



Appropriation Account 2012

Vote 10

Office of the Appeal Commissioners

Introduction

As Accounting Officer for Vote10, 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 2012 for the salaries and expenses of the Office of the Appeal Commissioners.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2012, 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 5 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

Responsibility for System of Internal Financial Control

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Office.

This responsibility is exercised in the context of the resources available to me and my other obligations as Head of Office. Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner.

Financial Control Environment

The Office of the Appeal Commissioners depends to a significant degree on the controls operated by the Revenue Commissioners which provides a payment function and an accounting service to this Office.

I confirm that a signed Service Level Agreement is in place between this Office and the Office of the Revenue Commissioners which sets out both parties' responsibilities for all administrative and accounting procedures.

The Office of the Appeal Commissioners does not have an Audit Committee and the agreement between the Office and the Revenue Commissioners does not provide for access to the Revenue Commissioners' Audit Committee by the Office. However, if I required access, I understand I would be facilitated.

Administrative Controls and Management Reporting

I confirm that a framework of administrative procedures and regular management reporting is in place including segregation of duties and a system of delegation and accountability and, in particular, that

- there is an appropriate budgeting system with an annual budget which is kept under review by senior management
- there are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts
- there are systems aimed at ensuring the security of the ICT systems
- the Office is compliant with all relevant guidelines regarding procurement and is complying with all circulars relating to the mandatory use of framework agreements and contracts.

The risk management system in the Revenue Commissioners does not extend to the Office of the Appeal Commissioners and the Office does not have a separate risk management system or maintain a risk register.

Internal Audit

I confirm that the Office of the Appeal Commissioners has an agreement in place with the Revenue Commissioners which provides this Office with access to Revenue's internal audit function which will, on request, advise this Office on departmental standards of internal audit, practices and procedures in auditing generally, and ongoing developments.

In 2012, this Office did not consult with or seek the advice of Revenue's internal audit function.

John O'Callaghan
Accounting Officer
Office of the Appeal Commissioners

22 March 2013

Comptroller and Auditor General Report for presentation to the Houses of the Oireachtas

Vote 10 Office of the Appeal Commissioners

I have audited the appropriation account for Vote 10 Office of the Appeal Commissioners under section 3 of the Comptroller and Auditor General (Amendment) Act 1993. The account has been prepared in the form prescribed by the Minister for Public Expenditure and Reform, in accordance with standard accounting policies and principles for appropriation accounts.

Responsibility of the Accounting Officer

In accordance with Section 22 of the Exchequer and Audit Departments Act 1866, the Accounting Officer is required to prepare the appropriation account. By law, the account must be submitted to me by 31 March following the end of the year of account.

The Accounting Officer is also responsible for the safeguarding of public funds and property under his control, for the efficiency and economy of administration in his Office and for the regularity and propriety of all transactions in the appropriation accounts.

Responsibility of the Comptroller and Auditor General

I am required under Section 3 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the appropriation accounts of all Votes and to perform such tests as I consider appropriate for the purpose of the audit.

Upon completion of the audit of an appropriation account, I am obliged to provide a certificate stating whether, in my opinion, the account properly presents the receipts and expenditure related to the Vote. I am also required to refer to any material case in which

- a department or office has failed to apply expenditure recorded in the account for the purposes for which the appropriations made by the Oireachtas were intended, or
- transactions recorded in the account do not conform with the authority under which they purport to have been carried out.

Under Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993, I am required to prepare a report each year on any matters that arise from the audits of the appropriation accounts or examinations of accounting controls.

Scope of audit

An audit includes examination, on a test basis, of evidence relevant to the amounts and regularity of financial transactions included in the account and an assessment of whether the accounting provisions of Public Financial Procedures have been complied with.

The audit involves obtaining sufficient evidence to give reasonable assurance that the appropriation account is free from material misstatement, whether caused by fraud or other irregularity or error. I also seek to obtain evidence about the regularity of financial transactions in the course of the audit. In forming the audit opinion, the overall adequacy of the presentation of the information in the appropriation account is evaluated.

Opinion on the appropriation account

In my opinion, the appropriation account properly presents the receipts and expenditure of Vote 10 Office of the Appeal Commissioners for the year ended 31 December 2012.

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 Appeal Commissioners. The appropriation account is in agreement with the books of account.

Seamus McCarthy
Comptroller and Auditor General

28 June 2013

Vote 10 Office of the Appeal Commissioners Appropriation Account 2012

		2012		2011
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Programme Expenditure				
A	Facilitation of hearing tax appeals	509	478	464
	Gross expenditure	509	478	464
	<i>Deduct</i>			
B	Appropriations-in-aid	32	33	32
	Net expenditure	477	445	432

Surplus for surrender

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer.

	2012	2011
	€	€
Surplus to be surrendered	32,335	45,441

Analysis of administration expenditure

		2012		2011
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances	450	425	421
ii	Travel and subsistence	19	12	13
iii	Training and development and incidental expenses	22	25	16
iv	Postal and telecommunications services	8	6	6
v	Office equipment and external IT services	7	9	6
vi	Office premises expenses	3	1	2
		509	478	464

Notes to the Appropriation Account

1 Operating Cost Statement 2012

	2012	2011
	€000	€000
Pay	425	421
Non pay	53	43
Gross expenditure	478	464
<i>Deduct</i>		
Appropriations-in-aid	(33)	(32)
Net expenditure	445	432
Changes in capital assets		
Purchases cash	(5)	
Depreciation	8	
	3	6
Changes in net current assets		
Increase / (decrease) in closing accruals	10	
	10	(2)
Direct expenditure	458	436
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	246	241
Net programme cost	704	677

1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 10 borne elsewhere.

	2012	2011
	€000	€000
Vote 13 Office of Public Works	246	241
	246	241

2 Balance Sheet as at 31 December 2012

	Note	2012 €000	2011 €000
Capital assets	2.3	25	28
Current Assets			
Paymaster General Account balance		108	103
Prepayments		5	5
Total current assets		113	108
Less current liabilities			
Accrued expenses		11	1
Vote 9 Revenue Commissioners		104	104
Net liability due to/(from) the Exchequer	2.4	4	(1)
Total current liabilities		119	104
Net current assets		(6)	4
Net assets		19	32
Represented by:			
State funding account	2.1	19	32

2.1 State Funding Account	Note	2012 €000	2011 €000
Balance at 1 January		32	36
Funding drawn down	2.2	691	673
Net programme cost	1	(704)	(677)
Balance at 31 December		19	32

2.2 Funding drawn down	Note	2012 €000	2011 €000
Disbursements from the Vote			
Estimate provision	Account	477	477
Surplus to be surrendered	Account	(32)	(45)
		445	432
Expenditure (cash) borne elsewhere	1	246	241
Total funding drawn down		691	673

2.3 Capital Assets

	Furniture and fittings	Office equipment	Total
	€000	€000	€000
Gross assets			
Cost or valuation at 1 January 2012	63	40	103
Additions	—	5	5
Disposals	—	(19)	(19)
Cost or valuation at 31 December 2012	63	26	89
Accumulated depreciation			
Opening balance at 1 January 2012	37	38	75
Depreciation for the year	5	3	8
Depreciation on disposals	—	(19)	(19)
Cumulative depreciation at 31 December 2012	42	22	64
Net assets at 31 December 2012	21	4	25
Net assets at 31 December 2011	26	2	28

2.4 Net Liability to/(from) the Exchequer

	2012	2011
at 31 December	€000	€000
Surplus to be surrendered	32	45
Exchequer grant undrawn	(28)	(46)
Net liability to/(from) the Exchequer	4	(1)

Represented by:**Debtors**

Paymaster General Account balance	108	103
	108	103

Creditors

Vote 9 Revenue Commissioners	(104)	(104)
	4	(1)
	4	(1)

3 Programme Expenditure by Subhead

	2012		2011
	Estimate provision	Outturn	Outturn
	€000	€000	€000
A Facilitation of hearing of tax appeals			
A.1 Administration - pay	450	425	421
A.2 Administration - non pay	59	53	43
	<u>509</u>	<u>478</u>	<u>464</u>

4 Receipts

4.1 Appropriations-in-aid	2012		2011
	Estimated	Realised	Realised
	€000	€000	€000
1. Receipts from pension-related deductions on public service remuneration	32	33	32
	<u>32</u>	<u>33</u>	<u>32</u>

5 Employee Numbers and Pay

	2012	2011
Number of staff at year end (full time equivalents)	5	5
	2012	2011
	€000	€000
Pay	409	405
Allowances and overtime	—	—
Employer's PRSI	16	16
Total Pay	<u>425</u>	<u>421</u>