

OFFICE OF THE REVENUE COMMISSIONERS

Account of the sum expended, in the year 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 Revenue Commissioners, including certain other services administered by that Office.

Service	Estimate Provision €000	Outturn €000	Closing Accruals €000
ADMINISTRATION			
A.1. SALARIES, WAGES AND ALLOWANCES	328,066	320,372	-
A.2. TRAVEL AND SUBSISTENCE	6,227	6,180	232
A.3. INCIDENTAL EXPENSES	16,584	17,364	740
A.4. POSTAL AND TELECOMMUNICATIONS SERVICES	15,786	16,705	4
A.5. OFFICE MACHINERY AND OTHER OFFICE SUPPLIES AND RELATED EXPENSES	61,540	60,779	(4,387)
A.6. OFFICE PREMISES EXPENSES	9,665	9,597	829
A.7. CONSULTANCY SERVICES	550	506	29
A.8. VALUE FOR MONEY AND POLICY REVIEWS	350	361	-
A.9. MOTOR VEHICLES	1,714	1,590	107
A.10. LAW CHARGES, FEES AND REWARDS	10,363	14,804	1,074
A.11. COMPENSATION AND LOSSES	<u>213</u>	<u>57</u>	<u>-</u>
Gross Total	451,058	448,315	(1,372)
<i>Deduct:-</i>			
A.12. APPROPRIATION-IN-AID	<u>41,460</u>	<u>45,457</u>	<u>1,765</u>
Net Total	<u>409,598</u>	<u>402,858</u>	<u>(3,137)</u>
SURPLUS TO BE SURRENDERED		€6,740,389	

The Statement of Accounting Policies and Principles and Notes 1 to 13 form part of this Account.

NOTES

1 OPERATING COST STATEMENT FOR 2007

	€000	€000	€000
Net Outturn			402,858
Changes in Capital Assets			
Purchases Cash	(10,620)		
Disposals Cash	50		
Depreciation	29,959		
Gain on Disposals	<u>(50)</u>	19,339	
Assets under Development			
Cash Payments		(18,295)	
Changes in Net Current Assets			
Decrease in Closing Accruals	(5,298)		
Decrease in Stock	<u>8</u>	<u>(5,290)</u>	<u>(4,246)</u>
Direct Expenditure			398,612
Expenditure Borne Elsewhere			
Net Allied Services Expenditure	60,684		-
Notional Rent	<u>19,010</u>		<u>79,694</u>
Operating Cost			<u>478,306</u>

2 STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2007

	€000	€000	€000
Capital Assets (Note 3)			65,112
Assets under Development (Note 4)			<u>6,691</u>
			71,803
Current Assets			
Stock (Note 12)		1,909	
Prepayments		8,174	
Accrued Income		2,228	
Other Debit Balances:			
Shared Buildings Advances	357		
Advances to OPW for Building Works etc.	1,006		
Advances for Travel and Subsistence purposes	20		
Miscellaneous Suspense	91		
Recoupable Expenditure	486		
Vote 8 (Appeal Commissioners)	181		
Net Pay	<u>1</u>	2,142	
PMG Balance and Cash	9,998		
Orders Outstanding	<u>(1,707)</u>	<u>8,291</u>	
Total Current Assets		<u>22,744</u>	
Less Current Liabilities			
Accrued Expenses		6,802	
Deferred Income		463	
Other Credit Balances:			
Payroll Deductions	3,792		
Due to State (Note 13)	6,390		
Vote Deposits	<u>142</u>	10,324	
Net Liability to the Exchequer (Note 5)		<u>109</u>	
Total Current Liabilities		<u>17,698</u>	
Net Current Assets			<u>5,046</u>
Net Assets			<u>76,849</u>

3 STATEMENT OF CAPITAL ASSETS AS AT 31 DECEMBER 2007

	Equipment €000	Furniture & Fittings €000	Totals €000
Cost or Valuation at 1 January 2007	311,969	47,944	359,913
Additions	26,999	1,059	28,058
Disposals	<u>(5,138)</u>	<u>(104)</u>	<u>(5,242)</u>
Gross Assets at 31 December 2007	<u>333,830</u>	<u>48,899</u>	<u>382,729</u>
Accumulated Depreciation:			
Opening Balance at 1 January 2007	254,596	38,304	292,900
Depreciation for the year	27,710	2,249	29,959
Depreciation on disposals	<u>(5,138)</u>	<u>(104)</u>	<u>(5,242)</u>
Cumulative Depreciation at 31 December 2007	<u>277,168</u>	<u>40,449</u>	<u>317,617</u>
Net Assets at 31 December 2007	<u>56,662</u>	<u>8,450</u>	<u>65,112</u>

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

In-House
Computer
Applications
€000

Amounts brought forward at 1 January 2007		5,698
Cash Payments for the Year		18,295
Transferred to Asset Register		<u>(17,302)</u>
Amounts carried forward at 31 December 2007		<u>6,691</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		6,740
Exchequer Grant Undrawn		<u>(6,631)</u>
Net Liability to the Exchequer		<u>109</u>
Represented by:		
Debtors		
Net PMG position and cash	8,291	
Shared Building Advances	357	
Advances to OPW for building works etc.	1,006	
Advances for Travel and Subsistence purposes	20	
Miscellaneous Suspense	91	
Recoupable Expenditure	486	
Vote 8 (Appeal Commissioners)	181	
Net Pay	<u>1</u>	10,433
Less Creditors		
Payroll Deductions	(3,792)	
Due to State	(6,390)	
Vote Deposits	<u>(142)</u>	<u>(10,324)</u>
		<u>109</u>

6 EXTRA RECEIPTS PAYABLE TO THE EXCHEQUER

1. An amount of €1,611,420 in respect of bank interest on Revenue Accounts held with the Central Bank was paid to the Exchequer.
2. Witness Expenses amounted to €1,815.
3. An amount of €18,101, which was received under an international agreement on the seizure of contraband goods, was paid to the Exchequer.

7 EXPLANATIONS OF THE CAUSES OF VARIATION BETWEEN OUTTURN AND ESTIMATE PROVISION

Sub head	Less/(More) Than Provided €000	Explanation
A.10.	(4,441)	The variation arose due to difficulty in estimating the timing and scale of payments in relation to Special Investigations.
A.11.	156	The cost of finalising some cases was lower than had been provided for.

8 APPROPRIATIONS-IN-AID

	Estimated €	Realised €
1. Receipts for services relating to Pay-Related Social Insurance Scheme	35,330,000	35,330,000
2. Moneys received for special attendance of officers	280,000	219,000
3. Fines, forfeitures, law costs recovered	4,000,000	5,293,000
4. Proceeds of custom sales	50,000	55,000
5. Bill of entry receipts	20,000	-
6. Receipts from sale of official cars	20,000	50,000
7. Inward Processing Compensatory Interest	10,000	3,000
8. Miscellaneous	<u>1,750,000</u>	<u>4,507,000</u>
Total	<u>41,460,000</u>	<u>45,457,000</u>

Explanation of Variation

- It is difficult to estimate receipts for this item.
- Receipts cannot be closely estimated.
- Receipts vary with the quantity of seizures sold and the prices realised.
- Revenue no longer issues vehicle registration certificates. The main source of income under this heading was for the issue of replacement certificates where the original had been lost.
- Receipts cannot be closely estimated.
- It is difficult to anticipate receipts for this item.
- It is difficult to estimate receipts as numerous items are involved.

9 COMMITMENTS

Commitments likely to materialise amount to €1,051,007.

10 DETAILS OF EXTRA REMUNERATION 2007

	Amount Paid €	Number of Recipients	Recipients of €6,350 or more	Max. individual payment of €6,350 or more €
Higher, special or additional duties	1,190,797	824	16	18,511
Overtime and extra attendance	8,316,473	2,973	357	43,075
Shift and roster allowances	670,886	167	43	17,405
Miscellaneous	<u>1,410,597</u>	107	42	60,032
Total extra remuneration	<u>11,588,753</u>			

11 MISCELLANEOUS ITEMS

As agreed with the Department of Finance under the delegated Administrative Budget scheme, a carryover of €2,769,000 was included in the Estimate for 2008.

A total of €429,887 was spent on Exceptional Performance Awards (i.e. 241 individual awards ranging from €64 to €3,000 and 21 group awards ranging from €400 to €12,728).

The cost of Revenue staff on loan to other Departments without recoupment was €342,319.

Following agreement reached with the relevant unions, and sanctioned by the Department of Finance, a payment amounting to €1,293,295 was paid to a number of staff as compensation for loss of earnings following implementation of recommendations which emerged from a review of allowances.

Compensation of €53,308 was paid in respect of legal action taken by members of the public.

Subhead A.1. includes an amount of €269,821 in respect of interest and penalties, arising from a settlement with the Inspector of Taxes, in relation to certain expenses and benefits paid to or on behalf of staff without the application of the appropriate PAYE, PRSI etc.

64 awards amounting to €31,190 were made under the Input (Staff Suggestion) Scheme.

12 STOCKS

Stocks at 31 December 2007 comprised:

	€000
Stationery	1,349
IT Consumables etc.	<u>560</u>
	<u>1,909</u>

13 LIABILITIES DUE TO STATE

The amount due to the State at 31 December 2007 consisted of:

	€000
Income Tax	3,939
Pay Related Social Insurance	1,619
Withholding Tax	626
Value Added Tax (Intra EU Acquisitions)	<u>206</u>
	<u>6,390</u>

JOSEPHINE FEEHILY

Accounting Officer

OFFICE OF THE REVENUE COMMISSIONERS

31 March 2008

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of the Vote for the Office of the Revenue Commissioners 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 Revenue Commissioners. 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 3 of the report for 2007 prepared by me pursuant to Section 3 of the Act.



JOHN BUCKLEY
Comptroller and Auditor General
19 September 2008