

OFFICE OF THE OMBUDSMAN FOR CHILDREN

**FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008**

OFFICE OF THE OMBUDSMAN FOR CHILDREN

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OFFICE OF THE OMBUDSMAN FOR CHILDREN

GENERAL INFORMATION

Head Office	Millennium House 52-56 Great Strand Street Dublin 1
Telephone Number:	01 865 6800 1890 654 654
Fax Number:	01 8747 333
Website:	www.oco.ie
Email Address:	oco@oco.ie
Auditors:	Comptroller and Auditor General Dublin Castle Dublin 2

OMBUDSMAN FOR CHILDREN

Report of the Comptroller and Auditor General for presentation to the Houses of the Oireachtas

I have audited the financial statements of the Ombudsman for Children for the year ended 31 December 2008 under the Ombudsman for Children Act, 2002.

The financial statements, which have been prepared under the accounting policies set out therein, comprise the Statement of Accounting Policies, the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes.

Respective Responsibilities of the Ombudsman for Children and the Comptroller and Auditor General

The Ombudsman for Children is responsible for preparing the financial statements in accordance with the Ombudsman for Children Act, 2002, and for ensuring the regularity of transactions. The Ombudsman for Children prepares the financial statements in accordance with Generally Accepted Accounting Practice in Ireland. The accounting responsibilities of the Ombudsman for Children are set out in the Statement of Responsibility.

My responsibility is to audit the financial statements in accordance with relevant legal and regularity requirements and International Standards on Auditing (UK and Ireland).

I report my opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland. I also report whether, in my opinion, proper books of account have been kept. In addition, I state whether the financial statements are in agreement with the books of account.

I report any material instance where moneys have not been applied for the purposes intended or where the transactions do not conform to the authorities governing them.

I also report if I have not obtained all the information and explanations necessary for the purposes of my audit.

I review whether the Statement on Internal Financial Control reflects the Ombudsman for Children's compliance with the Code of Practice for the Governance of State Bodies and report any material instance where it does not do so, or if the statement is misleading or inconsistent with other information of which I am aware from my audit of the financial statements. I am not required to consider whether the Statement on Internal Financial Control covers all financial risks and controls, or to form an opinion on the effectiveness of the risk and control procedures.

Basis of Audit Opinion

In the exercise of my function as Comptroller and Auditor General, I conducted my audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and by reference to the special considerations which attach to State bodies in relation to their management and operation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures and regularity in the financial statements. It also includes an assessment of the significant estimates and

judgments made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Ombudsman for Children's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations that I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion, I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion, the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the Ombudsman for Children's affairs at 31 December 2008 and of the income and expenditure and cash flow for the year then ended.

In my opinion, proper books of account have been kept by the Ombudsman for Children. The financial statements are in agreement with the books of account.

Seamus Mc Carthy.

Seamus McCarthy
For and on behalf of the
Comptroller and Auditor General
29 January 2010

**STATEMENT OF RESPONSIBILITY OF THE
OFFICE OF THE OMBUDSMAN FOR CHILDREN**

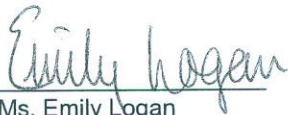
The Ombudsman for Children is required by Section 17 (1)(2) of the Ombudsman for Children Act 2002 to prepare financial statements for each financial year of all proper and usual accounts of moneys received or expended by her in the performance of her functions under the Ombudsman for Children Act 2002.

In preparing these statements, the Office is required to:

- * select appropriate accounting policies and apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * prepare the accounts on the going concern basis unless it is inappropriate to presume that the Office will continue in business;
- * disclose and explain if there are any material departures from applicable accounting standards.

The Ombudsman for Children is responsible for ensuring that proper accounting records are kept by the Office of the Ombudsman for Children with records that disclose with reasonable accuracy at all times its financial position and to ensure that the financial statements comply with the Ombudsman for Children Act, 2002.

The Ombudsman for Children is also responsible for safeguarding the offices assets and to take appropriate steps for the prevention and detection of fraud and other irregularities, and also for ensuring compliance with late payments legislation.



Ms. Emily Logan
Ombudsman for Children

OFFICE OF THE OMBUDSMAN FOR CHILDREN
STATEMENT ON INTERNAL FINANCIAL CONTROLS

Responsibility for system of Internal Financial Control

I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated.

The system of internal financial control can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material error or other irregularities are either prevented or would be detected on a timely basis.

Control Environment

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

- * decisions on expenditure rest with the Ombudsman, Director of Education and Participation and/or the Corporate Business Manager as appropriate;
- * management responsibilities are clearly assigned and communicated between the Ombudsman and the Corporate Business Manager;
- * internal reporting relationships are clearly assigned

Risk Assessment

The Ombudsman has begun work on establishing processes to identify and evaluate financial risks by:

- * identifying the nature and extent of financial risks facing the office;
- * assessing the potential of identified risks occurring;
- * evaluating and assessing the internal capacity of the office to manage and mitigate the risks that do occur.

The Office of the Ombudsman for Children had carried out a formal risk assessment process in 2008 and the process was on-going at year end.

Control Mechanism

The system of internal financial control is based on internal management of information, administrative procedures and a system of delegation and accountability. In particular this involves

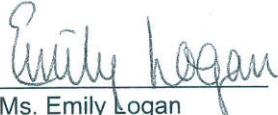
- * regular review by the Ombudsman, Director of Education and Participation and the Corporate Business Manager of financial information.
- * regular team meetings.

OFFICE OF THE OMBUDSMAN FOR CHILDREN

STATEMENT ON INTERNAL FINANCIAL CONTROLS

Mechanisms have been established for ensuring the adequacy of the security of the Office's information (internally within the Office of the Ombudsman for Children) and communication technology systems (in collaboration with the IT section of the Department of Health and Children).

Signed



Ms. Emily Logan
Ombudsman for Children

Date



OFFICE OF THE OMBUDSMAN FOR CHILDREN

STATEMENT OF ACCOUNTING POLICIES

1. Basis of Preparation

The financial statements are prepared on an accruals basis under the historical cost convention, and except as indicated below, are in accordance with generally accepted accounting principles and comply with the accounting policies of the Minister for Health and Children.

The financial statements are in a form approved by the Minister for Health and Children with the concurrence of the Minister for Finance.

2. Period of Financial Statements

These financial statements cover the period 1 January 2008 to 31 December 2008.

3. Oireachtas Grants

Income recognised in the financial statements under Oireachtas Grants represents the amounts paid by the Department of Health and Children in the period.

Grant Income applied for capital purposes and which result in additions to fixed assets are capitalised on the Capital Account.

4 Tangible Fixed Assets

(a) Tangible Fixed Assets are stated at their historical cost or valuation less accumulated depreciation.

Depreciation is provided on a straight line basis at rates which are calculated to write off the assets, adjusted for estimated residual value, over their expected lives as follows:

Fixtures / Fittings & Telephone Equipment	10%
IT and Office Equipment	20%

(b) Depreciation is matched by an equivalent amortisation of the Capital Account.

5 Capital Account

The Capital Account represents the unamortised value of funding applied for the purchase of fixed assets.

6 Pensions

The employees of the Office of the Ombudsman for Children are civil servants and are members of a defined benefits scheme which is unfunded and is administered by the Department of Finance.

The pension entitlements of the Ombudsman for Children who is appointed by the President have not yet been finalised. There is no charge in these financial statements for any liabilities which may arise in respect of the pension of the Ombudsman.

OFFICE OF THE OMBUDSMAN FOR CHILDREN

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 €	2007 €
Income			
Oireachtas Grants	1	2,439,794	2,100,000
Transferred to Capital Account	9	(1,556)	(1,088)
Deposit Interest		222	1,386
Total Income		<u>2,438,460</u>	<u>2,100,298</u>
Expenditure			
Staff Costs	2	1,134,928	811,069
Accommodation Expenses	3	341,100	290,344
Office Administration Expenses	4	423,312	501,810
Seminars and Events	5	467,263	476,236
Total Expenditure for the year		<u>2,366,603</u>	<u>2,079,459</u>
Surplus for the year		71,857	20,839
(Deficit) at beginning of the year		(111,363)	(132,202)
(Deficit) at the end of the year		<u>(39,506)</u>	<u>(111,363)</u>

All recognised gains and losses for the year ended 31 December 2008 have been included in the Income and Expenditure Account.

There are no other gains and losses apart from the gains and losses shown in the two financial years above.

The Statement of Accounting Policies on Page 7 and notes 1 to 12 form part of these financial statements.

Emily Logan

Ms. Emily Logan
Ombudsman for Children

Date:

11th Jan 2010

OFFICE OF THE OMBUDSMAN FOR CHILDREN

BALANCE SHEET AS AT 31 DECEMBER 2008

	Notes	2008		2007	
		€	€	€	€
<u>Fixed Assets</u>					
Tangible Assets	6		106,612		105,056
<u>Current Assets</u>					
Debtors and prepayments	7	8,554		8,195	
Cash on hand and Bank Balances		146,323		94,784	
		<u>154,877</u>		<u>102,979</u>	
<u>Current Liabilities</u>					
Amounts falling due within one year					
Creditors and Accruals	8	<u>(194,383)</u>		<u>(214,342)</u>	
Net Current (Liabilities)			(39,506)		(111,363)
Total Assets less Current Liabilities			<u>67,106</u>		<u>(6,307)</u>
<u>Capital and Reserves</u>					
Non-Capital Income and Expenditure Account (Deficit)			(39,506)		(111,363)
Capital Account	9		106,612		105,056
			<u>67,106</u>		<u>(6,307)</u>

The Statement of Accounting Policies on Page 7 and notes 1 to 12 form part of these financial statements

Emily Logan

Ms. Emily Logan
Ombudsman for Children

Date:

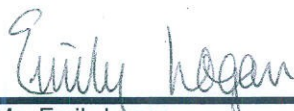
11th Jan 2010

OFFICE OF THE OMBUDSMAN FOR CHILDREN

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

Notes	2008 €	2007 €
Reconciliation of surplus to net cash inflow from operating activities		
Surplus for the year	71,857	20,839
Depreciation Charge	40,892	33,053
Amortisation of Capital Grant	(40,892)	(33,053)
Interest Received	(222)	(1,386)
Decrease / (Increase) in Debtors	(359)	(7,367)
(Decrease) / Increase in Creditors	(19,959)	81,153
Net Cash Inflow from Operating Activities	51,317	93,239
Cash Flow Statement		
Net Cash Flow from Operating Activities	51,317	93,239
Return on Investments and Servicing of Finance		
Interest Received	222	1,386
Capital Expenditure		
Payments to acquire Fixed Assets	6 (42,448)	(34,141)
Financing		
State Grants spend on Fixed Assets	42,448	34,141
Increase in cash	51,539	94,625
Reconciliation of Net Cash Flows to Movement in Net Funds		
Changes in Net Funds resulting from cash flow		
Net Funds at beginning of the year	94,784	159
Net Funds at the end of the year	146,323	94,784
Increase in Cash in the year	51,539	94,625

The Statement of Accounting Policies on Page 7 and notes 1 to 12 form part of these financial statements



Ms. Emily Logan
Ombudsman for Children

Date:

11th Jan 2010

OFFICE OF THE OMBUDSMAN FOR CHILDREN

NOTE TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008 €	2007 €
1 Oireachtas Grants		
Recurrent Grant	2,410,604	2,100,000
Capital Grant	29,190	-
	<u>2,439,794</u>	<u>2,100,000</u>
2 Staff Costs and Employee Information		
Staff Payroll Costs		
Wages and Salaries	1,104,471	767,455
Staff Related Expenses		
Travel and Subsistence	30,457	43,614
Total Staff Costs	<u>1,134,928</u>	<u>811,069</u>
Employee Numbers		
The average number of employees during the year was made up as follows:		
Ombudsman	1	1
Staff	14	14
Total	<u>15</u>	<u>15</u>
3 Accommodation Expenses		
Rent and Rates	327,657	283,812
Maintenance and Refurbishment Expenses	13,443	6,532
	<u>341,100</u>	<u>290,344</u>
4 Office Administration Expenses		
Depreciation	40,892	33,053
Consultancy and Legal	90,779	186,602
Postal and Telephone Costs	25,162	32,778
Website Costs	58,058	50,732
Advertising	4,137	56,163
Office Supplies and Machinery	22,650	16,832
Other Miscellaneous Expenditure	739	1,746
Accountancy	49,649	33,324
Audit	4,250	1,500
Cleaning and Catering	50,888	18,378
Training	10,398	13,154
Translators and Interpreter	33,626	29,011
Light and Heat	19,478	19,884
Premises Insurance	2,500	2,313
Membership/subscriptions	9,354	5,744
Donation	-	200
Bank Charges	752	396
	<u>423,312</u>	<u>501,810</u>

OFFICE OF THE OMBUDSMAN FOR CHILDREN

NOTE TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

5 Seminars and Publications

	2008	2007
	€	€
Promotions and Sponsor	36,197	18,565
Design and Print	111,869	77,996
OCO Projects	148,468	140,599
Publications	22,583	47,726
Photography	8,484	9,513
Room Hire	18,591	1,627
Conference/Seminar expenses	9,719	17,400
Educational Materials Development	5,000	141,608
Media Monitoring Expenses	11,259	9,650
Travel and Subsistence-non staff	24,762	11,552
Development of Digital Media Programmes	3,788	-
	66,543	-
	<u>467,263</u>	<u>476,236</u>

6 Tangible Fixed Assets	Computer & ICT Equipment	Office Equipment	Furniture & Fittings	Total
	€	€	€	€
Cost				
At 1 January 2008	97,831	38,390	58,089	194,310
Additions for the year	33,464	2,474	6,510	42,448
Disposals at Gross Book Value	-	-	-	-
At 31 December 2008	<u>131,295</u>	<u>40,864</u>	<u>64,599</u>	<u>236,758</u>
Accumulated Depreciation				
At 1 January 2008	53,409	24,691	11,154	89,254
Depreciation Charge for the year	26,259	8,173	6,460	40,892
Disposals - Accumulated Depreciation	-	-	-	-
At 31 December 2008	<u>79,668</u>	<u>32,864</u>	<u>17,614</u>	<u>130,146</u>
Net Book Value				
At 31 December 2008	<u>51,627</u>	<u>8,000</u>	<u>46,985</u>	<u>106,612</u>
At 31 December 2007	<u>44,422</u>	<u>13,699</u>	<u>46,935</u>	<u>105,056</u>

7 Debtors and prepayments

	2008	2007
	€	€
Debtors	-	983
Prepayments	8,554	7,212
	<u>8,554</u>	<u>8,195</u>

OFFICE OF THE OMBUDSMAN FOR CHILDREN

NOTE TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

8 Creditors and Accruals

	2008	2007
	€	€
Amounts falling due within one year:		
Trade creditors	30,011	-
Accrued Expenses (Pay)	27,378	105,719
Accrued Expenses (Non-Pay)	85,137	95,358
PAYE/PRSI	19,798	6,026
Other creditors	32,059	7,239
	<u>194,383</u>	<u>214,342</u>

9 Capital Account

	2008	2007
	€	€
Balance as at 1st January	105,056	103,968
Allocated to purchase fixed assets	42,448	34,141
Amount amortised in line with asset depreciation	(40,892)	(33,053)
Transfer (to) / from Income and Expenditure Account	1,556	1,088
	<u>106,612</u>	<u>105,056</u>

10 Financial Commitments

Annual commitments in respect of operating leases on rental of Millennium House, 52-56 Great Strand Street, Dublin 1.

Commitments under Operating Leases to pay rentals for the next year were negotiated by the Office of Public Works on behalf of the Ombudsman for Children's Office.

A 20 year lease with rent commencing at €265,675 per annum was agreed.

11 Capital and Other Commitments

There were no capital commitments at 31 December 2008.

12 Related Party Transactions / Disclosure of Interests

The Office of the Ombudsman for Children complies with the Code of Practice for the Governance of State Bodies issued by the Department of Finance in relation to the disclosure of interests by the Ombudsman and members/staff of the Office. Formal procedures exist to ensure adherence with the requirements of the Code.