

Appropriation Account 2015

Vote 1

President's Establishment

Introduction

As Accounting Officer for Vote 1, 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 2015 for the salaries and expenses of the Office of the Secretary General to the President, for certain other expenses of the President's Establishment and for certain grants.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2015, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €246,341 is liable for surrender to the Exchequer.

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.

Heritage assets of the President's Establishment are not valued as assets in these financial statements. The assets have the characteristics of being inalienable, irreplaceable, and fragile and consequently there is no useful purpose in capitalising the assets in these statements.

Statement on Internal Financial Control

The President's Establishment relies upon the Department of Finance for the provision of a payment function and accounting service.

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 President's Establishment.

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

I have fulfilled my responsibilities in relation to the requirements of the Service Management Agreement between this Office and the National Shared Service Office for the provision of HR/payroll shared service.

I rely on a letter of assurance from the Accounting Officer of the Vote for Shared Services that the appropriate controls are exercised in the provision of shared services to this Office.

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
- an Audit Committee to advise me in discharging my responsibilities for the internal financial control system in the President's Establishment has been established and is expected to meet shortly.

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 ensures that there is an appropriate focus on good practice in purchasing and that procedures are in place to ensure compliance with all relevant guidelines. The Office complied with the guidelines.

Internal Audit and Audit Committee

The Office relies on the internal audit function provided by the Department of the Taoiseach which has appropriately trained personnel and operates under a written charter which I have approved. Its work is informed by analysis of the financial risks to which the Office is exposed and aims to cover the key controls on a rolling basis over a reasonable period. The internal audit function and its programme of work are subject to periodic review by me and the Audit Committee which operates under the auspices of the Department of the Taoiseach. Given the scale and nature of the Office's operations and the assessment of risks, no internal audit work was undertaken in 2015. This will be reviewed in 2016. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

Martin Fraser
Accounting Officer

23 March 2016

Comptroller and Auditor General

Report for presentation to Houses of the Oireachtas

Vote 1 President's Establishment

I have audited the appropriation account for Vote 1 President's Establishment for the year ended 31 December 2015 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, and 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 by his Office and for the regularity and propriety of all transactions in the appropriation account.

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 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 the Department of Public Expenditure and Reform's *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 1 President's Establishment for the year ended 31 December 2015.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, adequate accounting records have been kept by the President's Establishment. The appropriation account is in agreement with the accounting records.

Seamus McCarthy
Comptroller and Auditor General
2 September 2016

Vote 1 President's Establishment Appropriation Account 2015

	Estimate provision	2015 Outturn	2014 Outturn
	€000	€000	€000
Programme expenditure			
A President's Establishment	2,375	2,153	2,144
B Centenarians' bounty	1,175	1,145	1,131
Gross expenditure	3,550	3,298	3,275
<i>Deduct</i>			
C Appropriations-in-aid	106	100	94
Net expenditure	3,444	3,198	3,181

Surplus for surrender

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

	2015	2014
	€	€
Surplus to be surrendered	246,341	85,637

Analysis of administration expenditure

	Estimate provision	2015 Outturn	2014 Outturn
	€000	€000	€000
i Salaries, wages and allowances	1,769	1,664	1,644
ii Travel and subsistence	310	194	198
iii Training and development and incidental expenses	135	122	135
iv Postal and telecommunications services	86	81	78
v Office machinery and other supplies and related services	130	150	147
	2,430	2,211	2,202

Notes to the Appropriation Account

1 Operating Cost Statement 2015

	2015	2014
	€000	€000
Programme cost	1,087	1,073
Pay	1,664	1,644
Non pay	547	558
Gross expenditure	3,298	3,275
<i>Deduct</i>		
Appropriations-in-aid	100	94
Net expenditure	3,198	3,181
Changes in capital assets		
Purchases cash	(31)	
Depreciation	22	
	(9)	(11)
Changes in net current assets		
Increase in closing accruals	36	
Decrease in stock	20	
	56	(22)
Direct expenditure	3,245	3,148
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	4,748	4,546
Net programme cost	7,993	7,694

1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 1 borne elsewhere.

	2015	2014
	€000	€000
Vote 7 Office of the Minister for Finance	—	28
Vote 12 Superannuation and Retired Allowances	462	457
Vote 13 Office of Public Works	2,071	2,112
Vote 18 Shared Services	3	1
Vote 20 Garda Síochána	344	198
Vote 28 Foreign Affairs and Trade	482	362
Vote 36 Defence	408	409
Central Fund (Emoluments and allowances of President and pensions of former Presidents and/or widows of former Presidents).	978	979
	4,748	4,546

2 Balance Sheet as at 31 December 2015

	Note	2015 €000	2014 €000
Capital assets	2.2	58	49
Current assets			
Stocks	2.4	35	55
Prepayments		15	16
Accrued income		5	—
Other debit balances	2.5	2	26
Net liability from the Exchequer	2.7	81	(4)
Total current assets		138	93
Less current liabilities			
Bank and cash	2.3	21	(26)
Accrued expenses		90	50
Other credit balances	2.6	62	48
Total current liabilities		173	72
Net current assets		(35)	21
Net assets		23	70
Represented by:			
State funding account	2.1	23	70

2.1 State Funding Account	Note	2015 €000	2014 €000
Balance at 1 January		70	37
Disbursements from the Vote			
Estimate provision	Account	3,444	
Surplus to be surrendered	Account	(246)	
Net vote		3,198	3,181
Expenditure (cash) borne elsewhere	1.1	4,748	4,546
Net programme cost	1	(7,993)	(7,694)
Balance at 31 December		23	70

2.2 Capital Assets

	IT equipment €000	Office equipment €000	Total €000
Gross assets			
Cost or valuation at 1 January 2015	305	93	398
Additions	31	-	31
Cost or valuation at 31 December 2015	336	93	429
Accumulated depreciation			
Opening balance at 1 January 2015	261	88	349
Depreciation for the year	21	1	22
Cumulative depreciation at 31 December 2015	282	89	371
Net assets at 31 December 2015	54	4	58
Net assets at 31 December 2014	44	5	49

2.3 Bank and Cash

	2015 €000	2014 €000
at 31 December		
PMG balances and cash	(21)	26
	(21)	26

2.4 Stocks

	2015 €000	2014 €000
at 31 December		
Centenarian medals	5	24
IT consumables and stationery	30	31
	35	55

2.5 Other Debit Balances

	2015 €000	2014 €000
at 31 December		
Other debit suspense items	2	26

2.6 Other Credit Balances

	2015 €000	2014 €000
at 31 December		
Amounts due to the State		
Income Tax	25	20
Pay Related Social Insurance	12	8
Pension Levy	—	6
Universal Social Charge	9	6
Pension contributions	4	2
	50	42
Payroll deductions held in suspense	12	6
	62	48

2.7 Net liability from the Exchequer	2015	2014
at 31 December	€000	€000
Surplus to be surrendered	246	86
Exchequer grant undrawn	(327)	(82)
Net Exchequer funding due	<u>(81)</u>	<u>4</u>

Represented by:**Debtors**

Debit balances: suspense	2	26
	<u>2</u>	<u>26</u>

Creditors

PMG and cash	(21)	26
Due to State	(50)	(42)
Credit balances: suspense	(12)	(6)
	<u>(83)</u>	<u>(22)</u>
	<u>(81)</u>	<u>4</u>

2.8 Commitments	2015	2014
at 31 December	€000	€000
Total of legally enforceable commitments	4	—

3 Programme Expenditure by Subhead

		2015		2014
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A	President's Establishment			
A.1	Administration – pay	1,729	1,621	1,601
A.2	Administration - non pay	646	532	543
		<u>2,375</u>	<u>2,153</u>	<u>2,144</u>
B	Centenarians' bounty			
B.1	Administration – pay	40	43	43
B.2	Administration - non pay	15	15	15
B.3	Centenarians' bounty	1,120	1,087	1,073
		<u>1,175</u>	<u>1,145</u>	<u>1,131</u>

4 Receipts

4.1 Appropriations-in-aid	2015		2014
	Estimated	Realised	Realised
	€000	€000	€000
1. Receipts from pension-related deductions on public service remuneration	96	96	83
2. Miscellaneous	10	4	11
	<u>106</u>	<u>100</u>	<u>94</u>

5 Employee Numbers and Pay

	2015	2014
Number of staff at year end (full time equivalents)	26	26
	2015	2014
	€000	€000
Pay	1,535	1,496
Higher, special or additional duties allowance	38	54
Overtime	17	21
Employer's PRSI	74	73
Total pay	<u>1,664</u>	<u>1,644</u>

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2015	Maximum individual payment 2014
			€	€
Higher, special or additional duties	6	2	19,843	19,108
Overtime	11	—	3,841	6,426
Number of individuals who received extra remuneration in more than one category	3	—	5,828	4,640

5.2 Payroll Overpayments

There was an overpayment at year end 2015 of €3,100 (1 case) (2014: €1,700, 1 case which was fully recouped). A recovery plan is in place to recover the €3,100.

