



## **Appropriation Account 2014**

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### **Vote 32**

### **Jobs, Enterprise and Innovation**

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## Introduction

As Accounting Officer for Vote 32, 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 Minister for Jobs, Enterprise and Innovation, including certain services administered by that Office, for payment of certain subsidies, grants and a grant-in-aid, and for the payment of certain grants under cash-limited schemes.

The expenditure outturn is compared with the sums

- (a) 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, and
- (b) provided for capital supply services in 2014 out of unspent 2013 appropriations, under the deferred arrangements established by Section 91 of the Finance Act 2004.

A surplus of €38.76 million is liable for surrender to the Exchequer. Under Section 91 of the Finance Act 2004, €20 million will be carried over for spending in 2015 and €18.76 million will be surrendered to the Exchequer.

The Statement of Accounting Policies and Principles and notes 1 to 6 form part of the account.

### ***Transfer of functions***

Under the Industrial Development (Forfás Dissolution) Act 2014, Forfás was dissolved on 1 August 2014. Under the provisions of the Act, all of the functions, operations, assets and liabilities of Forfás transferred to the Minister for Jobs, Enterprise and Innovation or to various other State bodies.

In October 2014, the Government approved the transfer of responsibility for implementation of the Construction Contracts Act 2013 from the Minister for Public Expenditure and Reform to the Minister for Jobs, Enterprise and Innovation.

## 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 Department.

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

***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 Department.
- 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 Department 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 Department is compliant with the exception of five contracts to a total value of €174,795 which were awarded without a competitive tender, details were provided to the Comptroller and Auditor General in the Circular 40/2002 return. The Department has put in place or is in the process of putting in place contracts where applicable for these services into the future.

***Significant financial risks***

I can confirm that I have reviewed the high level risk register of the Department and the corresponding controls in place to mitigate the risks identified.

***Internal Audit and Audit Committee***

I confirm that the Department 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 Department 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.

**John Murphy**

Accounting Officer

Department of Jobs, Enterprise and Innovation

27 March 2015

## **Comptroller and Auditor General**

### **Report for presentation to the Houses of the Oireachtas**

#### **Vote 32 Jobs, Enterprise and Innovation**

I have audited the appropriation account for Vote 32 Jobs, Enterprise and Innovation 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 Department 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 32 Jobs, Enterprise and Innovation 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 Department of Jobs, Enterprise and Innovation. The appropriation account is in agreement with the books of account.

**Seamus McCarthy**  
Comptroller and Auditor General

15 September 2015

## Vote 32 Jobs, Enterprise and Innovation

### Appropriation Account 2014

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
<b>Programme expenditure</b>				
A	Jobs and Enterprise Development			
	<i>Original</i>	360,555		
	<i>Deferred surrender</i>	6,000		
	<i>Supplementary</i>	(1,019)	337,824	359,143
B	Innovation			
	<i>Original</i>	340,367		
	<i>Deferred surrender</i>	17,000		
	<i>Supplementary</i>	1,338	357,370	359,714
C	Regulation			
	<i>Original</i>	80,100		
	<i>Supplementary</i>	(318)	70,366	73,092
<b>Gross expenditure</b>				
	<i>Original</i>	781,022		
	<i>Deferred surrender</i>	23,000		
	<i>Supplementary</i>	1		
			<b>804,023</b>	<b>791,949</b>
	<i>Deduct</i>			
D	<b>Appropriations-in-aid</b>		<b>49,248</b>	<b>51,295</b>
<b>Net expenditure</b>				
	<i>Original</i>	732,074		
	<i>Deferred surrender</i>	23,000		
	<i>Supplementary</i>	1		
			<b>716,312</b>	<b>740,654</b>
		<b>755,075</b>		

#### Surplus for surrender

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer. Unspent appropriations for capital supply services may be carried over for spending in the following year under Section 91 of the Finance Act 2004.

	2014	2013
	€	€
Surplus	38,763,031	44,935,290
Deferred surrender	(20,000,000)	(23,000,000)
Surplus to be surrendered	<u>18,763,031</u>	<u>21,935,290</u>

## Analysis of administration expenditure

		2014		2013
		Estimate provision		Outturn
		€000	€000	€000
i	Salaries, wages and allowances			
	<i>Original</i>	19,901		
	<i>Supplementary</i>	2,058	21,959	21,145
ii	Travel and subsistence		632	551
iii	Training and development and incidental expenses		855	475
iv	Postal and telecommunications services		587	458
v	Office equipment and external IT services		3,763	3,035
vi	Office premises expenses			
	<i>Original</i>	2,033		
	<i>Supplementary</i>	648	2,681	629
vii	Consultancy services and value for money and policy reviews		1,210	29
viii	Advertising and information resources		211	84
	<i>EU Presidency</i>		—	1,338
		31,898	30,682	27,744

## Notes to the Appropriation Account

### 1 Operating Cost Statement 2014

	2014	2013
	€000	€000
Programme cost	734,878	764,206
Pay	22,032	21,693
Non pay	8,650	6,050
<b>Gross expenditure</b>	<b>765,560</b>	<b>791,949</b>
<i>Deduct</i>		
<b>Appropriations-in-aid</b>	<b>49,248</b>	<b>51,295</b>
<b>Net expenditure</b>	<b>716,312</b>	<b>740,654</b>
<b>Changes in capital assets</b>		
Purchases cash	(902)	
Depreciation	1,811	
Loss on disposals	6	
	915	1,301
<b>Changes in assets under development</b>		
Cash payments	(1,239)	(862)
<b>Changes in net current assets</b>		
Decrease in closing accruals	(934)	
Decrease in stock	30	
	(904)	(247)
<b>Direct expenditure</b>	<b>715,084</b>	<b>740,846</b>
<b>Expenditure borne elsewhere</b>		
Net allied services expenditure (cash) (note 1.1)	22,601	21,400
Notional rents (non cash) (note 1.2)	1,452	1,667
<b>Net programme cost</b>	<b>739,137</b>	<b>763,913</b>



**1.1 Net Allied Services Expenditure**

The net allied services expenditure amount is made up of the following amounts in relation to Vote 32 borne elsewhere.

		<b>2014</b>	<b>2013</b>
		<b>€000</b>	<b>€000</b>
Vote 9 Office of the Revenue Commissioners	e	67	60
Vote 12 Superannuation and Retired Allowances	e	15,982	14,205
Vote 13 Office of Public Works	e	6,229	6,882
Central Fund - Ministerial pensions	e	323	253
		<u>22,601</u>	<u>21,400</u>

'e' indicates an estimated value or an apportioned cost.

**1.2 Notional Rent**

The notional rent figure has been compiled by the Office of Public Works based on current market rental prices. The notional rent figure is in respect of two properties occupied by the Department of Jobs, Enterprise and Innovation.

**2 Balance Sheet as at 31 December 2014**

	Note	2014 €000	2013 €000
<b>Capital assets</b>	2.2	6,762	6,665
<b>Capital assets under development</b>	2.3	354	122
		<b>7,116</b>	<b>6,787</b>
<b>Current assets</b>			
Bank and cash	2.4	22,212	23,782
Stocks	2.5	209	239
Prepayments		1,063	826
Accrued income		1,381	1,248
Other debit balances	2.6	2,136	1,420
<b>Total current assets</b>		<b>27,001</b>	<b>27,515</b>
<b>Less current liabilities</b>			
Accrued expenses		285	677
Deferred income		1,172	1,344
Other credit balances	2.7	4,522	2,245
Net liability to the Exchequer	2.8	19,826	22,958
<b>Total current liabilities</b>		<b>25,805</b>	<b>27,224</b>
<b>Net current assets</b>		<b>1,196</b>	<b>291</b>
<b>Net assets</b>		<b>8,312</b>	<b>7,078</b>
<b>Represented by:</b>			
<b>State funding account</b>	2.1	<b>8,312</b>	<b>7,078</b>

2.1 State Funding Account	Note	2014 €000	2013 €000
Balance at 1 January		7,078	7,266
Disbursements from the Vote			
Estimate provision	Account	755,075	
Deferred surrender	Account	(20,000)	
Surplus to be surrendered	Account	(18,763)	
<b>Net vote</b>		<b>716,312</b>	<b>740,654</b>
Net assets transferred from Forfás/ Department of Justice and Equality	2.2	5	5
Adj./ (Loss) on disposal of assets		1	(1)
Expenditure (cash) borne elsewhere	1	22,601	21,400
Non cash expenditure – notional rent	1	1,452	1,667
Net programme cost	1	(739,137)	(763,913)
<b>Balance at 31 December</b>		<b>8,312</b>	<b>7,078</b>

**2.2 Capital Assets**

	Office and IT equipment €000	Furniture and fittings €000	Total €000
<b>Gross assets</b>			
Cost or valuation at 1 January 2014	35,702	6,679	42,381
Transfers from Forfás <sup>a</sup>	578	31	609
Additions	1,872	37	1,909
Disposals	(3,712)	(46)	(3,758)
Cost or valuation at 31 December 2014	34,440	6,701	41,141
<b>Accumulated depreciation</b>			
Opening balance at 1 January 2014	29,218	6,498	35,716
Transfers from Forfás <sup>a</sup>	573	31	604
Depreciation for the year	1,765	46	1,811
Depreciation on disposals	(3,706)	(46)	(3,752)
Cumulative depreciation at 31 December 2014	27,850	6,529	34,379
<b>Net assets at 31 December 2014</b>	<b>6,590</b>	<b>172</b>	<b>6,762</b>
<b>Net assets at 31 December 2013</b>	<b>6,484</b>	<b>181</b>	<b>6,665</b>

<sup>a</sup> ICT equipment and furniture and fittings were transferred to this Department following the dissolution of Forfás with effect from 1 August 2014.

**2.3 Capital Assets under Development**

	In-house computer applications €000
Amounts brought forward at 1 January 2014	122
Cash payments in year <sup>a</sup>	1,411
Brought into use in year	(1,179)
Balance at 31 December 2014	354

<sup>a</sup> EU funding in the amount of €172,420 was used to acquire ICT assets under the Patent Cooperation Fund projects.

<b>2.4 Bank and Cash</b>	<b>2014</b>	<b>2013</b>
at 31 December	<b>€000</b>	<b>€000</b>

PMG balance	22,212	22,833
Commercial bank account balance	—	952
Orders outstanding	—	(3)
	<u>22,212</u>	<u>23,782</u>

<b>2.5 Stocks</b>	<b>2014</b>	<b>2013</b>
at 31 December	<b>€000</b>	<b>€000</b>

Stationery	144	164
IT supplies	49	60
Cleaning materials	16	15
	<u>209</u>	<u>239</u>

<b>2.6 Other Debit Balances</b>	<b>2014</b>	<b>2013</b>
at 31 December	<b>€000</b>	<b>€000</b>

Advances to OPW	184	209
Miscellaneous debit balances	1,385	427
Recoupable expenditure in respect of:		
Travel	346	
Shared services	216	
Pension lump sums	<u>5</u>	
	<u>567</u>	<u>784</u>
	<u>2,136</u>	<u>1,420</u>

<b>2.7 Other Credit Balances</b>	<b>2014</b>	<b>2013</b>
at 31 December	<b>€000</b>	<b>€000</b>

Amounts due to the State		
Income Tax	966	53
Pay Related Social Insurance	373	60
Income Levy	8	—
Professional Services Withholding Tax	154	68
Value Added Tax on intra EU acquisitions	53	8
	<u>1,554</u>	<u>189</u>
Miscellaneous credit balances	<u>2,968</u>	<u>2,056</u>
	<u>4,522</u>	<u>2,245</u>

<b>2.8 Net Liability to the Exchequer</b>	<b>2014</b>	<b>2013</b>
at 31 December	€000	€000
Surplus to be surrendered	18,763	21,935
Deferred surrender	20,000	23,000
Exchequer grant undrawn	(18,937)	(21,977)
Net liability to the Exchequer	<u>19,826</u>	<u>22,958</u>

**Represented by:****Debtors**

Bank and cash	22,212	23,782
Other debit balances	<u>2,136</u>	<u>1,420</u>
	24,348	25,202

**Creditors**

Due to State	(1,554)	(189)
Other credit balances	<u>(2,968)</u>	<u>(2,055)</u>
	(4,522)	(2,244)
	<u>19,826</u>	<u>22,958</u>

<b>2.9 Commitments</b>	<b>2014</b>	<b>2013</b>
at 31 December	<b>€000</b>	<b>€000</b>

**(a) Global commitments**

Procurement subheads	1,586	2,147
Grant subheads <sup>a</sup>	1,453,199	1,309,880

<sup>a</sup> Includes expenditure from own resource income.

**(b) Multi-annual capital commitments over €6.35 million**

	<b>Cumulative Expenditure to 31 December 2013<sup>a</sup></b>	<b>Expenditure</b>	<b>Subsequent years</b>	<b>2014 Projects total</b>	<b>2013 Projects total</b>
	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>
IDA Ireland	156,810	20,390	89,000	266,200	308,600 <sup>b</sup>
Enterprise Ireland	149,300	50,493	208,126	407,919	322,659
Science Technology and Development Programme	205,447	68,522	327,797	601,766	503,616
Programme for Research in Third Level Institutions (PRLTI)	79,572	16,266	77,236	173,074	194,398
	<u>591,129</u>	<u>155,671</u>	<u>702,159</u>	<u>1,448,959</u>	<u>1,329,273</u>

<sup>a</sup> Excludes projects completed by end of 2013.

<sup>b</sup> Following a review carried out by the IDA in relation to the recording of commitments, it was identified that the 2013 project total was overstated by €65,400,000 because projects that were completed in 2012 and previous years had not been excluded from the total.

**Significant variations**

An explanation is provided below where multi-annual commitments increased or decreased by more than €500,000 from 2013 to 2014.

<b>Agency/programme</b>	<b>Amount of increase/(decrease) €000</b>	<b>Explanation</b>
IDA Ireland	(42,400)	Following a review carried out by the IDA in relation to the recording of commitments, it was identified that the 2013 project total was overstated by €65,400,000 because projects that were completed in 2012 and previous years had not been excluded from the total. Three large approvals (to the combined value of €22.5 million) were granted in 2014. Two of the grants approvals were for capital projects (€7.5 million each). The third approval was for a research and training capital project (€7.5 million).

Agency/programme	Amount of increase/(decrease) €000	Explanation
Enterprise Ireland	85,260	Increase due to three new seed and venture (€50 million) and three other new approvals (€21.7 million) in 2014. Also increases to three seed and venture commitments (€13.5 million) listed in 2013.
Science Technology and Development Programme	98,150	Increase due to five new large scale world class SFI research centres and EI approval for one new technology centre in 2014.
Programme for Research in Third Level Institutions (PRTLII)	(21,324)	The decrease in the multi annual capital commitment for PRTLII was due to Cycles 3 and 4 of the PRTLII being financially closed out in 2014 with savings declared. Cycle 5 remains the only outstanding multi annual commitment as at 31 December 2014.

#### 2.10 Matured Liabilities.

Estimated matured liabilities un-discharged at the year-end were €99,421 (2013: €255,568).

### 3 Programme Expenditure by Subhead

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
<b>A</b>	<b>Jobs and Enterprise Development</b>			
A.1	Administration – pay			
	<i>Original</i>	6,568		
	<i>Supplementary</i>	1,014	7,582	7,476
A.2	Administration – non pay			
	<i>Original</i>	2,319		
	<i>Supplementary</i>	324	2,643	2,954
A.3	Forfás			
	<i>Original</i>	45,486		
	<i>Supplementary</i>	(22,920)	22,566	22,565
A.4	InterTrade Ireland		7,762	7,762
A.5	IDA Ireland			
	<i>Original</i>	127,607		
	<i>Deferred surrender</i>	3,000		
	<i>Supplementary</i>	941	131,548	131,150
A.6	Shannon Free Airport Development Company Limited			
	<i>Original</i>	4,030		
	<i>Supplementary</i>	(2,075)	1,955	1,955
A.7	Enterprise Ireland			
	<i>Original</i>	125,218		
	<i>Deferred surrender</i>	3,000		
	<i>Supplementary</i>	612	128,830	108,962
A.8	County enterprise development		29,388	29,499
A.9	Monitoring and evaluation of EU programmes		89	—
A.10	INTERREG enterprise development		3,000	2,800
A.11	National Standards Authority of Ireland - grant for administration and general expenses		5,304	4,804
A.12	Temporary Loan Guarantee Scheme		1,500	196
A.13	Subscriptions to international organisations, etc.		1,949	1,827
A.14	Commissions, committees and special inquiries		1	1
A.15	Legal costs and other services		317	7
A.16	Export Credit Insurance - refund to the Exchequer		17	4
A.17	Agency legacy pensions			
	<i>Original</i>	—		
	<i>Supplementary</i>	21,085	21,085	15,862
			365,536	337,824
				359,143



**Significant variations**

Overall, the expenditure in relation to Programme A was €27.71 million lower than provided. This was mainly due to the following:

Description	Less/(more) than provided €000	Explanation
Administration – non pay	(311)	Overall the non-pay expenditure across the three programmes (A.2, B.2 and C.2) was €640,877 less than the original estimate, however, expenditure on Programme A was 27% more than estimated. This was in most part due to the need to meet the full year costs of the rent and service costs associated with Wilton Park House for Forfás and the associated costs relating to the move of Forfás into the Department. A supplementary estimate of €324,000 was provided to defray part of the costs associated with the transfer of functions of Forfás. This funding was transferred from Forfás subhead (A.3).
Forfás	1	Provision was made in the original estimate for the full years pay and pensions and certain non-pay expenditure. Expenditure was €22.9 million less than the original estimate due to dissolution of Forfás on 1 August 2014 and the transfer of functions to the Minister for Jobs, Enterprise and Innovation, Enterprise Ireland, IDA and the Health and Safety Authority. A supplementary estimate was taken to redistribute the unspent allocation to A.1, A.2, A.5, A.7, B.2 and B.17 where costs associated with the transferred functions were incurred.
Shannon Free Airport Development Company Limited	—	Expenditure in relation to Shannon was €2.1 million less than estimated due to the enactment of the State Airports (Shannon Group) Act 2014 and the formal integration of Shannon Development into the new Shannon Group with effect from 4 September 2014. In accordance with the terms of the Act, responsibility for all liabilities, duties, obligations and funding (including pension increases and supplementary pension payments) arising by virtue of the operation of the SFADCo pension scheme, transferred to the Minister for Jobs, Enterprise and Innovation with effect from 4 September 2014. Following a supplementary estimate, provision for these costs (€2.075 million) has transferred to the new Subhead A.17 Agency Legacy Pensions.
Enterprise Ireland	19,868	The original estimate of €125.2 million was increased by €3 million deferred surrender from 2013, to allow Enterprise Ireland (EI) to meet its capital expenditure commitments to client companies arising from approvals in previous years that were estimated to be claimed in 2014. A supplementary estimate of €612k was required to defray the cost of the Forfás staff that transferred to EI and to provide additional funding for the new EI pension scheme. The funding for these costs was included in the Forfás subhead (A.3) at the start of the year. The variance between the revised estimate and the outturn arises due to the receipt of additional unanticipated own resource income (ORI) arising mainly from unplanned trade sales by client companies where EI had a shareholding. This additional ORI (€20 million) was used to fund grant expenditure formally funded by Exchequer funds under this subhead, resulting in a lower drawdown and a saving to the Exchequer.

Description	Less/(more) than provided €000	Explanation
INTERREG enterprise development	200	There are over 20 projects involved in the Interreg Programme and it is very difficult to ensure that anticipated time lines can be adhered to, due to various delays such as planning, logistical and administrative issues, which impact on the Managing Authority in Belfast. Some projects are running slightly late, however all projects will be completed by 2015.
National Standards Authority of Ireland	500	NSAI did not require its full allocation in 2014 as amounts received in relation to commercial fees and charges were €129k higher than budgeted. The remaining savings were due to cost control measures.
Temporary Loan Guarantee Scheme	1,304	The estimate was based on the cost of operating the scheme being €200,000 and provided for claims by participating lenders of €1.3 million. This was estimated on the basis that the maximum amount of €150 million would be lent and consequently guaranteed by the Department. Up to the end of 2014, only €10.9 million of the €150 million has been lent under the scheme. As a result, the cost of operating the scheme was €196,000 and as no claims were made against the guarantee in 2014, none of the estimate of €1.3 million was spent.
Subscriptions to international organisations, etc.	122	The World Trade Organisation (WTO) Finance Regulations provides that the amount to be contributed by each member to the operating budget of the WTO is based on an individual country's international trade as a proportion of international trade of all WTO members. The statistics are derived from the balance of payments statistics on trade in goods and services, published by the International Monetary Fund (IMF). Ireland was charged 1.129% for 2013 and 1.089% for 2014. This allows for the difference between the estimate and Ireland's contribution.
Legal costs and other services	310	As the estimate is provided to cover contingency payments, it is not possible to accurately predict what payments may arise during the year. In the event across the three programmes, only 23% of the estimate was required.
Agency legacy pensions	5,223	Following the dissolution of Forfas on 1 August and the integration of Shannon Development into the new Shannon Group on the 4 September 2014, responsibility for the payment of legacy pensions transferred to the Minister for Jobs, Enterprise and Innovation. A supplementary estimate was taken to transfer part of the unspent balance of the former Forfás (A.3) and Shannon Development (A.6) subheads to this new subhead. The superannuation benefits of the staff transferring employment to other agencies (IDA, EI, etc.) became the responsibility of the agency concerned. Forfás's original estimate would have provided for a higher level of retirements and associated gratuity payments in the context of the provision of the Haddington Road Agreement. However, arising from the extension of the deadline to avail of the preferential protected salary rates for retirement purposes, fewer retirements actually occurred than had been anticipated when the original 2014 pension allocation was first made.

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
<b>B</b>	<b>Innovation</b>			
B.1	Administration – pay			
	<i>Original</i>	4,378		
	<i>Supplementary</i>	1,014	5,392	4,950
B.2	Administration – non pay			
	<i>Original</i>	2,635		
	<i>Supplementary</i>	324	2,959	1,738
B.3	Patents Office		2,834	2,400
B.4	Science and Technology Development Programme			
	Current year provision	272,103		
	<i>Deferred surrender</i>	17,000	289,103	286,243
B.5	Programme for Research in Third Level Institutions (PRTLII)		39,054	45,203
B.6	Subscriptions to international organisations, etc.		19,054	19,178
B.7	Commissions, committees and special inquiries		1	1
B.8	Legal costs and other services		308	1
			358,705	359,714

**Significant variations**

Overall, the expenditure in relation to Programme B was €1.34 million lower than provided. This was mainly due to the following:

Description	Less/(more) than provided €000	Explanation
Patents Office	460	The variance of €460,042 can be split into pay savings of €289,000 and non-pay savings of €172,000. The pay savings can be attributed to (i) The non-filling of one AP post. (ii) Staff availing of short-term working year. (iii) Staff on career breaks, carers leave and special leave without pay. The non-pay underspend is for the most part attributable to savings in ICT expenditure.
Science and Technology Development Programme	400	Expenditure was €16.6 million higher than the original estimate and was funded by way of a deferred surrender of €17 million. This was due to enhanced commercialisation activities, in line with the extended remit of Science Foundation Ireland (SFI) and also to fund the Health Innovation Hub. It was also due to expenditure incurred by Enterprise Ireland to fund new technology centres (Connected Health, Dairy Technology and Medical Devices), 100 additional Innovation Voucher projects and ten additional Innovation Partnership projects.
Legal costs and other services	176	The estimate covers the cost of miscellaneous payments which may arise across the Department, including potential legal costs, for which provision has not been made elsewhere in the Vote. The Department is obliged to make a contingency provision for such costs that may be once off in nature and where the timing of expenditure is not certain.

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
<b>C</b>	<b>Regulation</b>			
C.1	Administration – pay			
	<i>Original</i>	8,955		
	<i>Supplementary</i>	30	8,985	9,315
C.2	Administration – non pay		4,337	2,761
C.3	Workplace Relations Programme		19,663	18,159
C.4	Grants for trade union education and advisory services – cash-limited		944	944
C.5	Health and Safety Authority - grant for administration and general expenses			
	<i>Original</i>	17,738		
	<i>Supplementary</i>	(350)	17,388	18,730
C.6	Trade union amalgamations		50	30
C.7	Office of the Director of Corporate Enforcement		4,672	3,124
C.8	Competition Authority			
	<i>Original</i>	4,955		
	<i>Supplementary</i>	(992)	3,963	4,478
C.9	National Consumer Agency			
	<i>Original</i>	7,332		
	<i>Supplementary</i>	(3,478)	3,854	5,501
C.10	Consumer support		45	45
C.11	Companies Registration Office and Registry of Friendly Societies - grant for administration and general expenses		7,065	6,689
C.12	Irish Auditing and Accounting Supervisory Authority (grant-in-aid)		1,562	1,445
C.13	Personal Injuries Assessment Board		153	55
C.14	Subscriptions to international organisations, etc.		1,411	1,534
C.15	Commissions, committees and special inquiries		220	165
C.16	Legal costs and other services		998	88
C.17	Competition and Consumer Protection Commission			
	<i>Original</i>	—		
	<i>Supplementary</i>	4,470	4,470	1,725
C.18	Low Pay Commission			
	<i>Original</i>	—		
	<i>Supplementary</i>	2	2	—
—	Workplace Innovation Fund promotion of partnership		—	28
—	Research including manpower surveys		—	1
			79,782	70,366
				73,092

**Significant variations**

Overall, the expenditure in relation to Programme C was €9.42 million lower than provided. This was mainly due to the following:

Description	Less/(more) than provided €000	Explanation
Administration – non pay	1,684	<p>Overall the non-pay expenditure across the three programmes was €1,288,878 less than estimated with expenditure on Programme C being 39% less than the estimate provision. The main savings were made in</p> <ul style="list-style-type: none"> <li>(i) ICT area - a number of projects were postponed or delayed arising from resource constraints</li> <li>(ii) postal and telecommunication services - the continued rate limiting savings on mobile telephony which effectively capped charges resulted in lower than expected mobile telephony spend</li> <li>(iii) consultancy services – due to the reprioritisation of certain projects during the course of the year and the fact that a number of projects which commenced during 2014 fall to be completed in 2015 and</li> <li>(iv) advertising and information resources – expenditure under this heading is mainly demand led with such demand driven by the business needs of sections/units, the estimated level of demand did not materialise.</li> </ul>
Workplace Relations Programme	2,162	<p>The total underspend in C.3 is made up as follows</p> <ul style="list-style-type: none"> <li>(i) €201,000 of pay savings in Labour court due to staff vacancies that arose during the year and savings of €466,000 were made following a provision being made for Labour Court Members who were eligible to retire but did not retire.</li> <li>(ii) Labour Relations Commission had savings of €341,000 mainly in pay due to transfers and retirement and also, savings in Rights Commissioner Fees as the number of days worked was less than projected.</li> <li>(iii) €380,000 in respect of the Workplace Relations Project Office, as a number of specific projects were not completed in 2014 with consequential savings. These included the Customer Relations Management System (CRMS), design and implementation of a corporate identity for the WRC, selection of adjudication officers, and additional adjudication and appeals rooms.</li> <li>(iv) €561,000 by the Equality Tribunal due to reductions in staff numbers and savings on the non-pay side related to estimates for costs relating to judicial reviews which were not held in 2014.</li> <li>(v) €347,000 by the Employment Appeals Tribunal (EAT) due to a net loss of six staff, and additionally the number of Tribunal sittings was reduced. The EAT Non-Pay was closely monitored with particular attention focused on the cost of venues and interpreters at hearings.</li> <li>(vi) The aforementioned savings identified under this subhead offset the overspend of €134,000 by the National Employment Rights Authority.</li> </ul>
Office of the Director of Corporate Enforcement	1,660	<p>Expenditure in relation to non-pay was €1.4 million less than estimated. The estimate included provision for several ongoing court cases. The timing and outcome of cases is difficult to predict. Expenditure in relation to pay was €249,000 lower than estimated due to non-filling of one vacancy carried from 2013 and another two that arose during the year.</p>

Description	Less/(more) than provided €000	Explanation
Competition Authority	(6)	Expenditure was almost €1 million less than the original estimate. This arose as the Competition Authority amalgamated with the National Consumer Agency on the 31 October 2014 to become the Competition and Consumer Protection Commission. The estimate for this subhead was based on a full year's expenditure. The unspent allocation was transferred by supplementary estimate to the new subhead C.17 (see also explanations for C.9 and C.17).
National Consumer Agency	(47)	Expenditure was €3.4 million less than the original estimate. This arose as the National Consumer Agency amalgamated with the Competition Authority on 31 October 2014 to become the Competition and Consumer Protection Commission. The estimate for this subhead is based on a full year's expenditure. The unspent allocation was transferred by supplementary estimate to new subhead C.17 (see also explanations for C.8. and C.17).
Irish Auditing and Accounting Supervisory Authority (grant-in-aid)	207	IAASA is part funded by the Department and the prescribed accountancy bodies. The mechanism by which IAASA's funding is delivered is that its entire salary costs are paid through this subhead. If the aggregate of these payments exceeds the Exchequer's liability, a refund is made to the Department at year end. In relation to the variance, the 2014 estimate was premised upon the Authority having a full staff complement. However, there was a difficulty in filling certain vacancies in 2014 which resulted in the underspend.
Commissions, committees and special inquiries	163	The variation arose due to (i) €80,000 saving arising from a reduced level of Joint Labour Committee activity in 2014, only three JLCs (out of a possible eight) were re-established (ii) €20,000 savings on company law inquiries as the estimate was in the nature of a contingency to defray cost of any unexpected investigations (iii) €46,000 relating to savings for services of legal researchers for the Companies Act 2014 and (iv) other miscellaneous savings.
Legal costs and other services	891	Expenditure from this subhead is difficult to predict as the estimate is in the nature of a contingency provision for legal costs which may arise across a number of areas in the Department. During 2014, such legal costs were not significant.

Description	Less/(more) than provided €000	Explanation
Competition and Consumer Protection Commission	2,745	<p data-bbox="807 344 1428 539">The Competition and Consumer Protection Commission (CCPC) was established on 31 October 2014 through the amalgamation of the Competition Authority (CA) and the National Consumer Agency (NCA) as provided for in the Competition and Consumer Protection Act 2014. The supplementary estimate was approved for the transfer of monies from the C.8 (CA) and C.9 (NCA) subheads to C.17 (CCPC).</p> <p data-bbox="807 560 1428 1010">The CCPC's allocation is divided between general administration and financial information and education functions expenditure. General administration savings were €1.168million (pay €1.029million, non-pay €0.139million). The pay underspend was due to a significant number of vacancies remaining unfilled during the year and the approved staffing complement was not reached. The fees paid to the NCA Board Members, which were partly funded through exchequer funding, discontinued with the dissolution of the NCA. The non- pay underspend is due to            (i) a reduction in costs as result of new contracts entered into during the year            (ii) some work programmes were delayed due to staffing constraints and            (iii) progress on the planned relocation of the CCPC was delayed, therefore, costs relating to the amalgamation of the NCA and the CA did not materialise in the year.</p> <p data-bbox="807 1030 1428 1193">Financial information and education function savings of €1.524million (pay €0.58million and non-pay of €0.944million). The pay savings were due to a provision for ten posts which took longer than expected to fill. The non-pay savings related to a number of projects scaled back due to staff shortages and reductions in costs on new contracts.</p>

## 4 Receipts

### 4.1 Appropriations-in-aid

	2014		2013
	Estimated €000	Realised €000	Realised €000
<b>Employment Rights and Industrial Relations</b>			
1. Receipts from the Social Insurance Fund	600	782	987
2. Work permit fees	2,800	4,041	3,242
3. Employment agency licences	215	267	205
<b>Insurance and Company Law</b>			
4. Companies Registration Office	18,325	18,535	19,337
5. Registry of Friendly Societies	75	63	57
<b>Trade, Competition and Market Rights</b>			
6. Receipts under the Trade Marks Act 1963 and Patents Act 1964	8,500	8,140	8,434
7. Occasional trading licences	2	1	3
8. National Consumer Agency	371	416	408
9. Merger notifications	280	344	288
<b>Other</b>			
10. ODCE legal	50	177	178
11. County Enterprise Development	—	83	66
12. Miscellaneous	110	2,269	2,037
13. Enterprise policy (InterTrade Ireland)	18	44	28
14. NCA - grant for financial information and educational functions	2,127	603	925
15. IAASA pay refund	376	513	507
16. PIAB pay and superannuation	1,204	1,377	1,241
17. HSA superannuation	610	589	599
18. IDA Ireland - Pension receipts arising from the Financial Measures (Miscellaneous Provisions) Act 2009	1,719	1,174	1,722
19. SFADCo - pension receipts arising from the Financial Measures (Miscellaneous Provisions) Act 2009	204	389	703
20. Temporary Loan Guarantee Scheme	1,500	153	76
21. Receipts from pension - related deduction on public service remuneration	9,862	9,288	10,252
<b>Total</b>	<b>48,948</b>	<b>49,248</b>	<b>51,295</b>

### Explanation of significant variations

An explanation is provided below in the case of each heading where the outturn varied from the amount estimated by more than €100,000, and by more than 5%.

Description	Less/(more) than estimated €000	Explanation
Receipts from the Social Insurance Fund	(182)	Section 56 of the Redundancy Payments Act 1967 sets out that the cost of administering redundancy appeals, which are administered by this Department, should be borne by the Social Insurance Fund of the Department of Social Protection (DSP). These costs were negotiated with DSP on the basis of 23.2% of overall Employment Appeals Tribunal costs for quarter 4 2013 and for quarters 1, 2 and 3 of 2014, which amounted to €782,003.



Description	Less/(more) than estimated €000	Explanation
Work permit fees	(1,241)	<p>The excess can be attributed to three factors</p> <p>(i) There has been a 40% increase in the total number of permits issued in 2014 (5,496) compared to 2013 (3,937). 25% of this increase generated additional fee income as all non-EEA doctors coming to work in Ireland were brought back within the scope of the permits system during 2014, but the HSE having charity status, is exempt from fees.</p> <p>(ii) In line with the predicted shortages in the digital and IT sectors, and in order to meet these sector's skills needs, economic migration policy underpinning the permits system is proactively encouraging these highly skilled employees to Ireland and in 2014 there was a 25% increase in the number of ICT professionals coming to Ireland (1,503 in 2013 compared to 1,875 in 2014) and</p> <p>(iii) In line with the fall in unemployment rate to 10.6% in December 2014 there is a corresponding increase in the number of jobs available in respect of which different categories of employment permits may be eligible.</p>
ODCE legal	(127)	<p>The figure of €50,000 was a notional figure as such receipts are difficult to predict in advance; they are not in respect of services provided by the Office but rather they are costs awarded to the Office by the Courts. Such receipts are in respect of costs awarded in criminal cases and are collected by the Courts Service on behalf of ODCE. Further receipts are in respect of civil cases in which costs were awarded to the Office. Although the Office enforces collection where possible, the exact timing and amount of such receipts is difficult to anticipate in advance.</p>
Miscellaneous	(2,159)	<p>By its nature it is difficult to predict what level of income will be received under this category. The significant amounts included are</p> <p>(i) €1,424,000 in respect of IDA, EI and SFI pension schemes which relate to the pensions contributions under the new schemes set up for these agencies following the dissolution of Forfás</p> <p>(ii) €375,000 received in respect of costs recouped from the Department of Education and Skills in respect of the Expert Group on Future Skills Needs</p> <p>(iii) €324,000 in respect of the transfer of a pension fund for a Labour Court member</p> <p>(iv) Employers PRSI refunds of €53,000</p> <p>(v) receipts in respect of Haddington Road salary deductions in the amount of €59,000; and</p> <p>(vi) various other miscellaneous amounts.</p>
NCA - grant for financial information and educational functions	1,524	<p>The Competition and Consumer Protection Commission's (CCPC) financial services function is funded by a levy imposed by the CCPC on regulated financial services providers. The levy is collected mid-year and the Department prefunds the CCPC on the proviso that the Department is reimbursed by way of appropriations-in-aid before year end. €1.5 million of the estimate provision was not required (see C.17). As a result there was no requirement for the CCPC to reimburse the Department in respect of this amount.</p>

Description	Less/(more) than estimated €000	Explanation
IAASA pay refund	(137)	The Irish Accounting and Auditing Standards Authority is part funded by the Department and prescribed accountancy bodies. The mechanism by which IAASA's funding is delivered is that its entire salary and related payments are processed by the Department on its behalf. As the aggregate of these payments usually exceeds the Exchequer's overall liability, a refund is made to the Department at year end. The Exchequer liability to IAASA in 2014 amounted to €913,000, therefore a refund of €513,000 was made to the Department. In relation to the variance, the 2014 estimate was premised upon the Authority having a full staff compliment. However there was a difficulty in filling certain vacancies in 2014 with the consequent impact on overall salary costs giving rise to this refund to the Department.
PIAB pay and superannuation	(173)	The outturn in 2014 included a "one-off" retrospective payment of pension contributions by PIAB in respect of prior years, arising from a change in the level of contributions
IDA Ireland - pension receipts arising from the Financial Measures (Miscellaneous Provisions) Act 2009	545	The purpose of this subhead was to receive and account for pension contributions in respect of former funded agency pension schemes managed by Forfás, with funds transferred to the National Pensions Reserve Fund under the provisions of the Financial Measures (Miscellaneous) Act 2010. The 2014 estimate was based on expectation of a full year's contributions being received from Forfás. However, Forfás was dissolved with effect from 1 August 2014 and the agencies (Science Foundation Ireland, Enterprise Ireland and IDA Ireland) are now responsible for remitting this money directly to the Department (see also miscellaneous above).
SFADCo - pension receipts arising from the Financial Measures (Miscellaneous Provisions) Act 2009	(185)	The increase in receipts over the estimate arose because a number of staff of Shannon Development who were redeployed to other bodies during 2013 remained as members of the SFADCo pension scheme longer than anticipated due to issues with the transfer arrangements.
Temporary Loan Guarantee Scheme	1,347	In return for guaranteeing loans, the Department receives a 2% annual premium from the borrower. The 2014 estimate included a provision for receipt of interest of €1.5 million under the scheme. This was based on €75 million of the €1,500 million provided for under the Loan Guarantee Scheme being lent. The receipts under this demand led scheme were a lot less than expected as take-up has been lower than anticipated.
Receipts from pension - related deduction on public service remuneration	574	The estimate was based on the previous year's receipts with allowance for a decrease in numbers serving, however, the decrease in numbers was higher than anticipated.

**4.2 Extra receipts payable to the Exchequer**

	<b>2014</b>	<b>2013</b>
	<b>€000</b>	<b>€000</b>
Balance at 1 January	—	—
Export credit - recoveries from Iraq/Nigeria	650	2,370
Enterprise Ireland - current (A.7, A.8, B.4)	596	249
Enterprise Ireland - capital (A.7, A.8, B.4)	126	3,006
Forfás – current	566	341
Forfás – surplus own resource income	615	147
Shannon Development – grant refund	477	249
IDA Ireland - interconnectivity project receipts	2,450	—
IDA Ireland – current	386	—
IDA Ireland – capital	2,356	—
PRLTI – current	78	—
PRLTI – capital	602	—
Health and Safety Authority – current	121	—
InterTrade Ireland - current	4	—
Intertrade Ireland - capital	17	—
CEBs grant refund – current	57	10
CEBs grant refund - capital	34	—
Miscellaneous	19	18
Science Foundation Ireland - capital (B.4)	—	630
Transferred to Exchequer	<u>(8,642)</u>	<u>(7,020)</u>
Balance at 31 December	<u>512</u>	<u>—</u>

IDA Ireland - interconnectivity project receipts	The amount received was in respect of a final settlement of a debt in connection with a company that was involved with the IDA in an interconnectivity project.
IDA Ireland - capital	An amount of €2,356,000 was returned by client companies of the IDA. IDA had anticipated that the grant refund income would be required for a number of grant payments in December but was subsequently not required.
Enterprise Ireland - current	This represents refund of cash in excess of the sanctioned cash book balance.
Forfás – own resource income	This relates to income generated through the Irish National Accreditation Board's activities in Forfás and the amount returned represents the excess over sanctioned own resource income.
PRLTI – capital	This money was returned by the Higher Education Authority, following completion of Cycle 4 projects and receipt of final expenditure declarations.

## 5 Employee Numbers and Pay

	2014	2013
<b>Number of staff at year end</b> (full time equivalents)		
Department	759	803
Agencies <sup>a</sup>	1,618	1,723
	<b>2,377</b>	<b>2,526</b>

<sup>a</sup> Includes employees of the Personnel Injuries Assessment Board, a non-commercial state agency that is not in direct receipt of Exchequer funding.

	2014	2013
	€000	€000
Pay	148,734	159,354
Higher, special or additional duties allowance	796	983
Other allowances	2,099	1,853
Overtime	526	575
Employer's PRSI	9,588	10,158
<b>Total pay</b>	<b>161,743</b>	<b>172,923</b>

The remuneration arrangements refer to the pay element of Subheads A.1, A.3, A.4, A.5, A.7, A.8, A.11, B.1, B.3, B.4, C.1, C.3, C.5, C.7, C.8, C.9, C.11, C.12 and C.17.

### 5.1 Department

	2014	2013
	€000	€000
Pay <sup>a</sup>	37,360	37,565
Higher, special or additional duties allowance	592	597
Other allowances	476	529
Overtime	266	341
Employer's PRSI	2,123	2,129
<b>Total pay<sup>b</sup></b>	<b>40,817</b>	<b>41,161</b>

<sup>a</sup> Includes pension payments to 28 former members of Labour Court and the Competition Authority (now known as the Competition and Consumer Protection Commission).

<sup>b</sup> Total pay includes administration pay (A.1, B.1 and C.1) and the pay elements of the Offices of the Department (B.3, C.3, C.7 and C.11). The amount included for pay in Note 1 refers to administrative subheads only.

**Allowances and overtime payments**

	<b>Number of recipients</b>	<b>Recipients of €10,000 or more</b>	<b>Maximum individual payment 2014 €</b>	<b>Maximum individual payment 2013 €</b>
Higher, special or additional duties	92	4	26,929	28,164
Other allowances	116	6	76,941	48,394
Overtime	113	4	14,862	13,968

Certain individuals received extra remuneration in more than one category.

**5.2 Agencies**

	<b>2014 €000</b>	<b>2013 €000</b>
Pay	111,375	121,789
Higher, special or additional duties allowance	204	386
Other allowances	1,622	1,324
Overtime	261	234
Employer's PRSI	7,464	8,029
<b>Total pay</b>	<b>120,926</b>	<b>131,762</b>

**Allowances and overtime payments**

	<b>Number of recipients</b>	<b>Recipients of €10,000 or more</b>	<b>Maximum individual payment 2014 €</b>	<b>Maximum individual payment 2013 €</b>
Higher, special or additional duties	43	2	11,161	16,703
Other allowances	374	36	42,728	42,728
Overtime	88	6	42,702	26,851

Certain individuals received extra remuneration in more than one category.

The agencies included above are County and City Enterprise Boards, Competition and Consumer Protection Commission (formally known as the National Consumer Agency and the Competition Authority), Enterprise Ireland, Forfás, Health and Safety Authority, Industrial Development Authority, Labour Relations Commission, National Standards Authority Ireland, Intertrade Ireland, Irish Auditing and Accounting Supervisory Authority, and Science Foundation Ireland.

**5.3 Other remuneration arrangements**

A total of €4,330 was paid to two retired civil servants who were re-engaged in various duties during 2014.

Company cars were provided to the CEO's of three agencies of the Department.

An annual leave value payment of €9,434 was paid to one agency employee.

**5.4 Salary overpayments**

	<b>2014</b>	<b>2013</b>
	<b>€</b>	<b>€</b>
Overpayments relate to increments, salary instructions and temporary rehabilitation remunerations payments due at year end.	99,687	97,785

**5.5 Severance payments**

A total of €58,114 was paid in severance payments to three individuals.

## 6 Miscellaneous

### 6.1 EU Funding

In addition to grants from the Vote, the following bodies under the aegis of the Department received EU aid directly in 2014 as shown below:

Subhead	Description	2014	2013
		Outturn €	Outturn €
A.7	Enterprise Ireland	207,335	-
B.3	Patents Office	297,661	183,416
B.4	Science Foundation Ireland	120,000	115,000
B.4	Enterprise Ireland	87,859	—
A.6	SFADCo	—	87,470
C.5	Health and Safety Authority	—	222,344
		<u>712,855</u>	<u>608,230</u>

The outturn shown in Subheads A.6, A.8, B.4 and B.5 includes payments in respect of activities which are co-financed from the ERDF. Estimates of expenditure and actual outturn were as follows:

Subhead	Description	2014	2014	2013
		Estimate €000	Outturn €000	Outturn €000
A.6	Shannon Free Airport Development Company Limited	1,955	1,955	8,117
A.8	County enterprise development	29,388	29,499	29,643
B.4	Science and Technology Development Programme	289,103	288,703	286,243
B.5	Programme for Research in Third Level Institutions (PRTLII)	39,054	39,054	45,203
		<u>359,500</u>	<u>359,211</u>	<u>369,206</u>

**6.2 Commissions, Committees and Special Inquiries**

	<b>Year of establishment</b>	<b>Cumulative expenditure to end 2014</b>	<b>2014 Outturn</b>	<b>2013 Outturn</b>
		€	€	€
<b>Fixed term/fixed purpose</b>				
Company Law Review Group	2000	1,000,571	43,480	68,069
Company Law Inquiries	1994	2,193,034	—	16,614
Sales Law Review Group	2009	20,952	832	391
Workplace Safety	2002	2,722,590	—	50,000
<b>Permanent/open-ended</b>				
Joint Labour Committees <sup>a</sup>	1946	1,268,143	2,374	23,237
Business Regulation Group	2006	184,527	9,034	5,332
Departmental Audit Committee	2004	27,864	2,250	3,600
		<b>7,417,681</b>	<b>57,970</b>	<b>167,243</b>

<sup>a</sup> Base year 1994. Payments in respect of the period 1946-1993 were made from subhead A.2 in the year in question.

**6.3 Legal Costs**

	<b>2014</b>	<b>2013</b>
	€	€
Legal costs paid during the year are categorised as follows:		
Legal fees	383,639	330,906
Compensation	178,693	45,594
	<b>562,332</b>	<b>376,500</b>

Of the total of €562,332 in legal costs in 2014, €208,370 (37%) relates to the Office of the Director of Corporate Enforcement and €136,996 (24%) relates to the Workplace Relations Programme.



#### 6.4 Miscellaneous Payments

Employment and Training Levy - Statement of payments made in accordance with Section 25(1) of the Labour Services Act 1987

	Total for the year ended 31 December 2014 €	Total for the year ended 31 December 2013 €
Received by Minister for Jobs, Enterprise and Innovation	604,411	191,880
Paid by Minister for Jobs, Enterprise and Innovation into the Exchequer	604,411	191,880

The Employment and Training Levy set at 1% of an individual's total income with some exceptions, was abolished with effect from 6 April 1999. The Department of Jobs, Enterprise and Innovation continues to receive amounts relating to historical payments of taxes. The Employment and Training Levy is collected by the Office of the Revenue Commissioner and paid over to the Department of Jobs, Enterprise and Innovation on a monthly basis. The monies are directly paid over to the Exchequer.

#### 6.5 Contingent Liabilities

A Temporary Loan Guarantee Scheme was established in November 2012. Under this scheme, the Government will partially guarantee loans by traditional lenders to viable businesses that are at the margins of commercial lending decisions and have difficulties accessing credit for either of two distinct reasons

- (i) Insufficient collateral.
- (ii) The lender does not have the skills or experience to carry out a proper assessment of the proposition, due to a lack of knowledge of new sectors, markets or technologies.

A total of €10,930,840 of loans has been provided to date, with €820,000 being the maximum potential exposure to the Department arising from these guaranteed loans.

The Department has a possible liability under the Export Credit Insurance Scheme. A company suffered a default on goods supplied many years ago where a shipment was covered by a policy. No claim has been made to date and there is no indication that there will be a claim. The maximum potential claim is in the order of less than €400,000.

The Department is involved in a number of pending legal proceedings which may generate liabilities, depending on the outcome of the litigation. Any actual amount or the timing of potential liabilities is uncertain.

**6.6 Write offs**

Sanction was obtained from the Department of Public Expenditure and Reform to write off an amount of €16,063,758 relating to unrecovered Export Credit Insurance debt. The 1953 Insurance Act (as amended) provided for the provision of export credit insurance by the State, thereby providing cover against the risk of non-payment by buyers abroad, to encourage the export of Irish goods and services. During the operation of the Scheme (which ended in 1998), when a buyer defaulted on payment for goods and the consignment was covered by an insurance policy under the Scheme, the Department (through the Insurance Corporation of Ireland) paid out on the policy and the debt then became the property of the Department (subject to certain conditions and exclusions). This Department has pursued the recovery of such debt, which, for a considerable period, had been considered worthless in many instances, given the negligible prospects of defaulters making payment and the difficulty in pursuing them effectively.

Sanction was obtained from the Department of Public Expenditure and Reform to charge the Vote in respect of a historic suspense account balance in the amount of €9,420.

**6.7 Fraud, Suspected Fraud or Suspected Irregularity**

The Department has incurred no losses due to reported cases of fraud, suspected fraud or suspected irregularity in 2014.

**6.8 Carryover of Funding**

Under the provisions of Section 91 of the Finance Act 2004, €20,000,000 of unspent allocation in respect of subheads A.5, A.7 and B.4 was carried forward to 2015.