

MEDICAL BUREAU OF ROAD SAFETY

REPORTS & FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31st DECEMBER 2014

July 2015

MEDICAL BUREAU OF ROAD SAFETY
REPORTS & FINANCIAL STATEMENTS

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MEDICAL BUREAU OF ROAD SAFETY

INFORMATION

Board Members

Professor Cecily Kelleher - Chairperson
Professor Denis A. Cusack - Director and Member
Ms. Nicola Hayes
Mr. Paul Burns
Dr. Declan Bedford

Secretary

Ms. Tina Clarke

Address

Medical Bureau of Road Safety
Health Sciences Centre
UCD
Belfield
Dublin 4

Bankers

Bank of Ireland
College Green
Dublin 2

Solicitors

Hayes Solicitors
Lavery House
Earlsfort Terrace
Dublin 2

MEDICAL BUREAU OF ROAD SAFETY

STATEMENT OF BUREAU MEMBERS' RESPONSIBILITIES

Section 17 of the Medical Bureau of Road Safety (Establishment) Order, 1968, requires the Bureau to prepare financial statements in such form as may be approved by the Minister for Transport with the consent of the Minister for Finance, and all proper and usual accounts of money received and expended by it. In preparing those financial statements, the Bureau is required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Bureau will continue in business.

The Bureau is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Bureau which enable it to ensure that the financial statements comply with Section 17 of the Order. The Bureau is also responsible for safeguarding all its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Bureau:



Professor Cecily Kelleher
Chairman



Professor Denis A. Cusack
Director

23rd July 2015

MEDICAL BUREAU OF ROAD SAFETY

STATEMENT ON INTERNAL FINANCIAL CONTROL

Responsibility of Internal Control

On behalf of the Members of the Medical Bureau of Road Safety, I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.

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

Key Control Procedures

The Bureau has set out the following key procedures designed to provide effective internal financial control within the Bureau. The Bureau has agreed that the Director and staff are responsible for operational matters. The Director reports to the Bureau at its meetings of which four were held in 2014.

The Bureau has set out its financial procedures and delegation practices to ensure a transparent control environment appropriate to a small semi-state agency. The Bureau has an Audit Committee to support quality assurance of financial procedures. The Committee held two meetings during 2014 and reported to the Bureau.

The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. In particular it includes:

- Comprehensive budgeting system with an annual budget which is reviewed and agreed by the Bureau.
- Regular reviews by the Bureau of periodic and annual financial reports which indicate financial performance against forecasts.
- Setting targets to measure operational financial and other performance.
- Formal project management disciplines.

The Bureau has an internal audit function, which operates in accordance with the Code of Practice for the Governance of State Bodies. The Bureau's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal auditor, the audit committee and the executive of the Bureau which has responsibility for the development and maintenance of the financial controls framework, and comments made by the Comptroller and Auditor General in his report, as applicable.

The Bureau's payments to suppliers (except those pertaining to capital equipment) and salary payments processed on its behalf by UCD. The Bureau pays UCD for the service provided based on a percentage of the total amounts paid.

Annual Review of Controls

The Bureau did carry out a review of the effectiveness of its system of internal financial control in respect of 2014 in accordance with the requirements.

Signed on behalf of the Bureau:



Chairman

23rd July 2015



Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Medical Bureau of Road Safety

I have audited the financial statements of the Medical Bureau of Road Safety for the year ended 31 December 2014 under the Comptroller and Auditor General (Amendment) Act 1993. The financial statements, which have been prepared under the accounting policies set out therein, comprise the accounting policies, the income and expenditure account, the balance sheet, the cash flow statement and the related notes. The financial statements have been prepared under Section 17 of the Medical Bureau of Road Safety (Establishment) Order 1968, and in accordance with generally accepted accounting practice in Ireland.

Responsibilities of the Bureau members

The Bureau members are responsible for the preparation of the financial statements, for ensuring that they give a true and fair view of the state of the Medical Bureau of Road Safety's affairs and of its income and expenditure, and for ensuring the regularity of transactions.

Responsibilities of the Comptroller and Auditor General

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

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

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of audit of the financial statements

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

- whether the accounting policies are appropriate to the Bureau's circumstances, and have been consistently applied and adequately disclosed

- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- the overall presentation of the financial statements.

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

Opinion on the financial statements

In my opinion, the financial statements, which have been properly prepared in accordance with generally accepted accounting practice in Ireland, give a true and fair view of the state of the Bureau's affairs at 31 December 2014 and of its income and expenditure for 2014.

In my opinion, proper books of account have been kept by Bureau. The financial statements are in agreement with the books of account.

Matters on which I report by exception

I report by exception if

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

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

Patricia Sheehan
For and on behalf of the
Comptroller and Auditor General

7 August 2015

MEDICAL BUREAU OF ROAD SAFETY

ACCOUNTING POLICIES

ROAD TRAFFIC ACT, 1968

The Bureau was established under Section 37 of the Road Traffic Act, 1968. Its main function is the analysis of samples given by drivers in the course of the enforcement of the Road Traffic Acts.

The basis of accounting and the significant accounting policies adopted by the Bureau are as follows:

(a) BASIS OF ACCOUNTING

The financial statements are prepared under the accruals method of accounting, except as indicated below, and in accordance with Generally Accepted Accounting Practice under the historical cost convention. Financial Reporting Standards recommended by the recognised accountancy bodies are adopted, as they become operative. The unit of currency is the Euro. Comparative figures for the year ended 31st December 2014 are displayed.

(b) OIREACTHAS GRANT

Income from this source is accounted for on a cash receipts basis.

(c) FIXED ASSETS AND DEPRECIATION

Fixed Assets comprise tangible fixed assets, which are owned by the Bureau and are stated at cost less accumulated depreciation. Depreciation is calculated in order to write off the cost of fixed assets over their estimated useful lives.

The rates of depreciation are as follows:

Office Equipment	25%
Furniture & Fittings	12.5%
Laboratory Equipment	15%
Buildings	4.76%

(d) CAPITAL ACCOUNT

The balance on the Capital Account represents the unamortized value of the funds utilised for the acquisition of fixed assets.

(e) BUILDINGS

The premises of the Bureau are provided by University College Dublin under a Licence Agreement. In 2008 a new Licence Agreement between UCD and the Medical Bureau of Road Safety was agreed. Under the terms of the new agreement charges to be applied to the Bureau are for building utilities. The utilities charge for 2014 was €146,093 (2013: €128,468).

(f) FOREIGN CURRENCIES

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

MEDICAL BUREAU OF ROAD SAFETY

ACCOUNTING POLICIES

(CONTINUED)

(g) PENSIONS

The work of the Bureau is carried out by staff of University College Dublin (UCD) under an agreement between the Bureau and the College. The Bureau pays 15% of staff's salary costs together with a calculated pension supplement (currently at 6.7%) to a total of 21.7% to UCD which has assumed responsibilities for the pension entitlements of staff, based on final salaries. The Bureau is responsible for meeting the cost of post-retirement increases in pensions in respect of service after September 2003 and it pays an actuarially determined contribution to UCD in respect of this. Pension contributions are accounted for under salaries in the year in which they fall due.

The Bureau is not in a position to identify its share of the assets and liabilities of the pension scheme on a consistent basis and accordingly it has accounted for its contributions as if they were contributions to a defined contribution scheme, as permitted by FRS 17.

(h) STOCKS

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on normal selling price, less further costs expected to be incurred to completion and disposal.

MEDICAL BUREAU OF ROAD SAFETY
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014

		31/12/2014	31/12/2013
<u>INCOME</u>	NOTES	€	€
Oireachtas Grant	1	4,455,000	3,862,000
Refund of Grant to Department	9	(200,000)	(220,000)
Other Income		1,298	6,694
Professional Fee Income		5,458	6,705
Transfer from/(to) Capital Account	3	891,455	618,646
		5,153,211	4,274,045

EXPENDITURE

Salaries and Wages	8	2,303,289	2,325,853
Depreciation	2	948,607	961,108
Servicing of Equipment		368,378	359,142
U.C.D. Administration Charge	5	244,336	240,642
Building Utilities		146,093	128,468
Equipment for Garda Stations		53,251	121,236
Office and Laboratory Supplies		433,391	325,701
Travel and Subsistence		54,981	49,917
LIMS Supplies		40,466	47,006
Postage & Telephone		37,117	38,308
Insurance		32,409	36,581
Confirmatory Drug Analysis		38,481	33,624
Training		30,433	19,416
Bad Debts		(8,107)	12,662
Board Fees		11,970	12,599
Laboratory Accreditation		8,750	10,046
Conference Fees		8,632	7,400
Audit Fee		6,702	6,298
Books and Publications		2,380	3,760
Memberships & Subscriptions		4,195	2,853
Miscellaneous		3,046	1,463
Professional Fees		9,716	(3,681)
Total Expenditure		4,778,516	4,740,402
Surplus/(Deficit) for the year		374,695	(466,357)
Surplus as at 1 January 2014		566,754	1,033,111
Surplus as at 31 December 2014	9	941,449	566,754

MEDICAL BUREAU OF ROAD SAFETY
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014

(CONTINUED)

The Bureau has no gains or losses in the financial period or the preceding financial year other than those dealt with in the Income and Expenditure Account.

The results for the year relate to continuing operations.

The Statement of Accounting Policies and Notes 1 to 11 form part of these Financial Statements.

On behalf of the Bureau:



Professor Cecily Kelleher
Chairman



Professor Denis A. Cusack
Director

23rd July 2015

MEDICAL BUREAU OF ROAD SAFETY
BALANCE SHEET AT 31 DECEMBER 2014

	NOTES	31/12/2014 €	31/12/2013 €
<u>FIXED ASSETS</u>			
Tangible Fixed Assets	2	8,003,513	8,894,968
<u>CURRENT ASSETS</u>			
Debtors and Prepayments		167,546	145,442
Cash at Bank and on Hand		674,179	281,087
Stock	4	156,797	213,962
		998,522	640,491
<u>CURRENT LIABILITIES</u>			
Creditors and Accruals		(57,073)	(73,737)
Net Current Assets		941,449	566,754
Net Assets		8,944,962	9,461,722
 Represented by:			
Capital Account	3	8,003,513	8,894,968
Income and Expenditure Account		941,449	566,754
		8,944,962	9,461,722

The Statement of Accounting Policies and Notes 1 to 11 form part of these Financial Statements.

On behalf of the Bureau:



 Professor Cecily Kelleher
 Chairman



 Professor Denis A. Cusack
 Director

23rd July 2015

MEDICAL BUREAU OF ROAD SAFETY
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTES	31/12/2014 €	31/12/2013 €
Reconciliation of Operating (Deficit)/Surplus to net funds		
Cash inflow from operating activities		
Operating Surplus/(Deficit)	374,695	(466,357)
Transfer (from)/to Capital Account	(891,455)	(618,646)
Depreciation	948,607	961,108
Decrease/(Increase) in Stocks	57,165	(18,876)
(Increase)/Decrease in Debtors	(22,104)	31,392
(Decrease)/Increase in Creditors	(16,664)	(48,180)
	<hr/>	<hr/>
Net cash inflow/(outflow) from operating activities	450,244	(159,559)
	<hr/>	<hr/>
Cash Flow Statement		
Net cash inflow/(outflow) from operating activities	450,244	(159,559)
Capital Expenditure	(57,152)	(342,462)
	<hr/>	<hr/>
Increase/(Decrease) in cash in the period	393,092	(502,021)
	<hr/>	<hr/>
Reconciliation of net cash flow to movement in net funds		
Increase/(Decrease) in cash	393,092	(502,021)
Net funds 1 January 2014	281,087	783,108
	<hr/>	<hr/>
Net funds at 31 December 2014	674,179	281,087
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MEDICAL BUREAU OF ROAD SAFETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

1. Oireachtas Grant

This is the state grant received in the year from the Department of Transport, Tourism and Sport (Vote 31 subhead B4).

2. Fixed Assets

	Office Equipment	Furniture & Fittings	Laboratory Equipment	Buildings	Total
COST	€	€	€	€	€
Balance 1/1/2014	188,232	52,247	4,978,215	11,323,439	16,542,133
Additions	4,134	5,245	47,773	0	57,152
Balance 31/12/2014	192,366	57,492	5,025,988	11,323,439	16,599,285

DEPRECIATION	€	€	€	€	€
Balance 1/1/2014	182,097	41,828	3,649,822	3,773,418	7,647,165
Charge	3,077	3,068	403,466	538,996	948,607
Balance 31/12/2014	185,174	44,896	4,053,288	4,312,414	8,595,772

NET BOOK VALUE	€	€	€	€	€
At 31/12/2014	7,192	12,596	972,700	7,011,025	8,003,513
At 31/12/2013	6,135	10,419	1,328,393	7,550,021	8,894,968

3. Capital Account

	31/12/2014		31/12/2013	
	€	€	€	€
Balance at 1 January		8,894,968		9,513,614
Transfer (to)/From Income and Expenditure Account				
Add: Amount applied to purchase fixed assets	57,152		342,462	
Less: Amount amortised in line with depreciation of fixed assets	(948,607)	(891,455)	(961,108)	(618,646)
Balance at 31 December		8,003,513		8,894,968

MEDICAL BUREAU OF ROAD SAFETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

(CONTINUED)

4. Laboratory Supplies & Office Supplies

The value of Laboratory and Office Supplies on hand at 31 December 2014 was €156,797. (2013: €213,962).

5. Administration Charge

The Bureau pays a 7.5% Administration Charge to UCD for costs administered by the College on behalf of the Bureau including Salaries, Wages and Supplies with the exception of Capital Equipment.

The Administration Charge for 2014 was €244,336 (2013: €240,642).

6. Bureau Members – Disclosure of Transactions

In the normal course of business the Bureau may enter into contractual arrangements with undertakings in which Bureau Members are employed or otherwise interested. The Bureau adopted procedures in accordance with the Code of Practice for the Governance of State Bodies in relation to the disclosure of interests by Bureau Members and these procedures have been adhered to by the Bureau during the year. There were no disclosures of interests made in the year.

7. Taxation

In accordance with Section 227 of the Taxes Consolidation Act, 1997 no taxation was paid or has to be provided for in the financial statements.

8. Salaries and Wages

The Salaries and Wages of €2,303,289 (2013: €2,325,853) includes the cost of staff assigned from UCD to the Medical Bureau of Road Safety, which amounted to €2,164,082 (2013: €2,186,470).

The total salary to the Director was €132,334. The total fees paid to the Board of the Medical Bureau of Road Safety during 2014 was €11,970. The total employers PRSI paid was €4,907 (2013: €5,083).

The Director receives a pension allowance in lieu of any pension entitlements.

MEDICAL BUREAU OF ROAD SAFETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

(CONTINUED)

Schedule of Fees and Aggregate Expenses

BOARD	TYPE OF FEE	31/12/2014	31/12/2013
Professor Cecily Kelleher, Chairperson	Fee for Non- Executive Chairpersons of Boards of State Bodies	Nil	Nil
Professor Denis A. Cusack, Member	No Fee	Nil	Nil
Ms. Nicola Hayes, Member	No Fee	Nil	Nil
Mr. Philip Joyce, Member	Fee for Non-Executive members of Boards of State Bodies	€5,985	€6,300
Dr. Niall McNamara, Member	Fee for Non-Executive members of Boards of State Bodies	€5,985	€6,299
SECRETARY			
Ms. Tina Clarke	Honorarium Fee	€1,729	€1,825
DIRECTORS REMUNERATION			
Professor Denis Cusack	Ministerial Appointment – as Director of the Medical Bureau of Road Safety		
	Salary	€98,616	€102,591
	Allowance	€11,600	€12,104
	Pension Allowance	€22,118	€22,863
	Performance Bonus	Nil	Nil
	Total	€132,334	€137,558
Total of Figures		€146,033	€151,982

Travel & Subsistence Expenses

The total amount spent on travel expenses by the Director during 2014 was €273 (2013: €810).

9. Income & Expenditure Account

At 31st December 2014 the Medical Bureau of Road Safety had a closing retained surplus of €941,449 and a bank balance of €674,179. During 2014 the Bureau refunded €200,000 to the Department of Transport, Tourism and Sport.

MEDICAL BUREAU OF ROAD SAFETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

(CONTINUED)

10. Capital Commitments

The Bureau had Capital expenditure commitments of €442,000 at the 31st December 2014.

11. Approval of Financial Statements

The Financial Statements were approved by the Bureau on the 21st May 2015.