

Oifig Choimisinéir na dTeangacha Oifigiúla

FINANCIAL STATEMENTS

for the year ended

31 December 2014

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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 2014 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 statements have been prepared in the form prescribed in the second Schedule of the Act 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 the 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 2014 and of its income and expenditure for 2014.

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 Board'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**

September 2015

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 seven is sanctioned for the Office including An Coimisinéir Teanga and six civil servants. 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 Office relies on the payroll system of the Department of Justice and Equality, whose control systems apply to the Office payroll.

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 qualified accountant. An internal audit took place during 2014. This Office has also put in place an Audit Committee, consisting of a member of staff and two external members.

I confirm that the Office's system of internal financial controls were reviewed during the year 2014.

Rónán Ó Domhnaill
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.

Rónán Ó Domhnaill
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. Rónán Ó Domhnaill was appointed as the second Coimisinéir Teanga on 12 March 2014 succeeding Seán Ó Cuirreáin who stepped down from the position on 23 February 2014. These accounts cover the period from 1 January 2014 to 31 December 2014.

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

The current Coimisinéir Teanga is a member of the Single Public Service Pension Scheme. The relevant pension contributions are remitted to the Department of Public Expenditure and Reform. The staff of the Office of An Coimisinéir Teanga are civil servants. Their payroll is administered by the Department and liability in relation to their pensions rests with the Department.

A defined benefit scheme was established in 2009 for the first Coimisinéir Teanga in accordance with the Official Languages Act 2003. Liabilities under the scheme fall to be paid by the Department.

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 2014

	Note	2014 €	2013 €
Income			
Oireachtas Grant	1	566,389	595,925
Transfer from / (to) Capital Account	3	<u>1,366</u>	<u>19,801</u>
		567,755	615,726
Expenditure			
Salaries and Allowances	4	386,459	434,346
Travel Expenses		19,674	15,503
Depreciation	2	10,603	20,944
Stationery		3,183	4,582
Postage & Phone		7,425	7,682
Heat, Light & Rent	5	89,987	95,235
Legal & Professional	6	28,140	352
Audit		2,681	4,512
Advertising		3,437	2,222
Publications, Publicity & Events		9,456	22,203
Miscellaneous		<u>4,614</u>	<u>2,408</u>
		565,659	609,989
Surplus / (Deficit) for the year ended 31 December		<u>2,096</u>	<u>5,737</u>
Balance at 1 January		21,037	15,300
Balance at 31 December		23,133	21,037

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:

Rónán Ó Domhnaill

Date:

Oifig Choimisinéir na dTeangacha Oifigiúla

Balance Sheet as at 31 December 2014

	Note	2014 €	2013 €
FIXED ASSETS			
Tangible Fixed Assets	2	19,250	20,616
CURRENT ASSETS			
Bank		8,630	10,079
Prepayments		<u>22,977</u>	<u>17,144</u>
		31,607	27,223
CURRENT LIABILITIES			
Accruals		(4,379)	(5,574)
Creditors		<u>(4,095)</u>	<u>(612)</u>
		(8,474)	(6,186)
Net Current Assets		23,133	21,037
TOTAL ASSETS		<u><u>42,383</u></u>	<u><u>41,653</u></u>
Represented by:			
Capital Account	3	19,250	20,616
Income and Expenditure Account		<u>23,133</u>	<u>21,037</u>
		<u><u>42,383</u></u>	<u><u>41,653</u></u>

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

An Coimisinéir Teanga:

Rónán Ó Domhnaill

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

	2014	2013
	€	€
Grant to Oifig Choimisinéir na dTeangacha Oifigiúla	160,800	146,000
Payments made on behalf of Oifig Choimisinéir na dTeangacha Oifigiúla	<u>405,589</u>	<u>449,925</u>
	566,389	595,925

2. Fixed Assets

	Fixtures & Fittings	Computer & Office Equipment	Total
	€	€	€
Cost			
Opening Balance 1 January 2014	158,560	119,113	277,673
Additions in 2014	0	9,237	9,237
Disposals in 2014	<u>0</u>	<u>(13,017)</u>	<u>(13,017)</u>
Closing Balance 31 December 2014	158,560	115,333	273,893
Depreciation			
Opening Balance 1 January 2014	143,803	113,254	257,057
Charge 2014	5,563	5,040	10,603
Disposals 2014	<u>0</u>	<u>(13,017)</u>	<u>(13,017)</u>
Closing Balance 31 December 2014	149,366	105,277	254,643
Net Book Value			
Net book value 31 December 2014	<u>9,194</u>	<u>10,056</u>	<u>19,250</u>
Net book value 31 December 2013	<u>14,757</u>	<u>5,859</u>	<u>20,616</u>

3. Capital Account

	2014	2013
	€	€
Transfer to Income and Expenditure Account		
Funds applied for the purchase of Fixed Assets	9,237	1,143
Amortisation in line with asset depreciation	<u>(10,603)</u>	<u>(20,944)</u>
	(1,366)	(19,801)
Opening balance at 1 January	20,616	40,417
Closing balance at 31 December	19,250	20,616

4. Salaries and Allowances

Payroll costs are made up of

	2014	2013
	€	€
Salary of An Coimisinéir	110,802	123,283
Staff salaries	249,736	283,927
Employer's PRSI	<u>25,921</u>	<u>27,136</u>
	386,459	434,346

The salary charge of €110,802 in respect of the Commissioners' pay comprises:

	€
Seán Ó Cuirreáin (1 January – 23 February)	21,571
Rónán Ó Domhnaill (appointed 12 March 2014)	<u>89,231</u>
Total	110,802

A defined benefit scheme was established in respect of the previous Coimisinéir Teanga. The entitlements did not extend beyond the standard entitlements in the public sector defined benefit superannuation scheme. The current Coimisinéir Teanga is a member of the new Single Public Service Pension Scheme. The pension liability in relation to the current Commissioner has not been included in the financial statements as any pension rights will not accrue until he has served 2 years. In addition, a final decision is awaited from the Department of Arts, Heritage and the Gaeltacht on where liability for the pension will lie.

An amount of €24,970 (2013 - €29,447) 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. Legal and Professional

In 2013 the Office of the Revenue Commissioners appealed the findings of an investigation to the High Court on a point of law as provided for by section 28 of the Act.

The case was heard in the High Court in November 2014. In a judgment delivered in February 2015 the High Court rejected the appeal. In a subsequent decision the High Court found that the Revenue Commissioners should bear the costs associated with the case. The accounts for 2014 include a provision of €25,000 for the legal costs incurred by the Office. Income from the expected recovery of costs has not been recognised pending finalisation of an agreement between the sides on this matter.

7. Public Service Reform Plan

In April 2014 the Government announced that it no longer intended to proceed with the proposed amalgamation of the Office with the Office of the Ombudsman.