



GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

**FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2012**

GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

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GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

GENERAL INFORMATION

Head Office	Garda Síochána Ombudsman Commission 150 Upper Abbey Street Dublin 1
Commissioners	Mr. Simon O'Brien - Chairman Ms. Carmel Foley Mr. Kieran Fitzgerald
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:	www.gardaombudsman.ie
Email:	info@gsoc.ie
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

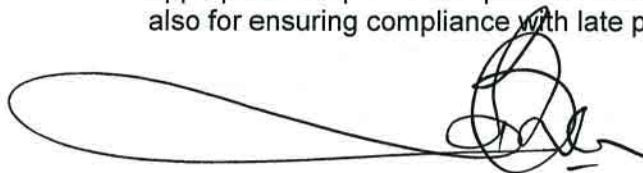
The Garda Síochána Ombudsman Commission is required by Section 77 of the Garda Síochána Act 2005 to prepare financial statements for each financial year of all proper and usual accounts of moneys received or expended in the performance of the Commission's functions under the Garda Síochána Act 2005.

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 Office's 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.



Commissioner
Simon O'Brien

Date: 11/3/14

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 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. The Department of Justice and Equality also provide internal audit services to the Garda Síochána Ombudsman Commission;
- ❖ The Garda Síochána Ombudsman Commission has in place robust financial procedures and in addition engaged the services of an external accounting firm. The external accounting firm conducted a review of the system and processes for procurement and payments in respect of the 2012 financial year.

Risk Assessment

The Commission 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 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 adds further support to the existing identification, management and mitigation of risk in the organisation.

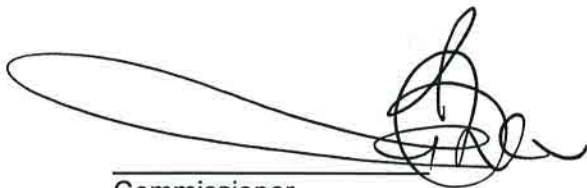
Control Mechanism

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 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 2012.



Commissioner
Simon O'Brien

Date: 11/3/14

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 2012 to 31 December 2012.
The comparative figures cover the accounts period 1 January 2011 to 31 December 2011.

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:

Improvements on 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.

The Chairman of the Garda Síochána Ombudsman Commission is not a member of this unfunded defined benefit scheme. The Chairman's contract of employment provides that payments not exceeding 11% of salary in respect of superannuation contributions will be made on his behalf to an approved private pension fund. In accepting this arrangement, the Chairman waives all his entitlements under public service superannuation scheme in the State in respect of the period of this appointment. Accordingly, the financial statements recognise pension costs in respect of the Chairman.

7. Deferred Rent

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

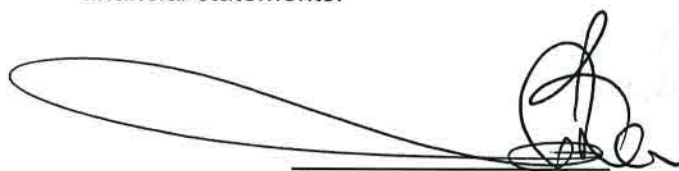
GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED
31 DECEMBER 2012**

	Notes	2012 €	2011 €
Income			
Oireachtas Grants	1	8,325,810	8,509,041
Transferred from Capital Account		<u>776,807</u>	<u>1,096,457</u>
Total Income		<u>9,102,617</u>	<u>9,605,498</u>
Expenditure			
Staff Costs	2	5,901,280	6,070,413
Upkeep and Overheads	4	1,436,392	1,295,486
General Expenses	5	616,047	608,359
Professional Fees	6	301,132	228,591
Research Expenses		16,002	17,545
Depreciation	7	<u>839,392</u>	<u>1,120,577</u>
Gross Expenditures		<u>9,110,245</u>	<u>9,340,971</u>
(Deficit) / Surplus for the year		(7,628)	264,527
Surplus / (Deficit) at beginning of the year		<u>72,955</u>	<u>(191,572)</u>
Surplus at end of the year		<u>65,327</u>	<u>72,955</u>

All recognised gains and losses for the period ended 31 December 2012 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.



Commissioner
Simon O'Brien

Date:

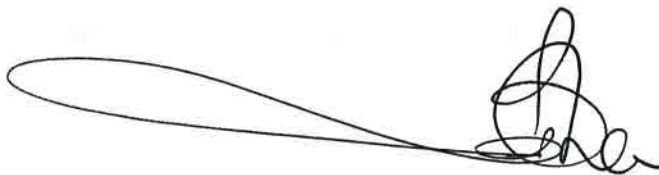
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GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

BALANCE SHEET AS AT 31 DECEMBER 2012

	Notes	2012 €	2011 €
<u>Fixed Assets</u>			
Tangible Assets	7	3,115,940	3,892,747
<u>Current Assets</u>			
Debtors and Prepayments	8	333,592	327,855
Cash on hand and Bank Balances		500	500
		<u>334,092</u>	<u>328,355</u>
<u>Current Liabilities</u>			
Amount falling due within one year			
Creditors and Accruals	9	<u>268,765</u>	<u>255,400</u>
Net Current Assets		65,327	72,955
Net Assets		<u>3,181,267</u>	<u>3,965,702</u>
<u>Capital and Reserves</u>			
Income and Expenditure Account		65,327	72,955
Capital Account	10	<u>3,115,940</u>	<u>3,892,747</u>
		<u>3,181,267</u>	<u>3,965,702</u>

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



Commissioner
Simon O'Brien

Date:

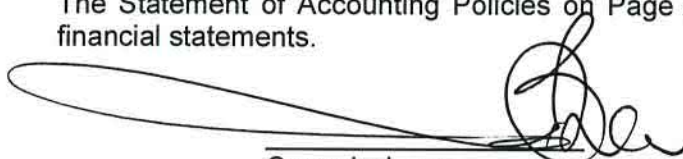
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GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 €	2011 €
Reconciliation of surplus/deficit to net cash inflow from operating activities			
(Deficit) / Surplus for the year		(7,628)	264,527
Transfer (to) Capital Account		(776,807)	(1,096,457)
Depreciation charge		839,392	1,120,577
Loss on disposal of fixed assets		105	116
(Increase) in Debtors		(5,737)	(3,942)
Increase / (Decrease) in Creditors		13,365	(260,585)
Net Cash Inflow from Operating Activities		<u>62,690</u>	<u>24,236</u>
<u>Cash Flow Statement</u>			
Net Cash Flow from Operating Activities		62,690	24,236
Return on Investments and Servicing of Finance			
Capital Expenditure	7	62,690	24,236
Management of Liquid Resources		-	-
Financing		-	-
Decrease in cash		<u>-</u>	<u>-</u>
Reconciliation of Net Cash Flows to Movement in Net Funds			
Decrease in Cash in the year		<u>-</u>	<u>-</u>
Changes in Net Funds resulting from cash flow			
Net Funds at the beginning of year		500	500
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.


 Commissioner
 Simon O'Brien

Date: 11/3/14

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION
NOTE TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012	2011
	€	€
1 Oireachtas Grants		
Department of Justice and Equality	8,325,810	8,509,041

The Garda Síochána Ombudsman Commission is funded from the Vote of the Department of Justice and Equality through subhead E13.

The Oireachtas grant figure comprises the amount charged to Subhead E13 in 2012 of €8,326,809 and miscellaneous charges and receipts amounting to €999 accounted for in other subheads which pertain to the Commission.

	2012	2011
	€	€
2 Staff costs and Employee Information		
Wages and Salaries	5,333,360	5,369,181
Travel and Subsistence	123,726	185,989
Flexibility Allowance	344,695	368,943
Staff Training and CPD	37,775	75,492
Incentivised Scheme Costs	61,724	70,808
Total Staff Cost	5,901,280	6,070,413

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 Síochána Complaints Board (GSCB). For administrative convenience, his salary €145,410, was charged to the GSCB.

Pension levy was deducted in line with statutory requirements. €344,985 of pension levy has been deducted in 2012 (2011:€365,728) and retained by the Department of Justice and Equality.

Employee Numbers	2012	2011
The average number of employees during the year was made up as follows:		
Commissioners	3	3
Directors	2	2
Operations	57	59
Administration	20	23
Total	79	87
Approved ECF Staffing levels	87	87

At year end 31 December 2012 GSOC staff numbered 79, 8 below the ECF staffing level, (as Commissioners not included).

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION
NOTE TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

3 Remuneration of Chairman & Other Commissioners

The remuneration in 2012 of the Chairman and Commissioners are as follows:

	Basic Pay €	Superannuation Contribution €	All-in-Cost €
Mr Simon O'Brien	157,000	17,270	174,270
Ms. Carmel Foley	146,191	-	146,191
Mr. Kieran Fitzgerald	139,000	-	139,000

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

Commissioners Carmel Foley and Kieran Fitzgerald are members of the civil service pension scheme and will be entitled to a pension at Principal Officer level and Assistant Principal level respectively. Chairman Simon O'Brien is not a member of the civil service pension scheme and pension contributions equalling 11% of basic salary was paid to a Revenue Commissioners approved pension fund.

In 2012, Chairman Simon O'Brien incurred travel expenses of €825. Commissioners Carmel Foley and Kieran Fitzgerald incurred travel expenses of €236 and €6,426 respectively.

In 2011, Chairman Conor Brady did not incur any travel expenses. Commissioners Carmel Foley and Dermot Gallagher incurred travel expenses of €1,380 and €928 respectively.

	2012 €	2011 €
4 Upkeep and Overheads		
Rent and Service Charges	913,865	731,199
Repairs and Maintenance	40,963	9,470
Security	296,092	290,768
Cleaning	49,261	51,179
Light and Heat	127,435	131,843
Premises Expenses	8,776	81,027
	<u>1,436,392</u>	<u>1,295,486</u>
5 General Expenses		
Telephone	60,084	57,603
Bank charges	16	32
IT Expenses	370,105	363,913
Canteen	938	4,489
Print, Post and Stationery	76,893	64,961
Publication Expenses	26,800	16,807
Library and Reference Materials	35,279	38,403
Motor Expenses	24,697	20,926
Office Equipment	5,563	12,336
Protective Clothing and Accessories	525	764
Conference and Seminar Costs	3,224	14,475
General Meeting Expenses	4,418	7,370
Subscriptions	7,133	5,784
Loss on Disposal of Fixed Assets	105	116
General Office Expenses	267	380
	<u>616,047</u>	<u>608,359</u>

**GARDA SÍOCHÁNA OMBUDSMAN COMMISSION
NOTE TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012 €	2011 €				
6 Professional Fees						
Legal	194,261	114,648				
Investigation costs	78,301	78,921				
Consultancy	11,730	18,182				
Accounting	6,500	6,500				
Audit	10,340	10,340				
	301,132	228,591				
7 Tangible Fixed Assets						
	Improvem ents on Leasehold Buildings	IT Equipment	Office Equipment	Furniture & Fittings	Motor Vehicles	Total
	€	€	€	€	€	€
Cost						
At 01 January 2012	1,419,803	2,517,623	232,452	4,539,206	299,244	9,008,328
Additions for the year	-	61,271	-	1,419	-	62,690
Disposals	-	-	(1,395)	-	-	(1,395)
At 31 December 2012	1,419,803	2,578,894	231,057	4,540,625	299,244	9,069,623
Accumulated Depreciation						
At 01 January 2012	283,960	2,125,508	195,778	2,244,288	266,048	5,115,582
Depreciation charge for the year	56,792	292,066	23,967	454,062	12,505	839,392
Disposals	-	-	(1,290)	-	-	(1,290)
At 31 December 2012	340,752	2,417,574	218,455	2,698,350	278,553	5,953,684
Net Book Value						
At 31 December 2012	1,079,051	161,321	12,602	1,842,275	20,691	3,115,940
At 31 December 2011	1,135,843	392,116	36,674	2,294,918	33,196	3,892,747
	2012 €	2011 €				
8 Debtors and prepayments						
Prepayments	333,380	327,123				
Other Debtors	212	732				
	333,592	327,855				
	2012 €	2011 €				
9 Creditors and Accruals						
Amounts falling due within one year:						
Accrued Expenses						
Pay	193,379	100,038				
Non-Pay	75,386	89,870				
Deferred Rent	-	65,492				
	268,765	255,400				

GARDA SÍOCHÁNA OMBUDSMAN COMMISSION

**NOTE TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012 €	2011 €
10 Capital Account		
At 01 January 2012	3,892,747	4,989,204
<u>Transfer (to)/ from Income and Expenditure Account</u>		
Funding of Fixed Assets	62,690	24,236
Amount Released on disposal of Fixed Assets	(105)	(116)
Amortisation in line with asset depreciation policy	(839,392)	(1,120,577)
Balance at 31 December 2012	<u>3,115,940</u>	<u>3,892,747</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 11th March 2014.

