

Appropriation Account 2017

Vote 5

Office of the Director of Public Prosecutions

Introduction

As Accounting Officer for Vote 5, 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 2017 for the salaries and expenses of the Office of the Director of Public Prosecutions.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2017, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €189,816 is liable for surrender to the Exchequer.

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

Statement of Accounting Policies and Principles

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

Statement on Internal Financial Control

Responsibility for the System of Internal Financial Control

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

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

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

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

Financial Control Environment

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

- financial responsibilities have been assigned at management level with corresponding accountability
- reporting arrangements have been established at all levels where responsibility for financial management has been assigned
- formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action
- there is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system
- procedures for all key business processes have been documented
- there are systems in place to safeguard the assets.

Administrative Controls and Management Reporting

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

- there is an appropriate budgeting system with an annual budget which is kept under review by senior management
- there are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts
- a risk management system operates within the Office
- there are systems aimed at ensuring the security of the ICT systems
- there are appropriate capital investment control guidelines and formal project management disciplines.

The Office ensures that there is an appropriate focus on good practice in purchasing and that procedures are in place to ensure compliance with all relevant guidelines. The Office complied with the guidelines with the exception of six contracts to the value of €474,607 which were listed in my annual return in respect of Circular 40/2002. Two of the contracts, to the value of €69,400, involved services for which there was only one supplier. Two more, to the value of €60,242, involving the provision of telephone service and data connectivity were extended beyond the original advertised tender length because of a delay in reducing the number of locations in which staff of the office are based. One contract with a value of €318,177 was renewed without a tender competition while awaiting the completion of an Office of Government Procurement competition to establish a Framework Agreement. Following a competition held under this new framework a new contract was placed in June 2017. The last contract for €26,788 is being addressed under another OGP established Framework Agreement.

Internal Audit and Audit Committee

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

Risk and Control Framework

The Office has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing the Office and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the Management Board on a twice yearly basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and assigns responsibility for operation of controls to specific staff.

Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Management Board, where relevant, in a timely way. I confirm that key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

Review of Effectiveness

I confirm that the Office has procedures to monitor the effectiveness of its risk management and control procedures. The Office's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors and the senior management within the Office responsible for the development and maintenance of the internal financial control framework.

Internal Financial Control Issues

No weaknesses in internal financial control were identified in relation to 2017 that resulted in, or may result in, a material loss.

Barry Donoghue
Accounting Officer
Office of the Director of Public Prosecutions

28 March 2018

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 5 Office of the Director of Public Prosecutions

Opinion on the appropriation account

I have audited the appropriation account for Vote 5 Office of the Director of Public Prosecutions for the year ended 31 December 2017 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993.

In my opinion, the appropriation account

- properly presents the receipts and expenditure of Vote 5 Office of the Director of Public Prosecutions for the year ended 31 December 2017
- has been prepared in the form prescribed by the Minister for Public Expenditure and Reform.

Basis of opinion

I conducted my audit of the appropriation account in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the *Preface to the Appropriation Accounts*. I am independent of the Office of the Director of Public Prosecutions and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on the statement on internal financial control, and on other matters

The Accounting Officer has presented a statement on internal financial control together with the appropriation account. My responsibilities to report in relation to the information in the statement, and on certain other matters upon which I report by exception, are described in the *Preface to the Appropriation Accounts*.

I have nothing to report in that regard.

Seamus McCarthy
Comptroller and Auditor General

24 September 2018

Vote 5 Office of the Director of Public Prosecutions

Appropriation Account 2017

				2017	2016
				Estimate provision	Outturn
		€000	€000	€000	€000
Programme expenditure					
A	Provision of prosecution service				
	<i>Original</i>	41,588			
	<i>Supplementary</i>	260	41,848	41,682	39,417
	Gross expenditure		41,848	41,682	39,417
	<i>Deduct</i>				
B	Appropriations-in-aid				
	<i>Original</i>	912			
	<i>Supplementary</i>	(158)	754	778	791
	Net expenditure				
	<i>Original</i>	40,676			
	<i>Supplementary</i>	418			
			41,094	40,904	38,626

Surplus

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

	2017	2016
	€	€
Surplus to be surrendered	189,816	259,940

Barry Donoghue
Accounting Officer
Office of the Director of Public Prosecutions

28 March 2018

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2017

	2017	2016
	€000	€000
Programme cost	24,850	23,976
Pay	13,264	12,825
Non pay	3,568	2,616
Gross expenditure	41,682	39,417
<i>Deduct</i>		
Appropriations-in-aid	778	791
Net expenditure	40,904	38,626
Changes in capital assets		
Purchases cash	(214)	
Depreciation	165	
Loss on disposals	23	
	(26)	70
Changes in net current assets		
Decrease in closing accruals	(276)	
Decrease in stock	2	
	(274)	210
Direct expenditure	40,604	38,906
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	2,547	2,600
Notional rents	1,862	457
	45,013	41,963

1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 5 borne elsewhere.

	2017	2016
	€000	€000
Vote 12 Superannuation and Retired Allowances	1,653	1,186
Vote 13 Office of Public Works	680	1,230
Vote 18 National Shared Services Office	27	24
Vote 20 Garda Síochána	187	160
	2,547	2,600

Note 2 Statement of Financial Position as at 31 December 2017

	Note	2017 €000	2016 €000
Capital assets	2.2	327	301
Current assets			
Bank and cash	2.3	844	854
Stocks	2.4	65	67
Prepayments		131	145
Other debit balances	2.5	248	230
Total current assets		1,288	1,296
Less current liabilities			
Net Exchequer funding due	2.7	66	94
Accrued expenses		2,819	3,109
Other credit balances	2.6	1,026	990
Total current liabilities		3,911	4,193
Net current liabilities		(2,623)	(2,897)
Net liabilities		(2,296)	(2,596)
Represented by:			
State funding account	2.1	(2,296)	(2,596)

2.1 State funding account

	Note	2017 €000	2016 €000
Balance at 1 January		(2,596)	(2,329)
Disbursements from the Vote			
Estimate provision	Account	41,094	
Surplus to be surrendered	Account	(190)	
Net vote		40,904	38,626
Expenditure (cash) borne elsewhere	1	2,547	2,600
Non cash expenditure – notional rent	1	1,862	457
Net programme cost	1	(45,013)	(41,963)
Non cash Items: capital asset adjustment		—	13
Balance at 31 December		(2,296)	(2,596)

2.2 Capital assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2017	3,458	661	4,119
Additions	187	27	214
Disposals	(243)	(127)	(370)
Cost or valuation at 31 December 2017	3,402	561	3,963
Accumulated depreciation			
Opening balance at 1 January 2017	3,242	576	3,818
Depreciation for the year	131	34	165
Depreciation on disposals	(235)	(112)	(347)
Cumulative depreciation at 31 December 2017	3,138	498	3,636
Net assets at 31 December 2017	264	63	327
Net assets at 31 December 2016	216	85	301

2.3 Bank and cash

at 31 December	2017 €000	2016 €000
PMG balance	768	837
Commercial bank account balances	76	17
	844	854

2.4 Stocks

at 31 December	2017 €000	2016 €000
Stationery	28	36
IT consumables	37	31
	65	67

2.5 Other debit balances

at 31 December	2017 €000	2016 €000
Other debit balances	248	230

2.6 Other credit balances

at 31 December	2017	2016
	€000	€000
Amounts due to the State		
Income Tax	548	551
Pay Related Social Insurance	180	176
Professional Services Withholding Tax	270	259
Value Added Tax	24	4
	1,022	990
Other credit suspense items	4	—
	1,026	990

2.7 Net Exchequer funding due

at 31 December	2017	2016
	€000	€000
Surplus to be surrendered	190	260
Exchequer grant undrawn	(124)	(166)
Net Exchequer funding due	66	94
Represented by:		
Debtors		
Bank and cash	844	854
Debit balances: suspense	248	230
	1,092	1,084
Creditors		
Due to State	(1,022)	(990)
Credit balances: suspense	(4)	—
	(1,026)	(990)
	66	94

2.8 Commitments

The Office had commitments in respect of legal fees at the year end, but the value of these commitments is difficult to estimate accurately, due to the inherent uncertainties and status of outstanding cases.

The Office had no other legally enforceable commitments at 31 December 2017 (2016: Nil).

2.9 Matured liabilities

	2017	2016
at 31 December	€000	€000
Estimate of matured liabilities not discharged at year end	144	138

Note 3 Vote Expenditure by Subhead

Analysis of administration expenditure

The following note presents an analysis of the administration expenditure of the Vote and outlines the reasons for significant variations (+/- 25% and €100,000).

				2017	2016
			Estimate provision	Outturn	Outturn
		€000	€000	€000	€000
i	Salaries, wages and allowances				
	<i>Original</i>	14,127			
	<i>Supplementary</i>	(771)	13,356	13,264	12,825
ii	Travel and subsistence				
	<i>Original</i>	109			
	<i>Supplementary</i>	(13)	96	172	131
iii	Training and development and incidental expenses				
	<i>Original</i>	1,262			
	<i>Supplementary</i>	(106)	1,156	1,123	1,259
iv	Postal and telecommunications services				
	<i>Original</i>	240			
	<i>Supplementary</i>	11	251	238	207
v	Office equipment and external IT services				
	<i>Original</i>	641			
	<i>Supplementary</i>	313	954	658	516
vi	Office premises expenses				
	<i>Original</i>	1,048			
	<i>Supplementary</i>	403	1,451	1,341	490
vii	Consultancy services and value for money and policy reviews				
	<i>Original</i>	37			
	<i>Supplementary</i>	8	45	36	13
			17,309	16,832	15,441

Significant variations

vi Office premises expenses

Estimate provision: €1.05 million, outturn: €1.34 million

The excess arose because capital works which were expected to fall in 2016 were actually carried out in 2017.

Programme A Provision of a Prosecution Service

			Estimate provision	2017	2016
		€000	€000	Outturn	Outturn
				€000	€000
A.1	Administration - pay				
	<i>Original</i>	14,127			
	<i>Supplementary</i>	(771)			
			13,356	13,264	12,825
A.2	Administration – non-pay				
	<i>Original</i>	3,337			
	<i>Supplementary</i>	616			
			3,953	3,568	2,616
A.3	Fees to counsel				
	<i>Original</i>	14,528			
	<i>Supplementary</i>	1,377			
			15,905	16,406	14,858
A.4	General law expenses				
	<i>Original</i>	2,946			
	<i>Supplementary</i>	(879)			
			2,067	1,883	2,571
A.5	Local state solicitor service				
	<i>Original</i>	6,650			
	<i>Supplementary</i>	(83)			
			6,567	6,561	6,547
			41,848	41,682	39,417

Significant variations*A.3 Fees to counsel*

Estimate provision: €14.53 million, outturn: €16.41million

The excess of €1.88 million relative to the estimate provision was due to an unanticipated increase in activity in certain courts.

A.4 General law expenses

Estimate provision: €2.95 million, outturn: €1.88 million

The saving of €1.07 million relative to the estimate provision was due to fewer cost awards in 2017 than anticipated.

Note 4 Receipts

4.1 Appropriations-in-aid

				2017	2016
			Estimated	Realised	Realised
		€000	€000	€000	€000
1	Miscellaneous				
	<i>Original</i>	128			
	<i>Supplementary</i>	(44)			
			84	117	110
2	Receipts from pension-related deductions on public service remuneration				
	<i>Original</i>	784			
	<i>Supplementary</i>	(114)			
			670	661	681
Total			754	778	791

Significant variations

Overall, appropriation in aid were €134,000 lower than estimated. This was mainly due to the following:

2 Receipts from pension-related deductions on public service remuneration

Estimate provision: €784,000, outturn: €661,000

Receipts were less than expected due to an increase in the annual PRD thresholds and because of savings on the payroll subhead.

4.2 Extra receipts payable to the Exchequer

Receipts of €4,488 (2016: €23,324) arising from forfeitures ordered by the courts were lodged to the Exchequer.

Note 5 Employee Numbers and Pay

5.1 Employee numbers

	2017	2016
Number of staff at year end (full time equivalents)	199	194

5.2 Pay

	2017	2016
	€000	€000
Pay	12,169	11,783
Higher, special or additional duties allowance	118	119
Overtime	6	5
Employer's PRSI	971	918
Total Pay	13,264	12,825

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment 2017 €	Highest individual payment 2016 €
Higher, special or additional duties	45	4	41,592	37,757
Overtime and extra attendance	8	—	1,845	2,909
Extra remuneration in more than one category	2	—	1,319	—

5.4 Other remuneration arrangements

This account includes expenditure of €137,088 (2016: €138,244) in respect of one officer who was serving outside the Office in 2017 and whose salary was paid from Subhead A.1.

