

FOREIGN AFFAIRS

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 Minister for Foreign Affairs, and for certain services administered by that Office, including grants-in-aid and contributions to International Organisations.

Service	Estimate Provision €000	Outturn €000	Closing Accruals €000
ADMINISTRATION			
A.1. SALARIES, WAGES AND ALLOWANCES	96,018	97,544	86
A.2. TRAVEL AND SUBSISTENCE	8,600	7,417	160
A.3. INCIDENTAL EXPENSES	6,750	6,939	(58)
A.4. POSTAL AND TELECOMMUNICATIONS SUPPLIES	8,600	8,100	(433)
A.5. OFFICE MACHINERY AND OTHER OFFICE SUPPLIES AND RELATED SERVICES	27,350	31,658	(525)
A.6. OFFICE PREMISES EXPENSES	47,640	32,777	(1,210)
A.7. CONSULTANCY SERVICES	900	246	6
A.8. VALUE FOR MONEY AND POLICY REVIEWS	100	30	-
OTHER SERVICES			
B. REPATRIATION AND MAINTENANCE OF DISTRESSED IRISH PERSONS ABROAD	77	43	-
C. SUPPORT FOR IRISH EMIGRANT SERVICES	15,165	14,180	-
D. INFORMATION SERVICES	566	415	7
E. CONTRIBUTIONS TO BODIES IN IRELAND FOR THE FURTHERANCE OF INTERNATIONAL RELATIONS - (GRANTS-IN-AID)	320	320	-
F.1. NORTH-SOUTH AND ANGLO-IRISH CO-OPERATION	3,000	2,694	3
F.2. INTERNATIONAL FUND FOR IRELAND	195	195	-
G. CULTURAL RELATIONS WITH OTHER COUNTRIES (GRANT-IN-AID)	891	891	19
H. IRISH-AMERICAN ECONOMIC ADVISORY BOARD	28	4	-
I. CONTRIBUTIONS TO INTERNATIONAL ORGANISATIONS	32,498	37,291	(3,840)
J. ACTIONS CONSEQUENT ON TITLE V OF THE TREATY ON EUROPEAN UNION	582	582	(106)
K. ASSISTANCE TO EU AND OTHER EASTERN EUROPEAN STATES	2,215	1,347	-
L. ATLANTIC CORRIDOR PROJECT	250	250	-
M. ASIA STRATEGY	200	168	8
N. SUPPORT FOR IRELAND FUNDS	<u>2,000</u>	-	-
Gross Total	253,945	243,091	(5,883)
<i>Deduct :-</i>			
O. APPROPRIATIONS-IN-AID	<u>39,000</u>	<u>38,044</u>	-
Net Total	<u>214,945</u>	<u>205,047</u>	<u>(5,883)</u>
SURPLUS TO BE SURRENDERED		€9,898,334	

The Statement of Accounting Policies and Principles and Notes 1 to 12 form part of this Account.

NOTES

1 OPERATING COST STATEMENT FOR 2007

	€000	€000
Net Outturn		205,047
Changes in Capital Assets		
Purchases Cash	(15,989)	
Disposals Cash	158	
Depreciation	15,515	
Profit on Disposals	<u>(83)</u>	(399)
Changes in Net Current Assets		
Increase in Closing Prepayments	(3,999)	
Increase in Stock	<u>(2,736)</u>	<u>(6,735)</u>
Direct Expenditure		197,913
Expenditure Borne Elsewhere		
Net Allied Services Expenditure	11,395	
Notional Rents	<u>1,254</u>	<u>12,649</u>
Operating Cost		<u>210,562</u>

2 STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2007

	€000	€000	€000
Capital Assets (Note 3)			166,198
Current Assets			
Stocks (Note 11)		5,154	
Prepayments		9,335	
Other Debit Balances:			
Mission Accounts	15,365		
Inter Government Department Accounts	1,187		
Imprest and Personal Suspense Accounts	949		
Foreign Salary Advance Accounts	127		
Miscellaneous	<u>1,437</u>	<u>19,065</u>	
Total Current Assets		<u>33,554</u>	
Less Current Liabilities			
PMG Balance and Cash	9,452		
Orders Outstanding	<u>27</u>	9,479	
Due to State (Note 12)		1,966	
Net Liability to the Exchequer (Note 4)		6,998	
Accrued Expenses		3,452	
Contributions to Bodies in Ireland (Grant-in-Aid)		35	
Cultural Relations with Other Countries Fund (Grant-in-Aid)		4	
Miscellaneous		<u>584</u>	
Total Current Liabilities		<u>22,518</u>	
Net Current Assets			<u>11,036</u>
Net Assets			<u>177,234</u>

3 STATEMENT OF CAPITAL ASSETS AS AT 31 DECEMBER 2007

	Land and Buildings €000	Office Equipment €000	Furniture and Fittings €000	Totals €000
Cost or Valuation at 1 January 2007	130,327	67,680	40,201	238,208
Additions	8,211	5,014	2,786	16,011
Disposals	=	(849)	=	(849)
Gross Assets at 31 December 2007	<u>138,538</u>	<u>71,845</u>	<u>42,987</u>	<u>253,370</u>
Accumulated Depreciation:				
Opening Balance at 1 January 2007	-	48,432	23,999	72,431
Depreciation for the year	-	11,990	3,525	15,515
Depreciation on Disposals	=	(774)	=	(774)
Cumulative Depreciation at 31 December 2007	-	<u>59,648</u>	<u>27,524</u>	<u>87,172</u>
Net Assets at 31 December 2007	<u>138,538</u>	<u>12,197</u>	<u>15,463</u>	<u>166,198</u>

Note: Fixed Assets included under Land and Buildings represent properties owned outside the State. In addition, the Department occupies twelve buildings within the State, of which two are State-owned and ten are leased.

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		9,898
Exchequer Grant Undrawn		<u>(2,900)</u>
Net Liability to the Exchequer		<u>6,998</u>
Represented by:		
Debtors		
Debit Balances: Suspense		19,065
Creditors		
Net PMG position and cash	(9,479)	
Due to State	(1,966)	
Credit Balances: Suspense	<u>(622)</u>	<u>(12,067)</u>
		<u>6,998</u>

5 EXPLANATION OF THE CAUSES OF VARIATION BETWEEN OUTTURN AND ESTIMATE PROVISION

Sub-head	Less/(More) Than Provided €000	Explanation
A.1.	(1,526)	Increased payroll costs particularly those arising from pressures in the Passport Office.
A.2.	1,183	Lower than expected spending on air fares, car hire, hotel and accommodation costs and subsistence payments.
A.5.	(4,308)	Additional spending on passport booklets arising from the build up of a strategic reserve of these booklets.
A.6.	14,863	Local conditions did not allow the Department to complete a number of planned purchases of premises abroad. In addition, expenditure on maintenance, energy costs and rents was lower than expected.
A.7.	654	The level of engagement of external consultants was lower than expected.

Sub-head	Less/(More) Than Provided €000	Explanation
C.	985	In consideration of spending pressures on other programme areas, some spending was deferred.
D.	151	Expenditure on publications and press costs were lower than expected.
F.1.	306	Payment of some approved grants was deferred because of delays in receiving the appropriate paperwork from grantees.
I.	(4,793)	The overspend related in the main to our contributions to the United Nations and, in particular, from the inherent unpredictability of financial demands in the area of peacekeeping.
K.	868	Funds allocated for the Chernobyl reconstruction programme were not called upon.
N.	2,000	Issues regarding the nature of the possible legislation required were still under consideration and, accordingly, the allocated funds were not spent.
Note:		Sanction was received from Department of Finance for the virement of savings to fund the overspends in certain subheads.

6 APPROPRIATIONS-IN-AID

	Estimated €	Realised €
1. Passport, Visa and other Consular Services	37,870,000	36,317,415
2. Repayment of Repatriation and Maintenance Advances	30,000	6,676
3. VAT refunds to Diplomatic Missions	600,000	1,120,145
4. Miscellaneous	<u>500,000</u>	<u>599,294</u>
	<u>39,000,000</u>	<u>38,043,530</u>

Explanation of Variations

- Receipts under this heading are dependent on the level of demand for passports and visas. During 2007 income was €1.5m lower than estimated.
- VAT refunds on purchases at Missions abroad were €0.5m higher than estimated. It is difficult to predict the level of refunds.
- Miscellaneous receipts include refunds from prior years expenditure and bank interest received and are difficult to predict.

7 COMMITMENTS

The estimated total figure for commitments at 31 December 2007 and likely to materialise in the following year is €25.8m relating to property rental payments abroad and a contract for the printing of passport booklets.

8 DETAILS OF EXTRA REMUNERATION

	Amount Paid €	Number of Recipients	Recipients of €6,350 or more	Max. Individual Payment of €6,350 or more €
Higher, special or additional duties	285,668	84	13	19,502
Overtime and extra attendance	2,603,078	585	130	42,000
Comcen Allowance	17,968	6	-	-
Miscellaneous	<u>346,601</u>	193	4	8,554
Total extra remuneration	<u>3,253,315</u>			

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

9 MISCELLANEOUS ITEMS

Payments, totalling €9,856, were paid to two retired civil servants in receipt of civil service pensions whose services were employed on specialised tasks.

The Administrative Budget Agreement provides for the recognition of exceptional performance by staff. A total of €687,731 was paid in bonuses, and merit pay awards in 2007 consisting of 184 individual and 27 group awards.

Merit awards amounting to €5,982 were also paid to 26 staff for attendance on bank holidays to issue urgent passports.

As agreed with the Department of Finance under the Delegated Administrative Budget Scheme, a carryover of €3.754m is included in the Estimates allocation for 2008.

10 MISCELLANEOUS ACCOUNTS

Repatriation Advances

Account of receipts and payments during year ended 31 December 2007

	€	€
Add		
Balance Outstanding at 1 January 2007		131,849
Advances/expenditure 2007 (Subhead B.)		<u>43,443</u>
		175,292
Less		
Amounts written off	(9,926)	
Amounts Recovered (Subhead O.)	<u>(6,676)</u>	<u>(16,602)</u>
		<u>158,690</u>

Contributions to Bodies in Ireland for the furtherance of International Relations (Grant-in-Aid)

Account of receipts and payments during year ended 31 December 2007

	€
Balance at 1 January 2007	-
Grant-in-Aid 2007	<u>320,000</u>
	320,000
Expenditure 2007	<u>285,000</u>
Balance at 31 December 2007	<u>35,000</u>

Cultural Relations with Other Countries (Grant-in-Aid)

Account of receipts and payments during year ended 31 December 2007

	€
Balance at 1 January 2007	109,197
Grant-in-Aid 2007	<u>891,000</u>
	1,000,197
Expenditure 2007	<u>995,781</u>
Balance at 31 December 2007	<u>4,416</u>

11 STOCKS

Stocks at 31 December 2007 comprised:

	€000
Passport Booklets	4,990
Protocol Stocks	89
Stationery	31
Franking Machines	22
IT Consumables	<u>22</u>
	<u>5,154</u>

12 DUE TO THE STATE

The amount due to the State at 31 December 2007 consisted of:	€000
Income Tax	1,034
Pay Related Social Insurance	455
Pension Contributions	153
VAT	168
Withholding Tax	<u>156</u>
	<u>1,966</u>

DERMOT GALLAGHER
Accounting Officer
DEPARTMENT OF FOREIGN AFFAIRS
31 March 2008

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of the Vote for Foreign Affairs 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 Department of Foreign Affairs. 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