



Garda  
**Ombudsman**  
INQUIRY INDEPENDENCE IMPARTIALITY

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2018**

## GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

### CONTENTS

	<b>Page</b>
General Information	3
Certificate of the Comptroller and Auditor General	4
Governance Statement and Commission Members' Report	5-10
Statement on Internal Control	11-14
Statement of Income and Expenditure and Retained Revenue Reserves	15
Statement of Financial Position	16
Statement of Cash Flows	17
Notes to the Financial Statements	18-25

## GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

### GENERAL INFORMATION

Head Office	Garda Síochána Ombudsman Commission 150 Upper Abbey Street Dublin 1
Commissioners	Ms. Justice Mary Ellen Ring - Chairperson Mr. Kieran FitzGerald Mr. Patrick Sullivan (Appointed 02/07/2018)
Senior Executive	Mr. Anthony Duggan – Director of Administration (Retired 27/11/2018) Mr. Darren Wright – 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:	Office of the Comptroller and Auditor General 3A Mayor Street Upper Dublin 1

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

## **GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**

### **GOVERNANCE STATEMENT AND COMMISSION MEMBERS' REPORT**

#### **Governance**

The Garda Síochána Ombudsman Commission was established under the Garda Síochána Act 2005. The functions of the Commission are set out in Section 67 of this Act. The Commission is accountable to the Minister for Department of Justice and Equality and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of the Garda Síochána Ombudsman Commission are the responsibility of the Commission and the senior management team.

#### **Commission Responsibilities**

The work and responsibilities of the Commission are set out in Section 67 of the Garda Síochána Act 2005.

Section 77 of the Garda Síochána Act 2005 requires the Commission of the Garda Síochána Ombudsman Commission to keep, in such form as may be approved by the Minister for Department of Justice and Equality with consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing these Financial Statements, the Commission is required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that it will continue in operation, and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements.

The Commission is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the Financial Statements comply with Section 77 of the Garda Síochána Act 2005. The maintenance and integrity of the corporate and financial information on the Garda Síochána Ombudsman Commission's website is the responsibility of the Commission.

The Commission is responsible for approving the annual plan and budget. An evaluation of the performance of the Garda Síochána Ombudsman Commission by reference to the annual plan and budget was carried out on 15<sup>th</sup> January 2019.

The Commission is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

### GOVERNANCE STATEMENT AND COMMISSION MEMBERS' REPORT

The Commission considers that the Financial Statements of the Garda Síochána Ombudsman Commission give a true and fair view of the financial performance and the financial position of the Garda Síochána Ombudsman Commission at 31 December 2018.

#### Commission Structure

In 2018, the Commission consists of a Chairperson, and two Commissioners for part of 2018, all of whom are appointed by the President of Ireland. The members of the Commission met 10 times throughout 2018. The table below details the appointment period for current members:

Commission Member	Role	Date Appointed	Period of appointment
Mary Ellen Ring	Chairperson	12/12/2016	5 Years
Kieran FitzGerald	Commissioner	12/12/2016	4 Years
Patrick Sullivan	Commissioner	02/07/2018	2.5 Years

The Commission conducted a Self-Assessment Effectiveness and Evaluation Review in respect of 2018.

The Commission does not have sub-committees. Garda Síochána Ombudsman Commission come under the remit of the Department of Justice and Equality Audit Committee. The Department of Justice and Equality Audit Unit has completed audits of the Garda Síochána Ombudsman Commission which have been presented and discussed by the Audit Committee.

The Commission has established a number of active groups to deal with other areas:

**1. Risk Group:** comprises of two Commissioners, two Directors and thirteen staff members. The role of the Risk Group is to support the Commission in relation to its responsibilities for issues of risk, control and governance and associated assurance. In particular the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The Risk Group reports to the Commission after each meeting, and formally in writing annually.

The members of the Risk Committee Group are: Anthony Duggan (Former Chairperson, retired 27/11/2018), Kieran Fitzgerald (Chairperson from April 2018), Patrick Sullivan, Conor Sexton, Darren Wright, George O'Doherty, Louise O'Meara, Garrett Croke, Rody Butler, Johan Groenewald, Nick Harden, Shane White, Niamh McKeague, Pamela Howard, Deirdre Quinn, Michelle Kavanagh, and Kathryn Doherty. There were 8 meetings of the Risk Group in 2018.

**2. Health and Safety Group:** Corporate Services held meetings with Health and Safety Authority officials and GSOC's Health and Safety Consultants to conduct a full review of GSOC's Health and Safety including risk assessments for all areas of GSOC. This will conclude in early 2019 and a new Health and Safety committee will be established.



## GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

### GOVERNANCE STATEMENT AND COMMISSION MEMBERS' REPORT

#### Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Commission and Committee meetings for 2018 is set out below including the fees and expenses received by each member:

	Commission	Fees 2018 €	Expenses for meetings 2018 €
Mary Ellen Ring	9/10	-	-
Kieran Fitzgerald	10/10	-	998
Patrick Sullivan	4/4	-	1,233
		-	2,231

The Commissioners are not entitled to a separate fee but are paid a salary for their role.

#### Key Personnel Changes

Mr. Patrick Sullivan was appointed Commissioner on 2<sup>nd</sup> July 2018. The Director of Administration retired on 27<sup>th</sup> November 2018. The role was vacant at year end.

#### Disclosures Required by Code of Practice for the Governance of State Bodies (2016)

The Commission is responsible for ensuring that the Garda Síochána Ombudsman Commission has complied with the requirements of the Code of Practice for the Governance of State Bodies ("the Code"), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code:

#### Employee Short-Term Benefits

Range of total employee benefits		Number of Employees	
From	To	2018	2017
€60,000	- €69,999	13	10
€70,000	- €79,999	11	11
€80,000	- €89,999	4	5
€90,000	- €99,999	3	4
€100,000	- €109,999	1	-
€110,000	- €119,999	-	2
€120,000	- €129,999	1	1
€130,000	- €139,999	1	2
€140,000	- €149,999	1	1

\* Justice Mary Ellen Ring is not included in the table above

Note: For the purposes of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary, overtime allowances and other payments made on behalf of the employee, but exclude employer's PRSI.

## GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

### GOVERNANCE STATEMENT AND COMMISSION MEMBERS' REPORT

#### Consultancy Costs

Consultancy costs include the cost of external advice to management and exclude outsourced 'business-as-usual' functions.

	2018	2017
	€	€
Legal advice	110,019	100,300
Public relations/marketing	3,300	3,300
Business improvement	9,170	21,685
Other	22,926	31,346
<b>Total consultancy costs</b>	<b>145,415</b>	<b>156,631</b>
Consultancy costs capitalized	-	-
Consultancy costs charged to the Income and Expenditure and Retained Revenue Reserves	145,415	156,631
<b>Total</b>	<b>145,415</b>	<b>156,631</b>

#### Legal Costs and Settlements

The table below provides a breakdown of amounts recognised as expenditure in the reporting period in relation to legal costs, settlements and conciliation and arbitration proceedings relating to contracts with third parties. This does not include expenditure incurred in relation to general legal advice received by the Garda Síochána Ombudsman Commission which is disclosed in Consultancy costs above.

	2018	2017
	€	€
Legal fees - legal proceedings	152,597	189,470
Conciliation and arbitration payments	-	-
Settlements	22,022	7,844
<b>Total</b>	<b>174,619</b>	<b>197,314</b>

#### Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

	2018	2017
	€	€
Domestic		
- Commission*	1,497	2,998
- Employees	114,973	84,440
International		
- Commission	734	-
- Employees	28,625	21,483
<b>Total</b>	<b>145,829</b>	<b>108,921</b>

\* includes travel and subsistence of €2,231 paid directly to Commission members in 2018 (2017: €2,998).



## GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

### GOVERNANCE STATEMENT AND COMMISSION MEMBERS' REPORT

#### Hospitality Expenditure

The Statement of Income and Expenditure and Retained Revenue Reserves includes the following hospitality expenditure:

	2018	2017
	€	€
Staff hospitality	3,878	3,755
Client hospitality	-	-
Total	<u>3,878</u>	<u>3,755</u>

#### Statement of Compliance

The Garda Síochána Ombudsman Commission (GSOC) has complied with the requirements of the Code of Practice for the Governance of State Bodies, as published by the Department of Public Expenditure and Reform in August 2016, with the following exceptions:

1. In recognition of GSOC's particular circumstances and statutory independence, this Corporate Governance Assurance Document has been agreed between both parties as satisfying the requirements of an Oversight Agreement as prescribed in the 2016 Code of Practice for the Governance of State Bodies. This agreement sets out the broad corporate governance framework within which GSOC will operate and defines key roles and responsibilities which underpin the relationship between GSOC and the Department of Justice and Equality (DJE).
2. Section 1.18 of the Code advises that the Minister should have sight of the financial plans and strategy statements of the State Body for the Minister's views before the plans are finalised and adopted. Formal reporting mechanisms are in place with the Minister and GSOC is responsible for the management of its own budget. Its strategy statement is informed by that of the DJE. As such, GSOC does not submit financial plans or strategy statements to the Minister for views.
3. Section 1.24 and section 4.8 of the Code advises that the role of the Chairperson and the Chief Executive Officer should not be combined. GSOC, in its current structure, does not have a Chief Executive Officer. The Ombudsman Commission is set up and its membership, composition, terms and conditions defined by statute.
4. Section 3.4 of the Code in relation to Circular 12/10: Protocol for Civil Servants Nominated to Boards of Non-commercial State Bodies does not apply to GSOC. The process of appointments to the Ombudsman Commission is provided for under the Act and there is a reporting relationship between GSOC and the Department regarding risk, internal controls and operational matters as outlined in this Assurance Agreement.
5. Section 3.10 of the Code outlines that the Secretary of the Board is responsible for the induction of new Board members. In GSOC, the Director of Administration and not the Secretary to the Commission is responsible for the formal induction of new Commission and Senior Management Team members and organising mentoring and training where required.
6. Section 4.1 outlines compliance with the Guidelines on Appointments to State Boards regarding terms of appointment and diversity. These guidelines do not apply to GSOC as the terms and conditions and gender composition of the Ombudsman Commission are outlined in sections 65 and 66 of the Act.

## GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

### GOVERNANCE STATEMENT AND COMMISSION MEMBERS' REPORT

7. Sections 7.2 and 7.7 of the Code refer to a State Body having a properly constituted Internal Audit Unit and an Audit and Risk Committee. Having regard to the size of the Commission, it is not deemed feasible for it to establish its own Internal Audit Unit or its own Audit & Risk Committee. Alternative arrangements have been put in place to provide GSOC with access to the Department's Internal Audit Unit and Audit Committee. In addition, GSOC is subject to annual audit by the Comptroller and Auditor General and has an internal risk management process overseen by a Risk Management Officer and a Risk Management Monitoring Group.
8. Section 8.27 of the 2016 Code outlines that Ministerial approval is required for any action which would extend or change the State body's remit. GSOC's remit is decided by Government and set out in legislation. GSOC is, therefore, not in a position to extend its functions or to diversify in any way. It is extremely important that GSOC operates within its statutory remit, as to do otherwise would jeopardise its operations and run counter to its role and purpose. Similarly, GSOC is not involved in acquisitions. While its functions are labour intensive and require considerable skill and expertise, it requires a limited range of equipment to fully discharge its remit.

*Mary Ellen Ring*  
Chairperson of the Commission  
Ms. Justice Mary Ellen Ring

Date: *21<sup>st</sup> November 2019*

## **GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**

### **STATEMENT ON INTERNAL CONTROL**

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

On behalf of the Garda Síochána Ombudsman Commission, I hereby acknowledge our responsibility for ensuring that an effective system of internal controls is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

#### **Purpose of the system of Internal Control**

The system of internal control can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors 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.

#### **Capacity to Handle Risk**

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

- ❖ Decisions on expenditure rest with line managers and the members of the Commission in line with approved expenditure thresholds;
- ❖ 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. Payroll Shared Service Centre processed payroll and travel and subsistence during the accounting year. The Department of Justice and Equality also provide internal audit, fixed asset register maintenance, purchase ordering and tax filing services to the Garda Síochána Ombudsman Commission. There was an audit conducted on internal control in July 2017. In order to ensure appropriate controls are in place, the Garda Síochána Ombudsman Commission uses the services of an external contractor to undertake regular reviews of controls. This process complements the audits undertaken by the Department of Justice and Equality internal audit unit;
- ❖ The Garda Síochána Ombudsman Commission has in place robust financial procedures and in addition engaged the services of an external accounting firm; and
- ❖ The Garda Síochána Ombudsman Commission held 10 Commission meetings in 2018.



## **GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**

### **STATEMENT ON INTERNAL CONTROL**

#### **Risk and Control Framework**

The Commission has established processes to identify and evaluate business and 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;
- ❖ Examining financial risks in the context of strategic goals; and
- ❖ Rebuilding the Risk Management Monitoring Team in the context of recent staffing departures.

The Garda Síochána Ombudsman Commission has in place a Strategy for Risk Management, one element of which is a Risk Management Monitoring Team. The Risk Management Monitoring Team was set up in 2016 and consists of twelve members comprising of various grades in order to ensure cross organisational participation and buy-in to the risk management process. The role of the Risk Management Monitoring Team is to provide oversight to the management of risk by line managers and heads of Business Units, ensure the implementation of a cohesive approach to risk management throughout GSOC, and provide assurance to Senior Management that all known risks are mitigated against. The Risk Management Monitoring Team met 8 times in 2018. The Department of Justice and Equality's audit committee remit includes the Garda Síochána Ombudsman Commission.

#### **Monitoring and Review**

The system of internal 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 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; and
- ❖ 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.

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**

**STATEMENT ON INTERNAL CONTROL**

**Internal control Issues**

Internal control Issue	Mitigating actions
<p><b>1. Breach of Procurement Guidelines</b></p> <p>In 2018, Garda Síochána Ombudsman Commission incurred expenditure of €19,067 in relation to urgent repair work carried out on the Air Conditioning system at GSOC's offices at 150 Upper Abbey Street, Dublin 1.</p> <p>The Air Conditioning system failed in 2018 and the contracted maintenance provider at the time advised GSOC that the chillers were not performing and a full replacement was needed. Given the likely cost of replacing the chiller units, GSOC contacted the OPW to seek a second opinion and their professional advice as to any course of alternative action which might be considered suitable. The OPW inspected the chillers and advised that GSOC contact one of their preferred suppliers to carry out some tests on the chillers. The company whom GSOC contacted carried out these tests which identified a number of problems which could be rectified and would result in restoring the chillers to good working order and running at a fraction of the cost of replacing both chillers.</p> <p>Given the urgency which arose at the time, and the need from a health and safety perspective to have a proper functioning air conditioning system in place as soon as possible, GSOC did not follow public procurement procedures in this case.</p>	<p>GSOC procedures in place to ensure compliance with current procurement rules and guidelines.</p> <p>The nature and urgency of this incident required GSOC to act swiftly as potential health and safety risk could have occurred.</p>
<p><b>2. Breach to Data Security Controls</b></p> <p>In 2018, Garda Síochána Ombudsman Commission reported three incidents of breaches to the Office of the Data Protection Commissioner Ireland.</p> <ul style="list-style-type: none"> <li>• Case Closure letter issued to a staff member in DJE no longer working in the Policing Division who would usually receive these notifications</li> <li>• Investigation Strategy document attached in error to a referral form sent to TUSLA</li> <li>• Parcel containing correspondence relating to cases, a medical report and another medical officer's report issued to Garda HQ in error (should have issued to GSOC Cork office). Parcel was placed in ordinary post and not in designated area for collection by staff.</li> </ul>	<p>GSOC formally reported these three incidences to the Office of the Data Protection Commissioner Ireland.</p>



## GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

### STATEMENT ON INTERNAL CONTROL

#### Compliance with Public Spending Code

The Garda Síochána Ombudsman Commission has procedures in place to ensure compliance with current procurement rules and guidelines as set out by the Office of Government Procurement. Exceptions to full compliance are noted in the section above.

#### Approval by the Commission

The Statement on System of Internal controls has been reviewed by the Commission to ensure it accurately reflects the control system in operation during the reporting period.

A review of the internal controls in 2018 was carried out by the Commission and was signed off by the Commission in 2019.

The Commission is reasonably assured that the systems of Internal Control instituted and implemented in the Garda Síochána Ombudsman Commission for the financial year ended 31<sup>st</sup> December 2018 are effective.

*Mary Ellen Ring*  
Chairperson of the Commission  
Ms. Justice Mary Ellen Ring

Date: 21<sup>st</sup> November 2019

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**

**STATEMENT OF INCOME AND EXPENDITURE AND RETAINED REVENUE RESERVES FOR  
THE YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 €	2017 €
<b>Income</b>			
Oireachtas Grants	2	9,846,990	8,759,928
Transferred from / (to) Capital Account	10	8,830	(50,829)
Total Income		<u>9,855,820</u>	<u>8,709,099</u>
<b>Expenditure</b>			
Staff Costs	3	6,423,420	5,614,293
Upkeep and Overheads	4	1,654,399	1,558,958
General Expenses	5	1,114,465	1,079,861
Professional Fees	6	508,443	382,080
Depreciation	7	274,556	248,308
Total Expenditure		<u>9,975,283</u>	<u>8,883,500</u>
<b>(Deficit) for the year</b>		(119,463)	(174,401)
Balance at 1 January		24,677	199,078
Balance at 31 December		<u>(94,786)</u>	<u>24,677</u>

All income and expenditure for the year relates to continuing activities at the reporting date.

The Statement of Income and Expenditure and Retained Revenue Reserves includes all gains and losses recognised in the year.

The Statement of Cash Flows and Notes 1 to 16 form part of these Financial Statements.

*Mary Ellen Ring*  
 \_\_\_\_\_  
 Chairperson of the Commission  
 Ms. Justice Mary Ellen Ring

Date: *21<sup>st</sup> November 2019*

GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	Notes	2018 €	2017 €
<b>Fixed Assets</b>			
Property, plant and equipment	7	1,301,995	1,310,825
<b>Current Assets</b>			
Receivables	8	366,291	377,891
Cash and cash equivalents		500	500
		<u>366,791</u>	<u>378,391</u>
<b>Current Liabilities (Amount falling due within one year)</b>			
Payables	9	<u>461,577</u>	<u>(353,714)</u>
Net Current Assets		(94,786)	24,677
Net Assets		<u>1,207,209</u>	<u>1,335,502</u>
<b>Representing</b>			
Retained Revenue Reserves		(94,786)	24,677
Capital Account	10	<u>1,301,995</u>	<u>1,310,825</u>
		<u>1,207,209</u>	<u>1,335,502</u>

The Statement of Cash Flows and Notes 1 to 16 form part of these Financial Statements.

Mary Ellen Ring  
Chairperson of the Commission  
Ms. Justice Mary Ellen Ring

Date: 21<sup>st</sup> November 2019

*Handwritten signature*

*Handwritten signature*

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 €	2017 €
<b>Net Cash Flows from Operating Activities</b>			
(Deficit) for the year		(119,463)	(174,401)
Transfer (from) / to Capital Account		(8,830)	50,829
Depreciation charge		274,556	248,308
Loss on disposal of fixed assets		414	-
Decrease in Receivables		11,600	76,096
Increase in Payables		107,863	98,305
<b>Net Cash Flows from Operating Activities</b>		<u>266,140</u>	<u>299,137</u>
<b>Cash Flows From Investing Activities</b>			
Payments to acquire property, plant and equipment	7	<u>(266,140)</u>	<u>(299,137)</u>
<b>Net Cashflows from Investing Activities</b>		<u>(266,140)</u>	<u>(299,137)</u>
<b>Increase / (decrease) in cash and cash equivalents</b>		<u>-</u>	<u>-</u>
Cash and cash equivalents at the beginning of year		500	500
Cash and cash equivalents at the end of the year		<u>500</u>	<u>500</u>



**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**1. Accounting policies**

The basis of accounting and significant accounting policies adopted by the Garda Síochána Ombudsman Commission are set out below. They have been applied consistently throughout the year and for the preceding year.

**a) General Information**

The Garda Síochána Ombudsman Commission was set up under the Garda Síochána Act 2005, with a head office at 150 Upper Abbey Street, Dublin 1. Their primary function is to deal with matters involving possible misconduct by members of the Garda Síochána, in an efficient, effective and fair manner.

**b) Statement of Compliance**

The Financial Statements of the Garda Síochána Ombudsman Commission for the year ended 31 December 2018 have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland.

**c) Basis of Preparation**

The Financial Statements are prepared on the going concern basis, under the historical cost convention and comply with the financial reporting standards of the Financial Reporting Council, except as indicated in Oireachtas Grants below. The Financial Statements are in the form approved by the Minister for Justice and Equality with the concurrence of the Minister for Public Expenditure and Reform. The Financial Statements are prepared in Euro which is the functional currency of the Commission.

**d) Oireachtas Grants**

Income recognised in the Financial Statements under 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.

**e) Property, Plant and Equipment**

Property, plant and equipment are stated at their historical cost less accumulated depreciation. Depreciation is charged to the Statement of Income and Expenditure and Retained Revenue Reserves on a straight line basis, at the rates set out below, so as to write off the assets, adjusted for residual value, over their expected useful lives as follows: -

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

The residual value and useful lives of fixed assets are considered annually for indicators that these may have changed. Where such indicators are present, a review will be carried out of the residual value, depreciation method and useful lives, and these will be amended if necessary. Changes in depreciation rates arising from this review are accounted for prospectively over the remaining useful lives of the assets.



**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**f) Capital Account**

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

**g) Cash and Cash Equivalents**

Cash consists of cash on hand and demand deposits.

**h) Foreign Currencies**

Transactions denominated in foreign currencies are translated into euro and recorded at the rate of exchange ruling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into euro at the rates of exchange ruling at the reporting date or at forward purchase contract rates where such contracts exist.

**i) Retirement Benefits**

The Employees of the Garda Síochána Ombudsman Commission pension entitlements are covered by :

a) A defined benefit schemes which is unfunded and is administered by the Department of Public Expenditure and Reform, or

b) The Single Public Service Pension Scheme which commenced with effect from 1 January 2013. All new members of staff joining the organisation on or after that date are members of this scheme.

Under section 71(3) of the Garda Síochána Act 2005 all officers of the Commission are Civil Servants, accordingly no charge arises in these Financial Statements for any liabilities which may arise in respect of their retirement benefits.

**j) Operating Leases**

Rental expenditure under operating leases is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves over the life of the lease. Expenditure is recognised on a straight-line basis over the lease period.

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	<b>2018</b>	<b>2017</b>
	<b>€</b>	<b>€</b>
<b>2 Oireachtas Grants</b>		
Department of Justice and Equality	9,846,990	8,759,928

The Garda Síochána Ombudsman Commission is funded from the Vote of the Department of Justice and Equality (Vote 24) through subhead A.4.

The Oireachtas grant figure comprises the amount charged to Subhead A.4 in 2018 of €9,591,764 and net of miscellaneous charges and receipts amounting to €255,226 accounted for in other subheads which pertain to the Commission.

	<b>2018</b>	<b>2017</b>
	<b>€</b>	<b>€</b>
<b>3 Staff Costs and Employee Information</b>		
Wages and Salaries	5,832,384	4,873,998
Travel and Subsistence	145,829	108,921
Flexibility Allowance	334,893	396,387
Staff Training and CPD	110,314	234,987
<b>Total Staff Cost</b>	<b>6,423,420</b>	<b>5,614,293</b>

Pension Related Deduction was deducted in line with statutory requirements. €251,580 of pension levy has been deducted in 2018 (2017: €226,264) and retained by the Department of Justice and Equality.

<b>3 (a) Employee Numbers</b>	<b>2018</b>	<b>2017</b>
The average number of employees during the year was made up as follows:		
Commissioners	3	3
Directors	2	2
Operations	64	59
Administration	23	21
<b>Total</b>	<b>92</b>	<b>85</b>

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**3 (b) Staff Costs and Employee Information**

Employee benefits breakdown:

Range of total employee benefits		Number of Employees	
From	To	2018	2017
€60,000	- €69,999	13	10
€70,000	- €79,999	11	11
€80,000	- €89,999	4	5
€90,000	- €99,999	3	4
€100,000	- €109,999	1	-
€110,000	- €119,999	-	2
€120,000	- €129,999	1	1
€130,000	- €139,999	1	2
€140,000	- €149,999	1	1

\* Justice Mary Ellen Ring is not included in the table above

Note: For the purposes of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary, overtime allowances and other payments made on behalf of the employee, but exclude employer's PRSI.

**3 (c) Termination Benefits**

No termination benefits were paid during the year.

**3 (d) Remuneration of Chairperson and Other Commissioners**

The remuneration in 2018 of the Chairperson and Commissioners are as follows:

	2018 Salary €	2017 Salary €
Ms. Justice Mary Ellen Ring (re-appointed 12/12/16)	-	-
Mr. Kieran FitzGerald	126,920	124,746
Mr. Patrick Sullivan (appointed 02/07/18)	65,480	-
Mr. Mark Toland (resigned 05/11/17)	-	112,653

The Commissioners did not receive any performance related payments or any other benefit in kind during the year. The above charge for wages and salaries does not include the salary of €202,826 (2017: €202,919) paid to one of the Commissioners, Justice Mary Ellen Ring, whose salary for administrative convenience was borne by the Central Fund.

Commissioner Kieran FitzGerald is a member of the civil service pension scheme and will be entitled to a pension at Assistant Principal Officer level. Ms. Justice Mary Ellen Ring opted not to join the Spouse and Children's Pension Scheme. The terms of the non-contributory pension scheme for non-established state employees applies to Mr. Toland's contract. Commissioner Patrick Sullivan is deemed to be a member of the Single Public Service Pension Scheme (as defined in the Public Service Pensions (Single Scheme and other Provisions) Act 2012).

In 2018, Chairperson Justice Mary Ellen Ring incurred travel expenses of €0 (2017: €0). Commissioners Kieran FitzGerald and Patrick Sullivan incurred travel expenses of €998 (2017: €0), and €1,233 respectively.

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	€	€
<b>4 Upkeep and Overheads</b>		
Rent and Service Charges	1,088,748	1,037,973
Repairs and Maintenance	119,494	126,937
Security	314,722	292,709
Cleaning	40,655	35,740
Light and Heat	85,762	61,834
Premises Expenses	5,018	3,765
	<u>1,654,399</u>	<u>1,558,958</u>

	2018	2017
	€	€
<b>5 General Expenses</b>		
Telephone	38,592	27,981
IT Expenses	746,229	767,930
Canteen	1,380	555
Print, Post and Stationery	74,302	66,239
Publication Expenses	3,012	25,661
Library and Reference Materials	42,721	41,156
Motor Expenses	110,530	84,577
Office Equipment	15,352	17,052
Protective Clothing and Accessories	14,381	14,342
Conference and Seminar Costs	26,603	9,675
General Meeting Expenses	20,877	16,125
Subscriptions	16,910	5,254
Loss on disposal of Fixed Assets	414	-
General Office Expenses	3,162	3,314
	<u>1,114,465</u>	<u>1,079,861</u>

	2018	2017
	€	€
<b>6 Professional Fees</b>		
Legal	284,628	254,156
Investigation related costs	171,177	90,059
HR Administration and Compliance costs	20,848	13,524
Accounting	16,790	11,341
External Audit	15,000	13,000
	<u>508,443</u>	<u>382,080</u>



**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

7 Property, Plant and Equipment	Improvements on Leasehold Buildings	IT Equipment	Office Equipment	Furniture & Fittings	Motor Vehicles	Total
	€	€	€	€	€	€
<b>Cost</b>						
At 01 January 2018	1,419,803	3,124,714	237,531	4,529,884	504,960	9,816,894
Additions for the year	-	129,440	9,865	98,985	27,850	266,140
Disposals	-	-	-	(689)	(170,799)	(171,487)
At 31 December 2018	1,419,803	3,254,155	247,397	4,628,180	362,011	9,911,546
<b>Accumulated Depreciation</b>						
At 01 January 2018	624,712	2,818,147	206,111	4,505,840	351,260	8,506,069
Depreciation charge for the year	56,792	134,752	10,236	17,964	54,812	274,556
Disposals	-	-	-	(275)	(170,799)	(171,074)
At 31 December 2018	681,504	2,952,898	216,347	4,523,530	235,273	8,809,551
<b>Net Book Value</b>						
At 31 December 2018	738,299	301,257	31,050	104,650	126,738	1,301,995
At 31 December 2017	795,091	306,567	31,421	24,044	153,701	1,310,825

8 Receivables	2018 €	2017 €
Prepayments	366,291	377,891
	366,291	377,891

All receivables are due within one year.

9 Payables	2018 €	2017 €
Amounts falling due within one year:		
Accrued Expenses		
Pay	285,450	184,362
Non-Pay	176,127	169,352
	461,577	353,714

The terms of accruals are based on the underlying contracts.



**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 €	2017 €
<b>10 Capital Account</b>		
At 01 January	1,310,825	1,259,995
<u>Transfer from / (to) Statement of Income and Expenditure and Retained Revenue Reserves</u>		
Funding of Fixed Assets	266,140	299,137
Amount released on disposal of fixed assets	(414)	-
Amortisation in line with asset depreciation policy	<u>(274,556)</u>	<u>(248,308)</u>
Transferred from / (to) Statement of Income and Expenditure and Retained Revenue Reserves	(8,830)	50,829
Balance at 31 December	<u>1,301,995</u>	<u>1,310,825</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 year lease, which commenced in 2007. The annual cost of lease is €979,272 in respect of the premises and €39,875 in respect of tenants' car park spaces.

GSOC have an office in the Irish Prison Service in Longford. A 10 year lease has been signed on 24<sup>th</sup> of October 2018 to place the Cork team in an office located at Unit 4D, The Atrium, Blackpool Retail Park, Cork.

**Lease Commitments**

At 31 December 2018 and at 31 December 2017 the Garda Síochána Ombudsman Commission had the following future minimum lease payments under non-cancellable leases:

	As at 31 December 2018 €	As at 31 December 2017 €
Payable within 1 year	1,041,909	1,019,147
Payable within 2 – 5 years	4,395,261	4,076,588
Payable after 5 years	<u>9,627,571</u>	<u>10,191,470</u>
	<u>15,064,741</u>	<u>15,287,205</u>

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

**12 Capital Commitments**

There were no capital commitments at 31<sup>st</sup> December 2018.

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

Key management personnel in the Garda Síochána Ombudsman Commission consists of three Commissioners and two members of the Senior Executive. Total compensation paid to key management personnel by the Garda Síochána Ombudsman Commission amounted to €454,919 (2017: €509,581). Payments from the Central Fund amounted to €202,826 (2017: €202,919).

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.

**14 Contingent Liability**

The Commission is involved in a legal proceeding which may generate liabilities, depending on the outcome of the litigation. Any actual amount or timing of potential liabilities is uncertain.

**15 Comparative Figures**

Some changes have been made to the presentation of items in the Financial Statements and the comparative figures have been reclassified where necessary on a basis consistent with the current year presentation.

**16 Approval of Financial Statements**

The Financial Statements were approved on \_\_\_\_\_.

