



Appropriation Account 2014

Vote 10

Office of the Appeal Commissioners

Introduction

As Accounting Officer for Vote 10, 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 Appeal Commissioners.

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 €61,972 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

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.

This responsibility is exercised in the context of the resources available to me and my other obligations as Head of Office. 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.

Financial control environment

The Office of the Appeal Commissioners depends to a significant degree on the controls operated by the Revenue Commissioners which provides a payment function and an accounting service to this Office.

I confirm that a signed service level agreement is in place between this Office and the Office of the Revenue Commissioners which sets out both parties' responsibilities for all administrative and accounting procedures.

The Office of the Appeal Commissioners does not have an Audit Committee and the agreement between the Office and the Revenue Commissioners does not provide for access to the Revenue Commissioners' Audit Committee by the Office. However, if I required access, I understand I would be facilitated.

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
- there are systems aimed at ensuring the security of the ICT systems
- 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 risk management system in the Revenue Commissioners does not extend to the Office of the Appeal Commissioners and the Office does not have a separate risk management system or maintain a risk register.

Internal Audit

I confirm that the Office of the Appeal Commissioners has an agreement in place with the Revenue Commissioners which provides this Office with access to Revenue's internal audit function which will, on request, advise this Office on departmental standards of internal audit, practices and procedures in auditing generally, and ongoing developments.

In 2014, this Office did not consult with or seek the advice of Revenue's internal audit function.

John O'Callaghan

Accounting Officer

Office of the Appeal Commissioners

30 March 2015

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 10 Office of the Appeal Commissioners

I have audited the appropriation account for Vote 10 Office of the Appeal Commissioners 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 10 Office of the Appeal Commissioners 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 Office of the Appeal Commissioners. The appropriation account is in agreement with the books of account.

Seamus McCarthy
Comptroller and Auditor General

5 August 2015

Vote 10 Office of the Appeal Commissioners

Appropriation Account 2014

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Programme expenditure				
A	Facilitation of hearing tax appeals	509	445	443
	Gross expenditure	509	445	443
<i>Deduct</i>				
B	Appropriations-in-aid	32	30	32
	Net expenditure	477	415	411

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	61,972	30,510

Analysis of administration expenditure

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances	440	378	390
ii	Travel and subsistence	19	19	30
iii	Training and development and incidental expenses	28	25	14
iv	Postal and telecommunications services	10	5	6
v	Office equipment and external IT services	10	17	2
vi	Office premises expenses	2	1	1
		509	445	443

Notes to the Appropriation Account

1 Operating Cost Statement 2014

	2014	2013
	€000	€000
Pay	378	390
Non pay	67	53
Gross expenditure	445	443
<i>Deduct</i>		
Appropriations-in-aid	30	32
Net expenditure	415	411
Changes in capital assets		
Purchases cash	(4)	
Depreciation	7	
	3	6
Changes in net current assets		
Decrease in closing accruals	(3)	
	(3)	(9)
Direct expenditure	415	408
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	249	248
Net programme cost	664	656

1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following actual amounts in relation to Vote 10 borne elsewhere.

	2014	2013
	€000	€000
Vote 13 Office of Public Works	249	248
	249	248

2 Balance Sheet as at 31 December 2014

	Note	2014 €000	2013 €000
Capital assets	2.2	16	19
Current Assets			
Paymaster General account balance		104	102
Prepayments		8	4
Payroll suspense		6	—
Net Exchequer funding due	2.3	4	(2)
Total current assets		122	104
Less current liabilities			
Accrued expenses		2	1
Vote 9 Office of the Revenue Commissioners		114	100
Total current liabilities		116	101
Net current assets/(liabilities)		6	3
Net assets		22	22
Represented by:			
State funding account	2.1	22	22

2.1 State Funding Account	Note	2014 €000	2013 €000
Balance at 1 January		22	19
Disbursements from the Vote			
Estimate provision	Account	477	
Surplus to be surrendered	Account	(62)	
Net vote		415	411
Expenditure (cash) borne elsewhere	1	249	248
Net programme cost	1	(664)	(656)
Balance at 31 December		22	22

2.2 Capital Assets

	Furniture and fittings	Office equipment	Total
	€000	€000	€000
Gross assets			
Cost or valuation at 1 January 2014	63	26	89
Additions	—	4	4
Cost or valuation at 31 December 2014	63	30	93
Accumulated depreciation			
Opening balance at 1 January 2014	47	23	70
Depreciation for the year	5	2	7
Cumulative depreciation at 31 December 2014	52	25	77
Net assets at 31 December 2014	11	5	16
Net assets at 31 December 2013	16	3	19

**2.3 Net Exchequer Funding Due
at 31 December**

	2014	2013
	€000	€000
Surplus to be surrendered	62	31
Exchequer grant undrawn	(66)	(29)
Net Exchequer funding due	(4)	2

Represented by:**Debtors**

Paymaster General account balance	104	102
Payroll suspense	6	—
	110	102

Creditors

Vote 9 Revenue Commissioners	(114)	(100)
	(4)	2

3 Programme Expenditure by Subhead

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A	Facilitation of hearing of tax appeals			
A.1	Administration - pay	440	378	390
A.2	Administration - non pay	69	67	53
		509	445	443

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	32	30	32
		32	30	32

5 Employee Numbers and Pay

	2014	2013
Number of staff at year end (full time equivalents)	4	4
	2014	2013
	€000	€000
Pay	365	377
Allowances and overtime	—	—
Employer's PRSI	13	13
Total Pay	378	390