



# Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

## Report for presentation to the Houses of the Oireachtas Oberstown Children Detention Campus

### Opinion on the financial statements

I have audited the financial statements of Oberstown Children Detention Campus for the year ended 31 December 2018 as required under the provisions of section 173 of the Children Act 2001. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of comprehensive income
- 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 Oberstown Children Detention Campus at 31 December 2018 and of its income and expenditure for 2018 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 Oberstown Children Detention Campus 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

Oberstown Children Detention Campus has presented certain other information together with the financial statements. This comprises the governance statement and Board members' 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.

### *Review of internal control*

The statement on internal control discloses that the Board did not carry out a review of the effectiveness of the system of internal control for the period in the manner required by the Code of Practice for the Governance of State Bodies.

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

17 December 2019

## Appendix to the report

### Responsibilities of Board members

As detailed in the governance statement and Board members' report, the Board members are responsible for

- the preparation of financial statements in the form prescribed under section 173 of the Children Act 2001
- 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 they determine 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 173 of the Children Act 2001 to audit the financial statements of Oberstown Children Detention Campus 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 Oberstown Children Detention Campus'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 Oberstown Children Detention Campus 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.

### 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.

I also 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.

**Oberstown Children Detention Campus  
Annual Report and Financial Statements  
For the year ended 31 December 2018**

# **Oberstown Children Detention Campus**

For the year ended 31 December 2018

## **Contents**

Information Page	3
Governance Statement and Board Members' Report	4 - 8
Statement on Internal Control	9 - 12
Statement of Income and Expenditure and Retained Revenue Reserves	13
Statement of Comprehensive Income	14
Statement of Financial Position	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 - 30

## **Oberstown Children Detention Campus**

For the year ended 31 December 2018

### **Information page**

#### **Board Members**

Professor Ursula Kilkelly (Chairperson)  
Mr Jim Gibson (resigned 13<sup>th</sup> June 2018)  
Ms Laoise Manners  
Ms Sinead O'Herlihy  
Mr Liam Walsh (resigned 7<sup>th</sup> December 2018)  
Mr Pat Rooney  
Ms Elizabeth Howard  
Mr Tadgh Delaney  
Mr Charles Irwin  
Mr Diego Gallagher  
Ms Emer Woodfull  
Mr Michael Farrell  
Mr Don O'Leary  
Ms Linda Creamer (appointed 4<sup>th</sup> December 2018)

#### **Address**

Oberstown  
Lusk  
Co. Dublin

#### **Bankers**

Bank of Ireland  
Balbriggan  
Co. Dublin

#### **Auditors**

Office of Comptroller & Auditor General  
3A Mayor Street Upper  
Dublin 1  
DO1 PF72

# **Oberstown Children Detention Campus**

For the year ended 31 December 2018

## **Governance Statement and Board Members' Report**

### **Governance**

The Board of Management of Oberstown Children Detention Campus was established under the Children Act, 2001. The functions of the Board are set out in section 165 of this Act. The Board is accountable to the Minister for Children & Youth Affairs 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 within its competence. The regular day-to-day management, control and direction of Oberstown Children Detention Campus are the responsibility of the Director. The Director follows the strategic direction set by the Board of Management and must ensure the Board members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The Director acts as a direct liaison between the Board of Management and the management of Oberstown Children Detention Campus.

### **Board Responsibilities**

The Board has responsibility for the good governance of Oberstown Children Detention Campus and operates according to legislation and guidance to ensure effective controls are in place, which also contains the matters specifically reserved for the Board. Standing items considered by the Board include:

- Reports from committees
- Financial reports/management accounts (via the Finance, Audit and Risk Sub-Committee on behalf of the Board)
- Performance reports.

Section 173 of the Children Act, 2001 requires the Board of Management of Oberstown Children Detention Campus to keep, in such form as may be approved by the Minister for Children and Youth Affairs with the consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the Board of Management of Oberstown Children Detention Campus 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 Board of Management is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with section 173 of the Children Act, 2001. The maintenance and integrity of the corporate and financial information on Oberstown Children Detention Campus is the responsibility of the Board.

The Board places reliance on the established, Department of Children and Youth Affairs and, Department of Justice and Equality, managed processes and regulations to underpin its internal controls across these areas.

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

Oberstown operates in accordance with the principles of good governance in line with the Children Act 2001 and The Code of Practice for the Governance of State Bodies (2016). Part 10 of the Children Act 2001 outlines the roles and responsibilities of the Minister for Children and Youth Affairs, the Board of Management and the Director of Oberstown Children Detention Campus. In the case of any conflict between the Code of Practice and the legislation, the legislation takes precedence.

## Oberstown Children Detention Campus

For the year ended 31 December 2018

### Governance Statement and Board Members' Report (continued)

Based on the information provided by the Department of Justice and Equality (DOJE), Financial Shared Services (FSS), the Department of Children and Youth Affairs (DCYA) and Payroll Shared Services Centre (PSSC), the Board considers that the financial statements of Oberstown give a true and fair view of the financial performance and the financial position of Oberstown Children Detention Campus at 31 December 2018.

#### Board Structure

The Board of Management consists of a Chairperson and 12 members, all of whom are appointed by the Minister for Children and Youth Affairs. The members of the Board were appointed from 1 June 2016 for a term not exceeding 3 years and all co-terminating on 31 May 2019. There is provision in the Children Act allowing for the re-appointment of Board members for a second term. Board members' emoluments are disclosed in Note 3(c) to the Financial Statements.

In 2018, the Board had two committees as follows:

*Finance, Audit & Risk committee*; comprising of three Board members. The role of the committee is to support the Board in relation to its responsibilities for issues of finance and financial management and the provision of associated assurances. Terms of reference were approved by the Board of Management for 2018.

*Governance committee*; comprising three Board members. The role of the Governance committee is to support the Board in meeting legal and statutory requirements of good governance, as well as promoting the adoption of good practice. Terms of reference were approved by the Board of Management for 2018.

The Board of Management met 11 times during 2018, the Finance, Audit & Risk Subcommittee met 8 times during the year and the Governance subcommittee met 3 times during the year.

	Board of Management Meetings attendance	Governance subcommittee Meetings attendance	Finance, Audit & Risk subcommittee Meetings attendance
Ursula Kilkelly***	11	3	
Jim Gibson	0 *		
Laoise Manners***	7		
Sinead O'Herlihy	10	3	
Liam Walsh	7	1	
Pat Rooney***	11		
Elizabeth Howard***	10		
Tadhg Delaney***	10		8
Charles Irwin	9		6
Diego Gallagher	9		6
Emer Woodfull***	8		
Michael Farrell	10	3	
Don O'Leary***	8		
Linda Creamer***	1 **		

\*resigned 2018 ; \*\*appointed Dec 2018; \*\*\* re-appointed July 2019

## Oberstown Children Detention Campus

For the year ended 31 December 2018

### Governance Statement and Board Members' Report (continued)

The Institute of Public Administration was commissioned by the Board of Management to undertake an external review of Board effectiveness in 2019. This review was undertaken in early 2019 and presented to the Board in May 2019. Implementation of the IPA recommendations are underway and a workplan to implement all outstanding recommendations is in preparation, following the appointment of the new Board in July 2019.

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

The Board is responsible for ensuring that Oberstown Children Detention Campus has complied with the requirements of the Code of Practice for the Governance of State Bodies ("the Code"), as published by the Department of Public Expenditure and Reform (DPER) in August 2016. The following disclosures are required by the Code:

#### Consultancy Costs

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

	Year ended 31 December 2018 €	Year ended 31 December 2017 €
Legal Advice	56,500	56,567
Financial Advice	87,508	78,070
Public Relations	90,447	61,416
Human Resources	133,167	64,325
Business Improvement	123,604	159,811
Other	91,420	116,636
<b>Total Consultancy Costs</b>	<b>582,646</b>	<b>536,825</b>

#### Legal Costs and Settlements

The table below provides a breakdown of amounts recognised as expenditure in the reporting period in relation to legal costs and settlements relating to contracts with third parties. This does not include expenditure incurred in relation to general legal advice received by Oberstown Children Detention Campus which is disclosed in Consultancy costs above.

	Year ended 31 December 2018 €	Year ended 31 December 2017 €
Legal Fees - Legal Proceedings	540,736	25,845
Settlements	16,300	167,430
<b>Total</b>	<b>557,036</b>	<b>193,275</b>



## Oberstown Children Detention Campus

For the year ended 31 December 2018

### Governance Statement and Board Members' Report (continued)

#### Travel and Subsistence Expenditure

Travel and Subsistence expenditure is categorised as follows:

	Year ended 31 December 2018 €	Year ended 31 December 2017 €
Board	10,394	20,310
Employees	31,575	37,950
<b>Total</b>	<b>41,969</b>	<b>58,260</b>

All Travel Expenditure related to Domestic Travel in 2018.

#### Hospitality Expenditure

Hospitality Expenditure relates to Accommodation and Christmas entertainment.

	Year ended 31 December 2018 €	Year ended 31 December 2017 €
Hospitality Expenditure - Board	1,100	-
<b>Total</b>	<b>1,100</b>	<b>-</b>

#### Statement of compliance

A review of the compliance of Oberstown Children Detention Campus with the Code of Practice, including governance arrangements between the Department of Children and Youth Affairs (DCYA) and Oberstown Children Detention Campus was undertaken by DCYA's internal audit unit in early 2019. Initiated in 2018 the first draft of the report was received in May 2019 and it identified no high priority findings, nine medium priority findings and four low priority findings. Among the medium priority findings the following were noted:

1. A written oversight agreement should be in place between DCYA and Oberstown.
2. A written Performance Delivery Agreement should be in place between DCYA and Oberstown and;
3. A lack of evidence of a systematic exercise having been undertaken by the Board to determine the state of the system of internal controls.

A management response was submitted to DCYA in July 2019. Any recommendations not already actioned are to be included in the Board work plan, currently under development.

Both DCYA and Oberstown are jointly responsible for ensuring there are good governance arrangements in place. In December 2018 the Oberstown Children Detention Campus Board of Management approved the first draft of its Governance handbook, in full compliance with the Code of Practice for the Governance of State Bodies.

Oberstown Children Detention Campus Board of Management considers that it is in substantial compliance with the code, although further steps are necessary to enhance and embed the relevant sections of the Code in Oberstown. This work has been further accelerated with the appointment of the new Board in 2019.

**Oberstown Children Detention Campus**

For the year ended 31 December 2018

**Governance Statement and Board Members' Report (continued)**



Professor Ursula Kilkelly  
Chairperson



Pat Bergin  
Director

Date: 12/12/19

## **Oberstown Children Detention Campus**

For the year ended 31 December 2018

### **Statement on Internal Control**

#### **1. Responsibility for the System of Internal Control**

On behalf of Oberstown Children Detention Campus (Oberstown), we acknowledge the Board's responsibility for ensuring that an effective system of internal control is maintained and operated. Oberstown operates in accordance with the principles of good governance principles in line with the Children Act 2001 and the Code of Practice for the Governance of State Bodies (2016).

#### **2. Purpose of the System of Internal Control**

The system of internal control is designed to manage and reduce risk to a tolerable level rather than to eliminate risk and as such the system of internal control is designed to provide reasonable but not absolute assurance that assets are safeguarded, transactions are documented, authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely manner.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform, has been in place in Oberstown for the year ended 31 December 2018 and up to the date of approval of the financial statements except for the control issues outlined below.

#### **3. Capacity to Handle Risk**

The Board of Management of Oberstown Children Detention Campus has overall responsibility for the system of internal control and risk management. The Board of Management may establish committees to provide assistance and advice in relation to the performance of its duties and functions.

The Board of Management Finance, Audit and Risk Committee which was established in January 2017 and comprises of three Board members. The Chair of the committee has financial and audit expertise. The Finance, Audit and Risk Committee met eight times in 2018.

Oberstown Children Detention Campus has developed a risk management policy approved by the Finance, Audit and Risk Committee which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. The Board of Management approved the policy in October 2017 and it is kept under continuous review. The policy has been issued to all staff who are expected to work within Oberstown risk management policies and to alert management on emerging risks and control.

#### **4. Risk and Control Framework**

The Board of Management of Oberstown Children Detention Campus has 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 Oberstown and have been identified, evaluated and graded according to their significance. The register is reviewed by the Finance, Audit, and Risk Committee and the Board of Management. The State Claims Agency (SCA) provides specialist advice and risk management to Oberstown which is supported by the electronic national incident management reporting system NIMS.

## **Oberstown Children Detention Campus**

For the year ended 31 December 2018

### **Statement on Internal Control (continued)**

The risk register details the controls and actions needed to mitigate risks and sets out responsibility for operation of controls assigned to specific staff. We confirm that a control environment containing the following elements is in place:

- A regular management reporting process and a framework of administrative procedures which includes segregation of duties, and system procedures for all key business processes,
- Financial responsibilities have been assigned at management level with corresponding accountability,
- There is an appropriate budgeting system with an annual budget that was agreed with DCYA and IYJS which is kept under review by the Board of Management, the Director and department officials,
- There are systems in place that ensure security of the information and communication technology systems.

### **Ongoing Monitoring and Review**

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Board, where relevant, in a timely way. We confirm that the following ongoing monitoring systems are in place:

- Key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned,
- There are regular reviews by the Director, DCYA and IYJS of periodic and annual performance and financial reports which indicate performance against budgets/forecasts,
- DCYA Internal audit provides assurance on the risk management, control, and governance processes in operation at the Oberstown. A report by the internal audit function in December 2017 in relation to a review of funding drawdown and the control of expenditure process at Oberstown highlighted a number of weaknesses requiring immediate action. An action plan was agreed with DCYA and Oberstown management. The action plan was rolled out in 2018 with the exception of procurement and asset tagging which were completed by mid-2019.

The Finance, Audit and Risk committee have formalised the procedures and policies for the safeguarding of assets in the Internal Control Manual approved by the Board in Qtr. 4 2018.

A regular management reporting process and a framework of administrative procedures which includes segregation of duties, a system of delegation and accountability and a system for the authorisation of expenditure has been established. In addition, the service provided by FSS up to May 2018 and with PSSC and DCYA from June 2018, in relation to all payroll calculations and payment is governed through a draft general Memorandum of Understanding between the organisations. The Board places reliance on the established DOJ and DCYA managed processes and regulations to underpin its internal controls across these areas.

The Finance, Audit and Risk committee of the Board commissioned an external review of the internal financial controls relating to overtime, travel and subsistence in Quarter 4 2018 by an auditing firm which covered the overtime process and the travel and subsistence process for Oberstown Children Detention Campus. The review, along with management response were considered and approved by the Board of Management in 2018. A review of the procurement process was also undertaken in 2019.

## **Oberstown Children Detention Campus**

For the year ended 31 December 2018

### **Statement on Internal Control (continued)**

#### **Procurement**

We confirm that Oberstown has procedures in place to ensure compliance with current national procurement rules and guidelines. Matters arising regarding controls over procurement are highlighted under internal control issues below.

#### **Conclusion**

While significant work has been undertaken since June 2016 to develop the internal control environment within Oberstown, the Board fully recognises that further work is necessary in order to enhance and embed the associated policies and procedures. Any recommendations for development by Internal Audit and the Office of the Comptroller and Auditor General are afforded careful consideration by the Board and its committees with a view to improving the system of internal controls.

#### **Review of Effectiveness**

We confirm that Oberstown has procedures in place to monitor the effectiveness of its risk management and control procedures. Oberstown monitors and reviews the effectiveness of the system of internal control informed by the work of internal and external auditors, the finance, audit and risk committee which oversees their work, and the senior management within Oberstown who are responsible for the development and maintenance of the internal control framework.

The Board did not undertake a review of the effectiveness of internal controls for 2018 in the manner required by the Code of Practice for the Governance of State Bodies.

We confirm that the Board will review the effectiveness of the internal controls for future reporting periods, taking into consideration,

- Finance, Audit and Risk Committee minutes
- Governance Committee minutes
- Recommendations from internal audit reports
- Recommendations of the management letters from the Office of the Comptroller and Auditor General
- The regular review of the programme being rolled out to implement recommendations from the above reviews.

#### **Internal Control Issues**

In order to adhere to procurement regulations issued by the DPER on procurement excellence, certain improvement in activities and procedures have been carried out by Oberstown in tandem with other public sector bodies. Oberstown is progressing a reform of its procurement function to improve compliance with public procurement regulations, value for money and to increase the usage of contracts awarded by the Office of Government Procurement (OGP). A full formal procurement policy is currently being developed and this is expected to be finalised and rolled out in 2019.

In 2018 payments were made to the following Suppliers without proper procurement procedures in place:

## Oberstown Children Detention Campus

For the year ended 31 December 2018

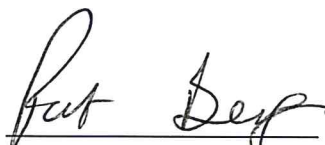
### Statement on Internal Control (continued)

Supplier	Value €	Circumstances giving rise to using the supplier	Steps taken to rectify the breach
Recreational Support to young people	€118,951	Suppliers were in place prior to the establishment of Oberstown Children Detention Campus as a legal entity on 1 June 2016. A review of procurement procedures did not take place until 2019.	RFT has been drafted and has gone to tender.
Financial Advice	€68,673	This supplier's unique knowledge of Oberstown was invaluable for the service required at the time. The opinion was that no alternative provider could be used in the circumstances	Reliance on provider has dramatically declined. Any additional financial services will go to market under Government Procurement guidelines.
Occupational Health	€33,987	Supplier was in place prior to the establishment of Oberstown Children Detention Campus as a legal entity on 1 June 2016. A review of procurement procedures did not take place until 2019.	RFT has been drafted and has gone to tender.
Organisational Psychologist	€28,568	Suppliers was in place prior to the establishment of Oberstown Children Detention Campus as a legal entity on 1 June 2016. A review of procurement procedures did not take place until 2019.	A permanent Organisational Psychologist was appointed in February 2018

On behalf of the Board of Management of Oberstown Children Detention Campus:



Prof Ursula Kilkelly  
Chairperson



Pat Bergin  
Director

Date: 12/12/19

**Oberstown Children Detention Campus**

For the year ended 31 December 2018


**STATEMENT OF INCOME AND EXPENDITURE AND RETAINED REVENUE RESERVES***For the year ended 31 December 2018*

	Note	Year ended 31 December 2018	Year ended 31 December 2017
		€	€
<b>Income</b>			
Oireachtas Grants	2	22,686,063	22,159,204
Transfer (from/(to) Capital Account)		310,731	(817,133)
Other Income		33,717	31,744
Net Deferred Pension Funding	4(c)	3,314,000	3,605,000
<b>Total Income</b>		<b>26,344,511</b>	<b>24,978,815</b>
<b>Expenditure</b>			
Administration and Operations	3	21,756,328	21,332,833
Retirement benefit costs	4(a)	4,859,367	4,304,124
Depreciation		335,822	330,805
<b>Total Expenditure</b>		<b>26,951,517</b>	<b>25,967,762</b>
<b>(Deficit) for the Year after Appropriations</b>		<b>(607,006)</b>	<b>(988,947)</b>
<b>Balance brought forward at 1 January</b>		<b>(1,529,280)</b>	<b>(540,333)</b>
<b>Balance Carried Forward at 31 December</b>		<b>(2,136,286)</b>	<b>(1,529,280)</b>

The Statement of Cash Flows on page 16 and notes 1 to 14 on pages 17 to 30 form part of these financial statements.

On behalf of the Board of Oberstown Children Detention Campus:

  
 Professor Ursula Kilkelly  
 Chairperson

  
 Pat Bergin  
 Director

Date: 12/12/2019

Date: 12/12/19

**Oberstown Children Detention Campus**

For the year ended 31 December 2018


**STATEMENT OF COMPREHENSIVE INCOME**

*For the year ended 31 December 2018*

	Note	Year ended 31 December 2018	Year ended 31 December 2017
		€	€
<b>(Deficit) for the year after appropriations</b>		<b>(607,006)</b>	<b>(988,947)</b>
<b>Total Actuarial gain/(loss) in the year</b>	<b>4 (b)</b>	<b>(1,782,000)</b>	<b>6,601,000</b>
Adjustment to deferred retirement benefits funding		1,782,000	(6,601,000)
<b>Total Comprehensive Income for the Year</b>		<b>(607,006)</b>	<b>(988,947)</b>

The Statement of Cash Flows on page 16 and notes 1 to 14 on pages 17 to 30 form part of these financial statements.

On behalf of the Board of Oberstown Children Detention Campus:

  
\_\_\_\_\_  
Professor Ursula Kilkelly  
Chairperson

  
\_\_\_\_\_  
Pat Bergin  
Director

Date: 12/12/2019

Date: 12/12/19



**Oberstown Children Detention Campus**


For the year ended 31 December 2018

**STATEMENT OF FINANCIAL POSITION**  
*As at 31 December 2018*

	Note	31 December 2018	31 December 2017
		€	€
<b>Fixed Assets</b>			
Property, plant & equipment	5	951,922	1,262,653
<b>Current Assets</b>			
Inventory	6	76,064	86,579
Receivables	7	45,650	66,606
Cash and cash equivalents		284,246	296,668
		<b>405,960</b>	<b>449,853</b>
<b>Current Liabilities (amounts falling due within one year)</b>			
Payables	8	(1,166,112)	(1,276,999)
<b>Net Current Assets</b>		<b>(760,152)</b>	<b>(827,146)</b>
<b>Provisions</b>	9	(4,790,000)	(4,116,000)
<b>Retirement Benefits</b>			
Retirement benefit obligations	4(b)	(97,141,000)	(92,045,000)
Deferred retirement benefit funding asset	4(b)	97,141,000	92,045,000
<b>Total Net Assets/(Liabilities)</b>		<b>(4,598,230)</b>	<b>(3,680,493)</b>
<b>Representing</b>			
Establishment reserve	1(a)	(3,413,866)	(3,413,866)
Retained revenue reserves		(2,136,286)	(1,529,280)
Capital account	10	951,922	1,262,653
		<b>(4,598,230)</b>	<b>(3,680,493)</b>

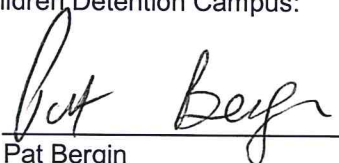
The Statement of Cash Flows on page 16 and notes 1 to 14 on pages 17 to 30 form part of these financial statements.

On behalf of the Board of Oberstown Children Detention Campus:



Professor Ursula Kilkelly  
Chairperson

Date: 12/12/18



Pat Bergin  
Director

Date: 12/12/18

**Oberstown Children Detention Campus**

For the year ended 31 December 2018

**STATEMENT OF CASH FLOWS***For the year ended 31 December 2018*

	Year ended 31 December 2018	Year ended 31 December 2017
	€	€
<b>Net Cash Flows from Operating Activities</b>		
Excess of expenditure over income	(607,006)	(988,947)
Depreciation of fixed assets	335,822	330,805
Decrease/(Increase) in receivables	20,956	(3,803)
Increase in provisions	674,000	1,200,000
(Decrease)/Increase in payables	(110,887)	75,055
Decrease/(Increase) in stock	10,515	(20,590)
<b>Net Cash Inflow from Operating Activities</b>	<b>323,400</b>	<b>592,520</b>
<b>Cash Flows from Investing Activities</b>		
Payments to acquire property, plant & equipment	(25,091)	(1,147,938)
<b>Net Cash Flows from Investing Activities</b>	<b>(25,091)</b>	<b>(1,147,938)</b>
<b>Cash Flows from Financing Activities</b>		
Capital account	(310,731)	817,133
<b>Net Cash Flows from Financing Activities</b>	<b>(310,731)</b>	<b>817,133</b>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>	<b>(12,422)</b>	<b>261,715</b>
<b>Cash and Cash Equivalents at beginning of year</b>	<b>296,668</b>	<b>34,953</b>
<b>Cash and Cash Equivalents at 31 December</b>	<b>284,246</b>	<b>296,668</b>

## Oberstown Children Detention Campus

For the year ended 31 December 2018

### Notes to the Financial Statements

#### 1. Accounting Policies

The basis of accounting and significant accounting policies adopted by Oberstown Children Detention Campus are set out below. They have all been applied consistently throughout the year.

##### a) General Information

Oberstown Children Detention Campus was established as a legal entity from 1 June 2016. (SI 273/2016). The objectives of Oberstown Children Detention Campus are set out in the Children Act 2001 and include the provision of appropriate residential care, education and training programmes and facilities for young people referred to it by a court having regard to their health, safety, welfare and interests including their physical, psychological and emotional well-being.

The campus was formed by the amalgamation of three detention schools situated within the Oberstown campus and included

- Oberstown boys school (established 1991)
- Oberstown girls school (established 1991)
- Trinity House school (established 1983)

This is only the third set of financial statements for the Oberstown Children Detention Campus and cover the year ended 31 December 2018, with comparatives covering the period from 1 January 2017 to 31 December 2017. The following should be noted in relation to these financial statements:

##### **Opening balances - 2016**

Financial statements for the three detention schools had been prepared on a receipts and payments basis and did not include a balance sheet setting out related assets and liabilities. The opening balances at 1 June 2016 were calculated. The cumulative position resulted in a net liabilities position of €3.413 million as set out below. An establishment reserve of an equivalent amount has been recognised in the financial statements.

	<b>Opening balance at 1 June 2016</b>
	€
Provision for claims with State Claim Agency	(1,938,000)
Payables	(1,710,286)
Bank and cash at hand	234,420
Fixed assets	143,286
Capital account	(143,286)
Net liabilities on establishment 1 June 2016	<u>(3,413,866)</u>

## **Oberstown Children Detention Campus**

For the year ended 31 December 2018

### **Notes to the Financial Statements (continued)**

#### ***Financial transactions not recognised in financial statements***

Ownership of the site and buildings from which the Oberstown Children Detention Campus operates is vested in the Minister for Children and Youth affairs. The relevant assets are recognised in the Appropriation Account of that department. These financial statements reflect the value of operational assets purchased by the Campus including office equipment, furniture and fixtures, sports and activities and security equipment.

Teachers employed to provide educational needs on the campus are paid by the Dublin Dun Laoghaire Education & Training Board (DDLETB) and are not reflected in the financial statements of the Campus. In 2018, 25.25 Whole Time Equivalent (WTE) (2017: 25.6 WTE) teachers were employed on the Campus.

#### **b) 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 and Youth Affairs with the concurrence of the Minister for Public Expenditure and Reform under the Children's Act 2001. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to Oberstown Children Detention Campus's financial statements.

The financial statements of Oberstown Children Detention Campus for the year ended 31 December 2018 have been prepared in accordance with FRS 102 *Financial Reporting Standard Applicable in the UK and Republic of Ireland*, issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland.

#### **c) Revenue**

##### Oireachtas Grants

Oireachtas grants are recognised on a cash receipts basis. This includes;

- grants received directly by Oberstown Children Detention Campus which are recognised on a cash receipts basis,
- amounts paid to Financial Shared Services by the DCYA to reimburse FSS in respect of payments made on behalf of Oberstown Children Detention Campus,
- amounts paid by the DCYA on behalf of Oberstown Children Detention Campus,
- amounts paid by DCYA through the Department of Health on behalf of Oberstown Children Detention Campus. (See note 2).

##### Refunds of grants paid

Grants paid may become refundable in certain circumstances, or if the conditions of the grant are not met. Grant refunds are recognised when it is probable that the money will be refunded by Oberstown Children Detention Campus and the amount can be estimated reliably; therefore they are accounted for on an accruals basis. All other income is accounted for on an accruals basis.

#### **d) Property, Plant and Equipment**

Property, plant and equipment are stated at cost less accumulated depreciation, adjusted for any provision for impairment. The cost of the buildings from which the campus operates was borne by DCYA and as such are not recorded in the financial statements of Oberstown Children Detention Campus.

## **Oberstown Children Detention Campus**

For the year ended 31 December 2018

### **Notes to the Financial Statements (continued)**

Depreciation is provided on all property, plant and equipment, other than freehold land and artwork, at rates estimated to write off the cost less the estimated residual value of each asset on a straight line basis. A full years depreciation is charged in the year of acquisition over their estimated useful lives, as follows:

(i) Office Equipment	20% per annum
(ii) Furniture and Fixtures	20% per annum
(iii) Sports and Activities Equipment	20% per annum
(iv) Security Equipment	20% per annum
(v) Plant and Machinery	20% per annum

Residual value represents the estimated amount which would 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 in which it arises.

#### **e) Inventory**

Oberstown Children Detention Campus holds stock in respect of food, medical, cleaning and clothing supplies. Following an impairment review at the reporting date there were no write-offs required. Inventories are not pledged as securities.

#### **f) Employee Benefits**

##### Short-term Benefits

Short term benefits such as holiday pay 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.

##### Retirement Benefits

Oberstown Children Detention Campus staff contribute to the Special Superannuation Scheme which is its own defined benefit pension scheme, funded annually on a pay-as-you-go basis from monies provided by the Department of Children and Youth Affairs and from contributions deducted from staff members' salaries.

Oberstown Children Detention Campus also operates the Single Public Services Pension Scheme ("Single Scheme"), which is a defined benefit scheme for pensionable public servants initially appointed on or after 1 January 2013. Single Scheme members' contributions are paid over to the Department of Public Expenditure and Reform (DPER).

Pension costs reflect pension benefits earned by employees, and are shown net of staff pension contributions which are remitted to the Department of Children and Youth Affairs and the Department of Public Expenditure and Reform. An amount corresponding to the pension charge is recognised as income to the extent that it is recoverable, and offset by grants received in the year to discharge pension payments.

## **Oberstown Children Detention Campus**

For the year ended 31 December 2018

### **Notes to the Financial Statements (continued)**

Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income, and a corresponding adjustment is recognised in the amount recoverable from the Department of Children and Youth Affairs.

The financial statements reflect, at fair value, the assets and liabilities arising from Oberstown Children Detention Campus's pension obligations and any related funding, and recognises the costs of providing pension benefits in the accounting years in which they are earned by employees. Retirement benefit scheme liabilities are measured on an actuarial basis using the projected unit credit method.

#### **g) Critical Accounting Judgements and Estimates**

The preparation of the financial statements requires the board and 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.

##### Depreciation and Residual Values

The Board have 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.

##### Provisions

Oberstown Children Detention Campus makes provisions for legal and constructive obligations, which it knows to be outstanding at the year end date. These provisions are generally made based on historical or other pertinent information, adjusted for recent trends where relevant. However, they are estimates of the financial costs of events that may not occur for some years. As a result of this and the level of uncertainty attaching to the final outcomes, the actual out-turn may differ significantly from that estimated. Claims for personal injury are dealt with by the SCA on behalf of Oberstown. An estimate of the amount required to settle the claims is provided by the Agency at year end, and this amount is provided for in full.

##### Retirement Benefit Obligation

The assumptions underlying the actuarial valuations for which the amounts recognised in the financial statements are determined (including discount rates, rates of increase in future compensation levels, mortality rates from healthcare cost trend rates) and are updated annually based on current economic conditions, and for any relevant changes to the terms and conditions of the pension and post-retirement plans.

The assumptions can be affected by:

- (i) the discount rate, changes in the rate of return on high-quality corporate bonds
- (ii) future compensation levels, future labour market conditions

## Oberstown Children Detention Campus

For the year ended 31 December 2018

### Notes to the Financial Statements (continued)

#### h) Expenditure

All expenses settled by FSS, PSSC, DCYA and IYJS on behalf of Oberstown Children Detention Campus are included in the financial statements on being notified of same. The expenditure is categorised based on the information received from FSS, PSSC, DCYA and IYJS.

#### i) Employee costs

The employee costs included in the financial statements are inclusive of all overtime, shift pay, premium and security pay and are included as notified by FSS.

There are 4 staff members included in the employee costs who are seconded to other government departments or government funded entities. The cost of these basic salaries to the Campus are €189,285 (2017: €171,483) plus associated pension and employer PRSI costs.

Salaries are re-couped as provided for in the secondment agreements.

#### j) Capital Account

The Capital Account represents the unamortised value of income used to purchase Property, Plant and Equipment.

## 2. Oireachtas Grants

The Oireachtas Grants voted to Oberstown Children Detention Campus from Department of Children and Youth Affairs (DCYA) as shown in the financial statements consist of:

	Year ended 31 December 2018 €	Year ended 31 December 2017 €
Grants for current expenditure – Vote 40 - DCYA - Subhead A4	23,246,605	21,562,142
Employee superannuation contributions	(585,633)	(550,876)
	<hr/> 22,660,972	<hr/> 21,011,266
Grants for capital expenditure – Vote 40 – DCYA - Subhead A4	25,091	1,147,938
	<hr/> <b>22,686,063</b>	<hr/> <b>22,159,204</b>

Type	Value €	Value €
Oireachtas grant received from Department	4,888,877	5,568,479
Pay expenditure paid by FSS re-imbursed by the Department	16,842,373	15,822,916
Superannuation Deductions retained by Department	(585,633)	(550,876)
Non-pay expenditure paid by FSS re-imbursed by Department	1,540,446	1,318,685
Total Oireachtas grant income recognised in Oberstown Financial Statement	<hr/> <b>22,686,063</b>	<hr/> <b>22,159,204</b>

## Oberstown Children Detention Campus

For the year ended 31 December 2018

### Notes to the Financial Statements (continued)

#### 3. Administration and Operations

	Note	Year ended 31 December 2018 €	Year ended 31 December 2017 €
Remuneration and other pay costs	3(a)	16,439,427	16,024,248
Repairs, maintenance and leasing charges		243,886	726,725
Electricity, cleaning and utilities		469,340	452,375
Communications		156,992	150,383
Information Technology		803,629	454,458
Movement in provisions	9	975,697	1,397,359
Consumables		331,488	273,035
Recreational Support		343,758	295,081
Office expenses		97,084	70,542
Accounting		6,150	7,380
Audit		28,000	26,000
Professional fees		1,113,000	761,023
Advertising		41,003	53,993
Miscellaneous operating expenses		706,874	640,231
		<b>21,756,328</b>	<b>21,332,833</b>

#### (a) Remuneration and Other Pay Costs

	Note	Year ended 31 December 2018 €	Year ended 31 December 2017 €
Staff salaries		13,367,727	13,314,397
Employer's contribution to social welfare		1,372,892	1,359,909
Staff training and development		77,918	169,582
Staff travel and subsistence costs		31,575	37,950
Agency staff		1,578,921	1,122,100
Board members' expenses	3(c)	10,394	20,310
		<b>16,439,427</b>	<b>16,024,248</b>

The total number of staff employed at the year-end was 239 (2017: 245)

#### (b) Staff salaries

	Year ended 31 December 2018 €	Year ended 31 December 2017 €
Basic pay	11,615,086	10,979,370
Overtime	462,637	291,064
Allowances	2,062,004	2,043,963
	<b>14,139,727</b>	<b>13,314,397</b>



## Oberstown Children Detention Campus

For the year ended 31 December 2018

### Notes to the Financial Statements (continued)

There are 25.25 WTE (2017: 25.6 WTE) teachers employed by Dublin & Dun Laoghaire Education & Training Board (DDLETB), to provide educational needs. It should be noted that these teachers are remunerated directly by the DDLETB and as such their remuneration and pension costs are not included herein. All other costs associated with running the schools are included in these financial statements. Payroll costs associated with the costs are included in the financial accounts of the DDLETB.

An amount was deducted from staff by way of a pension related deductions and transferred to the Vote 40 Children and Youth Affairs. The pension related deduction for 2018 was €529,447 (2017: €590,053).

There are 4 seconded staff members currently included on the payroll as outlined at Note 1(i). Staff salaries include an amount of €89,100 (2017: €100,377) in relation to salary costs for an Oberstown staff member seconded to a not-for-profit organisation up to the end of 2018. The organisation is a registered charity. These salary costs have not yet been recouped as provided for in the secondment agreement. The total value of salary costs to be recouped under the agreement in the period to end 2018 is €491,040 and will be paid over to DCYA. Oberstown is providing every support to the DCYA in the recoupment of these costs. The secondment arrangement concluded in November 2018 in line with the Agreement.

#### (c) Board Members' Emoluments

Board Member	Board Fees €	Vouched Expenses €	Meetings attended
Professor Ursula Kilkelly (Chairperson)		5,371	11
Mr Jim Gibson			0
Ms Laoise Manners			7
Ms Sinead O'Herlihy		78	10
Mr Liam Walsh			7
Mr Pat Rooney	5,985		11
Ms Elizabeth Howard	5,985		10
Mr Tadgh Delaney			10
Mr Charles Irwin	5,985	4,079	9
Mr Diego Gallagher			9
Ms Emer Woodfull	5,985		8
Mr Michael Farrell		866	11
Mr Don O'Leary	5,985		8
Ms Linda Creamer			1
	<b>29,925</b>	<b>10,394</b>	

The vouched expenses do not include accommodation costs paid directly by Oberstown.

## Oberstown Children Detention Campus

For the year ended 31 December 2018

### Notes to the Financial Statements (continued)

#### Employee Short-Term Benefits Breakdown

Employees' short-term benefits in excess of €60,000 are categorised into the following bands:

Range	From	To	Number of Employees	
			2018	2017
€60,000 - €69,999	€60,000	€69,999	11	12
€70,000 - €79,999	€70,000	€79,999	2	2
€80,000 - €89,999	€80,000	€89,999	3	1
€90,000 - €99,999	€90,000	€99,999	2	2
€100,000 - €109,999	€100,000	€109,999	1	1

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

There were 7 members (2017: 8 members) of the Board who did not receive a Board fee under the One Person One Salary (OPOS) principle.

Another member of the Board (Diego Gallagher) waived his fees for the year.

During the year covered by these accounts to December 2018, eleven Board meetings were held.

- Mr Liam Walsh resigned his position on 7<sup>th</sup> December 2018.
- Mr Jim Gibson resigned his position on 13<sup>th</sup> June 2018.

#### (d) Key Management Personnel

Key Management personnel in Oberstown Children Detention Campus consists of the Board and the Director. The Director's remuneration package for 2018 was as follows: annual basic salary €106,424 (2017: €101,154), back pay €Nil (2017: €11,986) and standard public sector pension arrangements apply. The Director incurred €5,860 (2017: €7,771) in respect of travel and subsistence in the year. The Board Members' Emoluments and expenses are disclosed in Note 3 (c).

#### 4. Retirement Benefit Costs

##### (a) Analysis of total retirement benefit costs charged to the Statement of Income and Expenditure and Retained Revenue Reserves

	Year ended 31 December 2018 €'000	Year ended 31 December 2017 €'000
Current service costs	3,675	3,045
Interest on retirement benefit scheme liabilities	1,770	1,810
Less: Employee Contributions	(586)	(551)
	<b>4,859</b>	<b>4,304</b>

## Oberstown Children Detention Campus

For the year ended 31 December 2018

### Notes to the Financial Statements (continued)

#### (b) Movement in net retirement benefit obligations during the financial year

	Year ended 31 December 2018 €'000	Year ended 31 December 2017 €'000
Net retirement benefit obligation at 1 January	92,045	95,041
Current service costs	3,675	3,045
Interest costs	1,770	1,810
Actuarial (gain)/loss	1,782	(6,601)
Benefits paid in the year	(2,131)	(1,250)
<b>Net retirement benefit obligation at 31 December</b>	<b>97,141</b>	<b>92,045</b>

#### (c) Deferred funding for retirement benefits

The Board recognises these amounts as an asset corresponding to the unfunded deferred liability for retirement benefits on the basis of the set of assumptions described above and a number of past events. These events include the statutory basis for the establishment of the retirement benefit scheme, and the policy and practice currently in place in relation to funding public service pensions including contributions by employees and the annual estimates process. The Board has no evidence that this funding policy will not continue to meet such sums in accordance with current practice.

The net deferred funding for retirement benefits recognised in the Statement of Income and Expenditure and Retained Revenue Reserves was as follows:

	Year ended 31 December 2018 €'000	Year ended 31 December 2017 €'000
Funding recoverable in respect of current year retirement benefit costs	5,445	4,855
State grant applied to pay retirement benefits	(2,131)	(1,250)
	<b>3,314</b>	<b>3,605</b>

The deferred funding asset for retirement benefits at 31<sup>st</sup> December 2018 amounts to €97,141,000 (2017: €92,045,000).

#### (d) History of defined benefit obligations

	Year ended 31 December 2018 €'000	Year ended 31 December 2017 €'000
Defined benefit obligations	97,141	92,045

## Oberstown Children Detention Campus

For the year ended 31 December 2018

### Notes to the Financial Statements (continued)

#### (e) General description of the scheme

The retirement benefit scheme is a defined benefit final salary pension arrangement with benefits and contributions defined by reference to current "model" public sector scheme regulations. The scheme provides a pension (being 1/80 per year of service), a gratuity or lump sum (being 3/80 per year of service) and spouses and children's pensions. Normal retirement age is a member's 65th birthday, and pre-2004 members have an entitlement to retire without actuarial reduction from age 60. Pensions in payment (and deferment) normally increase in line with general public sector salary inflation.

With effect from 1<sup>st</sup> January 2013, new entrants become members of the Single Public Service Pension Scheme. This provides career-average revalued earnings related benefits revalued in line with increase in the Consumer Price Index. The Scheme's minimum retirement age will be linked to the State Pension Age (currently 66, increasing to age 67 in 2021 and 68 from 2028).

In 2018 €179,204 in SPSPS contributions were paid to DPER (2017: €155,096).

The principal actuarial assumptions were as follows:

<b>Year of attaining age 65</b>	<b>2018</b>	<b>2017</b>
Rate of increase in salaries	2.50%	2.50%
Rate of increase in retirement benefits in payment	2.50%	2.50%
Discount rate	1.85%	1.85%
Inflation rate	1.75%	1.75%

#### Mortality

58% of ILT15 for males with improvements (see below).

62% of ILT15 for females with improvements (see below).

Annuity factors increase by:

0.36% p.a. (Males with no spouse's pension)

0.30% p.a. (Females with no spouse's pension)

0.30% p.a. (Males with spouse's pension)

0.25% p.a. (Females with spouse's pension)

The mortality basis explicitly allows for improvements in life expectancy over time, so that life expectancy at retirement will depend on the year in which a member attains retirement age. The table below shows the life expectancy for members attaining age 65 in 2018 and 2038.

<b>Year of attaining age 65</b>	<b>2018</b>	<b>2038</b>
Life expectancy male	21.4 years	23.8 years
Life expectancy female	23.8 years	25.9 years

## Oberstown Children Detention Campus

For the year ended 31 December 2018

### Notes to the Financial Statements (continued)

#### 5. Property, Plant & Equipment

	Sports & Activities Equipment	Security Installations	Furniture & Fixtures	Office Equipment	Plant & Machinery	Total
	€	€	€	€	€	€
<b>Cost/Valuation</b>						
At 1 January	38,736	333,133	1,163,518	23,880	94,753	1,654,020
Additions	-	-	16,854	2,018	6,219	25,091
Disposals	-	-	-	-	-	-
<b>At 31 December</b>	<b>38,736</b>	<b>333,133</b>	<b>1,180,372</b>	<b>25,898</b>	<b>100,972</b>	<b>1,679,111</b>
<b>Depreciation</b>						
At 1 January	(11,631)	(92,920)	(260,882)	(6,983)	(18,951)	(391,367)
Charge for the year	(7,747)	(66,627)	(236,074)	(5,180)	(20,194)	(335,822)
Disposals	-	-	-	-	-	-
<b>At 31 December</b>	<b>(19,378)</b>	<b>(159,547)</b>	<b>(496,956)</b>	<b>(12,163)</b>	<b>(39,145)</b>	<b>(727,189)</b>
<b>Net Book Value</b>						
At 1 January	27,105	240,213	902,636	16,897	75,802	1,262,653
Net movement for the year	(7,747)	(66,627)	(219,220)	(3,161)	(13,976)	(310,731)
<b>At 31 December</b>	<b>19,358</b>	<b>173,586</b>	<b>683,416</b>	<b>13,736</b>	<b>61,826</b>	<b>951,922</b>

In order to establish the fixed asset register of the three schools that came together to form Oberstown Children Detention Campus on 1 June 2016, independent asset valuers were brought in to review all the assets held and to put current valuation on those assets as at that date. All assets acquired subsequent to that date are stated at cost.

The ownership of the site and building from which the Oberstown Children Detention Campus operates is vested in the Minister for Children and Youth Affairs and are not shown in these financial statements.

## Oberstown Children Detention Campus

For the year ended 31 December 2018

### Notes to the Financial Statements (continued)

#### 6. Inventory

	Year ended 31 December 2018 €	Year ended 31 December 2017 €
Inventory	76,064	86,579
	<b>76,064</b>	<b>86,579</b>

Inventory comprises of stocks in respect of food, medical, cleaning and clothing supplies. Following an impairment review at the reporting date there were no write-offs required. Stocks are valued at the lower of cost and net realisable value.

#### 7. Receivables

	Year ended 31 December 2018 €	Year ended 31 December 2017 €
Prepayments	45,650	66,606
	<b>45,650</b>	<b>66,606</b>

#### 8. Payables

##### *Amounts falling due within one year*

	Year ended 31 December 2018 €	Year ended 31 December 2017 €
Trade Creditors	237,845	240,357
Accruals	899,867	1,016,839
Other creditors	28,400	19,803
	<b>1,166,112</b>	<b>1,276,999</b>

## Oberstown Children Detention Campus

For the year ended 31 December 2018

### Notes to the Financial Statements (continued)

#### 9. Provisions

	2018 Provision for claims managed by SCA €'000	2017 Provision for claims managed by SCA €'000
Balance at 1 January	4,116	2,916
Increase in provision	976	1,397
Utilisation of provision	(302)	(197)
Movement in provision in year	674	1,200
Provision at 31 December	<b>4,790</b>	<b>4,116</b>

Claims for personal injury are dealt with by the State Claims Agency on behalf of Oberstown. An estimate of the amount required to settle the claims is provided by the Agency at the year end. €4,790 million was provided for at the year-end (2017: €4,116m).

#### 10. Capital Account

	Year ended 31 December 2018 €	Year ended 31 December 2017 €
<b>Opening Balance</b>	<b>1,262,653</b>	<b>445,520</b>
<b>Transfer (to) from Statement of Income and Expenditure and Retained Revenue Reserves</b>		
Funding to acquire assets	25,091	1,147,938
Amortisation in line with asset depreciation	(335,822)	(330,805)
<b>Closing Balance at 31<sup>st</sup> December</b>	<b>951,922</b>	<b>1,262,653</b>

#### 11. Related Party Disclosures

Key management personnel in Oberstown Children Detention Campus consist of the Director and members of the Board. Total compensation paid to key management personnel, including Board members' fees and expenses and total Campus Director Remuneration, are disclosed in Note 3.

Oberstown Children Detention Campus adopts procedures in accordance with the guidelines issued by the Department of Public Expenditure and Reform covering the personal interests of Board members. In the normal course of business, Oberstown Children Detention Campus may approve grants or enter into other contractual arrangements with entities in which Oberstown Children Detention Campus Board members are employed or are otherwise interested.

In cases of potential conflict of interest, Board members do not receive Board documentation or otherwise participate in or attend discussions regarding these transactions. A register is maintained and available on request of all such instances. There were no instances of conflicts of interest in the year.

**Notes to the Financial Statements (continued)**

**12. Contingent liabilities**

There are a number of legal cases currently ongoing against Oberstown Children Detention Campus. The Board have considered each of these and in accordance with the accounting policy in place have only made provisions in respect of uninsured probable future obligations with regard to these cases.

**13. Going Concern**

The Statement of Financial Position records net liabilities of €4.6m. The largest liability relates to the provision of €4.79m for legal claims. On an annual basis IYJS through DCYA on behalf of Oberstown allocate funds to cover the legal claims when they are settled.

The Board believes it will have funds for the next 12 months to continue.

**14. Approval of the financial statements**

The financial statements were approved by the Board of Oberstown Children Detention Campus on 11<sup>th</sup> December 2019.