



## Appropriation Account 2012

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**Vote 36**

**Defence**

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## Introduction

As Accounting Officer for Vote 36, 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 Minister for Defence, including certain services administered by that Office; for the pay and expenses of the Defence Forces; and for payment of certain grants-in-aid.

The expenditure outturn is compared with the sums

- (a) 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, and
- (b) provided for capital supply services in 2012 out of unspent 2011 appropriations, under the deferred surrender arrangements established by section 91 of the Finance Act 2004.

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 except for the following;

#### ***Stock valuation***

Military stocks are valued at average cost. Air Corps stocks are valued at purchase price. Departmental stocks are valued at their most recent purchase price.

#### ***Depreciation***

Military assets are depreciated to residual values at rates varying between 3% and 20% per annum using the straight line method.

#### ***Capital assets***

Capital assets include all military equipment and IT assets but exclude items of furniture and fittings that cost less than €600.

A schedule of land and buildings administered by the Department of Defence is attached. As valuations for all of these properties are not available, they are not included in capital assets (Note 2.3).

### 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 Department.

This responsibility is exercised in the context of the resources available to me and my other obligations as Secretary General. 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 Department
- 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 Department 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 Department 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 Department 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.

**Michael Howard**  
Accounting Officer  
Department of Defence

28 March 2013

## **Comptroller and Auditor General**

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

#### **Vote 36 Defence**

I have audited the appropriation account for Vote 36 Defence 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 Department 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 each year, a report on any matters that arise from the audit of the appropriation account 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 36 Defence 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 Department of Defence. The appropriation account is in agreement with the books of account.

**Seamus McCarthy**  
Comptroller and Auditor General

29 August 2013

## Vote 36 Defence

### Appropriation Account 2012

		2012		2011
		Estimate provision	Outturn	Outturn
		€000	€000	€000
<b>Programme Expenditure</b>				
A	Defence policy and support, military capabilities and operational outputs			
	<i>Current year provision</i>	687,945		
	<i>Deferred surrender</i>	500	657,141	703,451
	<b>Gross expenditure</b>			
	<i>Current year provision</i>	687,945		
	<i>Deferred surrender</i>	500	657,141	703,451
	<i>Deduct</i>			
B	<b>Appropriations-in-aid</b>	<b>40,925</b>	<b>46,140</b>	<b>42,509</b>
	<b>Net expenditure</b>			
	<i>Current year provision</i>	647,020		
	<i>Deferred surrender</i>	500	611,001	660,942
		<b>647,520</b>	<b>611,001</b>	<b>660,942</b>

#### Surplus for surrender

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer. Under section 91 of the Finance Act 2004, all or part of any unspent appropriations for capital supply services may be carried over for spending in the following year.

	2012	2011
	€	€
Surplus	36,519,313	19,288,433
Deferred surrender	900,000	500,000
Surplus to be surrendered	<u>35,619,313</u>	<u>18,788,433</u>

**Analysis of administration expenditure**

		<b>2012</b>		<b>2011</b>
		<b>Estimate provision</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
i	Salaries, wages and allowances	17,000	16,002	16,065
ii	Travel and subsistence	450	415	407
iii	Training and development and incidental expenses	280	165	194
iv	Postal and telecommunications services	800	554	723
v	Office equipment and external IT services	2,170	2,090	2,065
vi	Office premises expenses	1,610	1,203	1,262
vii	Consultancy services and value for money and policy reviews	50	9	—
viii	EU Presidency	49	35	—
		<b>22,409</b>	<b>20,473</b>	<b>20,716</b>

## Notes to the Appropriation Account

### 1 Operating Cost Statement 2012

	2012		2011
	€000	€000	€000
Programme cost		636,668	682,735
Pay		16,037	16,065
Non pay		4,436	4,651
<b>Gross expenditure</b>		<b>657,141</b>	<b>703,451</b>
<i>Deduct</i>			
<b>Appropriations-in-aid</b>		<b>46,140</b>	<b>42,509</b>
<b>Net expenditure</b>		<b>611,001</b>	<b>660,942</b>
<b>Changes in capital assets</b>			
Purchases cash	(9,187)		
Asset adjustment	(7,438)		
Depreciation	37,055		
Loss on disposals	1,010		
		21,440	20,230
<b>Changes in assets under development</b>			
Cash payments		(5,528)	(9,752)
<b>Changes in net current assets</b>			
Decrease in closing accruals	(24,487)		
Decrease in stock	3,772		
		(20,715)	(42,652)
<b>Direct expenditure</b>		<b>606,198</b>	<b>628,768</b>
<b>Expenditure borne elsewhere</b>			
Net allied services expenditure (note 1.1)		7,667	8,081
Notional rents		2,054	1,951
<b>Net programme cost</b>		<b>615,919</b>	<b>638,800</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 36 borne elsewhere and amounts borne on the vote in respect of other services.

	2012	2011
	€000	€000
Vote 1 President's Establishment	(400)	(413)
Vote 2 Department of the Taoiseach	(75)	(75)
Vote 12 Superannuation and Retired Allowances	9,075	9,020
Vote 13 Office of Public Works	650	766
Vote 20 Garda Síochána	—	58
Vote 35 Army Pensions	(1,738)	(1,726)
Central Fund – Ministerial pensions	155	451
	<b>7,667</b>	<b>8,081</b>



## 2 Balance Sheet as at 31 December 2012

	Note	2012 €000	2011 €000
<b>Capital assets</b>	2.3	342,100	363,474
<b>Capital assets under development</b>	2.4	1,668	3,570
		<b>343,768</b>	<b>367,044</b>
<b>Current assets</b>			
Bank and cash	2.5	751	1,419
Stocks	2.6	265,845	269,617
Prepayments	2.7	73,821	49,076
Accrued income		2,326	1,967
Other debit balances	2.8	1,060	2,524
<b>Total current assets</b>		<b>343,803</b>	<b>324,603</b>
<b>Less current liabilities</b>			
Accrued expenses		2,997	2,319
Deferred income		49	44
Other credit balances	2.9	190	254
Net liability to the Exchequer	2.10	1,621	3,689
<b>Total current liabilities</b>		<b>4,857</b>	<b>6,306</b>
<b>Net current assets</b>		<b>338,946</b>	<b>318,297</b>
<b>Net assets</b>		<b>682,714</b>	<b>685,341</b>
<b>Represented by:</b>			
<b>State funding account</b>	2.1	<b>682,714</b>	<b>685,341</b>

2.1 State Funding Account	Note	2012 €000	2011 €000
Balance at 1 January		685,341	663,411
Funding drawn down	2.2	618,668	669,023
Non cash expenditure – notional rent	1	2,054	1,951
Net programme cost	1	(615,919)	(638,800)
Transfers – capital assets under development	2.4	(7,430)	(10,244)
<b>Balance at 31 December</b>		<b>682,714</b>	<b>685,341</b>

2.2 Funding drawn down	Note	2012 €000	2011 €000
Disbursements from the Vote			
Estimate provision	Account	647,520	680,230
Deferred surrender	Account	(900)	(500)
Surplus to be surrendered	Account	(35,619)	(18,788)
Net allied services expenditure	1	7,667	8,081
<b>Total funding drawn down</b>		<b>618,668</b>	<b>669,023</b>

**2.3 Capital Assets**

	<b>Military equipment</b>	<b>Office and IT equipment</b>	<b>Furniture and fittings</b>	<b>Total</b>
	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>
<b>Gross assets</b>				
Cost or valuation at 1 January 2012	862,885	42,464	3,563	908,912
Reclassification from stock	19,825	—	—	19,825
Prior year adjustment	1,537	—	—	1,537
Additions	8,231	939	83	9,253
Disposals	(11,234)	(1,549)	(29)	(12,812)
Cost or valuation at 31 December 2012	<b>881,244</b>	<b>41,854</b>	<b>3,617</b>	<b>926,715</b>
<b>Accumulated depreciation</b>				
Opening balance at 1 January 2012	507,189	36,398	1,851	545,438
Depreciation of reclassified items	13,924	—	—	13,924
Depreciation for the year	34,785	2,033	237	37,055
Depreciation on disposals	(10,314)	(1,463)	(25)	(11,802)
Cumulative depreciation at 31 December 2012	<b>545,584</b>	<b>36,968</b>	<b>2,063</b>	<b>584,615</b>
<b>Net assets at 31 December 2012</b>	<b>335,660</b>	<b>4,886</b>	<b>1,554</b>	<b>342,100</b>
<b>Net assets at 31 December 2011</b>	<b>355,696</b>	<b>6,066</b>	<b>1,712</b>	<b>363,474</b>

1. Arising from a review of the inventory system, certain items which were previously recorded as stock have been reclassified as capital assets.
2. The prior year adjustment represents cost adjustments to stock transfers, and purchases not capitalised in previous years.
3. The Department of Defence administers land (approx. 8,400 hectares) and buildings at 100 different locations, as well as 20 properties outside of barracks which serve as married quarters. It is expected that the disposal of the married quarters will be progressed in 2013.

**2.4 Capital Assets under Development**

at 31 December	<b>Construction Contracts €000</b>
Amounts brought forward at 1 January 2012	3,570
Cash payments in year	5,528
Transferred to asset register	(7,430)
Balance at 31 December 2012	<b>1,668</b>

Notional transfer to asset register. Land and buildings are not shown in capital asset.

<b>2.5 Bank and Cash</b>	<b>2012</b>	<b>2011</b>
at 31 December	<b>€000</b>	<b>€000</b>
PMG balances and cash	1,091	4,783
Orders outstanding	(340)	(3,364)
	<u>751</u>	<u>1,419</u>

<b>2.6 Stocks</b>	<b>2012</b>	<b>2011</b>
at 31 December	<b>€000</b>	<b>€000</b>
<b>Military stocks</b>		
Opening balance 1 January	269,550	245,411
Purchases during the year	42,837	54,596
Issues during the year	(26,785)	(30,457)
Reclassification to fixed assets	(19,825)	—
	<u>265,777</u>	<u>269,550</u>
Stationery	34	24
IT consumables	34	43
	<u>265,845</u>	<u>269,617</u>

Some stock items were reclassified as assets in 2012 (see note 2.3). Work is ongoing to identify and remove slow moving and obsolete military stock items.

<b>2.7 Prepayments</b>	<b>2012</b>	<b>2011</b>
at 31 December	<b>€000</b>	<b>€000</b>
Naval vessels construction (note 2.11)	59,630	38,720
Other	14,191	10,356
	<u>73,821</u>	<u>49,076</u>

This figure represents cumulative advance payments on the naval vessels replacement project from 2010-2012. A further €73 million will be paid by March 2016.

<b>2.8 Other Debit Balances</b>	<b>2012</b>	<b>2011</b>
at 31 December	<b>€000</b>	<b>€000</b>
Suspense	1,060	2,524
	<u>1,060</u>	<u>2,524</u>

<b>2.9 Other Credit Balances</b>	<b>2012</b>	<b>2011</b>
at 31 December	<b>€000</b>	<b>€000</b>
Amounts due to the State		
Professional Services Withholding Tax	90	148
Income Tax	81	64
Pay Related Social Insurance	(20)	(13)
Universal Social Charge	(12)	—
Pension contributions	9	13
Value Added Tax	—	(23)
	<u>148</u>	<u>189</u>
Payroll deductions	6	6
Suspense	36	59
	<u>190</u>	<u>254</u>

<b>2.10 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	35,619	18,788
Deferred surrender	900	500
Exchequer grant undrawn	(34,898)	(15,599)
Net liability to the Exchequer	<u>1,621</u>	<u>3,689</u>

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

Bank and cash	751	1,419
Debit balances: suspense	1,060	2,524
	<u>1,811</u>	<u>3,943</u>

**Creditors**

Due to State	(148)	(189)
Credit balances: suspense	(42)	(65)
	<u>(190)</u>	<u>(254)</u>
	<u>1,621</u>	<u>3,689</u>

<b>2.11 Commitments</b>	<b>2012</b>	<b>2011</b>
at 31 December	€000	€000
Total of legally enforceable commitments	96,455	128,727

**(A) Global commitments**

The figure of €96.46 million includes €72.57 million for the naval vessel replacement programme; €19 million for the purchase of defensive equipment and €2 million for a number of building projects.

**(B) Multi-annual capital commitments**

Expenditure in 2012 and commitments to be met in subsequent years on foot of projects, to be funded from subheads containing voted capital provisions, where legally enforceable contracts were in place.

	<b>2012</b>	<b>2011</b>
	€000	€000
Expenditure	5,528	9,752
Commitments to be met in subsequent years	1,628	2,865

**(C) Major projects**

Expenditure on projects where the total estimated cost will exceed €6.35 million.

	<b>Expenditure to 31/12/2011</b>	<b>Expenditure 2012</b>	<b>Subsequent years</b>	<b>Total</b>
<b>Project</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>
Naval vessels replacement project	38,720	20,910	72,570	132,200

**2.12 Matured Liabilities**

Matured liabilities outstanding at year end amounted to €479,241.

### 3 Programme Expenditure by Subhead

	2012		2011	
	Estimate provision		Outturn	
	€000	€000	€000	
<b>A</b>	<b>Defence policy and support, military capabilities and operational outputs</b>			
A.1	Administration - pay	17,049	16,037	16,065
A.2	Administration - non pay	5,360	4,436	4,651
A.3	Permanent Defence Force: pay	425,434	394,846	421,329
A.4	Permanent Defence Force: allowances	44,894	43,280	42,245
A.5	Reserve Defence Force: pay, etc.	4,386	3,679	3,935
A.6	Chaplains and officiating clergymen: pay and allowances	1,225	1,128	1,172
A.7	Civilians attached to units: pay, etc.	33,692	30,823	32,779
A.8	Defensive equipment	27,500	29,150	36,617
A.9	Air Corps: equipment and expenses	14,500	16,287	15,488
A.10	Military transport	12,500	12,573	14,372
A.11	Naval Service: equipment and expenses	24,200	33,558	30,542
A.12	Barrack expenses and engineering equipment	13,500	14,344	15,119
A.13	Buildings			
	<i>Current year provision</i>	13,700		
	<i>Deferred surrender</i>	500	14,200	12,032
A.14	Ordnance, clothing and catering	17,000	15,062	19,823
A.15	Communications and information technology	6,400	6,561	7,683
A.16	Military training	2,000	2,289	2,390
A.17	Travel and freight services	4,000	2,368	2,600
A.18	Medical expenses	2,800	2,904	2,896
A.19	Lands	1,000	1,651	1,179
A.20	Equitation	877	909	898
A.21	Compensation and associated costs	5,482	3,144	4,884
A.22	Miscellaneous expenditure	3,182	2,937	2,722
A.23	Costs arising directly from Ireland's participation in the EU's Common Security and Defence Policy	810	689	583
A.24	Civil Defence Board (grant-in-aid)	5,585	5,585	5,585
A.25	Irish Red Cross Society (grant-in-aid)	869	869	951
	<b>Total</b>	<b>688,445</b>	<b>657,141</b>	<b>703,451</b>

**Significant variations**

Overall, the expenditure in relation to the Programme A was €31,304,260 lower than provided. This was mainly due to the following:

Description	Less/ (more) than provided €000	Explanation
Permanent Defence Force: pay	30,588	The saving is due to lower than anticipated numbers of personnel serving in the Permanent Defence Force during 2012.
Reserve Defence Force: pay, etc.	707	The saving is due mainly to a reduced requirement for grants, lower levels of training activity and increased use of military transport and rations.
Civilians attached to units: pay, etc.	2,869	The saving is due mainly to a reduction in the number of civilian employees.
Defensive equipment	(1,650)	The excess is mainly due to the requirement for additional essential defensive operational equipment.
Air Corps: equipment and expenses	(1,787)	The excess is due mainly to additional aircraft maintenance costs which arose during the year.
Naval Service: equipment and expenses	(9,358)	The excess is mainly due to an additional payment of €6.15m required as a result of the renegotiation of the Naval Vessels Replacement Project contract. The renegotiation resulted in limiting the application of escalation clauses and removing factoring costs post delivery of the naval vessels.
Barrack expenses and engineering equipment	(844)	The excess is due to increased utility costs and additional engineering equipment required for overseas missions.
Buildings	2,168	The saving is due to slower than anticipated progress on some projects including the development of an additional firing range and change to alternative energy usage at the Curragh Camp.
Ordnance, clothing and catering	1,938	The saving is due to delays in the delivery of certain clothing orders and reduced catering costs.
Military training	(289)	The excess is mainly due to higher than anticipated training course costs and the requirement for additional educational and training equipment.
Travel and freight services	1,632	The saving is due mainly to lower than estimated travel and freight costs relating to overseas missions and reduced home travel costs.
Lands	(651)	The excess is due to the purchase of lands in the Glen of Imaal and costs relating to barrack closures.
Compensation and associated costs	2,338	Expenditure under this subhead is subject to a number of unpredictable variables, including the number, value and timing of awards and settlements.
Miscellaneous expenditure	245	The saving is mainly due to delays in certain appointments and in the completion of certain projects.
Costs arising directly from Ireland's participation in the EU's Common Security and Defence Policy	121	The saving is due to lower than anticipated common costs relating to EU missions, and is partly offset by payment of the first contribution of the 2013 European Defence Agency costs.

## 4 Receipts

4.1 Appropriations-in-aid		2012		2011
		Estimated	Realised	Realised
		€000	€000	€000
1.	Receipts from United Nations in respect of overseas allowances, etc.	6,000	9,204	3,662
2.	Receipts from EU in respect of fishery protection costs	—	—	1,073
3.	Receipts from banks and other organisations	8,500	8,717	8,913
4.	Receipts from occupation of official quarters	200	222	196
5.	Receipts from rations on repayment	650	804	966
6.	Receipts from other issues on repayment	60	41	54
7.	Receipts for aviation fuel	70	394	71
8.	Receipts on discharge by purchase	50	39	47
9.	Lands and premises			
	(a) rents, etc.	350	470	567
	(b) sales	500	250	50
10.	Sale of surplus stores	200	444	105
11.	Refunds in respect of services of seconded personnel	80	39	35
12.	Miscellaneous	265	825	267
13.	Receipts from pension-related deduction on public service remuneration	24,000	24,691	26,503
<b>Total</b>		<b>40,925</b>	<b>46,140</b>	<b>42,509</b>



**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%

<b>Description</b>	<b>Less/(more) than provided €000</b>	<b>Explanation</b>
Receipts from United Nations in respect of overseas allowances, etc.	(3,204)	The surplus is due to a changed payment pattern by the UN which resulted in higher than anticipated UN receipts in respect of 2011.
Receipts from rations on repayment	(154)	The surplus is due to a higher than anticipated number of personnel availing of rations.
Receipts for aviation fuel	(324)	The surplus is due to higher than anticipated demand for uplift of aviation fuel by visiting aircraft.
Lands and premises (a) rents, etc.	(120)	The surplus is mainly due to commercial rental rates being applied for the use of Defence properties.
Lands and premises (b) sales	250	The shortfall is due to sales being lower than expected and delays in some transactions.
Sale of surplus stores	(244)	The surplus is mainly due to the sale of obsolete aircraft.
Miscellaneous	(560)	The surplus is due to a number of reimbursements received, the amount and timing of which could not be estimated accurately.

## 5 Employee Numbers and Pay

	<b>2012</b>	<b>2011</b>
<b>Number of staff at year end</b> (full time equivalents)	10,298	10,448
	<b>2012</b>	<b>2011</b>
	<b>€000</b>	<b>€000</b>
Pay	400,241	427,732
Higher, special or additional duties allowance	349	181
Overtime	590	579
Shift and roster allowance	289	143
Military and other allowances	36,247	32,864
Employer's PRSI	36,447	38,422
<b>Total Pay</b>	<b>474,163</b>	<b>499,921</b>

The overall totals do not include the Civil Defence Board and the Office of the Ombudsman for the Defence Forces which account for 28 personnel and total pay and allowances of €1.4 million. Both of these bodies produce separate accounts.

The total pay figures above exclude non-pay expenditure charged to some pay subheads.

### 5.1 Civil Servants

	<b>2012</b>	<b>2011</b>
<b>Number of staff at year end</b> (full time equivalents)	321	320
	<b>2012</b>	<b>2011</b>
	<b>€000</b>	<b>€000</b>
Pay	15,240	15,341
Higher, special or additional duties allowances	107	116
Overtime	124	71
Other allowances	6	—
Employer's PRSI	560	537
<b>Total Pay</b>	<b>16,037</b>	<b>16,065</b>

Certain payments that were categorised as higher, special or additional duties allowances in 2011 are now included under other allowances to more accurately reflect the nature of these payments.

Allowances and Overtime Payments	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2012	2011
			€	€
Higher, special or additional duties	29	4	19,585	19,585
Overtime	90	1	10,959	5,369
Other allowances	26	—	1,547	—

Certain individuals received extra remuneration in more than one category.

### 5.2 Civil Employees

	2012	2011
<b>Number of staff at year end</b> (full time equivalents)	593	660
	2012	2011
	€000	€000
Pay	22,595	23,678
Higher, special or additional duties allowances	242	279
Overtime	466	508
Shift and roster allowance	289	328
Travel time allowance	600	664
Tool and other allowances	375	439
Employer's PRSI	2,341	2,617
<b>Total Pay</b>	<b>26,908</b>	<b>28,513</b>

Certain payments that were categorised as pay in 2011 are now included under other categories to more accurately reflect the nature of these payments.

The pay figure includes severance and redundancy payments totalling €1,393,979 which was paid to 26 civilian employees in 2012.

Allowances and Overtime Payments	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2012	2011
			€	€
Higher, special or additional duties	121	2	10,847	12,881
Overtime	196	4	24,631	21,143
Shift and roster allowance	43	4	17,035	16,903
Travel time allowance	106	9	12,030	11,983
Tool and other allowances	668	—	3,235	3,235

Certain individuals received extra remuneration in more than one category.

The tool and other allowances include a number of different allowances and some recipients received more than one allowance and are counted more than once.

**5.3 Permanent Defence Force (incl. Army Nursing and Chaplaincy)**

	<b>2012</b>	<b>2011</b>
<b>Number of staff at year end</b> (full time equivalents)	9,384	9,468
	<b>2012</b>	<b>2011</b>
	<b>€000</b>	<b>€000</b>
Pay and military service allowance	362,406	387,211
Overseas allowances	15,254	10,915
Security duty allowances	10,886	12,072
Border duty allowance	3,976	4,468
Patrol duty allowance	3,338	3,403
Miscellaneous allowances	1,812	2,006
Employer's PRSI	33,546	35,268
<b>Total pay</b>	<b>431,218</b>	<b>455,343</b>

<b>Allowances</b>	<b>Number of recipients</b>	<b>Recipients of €10,000 or more</b>	<b>Maximum individual payment</b>	<b>Maximum individual payment</b>
			<b>2012</b>	<b>2011</b>
			<b>€</b>	<b>€</b>
Overseas allowances	1,388	750	41,376	38,325
Security duty allowances	7,615	36	19,996	19,441
Border duty allowance	923	2	47,495	7,891
Patrol duty allowance	753	16	11,294	11,126
Miscellaneous allowances	1,034	5	13,628	20,086

Certain individuals received allowances in more than one category.

The security duty and miscellaneous categories include a number of different allowances and some recipients received more than one allowance and are counted more than once.

The maximum individual payment for border duty allowance in 2012 includes arrears of €43,412 from 2002 to 2011.

## 6 Miscellaneous

### 6.1 Overseas Mission

This account includes the sums indicated below in respect of the remuneration of military personnel serving with UN and EU peace support operations and various organisations, together with travel and subsistence and transportation costs:

	<b>2012</b>	<b>2011</b>
	<b>€000</b>	<b>€000</b>
<b>UN and EU Missions:</b>		
UNIFIL (Lebanon)	32,474	19,982
KFOR (Kosovo)	1,270	1,285
EUFOR (Bosnia Herzegovina)	869	2,720
Other UN and EU Missions	3,837	2,893
	<u>38,450</u>	<u>26,880</u>
<b>Other:</b>		
Military representatives and advisors	1,807	1,813
EU Battle Group	990	953
Organisation for Security and Co-operation in Europe	691	433
<b>Total</b>	<u><u>41,938</u></u>	<u><u>30,079</u></u>

Of the sum of €38m for UN and EU missions, €6m relates to missions the full costs of which are borne by the State. The remaining €32m relates to UNIFIL in respect of which arrangements for the reimbursement of certain costs have been agreed with the UN. The amount actually received from the UN by way of appropriations-in-aid in 2012 was €9.2m (Note 4.1), of which €4m related to personnel costs, and €5.2m to equipment costs. The amount outstanding at year end was €1.8m (€0.6m personnel costs and €1.2m equipment costs).

A claim that was submitted to the UN relating to costs associated with the withdrawal from MINURCAT (Chad) is still under negotiation.

### 6.2 Support for Representative Associations

This account includes a total of €465,047 in respect of the remuneration of military personnel seconded to representative associations and certain related administrative costs.

### 6.3 Seconded Staff

This account includes a total of €124,322 in respect of the remuneration of a military officer and a civil servant on secondment.

**6.4 Write-offs**

Loss of or damage to stores, equipment or property for which negligence could not be attributed to any person resulted in the sum of €10,790 being written off.

59 cases of damage to military vehicles resulted in the sum of €47,196 being written off.

**6.5 Carryover to 2012**

Under the provisions of section 91 of the Finance Act 2004, €900,000 of unspent allocation in respect of the capital element of Subhead A.13 was carried forward to 2013.

**6.6 Personal Injury and Employment Case Claims**

at 31 December	2012	2011
Settled claims:		
State Claims Agency	159	460
Other	54	52
Claims on hand:	359	462
Of which referred to State Claims Agency	310	319

**6.7 Legal Costs**

Expenditure for the year ended 31 December	2012	2011
	€	€
Legal fees	1,499,321	2,229,198
Compensation	1,617,288	2,613,894

The above figures in respect of legal fees and compensation refer primarily to the claims disclosed in note 6.6.

**6.8 Medical Treatment**

Institutional and outpatient services were afforded to Defence Forces personnel and to the dependants of enlisted personnel in civilian hospitals without application of the statutory charge and in military hospitals without charge to the Health Service Executive.

### **6.9 Special Payments**

Following an internal review and an unprompted voluntary disclosure, a payment of €1,090,078 on account, including interest, was made to the Office of the Revenue Commissioners in 2012. This was in respect of an underpayment of PAYE, PRSI and USC for certain allowances paid to the Defence Forces and civilian employees covering the period 2011 and 2012.

<b>SCHEDULE OF LAND AND BUILDINGS</b>		
<b>Vested in Minister for Defence</b>		
<b>COUNTY</b>	<b>PROPERTY</b>	<b>AREA (ACRES)<sup>1</sup></b>
Carlow	RDF Premises, Mhuine Beag	0.44
Cavan	Dún Uí Néill, Cavan Town	16.25
Clare	Knockalisheen Camp	166.5
Clare	Lahinch Camp	5.19
Clare	Kilrush, Ballyurra	0.6
Cork	Murphy Barracks, Ballincollig	2.2
Cork	Collins Barracks, Cork	59.8
Cork	Portion of Camp Field, Collins Barracks	—
Cork	Old Barracks & Graveyard, Fermoy	11
Cork	RDF Premises, Kilcrohane	1
Cork	RDF Premises, Middleton	0.5
Cork	Michael Collins Memorial Plot, Beál na Bláth	0.01
Cork	RDF Premises, Skibbereen	0.5
Cork	RDF Premises, Macroom	0.22
Cork	RDF Premises, Mallow	0.07
Cork	RDF Premises, Youghal	0.11
Cork	Part of old Military Barracks, Buttevant	—
Donegal	Rockhill House, Letterkenny	30
Donegal	Military Post, Lifford	2.6
Donegal	RDF Premises, Mullins	0.25
Donegal	RDF Premises, Milford	0.5
Dublin	Casement Aerodrome, Baldonnel including sewage farm & land adjacent	685
Dublin	Esplanade, Collins Barracks	0.5
Dublin	Site at Islandbridge, Dublin 8.	1
Dublin	RDF Premises, Swords	0.6
Galway	Oranmore Rifle Range	534
Galway	Oranmore By-Pass	0.75
Galway	Springfield Water Supply to Oranmore Range	—
Galway	Dún Uí Mhaoilíosa, Galway	74
Galway	RDF Premises, Ballinasloe	0.5
Galway	RDF Premises, Loughrea	0.23
Kerry	Ballymullen Barracks, Tralee	15
Kerry	Fort Shannon, Tarbert	2

<sup>1</sup> Acreages stated are approximate. Most of the properties contain buildings thereon.



<b>SCHEDULE OF LAND AND BUILDINGS</b>		
<b>Vested In Minister for Defence</b>		
<b>COUNTY</b>	<b>PROPERTY</b>	<b>AREA (ACRES)<sup>1</sup></b>
Kerry	RDF Premises, Listowel	0.22
Kerry	RDF Premises, Killorglin	0.25
Kerry	RDF Premises, Dingle	—
Kerry	RDF Premises, Killarney	0.2
Kildare	Curragh Camp and Lands	4,870
Kildare	Curragh Lands – Kildare By-Pass	—
Kildare	Orchard Park (2,23,25,78,85,96), Curragh	—
Kildare	Magee Barracks, Kildare.	65
Kildare	Lands at Blackrath, Curragh.	35.5
Kilkenny	Stephens' Barracks, Kilkenny	14
Leitrim	RDF Premises, Manorhamilton	—
Louth	Red Barns Rifle Range, Dundalk	13.50
Louth	RDF Premises, Drogheda	0.40
Mayo	RDF Premises, Westport - Leased	0.50
Meath	Gormanston Camp and Aerodrome	261
Meath	RDF Premises, Navan	0.50
Meath	RDF Premises, Kells	—
Offaly	Former Military Barracks, Birr	4.90
Roscommon	Rifle Range, Carna	283
Roscommon	RDF Premises, Roscommon	0.80
Tipperary	Rifle Range, Kilcoran	13.50
Tipperary	RDF Premises, Thurles	0.19
Tipperary	Barnane Rifle Range, Templemore	—
Waterford	Military Barracks, Waterford	0.80
Waterford	RDF Premises, Dungarvan - Leased	0.10
Westmeath	Columb Barracks, Mullingar	23.75
Westmeath	Custume Barracks, Athlone	13
Westmeath	Garrynafela Lands, Athlone	14.75
Wicklow	Glen of Imaal Artillery Range	6,617
Wicklow	Coolmooney Camp and Lands	241
Wicklow	Kilpeddar Rifle Range, Bray	98
Wicklow	Rockbrae House and Lands, Bray	4.83
Wicklow	Range Warden's Post, Seskin	1
Wicklow	RDF Premises, Wicklow - leased	0.23

<sup>1</sup> Acreages stated are approximate. Most of the properties contain buildings thereon.

<b>SCHEDULE OF LAND AND BUILDINGS</b>		
<b>Vested In Minister for Finance</b>		
<b>COUNTY</b>	<b>PROPERTY</b>	<b>AREA (ACRES)<sup>1</sup></b>
Clare	RDF Premises, Ennis	0.25
Cork	Kilworth Camp and Range	3,352
Cork	Portion at Kilworth Camp for provision of road services to NRA	26.42
Cork	Bere Island	225
Cork	Naval Base, Haulbowline	84
Cork	Fort Davis, Whitegate	74
Cork	Fort Templebreedy, Crosshaven	37
Cork	Fitzgerald Camp, Fermoy	2.5
Cork	Furious Pier, Castletownbere	—
Cork	Landing Pier, Cobh	—
Donegal	Finner Camp, Bundoran	840
Dublin	Cathal Brugha Barracks, Rathmines	46
Dublin	Cathal Brugha Barracks No 17 – 28 Quarters	—
Dublin	McKee Barracks, Blackhorse Avenue	45
Dublin	McKee Park, No 64	—
Dublin	St. Bricin's Hospital, D7.	8
Dublin	Old School House, Arbour Hill	—
Dublin	2 Tomar Court, Arbour Hill	—
Galway	RDF Premises, Gort	0.2
Laois	RDF Premises, Portlaoise	0.077
Limerick	Sarsfield Barracks, Limerick	14.80
Longford	Connolly Barracks, Longford	14
Longford	Portion of Connolly Barracks Longford	0.37
Longford	RDF Premises Longford	—
Louth	Aiken Barracks, Dundalk	18
Mayo	Military Barracks, Castlebar	6
Roscommon	Rifle Range, Cushla	139
Roscommon	Military Barracks, Boyle	0.50
Tipperary	Kickham Barracks, Clonmel	11
Tipperary	Military Barracks, Nenagh	2.70
Tipperary	Part of McCann Bks., Templemore	0.39
Wexford	Military Barracks, Wexford	1
Wicklow	Kilbride Camp and Rifle Range	1,574

<sup>1</sup> Acreages stated are approximate. Most of the properties contain buildings thereon.