



Appropriation Account 2014

Vote 1

President's Establishment

Introduction

As Accounting Officer for Vote 1, I am required each year to prepare the appropriation account for the Vote, and to submit the account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2014 for the salaries and expenses of the Office of the Secretary General to the President, for certain other expenses of the President's Establishment and for certain grants.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2014, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €85,637 is liable for surrender to the Exchequer.

The Statement of Accounting Policies and Principles and notes 1 to 5 form part of the account.

Statement of Accounting Policies and Principles

The standard accounting policies and principles for the production of appropriation accounts have been applied in the preparation of the account.

Statement on Internal Financial Control

The President's Establishment relies upon the Department of Finance for the provision of a payment function and accounting service.

Responsibility for system of internal financial control

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Office of the President's Establishment.

This responsibility is exercised in the context of the resources available to me and my other obligations as Secretary General of the Department of the Taoiseach. Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

I have fulfilled my responsibilities in relation to the requirements of the Service Management Agreement between this Office and the National Shared Service Office for the provision of Payroll Services.

I rely on a letter of assurance from the Accounting Officer of the Vote for Shared Services that the appropriate controls are exercised in the provision of shared services to this Office.

Financial control environment

I confirm that a control environment containing the following elements is in place

- financial responsibilities have been assigned at management level with corresponding accountability
- reporting arrangements have been established at all levels where responsibility for financial management has been assigned
- formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action
- an Audit Committee to advise me in discharging my responsibilities for the internal financial control system in the President's Establishment has been established.

Administrative controls and management reporting

I confirm that a framework of administrative procedures and regular management reporting is in place including segregation of duties and a system of delegation and accountability and, in particular, that

- there is an appropriate budgeting system with an annual budget which is kept under review by senior management
- there are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts
- a risk management system operates within the Office
- there are systems aimed at ensuring the security of the ICT systems
- there are appropriate capital investment control guidelines and formal project management disciplines
- the Office ensures that there is an appropriate focus on good practice in purchasing and that procedures are in place to ensure compliance with all relevant guidelines. The Office complied with the guidelines.

Internal Audit and Audit Committee

The Office relies on the internal audit function provided by the Department of the Taoiseach which has appropriately trained personnel and operates under a written charter which I have approved. Its work is informed by analysis of the financial risks to which the Office is exposed and aims to cover the key controls on a rolling basis over a reasonable period. The internal audit function and its programme of work are subject to periodic review by me and the Audit Committee which operates under the auspices of the Department of the Taoiseach. Given the scale and nature of the Office's operations and the assessment of risks, no internal audit work was undertaken in 2014. This will be reviewed in 2015. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

Martin Fraser
Accounting Officer

27 March 2015

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 1 President's Establishment

I have audited the appropriation account for Vote 1 President's Establishment for the year ended 31 December 2014 under Section 3 of the Comptroller and Auditor General (Amendment) Act 1993. The account has been prepared in the form prescribed by the Minister for Public Expenditure and Reform, and in accordance with standard accounting policies and principles for appropriation accounts.

Responsibility of the Accounting Officer

In accordance with Section 22 of the Exchequer and Audit Departments Act 1866, the Accounting Officer is required to prepare the appropriation account. By law, the account must be submitted to me by 31 March following the end of the year of account.

The Accounting Officer is also responsible for the safeguarding of public funds and property under his control, for the efficiency and economy of administration by his Office and for the regularity and propriety of all transactions in the appropriation account.

Responsibility of the Comptroller and Auditor General

I am required under Section 3 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the appropriation accounts of all Votes and to perform such tests as I consider appropriate for the purpose of the audit.

Upon completion of the audit of an appropriation account, I am obliged to provide a certificate stating whether, in my opinion, the account properly presents the receipts and expenditure related to the Vote. I am also required to refer to any material case in which

- a department or office has failed to apply expenditure recorded in the account for the purposes for which the appropriations made by the Oireachtas were intended, or
- transactions recorded in the account do not conform with the authority under which they purport to have been carried out.

Under Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993, I am required to prepare each year, a report on any matters that arise from the audits of the appropriation accounts or examinations of accounting controls.

Scope of audit

An audit includes examination, on a test basis, of evidence relevant to the amounts and regularity of financial transactions included in the account and an assessment of whether the accounting provisions of the Department of Public Expenditure and Reform's *Public Financial Procedures* have been complied with.

The audit involves obtaining sufficient evidence to give reasonable assurance that the appropriation account is free from material misstatement, whether caused by fraud or other irregularity or error. I also seek to obtain evidence about the regularity of financial transactions in the course of the audit. In forming the audit opinion, the overall adequacy of the presentation of the information in the appropriation account is evaluated.

Opinion on the appropriation account

In my opinion, the appropriation account properly presents the receipts and expenditure of Vote 1 President's Establishment for the year ended 31 December 2014.

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 President's Establishment. The appropriation account is in agreement with the books of account.

Seamus McCarthy
Comptroller and Auditor General

29 July 2015

Vote 1 President's Establishment

Appropriation Account 2014

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Programme expenditure				
A	President's Establishment	2,187	2,144	1,987
B	Centenarians' bounty	1,200	1,131	1,118
Gross expenditure		3,387	3,275	3,105
<i>Deduct</i>				
C	Appropriations-in-aid	120	94	123
Net expenditure		3,267	3,181	2,982

Surplus for surrender

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer.

	2014	2013
	€	€
Surplus to be surrendered	85,637	79,999

Analysis of administration expenditure

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances	1,751	1,644	1,626
ii	Travel and subsistence	140	198	102
iii	Training and development and incidental expenses	140	135	136
iv	Postal and telecommunications services	90	78	83
v	Office machinery and other supplies and related services	121	147	94
		2,242	2,202	2,041

Notes to the Appropriation Account

1 Operating Cost Statement 2014

	2014	2013
	€000	€000
Programme cost	1,073	1,065
Pay	1,644	1,626
Non pay	558	414
Gross expenditure	3,275	3,105
<i>Deduct</i>		
Appropriations-in-aid	(94)	(123)
Net expenditure	3,181	2,982
Changes in capital assets		
Purchases cash	(29)	
Depreciation	18	
	(11)	(13)
Changes in net current assets		
Decrease in closing accruals	(26)	
Decrease in stock	4	
	(22)	76
Direct expenditure	3,148	3,045
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	4,546	4,604
Net programme cost	7,694	7,649

1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 1 borne elsewhere.

	2014	2013
	€000	€000
Vote 7 Office of the Minister for Finance	28	69
Vote 12 Superannuation and Retired Allowances	457	497
Vote 13 Office of Public Works	2,112	2,182
Vote 18 Shared Services	1	—
Vote 20 Garda Síochána	198	193
Vote 28 Foreign Affairs and Trade	362	277
Vote 36 Defence	409	389
Central Fund (Emoluments and allowances of President; and pensions of former Presidents and of widows of former Presidents).	979	997
	4,546	4,604

2 Balance Sheet as at 31 December 2014

	Note	2014 €000	2013 €000
Capital assets	2.2	49	38
Current assets			
Bank and cash	2.3	26	42
Stocks	2.4	55	59
Prepayments		16	10
Accrued income		—	2
Other debit balances	2.6	26	—
Total current assets		123	113
Less current liabilities			
Net liability to the Exchequer	2.6	4	(5)
Accrued expenses		50	72
Other credit balances	2.5	48	47
Total current liabilities		102	114
Net current assets		21	(1)
Net assets		70	37
Represented by:			
State funding account	2.1	70	37

2.1 State Funding Account	Note	2014 €000	2013 €000
Balance at 1 January		37	100
Disbursements from the Vote			
Estimate provision	Account	3,267	
Surplus to be surrendered	Account	(86)	
Net vote		3,181	2,982
Expenditure (cash) borne elsewhere	1.1	4,546	4,604
Net programme cost	1	(7,694)	(7,649)
Balance at 31 December		70	37

2.2 Capital Assets

	IT equipment €000	Office equipment €000	Total €000
Gross assets			
Cost or valuation at 1 January 2014	276	93	369
Additions	29	—	29
Disposals	—	—	—
Cost or valuation at 31 December 2014	305	93	398
Accumulated depreciation			
Opening balance at 1 January 2014	244	87	331
Depreciation for the year	17	1	18
Depreciation on disposals	—	—	—
Cumulative depreciation at 31 December 2014	261	88	349
Net assets at 31 December 2014	44	5	49
Net assets at 31 December 2013	32	6	38

Heritage assets of the President's Establishment are not valued as assets in these financial statements. The President's heritage assets have the unique characteristics of being inalienable, irreplaceable, and fragile. Therefore the President's Establishment has decided that there is no useful purpose in capitalising its heritage assets in these statements.

2.3 Bank and Cash

	2014 €000	2013 €000
at 31 December		
PMG balances and cash	26	42
	26	42

2.4 Stocks

	2014 €000	2013 €000
at 31 December		
Centenarian medals	24	23
IT consumables and stationery	31	36
	55	59

2.5 Other Credit Balances	2014	2013
at 31 December	€000	€000

Amounts due to the State

Income Tax	20	21
Pay Related Social Insurance	8	8
Pension Levy	6	—
Universal Social Charge	6	6
Income Levy	—	—
Pension contributions	2	2
	<hr/> 42	<hr/> 37
Payroll deductions held in suspense	6	10
	<hr/> 48	<hr/> 47

2.6 Net liability to the Exchequer	2014	2013
at 31 December	€000	€000

Surplus to be surrendered	86	80
Exchequer grant undrawn	(82)	(85)
Net liability to the Exchequer	<hr/> 4	<hr/> (5)

Represented by:

Debtors

PMG and cash	26	42
Debit balances: suspense	26	—
	<hr/> 52	<hr/> 42

Creditors

Due to State	(42)	(37)
Credit balances: suspense	(6)	(10)
	<hr/> (48)	<hr/> (47)
	<hr/> 4	<hr/> (5)

2.7 Commitments	2014	2013
at 31 December	€000	€000

Total of legally enforceable commitments	—	48
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3 Programme Expenditure by Subhead

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A	President's Establishment			
A.1	Administration – pay	1,711	1,601	1,588
A.2	Administration - non pay	476	543	399
		<u>2,187</u>	<u>2,144</u>	<u>1,987</u>
B	Centenarians' bounty			
B.1	Administration – pay	40	43	38
B.2	Administration - non pay	15	15	15
B.3	Centenarians' bounty	1,145	1,073	1,065
		<u>1,200</u>	<u>1,131</u>	<u>1,118</u>

4 Receipts

4.1 Appropriations-in-aid		2014		2013
		Estimated	Realised	Realised
		€000	€000	€000
1.	Receipts from pension-related deductions on public service remuneration	90	83	88
2.	Miscellaneous	30	11	35
		<u>120</u>	<u>94</u>	<u>123</u>

5 Employee Numbers and Pay

	2014	2013
Number of staff at year end (full time equivalents)	26	25
	2014	2013
	€000	€000
Pay	1,496	1,492
Higher, special or additional duties allowance	54	59
Overtime	21	17
Employer's PRSI	73	59
Total Pay	1,644	1,627

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2014 €	Maximum individual payment 2013 €
Higher, special or additional duties	11	3	19,108	19,108
Overtime	16	—	6,426	3,902

Certain individuals received extra remuneration in more than one category.