



ombudsman
do leanaí
for children

OMBUDSMAN FOR CHILDREN'S OFFICE

FINANCIAL STATEMENTS

for the year ended 31 December 2023

OMBUDSMAN FOR CHILDREN'S OFFICE

Contents

General Information	3
Governance Statement and Ombudsman for Children's Report	4
Statement on Internal Control	10
Report of the Comptroller and Auditor General	14
Statement of Income and Expenditure and Retained Revenue Reserves	16
Statement of Financial Position	17
Statement of Cash Flows	18
Notes to the Financial Statements	19

OMBUDSMAN FOR CHILDREN'S OFFICE

General Information

For the year ended 31 December 2023

Ombudsman for Children

Dr Niall Muldoon

Head Office

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52-56 Great Strand Street
Dublin 1
Telephone: 01-8656800
Web Site: www.oco.ie
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Bankers

Danske Bank
3 Harbourmaster Place
IFSC
Dublin 1

Ulster Bank
O'Connell Street
Dublin 1

Auditors

The Comptroller and Auditor General
3A Mayor Street Upper
Dublin 1
Ireland

Solicitors

Ronan Daly Jermyn Solicitors
2 Park Place
City Gate Park
Mahon Point
Cork

Accountants

Crowleys DFK
16/17 College Green
Dublin 2

OMBUDSMAN FOR CHILDREN'S OFFICE

Governance Statement and Ombudsman for Children's Report

Governance

The Ombudsman for Children's Office was established under the Ombudsman for Children Act 2002. The functions of the Ombudsman for Children are set out in section 6, 7, 8 and 9 of this Act. The Ombudsman for Children is accountable to the Minister for Children, Equality, Disability, Integration and Youth 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 Ombudsman for Children's Office is the responsibility of the Ombudsman for Children and the senior management team.

Ombudsman for Children Responsibilities

Section 17 of the Ombudsman for Children Act 2002 requires the Ombudsman for Children to keep, in such form as may be approved by the Minister for Children, Equality, Disability, Integration and Youth with consent of the Minister for Public Expenditure, National Development Plan Delivery and Reform, all proper and usual accounts of money received and expended by the Ombudsman for Children's Office.

In preparing these financial statements, the Ombudsman for Children 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 Ombudsman for Children is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, the Ombudsman for Children's Office financial position and enables the Ombudsman for Children's Office to ensure that the financial statements comply with section 17 of the Ombudsman for Children Act 2002. The maintenance and integrity of the corporate and financial information on the Ombudsman for Children's Office's website is the responsibility of the Ombudsman for Children.

OMBUDSMAN FOR CHILDREN'S OFFICE

Governance Statement and Ombudsman for Children's Report (continued)

The Ombudsman for Children is responsible for approving the annual plan and budget. An evaluation of the performance of the Office by reference to the annual plan and budget was carried out.

The Ombudsman for Children is also responsible for safeguarding the Ombudsman for Children's Office assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Ombudsman for Children considers that the financial statements of Ombudsman for Children's Office give a true and fair view of the financial performance and the financial position of Ombudsman for Children's Office at 31 December 2023.

Ombudsman for Children's Office Structure

Dr Niall Muldoon was appointed Ombudsman for Children on 17th February 2015 by President Michael D. Higgins following a public independent recruitment process and was re-appointed for a second six year term by President Michael D Higgins on 17th February 2021.

The Ombudsman for Children has established an Audit and Risk Committee. The role of the Audit and Risk Committee (ARC) is to support the Ombudsman for Children in relation to his responsibilities for issues of risk, control and governance and associated assurance. The ARC is independent from the financial management of the Office. In particular, the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The ARC reports to the Ombudsman for Children formally in writing at least once a year.

The Audit and Risk Committee comprises of three independent members. The members of the Audit and Risk Committee are: Mary Griffin (Chairperson), Dr St. John O'Connor and Tim Maverley. The ARC met four times in 2023.

OMBUDSMAN FOR CHILDREN'S OFFICE

Governance Statement and Ombudsman for Children's Report (continued)

Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Audit and Risk Committee meetings for 2023 is set out below including the fees and expenses received by each member:

Committee Member	Audit & Risk Committee	Fees 2023 €	Expenses 2023 €
Mary Griffin	4	-	-
Dr St. John O'Connor	3	-	-
Tim Maverley	4	-	-
		-	-

Key Personnel Changes

No key personnel changes occurred in 2023.

OMBUDSMAN FOR CHILDREN'S OFFICE

Governance Statement and Ombudsman for Children's Report (continued)

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

The Ombudsman for Children is responsible for ensuring that his Office 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, National Development Plan Delivery and Reform in August 2016. The following disclosures are required by the Code:

Employee Short-Term Benefits Breakdown

Employees' short-term benefits in excess of €60,000 are disclosed in Note 4 (b) to the financial statements.

Consultancy Costs

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

	2023	2022
	€	€
Legal advice (inc data protection)	62,585	54,257
Internal audit	19,803	28,106
Other Professional fees	19,515	9,225
Organisational Development and Strategy	61,118	-
IT Consultancy	34,889	36,761
Total consultancy costs	197,909	128,349
Consultancy costs capitalised	-	-
Consultancy costs charged to the Income and Expenditure and Retained Revenue Reserves	197,909	128,349
Total	197,909	128,349

OMBUDSMAN FOR CHILDREN'S OFFICE

Governance Statement and Ombudsman for Children's Report (continued)

Legal Costs and Settlements

An accrual of €61,748 was included in the 2022 financial statements relating to a payment to be made for PRSI arrears from 2008 to 2016 on foot of a decision notified to the Office on 6th July 2023 by the Social Welfare Appeals Office. Payment of €62,044 was made in 2023.

There were no legal settlements in 2023.

Travel and Subsistence Expenditure

Travel and subsistence expenditure are categorised as follows:

	2023	2022
	€	€
Domestic		
- Ombudsman for Children*	6,646	1,588
- Employees	9,266	12,900
International		
- Ombudsman for Children*	9,745	4,299
- Employees	13,766	11,986
Total	<u>39,423</u>	<u>30,773</u>

* Includes travel and subsistence of €7,126 paid directly to the Ombudsman for Children in 2023 (2022: €1,656). The balance of €9,265 (2022: €4,231) relates to travel and subsistence expenditure paid on behalf of the Ombudsman for Children.

Hospitality Expenditure

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

	2023	2022
	€	€
Staff / Committee hospitality	10,011	5,412
Client / Volunteer hospitality	2,343	2,235
Total	<u>12,354</u>	<u>7,647</u>

OMBUDSMAN FOR CHILDREN'S OFFICE

Governance Statement and Ombudsman for Children's Report (continued)

Statement of Compliance

Ombudsman for Children's Office has complied with the requirements of the Code of Practice for the Governance of State Bodies, as published by the Department of Public Expenditure, National Development Plan Delivery and Reform in August 2016, with the following exceptions:

- Provisions in relation to role of the Board, role of the Chairperson and role of Board members

The stewardship structure of the Ombudsman for Children's Office is atypical. There is no Board structure. The Ombudsman for Children undertakes the collective role of a Board and of an accounting officer. Therefore, in addition to performing his duties as a "Board", the Ombudsman for Children also performs executive functions.



Dr Niall Muldoon
Ombudsman for Children

Date: 17th June 2024

OMBUDSMAN FOR CHILDREN'S OFFICE

Statement on Internal Control

Scope of Responsibility

I acknowledge my responsibility for ensuring that an effective system of Internal Control is maintained and operated.

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 error or other irregularities are either prevented or would be detected on a timely basis.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure, National Development Plan Delivery and Reform has been in place in the Ombudsman for Children's Office for the year ended 31 December 2023 and up to the date of approval of the financial statements.

Control Environment

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

- decisions on expenditure rest with the Ombudsman for Children and senior management team as appropriate;
- management responsibilities are clearly assigned, with corresponding accountability.
- Internal Reporting Relationships are clearly assigned which ensured adequate segregation of duties.

Capacity to Handle Risk

The Ombudsman for Children's Office has established an Audit and Risk Committee (ARC) comprising of three external members. The Committee's Terms of Reference are in accordance with the Code of Practice for the Governance of State Bodies (revised 2016) which includes oversight on financial reporting, external and internal audits, risk management and internal controls. The ARC met four times in 2023.

Compliance with control procedures is monitored by the internal audit function that operates in accordance with the framework for the application of best practice as set out in the Code of Practice for the Governance of State Bodies, 2016. The work of internal audit is informed by analysis of the risk to which OCO is exposed.

OMBUDSMAN FOR CHILDREN'S OFFICE

Statement on Internal Control (continued)

The internal audit function has been outsourced to a firm of qualified internal auditors. Reports of the internal auditor are examined by the Audit and Risk Committee and the Ombudsman for Children; and recommendations are reviewed and implemented where appropriate.

The OCO has developed a risk management policy which sets out the risk management processes in place and details the roles and responsibilities of staff in relation to risk. The policy has been issued to the senior management team who are expected to work within the risk management policies, to alert the Ombudsman for Children on emerging risks and control weaknesses and assume responsibility for risks and controls within their own area of work.

Risk and Control Framework

The Ombudsman for Children's Office has established and implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing the Ombudsman for Children's Office and these have been identified, evaluated and graded according to their significance. The risk register further details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff. The risk register is reviewed, updated and presented to the senior management team and to the Audit and Risk Committee.

Risk Management is a standing agenda item at all Audit and Risk Committee meetings. All monthly management team meetings include a discussion on risk management and any movement on risks are monitored at these meetings. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

In addition, a control environment containing the following elements is in place:

- procedures for all key financial processes have been documented,
- financial responsibilities have been assigned at management level with corresponding accountability,
- there is an appropriate budgeting system with an annual budget which is kept under review by senior management,
- there are systems aimed at ensuring the security of the information and communication technology systems,
- there are systems in place to safeguard the assets.

OMBUDSMAN FOR CHILDREN'S OFFICE

Statement on Internal Control (continued)

Ongoing 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 Ombudsman for Children of financial information;
- regular management team meetings.

Mechanisms have been established for ensuring the adequacy of the security of the Office's information and communication technology systems (in collaboration with Office of the Government Chief Information Officer (OGCIO)).

Procurement

I confirm that Ombudsman for Children's Office has procedures in place to ensure compliance with current procurement rules and guidelines established by the Office of Government Procurement.

Internal Control Issues

No internal control issues were identified during the year.

OMBUDSMAN FOR CHILDREN'S OFFICE

Statement on Internal Control (continued)

Review of Effectiveness

I confirm that the Ombudsman for Children's Office has procedures to monitor the effectiveness of its risk management and control procedures. The Ombudsman for Children's Office's monitoring and review of the effectiveness of the system of internal control is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work, and the senior management within Ombudsman for Children's Office responsible for the development and maintenance of the internal control framework.

I confirm that the Ombudsman for Children's Office conducted an annual review of the effectiveness of the internal controls for 2023 in March 2024.



Dr. Niall Muldoon
Ombudsman for Children

Date: 17th June 2024



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Ombudsman for Children

Opinion on the financial statements

I have audited the financial statements of the Ombudsman for Children for the year ended 31 December 2023 as required under the provisions of section 17 of the Ombudsman for Children Act 2002. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of financial position
- the statement of cash flows, and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Ombudsman for Children at 31 December 2023 and of its income and expenditure for 2023 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Ombudsman for Children and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on information other than the financial statements, and on other matters

The Ombudsman for Children has presented certain other information together with the financial statements. This comprises the governance statement and Ombudsman for Children's report, and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

John Crean
For and on behalf of the
Comptroller and Auditor General

19 June 2024

Appendix to the report

Responsibilities of the Ombudsman

As detailed in the governance statement and Ombudsman for Children's report, the Ombudsman is responsible for

- the preparation of annual financial statements in the form prescribed under section 17 of the Ombudsman for Children Act 2002
- ensuring that the financial statements give a true and fair view in accordance with FRS 102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as he determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 17 of the Ombudsman for Children Act 2002 to audit the financial statements of the Ombudsman for Children and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Ombudsman for Children's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Ombudsman for Children to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.


OMBUDSMAN FOR CHILDREN'S OFFICE

**Statement of Income and Expenditure and Retained Revenue Reserves
For the year ended 31 December 2023**

	Notes	2023 €	2022 €
Income			
Grant	2	3,900,000	3,495,000
Superannuation Contributions	3	26,915	26,413
Other Income		9,540	350
Total Income		<u>3,936,455</u>	<u>3,521,763</u>
Expenditure			
Staff Costs	4	2,413,688	2,269,017
Accommodation Costs	6	268,960	275,181
Office Administration Expenses	7	685,740	594,641
Research and Policy	8	6,630	10,849
Complaints and Investigations	9	68,092	52,470
Seminars and Publications	10	301,970	320,334
Total Expenditure		<u>3,745,080</u>	<u>3,522,492</u>
Surplus / (Deficit) for the year before appropriations		191,375	(729)
Transferred from/(to) Capital Account	14	91,158	22,639
Surplus/(Deficit) for the year after appropriations		<u>282,533</u>	<u>21,910</u>
Balance brought forward at 1 January		<u>77,119</u>	<u>55,209</u>
Balance carried forward at 31 December		<u>359,652</u>	<u>77,119</u>

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 1-18 form part of these financial statements.



Dr. Niall Muldoon
Ombudsman for Children

Date: 17th June 2024

OMBUDSMAN FOR CHILDREN'S OFFICE

Statement of Financial Position as at 31 December 2023

	Notes	2023 €	2022 €
<u>Fixed Assets</u>			
Property, plant and equipment	11	128,494	219,652
<u>Current assets</u>			
Receivables and prepayments	12	109,418	95,512
Cash and cash equivalents		448,583	234,342
		<u>558,001</u>	<u>329,854</u>
<u>Current liabilities</u> <u>(Amounts falling due within 1 year)</u>			
Payables	13	<u>(198,349)</u>	<u>(252,735)</u>
Net Current Assets / (Liabilities)		359,652	77,119
Total Net Assets		<u>488,146</u>	<u>296,771</u>
 <u>Representing</u>			
Retained revenue reserve		359,652	77,119
Capital Account	14	<u>128,494</u>	<u>219,652</u>
		<u>488,146</u>	<u>296,771</u>

The Statement of Cash Flows and notes 1-18 form part of these financial statements.



Dr Niall Muldoon
Ombudsman for Children

Date: 17th June 2024

OMBUDSMAN FOR CHILDREN'S OFFICE

Statement of Cash Flows For the year ended 31 December 2023

	Note	2023 €	2022 €
Net Cashflows from Operating Activities			
Surplus / (Deficit) for the year		282,533	21,910
Depreciation of Fixed Assets		91,158	84,252
Loss on disposal of fixed assets		-	143
Transfer (from) / to Capital Account		(91,158)	(22,639)
Interest Received		(9,540)	(350)
(Increase) / Decrease in Receivables		(13,906)	(12,178)
Increase / (Decrease) in Payables		(54,386)	55,498
Net Cash Inflow from Operating Activities		<u>204,701</u>	<u>126,636</u>
Investing Activities			
Payments to acquire Property, Plant and Equipment	11	-	(61,756)
Net Cash Flow from Investing Activities		<u>-</u>	<u>(61,756)</u>
Financing Activities			
Interest Received		9,540	350
Net Cash Flow from Financing Activities		<u>9,540</u>	<u>350</u>
Increase / (Decrease) in Cash and Cash Equivalents		<u>214,241</u>	<u>65,230</u>
Cash and Cash Equivalents at the beginning of the year		<u>234,342</u>	<u>169,112</u>
Cash and Cash Equivalents at the end of the year		<u>448,583</u>	<u>234,342</u>

OMBUDSMAN FOR CHILDREN'S OFFICE

Notes to the Financial Statements For the year ended 31 December 2023

1. Accounting Policies

The basis of accounting and significant accounting policies adopted by the Ombudsman for Children's Office are set out below. They have been applied consistently throughout the year and for the preceding year.

General Information

The Ombudsman for Children's Office was set up in 2004 under the Ombudsman for Children Act, 2002, with a head office at Millennium House, 52-56 Great Strand Street, Dublin 1.

Under the Ombudsman for Children Act 2002, the Ombudsman for Children has two main roles; to look into complaints made by or for children and young people about the actions of public organisations and to promote the rights and welfare of children and young people under 18 years old living in Ireland.

Statement of Compliance

The financial statements of the Ombudsman for Children's Office for the year ended 31 December 2023 have been prepared in compliance with the applicable legislation, and with FRS 102 The financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC).

Basis of Preparation

The financial statements have been prepared under the historical cost convention, except for certain assets and liabilities that are measured at fair values as explained in the accounting policies below. The financial statements are in the form approved by the Minister for Children, Equality, Disability, Integration and Youth with the concurrence of the Minister for of Public Expenditure, National Development Plan Delivery and Reform under the Ombudsman for Children Act 2002.

The financial statements are prepared in Euro which is the functional currency of the Ombudsman for Children's Office. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Ombudsman for Children's financial statements.

OMBUDSMAN FOR CHILDREN'S OFFICE

Accounting Policies (continued)

Revenue

Oireachtas Grants

Revenue is generally recognised on an accrual basis; one exception to this is in the case of Oireachtas Grant income from the Department of Children, Equality, Disability, Integration and Youth which is recognised on a cash receipts basis.

Grant income applied for capital purchases and which results in additions to fixed assets is capitalised on the Capital account.

In accordance with the directions of the Minister, superannuation deductions from staff salaries who commenced on or before 1 January 2013 are retained by the Office and treated as income.

Other income is recognised on an accrual basis.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation, adjusted for any provision for impairment. Depreciation is provided on all property, plant and equipment, at rates estimated to write off the cost less the estimated residual value of each asset on a straight-line basis over their estimated useful lives, as follows:

(i)	Fixtures and Fittings	10% per annum
(ii)	Office Equipment	20% per annum
(iii)	Computer and ICT Equipment	33% per annum
(iv)	Leasehold Improvements	Straight line (until Apr. 2025)

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

If there is objective evidence of impairment of the value of an asset, an impairment loss is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in the year.

Capital Account

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

OMBUDSMAN FOR CHILDREN'S OFFICE

Accounting Policies (continued)

Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the reporting date. Revenues and costs are translated at the exchange rates ruling at the dates of the underlying transactions. Profits and losses arising from foreign currency translations and on settlement of amounts receivable and payable are dealt with in the Statement of Income and Expenditure Account and Retained Revenue Reserves.

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, except where there are rental increases linked to the expected rate of inflation, in which case these increases are recognised when incurred. Any lease incentives received are recognised over the life of the lease.

Employee Benefits

Short-term Benefits

Short term benefits are recognised as an expense in the year, and benefits that are accrued at year-end are included in the Payables figure in the Statement of Financial Position.

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, National Development Plan Delivery and Reform.

The Ombudsman for Children Act 2002 provides that the Minister for Children, Equality, Disability, Integration and Youth, with the consent of the Minister for Public Expenditure, National Development Plan Delivery and Reform, may make and carry out a superannuation scheme in respect of the Ombudsman for Children. Pending finalisation of such a scheme by the Department of Public Expenditure, National Development Plan Delivery and Reform, a scheme based on the Civil Service model is being operated on an administrative basis. Accordingly, the financial statements do not recognise pension costs and liabilities in respect of the Ombudsman for Children.

The Office of the Ombudsman for Children also operates the Single Public Services Pension Scheme ("Single Scheme"), which is a defined benefit scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme members' contributions are paid over to the Department of Public Expenditure, National Development Plan Delivery and Reform.

OMBUDSMAN FOR CHILDREN'S OFFICE

Accounting Policies (continued)

Pensionable public servants recruited before 1 January 2013 working in the Ombudsman for Children's Office are members of the Superannuation Scheme. In accordance with the directions of the Minister, superannuation deductions from staff salaries are retained by the Office and treated as income.

Receivables

Receivables are recognised at fair value, less a provision for doubtful debts. The provision for doubtful debts is a specific provision and is established when there is objective evidence that the Ombudsman for Children's Office will not be able to collect all amounts owed to it. All movements in the provision for doubtful debts are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

Payables

Trade creditors are measured at invoice price, unless payment is deferred beyond normal business terms or is financed at a rate of interest that is not market rate. In this case the arrangement constitutes a financing transaction, and the financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Critical Accounting Judgements and Estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

Impairment of Property, Plant and Equipment

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Depreciation and Residual Values

The Ombudsman for Children's Office reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of fixtures and fittings and have concluded that asset lives, and residual values are appropriate.

OMBUDSMAN FOR CHILDREN'S OFFICE

2. Grant

	2023 €	2022 €
Grant towards Administration – Department of Children, Equality, Disability, Integration and Youth - Vote 40; Subhead C.7.	3,900,000	3,495,000
Grant Allocation Not Drawn	-	-
	<u>3,900,000</u>	<u>3,495,000</u>

Grants received from the Department of Children, Equality, Disability, Integration and Youth of €3,900,000 is net of €41,910 which has been allocated to the Office of the Government Chief Information Officer on behalf of the Ombudsman for Children's Office for the services they provide to the Office (2022: €3,495,000 is net of €35,000)

3. Superannuation Contributions

By direction of the Minister the superannuation deductions of staff who commenced prior to 1 January 2013 are retained by the Ombudsman for Children's Office. €26,915 was retained in 2023 (€26,413 in 2022).

Staff who commenced after 1 January 2013 are members of the Single Public Sector Pension Scheme and their contributions are remitted to the Department of Public Expenditure, National Development Plan Delivery and Reform. The amounts that have been remitted in respect of 2023 was €64,596 (2022: €60,199).

4. Staff Costs and Employee Information

	2023 €	2022 €
Staff Payroll Costs		
Staff costs	2,241,699	2,175,562
Temporary Staff Costs	42,774	18,828
Staff Related Expenses		
Domestic Travel and Subsistence	16,845	14,488
Foreign Travel and Subsistence	22,578	16,285
Recruitment Cost	75,151	35,793
Staff Wellbeing	14,641	8,061
Total Staff Costs	<u>2,413,688</u>	<u>2,269,017</u>

4a. Employee Numbers

The average number of employees during the year was made up as follows:

	2023	2022
Ombudsman for Children	1	1
Staff	35	36
	<u>36</u>	<u>37</u>
Whole Time Equivalent (WTE) at year end	32	38

OMBUDSMAN FOR CHILDREN'S OFFICE

4b. Employee benefits breakdown

Range of total employee benefits		Number of Employees	
From	To	2023	2022
€60,000	- €69,999	2	1
€70,000	- €79,999	2	1
€80,000	- €89,999	4	4
€90,000	- €99,999	1	1
€100,000	- €109,999	-	-
€110,000	- €119,999	1	1
€120,000	- €129,999	-	-
€130,000	- €139,999	1	1

Note: For the purposes of this disclosure, employee benefits in relation to services rendered during the reporting period include salary but exclude employer's PRSI.

The Office does not pay overtime. There were no termination payments paid in the year.

4c. Ombudsman's Remuneration

The Ombudsman for Children was appointed on 17th February 2015 and re-appointed for a further six years from the 17th February 2021. The Ombudsman's remuneration in 2023 was €135,582 (2022: €131,390). 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.

4d. Key Management Remuneration

Key management personnel in Ombudsman for Children's Office consists of the Ombudsman for Children and five members of the Management Team. Total compensation paid to key management personnel in 2023 amounted to €579,316 (2022: €546,732).

5. Additional Superannuation Contribution

Additional Superannuation Contribution (ASC) were made in line with statutory requirements. €52,150 of ASC deductions were made in 2023 and paid over to the Department of Children, Equality, Disability, Integration and Youth (2022: €47,268)

6. Accommodation Expenses	2023	2022
	€	€
Rent	158,520	158,153
Service Charges	96,580	93,808
Premises Insurance	3,427	2,940
Maintenance and Refurbishment Expenses	10,433	20,280
	<u>268,960</u>	<u>275,181</u>

OMBUDSMAN FOR CHILDREN'S OFFICE

7. Office Administration Expenses	2023	2022
	€	€
Legal and Compliance	184,920	114,529
Public Affairs	18,539	38,342
Postal and Telephone Costs	13,295	25,628
IT and Website Costs	151,171	90,751
Advertising	13,235	12,016
Office Supplies	5,461	4,380
Other Miscellaneous Expenses	951	1,192
Accountancy and Payroll	72,126	73,476
Internal audit and risk management	19,803	19,803
Audit	12,400	11,300
Cleaning and Catering	17,859	17,229
Training and Staff Development	39,079	46,087
Translators and Interpreter	8,263	8,625
Light and Heat	30,135	38,158
Membership Subscriptions	7,098	8,316
Bank Charges	247	414
Depreciation	91,158	84,252
Loss on Disposal of Fixed Assets	-	143
	685,740	594,641

8. Research and Policy	2023	2022
	€	€
Research Costs	6,630	10,849
	6,630	10,849

9. Complaints and Investigations	2023	2022
	€	€
Investigations/complaints	48,061	36,370
Database Update	20,031	16,100
	68,092	52,470

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

OMBUDSMAN FOR CHILDREN'S OFFICE

10. Seminars and Publications

	2023	2022
	€	€
Promotions and Sponsors	51,371	27,100
Design and Print	58,628	47,907
OCO Projects	80,118	30,954
Publications	1,828	3,023
Photography	2,171	3,854
Conference/Seminar Expenses	89,325	194,254
Media Monitoring Expenses	7,215	7,607
School Visits	11,314	5,635
	301,970	320,334

11. Fixed Assets

	ICT Equipment €	Office Equipment €	Furniture & Fittings €	Leasehold Improvements €	Total €
<u>Cost</u>					
At 1 January 2023	131,119	25,286	71,434	308,317	536,156
Additions for the year	-	-	-	-	-
Disposals for the year	(4,859)	-	-	-	(4,859)
At 31 December 2023	<u>126,260</u>	<u>25,286</u>	<u>71,434</u>	<u>308,317</u>	<u>531,297</u>
<u>Accumulated Depreciation</u>					
At 1 January 2023	67,680	24,087	49,492	175,245	316,504
Depreciation charge for the year	28,519	433	5,172	57,034	91,158
Disposals for the year	(4,859)	-	-	-	(4,859)
At 31 December 2023	<u>91,340</u>	<u>24,520</u>	<u>54,664</u>	<u>232,279</u>	<u>402,803</u>
<u>Net Book Value</u>					
At 31 December 2023	<u>34,920</u>	<u>766</u>	<u>16,770</u>	<u>76,038</u>	<u>128,494</u>
At 31 December 2022	<u>63,439</u>	<u>1,199</u>	<u>21,942</u>	<u>133,072</u>	<u>219,652</u>

OMBUDSMAN FOR CHILDREN'S OFFICE

12. Receivables and Prepayments

	2023	2022
	€	€
Prepayments	109,418	95,512
	<u>109,418</u>	<u>95,512</u>

13. Payables and Accruals

	2023	2022
	€	€
Amounts falling due within one year		
PRSI	2,792	-
PSWT	399	8,516
Accrued expenses (Pay)	63,864	98,339
Accrued expenses (Non-Pay)	58,682	73,871
Other creditors	72,612	72,009
	<u>198,349</u>	<u>252,735</u>

14. Capital Account

	2023	2022
	€	€
As at 1st January	219,652	242,291
Allocated to purchase fixed assets	-	61,756
Disposal of fixed assets	-	(143)
Amount amortised in line with asset depreciation	(91,158)	(84,252)
Transfer from Income and Expenditure account	(91,158)	(22,639)
	<u>128,494</u>	<u>219,652</u>

OMBUDSMAN FOR CHILDREN'S OFFICE

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.

Lease Commitments

A 20-year lease commenced on 4 April 2005 with rent of €150,000 per annum which increased in 2021 to €153,134 per annum effective from rent review date 4 April 2021. Lease commitments are as follows:

	2023	2022
	€	€
Under 1 year	153,134	153,134
Between 2 – 5 years	38,284	191,418
Over 5 years	-	-
	<u>191,418</u>	<u>344,552</u>

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 31st December 2023.

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, National Development Plan Delivery and Reform in relation to the disclosure of interests by the Ombudsman for Children 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 17th June 2024.