



OMBUDSMAN FOR CHILDREN'S OFFICE

**FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2010**

OMBUDSMAN FOR CHILDREN'S OFFICE

CONTENTS

	Page
General Information	2
Certificate of the Comptroller and Auditor General	3
Statement of Responsibilities of the Ombudsman for Children	4
Statement on Internal Financial Control	5 - 6
Statement of Accounting Policies	7
Income and Expenditure Account	8
Balance Sheet	9
Cash Flow Statement	10
Notes to the Financial Statement	11 - 13

OMBUDSMAN FOR CHILDREN'S OFFICE

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:	www.oco.ie
Email Address:	oco@oco.ie
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



Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Ombudsman for Children

I have audited the financial statements of the Ombudsman for Children for the year ended 31 December 2010 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. The financial reporting framework that has been applied in their preparation is applicable law and Generally Accepted Accounting Practice in Ireland.

Responsibilities of the Ombudsman

The Ombudsman is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view of the state of the Ombudsman for Children's affairs and of its income and expenditure, and for ensuring the regularity of transactions.

Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to the Ombudsman for Children's circumstances, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- the overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

Opinion on the Financial Statements

In my opinion, the financial statements, which have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland, give a true and fair view of the state of the Ombudsman for Children's affairs at 31 December 2010 and of its income and expenditure 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.

Matters on which I Report by Exception

I report by exception if

- I have not received all the information and explanations I required for my audit, or
- my audit noted any material instance where moneys have not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the Statement on Internal Financial Control does not reflect the Ombudsman for Children's compliance with the Code of Practice for the Governance of State Bodies, or
- I find there are other material matters relating to the manner in which public business has been conducted.

I have nothing to report in regard to those matters upon which reporting is by exception.

Andrew Harkness

**For and on behalf of the
Comptroller and Auditor General**

14 September 2011

**STATEMENT OF RESPONSIBILITIES OF THE
OMBUDSMAN FOR CHILDREN'S OFFICE**

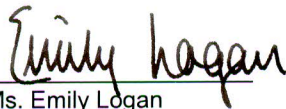
The Ombudsman for Children is required by Section 17 (1)(2) of the Ombudsman for Children Act 2002 to prepare financial statements for each financial year of all proper and usual accounts of moneys received or expended by her in the performance of her functions under the Ombudsman for Children Act 2002.

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

OMBUDSMAN FOR CHILDREN'S OFFICE

STATEMENT ON INTERNAL FINANCIAL CONTROL

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 Communications and/or the Director of Corporate Services as appropriate;
- * management responsibilities are clearly assigned and communicated between the Ombudsman for Children and the Director of Corporate Services;
- * internal reporting relationships are clearly assigned

Risk Assessment

The Ombudsman for Children has established 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.

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 for Children, Director of Communications and the Director of Corporate Services of financial information;
- * regular management team meetings.

OMBUDSMAN FOR CHILDREN'S OFFICE
STATEMENT ON INTERNAL FINANCIAL CONTROL

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).

I confirm that in the year ended 31st December 2010, the Ombudsman for Children's Office conducted a review on the effectiveness of the systems of internal financial control.

Signed 
Ms. Emily Logan
Ombudsman for Children

Date : 31st August 2011

OMBUDSMAN FOR CHILDREN'S OFFICE

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.

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

2. Period of Financial Statements

These financial statements cover the period 1 January 2010 to 31 December 2010.

3. Oireachtas Grants

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

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

4. Other Income

Income recognised in the financial statements under other income represents recoupment of costs in the period.

5. 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.

6. Capital Account

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

7. 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, 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. 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.

OMBUDSMAN FOR CHILDREN'S OFFICE

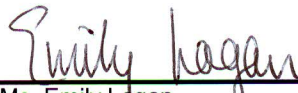
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010	2009
		€	€
Income			
Grant-In-Aid	1	2,070,000	2,310,000
Transferred from Capital Account	13	10,766	23,853
Other Income	2	14,635	2,141
Deposit Interest		315	394
Total Income		<u>2,095,716</u>	<u>2,336,388</u>
Expenditure			
Staff Costs	3	948,608	1,119,387
Accommodation Expenses	5	340,432	335,855
Office Administration Expenses	6	325,453	334,955
Research and Policy	7	52,944	61,018
Complaints and Investigation	8	223,247	157,735
Seminars and Publications	9	230,824	209,181
Total Expenditure for the year		<u>2,121,508</u>	<u>2,218,131</u>
(Deficit)/Surplus for the year		(25,792)	118,257
Surplus/(Deficit) at beginning of the year		78,751	(39,506)
Surplus at the end of the year		<u>52,959</u>	<u>78,751</u>

All recognised gains and losses for the year ended 31 December 2010 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 17 form part of these financial statements.



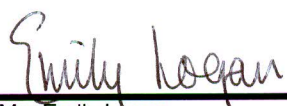
 Ms. Emily Logan
 Ombudsman for Children

Date: 31st August 2011

OMBUDSMAN FOR CHILDREN'S OFFICE
BALANCE SHEET AS AT 31 DECEMBER 2010

	Notes	2010		2009	
		€	€	€	€
<u>Fixed Assets</u>					
Tangible Assets	10		71,993		82,759
<u>Current Assets</u>					
Debtors and prepayments	11	16,806		7,095	
Cash on hand and Bank Balances		<u>256,612</u>		<u>211,307</u>	
		273,418		218,402	
<u>Current Liabilities</u>					
Amounts falling due within one year					
Creditors and Accruals	12	<u>(220,459)</u>		<u>(139,651)</u>	
Net Current Assets/(Liabilities)			52,959		78,751
Total Assets less Current Liabilities			<u><u>124,952</u></u>		<u><u>161,510</u></u>
<u>Capital and Reserves</u>					
Non-Capital Income and Expenditure Account			52,959		78,751
Surplus/(Deficit)			71,993		82,759
Capital Account	13		<u><u>124,952</u></u>		<u><u>161,510</u></u>

The Statement of Accounting Policies on Page 7 and notes 1 to 17 form part of these financial statements



Ms. Emily Logan
Ombudsman for Children

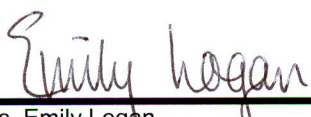
Date: 31st August 2011

OMBUDSMAN FOR CHILDREN'S OFFICE

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2010

Notes	2010 €	2009 €
<i>Reconciliation of (deficit)/surplus to net cash inflow from operating activities</i>		
(Deficit)/Surplus for the year	(25,792)	118,257
Depreciation Charge	26,970	36,165
Amortisation of Capital Grant	(26,970)	(36,165)
Interest Received	(315)	(394)
(Increase) / decrease in Debtors	(9,711)	1,459
Increase / (decrease) in Creditors	80,808	(54,732)
Net Cash Inflow from Operating Activities	<u>44,990</u>	<u>64,590</u>
<u>Cash Flow Statement</u>		
Net Cash Flow from Operating Activities	44,990	64,590
<i>Return on Investments and Servicing of Finance</i>		
Interest Received	315	394
<i>Capital Expenditure</i>		
Payments to acquire Fixed Assets	10 (16,204)	(12,312)
<i>Financing</i>		
State Grant applied to Fixed Assets	16,204	12,312
Increase in cash	<u>45,305</u>	<u>64,984</u>
<i>Reconciliation of Net Cash Flows to Movement in Net Funds</i>		
Changes in Net Funds resulting from cash flow		
Net Funds at beginning of the year	211,307	146,323
Net Funds at the end of the year	256,612	211,307
Increase in Cash in the year	<u>45,305</u>	<u>64,984</u>

The Statement of Accounting Policies on Page 7 and notes 1 to 17 form part of these financial statements



 Ms. Emily Logan
 Ombudsman for Children

Date: 31st August 2011

OMBUDSMAN FOR CHILDREN'S OFFICE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

		2010	2009
		€	€
1	Grant-In-Aid		
	Department of Health Grant	<u>2,070,000</u>	<u>2,310,000</u>
2	Other Income		
	An amount of €14,635 was recouped in relation to staff seconded to The Adoption Authority of Ireland.		
3	Staff Costs and Employee Information	2010	2009
		€	€
	Staff Payroll Costs		
	Wages and Salaries	942,947	1,105,487
	Staff Related Expenses		
	Travel and Subsistence	5,661	13,900
	Total Staff Costs	<u>948,608</u>	<u>1,119,387</u>
3(a)	Employee Numbers	2010	2009
	The average number of employees during the year was made up as follows:		
	Ombudsman for Children	1	1
	Staff	12	14
	Total	<u>13</u>	<u>15</u>
3(b)	Ombudsman's Remuneration	2010	2009
		€	€
	Annual Basic Salary	<u>114,176</u>	<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 of any other benefit in kind during the year.		
4	Pension Levy		
	Pension Levy was deducted in line with statutory requirements. €41,088 of pension levy has been deducted in 2010 and paid over to the Department of Health.		
5	Accommodation Expenses	2010	2009
		€	€
	Rent	265,675	265,675
	Service charges	66,084	57,880
	Maintenance and Refurbishment Expenses	8,673	12,300
		<u>340,432</u>	<u>335,855</u>
6	Office Administration Expenses	2010	2009
		€	€
	Depreciation	26,970	36,165
	Legal and Compliance	66,436	86,933
	Postal and Telephone Costs	36,867	31,397
	IT and Website Costs	14,964	24,889
	Advertising	6,286	4,703
	Office Supplies and Machinery	22,236	21,208
	Other Miscellaneous Expenditure	1,778	1,582
	Accountancy	55,193	55,287
	Audit	7,800	3,995
	Cleaning and Catering	21,575	19,750
	Training and staff development	23,030	16,009
	Translators and Interpreter	10,097	5,077
	Light and Heat	20,809	18,175
	Premises Insurance	2,038	(62)
	Membership/subscriptions	8,772	9,049
	Bank Charges	602	798
		<u>325,453</u>	<u>334,955</u>
7	Research and Policy	2010	2009
		€	€
	Research costs	52,944	61,018
		<u>52,944</u>	<u>61,018</u>

OMBUDSMAN FOR CHILDREN'S OFFICE

NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2010

8	Complaints and Investigation	2010	2009
		€	€
	Investigation / complaints	223,247	157,735
		<u>223,247</u>	<u>157,735</u>

9	Seminars and Publications	2010	2009
		€	€
	Promotions and Sponsor	-	50
	Design and Print	105,763	61,874
	OCO Projects	51,873	58,960
	Publications	48,743	34,935
	Photography	789	4,091
	Conference/Seminar expenses	740	17,546
	Educational Materials Development	-	511
	Media Monitoring Expenses	11,191	20,010
	School Visits	11,087	10,800
	Development of Digital Media	638	404
		<u>230,824</u>	<u>209,181</u>

10	Tangible Fixed Assets	Computer & ICT Equipment	Office Equipment	Furniture & Fittings	Total
		€	€	€	€
	Cost				
	At 1 January 2010	140,366	43,162	65,542	249,070
	Additions for the year	4,840	3,629	7,735	16,204
	Disposals at Gross Book Value	-	-	-	-
	At 31 December 2010	<u>145,206</u>	<u>46,791</u>	<u>73,277</u>	<u>265,274</u>
	Accumulated Depreciation				
	At 1 January 2010	103,904	38,239	24,168	166,311
	Depreciation Charge for the year	17,242	2,401	7,327	26,970
	Disposals - Accumulated Depreciation	-	-	-	-
	At 31 December 2010	<u>121,146</u>	<u>40,640</u>	<u>31,495</u>	<u>193,281</u>
	Net Book Value				
	At 31 December 2010	<u>24,060</u>	<u>6,151</u>	<u>41,782</u>	<u>71,993</u>
	At 31 December 2009	<u>36,462</u>	<u>4,923</u>	<u>41,374</u>	<u>82,759</u>

11	Debtors and prepayments	2010	2009
		€	€
	Prepayments	8,443	7,095
	Accrued income	8,363	-
		<u>16,806</u>	<u>7,095</u>

OFFICE OF THE OMBUDSMAN FOR CHILDREN

NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2010

12 Creditors and Accruals

	2010	2009
	€	€
Amounts falling due within one year:		
Trade creditors	-	186
Accrued Expenses (Pay)	47,344	23,904
Accrued Expenses (Non-Pay)	75,108	34,264
PAYE/PRSI	14,647	20,251
Superannuation deductions retained	83,360	60,970
Other creditors	-	76
	<u>220,459</u>	<u>139,651</u>

13 Capital Account

	2010	2009
	€	€
Balance as at 1st January	82,759	106,612
Allocated to purchase fixed assets	16,204	12,312
Amount amortised in line with asset depreciation	<u>(26,970)</u>	<u>(36,165)</u>
Transfer (to) / from Income and Expenditure Account	<u>(10,766)</u>	<u>(23,853)</u>
Balance at 31st December	<u><u>71,993</u></u>	<u><u>82,759</u></u>

14 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.

The facilities of the premises occupied by the Ombudsman for Children's Office are regularly used free of charge by other state bodies for meetings / events.

15 Capital and Other Commitments

There were no capital commitments at 31 December 2010.

16 Related Party Transactions / Disclosure of Interests

The Ombudsman for Children's Office 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.

17 Approval of Financial Statements

The financial statements were approved by the Ombudsman for Children on 31st August 2011.