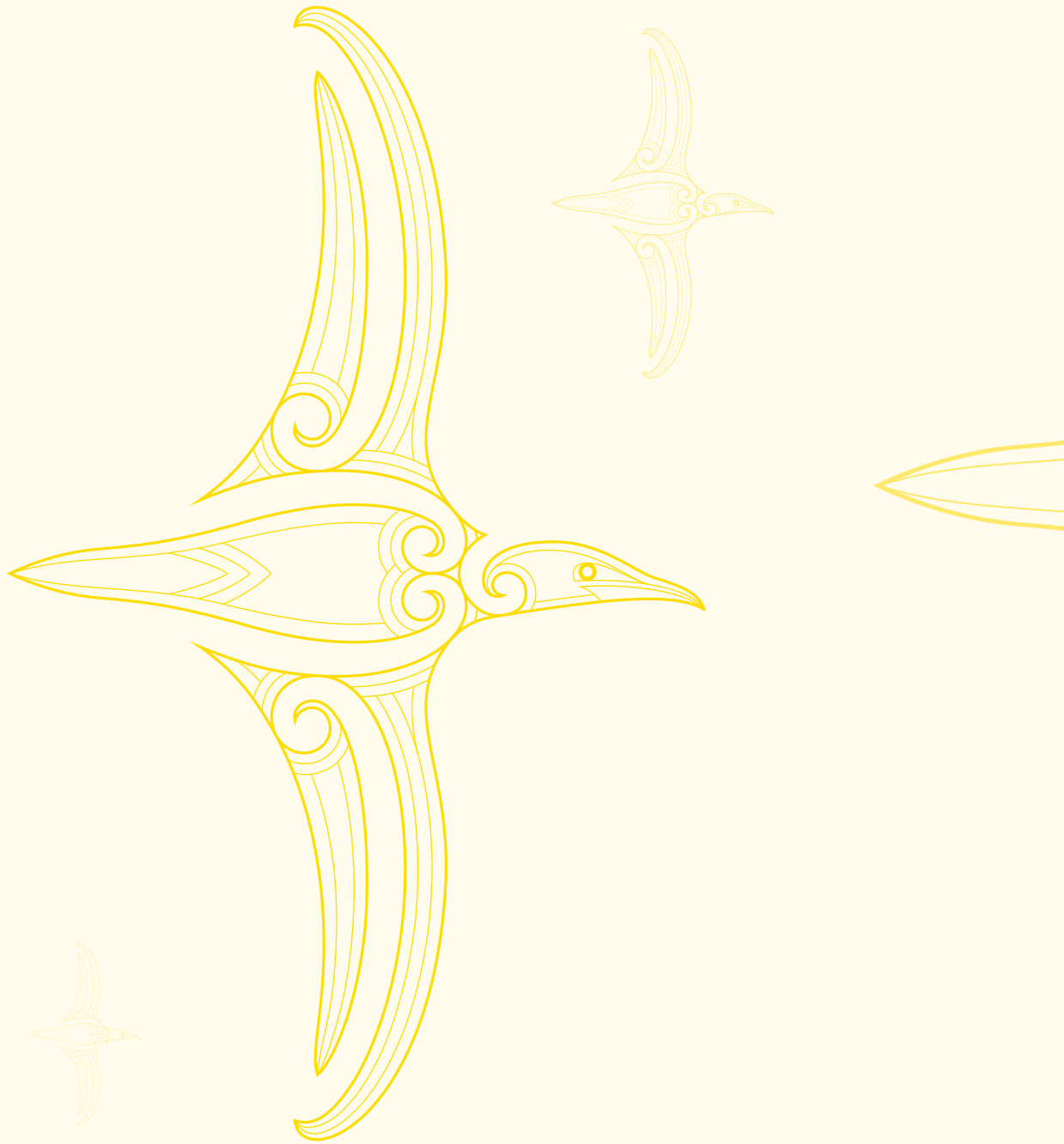
Statement of Performance Expectations

20 27



1 July 2026 – 30 June 2027





Presented to the House of Representatives pursuant to section 149 of the Crown Entities Act 2004

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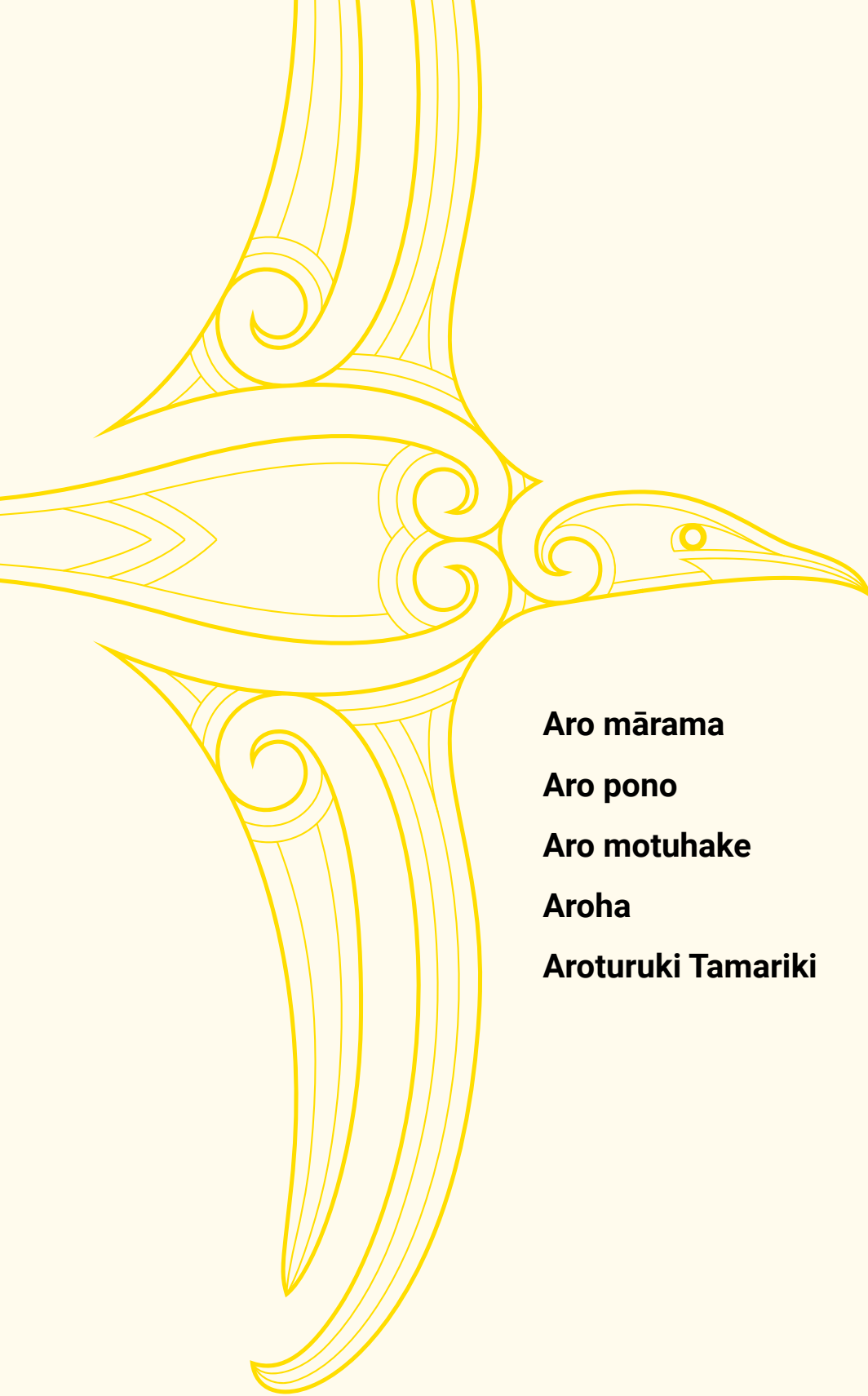
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Aro mārama

Clear insight

Aro pono

Truthful insight

Aro motuhake

Independent insight

Aroha

Caring insight

Aroturuki Tamariki

*Independent
Children's Monitor*

Statement of Responsibility

This Statement of Performance Expectations has been prepared in accordance with the requirements of Part 4 of the Crown Entities Act 2004 (the Act) including generally accepted accounting practice.

Aroturuki Tamariki, the Independent Children's Monitor (Aroturuki Tamariki) was established as an independent Crown entity on 1 August 2025. This document has been produced, in compliance with Section 149 of the Act, setting performance expectations for 2026/27.

This Statement of Performance Expectations sets out forecast financial and non-financial information for 2026/27. The contents reflect our objectives under the Oversight of Oranga Tamariki System Act 2022 (the Oversight Act) and align with our strategy as described in the Statement of Intent 2025-2029.



Dr Ang Jury
Chair



Rev Murray Edridge
Member

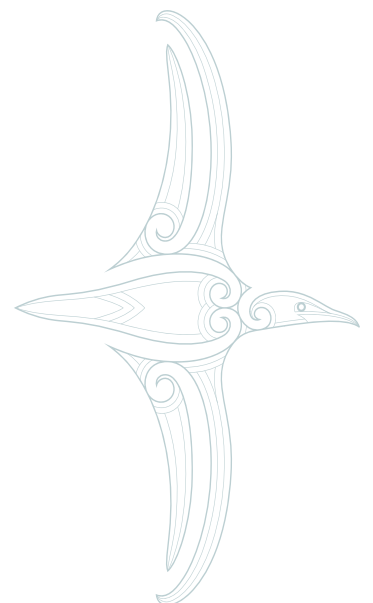


Hon Jo Goodhew
Member

11 June 2026

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Introduction

We are pleased to introduce this Statement of Performance Expectations (SPE) for 2026/27. This is our first full-year SPE, having been established as a Crown entity on 1 August 2025.

During our first months governing Aroturuki Tamariki | Independent Children's Monitor, we have considered how to best support the organisation and its role in the oranga tamariki system. We were joined by Te Kāhui and our oversight system partners in February to wānanga about improving accountability from those working directly with tamariki and whānau and our impact to date. This informed a new strategy for our organisation which is now described in a Statement of Intent (SOI). The SOI makes clear our strategic priorities and the change we seek in the medium term. The SOI should be read alongside this SPE for context.

Within discussions about our future as an organisation, we are focusing resources for best effect. Setting clear strategic intentions has informed our work programme and will guide how we monitor performance for continuous improvement.

This year, monitoring teams will be visiting Tāmaki Makaurau (Auckland) through to end December 2026 followed by Upper South and Taranaki/Manawatu in the first half of 2027. These regions have been visited previously (in either 2023 or 2024) so it is good to be going back and speaking with tamariki, rangatahi, whānau, caregivers and community professionals again to hear if anything has changed since we were last there. For example, in our reports we have identified inconsistencies across the country when it comes to social worker capacity. We will be wanting to see that the system is working at its best in all parts of the country and that tamariki are being visited when needed.

We are looking forward to publishing the first State of the Oranga Tamariki System report in 2027. This is an opportunity to identify the main ways the system is fulfilling its obligations to tamariki, rangatahi and their whānau at the time that they need its services and support.

As a board, we will continue to guide the organisation, ensuring we are meeting legal and accountability obligations. Some new systems and processes supporting our status as a Crown entity will still require testing across a full year. There will be continued exploration of AI and development of an information data explorer to increase accessibility of information to drive good decision-making.

The board of Aroturuki Tamariki | Independent Children's Monitor

About us

What we do

Aroturuki Tamariki is the independent monitor of the oranga tamariki system.

We check that organisations supporting and working with tamariki and rangatahi and their whānau and families, are meeting their needs, delivering services effectively, and improving outcomes.



We monitor compliance with the Oranga Tamariki Act and associated regulations, including the National Care Standards Regulations. We also look at the quality of practice, and identify areas for improvement, across the wider oranga tamariki system under the Oversight Act.

The stories and lived experiences of tamariki and rangatahi, their whānau, caregivers and community are at the centre of our monitoring approach. We also talk with government organisations (such as Oranga Tamariki, NZ Police, and the Ministries of Health and Education) and community organisations including iwi and Māori organisations and those with care and custody of tamariki and rangatahi. These voices of experience help us understand how well services are working together in a community to improve outcomes for tamariki and rangatahi.



Compliance with the Oranga Tamariki Act, National Care Standards, and other regulations.



The quality and impact of service delivery and practices.



Outcomes for children, young people, families and whānau who receive services and support.

Establishment and purpose

Aroturuki Tamariki is established by the Oversight Act. We are an independent Crown entity governed by a board that is appointed by the Governor General on recommendation by the responsible Minister, the Minister for Social Development and Employment.

Under the Oversight Act, our role is to carry out objective, impartial, and evidence-based monitoring of the oranga tamariki system. The formal objectives of our monitoring and advice are to:

assess how the oranga tamariki system supports the rights, interests, and well-being of tamariki, rangatahi and whānau experiencing the system

assess whether powers used under the Oranga Tamariki Act 1989 are being used appropriately and consistently

support public trust and confidence in the oversight of the oranga tamariki system

drive continuous improvement by identifying areas of high performance and areas for improvement in the oranga tamariki system

inform understanding of the oranga tamariki system and its interface with other systems

support decision making.

Who we are and how we work

We are an independent Crown entity, governed by a board. Responsibility for our entity is held by the Minister for Social Development and Employment.

Aroturuki Tamariki is funded by an appropriation within Vote Social Development. The intention of this funding is to achieve a strengthened independent monitoring and assurance function to provide oversight of the oranga tamariki system.

Aroturuki Tamariki has a workforce of



68
kaimahi
(65.4 full-time equivalents).

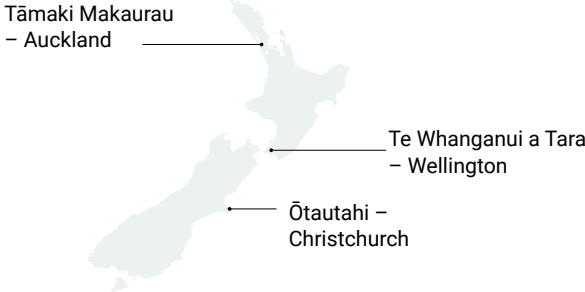


The organisation is managed by an Executive Leadership Team and supported by Te Kāhui – our Māori advisory group.



Over two-thirds of our kaimahi are focused on gathering, analysing and reporting information, with an emphasis on the voices of those experiencing the system.

Operational teams who visit communities are situated in Tāmaki Makaurau (Auckland), Te Whanganui-a-Tara (Wellington) and Ōtautahi (Christchurch). Organisational and support services are primarily based in Te Whanganui-a-Tara.



Working as a member of the oversight system

We work with the Ombudsman and Mana Mokopuna - the Children’s Commissioner, to provide collective oversight of the oranga tamariki system. The Oversight Act, alongside the Children’s Commissioner Act 2022, clarifies the three agencies’ responsibilities and accountabilities for advocacy, monitoring, and complaints and investigation of the system.

We work closely and meet regularly with our oversight partners at an operational and executive level. We collaborate on key issues, with each agency using the tools available to it to uphold the rights and interests and improve the well-being of tamariki and rangatahi who are receiving, or have previously received, services or support through the oranga tamariki system.

Strategic intentions

The board of Aroturuki Tamariki formed and began its governance role in 2025. An early priority was to review organisational strategy. In February 2026, we brought together stakeholders including Te Kāhui and our oversight system partners to reflect on impact to date and forward objectives. From this and internal hui, a new strategic framework was developed.

Our planning and setting of performance objectives for the current financial year align with our strategy, illustrated on the next page.

As shown in our framework, the board identified three strategic priorities and connected outcomes for the organisation which direct our overall strategy, being:

Positive change – Transparent system performance and accountability

Partnership – Collaboration that prioritises tamariki and whānau

Trust – Increased trust in our role and insights.

We have developed a work programme to guide how we deliver against this strategy in the medium-term. Key activities planned for 2026/27 are described in the next section, including what we will do and how we will measure progress to achieve our goals.

More detail about our strategic intentions can be found in our Statement of Intent 2025–2029.

Our vision

A system trusted to do the best for tamariki, rangatahi and their whānau

PRIORITIES: **Trust** **Partnership** **Positive change**

OUTCOMES: *Increased trust in our role and insights* *Collaboration that prioritises tamariki, rangatahi and whānau* *Transparent system performance and accountability*

IMPACTS:	A broad range of tamariki and rangatahi have shared their experiences	Improved insight through our relationships with iwi and Māori organisations	Our reports are clear about what is effective to drive positive change for tamariki, rangatahi and their whānau
	Professionals work with us and have used our insights	The oversight entities have strengthened collective influence	Areas of inequity are identified for the system to address
	Agencies respect the oversight role and trust our findings	At all levels, the rights and interests of tamariki and rangatahi are prioritised	Experiences and our insights inform future monitoring

Delivery and performance

Overview of the year ahead

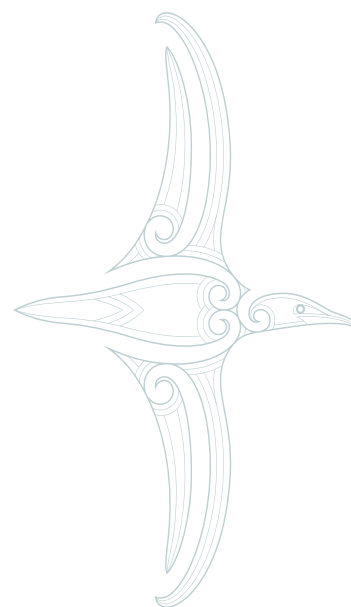
In 2026/27 we expect most of the new processes and systems, established as a new independent Crown entity, will become business as usual, with some continued refinement. The previous year saw a small amount of additional recruitment but we go into this year with a full team across the work we need to deliver.

We anticipate some additional activities (for example, creation of a briefing to the incoming Minister) and guidance being provided to kaimahi due to it being a General Election year. Technology continues to be a focus and we will engage some resource in cyber security, AI and disaster recovery to help ensure our systems are safe, resilient and efficient.

The board is now settled into a pattern of meetings and is across policies and systems. Board members' understanding of the monitoring role will be rounded out this year through attending community hui to observe the share-back process.

Kaimahi are adapting well to the Crown entity model of operation. We continue to improve how we provide information to support the board to fulfil its governance responsibilities.

As always, our monitors will be out in the community listening to the whakaaro of tamariki, rangatahi, whānau and those who support them to know what's working and what needs to improve. These voices of experience will inform our analysis for our two annual reports – on outcomes for tamariki and rangatahi Māori and compliance with the National Care Standards regulations. Everything we have heard over the past three years will inform the development of our first State of the oranga tamariki system report for the period July 2023 – June 2026.



Our output classes

Our outputs are organised to reflect our function to monitor the performance of the oranga tamariki system. Resourcing and performance expectations align with three outputs:

- Monitoring
- Analysis
- Reporting

The table below provides a summary of what we will be measuring to gauge performance against each of the three outputs and how these measures primarily link to our strategic priorities.

Output	Summary of performance measures	Link to strategic priorities
Monitoring	Number of regional visits per year	Trust/Partnership
	Monitoring visits reflect tikanga	Partnership
	Surveyed participants indicate they will make changes	Positive change
Analysis	Accuracy and quality of report content	Trust
Reporting	Final reports provided as required by our legislation	Trust
	Agencies make commitments to implement changes	Positive change

Performance objectives

This section describes our three output classes, key activities in those areas for the 2026/27 year, performance standards and how we will measure progress and achievement.

Monitoring

Engaging with communities to check how the system is working

What we do

We undertake monitoring visits to all regions across Aotearoa New Zealand once every three years to understand how the oranga tamariki system is working for tamariki, rangatahi and whānau.¹ We meet with government agencies, iwi and Māori as well as non-government providers to understand how their services are impacting tamariki, rangatahi and whānau. We engage using our tikanga approach to:²

- uphold the mana of each community we visit
- recognise the importance of whanaungatanga
- understand and reflect information and insights from our visits.

Our monitoring in each region takes approximately 20 weeks. This includes time spent in the community speaking with tamariki, rangatahi, whānau and caregivers, as well as professionals, ending with a hui to share back our findings. Along with our Data and Insights team, we code the information gathered from participants as part of the theming and analysis process ensuring privacy is prioritised.

We publish the information we share back to communities on our website to increase the accessibility and transparency of our work.

Key activities in 2026/27

This year the monitoring is taking place in the Tāmaki Makurau, Upper South and Taranaki-Manawatū regions. Alongside our monitoring schedule, we will be implementing a new coding system following completion of a review of our analysis approach in 2025/26.

¹ aroturuki.govt.nz/our-visits/monitoring-map

² aroturuki.govt.nz/assets/Uploads/Documents/Core-documents/Our-Tikanga-Approach.pdf

We will also:

- socialise our findings and insights about how play, active recreation and sport contribute to outcomes for tamariki and rangatahi in the oranga tamariki system
- continue to develop and implement our continuous improvement programme delivered through the practice team and the regional managers
- engage with rangatahi detained in two youth units managed by Ara Poutama, Department of Corrections, to understand the effectiveness of transition support services they receive and the types of support provided by Oranga Tamariki
- engage with women and their tamariki in the mothers and babies units managed by Ara Poutama, Department of Corrections to understand the services and supports provided by the Oranga Tamariki system in supporting them to care for their tamariki in prison.

Projected revenue and expenditure

Output 1: Monitoring	2026/27 \$000
Revenue	9,025
Expenses	9,344
Surplus/(Deficit)	(319)

Performance measures

Measure	Expected to be achieved in 2025/26	Our standard for 2026/27
Complete visits to at least three regions each year to understand how the oranga tamariki system is experienced.	Achieved	Achieved

Why we measure this

We made a commitment to engage with at least three regions each year so that we could get to all of our 10 regions on at least a three-yearly monitoring cycle of visits to listen to local views. This measure also relates to how we achieve our monitoring function under legislation (s14(2)a-c of the Oversight Act), assessing compliance, quality, impacts and outcomes for those receiving services from the system. This measure is reportable under the Independent Children Monitor's appropriation within Vote Social Development and accounts for a large portion of where we focus our resources.

How we track performance

Our monitoring cycle is set in advance, notified on our website and then each visit is planned in detail. To make visits useful and meaningful, we conduct regional analysis, plan our approach and engagement, and hold socialisation hui in the region with local professionals before we visit so they can have input and feel prepared. Our on-site monitoring work culminates in a share back to participants (evidence includes dated slides, documents and emails). The relevant Regional Manager is responsible for keeping the visit on track and regular assurance of this is provided internally, with bi-monthly reporting to the board and quarterly reporting to our Minister. Overall achievement of this measure is supplied in our annual report.

Measure	Expected to be achieved in 2025/26	Our standard for 2026/27
The number of monitoring visits that incorporate a tikanga Māori approach and engagement with mana whenua ³	New measure	Three

Why we measure this

It is important to us that our monitoring practice reflects a te ao Māori approach. We want to be respectful in our engagements, be good manuhiri and build mutual understanding for ongoing relationships.

3 In 2025/26 the measure was: "Regional visits reflect the tikanga of the community within which the Independent Children's Monitor operates including sharing with the community what we heard". The amended measure wording and standard for 2026-27 better align with the measure on the completion of regional visits.

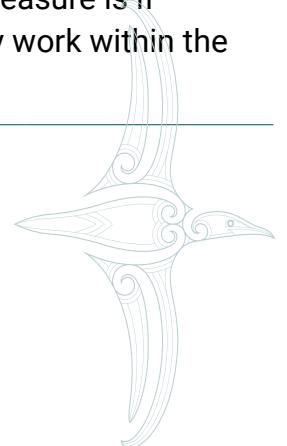
How we track performance

Monitoring activities are tailored to acknowledge the tikanga of each community and those engaged with. Before visiting a region, we make an initial assessment of the relevant mana whenua and iwi connections within that region. The Monitor then connects with mana whenua and iwi prior to beginning monitoring activities in each region to build and maintain effective working relationships. Monitoring teams are made aware of specific tikanga in a rohe before visiting to ensure they feel prepared and can respond appropriately to custom where relevant. Evidence includes the initial assessments, communications with mana whenua, pre-monitoring hui notes (Te Pātaka) and collateral.

Measure	Expected to be achieved in 2025/26	Our standard for 2026/27
The percentage of community professionals surveyed who say they have made, or plan to make, changes to the way they or their organisation works – following our regional share back	New measure	50%

Why we measure this

We share the high-level findings and key themes from our monitoring visits with communities at the conclusion of regional visits. We received positive anecdotal feedback about our share back process. Participants said that they contain valuable information for those working in the community and the share back hui is an opportunity to connect with kaimahi from other organisations. In 2024/25 we began surveying community professionals about how they had found our monitoring approach and how helpful the share back process was to their work. We want to continue hearing if our approach is positive for participants and helpful in terms of influencing actual change. We get high ratings about our work and that participants would recommend others participate in monitoring visits. However, we feel the most important measure is if participants are inspired to create change or improvements in how they work within the system.



How we track performance

We send a survey link to community professionals we met with at the end of a monitoring visit. The survey is anonymous and we send reminders to increase the response rate – although our focus is not on the response rate. It is more important that our work is having an impact and if around half of those participating say they will make changes then that is a good result. In 2024/25, an overall 59 percent of respondents said they had made, or plan to make, changes to the way their organisation works as a result of what we shared. We have selected 50 percent as an initial standard – reflecting our aim to have positive impact at a local level.

Analysis

Gathering, managing and analysing data

What we do

The Data and Insights function is kaitiaki of agency and monitoring data for Aroturuki Tamariki. We lead regular and ad hoc requests for data and information from agencies, ensuring all information is privacy protected. We measure outcomes, compliance and changes over time and undertake theming and analysis of the qualitative data gathered from monitoring engagements, which then helps determine findings. Data assurance and review processes are conducted to ensure accurate analysis and reporting.

We look for opportunities to share information with hapū, iwi and Māori organisations, ensuring all information is privacy protected and securely handled.

Key activities in 2026/27

This year, we will be:

- managing information requirements and requests to various agencies and sources for visits and reports
- providing the analysis for each of the scheduled reports
- leading production of some share back documents
- updating indicator outcome explorer dashboard (Māori outcomes⁴)
- building databases and pipelines to improve efficiency and grow data maturity
- supporting implementation of refreshed codes and share backs.

Projected revenue and expenditure

Output 2: Analysis	2026/27 \$000
Revenue	2,534
Expenses	2,312
Surplus/(Deficit)	222

Performance measure

Measure	Expected to be achieved in 2025/26	Our standard for 2026/27
The percentage of our reports that go through a three-stage data quality control process to ensure accuracy of content	New measure	100%

Why we measure this

We need to be confident that the information we present is accurate. New Zealanders need to be able to trust what we do, and high accuracy supports the credibility of the system as well as our organisation.

How we track performance

The team has a quality control process that is understood by kaimahi, maintained by the manager and captured in our report planner. Quality control includes a three-stage check of data in reports before publication: on an initial draft; on the final draft after agency review; and at the final proofreading stage (in layout). These versions are retained to show if any corrections were required.

4 To help understand how life is going for tamariki and rangatahi Māori, and adult Māori, who are or have been involved in the oranga tamariki system, we look at a range of outcome indicators, including for those with a recognised disability. These indicators were developed for our 2023/24 report following consultation with Oranga Tamariki strategic partners, iwi and Māori organisations, and guidance from Te Kāhui – our Māori Advisory Group. The outcome indicators offer insights about tamariki, rangatahi and adults. The indicators also help identify potential gaps and opportunities in the oranga tamariki system where fit-for-purpose services and supports for tamariki and rangatahi Māori could lead to better outcomes and lives.

Reporting

Influencing change and commitment to tamariki and whānau

What we do

The reporting function produces reports and reviews which identify within the oranga tamariki system:

- areas of high performance
- areas for improvement
- extent it supports the rights, interests and well-being of tamariki and rangatahi.

A series of annual, regular and unique reports are required by the Oversight Act and are utilised by the agencies that are the subject of the reports, our oversight system partners and others.

Our Chief Advisor Māori, and advisory group Te Kāhui, provides guidance and support on how we work with and for Māori, and in influencing positive system impact for Māori.

We work to strengthen relationships and collaboration with our oversight partners. All three partners are committed to increasing awareness and effectiveness of our collective and individual roles. Due to the close working relationship between the three partners, a previous measure '*Oranga tamariki oversight system partners are satisfied with and use Aroturuki Tamariki reports to support them in their functions and duties*' has been discontinued for 2026/27.

This function also leads on organisational development through the review and improvement of internal, operational policy and practice.

Key activities in 2026/27

This year we will:

- produce the annual report on compliance with the National Care Standards regulations (as required by s23 of the Act)
- produce the annual report on outcomes for Māori children, young people and their whānau (as required by s24 of the Act).
- produce our first State of the oranga tamariki system report. This report is required at least once every three years (s22 of the Act).

Projected revenue and expenditure

Output 3: Reporting	2026/27 \$000
Revenue	1,827
Expenses	1,730
Surplus/(Deficit)	97

Performance measures

Measure	Expected to be achieved in 2025/26	Our standard for 2026/27
Prepares and provides final reports as described in the Oversight of Oranga Tamariki System Act 2022. ⁵	Achieved	Achieved

Why we measure this

Sections 22–26 of the Oversight Act describe the required range of reports and reviews to be developed by the Monitor plus their expected frequency. Some types of report are required annually, three-yearly or to another timeframe. These are the primary mechanism by which we try to influence change in the system, where needed. This measure is reportable under the Independent Children’s Monitor appropriation within Vote Social Development.

How do we track performance?

The organisation plans report production well in advance, aligned to our monitoring visit schedule. Year-by-year production is signalled in the annual Statement of Performance Expectations. Evidence of report progress will be reported in bi-monthly board reports and to the Minister responsible for the Monitor on a quarterly basis. Final reports are sent to relevant agencies and presented to Parliament, with these communications providing further evidence of both production and delivery.

⁵ The number of reports required each year varies depending on the year and if any special reports have been commissioned under our legislation.

Measure	Expected to be achieved in 2025/26	Our standard for 2026/27
Agencies who are the subject of a final report make commitments to implement changes based on report findings.⁶	88%	90%

Why we measure this

Chief executives of agencies that are the subject of our final reports are required (under s30 of the Act) to respond in writing about what changes they will make, the timeframe for changes and how these will be monitored. This is a critical lever for the Independent Children’s Monitor so that the findings we make are met with tangible commitments from those in a position to create change.

How we track performance

Formal letters are emailed to relevant agencies with final reports. Agency responses are required by legislation (within 20 or 35 working days depending on the type of report). Our reports and the agencies’ responses are published on our website. Chief executives of agencies responding to our reports regarding compliance with National Care Standards regulations also provide a progress report within four months of making their initial commitments (in compliance with s30A).



⁶ This is also a reportable class of outputs within Vote Social Development.

Organisational support

A number of functions work across the organisation supporting our three output classes of Monitoring, Analysis and Reporting. These include human resources, learning & development, finance, communications, IT, strategy, performance and administration.

Kaimahi in these areas develop and maintain internal corporate policies, tools and resources so that the board, Māori advisory group and kaimahi have what they need to do their work well. They also manage publication of our reports, promote awareness of our work and the role of the oversight system, and support engagement with our stakeholders.

In the 2025 Public Service Census, our staff had one of the highest rates of engagement (88.5 percent) and we were ranked third of 41 public agencies and entities for work satisfaction. We want to ensure our kaimahi remain highly engaged at work and feel confident about delivering their roles and we will continue to measure work satisfaction. The following performance measure links to the organisation’s strategic priority, Trust.

Measure	Expected to be achieved in 2025/26	Our standard for 2026/27
The percentage of kaimahi who say they have the resources and support to do their jobs well	New measure	>90%

Why we measure this

People are our most important resource so we want to make sure they feel a sense of accomplishment in their mahi and have what they need to do it well.

How we track performance

In addition to a dedicated HR specialist, the organisation has a separate Lead for learning and development who creates an annual plan that builds on the organisation’s training, tools and resources. Kaimahi have induction training and accessible learning modules. Building on the 2025 Public Service Census we will conduct an annual staff survey covering how well kaimahi feel resourced, informed and supported to succeed at work. This includes health and safety, an environment free from bullying and harassment, with a positive workplace culture, among other aspects.

Forecast financial statements

The forecast financial statements for the year ending 30 June 2027 have been prepared in accordance with generally accepted accounting practice in New Zealand. They have not been audited and should not be relied upon for any other purpose.

Statement of forecast comprehensive revenue and expense

For the year ending 30 June 2027

	Note	2025/26 Budget \$000	2026/27 Budget \$000
Revenue from the Crown	2	11,446	13,232
Interest income		50	154
Total revenue		11,496	13,386
Less expenses			
Personnel	3	8,588	9,547
Board	4	70	80
Office		643	859
IT and communications		1,055	1,156
Travel	5	422	549
Other operating	6	489	1,105
Depreciation		70	90
Total expenses		11,337	13,386
Total comprehensive revenue and expense		159	-



Statement of forecast changes in equity

For the year ending 30 June 2027

	2025/26 Budget \$000	2026/27 Budget \$000
Balance at 1 July	—	4,332
Retained Earnings	—	—
Total comprehensive revenue and expense	159	—
Contributed Capital	4,173	
Balance at 30 June	4,332	4,332

Statement of forecast financial position

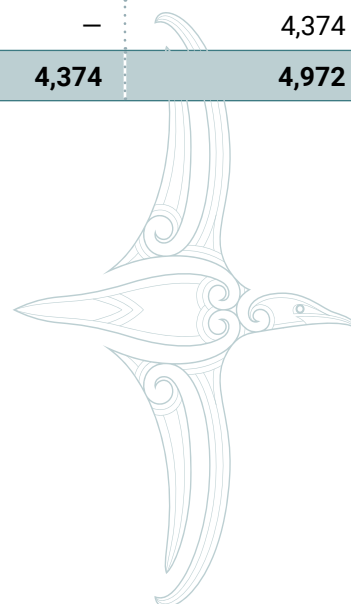
For the year ending 30 June 2027

	2025/26 Budget \$000	2026/27 Budget \$000
Current assets		
Cash and cash equivalents	4,374	4,972
Receivables and prepayments	268	
Total current assets	4,642	4,972
Non-current assets		
Property, plant and equipment	205	160
Total non-current assets	205	160
Total assets	4,847	5,132
Current liabilities		
Payables and accruals	270	235
Other payables	35	355
Total current liabilities	305	590
Non-current liabilities		
Provisions	210	210
Total non-current liabilities	210	210
Total liabilities	515	800
Net assets	4,332	4,332

Statement of forecast cash flows

For the year ending 30 June 2027

	2025/26 Budget \$000	2026/27 Budget \$000
Cash flow from operating activities		
Cash provided from:		
Revenue from the Crown	11,446	13,232
Interest received	50	154
Cash disbursed to:		
Payments to employees	(8,350)	(9,270)
Payments to suppliers	(2,670)	(3,468)
Net cash flow from operations	476	648
Cash flow from investing activities		
Cash was disbursed to:		
Purchase of property, plant and equipment	(275)	(50)
Net cash flow from investing activities	(275)	(50)
Cash flow from financing activities		
Cash provided from:		
Capital contribution from the Crown	4,173	–
Net cash flow from financing	4,173	–
Net increase in cash and cash equivalents	4,374	
Add: opening cash and cash equivalents	–	4,374
Closing cash and cash equivalents	4,374	4,972



Reporting entity, basis of preparation and summary of significant accounting policies

Reporting entity

The Independent Monitor of the Oranga Tamariki System [the Monitor], operationally known as Aroturuki Tamariki | Independent Children's Monitor, is an independent Crown entity established under the Oversight Act. The Independent Children's Monitor was incorporated on 1 August 2025 (following amendment of the Oversight Act by the Oversight of Oranga Tamariki System Legislation Amendment Act 2025).

We are responsible under the Oversight Act for monitoring the oranga tamariki system.

Due to the level of total expenses, we are classified as a Tier 2 entity. Our prospective financial statements have been prepared in accordance with PBE accounting standards. The prospective financial statements were approved by the Independent Children's Monitor Board on 11 June 2026.

Statement of compliance

These prospective financial statements have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The prospective financial statements have been prepared in accordance with Tier 2 PBE Standards and disclosure concessions have been applied (PBE Standards RDR). This includes PBE FRS 42 Prospective Financial Statements.

These prospective financial statements have been prepared on a going concern basis.

Reporting period

This is the first prospective financial statements which have been prepared for the full financial year. Prior year comparatives are for 11 months from 1 August 2025, the date of establishment of the Monitor as a Crown entity through to the 30th of June 2026. Prior to 1 August 2025 the Independent Children's Monitor was a Departmental Agency within the Education Review Office.

Measurement base

The prospective financial statements have been prepared on an historical cost basis, unless otherwise specified.

Functional, presentation currency and rounding

The prospective financial statements are presented in New Zealand dollars, which is also the functional currency of the Monitor. All values are rounded to the nearest thousand dollars (\$000) unless otherwise specified.

Significant accounting policies

Revenue from the Crown

The Monitor is funded through revenue received from the Crown, which is restricted in its use for the purpose of the Monitor meeting its objectives as specified in the legislation. The Monitor considers that there are no conditions attached to the Crown funding and as such it is recognised as revenue at the point of entitlement and is measured at the fair value of consideration received or receivable.

Goods and services tax (GST)

Items in the prospective financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the prospective statement of financial position. The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the prospective statement of cash flows.

Income tax

The Monitor is a public authority and consequently is exempt from the payment of income tax under the Income Tax Act 2007. Accordingly, no provision has been made for income tax.

Operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to the Monitor are classified as operating leases. Payments are recognised as an expense on a straight-line basis over the term of the lease in the Prospective statement of comprehensive revenue and expense.

Property, plant and equipment

Property, plant and equipment are recognised at cost less accumulated depreciation and impairments. Depreciation is provided on a straight-line basis over their useful lives.

Changes in accounting policies

The accounting policies set out above have been applied consistently in these prospective financial statements.

Significant assumptions and explanatory notes relating to the prospective financial statements

1. General

The following assumptions have been used in preparing these prospective financial statements:

- The Monitor will continue to operate in its current structure and form.
- The Monitor's statutory functions will remain unchanged.
- Externally driven costs have been adjusted based on known actuals or estimated based on inflation.
- There will be no unexpected external events (such as a natural disaster) that will require significant operating or capital expenditures to be incurred.

Should any of these factors change this could lead to a material difference in the forecasted results.

2. Revenue from the Crown

The Crown provides funding for the Monitor to perform its legislated function.

3. Personnel costs

The forecast reflects staffing levels required to maintain and perform the legislated function of the Monitor. Since becoming an Independent Crown Entity, the Monitor has recruited a full complement of staff. The current forecast reflects no attrition or vacancies which was seen in the first 11 months of operating.

4. Board expenses

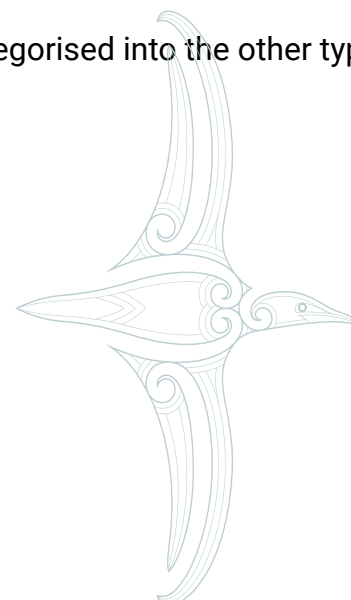
These are primarily Board member fees.

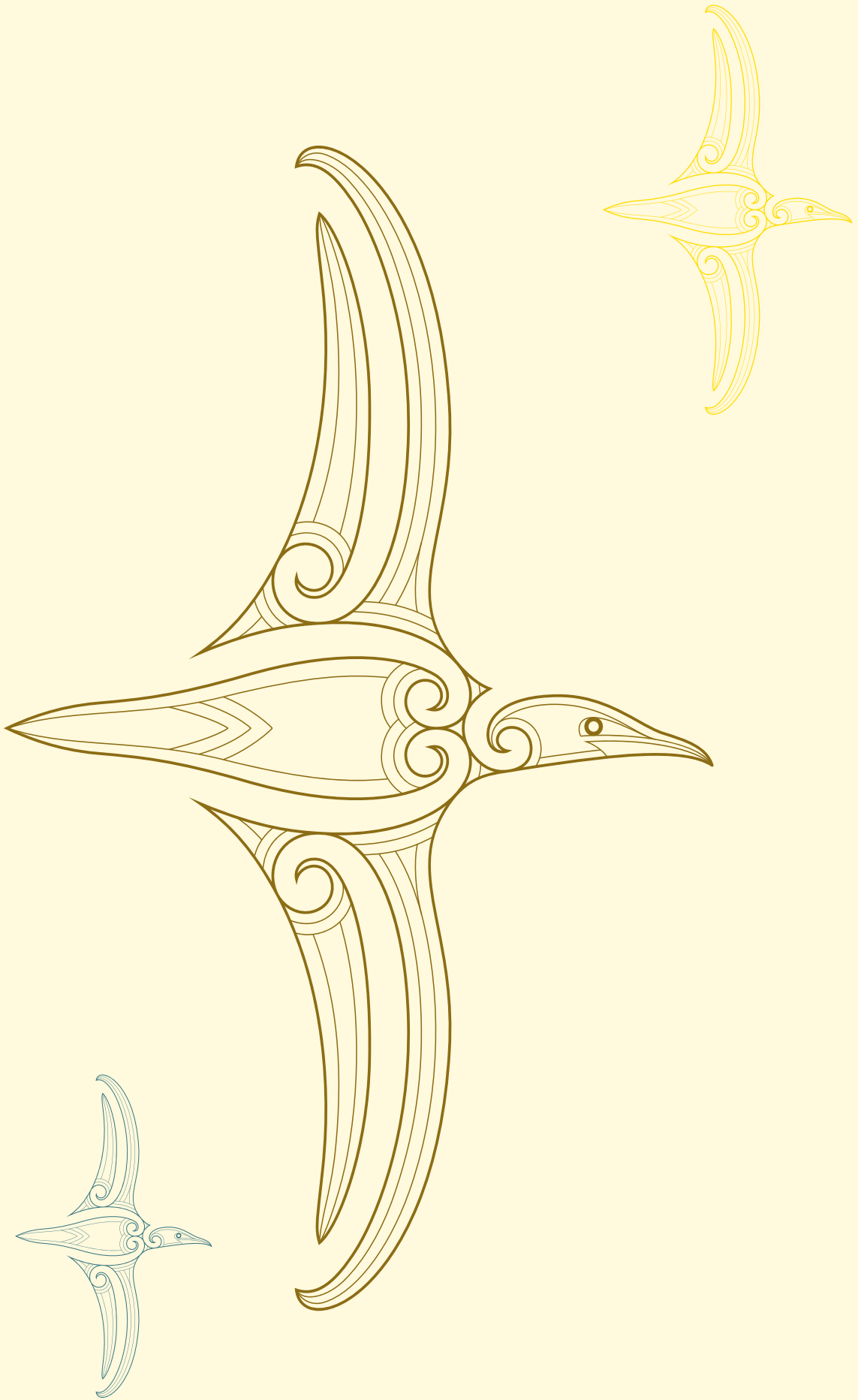
5. Travel costs

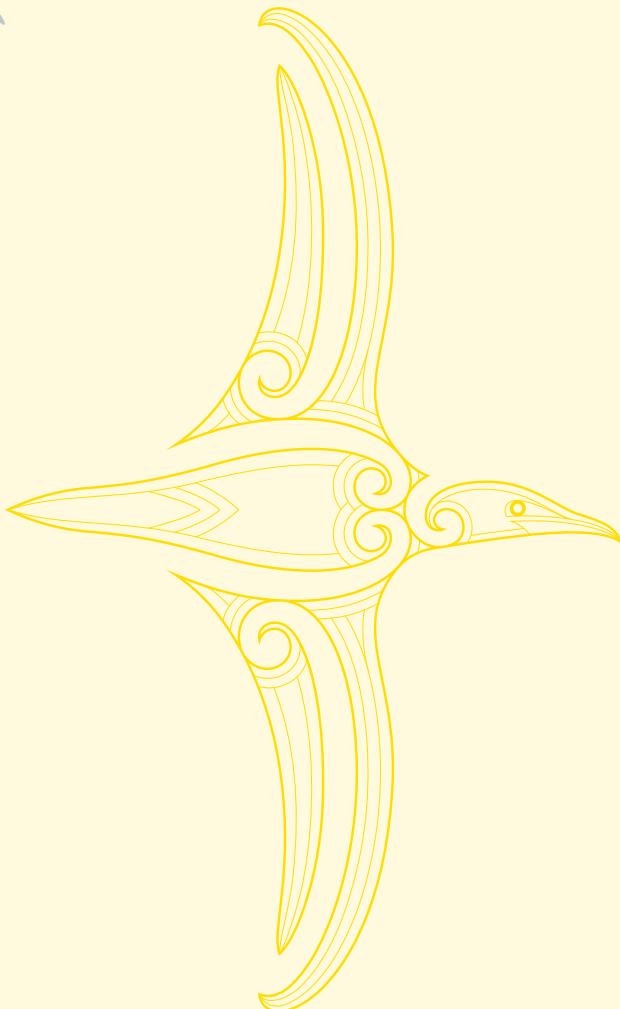
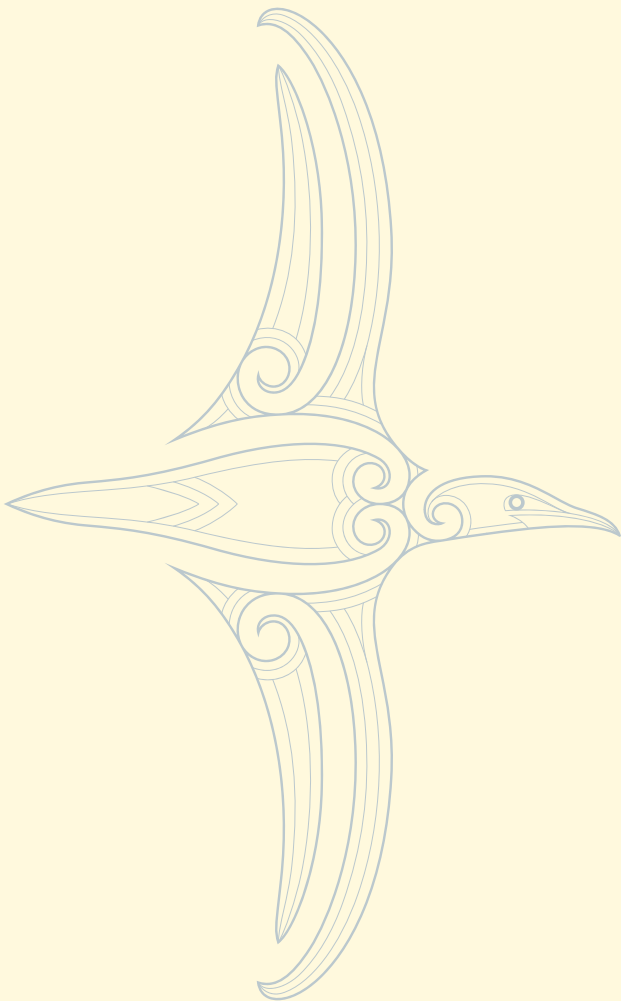
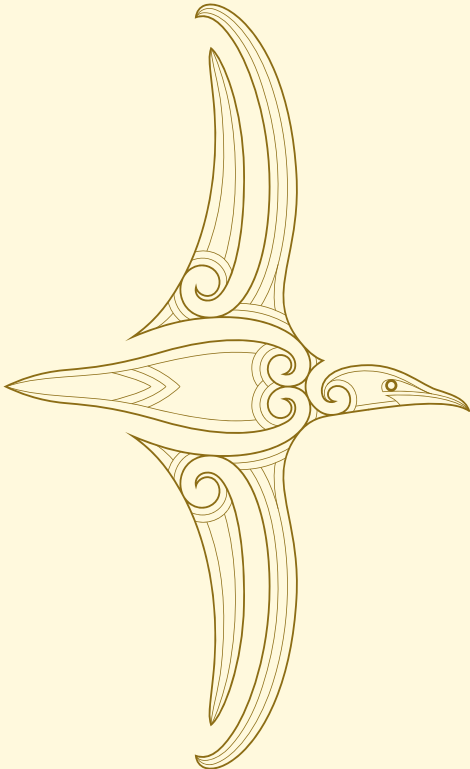
Travel costs, including domestic and international travel primarily for the purposes of carrying out monitoring visits.

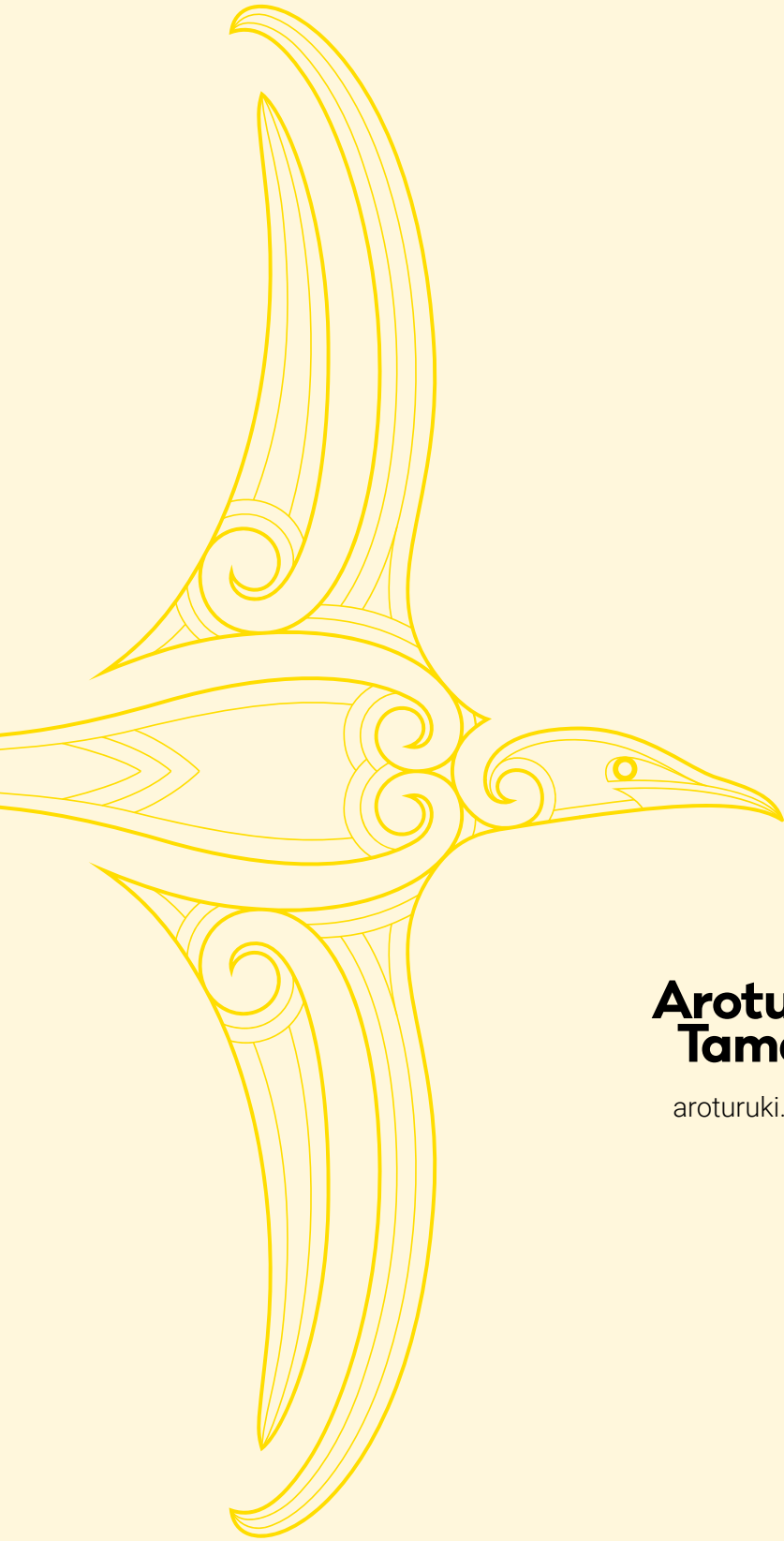
6. Other operating costs

Forecasted other costs includes costs not otherwise categorised into the other types and are generally small or miscellaneous in nature.









**Aroturuki
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