

STATE LABORATORY

Account of the sum expended, in the year ended 31 December 2008, compared with the sum granted and of the sum which may be applied as appropriations-in-aid in addition thereto, for the salaries and expenses of the State Laboratory.

| Service | Estimate Provision | Outturn | Closing Accruals |
|---|-----------------------|---------------|---------------------|
| | €000 | €000 | €000 |
| ADMINISTRATION | | | |
| A.1. SALARIES, WAGES AND ALLOWANCES | 6,094 | 5,462 | |
| A.2. TRAVEL AND SUBSISTENCE | 101 | 46 | (5) |
| A.3. INCIDENTAL EXPENSES | 231 | 401 | — |
| A.4. POSTAL AND TELECOMMUNICATIONS SERVICES | 64 | 76 | (106) |
| A.5. APPARATUS AND CHEMICAL EQUIPMENT | 2,146 | 2,287 | 1 |
| A.6. OFFICE PREMISES EXPENSES | 1,954 | 1,950 | — |
| A.7. CONSULTANCY SERVICES | 48 | 29 | — |
| | 10,638 | 10,251 | (110) |
| Deduct: | | | |
| A.8. APPROPRIATIONS-IN-AID | 150 | 525 | 153 |
| | 10,488 | 9,726 | (263) |
| Net Total | 10,488 | 9,726 | (263) |

Surplus to be surrendered

€761,694

The Statement of Accounting Policies and Principles and Notes 1 to 13 form part of this Account.

NOTES

1 OPERATING COST STATEMENT FOR 2008

| | €000 | €000 | €000 |
|--------------------------------------|-------|-------|---------------|
| Net Outturn | | | 9,726 |
| Changes in Capital Assets | | | |
| Purchases Cash | (713) | | |
| Depreciation | 1,292 | | |
| Gain on Disposals | (7) | 572 | |
| | | | |
| Changes in Net Current Assets | | | |
| Decrease in Closing Accruals | | (303) | |
| Increase in Stock | | (30) | 239 |
| | | | |
| Direct Expenditure | | | 9,965 |
| Expenditure Borne Elsewhere | | | |
| Net Allied Services Expenditure | | 632 | |
| Notional Rents | | 2,274 | 2,906 |
| | | | |
| Operating Cost | | | <u>12,871</u> |

2 STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2008

| | €000 | €000 | €000 |
|---|------|------------|--------------|
| Capital Assets (Note 3) | | | 2,078 |
| Current Assets | | | |
| Stocks (Note 11) | | 240 | |
| Prepayments | | 163 | |
| Accrued Income | | 153 | |
| Other Debit Balances: | | | |
| Travel Imprests | — | | |
| Prepaid Expenses | 18 | 18 | |
| Net Liability to the Exchequer (Note 4) | | 11 | |
| | | | |
| PMG Balance and Cash | 87 | | |
| Orders Outstanding | — | 87 | |
| | | | |
| Total Current Assets | | <u>672</u> | |
| Less Current Liabilities | | | |
| Accrued Expenses | | 53 | |
| Other Credit Balances: | | | |
| Due to the State (Note 12) | 87 | | |
| Payroll Deductions | 8 | | |
| Miscellaneous | 21 | 116 | |
| | | | |
| Total Current Liabilities | | <u>169</u> | |
| | | | |
| Net Current Assets | | | <u>503</u> |
| | | | |
| Net Assets | | | <u>2,581</u> |

3 STATEMENT OF CAPITAL ASSETS AS AT 31 DECEMBER 2008

| | Office Equipment €000 | Furniture & Fittings €000 | Motor Vehicles €000 | Totals €000 |
|---|-----------------------------|---------------------------------|---------------------------|---------------------|
| Cost or Valuation at 1 January 2008 | 9,353 | 364 | 32 | 9,749 |
| Additions | 694 | 3 | 16 | 713 |
| Disposals | (94) | | (29) | (123) |
| Gross Assets at 31 December 2008 | <u>9,953</u> | <u>367</u> | <u>19</u> | <u>10,339</u> |
| Accumulated Depreciation: | | | | |
| Opening Balance at 1 January 2008 | 6,956 | 101 | 32 | 7,089 |
| Depreciation for the year | 1,252 | 37 | 3 | 1,292 |
| Depreciation on Disposals | (91) | | (29) | (120) |
| Cumulative Depreciation at 31 December 2008 | <u>8,117</u> | <u>138</u> | <u>6</u> | <u>8,261</u> |
| Net Assets at 31 December 2008 | <u><u>1,836</u></u> | <u><u>229</u></u> | <u><u>13</u></u> | <u><u>2,078</u></u> |

Note: Opening balances have been adjusted to reflect audit checks carried out during the year

4 NET LIABILITY TO THE EXCHEQUER**Reconciliation of Surplus to be Surrendered at year end to Debtor and Creditor Balances held at 31 December**

| | €000 | €000 |
|--------------------------------|-------------|--------------------|
| Surplus to be surrendered | | 762 |
| Exchequer Grant Undrawn | | <u>(773)</u> |
| Net Liability to the Exchequer | | <u><u>(11)</u></u> |
| Represented by: | | |
| Debtors | | |
| Net PMG position and cash | 87 | |
| Debit Balances: Suspense | <u>18</u> | 105 |
| Creditors | | |
| Due to the State (Note 12) | (87) | |
| Credit Balances: Suspense | <u>(29)</u> | (116) |
| | | <u><u>(11)</u></u> |

5 EXPLANATION OF THE CAUSES OF VARIATION BETWEEN OUTTURN AND ESTIMATE PROVISION

| Sub-head | Less/ (More) than provided €000 | Explanation |
|----------|------------------------------------|--|
| A.1. | 632 | The saving arose as a result of delays in organising a competition with a consequent delay in filling vacancies. |
| A.2. | 55 | Expenditure relates primarily to travel costs associated with attendance at analytical committees or attendance as expert witness at court on behalf of the State. It is not possible to accurately estimate this expenditure as some of the travel depends on the frequency and timing of meetings which is outside the control of the Laboratory. |
| A.3. | (170) | The excess was due to payments associated with the settlement of a claim for compensation and in addition legal fees relating to a separate case. |
| A.4. | (12) | Phone maintenance contract included in this subhead in 2008 was included in Subhead A.5. in 2007. |
| A.5. | (141) | Higher than anticipated expenditure on essential equipment to maximise efficiencies and improve the security of the IT System: i) replacement of servers due to be retired ii) an automated oil extraction system to reduce time taken to analyse samples thereby maximising efficiencies iii) a FT Near Infra Red Analyser to enable work which was outsourced to be done in-house thereby reducing long-term costs. |
| A.7. | 19 | A reduction in expenditure in line with Government policy and less than anticipated use of consultancy services. |

6 APPROPRIATIONS-IN-AID

| | Estimated € | Realised € |
|--|----------------|---------------|
| Receipts for various analyses, examinations, tests, etc. | 150,000 | 524,935 |

Explanation of Variation

Higher than anticipated work was carried out on behalf of the Local Authorities under the Coroner's Act.

7 COMMITMENTS

Orders to the value of €67,486 which were placed during 2008, were not delivered until 2009.

8 MATURED LIABILITIES

There were no undischarged matured liabilities at 31 December 2008.

9 DETAILS OF EXTRA REMUNERATION

| | Amount Paid | Number of recipients | Recipients of €10,000 or more | Max. individual payment of €10,000 or more |
|--------------------------------------|---------------|----------------------|-------------------------------|--|
| | € | | | € |
| Higher, special or additional duties | 64,940 | 25 | 2 | 18,592 |
| Overtime and extra attendance | 14,887 | 9 | — | — |
| Total extra remuneration | <u>79,827</u> | | | |

10 MISCELLANEOUS ITEMS

Awards totalling €5,250 were paid in 2008 for 7 staff members under the scheme for recognition of exceptional performance.

11 STOCKS

| | |
|---------------------------------------|-------------|
| Stocks at 31 December 2008 comprised: | €000 |
| Chemicals and Laboratory Consumables | 210 |
| Stationery and IT Consumables | 30 |
| | <u>240</u> |

12 DUE TO THE STATE

| | |
|---|-------------|
| The amount due to the State at 31 December 2008 consisted of: | €000 |
| Income Tax | — |
| Pay Related Social Insurance | — |
| Pension Contributions | — |
| Other - Withholding Tax due | (32) |
| VAT on intra-EU Acquisitions | (55) |
| | <u>(87)</u> |

13 ENHANCING INTERNAL CONTROLS

A statement on Internal Financial Control in the standard format for the year ended 31 December 2008 has been submitted with this account to the Comptroller and Auditor General. The following actions have been taken, or are planned, to enhance the system of internal controls.

Staff Training

The Performance Management and Development System (PMDS) continues to be utilised to ensure that staff training needs in the area of financial management and accounting are fully met.

Risk Management, Financial Procedures and Inventory

The State Laboratory has developed a risk management strategy and major risks have been identified and are subject to ongoing review. Reporting and mitigation procedures have been put in place.

Financial procedures are in place to strengthen financial controls and ensure that all transactions are carried out in accordance with best practice.

The Laboratory has a system of inventory cycle counting to ensure the accuracy of its stock records. Access to critical inventory items is subject to rigorous control procedures.

Information Technology

The State Laboratory maintains its Information Technology systems fully up-to-date and the infrastructure is managed and secured to current best practice. Critical elements are regular backups, firewall; virus and related protection and restricted access.

Administrative and Financial Controls

The effectiveness of the systems of internal controls are subject to constant review and a programme of rolling internal audits based on the Laboratory's risk register and agreed with its audit committee, are carried out.

DERMOT HAYES
Accounting Officer
STATE LABORATORY
30 March 2009

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of the Vote for the State Laboratory for 2008 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the State Laboratory. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2008.

A handwritten signature in black ink, appearing to read 'John Buckley', with a long horizontal stroke extending to the right.

JOHN BUCKLEY
Comptroller and Auditor General
22 May 2009