

**Vote 33 National Gallery**

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## Introduction

As Accounting Officer for Vote 33, 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 National Gallery, including grants-in-aid.

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 7 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.

The unique characteristics of the Gallery collection renders it incapable of meaningful valuation. Therefore no values have been included in this account in respect of the collection.

### 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 National Gallery.

As part of the risk management process, Gallery management has updated its risk register and manages its risks through a Risk Management Forum.

The general effectiveness of the Gallery's administrative and financial controls and its compliance with corporate governance best practice are reviewed on an ongoing basis through the work of the Internal Audit function and the Audit and Risk Committee.

**Gerry D'Arcy**  
Accounting Officer  
National Gallery  
23 February 2012

## **Certificate of the Comptroller and Auditor General**

I have audited the Appropriation Account of Vote 33: National Gallery 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 National Gallery. 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  
29 August 2012

## Vote 33 National Gallery Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
<b>Administration</b>			
A.1. Salaries, wages and allowances	5,790	5,191	5,476
A.2. Travel and subsistence	42	43	74
A.3. Incidental expenses	895	801	1,074
A.4. Postal and telecommunications services	160	133	150
A.5. Office machinery and other office supplies and related services	277	280	390
A.6. Office premises expenses	710	679	717
A.7. Consultancy services	185	324	226
<b>Other services</b>			
B. Grant-in-aid fund for acquisitions and conservation	2,000	2,000	2,000
C. National Gallery Jesuit Fellowship (grant-in-aid fund)	41	41	41
<b>Gross expenditure</b>	<b>10,100</b>	<b>9,492</b>	<b>10,148</b>
<b>Deduct</b>			
D. Appropriations-in-aid	<b>253</b>	<b>283</b>	<b>322</b>
<b>Net expenditure</b>	<b>9,847</b>	<b>9,209</b>	<b>9,826</b>
<b>Surplus to be surrendered</b>		<b>€637,620</b>	<b>€337,460</b>

## Notes to the Appropriation Account

### 1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			7,451	8,107
Expenditure on services and programmes			2,041	2,041
<b>Gross expenditure</b>			<u>9,492</u>	<u>10,148</u>
Deduct				
<b>Appropriations-in-aid</b>			<u>283</u>	<u>322</u>
<b>Net expenditure</b>			<u>9,209</u>	<u>9,826</u>
<b>Changes in capital assets</b>				
Purchases cash		(78)		
Depreciation		268		
Disposals cash		—		
Loss on disposals		—		
			<u>190</u>	<u>46</u>
<b>Changes in assets under development</b>				
Cash payments			—	(21)
<b>Changes in net current assets</b>				
Increase in closing accruals		33		
Decrease in stock		—		
			<u>33</u>	<u>66</u>
<b>Direct expenditure</b>			<u>9,432</u>	<u>9,917</u>
Net allied services expenditure	1.1		984	977
<b>Total operating cost</b>			<u><u>10,416</u></u>	<u><u>10,894</u></u>

**Note:** No notional rent is recorded in respect of Gallery buildings which are in State ownership and maintained by OPW.

#### 1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 33 borne elsewhere

Vote		2011 €000	2010 €000
7	Superannuation and Retired Allowances	235	258
10	Office of Public Works	749	719
		<u>984</u>	<u>977</u>

## 2 Balance Sheet as at 31 December 2011

		2011	2010
	Note	€000	€000
<b>Capital assets</b>	2.1	881	849
<b>Capital assets under development</b>	2.2	—	247
		<u>881</u>	<u>1,096</u>
<b>Current assets</b>			
Bank and cash	2.3	2,006	528
Stocks	2.4	6	6
Prepayments		105	107
Other debit balances	2.5	84	6
Net liability from the Exchequer	2.7	1,232	1,289
<b>Total current assets</b>		<u>3,433</u>	<u>1,936</u>
<b>Less current liabilities</b>			
Accrued expenses		217	212
Other credit balances	2.6	3,322	1,823
<b>Total current liabilities</b>		<u>3,539</u>	<u>2,035</u>
<b>Net current liabilities</b>		<u>(106)</u>	<u>(99)</u>
<b>Net assets</b>		<u>775</u>	<u>997</u>
<b>Represented by:</b>			
<b>State funding account</b>		<u>775</u>	<u>997</u>

**2.1 Statement of Capital Assets**

	Office equipment and motor vehicles	Furniture and fittings	Total
	€000	€000	€000
<b>Gross assets</b>			
Cost or valuation at 1 January 2011	2,527	1,462	3,989
Additions	15	285	300
Disposals	—	—	—
Cost or valuation at 31 December 2011	<u>2,542</u>	<u>1,747</u>	<u>4,289</u>
<b>Accumulated depreciation</b>			
Opening balance at 1 January 2011	2,140	1,000	3,140
Depreciation for the year	135	133	268
Depreciation on disposals	—	—	—
Cumulative depreciation at 31 December 2011	<u>2,275</u>	<u>1,133</u>	<u>3,408</u>
<b>Net assets at 31 December 2011</b>	<u>267</u>	<u>614</u>	<u>881</u>
<b>Net assets at 31 December 2010</b>	<u>387</u>	<u>462</u>	<u>849</u>

**2.2 Statement of Capital Assets under Development**

at 31 December 2011

	Specialist equipment €000
Amounts brought forward at 1 January 2011	247
Transferred to asset register	<u>(247)</u>
Amounts carried forward at 31 December 2011	<u>—</u>

**2.3 Bank and Cash**

at 31 December

	2011 €000	2010 €000
PMG balances and cash	2,006	671
Orders/lodgments outstanding	—	<u>(143)</u>
	<u>2,006</u>	<u>528</u>

**2.4 Stocks**

at 31 December

	2011 €000	2010 €000
Stationery	3	4
Cleaning materials	3	2
	<u>6</u>	<u>6</u>

**2.5 Other Debit Balances**

at 31 December

	2011 €000	2010 €000
Redundancy rebates	60	—
Miscellaneous	24	6
	<u>84</u>	<u>6</u>

<b>2.6 Other Credit Balances</b>	<b>2011</b>	<b>2010</b>
at 31 December	<b>€000</b>	<b>€000</b>
<b>Amounts due to the State</b>		
Grant-in-aid fund for acquisitions and conservation	3,106	1,629
National Gallery Jesuit Fellowship grant-in-aid fund	211	194
Value Added Tax	5	—
	<u>3,322</u>	<u>1,823</u>
	<u><u>3,322</u></u>	<u><u>1,823</u></u>
<b>2.7 Net Liability from the Exchequer</b>	<b>2011</b>	<b>2010</b>
at 31 December	<b>€000</b>	<b>€000</b>
Surplus to be surrendered	638	337
Exchequer grant undrawn	(1,870)	(1,626)
Net liability from the Exchequer	<u>(1,232)</u>	<u>(1,289)</u>
	<u><u>(1,232)</u></u>	<u><u>(1,289)</u></u>
<b>Represented by:</b>		
<b>Debtors</b>		
Bank and cash	2,006	528
Other debit balances	84	6
	<u>2,090</u>	<u>534</u>
<b>Creditors</b>		
Credit balances	<u>(3,322)</u>	<u>(1,823)</u>
	<u><u>(1,232)</u></u>	<u><u>(1,289)</u></u>

### 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.1	599	This saving was due to the non filling of staff vacancies under the moratorium of staff recruitment in the public sector and redundancies of staff whose fixed term contracts expired in 2011.
A.7.	(139)	Expenditure on this subhead is demand led. This excess arose because of greater than anticipated expenditure on employee and industrial relations issues, recruitment, and consultancy relating to the Gallery's Master Development Programme.

### 4 Receipts

		2011 Estimated €000	2011 Realised €000	2010 Realised €000
<b>4.1 Appropriations-in-aid</b>				
1	Miscellaneous receipts	1	1	29
2	Receipts from pension related deduction on public service remuneration	252	282	293
<b>Total</b>		<b>253</b>	<b>283</b>	<b>322</b>

#### Note

In addition to the funds voted by the Oireachtas, the National Gallery of Ireland generated funds from a variety of activities including exhibitions, donations, royalties, and retail sales and commission. These additional funds are accounted for in the National Gallery of Ireland Combined Accounts.

## 5 Employee Numbers and Pay

	2011	2010
<b>Number of staff at year end</b> (full time equivalents)	98	115
	<b>2011</b>	<b>2010</b>
	<b>€000</b>	<b>€000</b>
Pay	4,712	4,980
Higher, special or additional duties allowances	9	9
Other allowances	2	3
Overtime	52	54
Employer's PRSI	416	430
<b>Total pay</b>	<b>5,191</b>	<b>5,476</b>

### 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	3	—	3,523	—
Other allowances	34	—	235	—
Overtime	44	—	9,906	10,105

### 5.2 Other Remuneration Arrangements

The Director of the Gallery is provided with the use of a car under his terms of employment.

### 5.3 Redundancy Payments

Gross payments of €99,559 were made, within the terms of a Department of Public Expenditure and Reform sanction, in respect of statutory redundancy arising from the expiration of fixed term contracts for a number of staff in 2011. The National Gallery's net cost contribution was €39,824 with the balance of €59,735 due to be rebated from the Social Insurance Fund via the Department of Social Protection.

## 6 Miscellaneous

### 6.1 Contingent Liabilities

The Gallery is involved in a number of legal challenges which may generate liabilities depending on the outcome of these challenges. The actual amount or timing of the potential liabilities is uncertain.

## 7 Miscellaneous Accounts

### 7.1 Grant-in-Aid Fund for Acquisitions and Conservation

	Purchase and repair of pictures €000	Conservation of works of art €000	Purchase of books and journals €000	Total €000
Balance at 1 January 2011	1,508	38	83	1,629
Grant-in-aid (Subhead B)	1,940	30	30	2,000
Expenditure	(445)	(41)	(37)	(523)
Balance at 31 December 2011	3,003	27	76	3,106

### 7.2 Grant-in-Aid Fund for the National Gallery Jesuit Fellowship

	<b>€000</b>
Balance at 1 January 2011	194
Grant-in-aid (Subhead C)	41
Expenditure	(24)
Balance at 31 December 2011	211