

Vote 35 Arts, Heritage and the Gaeltacht

Introduction

As Accounting Officer for Vote 35, 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 Minister for Arts, Heritage and the Gaeltacht, including certain services administered by that Office, and for payment of certain subsidies, grants and 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.

Transfer of Functions

This Account has been prepared in accordance with the 2011 Revised Estimate for the Department of Arts, Heritage and the Gaeltacht. The 2011 allocations take account of the following transfers of functions:

- Irish Language, Gaeltacht and Islands functions in general transferred to the Department with effect from 1 May 2011 (S.I. No. 164 of 2011) and, in relation to planning matters in the Gaeltacht, on 1 June 2011 (S.I. No. 216 of 2011). Expenditure prior to 1 May 2011 is included in the former (Vote 27) Community, Equality and Gaeltacht Affairs and expenditure after 1 May 2011 is included in this Department's Vote. In the case of the Gaeltacht planning function transferring on 1 June 2011, there was no expenditure in the period from 1 May 2011 to 1 June 2011.

- Inland Waterways and Waterways Ireland functions transferred to the Department with effect from 1 May 2011 (S.I. No. 195 of 2011). Expenditure prior to 1 May 2011 is included in the former (Vote 27) Community, Equality and Gaeltacht Affairs and expenditure after 1 May 2011 is included in this Department's Vote.

- Tourism and sport functions in general, such as Sports Campus Ireland and the Sports Council, transferred to the Department of Transport, Tourism and Sport (Vote 32) with effect from 1 April 2011 (S.I. no. 140 of 2011) and, in relation to all other tourism and sport functions, such as the Sports Capital and Swimming Pool programmes and Tourism Ireland, transferred on 1 June 2011 (S.I. no. 217 of 2011). All tourism and sport expenditure from 1 January 2011 is included in Vote 32.

- Heritage functions transferred to the Department from the former Department of Environment, Heritage and Local Government (Vote 25) with effect from 1 May 2011 (S.I. No. 192 of 2011). All heritage expenditure from 1 January 2011 is included in this Department's Vote.

- All arts expenditure from 1 January 2011 is included in this Department's Vote.

The comparative figures for 2010 contained in the account relate to the former Department of Tourism, Culture and Sport (Vote 35).

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 with the exception of the following:

Depreciation

Capital assets are depreciated on a straight line basis over their estimated useful life, commencing in the month the asset is placed in service.

In line with the policy of the former Department of Environment, Heritage and Local Government, certain historic properties such as parks and heritage assets such as artefacts and manuscripts have not been valued.

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 Department of Arts, Heritage and the Gaeltacht.

Seosamh Ó hÁghmall

Accounting Officer

Department of Arts, Heritage and the Gaeltacht

30 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 35: Arts, Heritage and the Gaeltacht 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 Department of Arts, Heritage and the Gaeltacht. 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
6 September 2012

Vote 35 Arts, Heritage and the Gaeltacht Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	30,462	30,696	9,347
A.2. Travel and subsistence	1,539	1,164	208
A.3. Training and development and incidental expenses	926	417	180
A.4. Postal and telecommunications services	660	578	257
A.5. Office equipment and external IT services	1,385	1,272	281
A.6. Office premises expenses	875	676	351
A.7. Consultancy services and value for money and policy reviews	211	36	64
<i>Advertising and publicity</i>	—	—	9
<i>Value for money and policy reviews</i>	—	—	4
Arts and Culture			
B.1. Payments to match resources generated by the National Archives	56	29	28
B.2. General expenses of the National Archives and National Archives Advisory Council	1,458	1,522	1,775
B.3. General expenses of the Irish Museum of Modern Art, Chester Beatty Library, National Concert Hall and the Crawford Gallery (grant-in-aid)	12,896	12,896	14,069
B.4. Regional museums, galleries, cultural centres and projects	4,297	4,296	4,418
B.5. Cultural infrastructure and development	8,265	8,460	15,463
B.6. Culture Ireland	6,997	6,994	5,070
B.7. An Chomhairle Ealaíon (part funded by National Lottery) (grant-in-aid)	65,167	65,163	68,649
B.8. General expenses of the National Museum of Ireland (grant-in-aid)	14,240	14,240	15,125
B.9. General expenses of the National Library of Ireland (grant-in-aid)	8,084	8,084	9,251
B.10. Irish Film Board (grant-in-aid)	18,431	18,431	19,272

	2011 Estimate Provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Heritage			
C.1. Grant for An Chomhairle Oidhreachta (Heritage Council) (part funded by National Lottery)	5,992	5,992	—
C.2. Built heritage	3,666	3,509	—
C.3. Natural heritage (National Parks and Wildlife Service)	14,034	13,617	—
C.4. Irish Heritage Trust	375	375	—
Irish Language and the Gaeltacht			
D.1. Gaeltacht support schemes	9,076	9,454	—
D.2. Irish language support schemes (part funded by National Lottery)	5,379	5,456	—
D.3. An Coimisinéir Teanga	471	431	—
D.4. Údarás na Gaeltachta - election	1	—	—
D.5. Údarás na Gaeltachta - administration	6,848	6,848	—
D.6. Údarás na Gaeltachta - current programme expenditure	2,475	2,475	—
D.7. Údarás na Gaeltachta - grants for projects and capital expenditure on premises	5,500	5,500	—
D.8. Islands	6,713	6,808	—
North-South Co-Operation			
E.1. An Foras Teanga	12,434	11,707	—
E.2. Waterways Ireland	20,176	20,176	—
<i>Tourism Services</i>	—	—	140,837
<i>Sports and Recreation Services</i>	—	—	113,041
<i>Horse and Greyhound Racing</i>	—	—	32,788
Gross expenditure	269,089	267,302	450,487
Deduct			
F. Appropriations-in-aid	4,990	5,614	4,628
Net expenditure	264,099	261,688	445,859
Surplus for the year		€2,410,967	€19,050,334
Deferred Surrender		—	€5,000,000
Surplus to be surrendered		€2,410,967	€14,050,334

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			34,839	10,701
Expenditure on services and programmes			232,463	439,786
Gross expenditure			<u>267,302</u>	<u>450,487</u>
Deduct				
Appropriations-in-aid			<u>(5,614)</u>	<u>(4,628)</u>
Net expenditure			<u>261,688</u>	<u>445,859</u>
Changes in capital assets				
Purchases cash		(768)		
Depreciation		1,376		
Loss on disposals		<u>6</u>	614	89
Changes in Assets under Development				
Cash payments			(115)	—
Changes in net current assets				
Decrease in closing accruals		(433)		
Increase in stock		<u>(222)</u>		
Direct expenditure			<u>(655)</u>	11
			<u>261,532</u>	<u>445,959</u>
Net allied services expenditure	1.1		8,884	10,678
Notional rents			4,182	5,663
Total operating cost			<u><u>274,598</u></u>	<u><u>462,300</u></u>

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 35 borne elsewhere.

Vote		2011 €000	2010 €000
7	Superannuation and Retired Allowances	4,135	5,514
10	Office of Public Works	4,148	4,476
19	Justice and Equality - Financial Shared Services Centre	62	386
20	Garda Síochána	377	202
	Central Fund - Ministerial etc. pensions	162	100
		<u><u>8,884</u></u>	<u><u>10,678</u></u>

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	40,324	2,699
Capital assets under development	2.2	8,598	—
		48,922	2,699
Current assets			
Bank and cash	2.3	10,774	10,135
Stocks	2.4	262	40
Prepayments		1,108	41
Accrued income		219	261
Other debit balances	2.5	1,124	261
Total current assets		13,487	10,738
Less current liabilities			
Accrued expenses		823	231
Other credit balances	2.6	1,486	938
Net liability to the Exchequer	2.7	10,412	9,458
Total current liabilities		12,721	10,627
Net current assets		766	111
Net assets		49,688	2,810
Represented by:			
State funding account		49,688	2,810

2.1 Capital Assets

	Land and buildings	Plant and machinery	Office equipment	Furniture and fittings	Totals
	€000	€000	€000	€000	€000
Gross assets					
Cost or valuation at 1 January 2011	—	—	3,025	3,668	6,693
Assets transferred from the Department of Environment, Heritage and Local Government	33,272	8,963	788	2,554	45,577
Assets transferred from the Department of Community, Equality and Gaeltacht Affairs	—	—	2,466	233	2,699
Adjustment due to reclassification	1,774	—	—	(1,774)	—
Additions	403	47	232	86	768
Assets transferred to the Department of Transport, Tourism and Sport	—	—	(49)	(10)	(59)
Disposals	—	—	(55)	(39)	(94)
Gross assets at 31 December 2011	35,449	9,010	6,407	4,718	55,584
Accumulated depreciation					
Opening balance at 1 January 2011	—	—	2,399	1,595	3,994
Assets transferred from the Department of Environment, Heritage and Local Government	8	6,672	602	453	7,735
Assets transferred from the Department of Community, Equality and Gaeltacht Affairs	—	—	2,104	167	2,271
Adjustment due to reclassification	98	—	—	(98)	—
Depreciation for the year	38	695	432	211	1,376
Assets transferred to the Department of Transport, Tourism and Sport	—	—	(20)	(8)	(28)
Depreciation on disposals	—	—	(54)	(34)	(88)
Cumulative depreciation at 31 December 2011	144	7,367	5,463	2,286	15,260
Net capital assets at 31 December 2011	35,305	1,643	944	2,432	40,324
Net capital assets at 31 December 2010	—	—	626	2,073	2,699

ICT assets to a gross value of €131,000, identified for disposal by the Department of Community, Equality and Gaeltacht Affairs, were accepted by the Department of Arts, Heritage and the Gaeltacht for disposal on behalf of the Department of Community, Equality and Gaeltacht Affairs. These assets for disposal were not included on the Department of Arts, Heritage and the Gaeltacht register as they were never intended to be used by the Department of Arts, Heritage and the Gaeltacht.

2.2 Statement of Capital Assets Under Development

at 31 December 2011

	Air strips under development
	€000
Amounts brought forward at 1 January 2011	—
Transferred from Department of Community, Equality and Gaeltacht Affairs on 1 May 2011	8,483
Cash payments in year	115
Transferred to Asset Register	—
	<u>8,598</u>

2.3 Bank and Cash

at 31 December

	2011	2010
	€000	€000
PMG balances and cash	11,423	12,327
Orders outstanding	(649)	(2,192)
	<u>10,774</u>	<u>10,135</u>

2.4 Stocks

at 31 December

	2011	2010
	€000	€000
Building material and small plant	73	—
Fuels and fertilizers	28	—
Stationery	23	23
Equipment consumables	12	—
Janitorial supplies and first aid	29	—
IT consumables	39	17
Miscellaneous	58	—
	<u>262</u>	<u>40</u>

2.5 Other Debit Balances

at 31 December

	2011	2010
	€000	€000
OPW	130	20
Other	994	241
	<u>1,124</u>	<u>261</u>

2.6 Other Credit Balances	2011	2010
at 31 December	€000	€000

Amounts due to the State

Income Tax	531	142
Pay Related Social Insurance	236	75
Professional Services Withholding Tax	13	10
Value Added Tax	12	61
Pension deductions	76	32
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	868	320
Crowley Bequest Fund (Note 7.2)	459	525
Other	159	93
	<hr/>	<hr/>
	1,486	938
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2.7 Net Liability to the Exchequer

at 31 December	2011	2010
	€000	€000
Surplus to be surrendered	2,411	19,050
Exchequer grant overdrawn	8,001	(9,592)
Net liability to the Exchequer	<hr/>	<hr/>
	10,412	9,458
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Represented by:**Debtors**

Bank and cash	10,774	10,135
Debit balances: suspense	1,124	261
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	11,898	10,396

Creditors

Due to State	(868)	(320)
Credit balances: suspense	(618)	(618)
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	(1,486)	(938)
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	10,412	9,458

2.8 Commitments

	2011	2010
	€000	€000
(a) Global commitments		
Total of legally enforceable commitments	21,242	4,900

	Expenditure 2003-2010	Expenditure 2011	Subsequent years	Total cost
	€000	€000	€000	€000
(b) Multi-annual capital commitments				
ACCESS (cultural development grants)	66,128	5,267	21,353	92,748
Other arts capital projects	95,146	2,717	2,416	100,279
Cill Ronáin Pier	40,410	2,817	866	44,093
Caladh Mór Pier	13,922	82	—	14,004
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	215,606	10,883	24,635	251,124
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2.9 Matured Liabilities

Mature liabilities outstanding at year end amounted to €20,455.

3 Variations in Expenditure

3.1 Explanation of significant variations

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.3.	509	In the period between the establishment of the Department and year-end, the corporate support structures were significantly reorganised, with a number of processes/supports taking time to become established. In this context, demand on the A3 subhead was reduced by comparison with previous years.
A.7.	175	The saving arose as measures were taken to ensure that only essential consultancies were undertaken during 2011.
E.1.	727	The saving arose as a proposed Irish language research project was not started as planned and there were delays in staff recruitment in 2011.

3.2 Expenditure comparison for transfer of functions

The table below shows the full expenditure for all Irish Language and Gaeltacht, North-South Co-Operation and Heritage subheads which formed part of Votes 27 and 25 respectively until 30 April 2011.

Subhead Description			2011	2010
	Vote 27 €000	Vote 35 €000	Total €000	Total €000
Irish Language and the Gaeltacht				
D.1. Gaeltacht support schemes	1,424	9,454	10,878	18,231
D.2. Irish language support schemes (part funded by National Lottery)	1,221	5,456	6,677	8,001
D.3. An Coimisinéir Teanga	199	431	630	743
D.4. Údarás na Gaeltachta - election	—	—	—	—
D.5. Údarás na Gaeltachta - administration	3,452	6,848	10,300	11,000
D.6. Údarás na Gaeltachta - current programme expenditure	825	2,475	3,300	3,915
D.7. Údarás na Gaeltachta - grants for projects and capital expenditure on premises	500	5,500	6,000	18,000
D.8. Islands	2,687	6,808	9,495	17,021
North-South Co-Operation				
E.1. An Foras Teanga	4,166	11,707	15,873	16,199
E.2. Waterways Ireland	10,124	20,176	30,300	32,919
Heritage (Vote 25)				
C.1. Grant for An Comhairle Oidhreachta (Heritage Council) (part funded by National Lottery)	—	—	5,992	8,482
C.2. Built heritage	—	—	3,509	15,502
C.3. Natural heritage (National Parks and Wildlife Service)	—	—	13,617	26,908
C.4. Irish Heritage Trust	—	—	375	436

4 Receipts

4.1 Appropriations-in-aid	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. National Archives	56	30	29
2. Miscellaneous receipts	411	715	206
3. Rents (including receipts from letting of fishing rights etc.)	120	156	395
4. Sales of property	25	10	—
5. Services and charges at national parks and wildlife sites	375	790	—
6. Airstrip related fees/charges	57	1	—
7. Receipts from pension - related deduction on public service	3,946	3,912	3,465
<i>Tourism Ireland Ltd. pension receipts</i>	—	—	440
<i>Irish Sports Council pension receipts</i>	—	—	57
<i>Irish Film Board pension receipts</i>	—	—	36
Total	4,990	5,614	4,628

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
2	(304)	The excess arose due to higher than anticipated pension receipts from agencies.
5	(415)	The excess arose due to a higher than anticipated level of receipts in the National Parks, mainly due to the increase in visitor numbers and associated receipts from Killarney National Park and Muckross House.

5 Employee Numbers and Pay

	2011	2010
Average number of staff (full time equivalents)	609	153
	€000	€000
Pay	27,941	8,694
Higher, special or additional duties allowances	164	46
Other allowances	299	60
Overtime	435	131
Employer's PRSI	1,857	416
Total pay	30,696	9,347

5.1 Allowances and Overtime payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2011	2010
			€	€
Higher, special or additional duties	31	5	15,093	13,644
Other allowances	277	—	6,209	15,121
Overtime	229	7	18,180	12,812

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

6 Miscellaneous

6.1 National Lottery funding

Under subheads B.7, C.1 and D.2, total expenditure of €76.611 million was part-funded by the National Lottery. A full list of grantees under subhead D.2. is available on the Department's website (www.ahg.gov.ie).

6.2 Deferred Surrender

The capital carryover of €5 million for the former Department of Tourism, Culture and Sport (Vote 35) was reflected in the Revised Estimates for Public Services 2011 for the Department of Transport, Tourism and Sport (Vote 32).

7 Miscellaneous Accounts

7.1 Payments towards general expenses of the Irish Museum of Modern Art, Chester Beatty Library, National Concert Hall and the Crawford Gallery (Subhead B.3).

	2011	2010
	€000	€000
Payments		
Irish Museum of Modern Art	6,093	6,671
Chester Beatty Library	2,579	2,714
National Concert Hall	2,874	3,105
Crawford Gallery, Cork	1,350	1,579
	<u>12,896</u>	<u>14,069</u>

7.2 The Crowley Bequest Fund

Account of receipts and payments for the year ended 31 December 2011

	2011	2010
	€000	€000
Balance on 1 January	525	622
Payments	(66)	(97)
Balance at 31 December	<u>459</u>	<u>525</u>

7.3 Statement of Loans for Gaeltacht Housing

Loans issued towards Gaeltacht Housing under the Housing (Gaeltacht) Acts 1929 to 2001 and repayments thereof:

	2011	2010
	€000	€000
Opening balance on 1 January	228	276
Annual penal interest accrued	5	4
Write-off of loans	—	(12)
Repayments		
Principal	(10)	
Interest	<u>(5)</u>	(40)
Closing balance on 31 December	<u>218</u>	<u>228</u>