



Appropriation Account 2014

Vote 3

Office of the Attorney General

Introduction

As Accounting Officer for Vote 3, 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 Attorney General including a grant-in-aid.

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 €1,314,644 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 obligations as Director General/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. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

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
- there is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system.

Shared Services

I have fulfilled my responsibilities in relation to the requirements of the service management agreements between this Office and the National Shared Service Office for the provision of human resources and payroll shared 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.

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 monthly 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 Information and Communications Technology systems.
- There are appropriate capital investment control guidelines and formal project management disciplines are adhered to.
- 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 with the exception of ten contracts to the value of €441,091 and one contract to the value of Stg £19,703 which were listed in my annual return in respect of Circular 40/2002. The reasons for not having a competitive process, as detailed in my return for 2014 under Circular 40/2002 included the specialised nature of the service provided, a sole supplier of the service, the service can only be purchased directly from the publisher and not through an intermediary. I can confirm that for all procurements, appropriate national and EU procedures were followed, the contract prices were fair and reasonable and represented best value for money.

Significant financial risks

As outlined above maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

Internal Audit and Audit Committee

I confirm that the Office has an internal audit function with appropriately trained personnel, which operates in accordance with a written charter which I have approved. Its work is informed by analysis of the financial risks to which the Office is exposed and its annual internal audit plans, approved by me, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. The internal audit function is reviewed periodically by me and the Audit Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

Liam O'Daly
Accounting Officer
Office of the Attorney General

27 March 2015

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 3 Office of the Attorney General

I have audited the appropriation account for Vote 3 Office of the Attorney General 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 3 Office of the Attorney General 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 Attorney General. The appropriation account is in agreement with the books of account.

Seamus McCarthy
Comptroller and Auditor General

29 July 2015

Vote 3 Office of the Attorney General

Appropriation Account 2014

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Programme expenditure				
A	Delivery of professional legal services to Government, departments and offices	15,089	13,820	14,094
	Gross expenditure	15,089	13,820	14,094
<i>Deduct</i>				
B	Appropriations-in-aid	788	834	768
	Net expenditure	14,301	12,986	13,326

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	1,314,644	991,287

Analysis of administration expenditure

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances	10,834	10,001	9,960
ii	Travel and subsistence	225	93	199
iii	Training and development and incidental expenses	600	628	552
iv	Postal and telecommunications services	70	64	60
v	Office equipment and external IT services	499	513	553
vi	Office premises expenses	156	120	136
vii	Consultancy services and value for money and policy reviews	20	67	20
viii	Contract legal expertise	481	202	227
ix	<i>EU Presidency</i>	—	—	328
		12,885	11,688	12,035

Notes to the Appropriation Account

1 Operating Cost Statement 2014

	2014	2013
	€000	€000
Programme cost	2,132	2,059
Pay	10,001	10,264
Non pay	1,687	1,771
Gross expenditure	13,820	14,094
<i>Deduct</i>		
Appropriations-in-aid	834	768
Net expenditure	12,986	13,326
Changes in capital assets		
Purchases cash	(105)	
Depreciation	189	
	84	21
Changes in assets under development		
Cash payments	(21)	(7)
Changes in net current assets		
Increase in closing accruals	(12)	
Increase in stock	(1)	
	(13)	48
Direct expenditure	13,036	13,388
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	1,305	1,195
Notional rents	727	559
Net programme cost	15,068	15,142

1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 3 borne elsewhere.

	2014	2013
	€000	€000
Vote 7 Office of the Minister of Finance	31	38
Vote 12 Superannuation and Retired Allowances	727	520
Vote 13 Office of Public Works	204	242
Vote 18 Shared Services	7	—
Central Fund - Pensions in respect of former Attorneys General and widow of former Attorney General	336	395
	1,305	1,195

2 Balance Sheet as at 31 December 2014

	Note	2014 €000	2013 €000
Capital assets	2.2	450	534
Capital assets under development	2.3	21	—
		471	534
Current assets			
Bank and cash	2.4	257	119
Stocks	2.5	36	35
Prepayments		213	202
Accrued income		4	9
Other debit balances	2.6	249	218
Total current assets		759	583
Less current liabilities			
Accrued expenses		64	70
Other credit balances	2.7	13	122
Net liability to the Exchequer	2.8	493	215
Total current liabilities		570	407
Net current assets		189	176
Net assets		660	710
Represented by:			
State funding account	2.1	660	710

2.1 State Funding Account	Note	2014 €000	2013 €000
Balance at 1 January		710	772
Disbursements from the Vote			
Estimate provision	Account	14,301	
Surplus to be surrendered	Account	(1,315)	
Net vote		12,986	13,326
Expenditure (cash) borne elsewhere	1	1,305	1,195
Non cash expenditure – notional rent	1	727	559
Net programme cost	1	(15,068)	(15,142)
Balance at 31 December		660	710

2.2 Capital Assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2014	4,510	1,691	6,201
Additions	100	5	105
Disposals	(145)	(3)	(148)
Cost or valuation at 31 December 2014	4,465	1,693	6,158
Accumulated depreciation			
Opening balance at 1 January 2014	4,210	1,457	5,667
Depreciation for the year	132	57	189
Depreciation on disposals	(145)	(3)	(148)
Cumulative depreciation at 31 December 2014	4,197	1,511	5,708
Net assets at 31 December 2014	268	182	450
Net assets at 31 December 2013	300	234	534

2.3 Capital Assets under Development

	In-house computer applications 2014 €000
at 31 December	
Opening balance at 1 January	—
Cash payments for the year	21
Balance at 31 December	21

2.4 Bank and Cash^a

	2014 €000	2013 €000
at 31 December		
PMG balance	247	25
Commercial bank account balance	10	94
PMG Balances and cash	257	119

^a Commercial bank account balance is presented separately and the comparative has been reclassified.

2.5 Stocks

	2014 €000	2013 €000
at 31 December		
Stationery	22	25
IT consumables	14	10
	36	35

2.6 Other Debit Balances	2014	2013
at 31 December	€000	€000
Pay related social insurance	1	—
Office of Public Works	38	—
Recoupable shared costs	7	—
Salaries control account	173	178
Travel pass scheme	26	32
Miscellaneous	4	8
	<u>249</u>	<u>218</u>

2.7 Other Credit Balances	2014	2013
at 31 December	€000	€000
Amounts due to the State		
Professional Services Withholding Tax	2	15
Value Added Tax	11	45
	<u>13</u>	<u>60</u>
Other	—	62
	<u>13</u>	<u>122</u>

2.8 Net Liability to the Exchequer	2014	2013
at 31 December	€000	€000
Surplus to be surrendered	1,315	991
Exchequer grant undrawn	(822)	(776)
Net liability to the Exchequer	<u>493</u>	<u>215</u>

Represented by:**Debtors**

Bank and cash	257	119
Pay Related Social Insurance	1	—
Debit balances: suspense	248	218
	<u>506</u>	<u>337</u>

Creditors

Due to State	(13)	(60)
Credit balances: suspense	—	(62)
	<u>(13)</u>	<u>(122)</u>
	<u>493</u>	<u>215</u>

2.9 Commitments	2014	2013
at 31 December	€000	€000
Total of legally enforceable commitments	171	102

3 Programme Expenditure by Subhead

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A	Delivery of professional legal services to Government, Departments and Offices			
A.1	Administration – pay	10,834	10,001	10,264
A.2	Administration – non pay	2,051	1,687	1,771
A.3	Contributions to international organisations	38	35	38
A.4	Law Reform Commission (grant-in-aid)	2,091	1,952	1,896
A.5	General law expenses	75	145	125
		<u>15,089</u>	<u>13,820</u>	<u>14,094</u>

Significant variations

Overall, the expenditure in relation to the Programme was €1.27 million lower than provided. This was mainly due to the following:

Description	Less/ (more) than provided €000	Explanation
Administration – pay	833	Savings were achieved because it took longer than anticipated to complete recruitment procedures through the Public Appointments Service for new legal posts.
Administration – non pay (ii)	132	Savings arose due to a less than anticipated level of official travel undertaken by the Attorney General and staff.
Administration – non pay (viii)	279	Savings were achieved because the Office engaged contract Parliamentary Counsel to a lesser extent than projected in 2014.
Law Reform Commission (grant-in-aid)	139	Savings were achieved due to the fact that expenditure in non-pay areas was less than anticipated during the year. In relation to pay expenditure, less cost was incurred because the Code of Practice for the Governance of State Bodies was implemented and savings with an administration staff on paternal leave.

4 Receipts

4.1 Appropriations-in-aid	2014		2013
	Estimated	Realised	Realised
	€000	€000	€000
1. Miscellaneous	8	99	2
2. Receipts from pension-related deductions on public service remuneration	780	735	766
Total	788	834	768

5 Employee Numbers and Pay

	2014	2013
Number of staff at year end (full time equivalents)	149	151
	2014	2013
	€000	€000
Pay	9,235	9,472
Higher, special or additional duties allowance	73	92
Overtime	2	1
Employer's PRSI	691	699
Total Pay	10,001	10,264

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	16	1	14,497	19,585
Overtime and extra attendance	4	—	784	622