



An Chomhairle Náisiúnta Curaclaim agus Measúnachta
National Council for Curriculum and Assessment

FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2018

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

GENERAL INFORMATION

Council Address: 35 Fitzwilliam Square
Dublin 2 D02 KH36

Senior professional staff: Mr John Hammond, Chief Executive
Ms Arlene Forster, Deputy Chief Executive
Mr John Halbert, Acting Deputy Chief Executive (to 1 August, 2018)
Mr Barry Slattery, Deputy Chief Executive (from 22 November 2018)

Directors
Curriculum and Assessment: Mr Norman Emerson
Mr Ben Murray (from 1 February 2018)
Elaine Ni Neachtain (from 10 January 2018)
Dr Patrick Sullivan
Mr Barry Slattery (to 21 November 2018)
Dr Jacqueline Fallon

Assistant Principal: Mr Paul Brady

Members of the Council:

Chairperson
Deputy Chairperson
Deputy Chairperson
Association of Community and Comprehensive Schools
Association of Secondary Teachers, Ireland
Association of Secondary Teachers, Ireland
Catholic Primary Schools Management Association
Church of Ireland Board of Education
Department of Education and Skills
Education and Training Boards, Ireland
Foras na Gaeilge
Ibec
Irish Congress of Trade Unions
Irish Federation of University Teachers
Irish National Teachers' Organisation
Irish National Teachers' Organisation
Joint Managerial Body for School Management in
Voluntary Secondary Schools
National Association of Boards of Management in
Special Education
National Parents Council Post-Primary
National Parents Council Primary
Nominee of the Minister for Children and Youth Affairs
Nominee of the Minister for Education and Skills
State Examinations Commission
Teachers' Union of Ireland
Teachers' Union of Ireland

Appointed to 31st December 2018

Ms Brigid McManus
Mr Declan Kelleher
Dr Michael Redmond
Ms Áine O Sullivan
Máire Ni Chiarba, Uasal
Mr Philip Irwin
Ms Maria Spring
Ms Rosemary Eager
Dr Suzanne Dillon
Mr David Leahy
Prof Pádraig Ó Duibhir
Dr Kevin Marshall
Dr Rose Malone
Mr Michael Delargey
Dr Deirbhile Nic Craith
Ms Emma Dineen
Ms Marie-Thérèse Kilmartin

Ms Patricia Harrington

Mr Don Myers
Ms Áine Lynch
Ms Avril McMonagle
Mr Clive Byrne
Dr Tim Desmond
Ms Joanne Irwin
Mr David Duffy

Appointed to 28th February 2022

Prof. Mary O'Sullivan
Dr Deirbhile Nic Craith
Dr Michael Redmond
Ms Áine O Sullivan
Máire Ni Chiarba, Uasal
Mr Ed Byrne
Mr Fergal Kelly
Ms Joyce Perdue
Ms Orlaith O'Connor
Ms Anne McHugh
Edel Ni Chorráin, Uasal
Ms Claire McGee
Mr Brian Tubbert
Mr Michael Delargey
Ms Carmel Browne
Mr Joe McKeown
Ms Patricia Gordon

Dr Finn Ó Murchú

Mr Geoff Browne
Ms Áine Lynch
Ms Phil Lynch
Dr Teresa Hagan
Dr Tim Desmond
Ms Liz Farrell
Mr David Duffy

Bank: Bank of Ireland
50-55 Baggot Street Lower
Dublin 2
D02 Y754

Accountants: Mazars
Block 3, Harcourt Centre
Harcourt Road
Dublin 2
D02 A339

Auditors: The Comptroller and Auditor General
3A Mayor Street Upper
Dublin 1
D01 PF72

Web Site : www.ncca.ie

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

GOVERNANCE STATEMENT & BOARD MEMBERS' REPORT

The National Council for Curriculum and Assessment (NCCA) was established under the Education Act 1998. The functions of the Council are set out in Part VII of the Act. The Council is accountable to the Minister for Education and Skills and is responsible for ensuring good governance and performs this task by setting strategic goals and actions and taking strategic decisions on all key areas of work. The regular day-to-day management, control and direction of the NCCA are the responsibility of the Chief Executive Officer (CEO) and the senior management team. The CEO and the senior management team must follow the broad strategic direction set by the Council, and must ensure that all Council members have a clear understanding of the key activities and decisions related to Council and of any significant risks likely to arise. The CEO acts as a direct liaison between the Council and management of the NCCA.

Council Responsibilities

The work and responsibilities of the Council are set out in the Education Act 1998 (Part VII) and its accompanying schedule. The matters specifically reserved for decision by Council are:

- approval of all curriculum and assessment specifications and curriculum frameworks
- approval of policy directions and strategies
- approval of strategic plans and annual plans of work
- approval of annual reports and financial statements
- approval of consultative documents
- approval of the award tenders to the value of €50,000 or more
- approval of risk management policies
- approval of Standing Orders

Standing items considered by the Council include:

- declaration of interests
- reports from the CEO
- reports from sub-committees of Council.

Financial reports and management accounts are generated and considered by Council on a quarterly basis. The Plan of Work and the review of the performance of the plan of work is considered on an annual basis. Reserved matters are considered as and when they arise.

Part VII (46) of the Education Act, 1998 requires the Council to keep, in such form as may be approved by the Minister for Education and Skills, with consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

GOVERNANCE STATEMENT & BOARD MEMBERS' REPORT

In preparing these financial statements, the NCCA is required to:

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

The Council is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with Part VII (46) of the Education Act, 1998. The maintenance and integrity of the corporate and financial information on the NCCA's website is the responsibility of the Council. The Council ensures that internal audit is provided for and overseen by the audit and risk committee. Internal Audit operates independently of the Executive in terms of its audit work and has rights of access to the Chief Executive and the Audit and Risk Committee. It operates within the budget agreed with the Audit and Risk Committee, which in turn forms part of the budget of the NCCA. The Audit and Risk Committee sets the budget for Internal Audit, having regard to the scale and resources of the NCCA.

The Council is responsible for approving the annual plan and budget. An evaluation of the performance of the NCCA by reference to the annual plan and budget has been undertaken.

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

The Council has considered the financial statements for 2018 and notes that they have been prepared in accordance with the required financial policies set out above. They give assurance of appropriate financial management and internal control in the NCCA. The Council considers that the financial statements of the NCCA give a fair and true view of the financial performance and the financial position of the NCCA at 31 December 2018.

Council Structure

The Council consists of a Chairperson, two Deputy Chairpersons and 22 ordinary members, all of whom are appointed by the Minister for Education and Skills on the basis of nominations received from teachers' unions, management bodies, parents and industry and other organisations. The members of the current Council were appointed for a period of three years, six months and they usually meet seven times per annum (seven meetings in 2018). The table below details the appointment period for current members:

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

GOVERNANCE STATEMENT & BOARD MEMBERS' REPORT

Members of Council 2018

Name	Nominating Organisation (where applicable)	Date Appointed
Ms Brigid McManus Chairperson		2 July 2015
Mr Declan Kelleher Deputy Chairperson	Irish National Teachers' Organisation	2 July 2015
Dr Michael Redmond Deputy Chairperson	Joint Managerial Body	2 July 2015, reappointed 1 March 2019
Ms Áine O'Sullivan	Association of Community and Comprehensive Schools	2 July 2015, reappointed 1 March 2019
Mr Philip Irwin	Association of Secondary Teachers, Ireland	2 July 2015
Máire Ní Chiarba, Uas.	Association of Secondary Teachers, Ireland	2 July 2015, reappointed 1 March 2019
Ms Maria Spring	Catholic Primary Schools Management Association	2 July 2015
Ms Rosemary Eager	Church of Ireland Board of Education	2 July 2015
Dr Suzanne Dillon	Department of Education and Skills	21 September 2016, reappointed 1 March 2019, resigned 8 September 2019
Mr David Leahy	Education and Training Boards, Ireland	2 July 2015
Prof Pádraig Ó Duibhir	Foras na Gaeilge	2 July 2015
Dr Kevin Marshall	Irish Business and Employers Confederation	2 July 2015
Dr Rose Malone	Irish Congress of Trade Unions	2 July 2015
Mr Michael Delargey	Irish Federation of University Teachers	2 July 2015, reappointed 1 March 2019
Dr Deirbhile Nic Craith	Irish National Teachers' Organisation	2 July 2015, reappointed (as Deputy Chairperson) 1 March 2019
Ms Emma Dineen	Irish National Teachers' Organisation	2 July 2015
Ms Marie-Thérèse Kilmartin	Joint Managerial Body – Ordinary member	2 July 2015
Ms Patricia Harrington	National Association of Boards of Management in Special Education	21 September 2016
Ms Áine Lynch	National Parents Council, Primary	2 July 2015, reappointed 1 March 2019
Mr Don Myers	National Parents Council, Post-Primary	2 July 2015
Mr Clive Byrne	Nominee of the Minister for Education and Skills	2 July 2015
Ms Avril McMonagle	Nominee of the Minister for Children and Youth Affairs	2 July 2015
Dr Tim Desmond	State Examinations Commission	9 February 2017, reappointed 1 March 2019
Mr David Duffy	Teachers' Union of Ireland	2 July 2015, reappointed 1 March 2019
Ms Joanne Irwin	Teachers' Union of Ireland	2 July 2015

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

GOVERNANCE STATEMENT & BOARD MEMBERS' REPORT

The Council has established two committees, the Audit and Risk Committee and the Governance Committee. The responsibilities delegated to these sub-committees by Council are set out in their Terms of Reference.

Audit and Risk Committee

The Audit and Risk Committee (ARC) comprises four Council members and one independent member, with financial and audit expertise, who is the Chair. The role of the ARC is to support Council in relation to its responsibilities for issues of risk, control and governance and associated assurance. The ARC is independent from the financial management of the organisation. The Committee ensures that the internal control systems including audit activities are monitored actively and independently. The ARC reports to Council after each meeting, and formally in writing annually.

The members of the ARC are: Etain Doyle, Chairperson, Áine Lynch, Don Myers, Maria Spring and David Leahy.

There were seven meetings of the ARC in 2018.

Governance Committee

The Governance Committee comprises three Council members. The role of the Governance Committee is to support Council in meeting legal and statutory requirements, as well as adopting good practice in governance. The members of this committee are: Deirbhile Nic Craith (Chairperson), Michael Redmond and Michael Delargey.

The Governance Committee met on three occasions in 2018.

Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Board and Committee meetings for 2018 is set out below including the expenses received by each member. Council and Committee members do not receive fees for their involvement in the Council:

Name	No. of Council Meetings (7)	No. of Audit and Risk Committee Meetings (6)	No. of Governance Committee meetings (3)	Expenses (no fees paid to Council members) ¹
Brigid McManus	7			
Declan Kelleher	7			€4,344.45
Michael Redmond	6		3	
Áine O Sullivan	7			

¹ The expenses indicated all relate to domestic travel and do not solely relate to attendance at Council meetings. Council members also participate in other structures of Council such as the overarching Boards for Early Childhood and Primary, Junior Cycle and Senior Cycle. They may also participate on NCCA Interview Boards for new staff. Expenses refer to the totality of these involvements.

The expenses were paid directly to the member except where indicated.

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

GOVERNANCE STATEMENT & BOARD MEMBERS' REPORT

Name	No. of Council Meetings (7)	No. of Audit and Risk Committee Meetings (6)	No. of Governance Committee meetings (3)	Expenses (no fees paid to Council members) ²
Philip Irwin	7			
Máire Ní Chiarba	7			€8,096.65
Maria Spring	4	5		
Rosemary Eager	4			
Suzanne Dillon	6			
David Leahy	6	4		€2,035.81 €729.60 was paid directly to the member and €1,306.21 was paid on his behalf
Pádraig Ó Duibhir	6			
Kevin Marshall	4			
Rose Malone	6			
Michael Delargey	4		2	€759.16
Deirbhile Nic Craith	7		3	
Emma Dineen	5			€670.55
Marie-Thérèse Kilmartin	4			
Patricia Harrington	7			€1,578.04
Áine Lynch	5	4		
Don Myers	5	4		€3,535.36
Clive Byrne	6			
Avril McMonagle	1			€363.38
Tim Desmond	5			
David Duffy	7			
Joanne Irwin	6			
Etain Doyle (Chair ARC)		7		
Total				€21,383.40

² The expenses indicated all relate to domestic travel and do not solely relate to attendance at Council meetings. Council members also participate in other structures of Council such as the overarching Boards for Early Childhood and Primary, Junior Cycle and Senior Cycle. They may also participate on NCCA Interview Boards for new staff. Expenses refer to the totality of these involvements.

The expenses were paid directly to the member except where indicated.

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

GOVERNANCE STATEMENT & BOARD MEMBERS' REPORT

Key Personnel Changes

Changes to the Executive included the appointment of Barry Slattery to the post of Deputy Chief Executive on 22 November 2018, the appointments of two Directors (Curriculum and Assessment), Ben Murray (from 1 February 2018) and Elaine Ni Neachtain (from 10 January 2018). John Halbert, an Acting Deputy Chief Executive, retired on 1 August 2018.

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

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

Employee Short-Term Benefits Breakdown

Employees' short-term benefits in excess of €60,000 (in the case of NCCA, this refers to salary figures only) are set out in Note 4 to the financial statements.

Staff domestic and international travel

Staff domestic and international travel is disclosed in note 4 to the financial statements.

Statement of Compliance with the Code of Practice for the Governance of State Bodies

Council has made substantial progress during 2018 in reviewing its various policies and practices in the context of the new and revised requirements in the Code of Practice for the Governance of State Bodies and has put revised or new policies and procedures in place in priority areas to comply with the Code. Work will continue on aspects of the Code of Practice with the continued development, review and renewal of policies over the coming period. Work is underway but not complete on IT and Cyber security controls and on bedding down new and expanded policies and processes for internal control. A Performance Delivery Agreement is in place between the Department of Education and Skills and the NCCA covering governance, operational, funding and reporting relationships. In relation to the Code's provisions that no member of a State Board should serve more than two full terms of appointment on that Board, or should hold appointments to more than two State Boards at the same time, there is a long-standing practice of these provisions not applying to NCCA where organisations nominate a staff member who has direct responsibilities in the areas of curriculum development and curriculum policy of their organisation and, consequently, whose expertise is likely to be of benefit to all concerned in this context.

Council has completed a self-assessment of its effectiveness, including a survey facilitated by an independent organisation. Council has also progressed a wider review of the appropriate processes and structures for developing curriculum and assessment advice in light of international experience, and a review of the revised NCCA structures introduced in 2012.

Legal Costs and Settlements

In 2018, NCCA did not incur any legal costs or settlements under the terms set out in the Code of Practice for the Governance of State Bodies. Legal fees of €15,545.63 (2017: €0) were incurred for general advice.

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

GOVERNANCE STATEMENT & BOARD MEMBERS' REPORT

Consultancy Costs

Consultancy costs include the cost of external advice to management and exclude outsourced 'business-as-usual' functions in 2018.

Professional fees and consultancy:

	2018 €	2017 €
Accountancy and other professional fees	52,842	43,897
Audit fee	13,000	13,500
Consultancy (including commissioned research for curriculum and assessment work)	<u>470,096</u>	<u>116,794</u>
Total	<u>535,938</u>	<u>174,191</u>

Hospitality Expenditure

The Statement of Income and Expenditure includes the following hospitality expenditure. Hospitality costs are classified as Internal (staff events, retirements etc.) and External (visiting conference speakers, meetings with equivalent international agencies etc.):

	2018 €	2017 €
Internal	2,709	1,700
External	<u>3,937</u>	<u>5,300</u>
Total	<u>6,646</u>	<u>7,000</u>

On behalf of the Council



Mr John Hammond
Chief Executive



Prof Mary O'Sullivan
Chairperson

Date: 30/9/2019

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

STATEMENT ON INTERNAL CONTROL

Scope of Responsibility

On behalf of the National Council for Curriculum and Assessment (NCCA) I acknowledge the Council's responsibility for ensuring that an effective system of internal financial control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

Purpose of the System of Internal Control

The system of internal control is designed, embedded and implemented to assist in managing the work of the organisation and its corporate governance to an appropriate standard. It is also designed to manage risk to a tolerable level but cannot fully eliminate it. In other words, the system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely way and corrected/ managed.

The NCCA and system of Internal Control

The Council undertakes its work by setting strategic goals and actions and taking strategic decisions on all key areas of work. The regular day-to-day management, control and direction of the NCCA are the responsibility of the Chief Executive Officer (CEO) and the senior management team. The CEO and the senior management team follow the broad strategic direction set by the Council and ensure that all Council members have a clear understanding of the key activities and decisions related to Council and of any significant risks likely to arise. The CEO acts as a direct liaison between the Council and management of the NCCA. The management team, in turn, work with a team of Directors (Curriculum and Assessment) and sectoral teams of Education Officers to implement the Strategic Plan and the annual Plan of Work of Council, working within the controls set to manage the work of the organisation and assure the quality of the Council's work.

The NCCA advises the Minister for Education and Skills on the curriculum and assessment for early childhood education, primary and post-primary schools and the assessment procedures used in schools and examinations on subjects which are part of the curriculum. This advice is developed through Research, Deliberation, Consultation and Networks. There are quality control systems in place for the development of this advice:

- Research evidence, good practice and international experience informs this advice,
- The advice is based on discussions and deliberations by Council and its Boards and Development Groups,
- The advice is shaped by feedback from consultations with the public, schools, and early childhood settings, education interests and others,
- Networks of schools and early childhood settings provide feedback and ideas and approaches under development and provide practical examples.

All of these contribute to ensuring there are effective controls in place in relation to the quality of the advice on curriculum and assessment that is at the core of the Council's work.

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

STATEMENT ON INTERNAL CONTROL

The NCCA has policies and procedures in place which are disseminated to staff. These include policies on finance, HR, procurement and risk management. A system of Performance Management Development, linked to line management arrangements, is in place for staff which includes provision for continuous professional development.

The NCCA is mainly funded by the Department of Education and Skills. The Council is responsible for approving the annual Plan of Work and budget, and funds are allocated and spent in accordance with the priorities of the Council. The Council's annual financial statements are prepared by the accountancy firm Mazars and are subject to external audit by the Comptroller and Auditor General. The Council undertakes an effectiveness review on a regular basis.

The Council aims to achieve value for money in its purchases and to ensure probity in its procurement planning and procedures, which operate in accordance with government procurement policy.

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

Internal Control and Risk

NCCA has an Audit and Risk Committee (ARC) comprising four Council members and one independent member, with financial and audit expertise, who is the Chair. The ARC is independent from the management of the organisation. In particular, the Committee seeks to ensure that the internal control systems including audit activities are monitored actively and independently. The ARC met seven times in 2018.

The NCCA has also established an internal audit function which conducts a programme of work agreed with the ARC. The work on internal audit is outsourced and conducted by Crowleys DFK, who conducted a review of internal controls for 2018 and reported to the ARC.

The *Review of the System of Internal Control* by Crowley's DFK drew attention to many positive features of NCCA's internal control environment. The review reported no high-risk findings that may result in a material financial loss or operational disruption to the NCCA. The report found that most of the controls tested were operating effectively and that reasonable assurance can be placed on the sufficiency and operation of internal controls to effectively mitigate and/or manage key inherent risks. It recommended a number of aspects of control for attention in 2019 including: improved procedures for month-end closing of accounts; review of NCCA's tax exposure and compliance; timely arrangements and production of complete and accurate financial statements; and improvements in assets inventory and disposal.

The recommendations of the review in this context have been addressed and the matters have been resolved.

NCCA will also resolve any issues identified by the external audit and ensure they do not re-occur. NCCA management will closely monitor this and oversight of the follow-up on internal and external audit items will be carried out by the Audit and Risk Committee which will keep progress to resolution under review.

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

STATEMENT ON INTERNAL CONTROL

The resourcing of internal audit is likely to be increased in the coming years, as needed, in light of the growth in the activity and overall size of the organisation.

The ARC has developed a risk management policy which includes a risk appetite statement, the risk management processes in place, and details the roles and responsibilities of staff in relation to risk. A risk register is in place which identifies the nature of the risks and the key risks facing the NCCA and these have been identified, evaluated and graded according to their significance. The register is reviewed and risk management monitored, by management and the ARC at each meeting and on a quarterly basis at minimum. Risk management also features on the agenda of Council meetings. The outcomes of review are used to plan and allocate resources to ensure risks are managed to an acceptable level.

In the risk management policy and process responsibilities are shared across all staff, including the Risk Co-ordinator, the Senior Management Team, the Director Team, the Corporate Services Team and Education Officers. The policy has been issued to all staff who are expected to work within the NCCA's risk management policies, to alert management on emerging risks and control weaknesses and to assume responsibility for risks and controls within their own area of work.

The Audit and Risk Committee has been asked to include an external review of the effectiveness of the Council's risk management policy and processes as part of its Audit Plan for 2019/2020.

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

- procedures for all key business processes have been documented,
- financial responsibilities have been assigned at management level with corresponding accountability,
- there is an operating budgeting system with an annual budget, set out in the NCCA's annual Plan of Work, which is kept under review by senior management, with improvements made as appropriate.
- there are systems in place and under development aimed at ensuring the security of the information and communication technology systems,
- the systems to safeguard the assets will be updated with a new searchable asset and contracts register, and specific responsibilities have been assigned
- control procedures over grant funding to outside agencies, through the use of Service Level Agreements, ensure adequate control over approval of grants and monitoring and review of grantees to ensure grant funding has been applied for the purpose intended.

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

STATEMENT ON INTERNAL CONTROL

Ongoing Monitoring and Review

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

- key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies,
- reporting arrangements have been established at all levels among sectoral teams, specific project teams and the corporate services team where responsibility for financial management has been assigned,
- there are regular reviews at meetings of the management team of periodic and annual performance and financial reports which indicate performance against budgets/forecasts and,
- senior management oversees the implementation of recommendations arising from the reports of the internal and external auditors.

Procurement

I confirm that the NCCA has procedures in place to ensure compliance with current procurement rules and guidelines. A Corporate Procurement Plan was put in place for 2018-2021.

Procurement guidelines allow for non-competitive procurement in justifiably exceptional circumstances. During 2018 there were two instances of non-competitive procurement and one instance of non-compliant procurement as follows:

- Expenditure of €73,903 was incurred in relation to a translation management system which needed to be kept in place to meet ongoing, continuing translation requirements on an effective, efficient and linguistically competent basis.
- Expenditure of €56,610 was incurred in relation to work on the NCCA website. The original contract had been tendered and was rolled over due to the need to maintain proprietary software, the functionality of that software and associated services to avoid educational materials not being available to schools.
- Expenditure of €36,430 was incurred in relation to a cleaning contract that was rolled over. The original contract had been tendered and will be retendered in 2019.

The three instances disclosed were also disclosed in the 2017 Statement of Internal Control. The Council will conduct tendering processes in relation to the above contracts by the end of Q3, 2019. In addition, in 2019, procurement has been nominated as a key competence area for all staff in their PMDS process, which will enable their full engagement with policies, procedures and operational controls in this area.

Review of Effectiveness

I confirm that the NCCA has procedures to monitor the effectiveness of its risk management and control procedures. NCCA's monitoring and review of the effectiveness of the system of internal control is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversee their work, and the senior management team within the NCCA, which is responsible for the development and maintenance of the internal control framework.

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

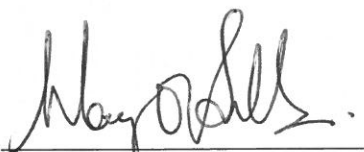
STATEMENT ON INTERNAL CONTROL

I confirm that the Audit and Risk Committee conducted an annual review of the effectiveness of the internal controls for 2018. The ARC noted the conclusions of internal audit and reported the results of its review to the Council for consideration. It considered that, overall, there are adequate controls in place, particularly in areas such as risk management, internal audit arrangements, HR, Cyber-security, GDPR and quality control of research and development activity. It reported that further improvements needed to be expedited in the specific areas identified by internal and external audit outlined earlier and that these should be effected as early as feasible in 2019. New financial/accounting controls already introduced need to be bedded down in 2019.

I confirm that the Council conducted an annual review of the effectiveness of the internal controls for 2018 on 2nd May, 2019. This review was informed by the review undertaken by the ARC.

Internal Control Issues

Other than the procurement issues disclosed, no weaknesses in internal control were identified in relation to 2018 that require disclosure in the financial statements.



Prof Mary O'Sullivan
Chairperson
NCCA

Date:

30/9/2019



Ard Reachtaire Cuntas agus Ciste **Comptroller and Auditor General**

Report for presentation to the Houses of the Oireachtas **National Council for Curriculum and Assessment**

Opinion on the financial statements

I have audited the financial statements of the National Council for Curriculum and Assessment for the year ended 31 December 2018 as required under the provisions of section 46 of the Education Act 1998. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of comprehensive income
- the statement of financial position
- the statement of cash flows and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the National Council for Curriculum and Assessment at 31 December 2018 and of its income and expenditure for 2018 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the National Council for Curriculum and Assessment and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on information other than the financial statements, and on other matters

The National Council for Curriculum and Assessment has presented certain other information together with the financial statements. This comprises the annual report, the governance statement and Board members' report and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

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

30 September 2019

Appendix to the report

Responsibilities of Board members

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

- the preparation of financial statements in the form prescribed under section 46 of the Education Act 1998
- ensuring that the financial statements give a true and fair view in accordance with FRS 102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 46 of the Education Act 1998 to audit the financial statements of the National Council for Curriculum and Assessment and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the National Council for Curriculum and Assessment's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the

National Council for Curriculum and Assessment to cease to continue as a going concern.

- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I also report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

STATEMENT OF INCOME AND EXPENDITURE AND RETAINED REVENUE RESERVES FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 €	2017 €
Income			
Department of Education and Skills grants and other income	3	6,213,802	5,436,980
Transfer to Capital Account	11	7,391	(32,899)
Deferred funding for retirement benefits	7	<u>70,700</u>	-
		<u>6,291,893</u>	<u>5,404,081</u>
Expenditure			
Staff Costs	4	4,282,209	3,498,389
Administration and Project Costs	5	<u>2,200,714</u>	<u>1,748,359</u>
		<u>6,482,923</u>	<u>5,246,748</u>
(Deficit)/ Surplus for the year		(191,030)	157,333
Retained revenue reserves at 1 January		<u>141,275</u>	<u>(16,058)</u>
Retained revenue reserves at 31 December		<u>(49,755)</u>	<u>141,275</u>

The Statement of Cash Flows and notes 1 to 14 form part of these Financial Statements.

On behalf of the Council



Mr John Hammond
Chief Executive



Prof Mary O'Sullivan
Chairperson

Date: 30/9/2019

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018


	Notes	2018 €	2017 €
Deficit for the year		(191,030)	157,333
Actuarial gain/(loss) on pension liabilities	7 (d)	(1,000)	-
Adjustment to deferred pension funding asset	7 (c)	<u>1,000</u>	<u>-</u>
Total comprehensive deficit for the year		<u>(191,030)</u>	<u>157,333</u>

The Statement of Cash Flows and notes 1 to 14 form part of these Financial Statements.

On behalf of the Council



Mr John Hammond
Chief Executive



Prof Mary O'Sullivan
Chairperson

Date: 30/9/2019

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

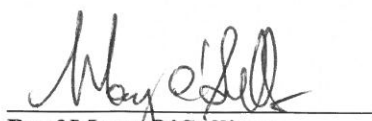
	Notes	2018 €	2017 €
Property, plant and equipment	8	<u>111,672</u>	<u>119,063</u>
CURRENT ASSETS			
Cash and cash equivalents		97,359	406,145
Receivables and prepayments	9	<u>183,204</u>	<u>114,311</u>
		280,563	520,456
CURRENT LIABILITIES			
Payables and accruals	10	<u>(330,318)</u>	<u>(379,181)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>(49,755)</u>	<u>141,275</u>
NET ASSETS		61,917	260,338
RETIREMENT BENEFITS			
Retirement benefit obligations	7 (c)	(237,200)	-
Deferred retirement benefit funding asset	7 (c)	<u>237,200</u>	<u>-</u>
TOTAL NET ASSETS		<u>61,917</u>	<u>260,338</u>
REPRESENTED BY:			
Capital account	11	111,672	119,063
Retained revenue reserves		<u>(49,755)</u>	<u>141,275</u>
		<u>61,917</u>	<u>260,338</u>

The Statement of Cash Flows and notes 1 to 14 form part of these Financial Statements.

On behalf of the Council



Mr John Hammond
Chief Executive



Prof Mary O'Sullivan
Chairperson

Date: 30/9/2019

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 €	2017 €
Net cash inflow from operating activities			
Operating surplus/(deficit) for the year		(191,030)	157,333
Depreciation	5	61,217	43,227
Loss on disposal of assets	5	-	1,921
Transfer to/(from) Capital Account	11	(7,391)	32,899
(Increase)/decrease in receivables	9	(68,893)	(75,441)
(Decrease)/increase in payables	10	<u>(48,863)</u>	<u>211,096</u>
Net cash inflow from operating activities		(254,960)	371,035
Cashflow from investing activities			
Payments to acquire Property, Plant and Equipment	8	<u>(53,827)</u>	<u>(78,047)</u>
(Decrease)/ Increase in cash and cash equivalents		<u>(308,786)</u>	<u>292,988</u>
Cash and cash equivalents at 1 January		406,145	113,157
Cash and cash equivalents at 31 December		<u>97,359</u>	<u>406,145</u>
(Decrease)/ Increase in cash and cash equivalents		<u>(308,786)</u>	<u>292,988</u>

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. BACKGROUND NOTE ON NCCA

The National Council for Curriculum and Assessment was established on 12 July 2001 under Section 39 of the Education Act, 1998. The brief of the Council as outlined in the Education Act, is to advise the Minister for Education and Skills on matters relating to the curriculum for early childhood education, primary and post-primary schools and the assessment procedures employed in schools and examinations on subjects which are part of the curriculum.

The Council is a representative structure, the membership of which is determined by the Minister for Education and Skills. The 25-member Council comprises nominees of the partners in education, industry and trade union interests, parents' organisations and one nominee each of the Minister for Education and Skills and the Minister for Children and Youth Affairs. The Minister appoints the Chairperson.

2. ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.1 Basis of Preparation

The financial statements have been prepared in compliance with Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" ("FRS102"). The financial statements have been prepared on the accruals basis of accounting in accordance with generally accepted accounting principles and under the historical cost convention.

The financial statements of the Council are presented in Euro ("€") which is also the functional currency of the Council.

The Council is of the opinion that there are no critical judgements that have a significant impact on the amounts recognised in the financial statements.

2.2 Oireachtas Grants

Grants from the Department of Education and Skills are accounted for on a cash receipt basis.

State grants for capital expenditure (including grants for recurrent purposes utilised for the purchase of equipment and minor works) are transferred to the Capital Account in the year in which the expenditure is incurred and are credited to income over the estimated useful lives of the related assets.

Other income shown in the financial statements represents the actual receipts in the period.

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. ACCOUNTING POLICIES *(continued)*

2.3 Tangible Fixed Assets

Tangible fixed assets are stated at cost or valuation less accumulated depreciation.

Depreciation is provided on a straight line basis at rates which are estimated to reduce the assets to realisable values by the end of their expected useful lives as follows:

Computer Equipment	33.33%
Office Equipment	20%
Office Furniture	10%

2.4 Foreign Currencies

Transactions in currencies other than Euro are recorded at the rate ruling at the date of the transaction or at a contracted rate. Monetary assets and liabilities are translated into Euro at the reporting date or a contracted rate. Exchange differences are dealt with in the statement of income and expenditure and retained revenue reserves.

2.5 Capital Account

The Capital Reserve represents the unamortised portion of income applied for capital purposes. Tangible assets are funded from current revenue. This funding is transferred to the capital account, which is amortised in line with depreciation of tangible assets. The net funding transferred to the capital account and related amortisation is recorded in the Statement of Income and Expenditure and Retained Revenue Reserves.

2.6 Retirement Benefits

NCCA staff are normally recruited from the established civil service or by way of secondment. Their staff members are already members of a pension scheme and as such the council has no liability in this regard.

There are currently eight NCCA staff members, six of whom are employed on short term contracts that are members of the Single Public Pensions Scheme in accordance with the Public Service Pension (single Scheme and Other Provisions) Act 2012. The Council makes the necessary deductions from salaries for staff who are part of the scheme. See Note 7 for further details.

Contributions are paid to the Department of Public Expenditure and Reform.

2.7 Operating Leases

Rental expenditure under operating leases is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves over the life of the lease. Expenditure is recognised on a straight line basis over the lease period, except where there are rental increases linked to the expected rate of inflation, in which case the increases are recognised when incurred. Any lease incentives received are recognised over the life of the lease.

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. ACCOUNTING POLICIES *(continued)*

2.8 Employee benefits

Short-term benefits such as holiday pay are recognised as an expense in the year and benefits that are accrued at year-end are included in the Payables figure in the Statement of Financial Position.

3. INCOME	2018 €	2017 €
Department of Education and Skills (DES) grants Subhead A11.1	5,946,651	5,203,761
Less: Employer contributions remitted to DPER	(5,865)	-
	<u>5,940,786</u>	<u>5,203,761</u>
Other Income		
Leargas	9,919	-
EU Erasmus Grant	18,718	18,718
Deposit interest	-	9
Dept of Health	-	10,000
Pobal Healthy Ireland Fund	43,178	-
CIDREE	28,014	-
Dept of Children and Youth Affairs	68,636	83,360
Kilkenny Education Centre	-	4,800
OECD	-	10,000
COGG refund for Shared Services	79,629	83,946
European Schoolnet CoLab Partnership (European Commission)	<u>24,922</u>	<u>22,386</u>
	<u>273,016</u>	<u>233,219</u>
Total Income	<u>6,213,802</u>	<u>5,436,980</u>
4. SALARY COSTS	2018 €	2017 €
The staff costs of the Council comprises:		
Salaries and wages	4,182,490	3,334,660
Travel and subsistence – Staff:		
Travel and subsistence – Local	11,567	13,631
Travel and subsistence – Foreign	27,058	19,411
Staff development, health and safety expenses	<u>61,094</u>	<u>130,687</u>
	<u>4,282,209</u>	<u>3,498,389</u>
(a) Aggregate Employee Benefits	2018 €	2017 €
Staff short-term benefits	4,105,409	3,325,729
Termination benefits	-	-
Retirement benefit costs (7a)	64,835	-
Employer’s contribution to social welfare	<u>12,246</u>	<u>8,931</u>
	<u>4,182,490</u>	<u>3,334,660</u>

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

4. SALARY COSTS *(continued)*

(a) Aggregate Employee Benefits

Deductions of €5,865 (2017: €5,865) were made from the salaries of members of the Single Public Pension Scheme in accordance with the Public Service Pension (Single Scheme and Other Provisions) Act 2012 and paid over to DPER.

The total number of WTE staff employed at year end was 43.3 (2017: 39.75).

€15,407 (2017: €16,128) was deducted from staff by way of pension related deduction and was paid over to the Department of Education and Skills. The pension related deduction in respect of staff on secondment is deducted by the staff members' parent employer.

The Council's employment control framework figure for 2018 was 41 (2017: 37).

Range of total employee benefits

		2018 No.	2017 No.
<i>Number of Employees</i>			
From	To		
€60,000	– €69,999	7	3
€70,000	– €79,999	6	15
€80,000	– €89,999	8	4
€90,000	– €99,999	7	1
€100,000	– €109,999	0	0
€110,000	– €119,999	1	1
€120,000	– €129,999	0	0
€130,000	– €139,999	1	0

(b) Staff Short-Term Benefits

	2018 €	2017 €
Basic pay	4,105,409	3,325,729
Overtime	-	-
Allowances	-	-
	<u>4,105,409</u>	<u>3,325,729</u>

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

4. SALARY COSTS *(continued)*

(c) Key Management Personnel

Key management personnel in the National Council for Curriculum and Assessment consists of the members of the Board, the Chief Executive Officer and the Deputy Chief Executive Officers. The total value of employee benefits for key management personnel is set out below:

	2018 €	2017 €
Salary	301,213	300,676
Allowances	-	-
Termination benefit	-	-
Health insurance	-	-
	<u>301,213</u>	<u>300,676</u>

The Chief Executive and Deputy Chief Executives are members of an unfunded defined benefit public sector scheme and entitlements do not extend beyond standard entitlements in the public sector defined benefit superannuation scheme.

(d) Chief Executive Officer Salary and Benefits

The CEO remuneration package for the financial period was as follows:

	2018 €	2017 €
Basic pay	<u>132,288</u>	<u>116,429</u>

The Chief Executive Officer is a member of the National Council for Curriculum and Assessment's pension scheme and his entitlements in that regard do not extend beyond the terms of the model public service pension scheme. The value of retirement benefits earned in the period is not included above.

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

5. EXPENDITURE	2018 €	2017 €
Administration and Project Costs		
<i>Research:</i>		
Research fees	470,096	116,794
Subscriptions	36,266	-
Reference books, documents and subscriptions	16,593	49,309
Consultation expenses	40,716	26,970
<i>Curriculum development and promotion:</i>		
Publications and digital media	71,455	121,946
General advertising, design and photography	50,095	51,852
Conference expenses	46,191	93,345
School Networks	128,037	71,646
Room hire and catering, including hospitality	211,140	192,886
<i>Travel and subsistence:</i>		
Travel and subsistence - Council Members	21,383	14,516
Committee travel and subsistence – Boards & Development Groups	178,915	203,429
<i>Information Technology:</i>		
Information technology	335,720	228,745
<i>Office and related costs:</i>		
Rent rates, security and storage	204,767	241,915
Office equipment and repairs and maintenance	38,217	43,324
Telephone, postage, stationery	142,748	120,400
Light and heat	30,327	31,585
Cleaning	49,210	36,385
<i>Professional Fees:</i>		
Accountancy and other professional fees	52,842	43,897
Audit fee	13,000	13,500
<i>Other Expenses:</i>		
Bank charges	1,777	768
Depreciation	61,219	43,227
Loss on disposal	-	<u>1,920</u>
	<u>2,200,714</u>	<u>1,748,359</u>

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

5. EXPENDITURE <i>(continued)</i>	2018 €	2017 €
Breakdown of travel and subsistence - Council Members:		
Mr Michael Delargey	759	439
Ms Emma Dineen	671	-
Ms Rosemary Eager	-	237
Ms Patricia Harrington	1,578	1,925
Mr Declan Kelleher	4,344	2,995
Mr David Leahy	2,036	1,582
Ms Avril McMonagle	363	-
Mr Don Myers	3,535	5,018
Ms Maire Ni Chiarba	8,097	2,320
	<u>21,383</u>	<u>14,516</u>

The expenses indicated all relate to domestic travel and do not solely relate to attendance at Council meetings. Council members also participate in other structures of Council such as the overarching Boards for Early Childhood and Primary, Junior Cycle and Senior Cycle. They may also participate on NCCA Interview Boards for new staff. Expenses refer to the totality of these involvements.

Grant payments of €72,500 were made to schools and settings in 2018, (2017: €57,000).

€395 (2017: €695) was paid to the Executive in the year for the use of home broadband for official business. In 2018, Committee travel and subsistence includes no foreign travel (2017: €0).

Hospitality costs amounted to €6,646 in 2018. (2017: €7,000).

6. DIRECTORS' FEES AND SALARIES OF THE CHIEF EXECUTIVE AND DEPUTY CHIEF EXECUTIVES

Members of the Council act entirely in a voluntary capacity and no fees were paid to members of the Council in 2018.

The Chief Executive was paid a salary of €132,288 (2017: €116,429). No bonus payments were made. He recouped expenses of €6,485 (2017: €2,669).

In 2018 there were three incumbents in two posts of Deputy Chief Executive.

A Deputy Chief Executive was appointed on 1st March, 2016. Her salary in 2018 was €101,387 (2017: €93,998). No bonus payments were made. She recouped expenses of €5,312 in 2018 (2017: €2,148).

An Acting Deputy Chief Executive was appointed on 1st August, 2017 and retired on 1 August, 2018. His salary in 2018 was €59,527 (2017: €35,732). No bonus payments were made. He recouped expenses of €5,064 in 2018 (2017: €2,326).

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

6. DIRECTORS' FEES AND SALARIES OF THE CHIEF EXECUTIVE AND DEPUTY CHIEF EXECUTIVES *(continued)*

A Deputy Chief Executive was appointed on 22 November, 2018. His salary in 2018 was €8,011. No bonus payments were made. He recouped no expenses from 22 November to 31 December, 2018.

The Chief Executive and Deputy Chief Executives are members of an unfunded defined benefit public sector scheme and entitlements do not extend beyond standard entitlements in the public sector defined benefit superannuation scheme.

7. RETIREMENT BENEFIT COSTS

A defined benefit superannuation scheme applies to the staff of the NCCA. The Civil Service Superannuation Schemes are defined benefit schemes which are unfunded and administered by the Department of Public Expenditure and Reform. Benefits are financed on a "pay-as-you-go" basis and there are no assets held in respect of the accrued pension liabilities of NCCA staff recruited from the Civil Service or by way of secondment, and there is no charge to the Statement of Income and Expenditure.

The NCCA also operates the Single Public Service Pension Scheme (single scheme). This scheme is the defined benefit pension scheme for pensionable public servants appointed on or after 1 January 2013 in accordance with the Public Service Pension (Single Scheme and Other Provisions) Act 2012. The scheme provides for a pension and retirement lump sum based on career-average pensionable remuneration, and spouse's and children's pensions. The minimum pension age is 66 years (rising in line with State pension age changes). It includes an actuarially-reduced early retirement facility from age 55. Pensions in payment increase in line with the consumer price index.

The evaluation methodology used has been based on a full actuarial valuation made by a qualified independent actuary taking into account the requirements of FRS 102 in order to assess the schemes' liabilities as at 31 December 2018. This is the first year that the NCCA has obtained an actuarial valuation for this scheme.

The financial assumptions used to calculate scheme liabilities were as follows:

	2018
Discount Rate	2.00%
Price Inflation	1.95%
Salary Increases	2.95%
State Pension Increases	1.95%
Assumed Pension Increases	1.95%

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

7. RETIREMENT BENEFIT COSTS (continued)

Life expectancy

The mortality basis explicitly allows for improvements in life expectancy over time, so that life expectancy at retirement will depend on the year in which a member attains retirement age (age 68). The table below shows the life expectancy for members attaining age 68 in 2018 and 2038.

Year of attaining age 68	2018	2038
Life expectancy – male (in years)	19.1	21.3
Life expectancy – female (in years)	21.4	23.3

(a) Analysis of the amount charged to operating profit

	2018 €
Current service costs	67,400
Interest on defined benefit liabilities	3,300
Less: Employee contributions	(5,865)
Costs of termination benefits	—
	<u>64,835</u>

(b) Deferred retirement benefit funding asset

The NCCA recognises this amount as an asset corresponding to the unfunded deferred liability for pensions on the basis of the set of assumptions described above and a number of past events. These events include the statutory basis for the establishment of the Scheme, and the policy and practice currently in place in relation to funding public service pensions including contributions by employees and the annual estimates process.

The NCCA has no evidence that this funding policy will not continue to meet such sums in accordance with current practice and on the basis that section 44 of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012 provides for funding of pension payments as they fall due by way of payments out of the Central Fund of the Exchequer or from funds provided by the Oireachtas for that purpose.

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

7. RETIREMENT BENEFIT COSTS (continued)

(c) Movement in defined benefit obligations	2018
	€
Net retirement benefit obligation – 1 January 2018	(165,500)
Employee full service cost	(67,400)
Net interest on net defined liability	(3,300)
Actuarial gain/(loss) during the year	(1,000)
Pensions paid in the year	—
Net retirement benefit obligation as at 31 December 2018	<u>(237,200)</u>

(d) Actuarial gain/(loss)	2018
	€
Actuarial gain/(loss) during the year	(1,000)
Experience gain/(loss) in the year	—
Total Actuarial gain/(loss) for the year ended 31 December 2018	<u>(1,000)</u>

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

8. PROPERTY, PLANT AND EQUIPMENT

	Office Furniture €	Office Equipment €	Computer Equipment €	Total €
Cost				
1 January 2018	27,763	12,018	221,481	261,262
Additions	<u>6,215</u>	<u>-</u>	<u>47,612</u>	<u>53,827</u>
As at 31 December 2018	<u>33,978</u>	<u>12,018</u>	<u>269,093</u>	<u>315,089</u>
Depreciation				
1 January 2018	10,355	9,657	122,187	142,199
Charge for the period	<u>2,974</u>	<u>589</u>	<u>57,655</u>	<u>61,218</u>
As at 31 December 2018	<u>13,329</u>	<u>10,246</u>	<u>179,842</u>	<u>203,417</u>
Net book value				
At 31 December 2018	<u>20,649</u>	<u>1,772</u>	<u>89,252</u>	<u>111,672</u>
At 31 December 2017	<u>17,408</u>	<u>2,361</u>	<u>99,294</u>	<u>119,063</u>
Prior Year				
	Office Furniture €	Office Equipment €	Computer Equipment €	Total €
Cost				
1 January 2017	97,509	93,758	520,631	711,898
Additions	-	2,466	75,581	78,047
Disposals	<u>(69,746)</u>	<u>(84,206)</u>	<u>(374,731)</u>	<u>(528,683)</u>
As at 31 December 2017	<u>27,763</u>	<u>12,018</u>	<u>221,481</u>	<u>261,262</u>
Depreciation				
1 January 2017	75,223	93,566	456,945	625,734
Charge for the period	3,054	297	39,876	43,227
Disposals	<u>(67,922)</u>	<u>(84,206)</u>	<u>(374,634)</u>	<u>(526,762)</u>
As at 31 December 2017	<u>10,355</u>	<u>9,657</u>	<u>122,187</u>	<u>142,199</u>
Net book value				
At 31 December 2017	<u>17,408</u>	<u>2,361</u>	<u>99,294</u>	<u>119,063</u>
At 31 December 2016	<u>22,286</u>	<u>192</u>	<u>63,686</u>	<u>86,164</u>

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

9. RECEIVABLES AND PREPAYMENTS	2018	2017
	€	€
Trade Debtors	-	69,770
Prepayments	183,204	38,203
Paye/Prsi	-	3,550
PSWT	-	<u>2,788</u>
	<u>183,204</u>	<u>114,311</u>

10. PAYABLES AND ACCRUALS	2018	2017
	€	€
Trade creditors	109,019	52,543
PSWT	1,848	-
Other creditors	853	14,558
Accruals	<u>218,598</u>	<u>312,080</u>
	<u>330,318</u>	<u>379,181</u>

11. CAPITAL ACCOUNT	2018	2018	2017	2017
	€	€	€	€
Balance at 1 January		119,063		86,164
Funds allocated to acquire fixed assets	53,827		78,047	
Amortisation in line with depreciation	(61,218)		(43,227)	
Loss on disposals	-	(7,391)	(1,921)	<u>32,899</u>
Balance at 31 December		<u>111,672</u>		<u>119,063</u>

12. COUNCIL MEMBERS' INTERESTS

The Council adopted procedures in accordance with guidelines issued by the Department of Public Expenditure and Reform in relation to the disclosure of interests by Council members and these procedures have been adhered to in the year. There were no transactions in the year in relation to the Council's activities in which Council members had any beneficial interest.

NATIONAL COUNCIL FOR CURRICULUM AND ASSESSMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

13. COMMITMENTS UNDER OPERATING LEASES

The NCCA operates a network of 12 offices throughout the State including its Headquarters in 35 Fitzwilliam Square, Dublin 2. The majority of offices are rented from Government funded entities. The NCCA have letting agreements as follows:

- Lease 1 for 10 years 10 months commencing 5 July 2013, annual rent €80,000
- Lease 2 for 10 years commencing 1 April 2014, annual rent €50,000
- Lease 3 for 10 years commencing on 1 February 2017, annual rent €23,592
- Lease 4 for 2 years commencing on 1 January 2018, annual rent €4,800
- Lease 5 for 21 months commencing on 19 June 2017, annual rent €3,000
- Lease 6 for 2 years commencing on 1 August 2018, annual rent €6,000
- Lease 7 for 2 years commencing on 16 January 2018, annual rent €3,500

At 31 December 2018, the Council had outstanding commitments under operating leases that fall due as follows:

	2018	2017
	€	€
<i>Expiry date:</i>		
Within 1 year	168,642	130,000
Between 2 and 5 years	617,868	520,000
After more than 5 years	111,909	169,167

14. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Council on 2 May 2019.