



Ombudsman Northern Ireland

Resource Accounts

Year Ended 31 March 2006



**Assembly Ombudsman for
Northern Ireland and Northern Ireland Commissioner for
Complaints Resource Accounts**

For the year ended 31 March 2006

*Laid before the Houses of Parliament by the Department of Finance and Personnel in
accordance with Paragraph 36 of the Schedule to the Northern Ireland Act 2000
(Prescribed Documents) Order 2004*

20 July 2006

*Laid before the Northern Ireland Assembly by the Department of Finance
and Personnel under subsection 10(4) of the Government Resources and Accounts Act
(Northern Ireland) 2001*

20 July 2006

*Ordered by The House of Commons to be printed
20 July 2006*

Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints

Index

Directors' Report	3
Management Commentary	5
Remuneration Report	11
Statement of the Accounting Officer's Responsibilities	16
Statement on Internal Control	17
Audit Opinions and Report	21
Primary Statements and Notes to the Accounts	23

Directors' Report

Background

The Northern Ireland Ombudsman is an Officer of the Legislative Assembly, appointed to carry out the investigation of complaints of maladministration by central government departments, executive agencies and many other public bodies. The Ombudsman is the popular title for two offices – The Assembly Ombudsman and the Commissioner for Complaints (AOCC). The Ombudsman is wholly independent of Government. There are no other entities within the accounting boundary.

The Office, which employs some twenty three staff based in Belfast, comprises The Ombudsman, Deputy Ombudsman, Director of Corporate Services and three Directors of Investigation, eleven Investigation Officers and an Administration Support Section.

Management

The Ombudsman (NI) Order 1996 and the Commissioner for Complaints (NI) Order 1996 provides for the Appointment and Tenure of office for the Ombudsman. The Ombudsman may continue in post until the completion of the year of service in which he attains the age of 65 years. However, he may at his own request be relieved of office by Her Majesty or may be removed from office by Her Majesty in consequence of an Address from the Assembly. Her Majesty may declare the office of Ombudsman to have been vacated if she is satisfied that the person appointed to the Ombudsman is incapable for medical reasons of performing the duties of this office and of requesting to be relieved of it. The remainder of the Senior Management Group are appointed under the terms and conditions of the Northern Ireland Civil Service.

Senior Management Group

Senior Executives of the Northern Ireland Ombudsman's Office are members of the Senior Management Group by virtue of their executive positions. The group is chaired by the Ombudsman. The role of the group is to advise the Ombudsman on the discharge of his statutory duties.

Group Members

The group members as at 31 March 2006 were:

The Ombudsman	Mr Tom Frawley
Deputy Ombudsman	Mr John MacQuarrie
Directors	Mr Ivan Houston Mr Gerry McBride Mrs Helen Mallon Mrs Patricia Gibson

Pensions

Past and present employees with the exception of Mr McBride (see below) are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) (NI). Defined benefit schemes are unfunded and are non-contributory except in respect of dependants' benefits. The Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the Principal Civil Service Scheme (PCSPS) (NI) of amount calculated on an accruing basis. Liability for payment of future benefits is a charge on the Principal Civil Services Pension Scheme (PCSPS) (NI). Further information is contained within the remuneration report.

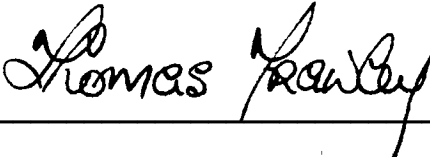
Mr McBride is currently on secondment from an organisation not covered by the PCSPS (NI) Scheme. All liability for his pension remains with his principal employer and not this office.

Significant Interests

A Register of Interests is maintained by the office, a copy of which is available to the public on request. No significant interests were noted within the financial period under review.

Auditors Remuneration

The NIAO did not complete any non-audit work for AOCC within the financial period under review. A notional charge of £7,000 has been recorded for the actual audit completed. So far as the Accounting Officer is aware, there is no information of which the AOCC's auditors are unaware, and the Accounting Officer has taken all the steps the he ought to have taken to make himself aware of any relevant audit information and to establish that the AOCC's auditors are aware of that information.



Accounting Officer

3 July 2006 Date

Management Commentary

The nature, objectives and strategies

Mission statement

‘The purpose of the Northern Ireland Ombudsman’s Office is to see that the people of Northern Ireland are served by a fair and efficient public administration that is committed to accountability; openness; and quality of service’

The Role Of The Ombudsman

The Ombudsman’s role is essentially of a ‘quasi-judicial’ nature; having thoroughly and impartially investigated complaints that are properly made to him, he determines whether or not maladministration has taken place and, if so, whether the complainant has suffered an injustice. As such he neither defends the body being complained against nor does he ‘champion’ the complainant, he is wholly impartial. Whilst the word maladministration is not defined in legislation, it is taken to cover a wide range of conduct including neglect, bias, delay, incompetence, perversity, arbitrariness, rudeness, refusal to answer reasonable questions, neglecting to inform an individual, on request, of his rights or entitlements, giving inadequate or misleading advice, faulty procedures, etc.

The legislation gives the Ombudsman wide powers of discretion in deciding whether to take up a complaint and also the extent to which he may investigate it. Where he considers there are issues that warrant investigation it then falls to the body concerned to explain its actions to the Ombudsman’s satisfaction. Where he concludes that an injustice has arisen as a result of maladministration he recommends what he considers to be an appropriate remedy.

Strategic Aims and Objectives

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for complaints strategic aims and objectives are documented in the Office Business Plan which is available by request from the Office or on the Office’s website at www.ni-ombudsman.org.uk.

Current and future development and performance

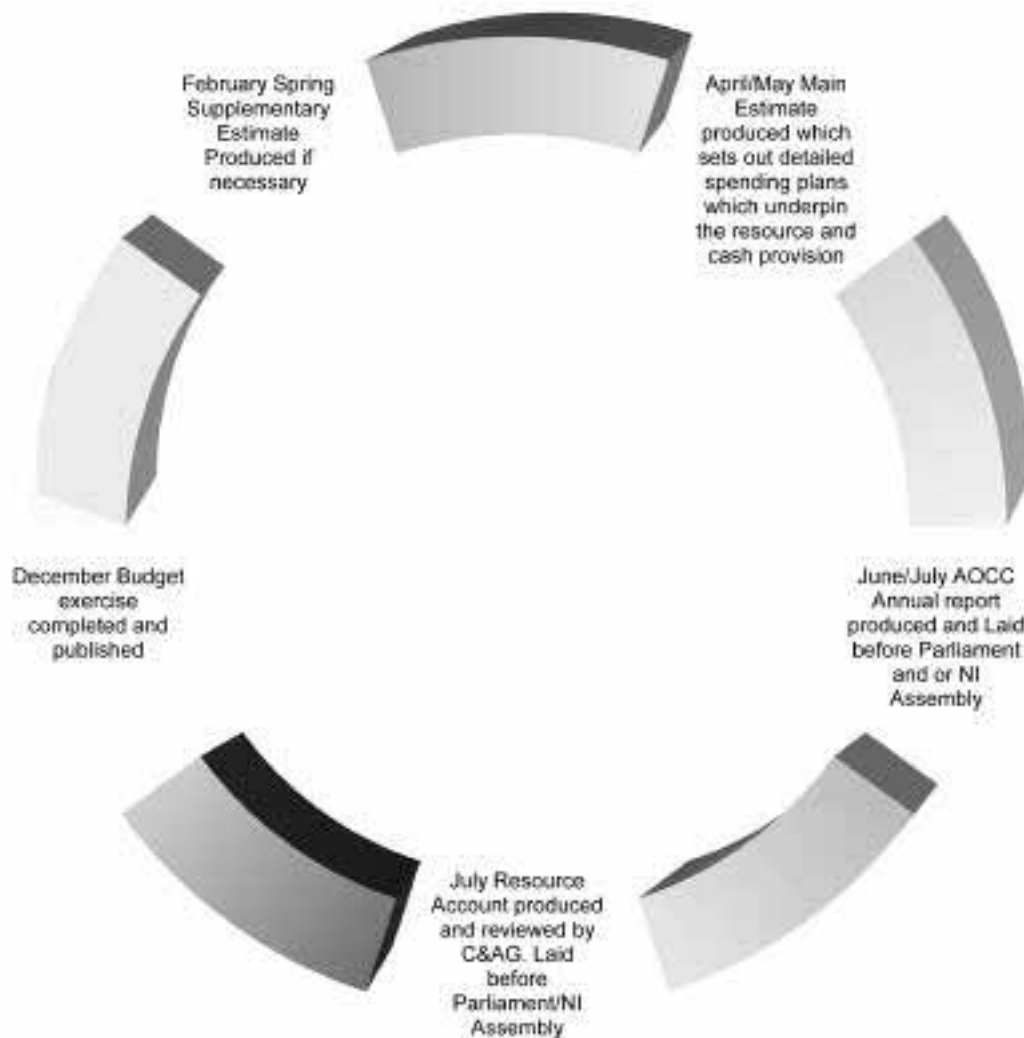
Development During 2005/06

At the start of 2005/06 the Office introduced new complaint handling computer software. This software, known as CHAS (Complaint Handling Administration System), will allow not only for complaint tracking but also document and record management in relation to individual complaints. It will also, through the provision of

template documents, lead to a consistency of presentation of reports on complaints. As with all new computer systems it took some time for staff to become familiar with the new way of working but the system is now fully functional and is proving extremely beneficial by delivering a more efficient and effective administration of complaints and related reports.

Reporting Cycle

The reporting cycle of the Office is as follows-



The Ombudsman may, under the Ombudsman (NI) Order 1996 and the Commissioner for Complaints (NI) Order 1996, from time to time lay before the Assembly such other reports with respect to his functions as he thinks fit. He may also, after conducting an investigation under the Ombudsman (NI) Order 1996, lay before the Assembly a special report on the case, if he thinks fit.

Performance During 2005/06

During the financial year 2005/06 almost 3,250 members of the public contacted the Office. The Office received 2,587 telephone enquiries (a decrease of 8.4% on 2004/05), 595 written complaints (a decrease of 3.3% on 2004/05) and 61 people called in person at the Office (a decrease of 7.6% on 2004/05).

Of the 595 written complaints received 201 were against bodies within the Ombudsman's jurisdiction as Assembly Ombudsman (a decrease of 28.5%) and 328 were against bodies within the Ombudsman's jurisdiction as Commissioner for Complaints (a decrease of 1.8%). Of the 328 Commissioner for Complaints cases 110 were against Health and Personal Social Services bodies (an increase of 48.6%) and 218 were against other Public Bodies (a decrease of 16.2%). In addition there were 66 written complaints which were outside the Ombudsman's jurisdiction.

During the year 68 reports of investigations were issued by the Ombudsman. In 36 of these cases the complaint was upheld or partially upheld and in a further 10 cases the Ombudsman was critical of the body complained about. Satisfactory settlements were achieved in 31 cases obviating the need for an in-depth investigation.

152 active cases were carried over from 2005/06 into the year 2006/07. This is the same as the comparable figure for 2004/05 to 2005/06.

A detailed statistical analysis of the work of the Office can be found in the Ombudsman's Annual Report which was published in July 2006. This is available from The Stationery Office bookshops and can be found on the Office's website (www.ni-ombudsman.org.uk).

Factors Influencing Performance

As can be seen above the workload of the Office decreased in 2005/06. Even though the workload decreased, the number of active cases carried over into the 2006/07 year was the same as the number carried over into 2005/06. A number of factors contributed to this:

1. following the departure of an investigating officer, the Health Team were short staffed for much of the year.
2. a small number of extremely complex cases, particularly in the area of Health and Personal Social Services, required a greater degree of staff time to be devoted to their investigation and completion.
3. the retirement of a Director of Investigations necessitated a period of induction and training for his successor.
4. the introduction of CHAS, and the associated new ways of working, initially affected the speed of case turnarounds, this factor affected the throughput for the first few months of the year.

The public's awareness of the Office continued to be developed during the year through the implementation of a number of initiatives, including:

- Continued updating and publicity of the Office's website. Our statistics show that the site receives an average of some 973 hits per day.

- Visits to bodies within jurisdiction by the Ombudsman and his staff. These visits have enabled the Office not only to raise awareness of the Ombudsman's role but also to stress the importance of internal complaints procedures which are well publicised.
- Visits to voluntary bodies by the Ombudsman and his staff. Such visits have enabled the Office to raise awareness of our role especially with bodies which give advice to the public.
- Visits to interest groups by the Ombudsman and his staff. These ad hoc visits have enabled the Office to raise awareness of our role to groups of people with specific interests.
- Presentations to Conferences and Seminars on both Governance and Effective Complaint Handling.

As part of an ongoing awareness campaign the Ombudsman and his staff intend, in the coming year, to undertake the following:

- Continue to visit bodies within jurisdiction as and when requested.
- Continue to visit voluntary bodies as and when requested.
- Continue to visit interest groups as and when requested.

The Future

Review of the Office

A report on the review of the Office, which was commissioned during 2003/04, has been received by the Office of the First Minister and Deputy First Minister. The next step will be a public consultation exercise based on the findings of the review. While it has been decided that publication of a consultation document be delayed while the Northern Ireland Assembly remains suspended, preparatory work on the consultation document is underway with a view to early publication after restoration of the Assembly.

The Northern Ireland Assembly

The future of the Northern Ireland Assembly will have a considerable bearing on the work of the Office. The restoration of the Assembly may lead to: an increase in the number of complaints under the Assembly Ombudsman legislation; the need to report to and appear before Assembly Committees; extension(s) of jurisdiction; and the need for awareness sessions for MLAs.

Staff Development

The Northern Ireland Ombudsman's Office is committed to staff development at all levels. One of the Office's Directors is formally designated as the Training and Development Officer in addition to his normal duties. This Director is a member of the British and Irish Ombudsman Association Training Officers Group.

Disability Awareness

The Office continues to keep in close contact our landlord in relation to disability access issues. The Office also keeps itself up-to-date with any developments in this area through its membership of the Employers Forum on Disability (NI).

Communications Strategy

The Ombudsman's Office is engaged in an ongoing programme to develop and implement a new communications strategy. One of the key elements of that communication strategy is "allowing and seeking feedback". The overall purpose of the project is to secure feedback from staff, complainants and key stakeholders, and to set in place procedures whereby these can be obtained on an ongoing regular basis in the future, with the aim of identifying levels of satisfaction, success and also areas that require improvement.

Resource, principal risks and uncertainties and relationships

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints has identified its key stake holders as being-

- Complaints
- The general public
- All public bodies and government departments
- Bodies subject to investigation
- Members of the Legislative Assembly
- Parliament / The Northern Ireland Assembly
- Staff
- Advocacy or Advisory groups

Each of the identified stake holders has a unique relationship with the Office. Each relationship may generate risk. All such risks have been identified and at both a strategic and operation level and are documented within the Office's Risk Register, a copy of which is available on request from the Office.

The Office has identified its key major resources as being-

- Its funding allocated through Parliamentary Vote
- Its staff through their experience and expertise
- Knowledge developed from detailed investigations and research

Each resource may generate a risk and any significant risk relating to the Office's resources has been documented in the Risk Register.

Financial review

Outturn

The Net Total Resource allocated to the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints was £1.251 million with the Net Cash allocation being £1.227 million. The actual net cash outturn was £1.177 million a variance of 4%. The actual cash expenditure of £1.177 million was a decrease of £11k (1%) compared to the previous year. However, during the previous year a capital project costing £60k was incurred which would have been additional to the cash expenditure normally experienced by the Ombudsman's Office.

The actual net resource outturn equalled £1.195 million, therefore the actual amount of resource required was £56k less than the Estimate. This 4.5% variance was primarily due to general running and staff costs being lower than estimated.

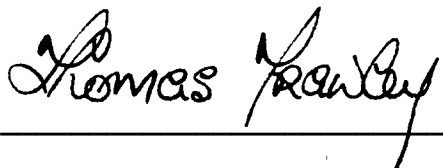
Actual capital expenditure amounted to £23k, which was £3k lower than the estimated figure.

Staff costs for the year were £840k (see note 9) compared with £791k in the previous financial year. This equalled 71% of the actual cash expenditure. The remainder for the expenditure is split between property Rent and Rates, premises expenses, Travel and subsistence, consultancy and other general office expenditure (see note 10).

Payment of suppliers

The Ombudsman's Office is committed to the prompt payment of bills for goods and services received in accordance with the Better Payment Practice Code. Unless otherwise stated in the contract, for invoices not disputed payment is due within 30 days after delivery of the invoice or of the goods and services whichever is later.

As indicated, to comply with the Government's commitment to improving the payment culture within the United Kingdom, the Ombudsman's Office adheres to the policy of payment of suppliers within a 30 day period. This was met in 99% of cases. This was an improvement of 0.5% from the previous year.



Accounting Officer

3 July 2006 **Date**

Remuneration Report

Remuneration Policy

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints (The Ombudsman)

The Ombudsman (Northern Ireland) Order 1996 and the Commissioner for Complaints (Northern Ireland) Order 1996 provides for the remuneration of the Ombudsman and for it to be met from the Consolidated Fund for Northern Ireland.

Deputy Ombudsman

The remuneration of senior civil servants, such as the Deputy Ombudsman who is seconded from the Northern Ireland Civil Service, is set by the Prime Minister following independent advice from the Review Body on Senior Salaries.

In reaching its recommendations, the Review Body has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- Government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services;
- the funds available to departments as set out in the Government's departmental expenditure limits;
- the Government's inflation target.

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations.

The remuneration of all senior civil servants is entirely performance based.

Further information about the work of the Review Body can be found at www.ome.uk.com.

Service Contracts

The Ombudsman

Under the provisions of the Ombudsman (Northern Ireland) Order 1996 and the Commissioner for Complaints (Northern Ireland) Order 1996 the Offices held by the Ombudsman are Crown appointments. The Ombudsman retains office unless removed by Her Majesty in consequence of an Address from Parliament/Northern Ireland Assembly. The current Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints is Thomas J Frawley.

Senior management Group

Civil Service appointments are made in accordance with the Civil Service Commissioners for Northern Ireland's Recruitment Code, which requires appointment to be on merit on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made.

Unless otherwise stated below, the officials covered by this report hold appointments, which are open-ended until they reach the normal retiring age of 60. Policy relating to notice periods and termination payments is contained in the Northern Ireland Civil Service (NICS) Staff Handbook.

Mr Gerry McBride was appointed on a three year contract commencing on the 28 November 2005.

Further information about the work of the Civil Service Commissioners can be found at www.nicscommissioners.org .

Salary and pension entitlements

Remuneration of the Ombudsman

By statute the remuneration of the Ombudsman is met from the Consolidated Fund. Employers National Insurance Contributions (ERNI) and Accrued Superannuation Liability Charge (ASLC) are met by DFP. For the year ended the 31 March 2006 the amount paid in respect of the Ombudsman's remuneration was £157,186.22 (2004-05 £146,814.20). This was composed of the following;

Salary - £116,515.00 (2004-05 £106,196.00)
Social Security Costs - £13,290.22 (2004-05 £12,624.24)
Other pension Cost - £27,381.00 (2004-05 £18,135.96)
Travel Allowance - £0.00 (2004-05 £9,858.00)

The following sections provide details of the remuneration and pension interests of the most senior officials of The Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints.

Senior Civil Servants

Officials	2005-06		2004-05	
	Salary £'000	Benefits in kind (to nearest £100)	Salary £'000	Benefits in kind (to nearest £100)
Mr J MacQuarrie Deputy Ombudsman	75-80	-	65-70	-
Mr Ivan Houston Director	30-35	-	10-15 (full year equivalent 30- 35)	-
Mr C O'Hare Director (To October 2005)	25-30 (Full year equivalent 45-50)	-	Not disclosed	-
Mrs Helen Mallon Director	25-30	-	Not disclosed	-
Mrs P Gibson Director	45-50	-	Not disclosed	-
Mr Gerry McBride Director (From November 2005)	15-20 (Full year equivalent 45- 50)	-	N/A	-

Mr McBride is currently on secondment from an organisation not covered by the PCSPS (NI) Scheme. All liability for his pension remains with his principal employer and not this office.

Salary

'Salary' includes gross salary; performance pay or bonuses any allowance, such as London Weighting Allowances, to the extent that it is subject to UK taxation. This report is based on payments made by The Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints and thus recorded in these accounts.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the Inland Revenue as a taxable emolument. None of the Officials received benefits in kind.

Civil Service Pensions

Officials	Accrued pension at age 60 as at 31/3/06 and related lump sum	Real increase in pension and related lump sum at age 60	CETV at 31/3/06	CETV at 31/3/05	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
Mr J MacQuarrie Deputy Ombudsman	35-37.5 plus lump sum of 105-107.5	0-2.5 plus lump sum of 2.5-5	644	592	26	-
Mr Ivan Houston Director	15-17.5 plus lump sum of 47.5-50	0-2.5 plus lump sum of 0-2.5	278	251	18	-
Mr C O'Hare Director (To October 2005)	22.5-25 plus lump sum of 67.5-70	0-2.5 plus lump sum of 0-2.5	-	-	-	-
Mrs Helen Mallon Director	15-17.5 plus lump sum of 47.5-50	5-7.5 plus lump sum of 17.5-20	295	154	134	-
Mrs P Gibson Director	22.5-25 plus lump sum of 67.5-70	0-2.5 plus lumps sum of 0-.25	432	408	8	-

Pension benefits are provided through the Civil Service pension arrangements. From 1 October 2002, civil servants may be in one of three statutory based 'final salary' defined benefit schemes (classic, premium, and classic plus). The schemes are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Retail Prices Index. New entrants after 1 October 2002 may choose between membership of premium or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium and classic plus. Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly in the same way as in classic.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a selection of approved products. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

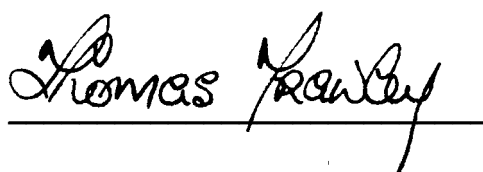
Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensions-ni.gov.uk.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements and for which the CS Vote has received a transfer payment commensurate with the additional pension liabilities being assumed. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.



Accounting Officer

3 July 2006 Date

Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints

Statement of Accounting Officer's responsibilities

1. Under the Government Resources and Accounts Act (NI) 2001, the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints is required to prepare resource accounts for each financial year, in conformity with a DFP direction, detailing the resources acquired, held, or disposed of during the year and the use of resources by the Ombudsman during the year.
2. The resource accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints, the net resource outturn, resources applied to objectives, recognised gains and losses and cashflows for the financial year.
3. DFP has appointed the Ombudsman as Accounting Officer with responsibility for preparing the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints accounts and for transmitting them to the Comptroller and Auditor General.
4. In preparing the accounts the Accounting Officer is required to comply with the *Government Financial Reporting Manual (FReM)* prepared by DFP, and in particular to :
 - observe the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
 - make judgements and estimates on a reasonable basis;
 - state whether applicable accounting standards, as set out in the *FReM* have been followed, and disclose and explain any material departure in the accounts;
 - prepare the accounts on the going-concern basis.
5. The responsibilities of an Accounting Officer including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints assets, are set out in the Accounting Officers' Memorandum, issued by DFP and published in *Government Accounting Northern Ireland*.

Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints

Statement on Internal Control

1. Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Office policies, aims and objectives, whilst safeguarding the public funds and the Office's assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting.

There is a comprehensive reporting and accountability system provided through the Audit and Risk Management Committee which reports to the Senior Management Team meetings. An independent member was appointed during the year to the Audit and Risk Management Committee and a representative from the Northern Ireland Audit Office also attends. I attend each bi-monthly Directorate Team meeting at which workloads and performance are discussed.

2. The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Office policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in this Office for the year ended 31 March 2006 and up to the date of approval of the Annual Report and Accounts, and accords with Treasury guidance.

3. Capacity to handle risk

I, as Accounting Officer, have well established corporate planning and management arrangements which address business risks. The Office has identified all significant risks to its business and a Risk Management Strategy and Risk Register are in place. The Risk Management Strategy has been communicated to all staff. The Strategy is embedded in the Annual Business Plan with specific objectives set against each of the five key strategic areas referred to in paragraph 4. Monitoring of progress on the achievement of objectives set out in the Business Plan is an ongoing process and is regularly reviewed at the Audit and Risk Management Committee and at Senior Management Team meetings. Together these provide the systems to manage the Office resources whilst minimizing the risks to achieving business outputs. It is planned to review the Risk Management Strategy in the next financial year and to ensure it is in line with the

Independent Commission on Good Governance in Public Services publication. Resulting from this review will be an assessment of the training needs of all my staff and an action plan to deliver appropriate training.

The Risk Register is managed in the first instance by the Director of Corporate Services who reports to the Audit and Risk Management Committee which is chaired by the Deputy Ombudsman. Each member of this Senior Management Team is responsible for managing risks within their areas of responsibility and they provide assurance to me that risks are being actively managed and minimized. Regular reports are provided at Senior Management Team meetings.

Risk Management training has been provided by an external consultant to the members of the Senior Management Team. The Finance Officer has received training in risk assessment as part of her professional training. All staff in my office have attended a seminar on Corporate Governance and Risk Assessment which explained the role and importance of Risk Management and its relationship to the Statement on Internal Control. An overview of Risk Management was delivered to staff as a refresher in November 2005.

4. The Risk and control framework

I subscribe to the process leading to the production of the Statement on Internal Control that is an annual hierarchical stewardship reporting arrangement.

For the period covered by this Statement on Internal Control, the key risks were aligned to five main strategic areas which the Office needs to manage actively. These key strategic areas are -

- Investigation of complaints in accordance with statutory requirements and within the resources allocated and to the standards/targets set;
- Recruitment and retention of Investigation staff;
- Effective management of resources;
- Effective management of information;
- Management of workplace health and safety.

The risk owner was identified for each risk and an evaluation carried out of how the risk was currently being managed, the effectiveness of those controls and what additional actions were required to fully manage it. Risks were assessed for degree of impact (on a scale from low to high) and likelihood of occurrence (on a scale from low to high).

5. Review of the effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. The Office has established the following procedures:

- A senior management group, which I chair, and comprising the senior managers of the Office meets regularly and considers the plans and strategic direction of the Office;
- Regular reports from the chairman of the Audit and Risk Management Committee to me concerning internal control;
- Our business planning process evaluates past performance, plans and targets and sets forward plans and targets;
- Regular reports by independent internal auditors, to standards defined in the Government Internal Audit Manual, which include an opinion on the adequacy and effectiveness of the Office's system of internal control together with recommendations for improvement;
- The Audit and Risk Management Committee undertakes an annual review of Internal Audit plans, including the risk assessment and meets regularly to receive and review reports from the Internal and External Auditors concerning internal controls;
- Regular reports from senior managers on the steps they are taking to manage risks in their areas of responsibility;
- Establishment of key performance and risk indicators;
- Maintenance of an organisation-wide risk register;
- A programme of risk awareness training.

My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, the Audit and Risk Management Committee which oversees the work of the internal auditors, the Directors within the Office who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Senior Management Team (who each prepared Stewardship Statements for their area of responsibility), the Audit and Risk Management Committee, and audits carried out by the Northern Ireland Audit Office and independent Internal Auditors. A plan to address weaknesses and ensure continuous improvement is in place.

In addition, the following ongoing process has been applied in maintaining and reviewing the effectiveness of the system of internal control:

Senior Management Team

The Senior Management Team (SMT) meets on a regular unscheduled basis to consider the plans, targets and strategic direction of the Office using key performance and risk indicators, however within the year under review there were only three SMT meetings held. The timetable for the SMT meetings has now been formalised and meets bi-monthly. I Chair these meetings.

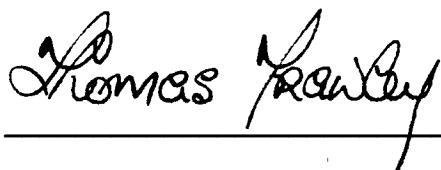
Audit and Risk Management Committee

The Audit and Risk Management Committee (the Committee) is appointed to support the Ombudsman as Accounting Officer in monitoring the corporate governance and control systems in the Office. It fulfils this role by offering objective advice on issues concerning the risk, control and governance of the Office and associated assurances and reports through the Committee Chair at Senior Management Team meetings which I Chair.

6. Internal Control Issues

I, as Accounting Officer, am satisfied that:

- strategies and policies are well designed and regularly reviewed;
- appropriate strategies and policies are being put into practice in all relevant parts of the Office;
- high quality services are delivered efficiently and effectively;
- performance is regularly and rigorously monitored and effective measures are put in place to tackle poor performance;
- laws and regulations are complied with;
- information used by the Office is relevant, accurate, up-to-date, timely and reliable;
- financial statements and other information published by the Office are accurate and reliable;
- financial resources are managed efficiently and effectively and are safeguarded;
- human and other resources are appropriately managed and safeguarded; and
- all the Northern Ireland Audit Office recommendations have been implemented by my Office and action accepted by the Audit Office.



Accounting Officer

3 July 2006 **Date**

**ASSEMBLY OMBUDSMAN FOR NORTHERN IRELAND AND NORTHERN IRELAND
COMMISSIONER FOR COMPLAINTS**

**THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL
TO THE HOUSE OF COMMONS AND THE NORTHERN IRELAND ASSEMBLY**

I certify that I have audited the financial statements of the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints for the year ended 31 March 2006 under the Government Resources and Accounts Act (Northern Ireland) 2001. These comprise the Statement of Parliamentary Supply, the Operating Cost Statement and Statement of Recognised Gains and Losses, the Balance Sheet, the Cashflow Statement and the Statement of Operating Costs by Aim and Objectives and the related notes. These financial statements have been prepared under the accounting policies set out within them.

Respective responsibilities of the Accounting Officer and auditor

The Accounting Officer is responsible for preparing the Annual Report and the financial statements in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance and Personnel directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Accounting Officer's Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the Financial Statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with Department of Finance and Personnel directions issued under the Government Resources and Accounts Act (Northern Ireland) 2001. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. I also report to you if, in my opinion, the Annual Report is not consistent with the financial statements, if the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by the Department of Finance and Personnel regarding remuneration and other transactions is not disclosed.

I review whether the statement on pages 17 to 20 reflects the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints' compliance with the Department of Finance and Personnel's guidance on the Statement on Internal Control, and I report if it does not. I am not required to consider whether the Accounting Officer's statements on internal control cover all risks and controls, or to form an opinion on the effectiveness of the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints' corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report, Management Commentary and the unaudited part of the Remuneration Report. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Accounting Officer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints' circumstances, consistently applied and adequately disclosed.

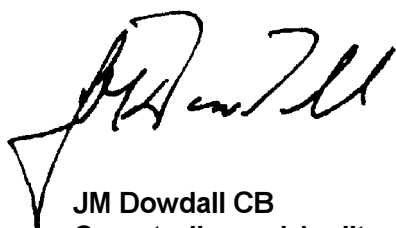
I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error and that in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Opinion

In my opinion:

- the financial statements give a true and fair view, in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and directions made thereunder by the Department of Finance and Personnel, of the state of the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints' affairs as at 31 March 2006 and the net cash requirement, net resource outturn, resources applied to objectives, recognised gains and losses and cashflows for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with Department of Finance and Personnel directions issued under the Government Resources and Accounts Act (Northern Ireland) 2001; and
- in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.



JM Dowdall CB
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast BT7 1EU

4 July 2006

Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints

Statement of Parliamentary Supply

Summary of Resource Outturn 2005–06

Request for Resources	Note	Estimate			Outturn			2005-06 £000	2004-05 £000
		Gross Expenditure	AR	Net Total	Gross Expenditure	AR	Net Total	Net Total outturn compared with Estimate: saving/(excess)	Outturn
1	2	1,251	-	1,251	1,195	-	1,195	56	1,131
Total resources	3	1,251	-	1,251	1,195	-	1,195	56	1,131
Non-operating cost AR		-	-	-	-	-	-	-	-

Net cash requirement 2005-06

	Note	Estimate	Outturn	2005-06 £000	2004-05 £000
				Net total outturn compared with estimate: saving/(excess)	Outturn
Net cash requirement	4	1,227	1,177	50	1,188

Summary of income payable to the Consolidated Fund.

In addition to accruing resources, the following income relates to the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints and is payable to the Consolidated Fund (cash receipts being shown in italics)

Note	Forecast 2005-06 £000		Outturn 2005-06 £000	
	Income	Receipts	Income	Receipts
Total	5	-	-	-

Explanations of variances between Estimate and outturn are given in Note 2 and in the Management Commentary.

The notes on pages 29 to 47 form part of these accounts

Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints

Operating Cost Statement

for the year ended 31 March 2006

				2005-06 £000	2004-05 £000
	Note	Staff Costs	Other Costs	Income	Total
Administration Costs (Request for resources 1)					
Staff costs	9	840		840	791
Other administration costs	10		512	512	482
Operating income	12			-	(13)
Totals		840	512	-	1,352
Net Operating Cost	3, 13			1,352	1,260

The notes on pages 29 to 47 form part of these accounts

Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints

Statement of Recognised Gains and Losses

for the year ended 31 March 2006

	2005-06 £000	2004-05 £000
Net gain/(loss) on revaluation of tangible fixed assets	1	-
Net gain/(loss) on revaluation of intangible fixed assets	-	1
Recognised gains and losses for the financial year	1	1

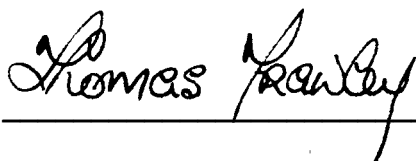
The notes on pages 29 to 47 form part of these accounts

Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints

Balance Sheet

as at 31 March 2006

		2006 £000	2005 £000
	Note		
Fixed assets:			
Tangible assets	14	84	83
Intangible assets	15	24	28
Investments	16	-	-
Debtors falling due after more than one year	18	-	-
Current assets:			
Stocks	17	-	-
Debtors	18	61	57
Cash at bank and in hand	19	17	44
		78	101
Creditors (amounts falling due within one year)	20	(37)	(62)
Net current assets		41	39
Total assets less current liabilities		149	150
Creditors (amounts falling due after more than one year)	20	-	-
Provisions for liabilities and charges	21	-	-
		149	150
Taxpayers' equity:			
General fund	22	147	149
Revaluation reserve	23	2	1
		149	150



Accounting Officer

3 July 2006 Date

The notes on pages 29 to 47 form part of these accounts

Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints

Consolidated Cash Flow Statement

for year ended 31 March 2006

		2005-06 £000	2004-05 £000
	Note		
Net cash outflow from operating activities	24a	(1,315)	(1,236)
Capital expenditure and financial investment	14,24b, 24c	(19)	(79)
Receipts due to the Consolidated Fund which are outside the scope of the Department's activities		-	-
Payments of amounts due to the Consolidated Fund		(15)	-
Financing	24d	1,322	1,342
(Decrease)/ Increase in cash in the period	24e	(27)	27

The notes on pages 29 to 47 form part of these accounts

Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints

Consolidated Statement of Operating Costs by AOCC Aim and Objectives

for the year ended 31 March 2006

	2005-06 £000			2004-05 £000		
	Gross	Income	Net	Gross	Income	Net
Aim						
Objective 1	1,352	-	1,352	1,273	13	1,260
Net operating costs	1,352	-	1,352	1,273	13	1,260

The Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints objective is as follows:

For the provision of an independent, effective and free system for investigating complaints from people who claim to have suffered injustice through maladministration by Northern Ireland government departments, their agencies, public and local bodies and the Health and Personal Social Services; the provision of an independent investigative resource to support the work of the Committee on Standards and Privileges in dealing with complaints against Members of the Assembly.

See Note 25 for further explanation of the allocation of expenditure between objectives.

The notes on pages 29 to 47 form part of these accounts

Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints

Annual Report and Accounts 2005-06

Notes to the AOCC resource accounts

1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2005–06 Government Financial Reporting Manual (FReM) issued by the Department of Finance and Personnel for Northern Ireland. The accounting policies contained in the FReM follow UK generally accepted accounting practice for companies (UK GAAP) to the extent that it is meaningful and appropriate to the public sector.

In addition to the primary statements prepared under UK GAAP, the *FReM* also requires the AOCC to prepare two additional primary statements. The Statement of Parliamentary Supply and supporting notes show outturn against Estimate in terms of the net resource requirement and the net cash requirement. The Consolidated Statement of Operating Cost by AOCC Aim and Objectives and supporting notes analyse the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints income and expenditure by the objectives agreed with Ministers.

Where the FReM permits a choice of accounting policy, the accounting policy, which has been judged to be most appropriate to the particular circumstances of the AOCC for the purpose of giving a true and fair view has been selected. The AOCC's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 *Accounting convention*

These accounts have been prepared under the historical cost convention modified to account for the revaluation of fixed assets.

1.2 *Administration and programme expenditure*

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints is not subject to the Administration Cost Limit Regime as it is a wholly independent body. As a result for budget purposes income and expenditure is categorised as Programme. Following guidance provided by the Department of Finance and Personnel for Resource Accounting under FReM, to provide consistency with previous years Resource Accounts and other Northern Ireland departments, The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints has been requested to continue to classify their income and expenditure in the Operating Cost Statement as Administration.

1.3 *Tangible fixed assets*

Tangible fixed assets held by the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints comprise of Office Equipment, Gym Equipment, Computer Equipment and Furniture and Fixtures. These assets have been stated at the lower of replacement cost and recoverable amount. On initial recognition they are measured at cost including any costs such as installation directly attributable to bringing them into working condition. All tangible assets are restated to current value each year if material. Published indices appropriate to the category of asset are normally used to estimate value. The minimum level of capitalisation of a tangible asset is £99.00.

1.4 *Depreciation*

Tangible fixed assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives.

Asset lives are normally in the following ranges:

- Office Equipment 5 – 15 years
- Gym Equipment 10 years
- Computer Equipment 3 – 10 years
- Furniture and Fixtures 5 – 10 years
- Intangible 3 – 10 years

1.5 *Intangible fixed assets*

Purchased computer software licenses are capitalised as an intangible fixed asset where expenditure of £99.00 or more is incurred. Except where reliable evidence of current value cannot be readily ascertained, these are restated to current value each year if material. Software licences are amortised over the shorter of the term of the licence and their useful economic lives.

1.6 *Capital charge*

A charge, reflecting the cost of capital utilised by the AOCC, is included in operating costs. The charge is calculated at the real rate set by HM Treasury (currently 3.5 per cent) on the average carrying amount of all assets less liabilities, except for:

tangible and intangible fixed assets where the cost of capital charge is based on opening values, adjusted pro rata for in-year:

- additions at cost
- disposals as valued in the opening balance sheet (plus any subsequent capital expenditure prior to disposal)
- impairments at the amount of the reduction of the opening balance sheet value (plus any subsequent capital expenditure)
- depreciation of tangible and amortisation of intangible fixed assets.

1.7 Operating income

Operating income is income which relates directly to the operating activities of The Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints. It principally comprises fees and charges for services provided on a full-cost basis to external customers. Operating income is stated net of VAT.

1.8 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) (NI), with the exception of one current member of staff who is seconded from another organisation. All liability for his pension remains with his principle employer.

The PCSPS (NI) is a defined benefit scheme, which is unfunded and is non-contributory except in respect of dependants' benefits. The Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the Principal Civil Service Pension Scheme (PCSPS) (NI) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the Principal Civil Service Pension Scheme (PCSPS) (NI).

1.9 Leases

Operating lease rentals are charged to the operating cost statement on a straight line basis over the term of the lease.

1.10 Value Added Tax

The Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints can recover input VAT on purchases. Amounts are stated net of VAT. No services are provided on which output VAT is chargeable.

1.11 Contingent Liabilities

In addition to contingent liabilities disclosed in accordance with FRS 12, the Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints discloses for parliamentary reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to Parliament in accordance with the requirements of Government Accounting Northern Ireland.

Where the time value of money is material, contingent liabilities which are required to be disclosed under FRS 12 are stated at discounted amounts and the amount reported to parliament separately noted. Contingent Liabilities that are not required to be disclosed by FRS 12 are stated at the amounts reported to Parliament.

2. Analysis of net resource outturn by section

	Outturn						2005-06 £000	2004-05 £000	
	Admin	Other current	Grants	Gross resource Expenditure	AR	Net Total	Estimate	Prior- year outturn	
Request for resources 1:							Net Total	Net Total outturn compared with Estimate	
Administration	-	1,185	-	1,185	-	1,185	1,239	(54)	1,124
Notional charges	-	10	-	10	-	10	12	(2)	7
Total	-	1,195	-	1,195	-	1,195	1,251	(56)	1,131
Resource Outturn	-	1,195	-	1,195	-	1,195	1,251	(56)	1,131

Request for resources 1

The net resource outturn equalled £1.195 million, £56k less than the Estimate. This 4.5% variance was primarily due to general running and staff costs being lower than estimated.

Detailed explanations of the variances are given in the Management Commentary on page 5.

Key to Request for Resources and Sections

Request for resources 1

Investigating complaints against government departments and public and local bodies and providing an investigative resource for the Committee on Standards and Privileges

3(a) Reconciliation of net resource outturn to net operating cost

	Note	Outturn	Supply Estimate	2005-06 £000 Outturn compared with Estimate	2004-05 £000 Outturn
Net Resource Outturn	2	1,195	1,251	(56)	1,131
Prior Period Adjustments		-	-	-	-
Non-supply income (CFERs)	5	-	-	-	(13)
Non-supply Expenditure	22	157	155	2	142
Net operating cost		1,352	1,406	(54)	1,260

3(b) Outturn against final Administration Budget

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints is not subject to the Administration Cost Limit Regime. See Note 1.2 on page 29 for further explanation.

4. Reconciliation of resources to cash requirement

	Note	Estimate £000	Outturn £000	Net total outturn compared with estimate: saving/(excess) £000
Resource Outturn	2	1,251	1,195	56
Capital				
Acquisition of fixed assets	14	26	19	3
Investments		-	-	-
Non operating AR				
Proceeds of fixed asset disposals		-	-	-
Accruals adjustments				
Non-cash items	10	(50)	(44)	(6)
Changes in working capital other than cash		-	7	(3)
Changes in creditors falling due after more than one year	20	-	-	-
Use of provision	21	-	-	-
Excess cash receipts surrenderable to the Consolidated Fund	5	-	-	-
Net cash requirement		1,227	1,177	50

5. Analysis of income payable to the Consolidated Fund

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints had £230.38 of other non operating income and receipts not classified as AR, which is payable to the Consolidated Fund. There was no forecast income or receipts recorded in AOCC's Main or Supplementary 2005-2006 Estimates.

6. Reconciliation of income recorded within the Operating Cost Statement to operating income payable to the Consolidated Fund

	Note	2005-06 £000	2004-05 £000
Operating income		-	13
Adjustments for transactions between RfRs		-	-
Gross income	12	-	13
Income authorised to be accrued resources		-	-
Operating income payable to the Consolidated Fund	5	-	13

7. Non-operating income – Excess AR

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints had no non-operating income – excess AR for the period ending 31 March 2006, (31 March 2005 – Nil).

8. Non-operating income not classified as AR

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints had £230.38 of non-operating income not classified as AR for the period ending 31 March 2006, (31 March 2005 – Nil).

9. Staff numbers and related costs

Staff costs comprise:

	2005-06					2004-05
	£000					£000
	Total	Permanently employed staff	Others	Ministers	Special advisers	Total
Wages and salaries	672	646	26	-	-	654
Social security costs	53	53	-	-	-	52
Other pension costs	115	115	-	-	-	85
Sub Total	840	814	26	-	-	791
Less recoveries in respect of outward secondments	-	-	-	-	-	-
Total net costs	840	814	26	-	-	791

The Principal Civil Service Pension Scheme (PCSPS) (NI) is an unfunded multi-employer defined benefit scheme but Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2003. Details can be found in the resource accounts of the Department of Finance and Personnel Superannuation www.civilservicepensions-ni.gov.uk.

For 2005-06, employers' contributions of £ 114,903.72 were payable to the PCSPS (NI) (2004-05 £85,432.83) at one of four rates in the range 16.5 to 23.5 per cent (2004-05: 12 to 18 per cent) of pensionable pay, based on salary bands. These rates have increased from 1 April 2005 as a result of the latest actuarial valuation. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £Nil (2004-05 £Nil) were paid to a panel of appointed stakeholder pension providers. Employer contributions are age-related and range from 3.0 to 12.5 per cent (2004-05: 3 to 12.5 per cent) of pensionable pay. Employers also match employee contributions up to 3 per cent of pensionable pay. In addition, employer contributions of £Nil (0.8 per cent); (2004-05: £Nil, 0.8 per cent) of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the partnership pension providers at the balance sheet date were £nil. Contributions prepaid at that date were £nil.

No member of staff (2004-05: 0 persons) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £nil (2004-05: £nil).

Average number of persons employed

The average number of whole-time equivalent persons employed during the year was as follows.

Objective	Total	Permanent staff	Others	Ministers	2005-06	2004-05
					Number	Number
					Special advisers	Total
1	22.5	22	0.5	-	-	22
Total	22.5	22	0.5	-	-	22

10. Other Administration Costs

		2005-06	2004-05
		£000	£000
	Note		
Consolidated Fund Standing Charges		157	142
Rent and Rates		119	111
Travel and subsistence		48	50
Premises expenses		44	40
Consultancy		21	23
Office Services		27	26
Other expenditure		52	47
Non-cash items			
Depreciation		19	9
Amortisation		5	4
Profit on disposal of fixed asset		-	(1)
Loss on disposal of fixed assets		-	3
Amounts written off fixed assets		4	16
Cost of Capital Charges		6	5
Auditors' remuneration and expenses		7	6
Training costs		3	1
Provision provided for in year	21	-	-
Unwinding of discount on provisions	21	-	-
Total		512	482

11. Programme Costs

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints did not incur any programme costs during the period under review.

12. Income

	2005-06 £000	2004-05 £000
Request for Resources 1	Total	Total
Other non-operating income not classified as AR	-	13
	<hr/>	<hr/>
	-	13

13. Analysis of net operating cost by spending body

		2005-06 £000	2004-05 £000
	Estimate	Outturn	Outturn
Spending body:			
Assembly Ombudsman for NI and NI Commissioner for Complaints	1,406	1,352	1,260
Net Operating Cost	<hr/>	<hr/>	<hr/>
	1,406	1,352	1,260

14. Tangible fixed assets

	Office Equipment £000	Gym Equipment £000	Computer Equipment £000	Fixtures and Fittings £000	Total £000
Cost or valuation					
At 1 April 2005	14	3	105	3	125
Additions	-	-	22	1	23
Donations	-	-	-	-	-
Disposals	-	-	(5)	-	(5)
Reclassifications	-	-	-	-	-
Revaluations	-	-	(4)	-	(4)
At 31 March 2006	14	3	118	4	139
Depreciation					
At 1 April 2005	9	1	31	1	42
Charged in year	1	-	18	-	19
Disposals	-	-	(5)	-	(5)
Reclassifications	-	-	-	-	-
Revaluations	-	-	(1)	-	(1)
At 31 March 2006	10	1	43	1	55
Net book value at 31 March 2006	4	2	75	3	84
Net book value at 31 March 2005	5	2	74	2	83
Asset financing:					
Owned	4	2	75	3	84
Finance Leased	-	-	-	-	-
On-balance sheet PFI					
Contracts	-	-	-	-	-
PFI residual interests	-	-	-	-	-
Net book value at 31 March 2006	4	2	75	3	84

Notes

Tangible assets were revalued on the basis of the latest available indices where material see note 1.3 on page 30 for details.

Total fixed asset additions for the year were £23k as per notes 14 and 15. Fixed asset additions per the Cash Flow Statement are £19k. The difference is a closing fixed asset creditor of £4k (see note 20(a)).

Donated assets

The Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints did not receive any donated asset during the period under review.

15. Intangible fixed assets

Intangible fixed assets comprise of software licences.

	2005-06	2004-05
	£000	£000
Cost or valuation		
At 1 April	40	20
Additions	-	24
Donations	-	-
Disposals	-	(5)
Revaluation	1	1
At 31 March	41	40
Amortisation		
At 1 April	12	13
Charged in year	5	3
Disposals	-	(5)
Revaluation	-	1
At 31 March	17	12
Net book value at 31 March	24	28

16. Investments

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints did not make any investments during the period under review.

17. Stocks and work in progress

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints does not have any stocks or work in progress.

18. Debtors

18(a) Analysis by type

	2005-06 £000	2004-05 £000
Amounts falling due within one year:		
Trade debtors	-	-
Deposits and advances	-	-
Other debtors – VAT	12	20
Prepayments and accrued income	49	37
Current part of PFI prepayment	-	-
Current part of NLF loan	-	-
Amounts due from the Consolidated Fund in respect of supply	-	-
	<u>61</u>	<u>57</u>

All debtors are due within one year.

There are no amounts included within trade debtors (and 2004–05: Nil) that will be due to the Consolidated Fund once the debts are collected.

18(b) Intra-Governmental Balances

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints did not have any intra-governmental departmental balances for the period under review.

19. Cash at bank and in hand

	2005-06 £000	2004-05 £000
Balance at 1 April	44	17
Net change in cash balances	(27)	27
Balance at 31 March	<u>17</u>	<u>44</u>
The following balances at 31 March were held at:		
Office of HM Paymaster General	-	-
Commercial banks and cash in hand	17	44
Balance at 31 March	<u>17</u>	<u>44</u>

20. Creditors

20(a) Analysis by type

	2005-06 £000	2004-05 £000
Amounts falling due within one year		
Other taxation and social security	-	-
Trade creditors	1	10
Other creditors	-	-
Accruals and deferred income	14	8
Current part of finance leases	-	-
Current part of imputed finance lease element of on balance sheet PFI contracts	-	-
Current part of NLF loans	-	-
Amounts issued from the Consolidated Fund for supply but not spent at year end	18	29
Consolidated Fund extra receipts due to be paid to the Consolidated Fund		
Received	-	15
Receivable	-	-
	33	62
other creditors – capital creditor	4	-
	37	62

All creditors fall due within one year.

20(b) Intra-Governmental Balances

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints did not have any intra-governmental departmental balances for the period under review.

21. Provisions for liabilities and charges

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints did not require provisions to be set up in relation to liabilities or charges for the period under review.

22. General Fund

The General Fund represents the total assets less liabilities of the Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints, to the extent that the total is not represented by other reserves and financing items.

	2005-06	2004-05
	£000	£000
Balance at 1 April	149	82
Prior Period Adjustment	-	-
Adjusted Opening Balance	<u>149</u>	<u>82</u>
Net Parliamentary Funding		
Drawn Down	1,165	1,200
Deemed	29	17
Consolidated Fund Standing Services	157	142
Net financing from the Contingencies Fund	-	-
National Insurance Fund	-	-
Year end adjustment		
Supply (Creditor)/Debtor – current year	(17)	(29)
Excess Vote – prior year	-	-
Net Transfer from Operating Activities		
Net Operating Cost	(1,352)	(1,260)
CFERS repayable to Consolidated Fund	-	(15)
Non Cash Charges		
Cost of Capital	6	5
Auditors' remuneration	7	6
Training costs	3	1
Transfer from Revaluation Reserve	-	-
Transfer Standing Services	-	-
Balance at 31 March	<u>147</u>	<u>149</u>

23. Revaluation Reserve

The revaluation reserve reflects the unrealised element of the cumulative balance of indexation and revaluation adjustments.

	2005-06	2004-05
	£000	£000
Balance at 1 April	1	-
Arising on revaluation during the year (net)	1	1
Transferred to general fund in respect of realised element of revaluation reserve	-	-
Balance at 31 March	<u>2</u>	<u>1</u>

24. Notes to the Consolidated Cash Flow Statement

24(a) Reconciliation of operating cost to operating cash flows

		2005-06 £000	2004-05 £000
	Note		
Net operating cost	13	(1,352)	(1,260)
Adjustments for non-cash transactions	10	44	45
(Increase)/Decrease in Stock		-	-
(Increase)/Decrease in Debtors		(4)	(32)
<i>less movements in debtors relating to items not passing through the OCS</i>		-	-
Increase/(Decrease) in Creditors		(29)	38
<i>less movements in creditors relating to items not passing through the OCS</i>		26	(27)
Use of provisions	21	-	-
Net cash outflow from operating activities		<u>(1,315)</u>	<u>(1,236)</u>

24(b) Analysis of capital expenditure and financial investment

		2005-06 £000	2004-05 £000
	Note		
Tangible fixed asset additions	14	19	55
Intangible fixed asset additions	15	-	24
Proceeds of disposal of fixed assets		-	-
Loans to other bodies	16	-	-
(Repayments) from other bodies	16	-	-
Net cash outflow from investing activities		<u>19</u>	<u>79</u>

24(c) Analysis of capital expenditure and financial investment by Request for Resources

	Capital expenditure £000	Loans etc £000	AR £000	Net total £000
Request for resources 1	19	-	-	19
Total 2005-06	<u>19</u>	<u>-</u>	<u>-</u>	<u>23</u>
Total 2004-05	<u>79</u>	<u>-</u>	<u>-</u>	<u>79</u>

24(d) Analysis of financing

		2005-06 £000	2004-05 £000
	Note		
From the Consolidated Fund (Supply) – current year	22	1,165	1,200
From the Consolidated Fund (Supply) – prior year		-	-
From the Consolidated Fund (non-Supply)	22	157	142
From the National Insurance Fund	22	-	-
Payments to the National Insurance Fund	22	-	-
Advances from the Contingencies Fund	22	-	-
Repayments to the Contingencies Fund	22	-	-
Loans received from the National Loans Fund		-	-
Repayments of loans from the National Loans Fund		-	-
Capital element of payments in respect of finance leases and on-balance sheet PFI contracts		-	-
Net financing		1,322	1,342

24(e) Reconciliation of Net Cash Requirement to increase/(decrease) in cash

	Note	2005-06 £000	2004-05 £000
Net cash requirement		(1,177)	(1,188)
From the Consolidated Fund (Supply) – current year	24(d)	1,165	1,200
From the Consolidated Fund Supply – prior year	24(d)	-	-
Amounts due to the Consolidated Fund – received in a prior year and paid over		(15)	-
Amounts due to the Consolidated Fund received and not paid over	3	-	15
(Decrease) / Increase in cash		(27)	27

25. Notes to the Consolidated Statement of Operating Costs by AOCC Aim and Objectives

Programme grants and other current expenditures have been allocated as follows:

	2005-06 £000	2004-05 £000
Objective 1	1,352	1,260
Total	1,352	1,260

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints capital is employed for administration purposes in pursuance of the organisations single objective.

Capital Employed by Departmental Aim and Objectives at 31 March 2006

	2005-06 £000	2004-05 £000
Objective 1	149	150
	149	150

26. Capital commitments

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints has no contracted capital commitments as at 31st March 2006 (31 March 2005 – Nil).

27. Commitments under leases

27(a) Operating Leases

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints had a commitment of £1,510.16 in respect of an Operating lease for a photocopier as at 31st March 2006.

Commitments under operating leases to pay rentals during the year following the year of these accounts are given in the table below, analysed according to the period in which the lease expires.

	2005-06	2004-05
	£000	£000
Obligations under operating leases comprise:		
Expiry within 1 year	1	1
Expiry after 1 year but not more than 5 years	-	1
Expiry thereafter		
	<hr/>	<hr/>
	1	2
	<hr/>	<hr/>

27(b) Finance Leases

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints did not enter into any finance lease arrangements during the current period to March 2006 (to March 2005 – Nil).

28. Commitments under PFI contracts

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints has no commitments under PFI contracts as at 31st March 2006 (31st March 2005 – Nil).

29. Other financial commitments

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints has no other financial commitments as at 31st March 2006 (31st March 2005 – Nil).

30. Financial Instruments

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints has no borrowings and relies primarily on money voted by Parliament for its cash requirements, and is therefore not exposed to liquidity risks. It also has no material deposits, and all material assets and liabilities are denominated in sterling, so it is not exposed to interest rate risk or currency risk.

The Assembly Ombudsman for Northern Ireland and Northern Ireland Commissioner for Complaints did not enter into any foreign exchange contracts during the period to March 2006.

31. Contingent liabilities disclosed under FRS 12

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints has no contingent liabilities as at 31st March 2006 (31st March 2005 – Nil).

32. Contingent liabilities not required to be disclosed under FRS 12 but included for parliamentary reporting and accountability purposes

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints has no contingent liabilities as at 31st March 2006 (31st March 2005 – Nil).

33. Losses and special payments

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints did not incur losses or make special payments during the period under review.

34. Related-party transactions

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints did not have any material transactions with other Government bodies. None of the key managerial staff or other related parties has undertaken any material transactions with the Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints during the year.

35. Third-party assets

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints did not hold third party assets during the period under review.

36. Entities within the departmental boundary

The Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints is an independent body and as such there are no entities which fall within it's departmental boundary.

Published by TSO (The Stationery Office) and available from:

Online

www.tso.co.uk/bookshop

Mail, Telephone, Fax & E-mail

TSO

PO Box 29, Norwich NR3 1GN

Telephone orders/General enquiries 0870 600 5522

Fax orders 0870 600 5533

Order through the Parliamentary Hotline *Lo-call* 0845 7 023474

E-mail book.orders@tso.co.uk

Textphone 0870 240 3701

TSO Shops

123 Kingsway, London WC2B 6PQ

020 7242 6393 Fax 020 7242 6394

68-69 Bull Street, Birmingham B4 6AD

0121 236 9696 Fax 0121 236 9699

9-21 Princess Street, Manchester M60 8AS

0161 834 7201 Fax 0161 833 0634

16 Arthur Street, Belfast BT1 4GD

028 9023 8451 Fax 028 9023 5401

18-19 High Street, Cardiff CF10 1PT

029 2039 5548 Fax 029 2038 4347

71 Lothian Road, Edinburgh EH3 9AZ

0870 606 5566 Fax 0870 606 5588

The Parliamentary Bookshop

12 Bridge Street, Parliament Square,

London SW1A 2JX

Telephone orders/General enquiries 020 7219 3890

Fax orders 020 7219 3866

TSO Accredited Agents

(see Yellow Pages)

and through good bookseller

ISBN 0-1029403-7-1



9 780102 940374