



OMBUDSMAN FOR CHILDREN'S OFFICE

FINANCIAL STATEMENTS

for the year ended 31 December 2013

OMBUDSMAN FOR CHILDREN'S OFFICE

Financial statements For the year ended 31 December 2013

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OMBUDSMAN FOR CHILDREN'S OFFICE

General Information

For the year ended 31 December 2013

Ombudsman for Children

Ms. Emily Logan

Head Office

Millennium House

52-56 Great Strand Street

Dublin 1

Telephone: 01-8656800, 1800 202040 Fax: 01-8747333

Web Site: www.oco.ie

Email: oco@oco.ie

Bankers

Ulster Bank

O'Connell Street

Dublin 1

Auditors

The Comptroller and Auditor General

Dublin Castle

Dublin 2

Solicitor

Ronan Daly Jermyn Solicitors

12 South Mall

Cork

Accountants

Crowleys DFK

16/17 College Green

Dublin 2



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 2013 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 statements have been prepared in accordance with Section 17 of the Act, and in accordance with 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 2013 and of its income and expenditure for 2013.

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 money has 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.

Patricia Sheehan

For and on behalf of the
Comptroller and Auditor General

30 September 2014

OMBUDSMAN FOR CHILDREN'S OFFICE

Statement of Responsibilities of the Ombudsman for Children's Office

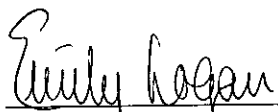
The Ombudsman for Children is required by Section 17 (1)(2) of the Ombudsman for Children Act 2002 to prepare financial statements for each financial year of all proper and usual accounts of moneys received or expended by her in the performance of her functions under the Ombudsman for Children Act 2002.

In preparing these statements, the Office is required to:

- select appropriate accounting policies and apply them consistently;
- make judgments 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 Investigations 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 Management

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.

OMBUDSMAN FOR CHILDREN'S OFFICE

Statement on Internal Financial Control (continued)

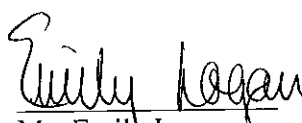
Control Mechanism

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 Investigations and the Director of Corporate Services of financial information;
- regular management team meetings.

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 2013, the Ombudsman for Children's Office conducted a review on the effectiveness of the systems of internal financial control.


Ms. Emily Logan
Ombudsman for Children

Date: 20th September '14

OMBUDSMAN FOR CHILDREN'S OFFICE

Statement of Accounting Policies

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

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 Children and Youth Affairs.

The financial statements are in a form approved by the Minister for Children and Youth Affairs with the concurrence of the Minister for Public Expenditure and Reform.

2. Period of Financial Statements

These financial statements cover the period 1 January 2013 to 31 December 2013.

3. Oireachtas Grants

Income recognised in the financial statements under Oireachtas Grants represents the amounts paid by the Department of Children and Youth Affairs in the period. Grant Income applied for capital purposes and which result in additions to fixed assets are capitalised on the Capital Account. In accordance with the directions of the Department, superannuation deductions from staff salaries are retained by the office and treated as income.

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.

OMBUDSMAN FOR CHILDREN'S OFFICE

Statement of Accounting Policies (continued)

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 Public Expenditure and Reform.

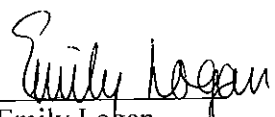
The Ombudsman for Children Act 2002 provides that the Minister for Children and Youth Affairs, with the consent of the Minister for Public Expenditure and Reform, may make and carry out a superannuation scheme in respect of the Ombudsman for Children. Accordingly, the financial statements do not recognise pension costs and liabilities in respect of the Ombudsman. Pending finalisation of the scheme by the Department of Public Expenditure and Reform, 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 2013

	Notes	2013 €	2012 €
Income			
Oireachtas Grant-In-Aid	1	1,888,000	2,000,000
Transferred from Capital Account	14	12,500	8,059
Superannuation Contributions	2	23,646	22,681
Other Income	3	54,659	69,013
Total Income		<u>1,978,805</u>	<u>2,099,753</u>
Expenditure			
Staff Costs	4	954,237	955,144
Accommodation Costs	6	341,330	338,688
Office Administration Expenses	7	303,109	270,330
Research and Policy	8	42,524	21,449
Complaints and Investigations	9	315,974	321,141
Seminars and Publications	10	143,641	207,063
		<u>2,100,815</u>	<u>2,113,815</u>
(Deficit) for the year		(122,010)	(14,062)
Surplus at beginning of the year		104,672	118,734
(Deficit)/Surplus at the end of the year		<u>(17,338)</u>	<u>104,672</u>

The Statement of Accounting Policies on pages 8 and 9 and notes 1-18 form part of these financial statements.


Emily Logan
Ombudsman for Children

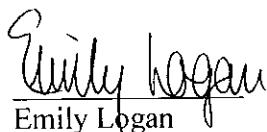
Date: 30th September 2014

OMBUDSMAN FOR CHILDREN'S OFFICE

Balance Sheet As at 31 December 2013

	Notes	2013 €	2012 €
<u>Fixed Assets</u>			
Tangible Assets	11	47,292	59,792
<u>Current assets</u>			
Cash on hand and at bank		105,971	115,653
Debtors and prepayments	12	<u>25,830</u>	<u>107,333</u>
Total assets		179,093	282,778
<u>Current liabilities</u>			
Amounts Falling Due Within 1 Year			
Creditors and Accruals	13	<u>(149,139)</u>	<u>(118,314)</u>
Total Assets less Current Liabilities		<u><u>29,954</u></u>	<u><u>164,464</u></u>
<u>Capital and Reserves</u>			
Non-Capital Income and Expenditure Account			
(Deficit)/Surplus		(17,338)	104,672
Capital Account	14	<u>47,292</u>	<u>59,792</u>
		<u><u>29,954</u></u>	<u><u>164,464</u></u>

The Statement of Accounting Policies on page 8 and 9 and notes 1-18 form part of these financial statements.



Emily Logan
Ombudsman for Children

Date: 30th Sept. 2014

OMBUDSMAN FOR CHILDREN'S OFFICE

Cash Flow Statement For the year ended 31 December 2013

	Note	2013 €	2012 €
Reconciliation of surplus/(deficit) to net cash (outflow)/inflow from operating activities			
(Deficit) for the year		(122,010)	(14,062)
Depreciation charge		19,946	25,644
Amortisation of Capital Grant		(19,946)	(25,644)
Decrease/(Increase) in Debtors		81,503	(78,802)
Increase in Creditors		30,825	43,825
Net Cash (Outflow)/Inflow from Operating Activities		(9,682)	(49,039)

Cash Flow Statement

Net Cash (Outflow)/Inflow from Operating Activities		(9,682)	(49,039)
Return on Investments and Servicing of Finance			
Interest Received		-	-
Capital Expenditure			
Payments to acquire Fixed Assets	11	(7,446)	(17,585)
Financing			
State Grant applied to Fixed Assets		7,446	17,585
(Decrease) in Cash in the year		(9,682)	(49,039)

Reconciliation of net cash flow to movement in net funds

Changes in Net Funds resulting from cash flow			
Net funds at beginning of the year		115,653	164,692
Net funds at the end of the year		105,971	115,653
(Decrease) in Cash in the year		(9,682)	(49,039)

The Statement of Accounting Policies on page 8 and 9 and notes 1-18 form part of these financial statements.

Emily Logan

Emily Logan
Ombudsman for Children

Date: 20th September 2014

OMBUDSMAN FOR CHILDREN'S OFFICE

Notes to the financial statements For the year ended 31 December 2013

1. Oireachtas Grant-In-Aid

	2013	2012
	€	€
Department of Children and Youth Affairs	<u>1,888,000</u>	<u>2,000,000</u>

2. Superannuation Contributions

The Ombudsman had sought confirmation from the Department of Health on the appropriate treatment for superannuation contributions by staff of the Ombudsman for Children's Office. The Department of Health confirmed that superannuation contributions payable by staff should be treated as income in the accounts of the Office. Accordingly, the Office's State Grant allocation was reduced by the income derived from staff superannuation contributions.

The €23,646 brought to account in 2013 is in respect of deductions made in the accounting year. The €22,681 brought to account in 2012 is in respect of deductions made in 2012.

3. Other Income

An amount of €54,659 was recouped in 2013 (2012: €54,659) in relation to staff seconded to The Adoption Authority of Ireland.

4. Staff Costs and Employee Information

	2013	2012
	€	€
Staff Payroll Costs		
Staff costs	743,787	730,662
Agency Staff Costs	198,713	215,087
Staff Related Expenses		
Travel and Subsistence	11,737	9,395
Total Staff Costs	<u>954,237</u>	<u>955,144</u>

OMBUDSMAN FOR CHILDREN'S OFFICE

Notes to the financial statements For the year ended 31 December 2013

4a. Employee Numbers

	2013	2012
The average number of employees during the year was made up as follows:		
Ombudsman for Children	1	1
Staff*	<u>12</u>	<u>12</u>
	<u>13</u>	<u>13</u>

*Includes two agency staff.

4b. Ombudsman's Remuneration

The annual basic salary of the Ombudsman for Children is €123,483 (2012: €127,355).

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.

5. Pension Levy

Pension Levy was deducted in line with statutory requirements. €49,406 (2012 €44,066) of pension levy has been deducted in 2013 and paid over to the Department of Children and Youth Affairs.

6. Accommodation Expenses

	2013	2012
	€	€
Rent	265,675	265,675
Service Charges	59,973	59,973
Premises Insurance	3,344	-
Maintenance and Refurbishment Expenses	<u>12,338</u>	<u>13,040</u>
	<u>341,330</u>	<u>338,688</u>

OMBUDSMAN FOR CHILDREN'S OFFICE

Notes to the financial statements For the year ended 31 December 2013

7. Office Administration Expenses

	2013	2012
	€	€
Depreciation	19,945	25,645
Legal and Compliance	84,299	43,653
Postal and Telephone Costs	29,054	29,339
IT and Website Costs	28,714	12,815
Advertising	2,070	9,461
Office Supplies and Machinery	10,933	15,824
Other Miscellaneous Expenses	1,481	1,832
Accountancy	56,455	52,046
Audit	7,700	8,500
Cleaning and Catering	19,807	16,829
Training and staff Development	9,513	24,284
Translators and Interpreter	2,354	1,688
Light and Heat	20,799	20,522
Membership Subscriptions	9,415	7,492
Bank Charges	570	400
	<u>303,109</u>	<u>270,330</u>

8. Research and Policy

	2013	2012
	€	€
Research Costs	<u>42,524</u>	<u>21,449</u>
	<u>42,524</u>	<u>21,449</u>

Costs comprise of research projects and surveys initiated by the Ombudsman for Children's Office, carried out by external parties. Research costs also include a doctoral research undertaken by a Studentship holder.

9. Complaints and Investigations

	2013	2012
	€	€
Investigations/complaints	295,690	321,141
Section 42 Special Inquiry	<u>20,284</u>	-
	<u>315,974</u>	<u>321,141</u>

Costs comprise of fees paid to a panel of subject matter specialists, assembled to support the Ombudsman for Children in carrying her statutory investigatory functions.

OMBUDSMAN FOR CHILDREN'S OFFICE

Notes to the financial statements For the year ended 31 December 2013

10. Seminars and Publications

	2013	2012
	€	€
Promotions and Sponsors	15,854	10,000
Design and Print	56,255	75,596
OCO Projects	17,537	52,244
Publications	13,492	13,499
Photography	1,224	2,001
Conference/Seminar Expenses	3,649	8,789
Media Monitoring Expenses	12,038	22,254
School Visits	18,364	15,014
Development of Digital Media	5,228	7,666
	<u>143,641</u>	<u>207,063</u>

11. Tangible Fixed Assets

	Computer & ICT Equipment	Office Equipment	Furniture & Fittings	Total
	€	€	€	€
<u>Cost</u>				
At 1 January 2013	174,007	51,290	78,289	303,586
Additions for the year	3,684	3,762	-	7,446
Disposals at Gross Book Value	(18,952)	-	-	(18,952)
At 31 December 2013	<u>158,739</u>	<u>55,052</u>	<u>78,289</u>	<u>292,080</u>
<u>Accumulated Depreciation</u>				
At 1 January 2013	151,563	45,579	46,652	243,794
Depreciation charge for the year	9,279	2,838	7,829	19,946
Disposals – Acc Depreciation	(18,952)	-	-	(18,952)
At 31 December 2013	<u>141,890</u>	<u>48,417</u>	<u>54,481</u>	<u>244,788</u>
<u>Net Book Value</u>				
At 31 December 2013	<u>16,849</u>	<u>6,635</u>	<u>23,808</u>	<u>47,292</u>
At 31 December 2012	<u>22,444</u>	<u>5,711</u>	<u>31,637</u>	<u>59,792</u>

OMBUDSMAN FOR CHILDREN'S OFFICE

Notes to the financial statements For the year ended 31 December 2013

12. Debtors and Prepayments

	2013	2012
	€	€
Prepayments	9,012	90,515
Accrued Income	16,818	16,818
	<u>25,830</u>	<u>107,333</u>

13. Creditors and Accruals

	2013	2012
	€	€
Amounts falling due within one year		
Trade Creditors	5,795	31,557
PAYE/PRSI	19,448	19,504
PSWT	12,251	9,369
Accrued expenses (Pay)	18,989	16,455
Accrued expenses (Non-Pay)	86,744	37,016
Other creditors	5,912	4,413
	<u>149,139</u>	<u>118,314</u>

14. Capital Account

	2013	2012
	€	€
As at 1st January	59,792	67,851
Allocated to purchase fixed assets	7,446	17,585
Amount amortised in line with asset depreciation	<u>(19,946)</u>	<u>(25,644)</u>
Transfer (to)/ from Income and Expenditure account	<u>(12,500)</u>	<u>(8,059)</u>
Balance at 31 December	<u>47,292</u>	<u>59,792</u>

OMBUDSMAN FOR CHILDREN'S OFFICE

Notes to the financial statements For the year ended 31 December 2013

15. 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 rental 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 commenced on 4 April 2005 with rent of €265,675 per annum.

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.

16. Capital and Other Commitments

There were no capital commitments at 31 December 2013.

17. 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 Public Expenditure and Reform 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.

18. Approval of financial statements

The financial statements were approved by the Ombudsman for Children on the 19th of March 2014.