



**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2011**

## **GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**

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## GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

### GENERAL INFORMATION

Head Office	Garda Ombudsman 150 Upper Abbey Street Dublin 1
Commissioners	Mr. Simon O'Brien - Chairman (Appointed 13 <sup>th</sup> December 2011) Ms. Carmel Foley (Reappointed 13 <sup>th</sup> December 2011) Mr. Kieran Fitzgerald (Appointed 13 <sup>th</sup> December 2011) Mr. Dermot Gallagher (Term of office expired 12 <sup>th</sup> December 2011) Mr. Conor Brady (Former Chairman term of office expired 12 <sup>th</sup> December 2011)
Senior Executive	Mr. Anthony Duggan – Director of Administration Mr. Paul Buschini – Director of Operations
Telephone Number:	01 871 6676 1890 600 800
Fax Number:	01 814 7025
Website:	<a href="http://www.gardaombudsman.ie">www.gardaombudsman.ie</a>
Email:	<a href="mailto:info@gsoc.ie">info@gsoc.ie</a>
Auditors:	Comptroller and Auditor General Dublin Castle Dublin 2

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**  
**CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL**  
(TO BE INSERTED UPON COMPLETION OF AUDIT)

## **STATEMENT OF RESPONSIBILITY OF THE GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**


The Garda Síochána Ombudsman Commission is required by Section 77 of the Garda Síochána Act 2005 to prepare financial statements for each financial year of all proper and usual accounts of moneys received or expended in the performance of the Commission's functions under the Garda Síochána Act 2005.

In preparing these statements, the Commission 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 Commission will continue in business;
- ❖ Disclose and explain if there are any material departures from applicable accounting standards.

The Commission is responsible for ensuring that proper accounting records are kept by the Garda Síochána Ombudsman Commission with records that disclose with reasonable accuracy at all times its financial position and to ensure that the financial statements comply with the Garda Síochána Act 2005.

The Commission 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.

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Commissioner

## **GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**

### **STATEMENT ON INTERNAL FINANCIAL CONTROL**

#### **Responsibility for system of Internal Financial Control**

On behalf of the Garda Síochána Ombudsman Commission, I hereby acknowledge our responsibility for ensuring that an effective system of internal financial controls 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. We are satisfied that the systems, which the Commission has in place, are reasonable and appropriate for the Commission's circumstances having regard to its size, level of expenditure, staff resources and the nature of its operations.

#### **Control Environment**

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

- ❖ Decisions on expenditure rest with line managers and the members of the Ombudsman Commission in line with approved expenditure threshold;
- ❖ Management responsibilities are clearly assigned and communicated between the Director of Administration, Corporate Services and the Finance Team;
- ❖ Internal reporting relationships are clearly assigned;
- ❖ The Department of Justice and Equality provided an agency payment service for the Garda Síochána Ombudsman Commission during the accounting year. The Department of Justice and Equality also provide internal audit services to the Garda Síochána Ombudsman Commission;
- ❖ Garda Síochána Ombudsman Commission has in place robust financial procedures and in addition engaged the services of an external accounting firm.

#### **Risk Assessment**

The Commission had 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 the risks that do occur.

## **GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**

### **STATEMENT ON INTERNAL FINANCIAL CONTROL**

The Garda Síochána Ombudsman Commission has in place a Strategy for Risk Management, one element of which is a Risk Management Monitoring Team which when fully operational will add further support to the existing identification, management and mitigation of risk in the organisation.

#### **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 Commission and Corporate Services of financial information provided by the Department of Justice and Equality;
- ❖ Comprehensive budgeting system with an annual budget which is reviewed regularly by senior management;
- ❖ Submission of monthly finance reports to the Director of Administration for reviews.

Mechanisms have been established for ensuring the adequacy of the security of the Commission's information (internally within the Garda Síochána Ombudsman Commission) and communication technology systems.

I confirm that the Garda Síochána Ombudsman Commission reviewed the effectiveness of the system of internal financial control for the year ended 31 December 2011.

Carmel Foley  
Commissioner

Date: 10.8.2012

## GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

### STATEMENT OF ACCOUNTING POLICIES

**1. Basis of Preparation**

The financial statements are prepared on an accrual 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 Justice and Equality.

The financial statements are in a form approved by the Minister for Justice and Equality.

**2. Period of Financial Statements**

These financial statements cover the period 1 January 2011 to 31 December 2011. The comparative figures cover the accounts period 1 January 2010 to 31 December 2010.

**3. Oireachtas Grants**

Income recognised in the financial statements under Oireachtas Grants represents funding provided to the Commission through the Vote of the Department of Justice and Equality. The Department administers the payment of salaries and all other costs and the amount recognised as income represents the recourse to the Vote to fund payments made during the year.

**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:

Leasehold buildings	Over lease term of 25 years
Furniture, Fixture and Fittings	10.00%
Office Equipment	20.00%
IT Equipment	20.00%
Motor Vehicles	20.00%

(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 Garda Síochána Ombudsman Commission are civil servants and are members of a defined benefit scheme which is unfunded and is administered by the Department of Public Expenditure and Reform. There is no charge in these financial statements for any liabilities which may arise in respect of the pensions of the Garda Síochána Ombudsman Commission.

**7. Deferred Rent**

The rent charge in the financial statements is a calculation based on an averaging of the rent payments over a five year period ending March 2012, when the first rent review is due. This is to take account of a rent free period covering the 16 month period July 2007 to November 2008.



**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED  
31 DECEMBER 2011**

	Notes	2011 €	2010 €
<b>Income</b>			
Oireachtas Grants	1	8,509,041	9,233,565
Transferred from Capital Account		<u>1,096,457</u>	<u>763,898</u>
Total Income		<u>9,605,498</u>	<u>9,997,463</u>
<b>Expenditure</b>			
Staff Costs	2	6,070,413	6,173,443
Upkeep and Overheads	4	1,295,486	1,245,474
General Expenses	5	608,359	703,502
Professional Fees	6	228,591	186,647
Research Expenses		17,545	17,609
Depreciation	7	<u>1,120,577</u>	<u>1,116,966</u>
Gross Expenditures		<u>9,340,971</u>	<u>9,443,641</u>
Surplus for the year		264,527	553,822
(Deficit) at beginning of the year		<u>(191,572)</u>	<u>(745,394)</u>
Surplus / (Deficit) at end of the year		<u>72,955</u>	<u>(191,572)</u>

All recognised gains and losses for the period ended 31 December 2011 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 financial year above.

The Statement of Accounting Policies on Page 8 and notes 1 to 13 form part of these financial statements.

*Carmel Foley*  
Commissioner

Date:

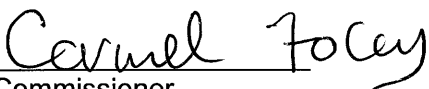
10.8.2012

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**

**BALANCE SHEET AS AT 31 DECEMBER 2011**

	Notes	2011 €	2010 €
<b><u>Fixed Assets</u></b>			
Tangible Assets	7	3,892,747	4,989,204
<b><u>Current Assets</u></b>			
Debtors and Prepayments	8	327,855	323,913
Cash on hand and Bank Balances		500	500
		<u>328,355</u>	<u>324,413</u>
<b><u>Current Liabilities</u></b>			
Amount falling due within one year			
Creditors and Accruals	9	<u>255,400</u>	<u>188,526</u>
Net Current Assets		72,955	135,887
<b><u>Long Term Liability</u></b>			
Deferred Rent		-	(327,459)
Net Assets		<u>3,965,702</u>	<u>4,797,632</u>
<b><u>Capital and Reserves</u></b>			
Income and Expenditure Account		72,955	(191,572)
Capital Account	10	<u>3,892,747</u>	<u>4,989,204</u>
		<u>3,965,702</u>	<u>4,797,632</u>

The Statement of Accounting Policies on Page 8 and notes 1 to 13 form part of these financial statements.

  
 Commissioner

Date: 10.8.2012

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	2011 €	2010 €
<b>Reconciliation of surplus/deficit to net cash inflow from operating activities</b>			
Surplus for the year		264,527	553,822
Transfer (to)/from Capital Account		(1,096,457)	(763,898)
Depreciation charge		1,120,577	1,116,966
Loss on disposal of fixed assets		116	-
(Increase) in Debtors		(3,942)	(280,772)
(Decrease) in Creditors		(260,585)	(273,300)
<b>Net Cash Inflow from Operating Activities</b>		<u>24,236</u>	<u>352,818</u>
<b><u>Cash Flow Statement</u></b>			
Net Cash Flow from Operating Activities		24,236	352,818
<b>Return on Investments and Servicing of Finance</b>			
Capital Expenditure	7	24,236	353,068
Management of Liquid Resources		-	-
Financing		-	-
<b>Decrease in cash</b>		<u>-</u>	<u>250</u>
<b>Reconciliation of Net Cash Flows to Movement in Net Funds</b>			
Decrease in Cash in the year		<u>-</u>	<u>250</u>
Changes in Net Funds resulting from cash flow			
Net Funds at the beginning of year		500	750
Net Funds at the end of the year		<u>500</u>	<u>500</u>

The Statement of Accounting Policies on Page 8 and notes 1 to 13 form part of these financial statements.

*Carmel Foley*  
Commissioner

Date:

10.8.2012

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION  
NOTE TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	<b>2011</b>	<b>2010</b>
	€	€
<b>1 Oireachtas Grants</b>		
Department of Justice and Equality	8,509,041	9,233,565

The Garda Síochana Ombudsman Commission is funded from the Vote of the Department of Justice and Equality, previously the Department of Justice and Law Reform through subhead G.13.

The Oireachtas grant figure comprises the amount charged to Subhead E13 in 2011 of €8,505,709 and miscellaneous charges and receipts amounting to €3,332 accounted for in other subheads which pertain to the Commission.

	<b>2011</b>	<b>2010</b>
	€	€
<b>2 Staff costs and Employee Information</b>		
Wages and Salaries	5,369,181	5,404,197
Travel and Subsistence	185,989	208,557
Flexibility Allowance	368,943	392,707
Staff Training and CPD	75,492	101,000
Incentivised Scheme Costs	70,808	66,982
Total Staff Cost	6,070,413	6,173,443

The charge for wages and salaries did not include the salary paid to the Director of Administration who acts as Chief Executive Officer to the Garda Síochana Complaints Board (GSCB). For administrative convenience, his salary was charged to the GSCB.

Pension levy was deducted in line with statutory requirements. €365,728 of pension levy has been deducted in 2011 and retained by the Department of Justice and Equality.

<b>Employee Numbers</b>	<b>2011</b>	<b>2010</b>
The average number of employees during the year was made up as follows:		
Commissioners	3	3
Directors	2	2
Operations	59	62
Administration	23	24
Total	87	91

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION  
NOTE TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**3 Remuneration of Chairman & Other Commissioners**

The former Chairman served in an executive role and his remuneration in 2011 was €80,928 and he received expenses of €2,508. The former chairman's term of office expired on the 12<sup>th</sup> December 2011. In agreement with the Department of Finance and Justice and Equality, the former Chairman accepted a reduced remuneration which is less than the maximum allowable under abatement circular of the Department of Finance.

The remuneration in 2011 of Commissioners, Carmel Foley and Conor Brady (term of office expired 12<sup>th</sup> December 2011) was €152,598 and €147,511 respectively. They received expenses of €1,380 and nil respectively. Commissioner Foley is a member of the Civil Service Pension Scheme and will receive a pension at Principal Officer level. Conor Brady is a member of the Civil Service Pension Scheme.

The remuneration in 2011 of the newly appointed Commissioners, Simon O'Brien and Kieran Fitzgerald, are as follows:

	Basic Pay €	Performance related payments €	All-in-Cost €
Mr. Simon O'Brien (From 13 <sup>th</sup> December 2011)	6,420	-	6,420
Mr. Kieran Fitzgerald (From 13 <sup>th</sup> December 2011)	4,672	-	4,672

The Commissioners did not receive any performance related payments or any other benefit in kind during the year.

	2011 €	2010 €
<b>4 Upkeep and Overheads</b>		
Rent and Service Charges	731,199	726,525
Repairs and Maintenance	9,470	14,389
Security	290,768	264,606
Cleaning	51,179	50,949
Light and Heat	131,843	122,126
Premises Expenses	81,027	66,879
	<u>1,295,486</u>	<u>1,245,474</u>

	2011 €	2010 €
<b>5 General Expenses</b>		
Telephone	57,603	88,069
Bank charges	32	30
IT Expenses	363,913	396,387
Canteen	4,489	4,618
Print, Post and Stationary	64,961	89,666
Publication Expenses	16,807	21,667
Library and Reference Materials	38,403	42,823
Motor Expenses	20,926	15,099
Office Equipment	12,336	13,691
Protective Clothing and Accessories	764	1,138
Conference and Seminar Costs	14,475	16,245
General Meeting Expenses	7,370	6,401
Subscriptions	5,784	6,176
Loss on Disposal of Fixed Assets	116	-
General Office Expenses	380	1,492
	<u>608,359</u>	<u>703,502</u>

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION  
NOTE TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

<b>6 Professional Fees</b>	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
Legal	114,648	60,104
Investigation costs	78,921	76,299
Consultancy	18,182	33,404
Accounting	6,500	6,500
Audit	10,340	10,340
	<u>228,591</u>	<u>186,647</u>

<b>7 Tangible Fixed Assets</b>	Leasehold Buildings	IT Equipment	Office Equipment	Furniture & Fittings	Motor Vehicles	Total
	€	€	€	€	€	€
<b><u>Cost</u></b>						
At 01 January 2011	1,419,803	2,515,133	222,486	4,528,007	299,244	8,984,673
Additions for the year	-	2,490	10,547	11,199	-	24,236
Disposals	-	-	(581)	-	-	(581)
At 31 December 2011	<u>1,419,803</u>	<u>2,517,623</u>	<u>232,452</u>	<u>4,539,206</u>	<u>299,244</u>	<u>9,008,328</u>
<b><u>Accumulated Depreciation</u></b>						
At 01 January 2011	227,168	1,621,983	149,752	1,790,368	206,199	3,995,470
Depreciation charge for the year	56,792	503,525	46,491	453,920	59,849	1,120,577
Disposals	-	-	(465)	-	-	(465)
At 31 December 2011	<u>283,960</u>	<u>2,125,508</u>	<u>195,778</u>	<u>2,244,288</u>	<u>266,048</u>	<u>5,115,582</u>
<b><u>Net Book Value</u></b>						
At 31 December 2011	<u>1,135,843</u>	<u>392,116</u>	<u>36,674</u>	<u>2,294,918</u>	<u>33,196</u>	<u>3,892,747</u>
At 31 December 2010	<u>1,192,635</u>	<u>893,151</u>	<u>72,734</u>	<u>2,737,639</u>	<u>93,045</u>	<u>4,989,204</u>

<b>8 Debtors and prepayments</b>	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
Prepayments	327,123	322,016
Other Debtors	732	1,897
	<u>327,855</u>	<u>323,913</u>

<b>9 Creditors and Accruals</b>	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
Amounts falling due within one year:		
Accrued Expenses		
Pay	100,038	100,011
Non-Pay	89,870	88,515
Deferred Rent	65,492	-
	<u>255,400</u>	<u>188,526</u>

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**

**NOTE TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 €	2010 €
<b>10 Capital Account</b>		
At 01 January 2011	4,989,204	5,753,102
<u>Transfer (to)/ from Income and Expenditure Account</u> Funding of Fixed Assets	24,236	353,068
Amount Released on disposal of Fixed Assets	(116)	-
Amortisation in line with asset depreciation policy	(1,120,577)	(1,116,966)
Balance at 31 December 2011	<u>3,892,747</u>	<u>4,989,204</u>

**11 Lease Commitments**

The Garda Síochána Ombudsman Commission has commitments in respect of a lease on office accommodation at No. 150 Abbey Street, Dublin 1. This is held by way of a 25 years lease, which commenced in 2007.

The annual cost of lease is €934,376 in respect of the premises and €48,000 in respect of tenants car park spaces.

**12 Related Party Transactions/ Disclosure of Interests**

The Garda Síochána Ombudsman Commission 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 Commission and members/staff of the Commission. Formal procedures exist to ensure adherence with the requirements of the Code.

**13 Approval of financial statements**

The financial statements were approved on 3<sup>rd</sup> May 2012.