

**OFFICE OF THE OMBUDSMAN FOR CHILDREN**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2009**

**Ombudsman for Children's Office** • Millennium House • 52-56 Great Strand Street • Dublin 1  
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**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 1800 20 20 40
Fax Number:	01 8747 333
Website:	<a href="http://www.oco.ie">www.oco.ie</a>
Email Address:	<a href="mailto:oco@oco.ie">oco@oco.ie</a>
Auditors:	Comptroller and Auditor General Dublin Castle Dublin 2
Accountants:	Crowleys DFK 16/17 College Green Dublin 2
Solicitors:	Ronan Daly Jermyn Solicitors 12 South Mall Cork
Bankers:	Ulster Bank O'Connell Street Dublin 1

## **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 2009 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 of the Office of the Ombudsman for Children.

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

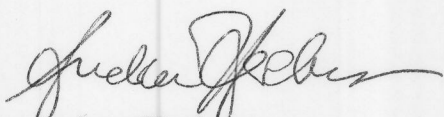
Auditing (UK and Ireland) issued by the Auditing Practices Board and by reference to the special considerations which attach to State bodies in relation to their management and operation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures and regularity 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 2009 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.



**Andrew Harkness**  
**For and on behalf of the**  
**Comptroller and Auditor General**  
**3 February 2011**

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

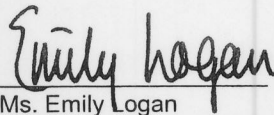
The Ombudsman for Children is required by Section 17 (1)(2) of the Ombudsman for Children Act 2002 to prepare financial statements for each financial year of all proper and usual accounts of moneys received or expended by her in the performance of her functions under the Ombudsman for Children Act 2002.

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 for Children, Director of Education and Participation and/or the Corporate Business Manager as appropriate;
- \* management responsibilities are clearly assigned and communicated between the Ombudsman for Children and the Corporate Business Manager;
- \* internal reporting relationships are clearly assigned

**Risk Assessment**

The Ombudsman for Children 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 has carried out a formal risk assessment process in 2009.

**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).

I confirm that in the year ended 31st December 2009, the Ombudsman for Children's Office conducted a review on the effectiveness of the systems of internal financial control.

Signed Emily Logan  
Ms. Emily Logan  
Ombudsman for Children

Date 2<sup>nd</sup> Feb 2011



## 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 2009 to 31 December 2009.

#### 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 Ombudsman for Children Act 2002 provides that the Minister for Health and Children, with the consent of the Minister for Finance, may make and carry out a superannuation scheme in respect of the Ombudsman for Children. Accordingly, the financial statements do not recognise pension costs and liabilities in respect of the Ombudsman for Children. Pending finalisation of the scheme by the Department of Finance, a scheme based on the civil service model is being operated on an administrative basis.

OFFICE OF THE OMBUDSMAN FOR CHILDREN

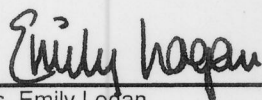
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 €	2008 €
<b>Income</b>			
Oireachtas Grants	1	2,310,000	2,439,794
Transferred to Capital Account	11	23,853	(1,556)
Other income		2,141	-
Deposit Interest		394	222
<b>Total Income</b>		<b>2,336,388</b>	<b>2,438,460</b>
<b>Expenditure</b>			
Staff Costs	2	1,119,387	1,134,928
Accommodation Expenses	3	335,855	341,100
Office Administration Expenses	4	334,955	423,312
Research and Policy	5	61,018	-
Complaints and Investigation	6	157,735	66,543
Seminars and Publications	7	209,181	400,720
<b>Total Expenditure for the year</b>		<b>2,218,131</b>	<b>2,366,603</b>
Surplus for the year		118,257	71,857
(Deficit) at beginning of the year		(39,506)	(111,363)
<b>Surplus/(Deficit) at the end of the year</b>		<b>78,751</b>	<b>(39,506)</b>

All recognised gains and losses for the year ended 31 December 2009 have been included in the Income and Expenditure Account.

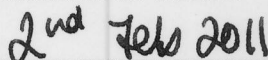
There are no other gains and losses apart from the gains and losses shown in the two financial years above.

The Statement of Accounting Policies on Page 7 and notes 1 to 15 form part of these financial statements.



Ms. Emily Logan  
Ombudsman for Children

Date:



OFFICE OF THE OMBUDSMAN FOR CHILDREN

BALANCE SHEET AS AT 31 DECEMBER 2009

	Notes	2009		2008	
		€	€	€	€
<b><u>Fixed Assets</u></b>					
Tangible Assets	8		82,759		106,612
<b><u>Current Assets</u></b>					
Debtors and prepayments	9	7,095		8,554	
Cash on hand and Bank Balances		<u>211,307</u>		<u>146,323</u>	
		218,402		154,877	
<b><u>Current Liabilities</u></b>					
Amounts falling due within one year					
Creditors and Accruals	10	<u>(139,651)</u>		<u>(194,383)</u>	
Net Current (Liabilities)			78,751		(39,506)
Total Assets less Current Liabilities			<u><u>161,510</u></u>		<u><u>67,106</u></u>
<b><u>Capital and Reserves</u></b>					
Non-Capital Income and Expenditure Account					
Surplus/(Deficit)			78,751		(39,506)
Capital Account	11		<u>82,759</u>		<u>106,612</u>
			<u><u>161,510</u></u>		<u><u>67,106</u></u>

The Statement of Accounting Policies on Page 7 and notes 1 to 15 form part of these financial statements

*Emily Logan*

Ms. Emily Logan  
Ombudsman for Children

Date:

*2nd Feb 2011*

OFFICE OF THE OMBUDSMAN FOR CHILDREN

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

Notes	2009 €	2008 €
<b><i>Reconciliation of surplus to net cash inflow from operating activities</i></b>		
Surplus for the year	118,257	71,857
Depreciation Charge	36,165	40,892
Amortisation of Capital Grant	(36,165)	(40,892)
Interest Received	(394)	(222)
Decrease / (Increase) in Debtors	1,459	(359)
(Decrease) / Increase in Creditors	(54,732)	(19,959)
<b>Net Cash Inflow from Operating Activities</b>	<b>64,590</b>	<b>51,317</b>
<b><u>Cash Flow Statement</u></b>		
Net Cash Flow from Operating Activities	64,590	51,317
<b><i>Return on Investments and Servicing of Finance</i></b>		
Interest Received	394	222
<b><i>Capital Expenditure</i></b>		
Payments to acquire Fixed Assets	8 (12,312)	(42,448)
<b><i>Financing</i></b>		
State Grant applied to Fixed Assets	12,312	42,448
<b>Increase in cash</b>	<b>64,984</b>	<b>51,539</b>
<b><i>Reconciliation of Net Cash Flows to Movement in Net Funds</i></b>		
Changes in Net Funds resulting from cash flow		
Net Funds at beginning of the year	146,323	94,784
Net Funds at the end of the year	211,307	146,323
Increase in Cash in the year	64,984	51,539

The Statement of Accounting Policies on Page 7 and notes 1 to 15 form part of these financial statements

Emily Logan  
Ms. Emily Logan  
Ombudsman for Children

Date: 2nd Feb 2011

OFFICE OF THE OMBUDSMAN FOR CHILDREN

NOTE TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009

<b>1</b>	<b>Oireachtas Grants</b>	<b>2009</b>	<b>2008</b>
		€	€
	Recurrent Grant	2,310,000	2,410,604
	Capital Grant	-	29,190
		<u>2,310,000</u>	<u>2,439,794</u>
<b>2</b>	<b>Staff Costs and Employee Information</b>	<b>2009</b>	<b>2008</b>
		€	€
	<b>Staff Payroll Costs</b>		
	Wages and Salaries	1,105,487	1,104,471
	<b>Staff Related Expenses</b>		
	Travel and Subsistence	13,900	30,457
	Total Staff Costs	<u>1,119,387</u>	<u>1,134,928</u>
<b>2(a)</b>	<b>Employee Numbers</b>	<b>2009</b>	<b>2008</b>
	The average number of employees during the year was made up as follows:		
	Ombudsman for Children	1	1
	Staff	14	14
	Total	<u>15</u>	<u>15</u>
<b>2(b)</b>	<b>Ombudsman for Children's Remuneration</b>	<b>2009</b>	
		€	
	Salary 2009	<u>119,927</u>	
	Pension entitlements of the Ombudsman for Children do not extend beyond the model public sector superannuation scheme.		
	The Ombudsman for Children did not receive any performance related payments or any other benefit in kind during the year.		
<b>3</b>	<b>Accommodation Expenses</b>	<b>2009</b>	<b>2008</b>
		€	€
	Rent and Rates	323,555	327,657
	Maintenance and Refurbishment Expenses	12,300	13,443
		<u>335,855</u>	<u>341,100</u>
<b>4</b>	<b>Office Administration Expenses</b>	<b>2009</b>	<b>2008</b>
		€	€
	Depreciation	36,165	40,892
	Consultancy and Legal	86,933	90,779
	Postal and Telephone Costs	31,397	25,162
	Website Costs	24,889	58,058
	Advertising	4,703	4,137
	Office Supplies and Machinery	21,208	22,650
	Other Miscellaneous Expenditure	1,582	739
	Accountancy	55,287	49,649
	Audit	3,995	4,250
	Cleaning and Catering	19,750	50,888
	Training	16,009	10,398
	Translators and Interpreter	5,077	33,626
	Light and Heat	18,175	19,478
	Premises Insurance	(62)	2,500
	Membership/subscriptions	9,049	9,354
	Bank Charges	798	752
		<u>334,955</u>	<u>423,312</u>
<b>5</b>	<b>Research and Policy</b>	<b>2009</b>	<b>2008</b>
		€	€
	Research costs	61,018	-
		<u>61,018</u>	<u>-</u>

OFFICE OF THE OMBUDSMAN FOR CHILDREN

NOTE TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009

<b>6</b>	<b>Complaints and Investigation</b>	<b>2009</b>	<b>2008</b>
		€	€
	Programme Development costs	157,735	66,543
		<u>157,735</u>	<u>66,543</u>

<b>7</b>	<b>Seminars and Publications</b>	<b>2009</b>	<b>2008</b>
		€	€
	Promotions and Sponsor	50	36,197
	Design and Print	61,874	111,869
	OCO Projects	58,960	148,468
	Publications	34,935	22,583
	Photography	4,091	8,484
	Room Hire	-	18,591
	Conference/Seminar expenses	17,546	9,719
	Educational Materials Development	511	5,000
	Media Monitoring Expenses	20,010	11,259
	Travel and Subsistence-non staff	10,800	24,762
	Development of Digital Media	404	3,788
		<u>209,181</u>	<u>400,720</u>

<b>8</b>	<b>Tangible Fixed Assets</b>	<b>Computer &amp; ICT Equipment</b>	<b>Office Equipment</b>	<b>Furniture &amp; Fittings</b>	<b>Total</b>
		€	€	€	€
	<b>Cost</b>				
	At 1 January 2009	131,295	40,864	64,599	236,758
	Additions for the year	9,071	2,298	943	12,312
	Disposals at Gross Book Value	-	-	-	-
	At 31 December 2009	<u>140,366</u>	<u>43,162</u>	<u>65,542</u>	<u>249,070</u>
	<b>Accumulated Depreciation</b>				
	At 1 January 2009	79,668	32,864	17,614	130,146
	Depreciation Charge for the year	24,236	5,375	6,554	36,165
	Disposals - Accumulated Depreciation	-	-	-	-
	At 31 December 2009	<u>103,904</u>	<u>38,239</u>	<u>24,168</u>	<u>166,311</u>
	<b>Net Book Value</b>				
	At 31 December 2009	<u>36,462</u>	<u>4,923</u>	<u>41,374</u>	<u>82,759</u>
	At 31 December 2008	<u>51,627</u>	<u>8,000</u>	<u>46,985</u>	<u>106,612</u>

<b>9</b>	<b>Debtors and prepayments</b>	<b>2009</b>	<b>2008</b>
		€	€
	Prepayments	7,095	8,554
		<u>7,095</u>	<u>8,554</u>

OFFICE OF THE OMBUDSMAN FOR CHILDREN

NOTE TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009

**10 Creditors and Accruals**

	2009	2008
	€	€
Amounts falling due within one year:		
Trade creditors	186	30,011
Accrued Expenses (Pay)	23,904	27,378
Accrued Expenses (Non-Pay)	34,264	85,137
PAYE/PRSI	20,251	19,798
Other creditors	61,046	32,059
	<u>139,651</u>	<u>194,383</u>

**11 Capital Account**

	2009	2008
	€	€
Balance as at 1st January	106,612	105,056
Allocated to purchase fixed assets	12,312	42,448
Amount amortised in line with asset depreciation	<u>(36,165)</u>	<u>(40,892)</u>
Transfer (to) / from Income and Expenditure Account	<u>(23,853)</u>	1,556
Balance at 31st December	<u><u>82,759</u></u>	<u><u>106,612</u></u>

**12 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.

**13 Capital and Other Commitments**

There were no capital commitments at 31 December 2009.

**14 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 for Children and members/staff of the Office. Formal procedures exist to ensure adherence with the requirements of the Code.

**15 Approval of Financial Statements**

The financial statements were approved by the Ombudsman for Children on 31st March 2010.