



Appropriation Account 2012

Vote 18

Office of the Commission for Public Service Appointments

Introduction

As Accounting Officer for Vote 18, 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 Commission for Public Service Appointments.

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 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.

Amalgamation with Office of the Ombudsman

The Ombudsman (Amendment) Act, 2012, which formalised the merger between the Office of the Commission for Public Service Appointments and the Office of the Ombudsman was enacted on 23 October 2012.

The accounting functions were merged with effect from 1 January 2013. From this date onwards, the votes of the Office of the Commission for Public Service Appointments and the Office of the Ombudsman will be merged. Certain aspects of the merger had proceeded in advance of the legislation being enacted. The two organisations agreed a Memorandum of Understanding in December 2010 dealing with administrative matters to provide a flexible basis for both offices. The areas covered in the Memorandum are personnel matters relating to CPSCA staff, finance matters and management of budgets, training and associated payments and general staff matters.

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 of the Commission for Public Service Appointments.

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. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

Financial Control Environment

I confirm that a control environment containing the following elements is in place:

- financial responsibilities have been assigned at management level with corresponding accountability
- reporting arrangements have been established at all levels where responsibility for financial management has been assigned
- formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action
- there is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system
- the Performance Management and Development System (PMDS) is used to identify staff training needs, including financial management training.

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
- a risk management system operates within the Office
- there are systems aimed at ensuring the security of the ICT systems
- there are appropriate capital investment control guidelines and formal project management disciplines
- 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.

Internal Audit and Audit Committee

I confirm that the Office has an internal audit function with appropriately trained personnel, which operates in accordance with a written charter which I have approved. Its work is informed by analysis of the financial risks to which the Office is exposed and its annual internal audit plans, approved by me, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. The internal audit function is reviewed periodically by me and by the Audit Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

The internal auditor carried out a number of audits of the financial accounting procedures and controls in operation on behalf of the Office during 2012. The auditor's conclusions have been adopted and structures have been put in place to address his findings and recommendations.

The Office's audit committee reviews and assesses each internal and external audit. It also provides advice regarding the Office's risk management systems. The committee met twice in 2012.

Responsibility for the internal audit of the Office of the Commission for Public Service Appointments has been taken over by the Audit Committee and Internal Audit function of the Office of the Ombudsman with effect from 1 January 2013.

Andrew Patterson

Accounting Officer

Office of the Commission for Public Service Appointments

11 March 2013

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

Vote 18 Office of the Commission for Public Service Appointments

I have audited the appropriation account for Vote 18 Office for the Commission for Public Service Appointments for the year ended 31 December 2012 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 18 Office of the Commission for Public Service Appointments 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 Commission for Public Service Appointments. The appropriation account is in agreement with the books of account.

Seamus McCarthy
Comptroller and Auditor General

4 September 2013

Vote 18 Office of the Commission for Public Service Appointments Appropriation Account 2012

		2012		2011
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Programme Expenditure				
A	Regulation and Monitoring of Appointments	814	502	540
	Gross expenditure	814	502	540
	<i>Deduct</i>			
B	Appropriations-in-aid	30	28	31
	Net expenditure	784	474	509

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	310,424	373,875

Analysis of administration expenditure

		2012		2011
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances	514	431	474
ii	Travel and subsistence	7	1	1
iii	Training and development and incidental expenses	55	12	13
iv	Postal and telecommunications services	28	—	2
v	Office equipment and external IT services	70	51	20
vi	Office premises expenses	20	—	—
vii	Consultancy and value for money and policy reviews	56	6	8
viii	Legal fees	64	1	22
		814	502	540

Notes to the Appropriation Account

1 Operating Cost Statement 2012

	2012	2011
	€000	€000
Pay	431	474
Non pay	71	66
Gross expenditure	502	540
<i>Deduct</i>		
Appropriations-in-aid	28	31
Net expenditure	474	509
Changes in capital assets		
Purchases cash	(17)	
Depreciation	14	
Loss on disposals	—	
Write down of fixed assets	27	
	24	8
Changes in net current assets		
Decrease in closing accruals	(1)	
Decrease in stock	—	
	(1)	—
Direct expenditure	497	517
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	2	3
Net programme cost	499	520

1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 18 borne elsewhere.

	2012	2011
	€000	€000
Vote 7 Finance	2	3
	2	3

2 Balance Sheet as at 31 December 2012

	Note	2012 €000	2011 €000
Capital assets	2.3	—	24
Current assets			
Bank and cash	2.4	—	15
Stocks	2.5	10	10
Prepayments		8	7
Other debit balances		—	2
Total current assets		18	34
Less current liabilities			
Accrued expenses		—	—
Other credit balances	2.6	1	15
Net liability to/(from) the Exchequer	2.7	(1)	2
Total current liabilities		—	17
Net current assets		18	17
Net assets		18	41
Represented by:			
State funding account	2.1	18	41

2.1 State Funding Account	Note	2012 €000	2011 €000
Balance at 1 January		41	49
Funding drawn down	2.2	476	512
Non cash expenditure – notional rent	1	—	—
Net programme cost	1	(499)	(520)
Balance at 31 December		18	41

2.2 Funding drawn down	Note	2012 €000	2011 €000
Disbursements from the Vote			
Estimate provision	Account	784	883
Surplus to be surrendered	Account	(310)	(374)
		474	509
Expenditure (cash) borne elsewhere	1	2	3
Total funding drawn down		476	512

2.3 Capital Assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2012	120	9	129
Additions	17	—	17
Disposals	(16)	—	(16)
Balance written down	(121)	(9)	(130)
Cost or valuation at 31 December 2012	—	—	—
Accumulated depreciation			
Opening balance at 1 January 2012	99	6	105
Depreciation for the year	13	1	14
Depreciation on disposals	(16)	—	(16)
Balance written down	(96)	(7)	(103)
Cumulative depreciation at 31 December 2012	—	—	—
Net assets at 31 December 2012	—	—	—
Net assets at 31 December 2011	21	3	24

2.4 Bank and Cash

	2012 €000	2011 €000
at 31 December		
PMG balances and cash	—	15

2.5 Stocks

	2012 €000	2011 €000
at 31 December		
Printing and stationery	10	10

2.6 Other Credit Balances

	2012 €000	2011 €000
at 31 December		
Amounts due to the State		
Income Tax	—	8
Pay Related Social Insurance	—	2
Professional Services Withholding Tax	1	—
Pension contributions	—	1
	1	11
Payroll deductions held in suspense	—	4
	1	15

2.7 Net Liability to/(from) the Exchequer	2012	2011
at 31 December	€000	€000
Surplus to be surrendered	310	374
Exchequer grant undrawn	(311)	(372)
Net liability to/(from) the Exchequer	<u>(1)</u>	<u>2</u>

Represented by:**Debtors**

Bank and cash	—	15
Debit balances: suspense	—	2
	—	<u>17</u>

Creditors

Due to State	(1)	(11)
Credit balances: suspense	—	(4)
	<u>(1)</u>	<u>(15)</u>
	<u>(1)</u>	<u>2</u>

3 Programme Expenditure by Subhead

		2012		2011
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A	Regulation and Monitoring of Appointments			
A.1	Administration - pay	514	431	474
A.2	Administration - non pay	300	71	66
		<u>814</u>	<u>502</u>	<u>540</u>

Significant variations

Overall, the expenditure in relation to Programme A was €312,000 lower than provided. The significant variations were as follows:

Description	Less/ (more) than provided €000	Explanation
Administration - non pay	229	The overall savings in Vote 18 is due in part to the impact of the moratorium on the CPSPA's core business activity in 2012. However, it is anticipated that this activity will increase as the Commission's remit widens and when the moratorium is loosened. Some savings were also achieved due to the merging of the functions of the two Offices including accounts, personnel and I.T.

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	30	28	31

Explanation of significant variations

An explanation is provided in the case of each heading where the outturn varied from the amount estimated by more than €100,000 and by more than 5%. However no outturn on this Vote met the criteria in 2012.

5 Employee Numbers and Pay

	2012	2011
Number of staff at year end (full time equivalents)	7	8
	2012	2011
	€000	€000
Pay	415	459
Employer's PRSI	16	15
Total Pay	431	474

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2012 €	Maximum individual payment 2011 €
Overtime and extra attendance	1	—	505	182

5.2 Performance and Merit Payments

An award of €400 was approved for one member of staff under the scheme for recognition of exceptional performance.

6 Miscellaneous

6.1 Amalgamation with the Office of the Ombudsman

In anticipation of the amalgamation of the CPSA with the Ombudsman and the resultant winding up of the CPSA vote, sanction was received from the Department of Public Expenditure and Reform to write down the book value of the CPSA fixed assets to a nil value prior to the transfer of the assets to the Office of the Ombudsman.

The Commission's fixed assets will be included in the Ombudsman's fixed asset register at zero values, to align with the Ombudsman's policy of only capitalising assets above €1,000. The other Commission assets and liabilities will be carried in the balance sheet of the Ombudsman at current value.