

## OFFICE OF THE CHIEF STATE SOLICITOR

Account of the sum expended, in the year ended 31 December 2007, compared with the sum granted and of the sum which may be applied as appropriations-in-aid in addition thereto, for the salaries and expenses of the Office of the Chief State Solicitor.

| Service   | Estimate<br>Provision<br>€000 | Outturn<br>€000 | Closing<br>Accruals<br>€000 |
|---|-------------------------------|-----------------|-----------------------------|
| <b>ADMINISTRATION</b>   |                               |                 |                             |
| A.1. SALARIES, WAGES AND ALLOWANCES                                     | 15,495                        | 13,910          | -                           |
| A.2. TRAVEL AND SUBSISTENCE   | 220                           | 248             | 9                           |
| A.3. INCIDENTAL EXPENSES  | 2,161                         | 1,367           | 37                          |
| A.4. POSTAL AND TELECOMMUNICATIONS SERVICES                             | 547                           | 418             | 4                           |
| A.5. OFFICE MACHINERY AND OTHER OFFICE SUPPLIES<br>AND RELATED SERVICES | 1,412                         | 1,040           | (9)                         |
| A.6. OFFICE PREMISES EXPENSES   | 469                           | 238             | 9                           |
| A.7. CONSULTANCY SERVICES   | 207                           | 202             | 20                          |
| A.8. LOCAL STATE SOLICITOR SERVICE                                      | 11,800                        | 11,456          | -                           |
| A.9. VALUE FOR MONEY AND POLICY REVIEWS                                 | 57                            | 33              | -                           |
| <b>OTHER SERVICES</b>   |                               |                 |                             |
| B. FEES TO COUNSEL  | 13,559                        | 15,119          | 265                         |
| C. GENERAL LAW EXPENSES   | <u>4,500</u>                  | <u>4,759</u>    | <u>892</u>                  |
| <b>Gross Total</b>  | 50,427                        | 48,790          | 1,227                       |
| <i>Deduct :-</i>  |                               |                 |                             |
| D. APPROPRIATIONS-IN-AID  | <u>270</u>                    | <u>1,177</u>    | <u>5,009</u>                |
| <b>Net Total</b>  | <u>50,157</u>                 | <u>47,613</u>   | <u>(3,782)</u>              |
| <b>SURPLUS TO BE SURRENDERED</b>  | <b>€2,544,174</b>             |                 |                             |

The Statement of Accounting Policies and Principles and Notes 1 to 14 form part of this Account

## NOTES

## 1 OPERATING COST STATEMENT FOR 2007

|                                      | €000         | €000         | €000          |
|--------------------------------------|--------------|--------------|---------------|
| Net Outturn                          |              |              | 47,613        |
| <b>Changes in Capital Assets</b>     |              |              |               |
| Purchases Cash                       | (557)        |              |               |
| Depreciation                         | 670          |              |               |
| Loss on Disposal                     | <u>4</u>     | 117          |               |
| <b>Changes in Net Current Assets</b> |              |              |               |
| Decrease in Closing Accruals         | (493)        |              |               |
| Decrease in Stock                    | <u>12</u>    | <u>(481)</u> | <u>(364)</u>  |
| <b>Direct Expenditure</b>            |              |              | 47,249        |
| <b>Expenditure Borne Elsewhere</b>   |              |              |               |
| Net Allied Services Expenditure      | 1,408        |              |               |
| Notional Rents                       | <u>1,363</u> |              | <u>2,771</u>  |
| <b>Operating Cost</b>                |              |              | <u>50,020</u> |

## 2 STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2007

|   | €000           | €000         | €000         |
|---|----------------|--------------|--------------|
| Capital Assets (Note 3)                 |                |              | 1,522        |
| <b>Current Assets</b>                   |                |              |              |
| Stocks (Note 12)                        |                | 48           |              |
| Prepayments                             |                | 82           |              |
| Accrued Income                          |                | 5,009        |              |
| Other Debit Balances:                   |                |              |              |
| Miscellaneous                           | 119            |              |              |
| Shared Accommodation Costs              | <u>43</u>      | 162          |              |
| PMG Balance and Cash                    | 1,881          |              |              |
| Orders Outstanding                      | <u>(1,062)</u> | <u>819</u>   |              |
| <b>Total Current Assets</b>             |                | <u>6,120</u> |              |
| <b>Less Current Liabilities</b>         |                |              |              |
| Accrued Expenses                        |                | 1,309        |              |
| Other Credit Balances:                  |                |              |              |
| Due to the State (Note 13)              | 1,012          |              |              |
| Payroll Deductions                      | 63             |              |              |
| Miscellaneous                           | <u>191</u>     | 1,266        |              |
| Net Liability to the Exchequer (Note 4) |                | <u>(285)</u> |              |
| <b>Total Current Liabilities</b>        |                | <u>2,290</u> |              |
| <b>Net Current Assets</b>               |                |              | <u>3,830</u> |
| <b>Net Assets</b>                       |                |              | <u>5,352</u> |

**3 STATEMENT OF CAPITAL ASSETS AS AT 31 DECEMBER 2007**

|   | Office<br>Equipment<br>€000 | Furniture<br>and Fittings<br>€000 | Totals<br>€000 |
|---|-----------------------------|-----------------------------------|----------------|
| Cost or Valuation at 1 January 2007         | 4,060                       | 1,499                             | 5,559          |
| Adjustments <sup>1</sup>                    | (111)                       | (124)                             | (235)          |
| Additions                                   | 439                         | 53                                | 492            |
| Disposals                                   | <u>(723)</u>                | <u>(1)</u>                        | <u>(724)</u>   |
| Gross Assets at 31 December 2007            | <u>3,665</u>                | <u>1,427</u>                      | <u>5,092</u>   |
| <b>Accumulated Depreciation:</b>            |                             |                                   |                |
| Opening Balance at 1 January 2007           | 2,804                       | 1,051                             | 3,855          |
| Adjustments <sup>1</sup>                    | (111)                       | (124)                             | (235)          |
| Depreciation for the year                   | 527                         | 143                               | 670            |
| Depreciation on Disposals                   | <u>(719)</u>                | <u>(1)</u>                        | <u>(720)</u>   |
| Cumulative Depreciation at 31 December 2007 | <u>2,501</u>                | <u>1,069</u>                      | <u>3,570</u>   |
| <b>Net Assets at 31 December 2007</b>       | <u>1,164</u>                | <u>358</u>                        | <u>1,522</u>   |

<sup>1</sup> These adjustments arose following a review of the Asset Register.

**4 NET LIABILITY TO THE EXCHEQUER****Reconciliation of Surplus to be Surrendered at year end to Debtor and Creditor Balances held at 31 December 2007**

|                                | €000         | €000           |
|--------------------------------|--------------|----------------|
| Surplus to be Surrendered      |              | 2,544          |
| Exchequer Grant Undrawn        |              | <u>(2,829)</u> |
| Net Liability to the Exchequer |              | <u>(285)</u>   |
| <b>Represented by:</b>         |              |                |
| <b>Debtors</b>                 |              |                |
| Net PMG Position and Cash      | 819          |                |
| Debit Balances: Suspense       | <u>162</u>   | 981            |
| <b>Creditors</b>               |              |                |
| Due to the State               | (1,012)      |                |
| Credit Balances: Suspense      | <u>(254)</u> | <u>(1,266)</u> |
|                                |              | <u>(285)</u>   |

**5 EXTRA RECEIPTS PAYABLE TO THE EXCHEQUER**

A total of €23,400 was lodged to the Exchequer under the State Property Act, 1954.

## 6 EXPLANATION OF THE CAUSES OF VARIATION BETWEEN OUTTURN AND ESTIMATE PROVISION

| Sub-head | Less/(More)<br>Than Provided<br>€000 | Explanation   |
|----------|--------------------------------------|---|
| A.1.     | 1,585                                | The Office carried a number of vacancies, some at senior level throughout 2007.   |
| A.2.     | (28)                                 | Attendance at Court outside of Dublin was greater than anticipated.   |
| A.3.     | 794                                  | Savings arose due to contingency provisions which were not required during 2007.  |
| A.4.     | 129                                  | Provision was made for cost associated with improving communication links, but this provision was not required.                                       |
| A.5.     | 372                                  | The saving occurred due to outstanding payment due to an external contractor.   |
| A.6.     | 231                                  | The anticipated refurbishment of Osmond House did not take place during 2007.   |
| A.8.     | 344                                  | Outstanding payments were due to State Solicitors at the end of 2007.   |
| A.9.     | 24                                   | Anticipated requirement for consultancy was not used during 2007.   |
| B.       | (1,560)                              | Expenditure on this subhead depends on the level of activity in the Courts and is therefore difficult to forecast.                                    |
| C.       | (259)                                | The level of expenditure on this area fluctuates, depending on the level of State activity in the Courts and as such is difficult to predict.         |
| D.       | 907                                  | It is not possible to forecast accurately what amounts will be recovered in any year. The recovery of costs was greater than anticipated during 2007. |

## 7 APPROPRIATIONS-IN-AID

|  | Estimated<br>€ | Realised<br>€    |
|--|----------------|------------------|
| Costs and Fees received by the Chief State Solicitor | <u>270,000</u> | <u>1,176,517</u> |

### Explanation of Variation

It is not possible to forecast accurately what amounts will be recovered in any year.

## 8 MATURED LIABILITIES

The total amount of matured liabilities undercharged at 31 December 2007 amounted to €127,337.

## 9 COMMITMENTS

A commitment of €386,946 has been entered into in respect of the Case and Records Management System to be provided from 2008.

**10 DETAILS OF EXTRA REMUNERATION**

|                                      | Amount<br>Paid<br>€ | Number of<br>Recipients | Recipients of<br>€6,350 or more | Max. Individual<br>Payment of<br>€6,350 or more<br>€ |
|--------------------------------------|---------------------|-------------------------|---------------------------------|--|
| Higher, special or additional duties | 154,615             | 56                      | 8                               | 21,646   |
| Overtime and extra attendance        | 80,000              | 47                      | 2                               | 16,241   |
| Miscellaneous                        | <u>11,428</u>       | 2                       | 1                               | 7,618  |
| Total extra remuneration             | <u>246,043</u>      |                         |                                 |  |

**Note:** Certain individuals received extra remuneration in more than one category.

**11 MISCELLANEOUS ITEMS**

Ex-Gratia payments totalling €11,428 were made to two staff of the CSSO.

**12 STOCKS**

|                                       |             |
|---------------------------------------|-------------|
| Stocks at 31 December 2007 comprised: | <b>€000</b> |
| Stationery                            | <u>48</u>   |

**13 DUE TO THE STATE**

|   |              |
|---|--------------|
| The amount Due to the State at 31 December 2007 consisted of: | <b>€000</b>  |
| Withholding Tax   | 368          |
| Income Tax  | 474          |
| Pension Contributions   | 41           |
| VAT (4th Schedule)  | 13           |
| Pay Related Social Insurance                                  | <u>116</u>   |
|   | <u>1,012</u> |

## 14 ENHANCING INTERNAL CONTROLS

A Statement on Internal Financial Control in the standard format for the year ended 31 December 2007, has been submitted with this Account to the Comptroller and Auditor General. The following actions have been taken or are planned to enhance internal control as regards staff training, risk management, information and communications technology security and the ongoing review of the effectiveness of administrative and financial controls.

### Staff Training

The Office Case and Records Management System has been fully rolled out, and training has been provided. The Office has included a financial management competency as part of the Performance Management Development System and information sessions on the competence have been made available to staff. Comprehensive information on this topic is available electronically.

### Risk Management

The risk management process is overseen by a Risk Management Committee, representative of the Office and the Office of the Attorney General, which reports to the joint Office MAC and the Audit Committee. A risk management policy has been agreed and a Corporate Risk Register covering both Offices is in place. Legal and Administrative Risk Registers for the CSSO are in place and are regularly reviewed.

### Information and Communications Technology Security

The Office applies good practice controls to mitigate against key security risks associated with Information and Communications Technology (ICT). The Office in conjunction with the Office of the Attorney General is currently finalising a Business Continuity Management plan.

### Administrative and Financial Controls

The MAC and the Audit Committee regularly review controls. All internal audit reports are considered by the MAC of both Offices. The Office intends to carry out a review of all financial procedures during 2008.

**DAVID J. O'HAGAN**

Accounting Officer

OFFICE OF THE CHIEF STATE SOLICITOR


31 March 2008

## Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of the Vote for the Office of the Chief State Solicitor for 2007 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Appropriation Account has been prepared in accordance with the Statement of Accounting Policies and Principles on pages v-viii. The responsibilities of the Accounting Officer and the Comptroller and Auditor General, and the basis of the audit opinion are set out on pages iii-v.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Office of the Chief State Solicitor. The Appropriation Account is in agreement with the books of account.

In my opinion the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2007.



**JOHN BUCKLEY**

Comptroller and Auditor General

19 September 2008