



Appropriation Account 2014

Vote 36

Defence

Introduction

As Accounting Officer for Vote 36, 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 Defence, including certain services administered by that Office; for the pay and expenses of the Defence Forces; and for payment of certain grants-in-aid.

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 surrender arrangements established by section 91 of the Finance Act 2004.

A surplus of €13.58 million is liable for surrender to the Exchequer.

The Statement of Accounting Policies and Principles and notes 1 to 6 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 except for the following:

Stock valuation

Military stocks are valued at average cost. Air Corps stocks are valued at purchase price. Departmental stocks are valued at their most recent purchase price.

Depreciation

Military assets are depreciated to residual values at rates varying between 3% and 20% per annum using the straight line method.

Capital assets

Capital assets include all military equipment and IT assets but exclude items of furniture and fittings that cost less than €600.

A schedule of land and buildings administered by the Department of Defence is attached. As valuations for all of these properties are not available, they are not included in capital assets (Note 2.2).

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 complied with the guidelines with the exception of 40 contracts to the value of €8 million which were listed in my annual return in respect of Circular 40/2002. These contracts primarily relate to expenditure on specialised defensive equipment, naval vessels and military aircraft.

Significant financial risks

The Department has a system of internal controls in place to identify all financial risks. Risks are identified, assessed, categorised and recorded on the Department's risk register, along with the controls which mitigate against those risks.

Military stock and inventory

Given the variety and volume of military stock required to be held by the Defence Forces, the valuation of inventory is a significant task. The value of military stock has been significantly reduced in recent years following the re-organisation of the Defence Forces and initiatives to identify and remove slow moving and obsolete stock items. Considerable work has also been undertaken on the on-going project to re-classify certain categories of inventory as fixed assets (including the re-classification of low value high volume items from inventory to assets). An external review of military inventory has been carried out and the recommendations are being progressed with a view to implementation as soon as possible. These processes are on-going and will result in enhanced validity and accuracy of inventory valuation and reporting.

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 by the Audit Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

Maurice Quinn
Accounting Officer
Department of Defence

31 March 2015

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 36 Defence

I have audited the appropriation account for Vote 36 Defence 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 36 Defence 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 Defence. The appropriation account is in agreement with the books of account.

Seamus McCarthy
Comptroller and Auditor General

28 August 2015

Vote 36 Defence

Appropriation Account 2014

		2014		2013
		Estimate provision		Outturn
		€000	€000	€000
Programme expenditure				
A	Defence policy and support, military capabilities and operational outputs			
	<i>Original</i>	676,929		
	<i>Supplementary</i>	1		
	<i>Deferred surrender</i>	900		
			677,830	672,960
				666,963
Gross expenditure				
	<i>Original</i>	676,929		
	<i>Supplementary</i>	1		
	<i>Deferred surrender</i>	900		
			677,830	672,960
				666,963
<i>Deduct</i>				
B	Appropriations-in-aid		36,638	45,345
				48,436
Net expenditure				
	<i>Original</i>	640,291		
	<i>Supplementary</i>	1		
	<i>Deferred surrender</i>	900		
			641,192	627,615
				618,527

Surplus for surrender

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer. Under section 91 of the Finance Act 2004, all or part of any unspent appropriations for capital supply services may be carried over for spending in the following year.

	2014	2013
	€	€
Surplus	13,577,097	21,130,320
Deferred surrender	—	(900,000)
Surplus to be surrendered	13,577,097	20,230,320

Analysis of administration expenditure

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances	17,951	17,046	17,246
ii	Travel and subsistence	500	504	484
iii	Training and development and incidental expenses	210	175	171
iv	Postal and telecommunications services	700	576	624
v	Office equipment and external IT services	2,395	2,361	1,865
vi	Office premises expenses	1,272	957	972
vii	Consultancy services and value for money and policy reviews	25	—	13
viii	EU Presidency	—	7	154
		23,053	21,626	21,529

Notes to the Appropriation Account

1 Operating Cost Statement 2014

	2014		2013
	€000	€000	€000
Programme cost		651,334	645,434
Pay		17,046	17,318
Non pay		4,580	4,211
Gross expenditure		672,960	666,963
<i>Deduct</i>			
Appropriations-in-aid		45,345	48,436
Net expenditure		627,615	618,527
Changes in capital assets			
Purchases cash	(84,078)		
Depreciation	37,305		
Loss on disposals	3,384		
Disposals cash	10		
		(43,379)	31,817
Changes in assets under development			
Cash payments		(6,412)	(5,940)
Changes in net current assets			
Decrease in closing accruals	(1,843)		
Decrease in stock	21,498		
		19,655	(34,282)
Direct expenditure		597,479	610,122
Expenditure borne elsewhere			
Net allied services expenditure (note 1.1)		8,226	7,393
Notional rents		1,071	1,949
Net programme cost		606,776	619,464

1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 36 borne elsewhere and amounts borne on Vote 36 in respect of other services.

		2014	2013
		€000	€000
Vote 1 President's Establishment	e	(409)	(389)
Vote 2 Department of the Taoiseach	e	(58)	(50)
Vote 7 Revenue Commissioners	e	2	1
Vote 12 Superannuation and Retired Allowances	e	9,504	8,501
Vote 13 Office of Public Works	e	742	844
Vote 35 Army Pensions	e	(1,672)	(1,700)
Central Fund – Ministerial pensions	e	117	186
		8,226	7,393

“e” indicates that the number is an estimate value or an apportioned cost

2 Balance Sheet as at 31 December 2014

	Note	2014 €000	2013 €000
Capital assets	2.2	363,934	316,959
Capital assets under development	2.3	365	3,068
		364,299	320,027
Current assets			
Bank and cash	2.4	5,665	8,075
Stocks	2.5	243,570	265,068
Prepayments	2.6	110,394	108,431
Accrued income		1,695	1,855
Other debit balances	2.7	618	892
Total current assets		361,942	384,321
Less current liabilities			
Accrued expenses		2,156	2,029
Deferred income		45	22
Other credit balances	2.8	5,432	4,066
Net liability to the Exchequer	2.9	851	4,901
Total current liabilities		8,484	11,018
Net current assets		353,458	373,303
Net assets		717,757	693,330
Represented by:			
State funding account	2.1	717,757	693,330

2.1 State Funding Account	Note	2014 €000	2013 €000
Balance at 1 January		693,330	682,714
Disbursements from the Vote			
Estimate provision	Account	641,192	
Deferred surrender	Account	—	
Surplus to be surrendered	Account	(13,577)	
Net vote		627,615	618,527
Expenditure (cash) borne elsewhere	1	8,226	7,393
Non cash expenditure – notional rent	1	1,071	1,949
Transfers – capital assets under development	2.3	(9,115)	(4,540)
Asset adjustment		3,406	4,820
Transfers from Civil Defence Board	2.2	—	1,931
Net programme cost	1	(606,776)	(619,464)
Balance at 31 December		717,757	693,330

2.2 Capital Assets

	Military equipment	Civil Defence equipment	Office and IT equipment	Furniture and fittings	Total
	€000	€000	€000	€000	€000
Gross assets					
Cost or valuation at 1 January 2014	835,800	2,249	41,955	3,644	883,648
Reclassification from stock ^a	9,607	—	—	—	9,607
Adjustment ^b	(42)	—	—	—	(42)
Additions	81,231	417	2,590	30	84,268
Disposals	(23,434)	(19)	(3,576)	(46)	(27,075)
Cost or valuation at 31 December 2014	903,162	2,647	40,969	3,628	950,406
Accumulated depreciation					
Opening balance at 1 January 2014	526,810	437	37,216	2,226	566,689
Depreciation on reclassified items ^a	6,159	—	—	—	6,159
Depreciation for the year	34,894	324	1,877	210	37,305
Depreciation on disposals	(20,196)	(7)	(3,438)	(40)	(23,681)
Cumulative depreciation at 31 December 2014	547,667	754	35,655	2,396	586,472
Net assets at 31 December 2014	355,495	1,893	5,314	1,232	363,934
Net assets at 31 December 2013	308,990	1,812	4,739	1,418	316,959

^a Arising from a review of the inventory system, certain items which were previously recorded as stock have been reclassified as capital assets.

^b The adjustment arose due to inventory items being recorded on the inventory system at average costs and then being transferred to the asset register at actual purchase price.

The Department of Defence administers land (approx. 8,400 hectares) and buildings at 78 different locations, as well as 19 properties outside of barracks which serve as married quarters. Land and buildings are not included in capital assets.

2.3 Construction projects in progress

at 31 December

	€000
Amounts brought forward at 1 January 2014	3,068
Cash payments in year	6,412
Transferred to asset register ^a	(9,115)
Balance at 31 December 2014	365

^a Notional transfer to asset register.

2.4 Bank and Cash	2014	2013
at 31 December	€000	€000

PMG balance	4,662	7,150
Other bank and cash balances	1,003	925
	<u>5,665</u>	<u>8,075</u>

2.5 Stocks	2014	2013
at 31 December	€000	€000

Military stocks

Opening balance 1 January	264,448	265,777
Purchases during the year	41,029	44,538
Issues during the year	(50,710)	(43,888)
Write-offs, obsolete stock, etc. ^a	(4,900)	(3,928)
Adjustment ^b	2,726	6,029
Reclassification to fixed assets ^c	(9,607)	(4,080)
	<u>242,986</u>	<u>264,448</u>
Civil Defence	529	566
Stationery	29	28
IT consumables	26	26
	<u>243,570</u>	<u>265,068</u>

^a Work is ongoing to identify and remove slow moving and obsolete military stock items.

^b The adjustment arose following a review of the categorisation of stock items.

^c Some military stock items were reclassified as assets in 2014 (see note 2.2).

2.6 Prepayments	2014	2013
at 31 December	€000	€000

Naval vessels construction (note 2.10 (c))	81,295	84,230
Other	29,099	24,201
	<u>110,394</u>	<u>108,431</u>

€81 million represents the advance payments made on the Naval Vessels Replacement Project from 2011-2014.

2.7 Other Debit Balances	2014	2013
at 31 December	€000	€000

Suspense	618	892
	<u>618</u>	<u>892</u>

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

Amounts due to the State

Professional Services Withholding Tax	115	103
Pay Related Social Insurance	(25)	(39)
Income Tax	46	33
Relevant Contracts Tax	16	29
Pension contributions	25	21
Universal Social Charge	(12)	(15)
Value Added Tax	5,185	3,833
	<hr/> 5,350	<hr/> 3,965
Payroll deductions	5	15
Suspense	77	86
	<hr/> 5,432	<hr/> 4,066

2.9 Net Liability to the Exchequer	2014	2013
at 31 December	€000	€000

Surplus to be surrendered	13,577	20,230
Deferred surrender	—	900
Exchequer grant undrawn	(12,726)	(16,229)
Net liability to the Exchequer	<hr/> 851	<hr/> 4,901

Represented by:**Debtors**

Bank and cash	5,665	8,075
Debit balances: suspense	618	892
	<hr/> 6,283	<hr/> 8,967

Creditors

Due to State	(5,350)	(3,965)
Credit balances: suspense	(82)	(101)
	<hr/> (5,432)	<hr/> (4,066)
	<hr/> 851	<hr/> 4,901

2.10 Commitments	2014	2013
at 31 December	€000	€000
Total of legally enforceable commitments	76,286	72,695

(a) Global commitments

The figure of €76.3 million includes €57 million for the naval vessel replacement programme and €11 million for the purchase of defensive equipment.

(b) Multi-annual capital commitments

Expenditure in 2014 and commitments to be met in subsequent years on foot of projects, to be funded from subheads containing voted capital provisions, where legally enforceable contracts were in place:

	2014	2013
	€000	€000
Expenditure	6,412	5,940
Commitments to be met in subsequent years	4,812	3,260

(c) Major projects

Expenditure on projects where the total estimated cost will exceed €6.35 million.

				2014	2013
	Cumulative expenditure to 31 December 2013	Expenditure	Subsequent expenditure	Project total	Project total
	€000	€000	€000	€000	€000
Project					
Naval vessels replacement project	84,230	58,425	56,703	199,358	132,200

The Department entered into a contract in 2014 to procure a third vessel at a contract price of €67.2 million inclusive of VAT.

2.11 Matured Liabilities

Matured liabilities outstanding at year end amounted to €478,501.

3 Programme Expenditure by Subhead

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A	Defence policy and support, military capabilities and operational outputs			
A.1	Administration - pay		17,951	17,053
A.2	Administration - non pay		5,102	4,573
A.3	Permanent Defence Force: pay			
	<i>Original</i>	422,466		
	<i>Supplementary</i>	(25,800)	396,666	395,573
A.4	Permanent Defence Force: allowances			413,394
	<i>Original</i>	35,279		
	<i>Supplementary</i>	(1,000)	34,279	34,337
A.5	Reserve Defence Force: pay, etc.			40,074
	<i>Original</i>	3,150		
	<i>Supplementary</i>	(1,000)	2,150	1,858
A.6	Chaplains and officiating clergymen: pay and allowances		1,225	1,187
A.7	Civilians attached to units: pay, etc.			1,108
	<i>Original</i>	32,370		
	<i>Supplementary</i>	(4,999)	27,371	25,472
A.8	Defensive equipment		26,500	26,931
A.9	Air Corps: equipment and expenses		14,100	16,936
A.10	Military transport		10,950	10,856
A.11	Naval Service: equipment and expenses			10,437
	<i>Original</i>	36,600		
	<i>Supplementary</i>	32,800	69,400	70,553
A.12	Barrack expenses and engineering equipment		13,800	13,200
A.13	Buildings			15,505
	<i>Current year provision</i>	12,977		
	<i>Deferred surrender</i>	900	13,877	13,743
A.14	Ordnance, clothing and catering		14,970	11,633
A.15	Communications and information technology		6,340	7,623
A.16	Military training		1,950	1,912
A.17	Travel and freight services		2,568	2,707
A.18	Medical expenses		2,600	2,599
A.19	Lands		1,000	1,215
A.20	Equitation		860	943
A.21	Compensation and associated costs		5,000	4,244
A.22	Miscellaneous expenditure		3,066	2,401
A.23	Costs arising directly from Ireland's participation in the EU's Common Security and Defence Policy		996	1,191
A.24	Civil Defence		4,240	4,405
A.25	Irish Red Cross Society (grant-in-aid)		869	869
			677,830	672,960
				666,963

Significant variations

Overall, the expenditure in relation to Programme A was €4.87 million lower than provided. This was mainly due to the following variations at subhead level.

Description	Less/(more) than provided €000	Explanation
Reserve Defence Force: pay, etc.	292	The saving is mainly due to lower than anticipated uptake of paid training by reservists.
Civilians attached to units: pay, etc.	1,899	The saving is mainly due to a reduction in the number of civilian employees.
Air Corps: equipment and expenses	(2,836)	The excess relates mainly to additional aircraft maintenance requirements and training costs, and additional demand for fuel for increased operational requirements.
Ordnance, clothing and catering	3,337	The savings arose due to the rationalisation of stores which reduced short term procurement of ordnance equipment and also longer than anticipated lead times for clothing.
Communications and information technology	(1,283)	The excess is mainly due to required enhancements to information management architecture, communications equipment and security systems.
Travel and freight services	(139)	The excess is due mainly to increased requirements for military foreign travel and is partly offset by a reduction in home travel costs.
Lands	(215)	The excess is due to additional expenditure incurred on maintenance and security on a number of premises due to delays in disposals.
Compensation and associated costs	756	Expenditure under this subhead is subject to a number of unpredictable variables, including the timing of court hearings, the progress of cases, and the number, value and timing of awards and settlements.
Miscellaneous expenditure	665	The saving is due to a number of variables including slower than anticipated progress on projects, savings on Defence Forces canteen facilities and reduced administrative costs.
Costs arising directly from Ireland's participation in the EU's Common Security and Defence Policy	(195)	The excess is due to an increase in common costs for European Union missions.

A technical supplementary estimate increased subhead A.11 by €32.8 million to facilitate payments under the Naval Vessel Replacement Programme.

4 Receipts

4.1 Appropriations-in-aid

		2014		2013
		Estimated	Realised	Realised
		€000	€000	€000
1.	Receipts from United Nations in respect of overseas allowances, etc.	3,445	6,133	8,529
2.	Receipts from EU in respect of fishery protection costs	50	—	63
3.	Receipts from banks and other organisations	8,100	8,924	8,439
4.	Receipts from occupation of official quarters	227	224	240
5.	Receipts from rations on repayment	745	997	1,030
6.	Receipts from other issues on repayment	60	41	48
7.	Receipts for aviation fuel	70	40	191
8.	Receipts on discharge by purchase	50	75	40
9.	Lands and premises			
	(a) rents, etc.	400	525	600
	(b) sales	500	3,258	1,422
10.	Sale of surplus stores	200	109	899
11.	Refunds in respect of services of seconded personnel	41	79	232
12.	Miscellaneous	350	2,363	1,400
13.	Receipts from pension-related deduction on public service remuneration	22,400	22,551	25,303
14.	HRA Salary Sacrifice	—	26	—
Total		36,638	45,345	48,436

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 provided €000	Explanation
Receipts from United Nations in respect of overseas allowances, etc.	(2,688)	Receipts from the United Nations were higher than anticipated in respect of equipment costs.
Receipts from banks and other organisations	(824)	Receipts under this subhead are subject to a number of unpredictable variables, including the number and duration of escorts provided by the Defence Forces.
Receipts from rations on repayment	(252)	The surplus is due to higher than anticipated numbers of personnel availing of rations.
Lands and premises (a) rents, etc.	(125)	The surplus is due to higher than anticipated use of properties and facilities.
Lands and premises (b) sales	(2,758)	Property sales in 2014 raised significantly more than expected.
Miscellaneous	(2,013)	The surplus is due mainly to higher than anticipated receipts in respect of the Emergency Aeromedical Support Service.

4.2 Extra receipts payable to the Exchequer

	2014	2013
	€000	€000
Balance at 1 January	—	—
Receipt of conscience money	1	—
Transferred to Exchequer	(1)	—
Balance at 31 December	<u>—</u>	<u>—</u>

5 Employee Numbers and Pay

	2014	2013
Number of staff at year end (full time equivalents)	10,147	10,134
	2014	2013
	€000	€000
Pay	397,583	417,166
Higher, special or additional duties allowance	230	256
Overtime	414	472
Shift and roster allowance	207	215
Military and other allowances	28,001	34,184
Employer's PRSI	36,407	38,089
Total Pay	462,842	490,382

The overall totals do not include the Office of the Ombudsman for the Defence Forces which accounts for three personnel and total pay of €198,174. This office produces a separate account.

The total pay figures above exclude non-pay expenditure charged to some pay subheads.

5.1 Civil Servants

	2014	2013
Number of staff at year end (full time equivalents)	339	339
	2014	2013
	€000	€000
Pay	16,208	16,494
Higher, special or additional duties allowances	100	81
Overtime	103	100
Other allowances	7	5
Employer's PRSI	635	638
Total Pay	17,053	17,318

The pay figure includes severance and redundancy payments totalling €14,882 paid in 2014.

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	27	4	15,574	17,690
Overtime	62	—	9,777	7,430
Other allowances	14	—	2,123	1,737

Certain individuals received extra remuneration in more than one category.

5.2 Civilian Employees

	2014	2013
Number of staff at year end (full time equivalents)	508	534
	2014	2013
	€000	€000
Pay	18,462	21,480
Higher, special or additional duties allowances	130	175
Overtime	311	372
Shift and roster allowance	207	215
Travel time allowance	533	590
Tool and other allowances	276	325
Employer's PRSI	1,949	2,163
Total Pay	21,868	25,320

The pay figure includes severance and redundancy payments totalling €346,563 which was paid to six civilian employees in 2014.

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	76	—	8,026	7,220
Overtime	139	5	15,833	27,014
Shift and roster allowance	32	4	15,039	17,446
Travel time allowance	87	9	12,030	12,030
Tool and other allowances	321	—	3,235	3,235

Certain individuals received extra remuneration in more than one category.

5.3 Permanent Defence Force (incl. Army Nursing Service and Chaplaincy)

	2014	2013
Number of staff at year end (full time equivalents)	9,299	9,261
	2014	2013
	€000	€000
Pay and military service allowance	362,913	379,192
Overseas allowances	12,127	15,023
Security duty allowances	8,066	9,786
Border duty allowance	3,009	3,499
Patrol duty allowance	2,519	3,165
Miscellaneous allowances	1,464	1,791
Employer's PRSI	33,823	35,288
Total pay	423,921	447,744

Allowances	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2014	Maximum individual payment 2013
			€	€
Overseas allowances	1,249	534	37,139	40,811
Security duty allowances	7,586	14	15,070	13,527
Border duty allowance	751	—	9,748	24,468
Patrol duty allowance	695	6	10,819	10,455
Miscellaneous allowances	863	—	7,294	11,823

Certain individuals received allowances in more than one category.

5.4 Special Payments

The sum of €318,302 was paid to serving military personnel and certain discharged personnel in respect of arrears of their entitlement to holiday pay and covers the period October to December 2013.

The sum of €457,023 was paid to 75 military personnel for loss of earnings due to the cessation of border duty and specialised instructors' allowances and covers the period July 2012 to June 2013.

The sum of €355,083 was paid to 164 enlisted personnel for loss of earnings due to barrack closures and covers the period March 2011 to February 2013.

The sum of €59,515 was paid to 23 enlisted personnel as arrears of technical pay on foot of the re-organisation of the Defence Forces and covers the period March 2013 to October 2014.

The sum of €31,352 was paid to four enlisted personnel for loss of earnings due to the cessation of the fire service duty allowance and covers the period May 2012 to April 2014.

5.5 Seconded Staff

This account includes a total of €88,049 in respect of the remuneration of military personnel on secondment.

5.6 Revenue Settlement

Following an internal review of all medical services provided to members of the Defence Forces and their families, and an unprompted voluntary disclosure, a payment of €281,255 on account, including interest, was made to the Office of the Revenue Commissioners in 2014. This was in respect of an underpayment of PAYE, PRSI and USC in respect of certain medical services covering the period 2011 to 2013.

6 Miscellaneous

6.1 Overseas Missions

This account includes the sums indicated below in respect of the remuneration of military personnel serving with UN and EU peace support operations and various organisations, together with travel and subsistence and transportation costs:

	2014	2013
	€000	€000
UN and EU Missions:		
UNIFIL (Lebanon)	15,956	27,029
UNDOF (Golan Heights)	9,667	2,381
KFOR (Kosovo)	1,221	1,209
EUFOR (Bosnia Herzegovina)	817	747
Other UN and EU Missions	3,974	4,293
	31,635	35,659
Other:		
Military representatives and advisors	1,819	1,999
Nordic Battle Group	1,234	47
Organisation for Security and Co-operation in Europe	397	462
Total	35,085	38,167

Of the sum of €32 million for UN and EU missions, €6 million relates to missions the full costs of which are borne by the State. The remaining €26 million relates to UNIFIL and UNDOF in respect of which arrangements for the reimbursement of certain costs have been agreed with the UN. The amount actually received from the UN by way of appropriations-in-aid in 2014 was €6.1 million (Note 4.1), of which €3.6 million related to personnel costs and €2.5 million to equipment costs. The amount outstanding at year end was €1.2 million (€0.65 million personnel costs for UNIFIL and UNDOF and €0.55 million equipment costs for UNIFIL only. Equipment costs for UNDOF are under negotiation with the UN).

A claim that was submitted to the UN relating to costs associated with the withdrawal from MINURCAT (Chad) is still under negotiation.

6.2 Support for Defence Forces' Representative Associations

This account includes a total of €458,860 in respect of the remuneration of military personnel seconded to representative associations and certain related administrative costs.

6.3 Write-offs

103 cases of damage to military vehicles resulted in the sum of €87,533 being written off.

6.4 Personal Injury and Employment Case Claims

at 31 December	2014	2013
Numbers of settled claims:		
State Claims Agency	95	137
Other	42	22
Numbers of claims on hand:	338	330
Of which referred to State Claims Agency	289	273

6.5 Legal Costs

Expenditure for the year ended 31 December	2014	2013
	€000	€000
Legal fees	1,373	1,549
Compensation	2,849	2,260
	<u>4,222</u>	<u>3,809</u>

The above figures in respect of legal fees and compensation refer primarily to the claims disclosed in note 6.4.

6.6 Medical Treatment

Institutional and outpatient services were afforded to Defence Forces personnel and to the dependants of enlisted personnel in civilian hospitals without application of the statutory charge and in military hospitals without charge to the Health Service Executive.

Schedule of Land and Buildings

1. Vested in the Minister for Defence

Property	Area (Acres) ^a
Clare	
Knockalisheen Camp	160.25
Cork	
Murphy Barracks, Ballincollig	2.2
Collins Barracks, Cork	59.8
Portion of Camp Field, Collins Barracks	—
Old Barracks & Graveyard, Fermoy	11
RDF Premises, Kilcrohane	1
Michael Collins Memorial Plot, Beál na Bláth	0.01
RDF Premises, Skibbereen	0.5
RDF Premises, Mallow	0.07
RDF Premises, Youghal	0.11
Part of old Military Barracks, Buttevant	—
Donegal	
Military Post, Lifford	2.6
Dublin	
Casement Aerodrome, Baldonnell including sewage farm & land adjacent	685
Esplanade, Collins Barracks	0.5
Site at Islandbridge, Dublin 8	1
Galway	
Oranmore Rifle Range	534
Springfield Water Supply to Oranmore Range	—
Dún Uí Mhaoilíosa, Galway	74
RDF Premises, Ballinasloe	0.5
Kerry	
Ballymullen Barracks, Tralee	15
Fort Shannon, Tarbert	2
RDF Premises, Listowel	0.22
RDF Premises, Killorglin	0.25

^a Acreages stated are approximate. Most of the properties contain buildings thereon.

Schedule of Land and Buildings

1. Vested in the Minister for Defence

Property	Area (Acres) ^a
Kildare	
Curragh Camp and Lands	4,870
Curragh Lands – Kildare By-Pass	—
Houses at Orchard Park (2,23,78,85,96), Curragh	—
Magee Barracks, Kildare	56.33
Lands at Blackrath, Curragh	35.5
Kilkenny	
Stephens' Barracks, Kilkenny	14
Louth	
Red Barns Rifle Range, Dundalk	13.50
Mayo	
RDF Premises, Westport - Leased	0.50
Meath	
Gormanston Camp and Aerodrome	261
RDF Premises, Navan	0.50
Offaly	
Former Military Barracks, Birr	4.90
Roscommon	
Rifle Range, Carna	283
Tipperary	
Rifle Range, Kilcoran	13.50
Barnane Rifle Range, Templemore	—
Waterford	
Military Barracks, Waterford	0.80
Westmeath	
Columb Barracks, Mullingar	23.75
Custume Barracks, Athlone	13
Garrynafela Lands, Athlone	14.75
Wicklow	
Glen of Imaal Artillery Range	6,669
Coolmooney Camp and Lands	241
Kilpeddar Rifle Range, Bray	98
Rockbrae House and Lands, Bray	4.83
Range Warden's Post, Seskin	1
RDF Premises, Wicklow - leased	0.23

^a Acreages stated are approximate. Most of the properties contain buildings thereon.

Schedule of Land and Buildings

2. Vested in the Minister for Finance

Property	Area (Acres) ^a
Clare	
RDF Premises, Ennis	0.25
Cork	
Kilworth Camp and Range	3,404
Portion at Kilworth Camp for provision of road services to NRA	26.42
Bere Island	225
Naval Base, Haulbowline ^b	84
Fort Davis, Whitegate	74
Fort Templebreedy, Crosshaven	37
Furious Pier, Castletownbere	—
Landing Pier, Cobh	—
Donegal	
Finner Camp, Bundoran	840
Dublin	
Cathal Brugha Barracks, Rathmines	46
Cathal Brugha Barracks No 17 – 28 Quarters	—
McKee Barracks, Blackhorse Avenue	45
McKee Park, No 64	—
St. Bricin's Hospital, D7	8
Old School House, Arbour Hill	—
2 Tomar Court, Arbour Hill	—
Laois	
RDF Premises, Portlaoise	0.077
Limerick	
Sarsfield Barracks, Limerick	14.80
Longford	
Connolly Barracks, Longford	14
Portion of Connolly Barracks Longford	0.37
RDF Premises Longford	—
Louth	
Aiken Barracks, Dundalk	18

^a Acreages stated are approximate. Most of the properties contain buildings thereon.

^b Temporarily transferred to the Department of Agriculture, Food and the Marine for remedial work on the ISPAT site.

Schedule of Land and Buildings

2. Vested in the Minister for Finance

Property	Area (Acres) ^a
Mayo	
Military Barracks, Castlebar	6
Roscommon	
Rifle Range, Cushla	139
Military Barracks, Boyle	0.50
Tipperary	
Kickham Barracks, Clonmel	11
Military Barracks, Nenagh	2.70
Part of McCann Bks., Templemore	0.39
Wexford	
Military Barracks, Wexford	1
Wicklow	
Kilbride Camp and Rifle Range	1,574

^a Acreages stated are approximate. Most of the properties contain buildings thereon.