

Oifig Choimisinéir na dTeangacha Oifigiúla

FINANCIAL STATEMENTS

for the year ended

31 December 2012

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Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Oifig Choimisinéir na dTeangacha Oifigiúla

I have audited the financial statements of Oifig Choimisinéir na dTeangacha Oifigiúla for the year ended 31 December 2012 under the Official Languages Act 2003. The financial statements, which have been prepared under the accounting policies set out therein, comprise the Statement of Accounting Policies, Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Generally Accepted Accounting Practice in Ireland.

Responsibilities of the Commissioner

The Commissioner is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view of the state of affairs of Oifig Choimisinéir na dTeangacha Oifigiúla and of its income and expenditure, and for ensuring the regularity of transactions.

Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland). These standards require me to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to the circumstances of Oifig Choimisinéir na dTeangacha Oifigiúla, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and

- the overall presentation of the financial statements. I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

Opinion on the Financial Statements

In my opinion, the financial statements, which have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland, give a true and fair view of the state affairs of Oifig Choimisinéir na dTeangacha Oifigiúla at 31 December 2012 and of its income and expenditure for the year then ended.

In my opinion, proper books of account have been kept by Oifig Choimisinéir na dTeangacha Oifigiúla. The financial statements are in agreement with the books of account.

Matters on Which I am Required to Report by Exception

I report by exception if

- I have not received all the information and explanations I required for my audit, or
- there was any material instance where moneys have not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the Statement on Internal Financial Control does not reflect the Commissioner's compliance with the Code of Practice for the Governance of State Bodies, or
- I find there are other material matters relating to the manner in which public business has been conducted.

I have nothing to report in regard to those matters upon which reporting is by exception.

Patricia Sheehan

**For and on behalf of the
Comptroller and Auditor General**

August 2013

Oifig Choimisinéir na dTeangacha Oifigiúla

Statement on Internal Financial Controls

Responsibility for the System of Internal Financial Controls

Oifig Choimisinéir na dTeangacha Oifigiúla is a small office in one unit. A staff complement of nine is sanctioned for the Office including An Coimisinéir Teanga and eight civil servants. There were two staff vacancies at the end of 2012. The responsibility for ensuring that an effective system of internal controls is maintained and operated falls to myself, as An Coimisinéir Teanga.

The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.

The staff of this Office and I have taken steps to ensure that an effective system is in place, by implementing a system of internal control based on information being supplied to management, administrative procedures including segregation of duties, and a system of delegation and responsibility.

This includes:

- Annual and quarterly estimates which specify the supply needed for the coming period.
 - Regular reporting to the Department of Arts, Heritage & the Gaeltacht including reports on expenditure to date when a drawdown to our current account in the bank is required.
- Comparisons are made at this time between estimated and actual expenditure.

Internal audit services are provided on a contract basis by a chartered accountant. An internal audit took place during 2012. This Office has also put in place an Audit Committee, consisting of the Office Director and two external members.

I confirm that I reviewed the Office's system of internal financial controls during the year 2012.

Seán Ó Cuirreáin
An Coimisinéir Teanga

Oifig Choimisinéir na dTeangacha Oifigiúla

Statement of Responsibilities of An Coimisinéir Teanga

Oifig Choimisinéir na dTeangacha Oifigiúla was established under the Official Languages Act 2003.

Under paragraph 8(1) of the Second Schedule of the Official Languages Act 2003, An Coimisinéir Teanga is obliged to keep, in such form as may be approved of by the Minister for Arts, Heritage and the Gaeltacht, all proper and usual accounts of all moneys received or expended by him or her and all such special accounts (if any) as the Minister may direct.

In preparing those financial statements, An Coimisinéir Teanga 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 do so;
- Disclose and explain any material departures from applicable accounting standards.

An Coimisinéir Teanga is responsible for the keeping of proper books of account which disclose with reasonable accuracy the financial position of the Office. An Coimisinéir Teanga is also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Seán Ó Cuirreáin
An Coimisinéir Teanga

Date

Oifig Choimisinéir na dTeangacha Oifigiúla

Statement of Accounting Policies

1. Accounting Period

Oifig Choimisinéir na dTeangacha Oifigiúla was established under the Official Languages Act 2003. An Coimisinéir Teanga was appointed by the President on 23 February 2004 and was reappointed for a second term on 23 February 2010. These accounts cover the period from 1 January 2012 to 31 December 2012.

2. Basis of Accounting

These financial statements are prepared on an accruals basis, except as stated below, and in accordance with generally accepted accounting principles under the historical cost convention. Financial Reporting Standards as recommended by the recognised accountancy bodies are adopted, as they become operative.

3. Oireachtas Grants

These are accounted for on a cash receipts basis.

Oireachtas Grants comprise funds provided to Oifig Choimisinéir na dTeangacha Oifigiúla through the Vote of the Department of Arts, Heritage and the Gaeltacht as follows:

- A grant from which An Coimisinéir Teanga discharges any liabilities, and
- Through the direct payment by the Department of certain salary and administrative costs.

4. Pensions

A defined benefit scheme was established in 2009 for An Coimisinéir Teanga in accordance with the Official Languages Act 2003. Pension contributions deducted from the salary of An Coimisinéir Teanga are retained by the Department of Arts, Heritage and the Gaeltacht. Liabilities under the scheme fall to be paid by the Department.

The staff of the Office of An Coimisinéir Teanga are civil servants who are members of the civil service superannuation scheme which is administered separately. Pension deductions, under the Financial Measures (Miscellaneous Provisions) Act 2009 are retained by the Department and paid to the Exchequer.

5. Fixed Assets and Depreciation

Fixed assets are stated at their historical cost less accumulated depreciation. Depreciation is calculated on the straight line basis, at the following rates:-

Furniture, Fixtures and Fittings	10%
Computers and Office Equipment	20%

6. Capital Account

The Capital Account represents the unamortised amount of income used to purchase fixed assets.

Oifig Choimisinéir na dTeangacha Oifigiúla

Income and Expenditure Account for the year ended 31 December 2012

	Note	2012 €	2011 €
Income			
Oireachtas Grant	1	606,784	629,285
Co-funding of Schools Project	6	0	25,000
Transfer from / (to) Capital Account	3	<u>18,135</u>	<u>24,942</u>
		624,919	679,227
Expenditure			
Salaries and Allowances	4	448,653	456,868
Travel Expenses		12,280	11,418
Depreciation	2	22,574	25,952
Stationery		2,160	3,155
Postage & Phone		10,207	9,799
Heat, Light & Rent	5	91,489	92,019
Legal & Professional		7,801	1,664
Audit		4,735	4,797
Advertising		3,005	1,594
Publications, Publicity & Events		16,230	62,490
Miscellaneous		<u>8,704</u>	<u>6,308</u>
		627,838	676,064
Surplus / (Deficit) for the year ended 31 December		<u>(2,919)</u>	<u>3,163</u>
Balance at 1 January		18,219	15,056
Balance at 31 December		15,300	18,219

There are no recognised gains or losses other than those dealt with in the Income and Expenditure Account.

The Statement of Accounting Policies and notes 1 – 7 form part of these Financial Statements.

An Coimisinéir Teanga:

Date:

Oifig Choimisinéir na dTeangacha Oifigiúla

Balance Sheet as at 31 December 2012

	Note	2012 €	2011 €
FIXED ASSETS			
Tangible Fixed Assets	2	40,417	58,552
CURRENT ASSETS			
Bank		5,831	7,529
Prepayments		<u>17,528</u>	<u>18,949</u>
		23,359	26,478
CURRENT LIABILITIES			
Accruals		(7,477)	(7,677)
Creditors		<u>(582)</u>	<u>(582)</u>
		(8,059)	(8,259)
Net Current Assets		15,300	18,219
TOTAL ASSETS		<u>55,717</u>	<u>76,771</u>
Represented by:			
Capital Account	3	40,417	58,552
Income and Expenditure Account		<u>15,300</u>	<u>18,219</u>
		<u>55,717</u>	<u>76,771</u>

The Statement of Accounting Policies and Notes 1 – 7 form part of these Financial Statements.

An Coimisinéir Teanga:

Date:

Oifig Choimisinéir na dTeangacha Oifigiúla

Notes to the Financial Statements

1. Oireachtas Grant

The Department of Arts, Heritage and the Gaeltacht made the following funds available to Oifig Choimisinéir na dTeangacha Oifigiúla in the period

	2012	2011
	€	€
Grant to Oifig Choimisinéir na dTeangacha Oifigiúla	146,000	161,000
Payments made on behalf of Oifig Choimisinéir na dTeangacha Oifigiúla	<u>460,784</u>	<u>468,285</u>
	606,784	629,285

2. Fixed Assets

	Fixtures & Fittings	Computer & Office Equipment	Total
	€	€	€
Cost			
Opening Balance 1 January 2012	158,560	124,752	283,312
Additions in 2012	0	4,439	4,439
Disposals in 2012	<u>0</u>	<u>(10,146)</u>	<u>(10,146)</u>
Closing Balance 31 December 2012	158,560	119,045	277,605
Depreciation			
Opening Balance 1 January 2012	112,091	112,669	224,760
Charge 2012	15,856	6,718	22,574
Disposals 2012	<u>0</u>	<u>(10,146)</u>	<u>(10,146)</u>
Closing Balance 31 December 2012	127,947	109,241	237,188
Net Book Value			
Net book value 31 December 2012	<u>30,613</u>	<u>9,804</u>	<u>40,417</u>
Net book value 31 December 2011	<u>46,469</u>	<u>12,083</u>	<u>58,552</u>

3. Capital Account

	2012	2011
	€	€
Transfer to Income and Expenditure Account		
Funds applied for the purchase of Fixed Assets	4,439	1,010
Amortisation in line with asset depreciation	<u>(22,574)</u>	<u>(25,952)</u>
	(18,135)	(24,942)
Opening balance at 1 January	58,552	83,494
Closing balance at 31 December	40,417	58,552

4. Salaries and Allowances

Payroll costs are made up of

	2012	2011
	€	€
Salary of An Coimisinéir	127,148	127,150
Staff salaries	293,376	303,338
Employer's PRSI	<u>28,129</u>	<u>26,380</u>
	448,653	456,868

As noted in the pensions accounting policy, a defined benefit pension scheme has been established in respect of An Coimisinéir Teanga. The entitlements of An Coimisinéir Teanga do not extend beyond the standard entitlements in the model public sector defined benefit superannuation scheme.

An amount of €31,019 was deducted from staff by way of the pension levy and paid to the Exchequer.

5. Heat, Light and Rent

Oifig an Choimisinéara Teanga is located in An Spidéal in a premises provided by the Office of Public Works at an annual rental cost of €56,556.

6. Co-funding of Schools Project

During 2011, Oifig an Choimisinéara Teanga developed an educational resource pack on language rights for the Junior Certificate course in Civil, Social and Political Education (CSPE). This multi-media educational resource was developed in collaboration with An Chomhairle um Oideachas Gaeltachta agus Gaelscolaíochta (COGG), the Department of Education and Skills' advisory council on Gaeltacht and gaelscoil education. The multi-media educational resource involves a series of bilingual lessons and projects and includes a teacher's manual, posters, task cards, a CD Rom and a DVD of video clips as well as online resources. Two copies of the resource pack were distributed to every second level school in Ireland.

The following project costs are included in the comparative expenditure for 2011:

	€
Production and printing	29,395
DVD production	11,880
Distribution	4,200
Other	<u>3,135</u>
Total Project Expenditure	48,610

The project was funded by a financial contribution from COGG of €25,000 with the balance being funded by Oifig an Choimisinéara Teanga.

The project was completed in 2011, no income or expenditure was incurred in 2012.

7. Public Service Reform Plan

Under Government proposals the Office is to be merged with the Office of the Ombudsman. This will require amending legislation, as yet undrafted.

No decisions have been made at this juncture as to how the assets and liabilities of the Office will be accounted for under the proposed merger.

It is considered appropriate to prepare the accounts on a going concern basis.