

MEDICAL BUREAU OF ROAD SAFETY

REPORTS & FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31st DECEMBER 2017

MEDICAL BUREAU OF ROAD SAFETY
REPORTS & FINANCIAL STATEMENTS

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MEDICAL BUREAU OF ROAD SAFETY

BOARD MEMBERS AND OTHER INFORMATION

Board Members

Professor Cecily Kelleher - Chairperson to 31st March 2017
Dr. Declan Bedford - Chairperson from 24th April 2017
Professor Denis A. Cusack - Director
Ms. Nicola Hayes – Member until 7th November 2017
Mr. Paul Burns
Professor Patricia Fitzpatrick – Member from 1st December 2017

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

GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

Governance

The Board of the Medical Bureau of Road Safety was established under the Medical Bureau of Road Safety (establishment) Order, 1968. The functions of the Board are laid down in the Road Traffic Acts 1968 – 2016 and their regulations. The Board is accountable to the Minister for Transport, Tourism and Sport and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of the Medical Bureau of Road Safety are the responsibility of the Director and the senior management team. The Director and the senior management team must follow the broad strategic direction set by the Board, and must ensure that all Board members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The Director acts as a direct liaison between the Board and management of the Medical Bureau of Road Safety.

Board Responsibilities

The work and responsibilities of the Board are set out in its Terms of Reference, which also contain the matters specifically reserved for Board decision. Standing items considered by the Board include:

- declaration of interests,
- reports from committees,
- financial reports/management accounts,
- performance reports, and
- reserved matters.

Section 17 of the Medical Bureau of Road Safety (establishment) Order, 1968 requires that the Board of Medical Bureau of Road Safety keep, in such form as may be approved by the Minister for Transport, Tourism and Sport with consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the Board of the Medical Bureau of Road Safety is required to:

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

The Board 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 the Medical Bureau of Road Safety's (establishment) Order, 1968. The maintenance and integrity of the corporate and financial information on the Medical Bureau of Road Safety's website is the responsibility of the Board.

The Board is responsible for approving the annual plan and budget. An evaluation of the performance of the Medical Bureau of Road Safety by reference to the annual plan and budget was carried out on 7th December 2017.

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

The Board considers that the financial statements of the Medical Bureau of Road Safety give a true and fair view of the financial performance and the financial position of the Medical Bureau of Road Safety at 31 December 2017.

Board Structure

The Board consists of a Chairperson, Director / Board Member and three ordinary members, all of whom are appointed by the Minister for Transport, Tourism and Sport. The members of the Board are usually appointed for a period of three years and meet on a quarterly basis. The table below details the appointment period for current members:

Name	Role	Start Date	Actual/Future End Date
Professor Cecily Kelleher	Chairperson	1 st April 2015	31 st March 2017
Mr Declan Bedford	Ordinary Member/ Chairperson	1 st April 2015	31 st March 2018
Professor Denis Cusack	Director / Ordinary Member	1 st July 2017	30 th June 2022
Mr. Paul Burns	Ordinary Member	1 st April 2015	31 st March 2018
Ms. Nicola Hayes	Ordinary Member	22 nd April 2014	21 st April 2018

The Board commenced an external Board Effectiveness and Evaluation Review on the 29th September 2016, which was completed in December 2016

The Board has established two committees, as follows:

1. Audit and Risk Committee

The Audit and Risk Committee comprises of three Board members. The role of the Audit and Risk Committee (ARC) is to support the Board 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. In particular the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The ARC reports to the Board after each meeting, and formally in writing annually.

The members of the Audit and Risk Committee are: Ms. Nicola Hayes (Chairperson), Mr. Paul Burns and Dr. Declan Bedford. There were 4 meetings of the ARC in 2017.

2. Governance Committee: The role of the Governance Committee (GC) is to support the Board in meeting legal and statutory requirements, as well as adopting good practice. The members of this committee are: Representatives from the Department of Transport, Tourism and Sport and the Senior Administrative Officer and Administrative Officer from the Medical Bureau of Road Safety. There were 2 meetings of the GC in 2017.

Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Board and Committee meetings for 2017 is set out below including the fees and expenses received by each member:

	Board	Audit & Risk Committee	Governance Committee	Fees	Expenses
Number of Meetings	4	4	4		
Professor Cecily Kelleher	1	-		Nil	Nil
Dr. Declan Bedford	4	4		8,038	Nil
Mr. Paul Burns	4	2		5,985	Nil
Professor Denis Cusack	4	-		Nil	Nil
Ms. Nicola Hayes	3	3	3	Nil	Nil
Professor Patricia Fitzpatrick	1	-		Nil	Nil
Ms. Lorraine Mc Gurk (DTTAS)			1	Nil	Nil
Ms. Helen O'Reilly (DTTAS)			4	Nil	Nil
Ms Tina Clarke (MBRS)			4	Nil	Nil
Ms. Olivia Fielding (MBRS)			4	Nil	Nil
				14,023	

Key Personnel Changes

The term of the appointment for the Chairman of the Board was completed on the 31st March 2017 and an ordinary member resigned from the Board during their term of appointment. In accordance with the Section (4) of Section 37 of the Road Traffic Act 1968 (No 25 of 1968) and articles 4 and 6 of the Medical Bureau of Road Safety (establishment) Order, 1968 (S.I. No 241 of 1968) the Minister appointed a new Chairperson and one new member.

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

The Board is responsible for ensuring that the Medical Bureau of Road Safety 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 are referenced in Note 12 of the Financial Statements.

Consultancy Costs

The Medical Bureau of Road Safety incurred no expenditure in the reporting period in relation to consultancy costs outside its 'business-as-usual' functions.

Legal Costs and Settlements

The Medical Bureau of Road Safety incurred no expenditure in the reporting period in relation to legal costs, settlements and conciliation and arbitration proceedings relating to contracts with third parties.

Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

	2017 €	2016 €
Domestic		
- Board	107	96
- Employees	45,605	37,553
International		
- Board	1,979	914
- Employees	19,098	17,169
Total	66,789	55,732

Hospitality Expenditure

The Medical Bureau of Road Safety had no hospitality expenditure in 2017 and 2016.

Statement of Compliance

The Board has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure compliance with the Code. The Medical Bureau of Road Safety was in full compliance with the Code of Practice for the Governance of State Bodies for 2017.

On behalf of the Board of the Medical Bureau of Road Safety:



Dr. Declan Bedford
Chairman



Professor Denis A. Cusack
Director

Date: 6.12.18

MEDICAL BUREAU OF ROAD SAFETY

STATEMENT ON INTERNAL CONTROL

Scope of Responsibility

On behalf of Medical Bureau of Road Safety I acknowledge the Board's responsibility for ensuring that an effective system of internal 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 to manage risk to a tolerable level rather than to eliminate it. The system can therefore 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.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in Medical Bureau of Road Safety for the year ended 31 December 2017 and up to the date of approval of the financial statements.

Capacity to Handle Risk

The Medical Bureau of Road Safety has an Audit and Risk Committee (ARC) comprising of three Board members. The ARC met four times in 2017.

The Medical Bureau of Road Safety has also established an internal audit function which is adequately resourced and conducts a programme of work agreed with the ARC.

The ARC has developed a risk management policy which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. The policy has been issued to all staff who are expected to work within the Medical Bureau of Road Safety's risk management policies, to alert management on emerging risks and control weaknesses and assume responsibility for risks and controls within their own area of work.

Risk and Control Framework

The Medical Bureau of Road Safety has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing Medical Bureau of Road Safety and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the ARC on an annual basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

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 appropriate budgeting system with an annual budget which is kept under review by senior management,
- there are systems aimed at ensuring the security of the information and communication technology systems,
- there are systems in place to safeguard the assets, and

- control procedures over grant funding to outside agencies ensure adequate control over approval of grants and monitoring and review of grantees to ensure grant funding has been applied for the purpose intended.

Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Board, where relevant, in a timely way. 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 where responsibility for financial management has been assigned, and
- there are regular reviews by senior management of periodic and annual performance and financial reports which indicate performance against budgets/forecasts.

Procurement

I confirm that the Medical Bureau of Road Safety has procedures in place to ensure compliance with current procurement rules and guidelines and that during 2017 the Medical Bureau of Road Safety complied with those procedures.

Review of Effectiveness

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

I confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2017.

Internal Control Issues

No weaknesses in internal control were identified in relation to 2017 that require disclosure in the financial statements.

Tax Compliance

The Medical Bureau of Road Safety is committed to compliance with taxation laws and was compliant during 2017.

On behalf of the Board of the Medical Bureau of Road Safety:



Dr. Declan Bedford
Chairman

6.12.18



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Medical Bureau of Road Safety

Opinion on financial statements

I have audited the financial statements of the Medical Bureau of Road Safety for the year ending 31 December 2017 as required under the provisions of the Comptroller and Auditor General (Amendment) Act 1993. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- 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 Medical Bureau of Road Safety at 31 December 2017 and of its income and expenditure for 2017 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 Medical Bureau of Road Safety 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 Medical Bureau of Road Safety has presented certain other information together with the financial statements. This comprises, the governance statement and Board members' report and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Mark Brady
For and on behalf of the
Comptroller and Auditor General
12 December 2018

Appendix to the report

Responsibilities of Board members

The governance statement and Board members' report sets out the Board members' responsibilities. The Board members are responsible for

- the preparation of financial statements in the form prescribed under section 17 of the Medical Bureau of Road Safety (Establishment) Order 1968
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- 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 Comptroller and Auditor General (Amendment) Act 1993 to audit the financial statements of the Medical Bureau of Road Safety 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 Medical Bureau of Road Safety'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 Medical Bureau of Road Safety 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 there are 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 there is 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.

MEDICAL BUREAU OF ROAD SAFETY

STATEMENT OF INCOME AND EXPENDITURE AND RETAINED REVENUE RESERVES


FOR THE YEAR ENDED 31 DECEMBER 2017

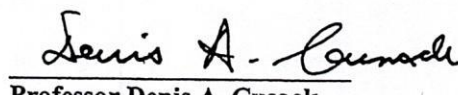
		YEAR ENDED 31/12/2017	YEAR ENDED 31/12/2016
		€	€
<u>INCOME</u>			
Oireachtas Grants	2	5,074,000	4,227,000
Professional Fee Income		5,409	-
Other Income		6,084	2,221
Total Income		5,085,493	4,229,221
<u>EXPENDITURE</u>			
Salaries and Wages	12	2,542,543	2,353,258
Board Fees	13	14,023	11,970
Direct costs Associated with Service delivery	3a	972,453	581,040
Office and Laboratory Supplies	3b	389,762	512,217
Administration Costs	3c	645,403	571,901
Depreciation	4	839,656	898,752
Total Expenditure		5,403,840	4,929,138
Deficit for the Year before Appropriations		(318,347)	(699,917)
Transfer from/(to) Capital Account	5	254,360	877,765
(Deficit)/Surplus for the Year after Appropriations		(63,897)	177,848
Balance Brought Forward at 1 January		937,197	759,349
Balance Carried Forward as at 31 December 2017		873,210	937,197

The Statement of Income and Expenditure and Retained Revenue Reserves includes all gains and losses recognised in the year.

The Statement of Cash Flows and notes 1 to 15 form part of these financial statements.

On behalf of the Board of the Medical Bureau of Road Safety:


Dr. Declan Bedford
Chairman


Professor Denis A. Cusack
Director

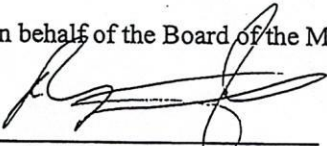
Date: 6-12-18

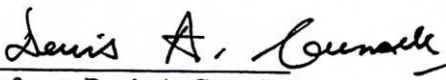
MEDICAL BUREAU OF ROAD SAFETY
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	31/12/2017 €	31/12/2016 €
Fixed Assets			
Property, plant & equipment	4	6,187,985	6,442,346
Total Fixed Assets		6,187,985	6,442,346
Current Assets			
Inventory	6	128,044	188,232
Receivables	7	218,524	168,823
Cash and cash equivalents		588,636	845,398
		935,204	1,202,453
Current Liabilities (amounts falling due within one year)			
Payables	8	(61,994)	(265,256)
Net Current Assets		873,210	937,197
Net Assets		7,061,195	7,379,542
Capital and reserves			
Capital account	5	6,187,985	6,442,346
Retained revenue reserves		873,210	937,197
		7,061,195	7,379,542

The Statement of Cash Flows and notes 1 to 15 form part of these financial statements.

On behalf of the Board of the Medical Bureau of Road Safety:


 Dr. Declan Bedford
 Chairman


 Professor Denis A. Cusack
 Director

Date: 6-12-16

MEDICAL BUREAU OF ROAD SAFETY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	31/12/2017	31/12/2016
	€	€
Net Cash Flows from Operating Activities		
Excess of Expenditure over Income / Income over Expenditure	(63,987)	177,848
Transfer (from) Capital Account	(254,360)	(877,765)
Depreciation of Fixed Assets	839,656	898,752
Decrease/(Increase)in Inventory	60,188	1,666
(Increase)/Decrease in Receivables	(49,701)	(51,722)
(Decrease)/Increase in Payables	(203,262)	123,916
Net Cash Inflow from Operating Activities	328,534	272,695
Cash Flows from Investing Activities		
Payments to acquire Plant & Equipment	(585,296)	(20,987)
Net Cash Flows from Investing Activities	(585,296)	(20,987)
Net (Decrease)/Increase in Cash and Cash Equivalents	(256,762)	251,708
Cash and Cash Equivalents at 1 January	845,398	593,690
Cash and Cash Equivalents at 31 December 2017	588,636	845,398

MEDICAL BUREAU OF ROAD SAFETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1. Accounting Policies

The basis of accounting and significant accounting policies adopted by the Medical Bureau of Road Safety are set out below. They have all been applied consistently throughout the year and for the preceding year.

(a) General Information

The Medical Bureau of Road Safety was established under Section 37 of the Road Traffic Act, 1968, with a head office at Health Sciences Centre, UCD, Belfield, Dublin 4.

The Medical Bureau of Road Safety's primary objective is the analysis of samples given by drivers in the course of the enforcement of the Road Traffic Acts.

(b) Statement of Compliance

The financial statements of the Medical Bureau of Road Safety for the year ended 31 December 2017 have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council, as promulgated by Chartered Accountants Ireland.

(c) Basis of Preparation

The financial statements have been prepared under the historical cost convention, except for certain assets and liabilities that are measured at fair values as explained in the accounting policies below. The financial statements are in the form approved by the Minister for Transport, Tourism and Sport with the concurrence of the Minister for Finance. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Medical Bureau of Road Safety's financial statements.

(d) Currency

The financial statements have been presented in Euro (€) which is also the functional currency of the Bureau.

(e) Revenue

Oireachtas Grant

Revenue is generally recognised on an accruals basis; one exception to this is in the case of Oireachtas Grants which are recognised on a cash receipts basis.

Interest income

Interest income is recognised on an accruals basis using the effective interest rate method.

Other Revenue

Other revenue is recognised on an accruals basis.

MEDICAL BUREAU OF ROAD SAFETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

(CONTINUED)

(f) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation, adjusted for any provision for impairment. Depreciation is provided on all property, plant and equipment at rates estimated to write off the cost less the estimated residual value of each asset on a straight line basis over their estimated useful lives, as follows:

(i) Office Equipment	25% per annum
(ii) Furniture & Fittings	12.5% per annum
(iii) Laboratory Equipment	15% per annum
(iv) Buildings	4.76% per annum

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

If there is objective evidence of impairment of the value of an asset, an impairment loss is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in the year.

(g) Inventory

Inventory consists of goods for not for resale, and is recognised in the financial statements at the lower of Cost and Net Realisable Value (NRV). Cost is calculated on a first-in-first-out (FIFO) basis and includes all purchase costs. NRV is the selling price (actual or estimated) less all necessary completion costs.

(h) Receivables

Receivables are recognised at fair value, less a provision for doubtful debts. The provision for doubtful debts is a specific provision, and is established when there is objective evidence that the Medical Bureau of Road Safety will not be able to collect all amounts owed to it. All movements in the provision for doubtful debts are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

(i) Employee Benefits

Pay Agreement with UCD

The work of the Medical Bureau of Road Safety is carried out by staff of University College Dublin (UCD) under an agreement between the Bureau and the College. The University discharges all wages and salaries and all associated costs of the staff employed in the work of the Bureau and reimburses the University in full for such expenditure.

MEDICAL BUREAU OF ROAD SAFETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

(CONTINUED)

(i) Employee Benefits (continued)

Retirement Benefits

The Medical Bureau of Road Safety 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 Medical Bureau of Road Safety 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 Medical Bureau of Road Safety 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.

(j) Foreign Currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the financial year end date. Non-monetary items that are measured at historical cost are translated at the foreign exchange rate ruling at the date of the transaction. Non-monetary items measured at fair value are translated at the rate of exchange at the date of the valuation. All foreign exchange differences are taken to the income and expenditure account.

(k) Critical Accounting Judgements and Estimates

Depreciation and Residual Values

The Directors have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of fixtures and fittings, and have concluded that asset lives and residual values are appropriate.

Provisions

The Medical Bureau of Road Safety makes a provision for doubtful debts, which it knows to be outstanding at the period end date. These provisions are generally made based on historical or other pertinent information, adjusted for recent trends where relevant. However, they are estimates of the financial costs of events that may not occur for some years. As a result of this and the level of uncertainty attaching to the final outcomes, the actual out-turn may differ significantly from that estimated.

MEDICAL BUREAU OF ROAD SAFETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

(CONTINUED)

2. Oireachtas Grants

The Oireachtas Grants voted to the Medical Bureau of Road Safety from the Department of Transport, Tourism and Sport (Vote 31 subhead B4) as shown in the financial statements consist of:

	31/12/2017	31/12/2016
	€	€
Grants for current expenditure	4,627,000	4,127,000
Grants for capital expenditure	447,000	100,000
	5,074,000	4,227,000

3a. Direct Costs Associated with Service Delivery

	31/12/2017	31/12/2016
	€	€
Servicing of Equipment	408,059	460,098
Roadside Chemical Drug Testing	371,181	20,666
Equipment for Garda Stations	75,047	0
Laboratory Information Management System	84,729	73,937
Confirmatory Drug Analysis	24,773	17,589
Laboratory Accreditation	8,664	8,750
	972,453	581,040

3b. Office & Laboratory Supplies

	31/12/2017	31/12/2016
	€	€
Office Supplies	26,196	25,696
Laboratory Supplies	363,566	486,521
	389,762	512,217

MEDICAL BUREAU OF ROAD SAFETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

(CONTINUED)

3c. Administration

	31/12/2017	31/12/2016
	€	€
UCD Administration Charge	294,897	261,746
Building Utilities	149,671	127,932
Travel and Subsistence	66,789	55,732
Postage and Telephone	54,603	39,526
Insurance	26,778	26,580
Training	13,990	12,543
Increase in Bad Debt Provision	4,044	12,990
Conference Fees	7,609	6,024
Audit Fee	6,000	6,000
Books and Publications	2,267	5,085
Memberships and Subscriptions	2,771	2,816
Professional Fees	13,179	11,585
Miscellaneous	2,805	3,342
	645,403	571,901

4. Property, Plant & Equipment

	Office Equipment	Furniture & Fittings	Laboratory Equipment	Buildings	Total
	€	€	€	€	€
COST					
Balance 01/01/2017	192,366	57,492	5,510,614	11,031,477	16,791,949
Additions	4,268	-	581,028	-	585,296
Disposals	-	-	(215,070)	-	(215,070)
Balance 31/12/2017	196,634	57,492	5,876,572	11,031,477	17,162,175

DEPRECIATION	€	€	€	€	€
Balance 01/01/2017	192,366	50,509	4,855,336	5,251,393	10,349,604
Charge for year	533	2,719	311,306	525,098	839,656
Disposals	-	-	(215,070)	-	(215,070)
Balance 31/12/2017	192,899	53,228	4,951,572	5,776,491	10,974,190

NET BOOK VALUE	€	€	€	€	€
At 31/12/2017	3,735	4,264	925,000	5,254,986	6,187,985
At 31/12/2016	0	6,983	655,278	5,780,084	6,442,345

MEDICAL BUREAU OF ROAD SAFETY
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(CONTINUED)

4. (a) Buildings

The premises of the Bureau are provided by University College Dublin under a Licence Agreement. In 2008 a 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 the year ended 31 December 2017 was €149,671 (2016: €127,932).

5. Capital Account

	<u>31/12/2017</u>	<u>31/12/2016</u>
	€	€
Opening balance	6,442,346	7,320,111
Less: Amount applied to purchase fixed assets	585,296	20,987
Less: Amount amortised in line with depreciation of fixed assets	(839,656)	(898,752)
Transfer to Statement of Income and Expenditure and Retained Revenue Reserves	(254,360)	(877,765)
Closing balance	6,187,985	6,442,346

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

6. Laboratory Supplies & Office Supplies

The value of Laboratory Supplies and Office Supplies on hand at 31 December 2017 was €128,044 (2016: €188,232).

7. Receivables

	<u>31/12/2017</u>	<u>31/12/2016</u>
	€	€
Debtors	5,570	10,098
Prepayments	212,954	158,725
	218,524	168,823

All debtors are due within one year. Debtors are shown net of impairment in respect of doubtful debts.

MEDICAL BUREAU OF ROAD SAFETY
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(CONTINUED)

8. Payables

Amounts falling due within one year

	31/12/2017	31/12/2016
	€	€
Trade Creditors	12,000	6,000
Accruals	49,994	259,256
	61,994	265,256

9. Administration Charge

The Bureau pays an Administration Charge of 7.5% to UCD for costs administered by UCD on behalf of the Bureau including Salaries, Wages and Supplies, with the exception of Capital Expenditure. The Administration Charge for the year ended 31 December 2017 was €294,897 (2016: €261,746).

10. Related Party Disclosures

Key management personnel in the Bureau consist of the Director and members of the Board of Directors. Total compensation paid to key management personnel, including Board members' fees, expenses and directors' remuneration is shown in notes 12 and 13.

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.

11. Taxation

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

12. Staff Numbers and Costs

The average number of employees was as follows:

	31/12/2017	31/12/2016
	No.	No.
Administration & IT	8	8
Analytical & Technical	28	26
	36	34

These numbers do not include the Director and Board Members.

MEDICAL BUREAU OF ROAD SAFETY
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(CONTINUED)

The Salaries and Wages cost for the year ended 31 December 2017 was €2,542,543 (2016: €2,353,258) and included:

	31/12/2017 €	31/12/2016 €
Pay and Associated Costs	€1,962,580	€1,803,498
Pension Contributions	€442,625	€415,317
Gross Salaries of Staff assigned from University College Dublin	€2,405,205	€2,218,815
Directors Remuneration	€135,609	€132,714
Secretary's Honorarium	€1,729	€1,729
Total Salaries & Wages	€2,542,543	€2,353,258

	31/12/2017	31/12/2016
Number of Employee's in receipt of Salaries over €60,000 p.a.	9	9
€60,000 – €69,999	5	4
€70,000 – €79,999	2	3
€80,000 – €89,999	1	1
€90,000 – €99,000	1	1

DIRECTORS REMUNERATION		31/12/2017	31/12/2016
Professor Denis Cusack	Ministerial Appointment – as Director of the Medical Bureau of Road Safety		
	Salary	€100,259	€98,995
	Allowance	€11,600	€11,600
	Pension Allowance	€23,750	€22,119
	Total	€135,609	€132,714

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

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(CONTINUED)

13. Board Fees – Schedule of Fees and Remuneration

BOARD MEMBER	TYPE OF FEE	31/12/2017	31/12/2016
Professor Cecily Kelleher	Fee for Chairperson of Board of State Body	Nil	Nil
Dr. Declan Bedford	Fee for Chairperson of Board of State Body	€6,542	Nil
Ms. Nicola Hayes	No Fee for Non-Executive Board Member of State Body	Nil	Nil
Dr. Declan Bedford	Fee for Non-Executive Board Member of State Body	€1,496	€5,985
Mr. Paul Burns	Fee for Non-Executive Board Members of State Body	€5,985	€5,985
Professor Patricia Fitzpatrick	No Fee for Non-Executive Board Member of State Body	Nil	Nil
Total Fees & Remuneration		€14,023	€11,970

Travel & Subsistence Expenses

The total amount spent on travel expenses by the Director for the year ended 31 December 2017 was €2,086 (2016: €1,010).

14. Capital Commitments

The Bureau had Capital expenditure commitments of €19,807 at the 31 December 2017.

15. Approval of Financial Statements

The Financial Statements were approved by the Board of the Medical Bureau of Road Safety on 29th March 2018.