

## ENTERPRISE, TRADE AND EMPLOYMENT

Account of the sum expended, in the year ending 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 Enterprise, Trade and Employment, including certain services administered by that Office, for payment of certain subsidies, grants and grants-in-aid and for the payment of certain grants under cash-limited schemes of the Office of the Minister for Enterprise, Trade and Employment, including certain services administered by that Office, and for payment of certain subsidies and sundry grants-in-aid.

- for deferred Surrender of unspent appropriations for capital supply services under Section 91 of the Finance Act 2004.

Service	Estimate Provision €000	Outturn €000	Closing Accruals €000
<b>ADMINISTRATION</b>			
A.1. SALARIES, WAGES AND ALLOWANCES	34,965	33,100	87
A.2. TRAVEL AND SUBSISTENCE	1,801	1,295	54
A.3. INCIDENTAL EXPENSES	1,583	1,235	71
A.4. POSTAL AND TELECOMMUNICATIONS SERVICES	1,082	883	40
A.5. OFFICE MACHINERY AND OTHER OFFICE SUPPLIES AND RELATED SERVICES	5,451	4,755	33
A.6. OFFICE PREMISES EXPENSES	1,986	1,690	138
A.7. CONSULTANCY SERVICES	439	189	2
A.8. ADVERTISING AND INFORMATION RESOURCES	515	372	21
A.9. OFFICE OF THE DIRECTOR OF CORPORATE ENFORCEMENT	4,823	4,379	46
A.10. LABOUR COURT	3,085	2,704	29
A.11. NATIONAL EMPLOYMENT RIGHTS AUTHORITY	8,553	6,957	82
A.12. VALUE FOR MONEY AND POLICY REVIEWS	225	171	-
<b>ENTERPRISE, AGENCIES, SCIENCE AND TECHNOLOGY</b>			
B.1. FORFÁS - GRANT FOR ADMINISTRATION AND GENERAL EXPENSES	34,407	32,657	-
B.2. INTERTRADE IRELAND	11,892	9,478	-
C.1. IDA IRELAND - GRANT FOR ADMINISTRATION AND GENERAL EXPENSES	42,223	42,223	-
C.2. IDA IRELAND - GRANTS TO INDUSTRY	95,120	79,000	-
C.3. IDA IRELAND - GRANT FOR BUILDING OPERATIONS	3,400	3,400	-
D.1. ENTERPRISE IRELAND - GRANT FOR ADMINISTRATION AND GENERAL EXPENSES	99,858	99,858	-
D.2. ENTERPRISE IRELAND - GRANT TO INDUSTRY	54,137	44,437	-
D.3. ENTERPRISE IRELAND - GRANT FOR CAPITAL EXPENDITURE	3,400	3,400	-
E.1. SHANNON FREE AIRPORT DEVELOPMENT COMPANY LIMITED - GRANT FOR ADMINISTRATION AND GENERAL EXPENSES	100	-	-
E.2. SHANNON FREE AIRPORT DEVELOPMENT COMPANY LIMITED - GRANTS TO INDUSTRY	3,000	892	-
F. SCIENCE TECHNOLOGY AND INNOVATION PROGRAMMES	289,773	291,940	1
	<i>Current Year Provision</i>		
	<i>Deferred Surrender</i>	298,765	291,940
	<u>8,992</u>		
G. COUNTY ENTERPRISE DEVELOPMENT	31,856	34,440	-
	<i>Current Year Provision</i>		
	<i>Deferred Surrender</i>	36,306	-
	<u>4,450</u>		

Service	€000	Estimate Provision €000	Outturn €000	Closing Accruals €000
<b>ENTERPRISE, AGENCIES, SCIENCE AND TECHNOLOGY (cont'd)</b>				
H. MONITORING AND EVALUATION OF EU PROGRAMMES		270	18	-
I. NATIONAL STANDARDS AUTHORITY OF IRELAND - GRANT FOR ADMINISTRATION AND GENERAL EXPENSES				
	<i>Current Year Provision</i>	7,719		
	<i>Deferred Surrender</i>	<u>880</u>	8,148	-
<b>LABOUR FORCE DEVELOPMENT</b>				
K.1. FÁS ADMINISTRATION AND GENERAL EXPENSES		147,595	147,595	-
K.2. FÁS TRAINING AND INTEGRATION SUPPORTS		93,592	93,592	-
K.3. FÁS EMPLOYMENT PROGRAMMES		415,228	415,228	-
K.4. FÁS CAPITAL				
	<i>Current Year Provision</i>	25,505		
	<i>Deferred Surrender</i>	<u>2,000</u>	34,945	-
L. GRANT TO IRISH NATIONAL ORGANISATION FOR THE UNEMPLOYED		51	51	-
M.1. TECHNICAL SUPPORT FOR COMMUNITY INITIATIVES		735	597	7
M.2. MATCHING FUNDING FOR COMMUNITY INITIATIVES		100	33	-
M.3. OPERATIONAL PROGRAMME FOR HUMAN RESOURCES DEVELOPMENT - TECHNICAL ASSISTANCE		799	436	33
M.4. LEONARDO PROGRAMME		128	128	-
M.5. EQUAL COMMUNITY INITIATIVE DEVELOPMENT PARTNERSHIPS		5,628	5,628	661
<b>EMPLOYMENT RIGHTS AND INDUSTRIAL RELATIONS</b>				
N. LABOUR RELATIONS COMMISSION - GRANT FOR ADMINISTRATION AND GENERAL EXPENSES		6,194	4,871	75
O.1. GRANTS FOR TRADE UNION EDUCATION AND ADVISORY SERVICES		1,887	1,876	(27)
O.2. WORKPLACE INNOVATION FUND PROMOTION OF PARTNERSHIP		950	156	-
P. TRADE UNION AMALGAMATIONS		147	43	-
<b>COMMERCE, CONSUMERS AND COMPETITION</b>				
Q. GRANT TO THE COMPETITION AUTHORITY		6,104	6,102	-
R.1. CONSUMER AFFAIRS - GRANT FOR ADMINISTRATION AND GENERAL AFFAIRS		8,397	7,078	161
R.2. CONSUMER SUPPORT		66	66	-
S.1. COMPANIES REGISTRATION OFFICE AND REGISTRY OF FRIENDLY SOCIETIES - GRANT FOR ADMINISTRATION AND GENERAL AFFAIRS		10,097	9,484	138
S.2. IRISH AUDITING AND ACCOUNTING SUPERVISORY AUTHORITY (GRANT-IN-AID)		1,528	957	-

Service	€000	Estimate Provision €000	Outturn €000	Closing Accruals €000
<b>HEALTH AND SAFETY</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>	
T. HEALTH AND SAFETY AUTHORITY - GRANT FOR ADMINISTRATION AND GENERAL AFFAIRS		22,513	22,512	-
<b>OTHER SERVICES</b>				
U. RESEARCH INCLUDING MANPOWER SURVEYS		369	173	-
V. NATIONAL FRAMEWORK COMMITTEE FOR WORK/LIFE BALANCE POLICIES		278	219	(120)
W. SUBSCRIPTIONS TO INTERNATIONAL ORGANISATIONS, ETC.		15,527	15,400	(15)
X.1. COMMISSIONS, COMMITTEES AND SPECIAL INQUIRIES		904	782	10
X.2. MISCELLANEOUS PAYMENTS		2,020	1,324	-
X.3. SUPERANNUATION AND PENSIONS FOR MEMBERS OF THE LABOUR COURT, THE RESTRICTIVE PRACTICES COMMISSION AND THE COMPETITION AUTHORITY		668	495	-
X.4. EXPORT CREDIT INSURANCE - REFUND TO THE EXCHEQUER		<u>477</u>	<u>477</u>	-
<b>Gross Total</b>				
<i>Current Year Provision</i>	1,509,150			
<i>Deferred Surrender</i>	<u>16,322</u>	1,525,472	1,477,869	1,527
<i>Deduct :-</i>				
Y. APPROPRIATIONS-IN-AID		<u>117,839</u>	<u>137,632</u>	<u>(6,297)</u>
<b>Net Total</b>				
<i>Current Year Provision</i>	1,391,311			
<i>Deferred Surrender</i>	<u>16,322</u>	<u>1,407,633</u>	<u>1,340,237</u>	<u>7,824</u>
<b>SURPLUS FOR THE YEAR</b>		<b>€ 67,396,459</b>		
<b>DEFERRED SURRENDER under Section 91 of the Finance Act 2004</b>		<b>€ 23,428,000</b>		
<b>SURPLUS TO BE SURRENDERED</b>		<b>€ 43,968,459</b>		

The Statement of Accounting Policies and Principles and Notes 1 to 19 form part of this Account.

## NOTES

## 1 OPERATING COST STATEMENT FOR 2007

	€000	€000	€000
<b>Net Outturn</b>			1,340,237
<b>Changes in Capital Assets</b>			
Purchases Cash	(975)		
Depreciation	2,924		
Loss on Disposals	<u>164</u>	2,113	
<b>Assets under Development</b>			
Cash Payments		(1,119)	
<b>Changes in Net Current Assets</b>			
Increase in Closing Accruals	507		
Increase in Stock	<u>(58)</u>	<u>449</u>	<u>1,443</u>
<b>Direct Expenditure</b>			1,341,680
<b>Expenditure Borne Elsewhere</b>			
Net Allied Services Expenditure	27,686		
Notional Rents	<u>2,812</u>		<u>30,498</u>
<b>Operating Cost</b>			<u>1,372,178</u>

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

	€000	€000	€000
Capital Assets (Note 3)			9,693
Assets under Development (Note 4)			<u>1,661</u>
<b>Current Assets</b>			11,354
Stocks (Note 17)		249	
Prepayments		310	
Accrued Income		1,314	
Other Debit Balances:			
Imprests Advanced	21		
Department of Justice, Equality and Law Reform	35		
Department of Arts, Sport and Tourism	7		
Miscellaneous Debit Balances	441		
Recoupable Expenditure	<u>1,922</u>	2,426	
PMG Balance and Cash	40,909		
Orders Outstanding	<u>(3,409)</u>	<u>37,500</u>	
<b>Total Current Assets</b>		<u>41,799</u>	
<b>Less Current Liabilities</b>			
Accrued Expenses		1,837	
Deferred Income		7,611	
Other Credit Balances:			
Due to State (Note 18)	2,122		
European Union Funds	10,927		
Miscellaneous Credit Balances	<u>2,742</u>	15,791	
Net Liability to the Exchequer (Note 5)		<u>24,135</u>	
<b>Total Current Liabilities</b>		<u>49,374</u>	
<b>Net Current Liabilities</b>			<u>(7,575)</u>
<b>Net Assets</b>			<u>3,779</u>

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

	Motor Vehicles €000	Office & IT Equipment €000	Furniture and Fittings €000	Totals €000
Cost or Valuation at 1 January 2007	13	28,342	8,081	36,436
Additions	-	1,149	79	1,228
Transfers <sup>1</sup>	-	(319)	(321)	(640)
Disposals	-	<u>(1,084)</u>	<u>(12)</u>	<u>(1,096)</u>
Gross Assets at 31 December 2007	<u>13</u>	<u>28,088</u>	<u>7,827</u>	<u>35,928</u>
<b>Accumulated Depreciation:</b>				
Opening Balance at 1 January 2007	5	18,953	5,925	24,883
Depreciation for the year	3	2,394	527	2,924
Depreciation on Transfers <sup>1</sup>	-	(224)	(273)	(497)
Depreciation on Disposals	-	<u>(1,118)</u>	43	<u>(1,075)</u>
Cumulative Depreciation at 31 December 2007	<u>8</u>	<u>20,005</u>	<u>6,222</u>	<u>26,235</u>
<b>Net Assets at 31 December 2007</b>	<u>5</u>	<u>8,083</u>	<u>1,605</u>	<u>9,693</u>

<sup>1</sup>Assets with a cost of €639,636 and cumulative depreciation of €496,589 were transferred from the Department to the National Consumer Agency on 1 May 2007.

#### 4 STATEMENT OF CAPITAL ASSETS UNDER DEVELOPMENT AS AT 31 DECEMBER 2007

	In House Computer Applications €000
Amounts brought forward at 1 January 2007	797
Cash Payments for the Year	1,119
Amount written off during 2007	(2)
Transferred to Asset Register	<u>(253)</u>
Amounts carried forward at 31 December 2007	<u>1,661</u>

#### 5 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	43,968	
Deferred Surrender 2007	<u>23,428</u>	67,396
Exchequer Grant Undrawn		<u>(43,261)</u>
Net Liability to the Exchequer		<u>24,135</u>
<b>Represented by:</b>		
<b>Debtors</b>		
Net PMG position and cash	37,500	
Debit Balances: Suspense	<u>2,426</u>	39,926
<b>Creditors</b>		
Due to State	(2,122)	
Credit Balances: Suspense	<u>(13,669)</u>	<u>(15,791)</u>
		<u>24,135</u>

#### 6 EXTRA RECEIPTS PAYABLE TO THE EXCHEQUER

	Estimated €	Realised €
Export Credit - Recoveries from Iraq	480,000	1,754,282
IDA Ireland Interconnectivity Project Receipts	-	144,688
IDA Ireland - Surplus Own Resource Income - Capital	-	11,524,011
IDA Ireland - Surplus Own Resource Income - Current	-	817,000
Enterprise Ireland - Surplus Own Resource Income	615,000	1,726,340
Enterprise Ireland - Grant Refund (Subhead D.)	-	23,600
Enterprise Ireland - Capital Grant Refund (Subhead F.)	400,000	543,817
FAS Sale of Assets	<u>44,000</u>	<u>42,660</u>
<b>Total</b>	<u>1,539,000</u>	<u>16,576,398</u>

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

Sub-head	Less/(More) Than Provided €000	Explanation
A.2.	506	World Trade talks did not take place in 2007. Ministerial and officials travel was also somewhat reduced in 2007.
A.7.	250	Savings were achieved on a number of consultancy projects which were completed for less than the original estimated cost or which will not be completed until 2008. A decision was also taken not to proceed with two projects in 2007.
A.8.	143	The underspend was attributable to the establishment of a separate budget for NERA (Subhead A.11.), which heretofore would have processed its advertisements and publicity through Subhead A.8.
A.12.	54	The two VFM projects costed for 2007 were not concluded during the year and final payments will accordingly not be made until 2008.
B.1.	1,750	The saving on this Subhead can be attributed to high staff turnover in Forfas and consequent Pay savings. Savings were also realised in respect of pension costs. Non-Pay savings occurred on Research and Studies contracts.
B.2.	2,414	The saving arose from operational factors and favourable movements in the Euro/Sterling exchange rate in 2007.
C.2.	16,120	Expenditure under this Subhead is driven by demand and economic activity. The savings which were realised in 2007 were due to a reduction in grant claims from IDA client companies compared to expectations at the beginning of the year.
D.2.	9,700	The savings were due to lower than expected demand from Enterprise Ireland client companies and delays in project execution.
E.1.	100	An allocation of €100,000 was made available to Shannon Development in 2007 for administrative expenditure. As in recent years, the Company did not draw down the available allocation as all administration expenditure was funded from Company's own generated income.
E.2.	2,108	The variation is attributable to the demand-led nature of Shannon Development's Grants to Industry programme. A number of claims from client companies did not materialise during 2007. The Company also received a grant refund of €374,000 during the year, which effectively reduced the Exchequer drawdown.
F.	6,825	The underspend relates to a mixture of Current and Capital expenditure savings by Enterprise Ireland and Science Foundation Ireland. Capital savings were due to lower than anticipated demand in some programme areas and slower formation of research teams by potential grant applicants. Current savings include delayed staff appointments and reductions in costs.
G.	1,866	The savings arose due to a number of grant draw-downs not coming to fruition during 2007 as anticipated. While CEBs make grant approvals, the drawing down of grants is dependent on whether and/or when a project proceeds.
H.	252	The level of funding for 2007 was estimated on the basis that, in addition to managing the Productive Sector Operational Programme (PSOP) under the NDP 2000-2006, provision would be required for costs associated with managing a successor OP under the NDP 2007-2013. In the event, there is no successor programme to the PSOP, leading to savings in the Subhead.
I.	451	The pace of installation of new equipment in the National Metrology Laboratory was slower than expected due to the extensive lead times of the specialised equipment. The Authority also deferred its purchase of IT and general office equipment until 2008.
K.4.	(7,440)	A virement totalling €7.44 million was approved by the Department of Finance to Subhead K.4. from Subheads B.2. (Intertrade Ireland, €1.94million), C.2. (IDA Grants to Industry, €5 million); and G. (County Enterprise Boards, €0.5 million). This was to fund a number of structural improvements to FAS buildings and replacement of training equipment.
M.1.	138	A variety of administrative savings were realised in the management of the EQUAL programme in 2007.

Sub-head	Less/(More) Than Provided €000	Explanation
M.2.	67	The purpose of this Subhead is to provide match-funding to EQUAL projects where the project is unable to provide the required funding in full. This is a demand-led Subhead and it is extremely difficult to anticipate the level of drawdown that could be requested in any given year.
M.3.	363	Savings under this Subhead are attributable to a variety of factors, including a staff vacancy and the delay in signing the new Human Capital Investment Operational Programme 2007 - 2013 by the European Commission.
N.	1,323	Savings arose due to delays in the appointment of 5 new Rights Commissioners. Other savings arose because costs relating to the refurbishment of the LRC's offices were borne by the Office of Public Works rather than the LRC.
O.2.	794	The Workplace Innovation Fund was agreed as part of the social partnership agreement Towards 2016, which was ratified late in 2006. The underspend in 2007 is principally due to the long lead-in time for many of the projects being carried out; many of the projects were still in development stage during 2007.
P.	104	It is difficult to predict the likely expenditure under this Subhead, as it is entirely demand-led. During 2007, there was one application for a grant under this Subhead and this was for an amount less than the Estimates allocation.
R.1.	1,319	The main reason for the variation was the delay in receiving approval from the Department of Finance for the NCA's Corporate Plan, and staff vacancies remaining unfilled during this period.
S.2.	571	IAASA has an approved staff complement of 15. However, due to on going recruitment difficulties, it had only 9 staff in place at end of December 2007. This resulted in an underspend for 2007.
U.	196	A decision was taken not to proceed with one Research project in 2007. Savings were also achieved on a project which was completed for less than the original estimated cost. One further project originally expected to conclude by the end of 2007 has continued in 2008, with the final payment now due in 2008.
V.	59	Following agreement of its Work Plan in early 2007, it was envisaged that the full allocation of €278,000 would be drawn down by the National Framework Committee for Work Life Balance Policies. However, there was an underspend due to a delay in launching a new initiative by the Committee.
X.1.	122	Savings relate to underspending on activities of various Committees, including Joint Labour Committees, the Company Law Review Group and the High Level Group on Business Regulation. Savings relate to travel costs, publications, meeting costs, etc.
X.2.	696	The underspend primarily relates to savings in legal costs which were provided for in the 2007 Estimate. Some savings were also realised in relation to advertising costs on the National Minimum Wage and on trade projects.
X.3.	173	This subhead includes a provision for payment of death gratuities and possible spouses and children's pension in the event of the death in service of a current member of the Labour Court. It also includes a provision for cases of unplanned retirement before maximum retirement age, e.g. retirement on grounds of ill health. As none of these circumstances arose in 2007, the full provision was not required.



## 8 APPROPRIATIONS-IN-AID

	Estimated €	Realised €
1. Receipts from the Social Insurance Fund under Section 56 of the Redundancy Payments Act, 1967 (Employment Appeals Tribunal).	1,900,000	2,258,312
2. Employment Permit Fees	8,500,000	16,665,721
3. Employment Agency Licences	250,000	316,032
4. Companies Registration Office & Registry of Friendly Societies	20,100,000	29,819,561
5. Receipts under the Trade Marks Act, 1963 and Patents Act, 1964	10,600,000	10,565,035
6. Occasional Trading Licences (Competition Authority)	16,000	11,142
7. NCA Consumer Credit	600,000	664,420
8. Merger Notifications	696,000	520,000
9. FÁS Pay	3,500,000	3,337,862
10. European Social Fund	70,673,000	71,295,384
11. ODCE Legal	50,000	24,150
12. County Enterprise Development	-	79,538
13. Enterprise Policy (InterTrade Ireland)	27,000	30,382
14. Competition Authority - Legal Refunds	-	70,064
15. IAASA Pay Refund	427,000	310,095
16. PIAB Superannuation	500,000	932,886
17. Miscellaneous	-	731,240
Total	<u>117,839,000</u>	<u>137,631,824</u>

**Explanation of Variations**

- Receipts realised in 2007 include arrears from 2006.
- The Estimate figure for 2007 was calculated on the basis of previous outturn figures on a "no policy change" basis. However, the Employments Permits Act, 2006, introduced from 1 February 2007, included the provision for issuing new employment permits for a two year period for a fee of €1,000, and the issuing of renewal employment permits for a three year period for a fee of €1,500. This resulted in the 2007 receipts being substantially higher than estimated.
- Receipts for 2007 exceeded the estimated figure by €66,032. This is a demand-led item and the precise level of receipts is difficult to predict.
- Appropriations-in-Aid for the Companies Registration Office continues to be dominated by late filing penalties. The CRO has been anticipating a fall-off in receipts as more companies were expected to file their returns on time. Despite a rigorous enforcement campaign, which has resulted in 88.5% of companies being up to date with their filing at year-end, the amount of income from late filing continues to be quite high.
- The amount of fees collected in respect of Occasional Trading permits is a function of the number of traders who are willing to trade and the economic circumstances pertaining at the time. It is not possible to predict these factors with any accuracy, hence the shortfall in receipts compared to the Estimate.
- It is impossible to predict precisely the income from authorisation and licences, as the persons/companies acting as credit intermediaries change from year to year and the cost of an authorisation differs for a sole trader and a limited company. Thus, the amount of income received can increase/decrease depending upon both the number and the mix of applications received. In addition to income received from authorisations in 2007, the ODCA/NCA received €11,356 in relation to costs awarded by the Courts arising from a prosecution taken.
- The Merger income relates to the receipt of 65 merger notifications in 2007 at €8,000 per notification. The Competition Authority estimated receipt of 87 notifications in 2007 whereas outturn was 65 notifications. As a result of an amendment by Ministerial Order in March 2007 of the compulsory notification criteria for mergers involving media businesses, two types of merger that heretofore were notifiable no longer have to be notified.
- This item relates to pay-as-you-go pension contributions returned to the Dept of Enterprise, Trade & Employment in respect of staff in FÁS who are not part of a closed (i.e. former ANCO) pension scheme. The shortfall in actual income over projected income reflects the fact that FÁS's best estimate was affected by the timing of individual retirements and staff changes.

11. Income was less than the estimated amount as receipts of costs awarded to ODCE are difficult to anticipate in advance.
12. Receipts relate to the refund of unused moneys in respect of programmes operated by the City and County Enterprise Boards. These receipts were not foreseen when the Estimate was prepared.
13. The variance is largely attributable to the fact that, during 2007, an employee of InterTrade Ireland opted to purchase added years service in accordance with the terms of the Pension Scheme. The refunds were not foreseen at the time of making the Estimate.
14. The income relates to legal costs received by the Competition Authority in settlement of a case. This settlement was not foreseen at the time the Estimates were compiled.
15. In 2007, the Department operated payroll services for IAASA. The receipts are netted off payments made under Subhead S.2., to reconcile the net contribution payable by the Department to IAASA's administrative costs. IAASA did not have a full complement of staff in 2007, hence the amount received from IAASA to balance out the Department's contribution to the organisation's pay costs was less than forecast.
16. This item relates to the pension contributions for staff in the Personal Injuries Assessment Board (PIAB). The 2007 forecast of receipts was understated.
17. By its very nature, it is difficult to predict what level of funds will be received under this heading. Significant receipts in 2007 relate to pension contributions for staff of the Health & Safety Authority (€444,000) and the transfer of funds from inactive Suspense Accounts following a review by the Department.

## 9 COMMITMENTS

	<b>€000</b>
<b>(A) Procurement</b>	<u>1,017</u>
<b>(B) Grants</b>	<b>€000</b>
IDA Ireland	340,000
Enterprise Ireland	342,000
Science Foundation Ireland	411,400
Shannon Development	23,000
FAS	6,800
Other	<u>2,640</u>
Total	<u>1,125,840</u>

The above figures represent best estimates of the maximum amounts likely to become payable.

## 10 MATURED LIABILITIES

Estimated Matured Liabilities undischarged at the year-end were €1,132,269.

## 11 CONTINGENT LIABILITY

In December 2004, the European Commission indicated its intention to commence a procedure which could result in the reduction of ESF moneys due to Ireland under the Employment Community Initiative 1994-1999. The amount under consideration is €12,765,702. The Department strongly contested the Commission's position in a letter dated 18 February 2005. No further communication has been received on the matter from the European Commission since then.

## 12 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	521,710	144	40	19,502
Overtime and delegates allowance	1,362,251	533	62	26,827
Miscellaneous	<u>422,488</u>	195	13	48,775
Total extra remuneration	<u>2,306,449</u>			

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

## 13 MISCELLANEOUS ITEMS

Under the provisions of section 91 of the Finance Act 2004, €23,428,000 of unspent allocation in respect of the capital element of the Subheads B.2., C.2., D.2., E.2., F., G. and I.1. was carried forward to 2008 as deferred surrender.

A sum of €2,580,000 in respect of 2007 unspent Administrative Budget allocations was carried forward to 2008 in accordance with the delegated Administrative Budget Agreement between the Department and the Department of Finance.

A total of €43,095 was spent on merit awards to 44 individual officers.

A sum of €36,344 was received from the Change Management Fund from the Vote of the Office of the Minister for Finance.

Upon the enactment of the Consumer Protection Act 2007 on 1 May 2007, both the Office of the Director of Consumer Affairs and the Interim National Consumer Agency ceased operations and their responsibilities and budgets were transferred to the National Consumer Agency (NCA). The figure reflected in the 2007 Appropriation Account for these bodies reflects the expenditure for both the ODCA and NCA in 2007.

## 14 EU FUNDING

The amount of €71,295,000 received from the European Social Fund and shown as appropriation-in-aid was included in the recorded expenditure from the following subheads of the Vote:- D.2., K.1., K.2., M.1., M.3. and M.5.

In addition to the grants from the Vote, the following bodies under the aegis of the Department received EU aid directly in 2007 as shown below:

	ERDF €	Other €	Total €
FAS	-	882,224	882,224
SFADCo	<u>680,508</u>	<u>53,400</u>	<u>733,908</u>
<b>Total</b>	<u>680,508</u>	<u>935,624</u>	<u>1,616,132</u>

## 15 COMMISSIONS AND INQUIRIES ETC.

The expenditure in respect of Commissions etc. to 31 December 2007 is as follows:

Commission, Committee or Special Inquiry	Year of Appointment	Expenditure in 2007 €	Cumulative Expenditure to 31 Dec 2007 €
National Framework Committee for Work/Life Balance Policies	2004	219,273	841,918
Joint Labour Committees <sup>1</sup>	1946	104,229	1,036,484
Company Law Inquiries	1994	128,393	1,966,881
Company Law Review Group	2000	107,796	679,875
Business Regulation Group	2006	32,472	65,628
EAT - Research Group	2007	8,056	8,056
Workplace Safety	2002	400,000	1,697,140
Departmental Audit Committee	2004	<u>1,197</u>	<u>7,219</u>
<b>Total</b>		<u>1,001,416</u>	<u>6,303,201</u>

**Note:**

<sup>1</sup> Base Year 1994 - Payments in respect of the period 1946-1993 were made from Subhead A.2. in the year in question.

## 16 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 2007 €	Total to 31 December 2007 €
Received by Minister for Enterprise, Trade and Employment	1,709,624	2,887,516,440
Paid by Minister for Enterprise, Trade and Employment into the Exchequer	1,709,624	2,876,639,591
Paid by Minister for Enterprise, Trade and Employment to Department of Social and Family Affairs <sup>1</sup>	-	10,876,880

<sup>1</sup> Due to an overpayment by the Department of Social and Family Affairs to the Exchequer in respect of the Employment & Training Levy, sanction was received from the Department of Finance for this Department to repay refunds received to a total of €10,876,880. This refund was completed in October 2004.

## 17 STOCKS

Stocks at 31 December 2007 comprise:	€000
Stationery	103
Leaflets	73
IT Supplies	44
Materials	<u>29</u>
	<u>249</u>

**18 DUE TO THE STATE**

The amount due to the State at 31 December 2007 consisted of:	<b>€000</b>
Income Tax	44
Superannuation	1,632
Pay Related Social Insurance	(64)
Withholding Tax	470
VAT on Intra EU Acquisitions	40
	<u>2,122</u>

**19 ENHANCING INTERNAL CONTROL**

A statement on internal financial controls 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 further actions have been taken, or are planned, to enhance the system of internal control:

**Monitoring of Expenditure**

Expenditure from the Department's Vote is monitored on an on-going basis and monthly Expenditure Reports are presented to the Management Board for consideration. The Expenditure Reports outline progress being made against forecasts of expenditure provided at the beginning of the year. The reports highlight potential cost overruns and underspends, and serve as an early warning signal on areas that may require correction.

**Financial Management System**

A new financial management system was put in place in the Department in 2004. Since its installation, the system has been used extensively by the Department's Finance Unit, IT Unit and Organisation Unit; these are the main areas responsible for processing payments from the Department's Vote. In 2006, direct access to expenditure reports from the financial management system was made available to Line Managers throughout the Department on a phased basis to enable better monitoring of expenditure. The number of Line Sections with access to reports was increased in 2007. All spending areas of the Department now have access to daily expenditure reports on the system.

**Risk Management**

In 2005, the Department adopted a formal policy in relation to risk management. Risk Registers are maintained and updated on an on-going basis at Divisional level and roll up to a Department-level Risk Register.

**ICT**

The role of Information Security Officer was established as a full time dedicated post in 2007. This post is supported with additional staffing. The Information Security Section was established in order to lead a programme of work aimed at achieving best practice in Information Security in the Department.

The Department's new ICT Strategy was finalised in February 2008. The Strategy includes a target of providing accredited Project Management training to all members of staff of the Department's ICT Unit, as well as making complementary training available to other Business Units involved in significant ICT projects.

**SEAN GORMAN**

Accounting Officer

DEPARTMENT OF ENTERPRISE, TRADE AND EMPLOYMENT


31 March 2008

**Certificate of the Comptroller and Auditor General**

I have audited the Appropriation Account of the Vote for Enterprise, Trade and Employment 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 Enterprise, Trade and Employment. 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. Attention is drawn to Chapter 10 of the report for 2007 prepared by me pursuant to Section 3 of the Act.



**JOHN BUCKLEY**

Comptroller and Auditor General

19 September 2008