

Vote 13 Office of the Chief State Solicitor

Introduction

As Accounting Officer for Vote 13, 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 2011 for the salaries and expenses of the Office of the Chief State Solicitor.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2011, including the amount that could be used as appropriations-in-aid of expenditure for the year.

The Statement of Accounting Policies and Principles and notes 1 to 6 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

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Office of the Chief State Solicitor. The following actions have been taken or are planned to enhance internal control.

Information and Communications Technology Security

The Office applies good practice controls to mitigate against key security risks associated with information and communications technology (ICT). Review and upgrade, where necessary, of ICT security systems is an ongoing process. In 2011 the Office upgraded its firewall systems and built redundancy to allow for failure of system without affecting users.

Administrative and Financial Controls

The MAC and the Audit Committee regularly review controls. All internal audit reports are considered by the joint MAC. A desktop review of financial procedures was presented to the Accounting Officer and Audit Committee in September 2011. The Office is in the process of implementing the recommendations.

Eileen Creedon
Accounting Officer
Office of the Chief State Solicitor
30 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of the Vote 13: Office of the Chief State Solicitor for 2011 under Section 3 of the Comptroller and Auditor General (Amendment) Act 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

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 2011.

Seamus McCarthy
Comptroller and Auditor General
20 July 2012

Vote 13 Office of the Chief State Solicitor Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	14,995	14,404	14,539
A.2. Travel and subsistence	61	61	57
A.3. Training and development and incidental expenses	1,070	991	947
A.4. Postal and telecommunications services	400	339	369
A.5. Office equipment and external IT services	835	716	738
A.6. Office premises expenses	412	445	359
A.7. Consultancy services and value for money and policy reviews	29	20	18
A.8. External legal services	280	147	241
Other services			
B. Fees to counsel	14,350	10,268	12,372
C. General law expenses	3,616	5,524	3,942
	36,048	32,915	33,582
Deduct			
D. Appropriations-in-aid	1,860	2,332	1,958
	34,188	30,583	31,624
		€3,605,195	€3,187,222
Surplus to be surrendered			

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			17,123	17,268
Expenditure on services and programmes			15,792	16,314
Gross expenditure			<u>32,915</u>	<u>33,582</u>
Deduct				
Appropriations-in-aid			2,332	1,958
Net expenditure			<u>30,583</u>	<u>31,624</u>
Changes in capital assets				
Purchases cash		(292)		
Depreciation		362		
Loss on disposals		1	71	157
Changes in assets under development				
Cash payments			(25)	—
Changes in net current assets				
Decrease in closing accruals		(2,080)		
Increase in stock		(6)		
			<u>(2,086)</u>	<u>(915)</u>
Direct expenditure			<u>28,543</u>	<u>30,866</u>
Expenditure borne elsewhere				
Net allied services expenditure	1.1		2,136	2,754
Notional rents			826	1,239
Total operating cost			<u>31,505</u>	<u>34,859</u>

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 13 borne elsewhere

Vote		2011 €000	2010 €000
6	Finance	98	105
7	Superannuation and Retired Allowances	1,410	1,865
10	Office of Public Works	628	784
		<u>2,136</u>	<u>2,754</u>

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	900	971
Capital assets under development	2.2	25	—
		925	971
Current assets			
Stocks	2.4	67	61
Prepayments		154	96
Accrued income		8,637	6,159
Other debit balances	2.5	129	82
Net liability from the Exchequer	2.7	1,996	(32)
Total current assets		10,983	6,366
Less current liabilities			
Bank and cash	2.3	215	(2,725)
Accrued expenses		1,402	946
Other credit balances	2.6	1,910	2,775
Total current liabilities		3,527	996
Net current assets		7,456	5,370
Net assets		8,381	6,341
Represented by			
State funding account		8,381	6,341

2.1 Capital Assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2011	3,807	1,559	5,366
Additions	152	140	292
Disposals	(148)	(4)	(152)
Cost or valuation at 31 December 2011	<u>3,811</u>	<u>1,695</u>	<u>5,506</u>
Accumulated depreciation			
Opening balance at 1 January 2011	3,297	1,098	4,395
Depreciation for the year	273	89	362
Depreciation on disposals	(147)	(4)	(151)
Cumulative depreciation at 31 December 2011	<u>3,423</u>	<u>1,183</u>	<u>4,606</u>
Net assets at 31 December 2011	<u><u>388</u></u>	<u><u>512</u></u>	<u><u>900</u></u>
Net assets at 31 December 2010	<u><u>510</u></u>	<u><u>461</u></u>	<u><u>971</u></u>

2.2 Capital Assets Under Development

at 31 December 2011

	Computer applications €000
Amount brought forward 1 January 2011	—
Cash payments for the year	25
Transferred to asset register	—
Amount carried forward 31 December 2011	<u><u>25</u></u>

2.3 Bank and Cash

at 31 December

	2011 €000	2010 €000
PMG balances and cash	23	6,475
Orders outstanding	(238)	(3,750)
	<u>(215)</u>	<u>2,725</u>

2.4 Stocks

at 31 December

	2011 €000	2010 €000
Stationery	67	61

2.5 Other Debit Balances

at 31 December

	2011 €000	2010 €000
Miscellaneous	129	82

2.6 Other Credit Balances	2011	2010
at 31 December	€000	€000
Amounts due to the State		
Income Tax	248	202
Pay Related Social Insurance	107	128
Professional Services Withholding Tax	410	380
Value Added Tax	7	4
Pension contributions	52	51
	<u>824</u>	<u>765</u>
Payroll deductions held in suspense	55	55
Other credit suspense items	1,031	1,955
	<u>1,910</u>	<u>2,775</u>
2.7 Net Liability from the Exchequer	2011	2010
at 31 December	€000	€000
Surplus to be surrendered	3,605	3,187
Exchequer grant undrawn	(5,601)	(3,155)
Net liability from the Exchequer	<u>(1,996)</u>	<u>32</u>
Represented by:		
Debtors		
Debit balances: suspense	129	82
	<u>129</u>	<u>82</u>
Creditors		
Bank and cash	(215)	2,725
Due to State	(824)	(765)
Credit balances: suspense	(1,086)	(2,010)
	<u>(2,125)</u>	<u>(50)</u>
	<u>(1,996)</u>	<u>32</u>
2.8 Commitments	2011	2010
at 31 December	€000	€000
Total of legally enforceable contracts	<u>893</u>	<u>976</u>

While the Office did have commitments in respect of legal fees at the year end, these are not quantifiable in a significant sense and are subject to inherent uncertainties and unpredictable factors associated generally with legal costs forecasts. They are, however, also subject to controls directed at the administration of costs and the observation of budgetary limits.

2.9 Matured Liabilities

The total amount of matured liabilities undischarged at 31 December 2011 amounted to €23,016.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided €000	Explanation
A.8.	133	This subhead provides for the use of local solicitors to handle cases in courts outside Dublin. It is very difficult to predict the number of such cases that will arise in a particular year or the fees if the case is out of the ordinary range of work.
B.	4,082	Expenditure on this subhead is dependant on the level of activity in the courts and as such is difficult to forecast. When the estimate for 2011 was being prepared, there was no indication of an overall reduction in the level of activity in 2011. The Office continues to manage this subhead actively to secure greater economy.
C.	(1,908)	The excess is attributable exclusively to an increase in the level of payments under the AG's scheme which is administered by the Department of Justice and Equality and repaid by the CSSO. Trends in payments under the scheme are under ongoing consideration by the Department and the Office.

4 Receipts

4.1 Appropriations-in-aid	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Costs and fees received by the Office of the Chief State Solicitor	1,000	1,382	1,039
2. Receipts from pension-related deduction on public service remuneration	860	950	919
Total	1,860	2,332	1,958

Explanation of significant variations

An explanation is provided below in the case of each heading where the outturn varied from the amount estimated by more than €100,000, and by more than 5%.

Heading	Less/(more) than estimated €000	Explanation
1.	(382)	It is not possible to forecast accurately what costs will be awarded to the State and what fees will be actually recovered in any year.

4.2 Extra receipts payable to the Exchequer

A total of €21,003 was lodged to the Exchequer under the State Property Act, 1954.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	224	225
	2011	2010
	€000	€000
Pay	13,326	13,462
Higher, special or additional duties allowances	87	83
Other allowances	13	8
Overtime	28	43
Employer's PRSI	950	943
Total pay	14,404	14,539

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	33	1	10,914	10,925
Overtime and extra attendance	22	—	6,873	10,261
Other allowances	5	—	5,401	3,077

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

6 Miscellaneous

6.1 Losses and Write-offs

Sanction has been granted for the write-off of historical Professional Services Withholding Tax suspense balances of €28,685.