



## **Appropriation Account 2012**

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**Vote 3**

**Office of the Attorney General**

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## **Introduction**

As Accounting Officer for Vote 3, 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 Attorney General including a grant-in-aid.

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.

### **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 obligations as Director General/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.

***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 Information and Communications Technology 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 the Audit Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

**Liam O'Daly**  
Accounting Officer  
Office of the Attorney General

6 September 2013

## **Comptroller and Auditor General**

### **Report for presentation to the Houses of the Oireachtas**

I have audited the appropriation account for Vote 3 Office of the Attorney General 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 3 Office of the Attorney General 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. The appropriation account is in agreement with the books of account.

**Seamus McCarthy**  
Comptroller and Auditor General

9 September 2013

## Vote 3 Office of the Attorney General Appropriation Account 2012

		2012		2011
		Estimate provision	Outturn	Outturn
		€000	€000	€000
<b>Programme Expenditure</b>				
A	Delivery of professional legal services to Government, Departments and Offices	15,785	14,271	14,056
	<b>Gross expenditure</b>	<b>15,785</b>	<b>14,271</b>	<b>14,056</b>
	<i>Deduct</i>			
B	<b>Appropriations-in-aid</b>	<b>788</b>	<b>820</b>	<b>778</b>
	<b>Net expenditure</b>	<b>14,997</b>	<b>13,451</b>	<b>13,278</b>

### 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	1,546,375	1,082,325

**Analysis of administration expenditure**

		<b>2012</b>		<b>2011</b>
		<b>Estimate</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>provision</b>		
		<b>€000</b>	<b>€000</b>	<b>€000</b>
i	Salaries, wages and allowances	10,929	10,094	9,995
ii	Travel and subsistence	120	107	98
iii	Training and development and incidental expenses	660	573	584
iv	Postal and telecommunications services	100	64	79
v	Office equipment and external IT services	557	480	491
vi	Office premises expenses	203	273	170
vii	Consultancy services and value for money and policy reviews	20	17	4
viii	Contract legal expertise	765	376	487
		<b>13,354</b>	<b>11,984</b>	<b>11,908</b>

## Notes to the Appropriation Account

### 1 Operating Cost Statement 2012

	2012	2011
	€000	€000
Programme cost	2,287	2,148
Pay	10,094	9,995
Non pay	1,890	1,913
<b>Gross expenditure</b>	<b>14,271</b>	<b>14,056</b>
<i>Deduct</i>		
<b>Appropriations-in-aid</b>	<b>820</b>	<b>778</b>
<b>Net expenditure</b>	<b>13,451</b>	<b>13,278</b>
<b>Changes in capital assets</b>		
Purchases cash	(220)	
Depreciation	223	
Loss on disposals	1	
	4	168
<b>Changes in assets under Development</b>		
Cash payments	(14)	(39)
<b>Changes in net current assets</b>		
Decrease in closing accruals	(18)	
Decrease in stock	1	
	(17)	17
<b>Direct expenditure</b>	<b>13,424</b>	<b>13,424</b>
<b>Expenditure borne elsewhere</b>		
Net allied services expenditure (note 1.1)	1,175	2,027
Notional rents	556	560
<b>Net programme cost</b>	<b>15,155</b>	<b>16,011</b>

#### 1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 3 borne elsewhere.

	2012	2011
	€000	€000
Vote 7 Office of the Minister of Finance	42	54
Vote 12 Superannuation and Retired Allowances	516	950
Vote 13 Office of Public Works	191	313
Vote 20 Garda Síochána	—	64
Central Fund - Pensions in respect of former Attorney General and widow of former Attorney General	426	646
	<b>1,175</b>	<b>2,027</b>



## 2 Balance Sheet as at 31 December 2012

	Note	2012 €000	2011 €000
<b>Capital assets</b>	2.3	496	500
<b>Capital assets under development</b>	2.4	53	39
		<b>549</b>	<b>539</b>
<b>Current assets</b>			
Stocks	2.6	29	30
Prepayments		206	207
Accrued income		19	5
Other debit balances	2.7	290	168
<b>Total current assets</b>		<b>544</b>	<b>410</b>
<b>Less current liabilities</b>			
Bank and cash	2.5	264	(388)
Accrued expenses		31	36
Other credit balances	2.8	66	311
Net liability to the Exchequer	2.9	(40)	245
<b>Total current liabilities</b>		<b>321</b>	<b>204</b>
<b>Net current assets</b>		<b>223</b>	<b>206</b>
<b>Net assets</b>		<b>772</b>	<b>745</b>
<b>Represented by:</b>			
<b>State funding account</b>	2.1	<b>772</b>	<b>745</b>

2.1 State Funding Account	Note	2012 €000	2011 €000
Balance at 1 January		745	891
Funding drawn down	2.2	14,626	15,305
Non cash expenditure – notional rent	1	556	560
Net programme cost	1	(15,155)	(16,011)
<b>Balance at 31 December</b>		<b>772</b>	<b>745</b>
<b>2.2 Funding drawn down</b>	<b>Note</b>	<b>2012 €000</b>	<b>2011 €000</b>
Disbursements from the Vote			
Estimate provision	Account	14,997	14,360
Surplus to be surrendered	Account	(1,546)	(1,082)
		13,451	13,278
Expenditure (cash) borne elsewhere	1	1,175	2,027
<b>Total funding drawn down</b>		<b>14,626</b>	<b>15,305</b>

**2.3 Capital Assets**

	Office equipment	Furniture and fittings	Total
	€000	€000	€000
<b>Gross assets</b>			
Cost or valuation at 1 January 2012	4,350	1,599	5,949
Additions	100	120	220
Disposals	(130)	(37)	(167)
Transfers	(19)	—	(19)
Cost or valuation at 31 December 2012	<u>4,301</u>	<u>1,682</u>	<u>5,983</u>
<b>Accumulated depreciation</b>			
Opening balance at 1 January 2012	4,077	1,372	5,449
Depreciation for the year	157	66	223
Depreciation on disposals	(130)	(36)	(166)
Depreciation on transfers	(19)	—	(19)
Cumulative depreciation at 31 December 2012	<u>4,085</u>	<u>1,402</u>	<u>5,487</u>
<b>Net assets at 31 December 2012</b>	<b><u>216</u></b>	<b><u>280</u></b>	<b><u>496</u></b>
<b>Net assets at 31 December 2011</b>	<b><u>273</u></b>	<b><u>227</u></b>	<b><u>500</u></b>

**2.4 Capital Assets under Development**

	In-house computer applications
at 31 December	<b>2012</b>
	<b>€000</b>
Opening balance at 1 January	39
Cash payments for the year	<u>14</u>
Balance at 31 December	<u><u>53</u></u>

**2.5 Bank and Cash**

	2012	2011
	€000	€000
at 31 December		
PMG balances and cash	(264)	450
Orders outstanding	<u>—</u>	<u>(62)</u>
	<u><u>(264)</u></u>	<u><u>388</u></u>

**2.6 Stocks**

	2012	2011
	€000	€000
at 31 December		
Stationery	19	5
IT consumables	<u>10</u>	<u>25</u>
	<u><u>29</u></u>	<u><u>30</u></u>

<b>2.7 Other Debit Balances</b>	<b>2012</b>	<b>2011</b>
at 31 December	<b>€000</b>	<b>€000</b>
Office of Public Works	40	120
Recoupable shared costs	5	—
Salaries Control Account	194	—
Travel Pass Scheme	49	—
Miscellaneous	2	48
	<u>290</u>	<u>168</u>

<b>2.8 Other Credit Balances</b>	<b>2012</b>	<b>2011</b>
at 31 December	<b>€000</b>	<b>€000</b>

**Amounts due to the State**

Income Tax	—	197
Pay Related Social Insurance	(1)	73
Pension contributions	—	(43)
Professional Services Withholding Tax	11	15
Value Added Tax	56	43
	<u>66</u>	<u>285</u>
Payroll deductions held in suspense	—	26
	<u>66</u>	<u>311</u>

<b>2.9 Net Liability to the Exchequer</b>	<b>2012</b>	<b>2011</b>
at 31 December	<b>€000</b>	<b>€000</b>
Surplus to be surrendered	1,546	1,082
Exchequer grant undrawn	(1,586)	(837)
Net liability to the Exchequer	<u>(40)</u>	<u>245</u>

**Represented by:****Debtors**

Debit balances: suspense	290	168
	<u>290</u>	<u>168</u>

**Creditors**

Bank and cash	(264)	388
Due to State	(66)	(285)
Credit balances: suspense	—	(26)
	<u>(330)</u>	<u>77</u>
	<u>(40)</u>	<u>245</u>

<b>2.10 Commitments</b>	<b>2012</b>	<b>2011</b>
at 31 December	<b>€000</b>	<b>€000</b>
Total of legally enforceable commitments	91	266

### 3 Programme Expenditure by Subhead

	2012		2011
	Estimate provision	Outturn	Outturn
	€000	€000	€000
<b>A Delivery of professional legal services to Government, Departments and Offices</b>			
A.1 Administration - pay	10,929	10,094	9,995
A.2 Administration - non pay	2,425	1,890	1,913
A.3 Contributions to international organisations	39	39	—
A.4 Law Reform Commission (grant-in-aid)	2,342	2,218	2,132
A.5 General law expenses	50	30	16
	<u>15,785</u>	<u>14,271</u>	<u>14,056</u>

#### Significant variations

Overall, the expenditure in relation to Programme A was €1,514,000 lower than provided. This was mainly due to the following:

Description	Less/ (more) than provided €000	Explanation
Administration - pay	835	Due to the significant numbers of candidates applying, the two recruitment competitions took longer to complete than anticipated so the arrival (and payment) of new entrants was later in the year than originally budgeted and this gave rise to the majority of the savings. In addition, a senior member of staff transferred from the Office early in 2012 resulting in savings on their budgeted salary throughout the remainder of the year.
Contract legal expertise	389	Savings were achieved as additional sanctioned consultant Parliamentary Counsel positions were not filled in 2012.

## 4 Receipts

4.1 Appropriations-in-aid	2012		2011
	Estimated	Realised	Realised
	€000	€000	€000
1. Miscellaneous	8	83	14
2. Receipts from pension-related deductions on public service remuneration	780	737	764
<b>Total</b>	<b>788</b>	<b>820</b>	<b>778</b>

The miscellaneous figure includes an amount of €79,359 refunded by the Law Reform Commission in respect of the overestimation of lump sum and pension entitlements of staff who retired during the year.

### 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 these criteria in 2012.

## 5 Employee Numbers and Pay

	2012	2011
<b>Number of staff at year end</b> (full time equivalents)	150	141
	<b>2012</b>	<b>2011</b>
	<b>€000</b>	<b>€000</b>
Pay	9,329	9,276
Higher, special or additional duties allowance	102	100
Overtime	1	2
Employer's PRSI	662	617
<b>Total Pay</b>	<b>10,094</b>	<b>9,995</b>

### 5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2012 €	Maximum individual payment 2011 €
Higher, special or additional duties	20	5	30,002	24,310
Overtime and extra attendance	3	—	373	420

One individual received extra remuneration in more than one category.

## 6 Miscellaneous

### 6.1 Write-Offs

Sanction was conveyed by the Department of Public Expenditure and Reform to write-off historic suspense account balances in the total sum of €2,249.