

Appropriation Account 2015

Vote 4

Central Statistics Office

Introduction

As Accounting Officer for Vote 4, 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 Central Statistics Office (CSO).

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 €5.25 million is liable for surrender to the Exchequer.

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:

Depreciation

Some office equipment assets are being depreciated at 10%.

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 Director 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 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 with the exception of seven contracts to the value of €416,230 which were listed in my annual return in respect of Circular 40/2002. Three of these contracts are placed with sole suppliers and four are contract renewals.

Shared services

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

I rely on these and 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.

Significant financial risks

The CSO continues to operate within a tight financial budget. All expenditure is carefully monitored to ensure that the Office does not breach the annual budget allocation. Process improvements on current activities as well as management of the financial, cyclical and project operations are required to keep the financial risk to a minimum on an on-going basis.

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.

Pádraig Dalton
Accounting Officer
Central Statistics Office

30 March 2016

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 4 Central Statistics Office

I have audited the appropriation account for Vote 4 Central Statistics Office 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 4 Central Statistics Office 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 Central Statistics Office. The appropriation account is in agreement with the accounting records.

Seamus McCarthy

Comptroller and Auditor General

16 August 2016

Vote 4 Central Statistics Office Appropriation Account 2015

		2015		2014
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Programme expenditure				
A	Delivery of annual statistical programme	54,725	49,872	39,472
Gross expenditure		54,725	49,872	39,472
<i>Deduct</i>				
B	Appropriations-in-aid	1,889	2,287	1,866
Net expenditure		52,836	47,585	37,606

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	5,250,671	1,971,466

Analysis of administration expenditure

		2015		2014
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances	36,320	33,515	30,684
ii	Travel and subsistence	1,125	1,084	932
iii	Training and development and incidental expenses	1,780	1,397	1,118
iv	Postal and telecommunications services	1,195	683	616
v	Office equipment and external IT services	9,014	9,597	3,977
vi	Office premises expenses	1,146	837	822
vii	Consultancy services and value for money and policy reviews	161	66	54
viii	Collection of statistics	3,984	2,693	1,269
		54,725	49,872	39,472

Notes to the Appropriation Account

1 Operating Cost Statement 2015

	2015	2014
	€000	€000
Pay	33,515	30,684
Non pay	16,357	8,788
Gross expenditure	49,872	39,472
<i>Deduct</i>		
Appropriations-in-aid	2,287	1,866
Net expenditure	47,585	37,606
Changes in capital assets		
Purchases cash	(527)	
Depreciation	3,481	
Loss on disposals	2	
	2,956	2,974
Changes in assets under development		
Cash payments	(4,963)	(1,281)
Changes in net current assets		
Increase in closing accruals	446	
Decrease in stock	10	
	456	(100)
Direct expenditure	46,034	39,199
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	6,549	6,162
Notional rents	1,542	1,395
Net programme cost	54,125	46,756

1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 4 borne elsewhere.

	2015	2014
	€000	€000
Vote 9 Office of the Revenue Commissioners	1,722	1,746
Vote 12 Superannuation and Retired Allowances	3,765	3,576
Vote 13 Office of Public Works	1,024	840
Vote 18 Shared Services	38	—
	6,549	6,162

2 Balance Sheet as at 31 December 2015

	Note	2015 €000	2014 €000
Capital assets	2.2	8,465	10,608
Capital assets under development	2.3	5,562	1,436
		14,027	12,044
Current assets			
Bank and cash	2.4	394	(655)
Stocks	2.5	72	82
Prepayments		948	970
Accrued income		133	348
Other debit balances	2.6	311	709
Net Exchequer funding due	2.8	687	898
Total current assets		2,545	2,352
Less current liabilities			
Accrued expenses		381	196
Other credit balances	2.7	1,392	952
Total current liabilities		1,773	1,148
Net current assets		772	1,204
Net assets		14,799	13,248
Represented by:			
State funding account	2.1	14,799	13,248

2.1 State Funding Account	Note	2015 €000	2014 €000
Balance at 1 January		13,248	14,841
Disbursements from the Vote			
Estimate provision	Account	52,836	
Surplus to be surrendered	Account	(5,251)	
Net vote		47,585	37,606
Expenditure (cash) borne elsewhere	1	6,549	6,162
Non cash expenditure – notional rent	1	1,542	1,395
Net programme cost	1	(54,125)	(46,756)
Balance at 31 December		14,799	13,248

2.2 Capital Assets

	Land and buildings €000	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets				
Cost or valuation at 1 January 2015	34	58,811	3,442	62,287
Additions	—	1,314	26	1,340
Disposals	—	(544)	(112)	(656)
Cost or valuation at 31 December 2015	34	59,581	3,356	62,971
Accumulated depreciation				
Opening balance at 1 January 2015	34	48,381	3,264	51,679
Depreciation for the year	—	3,399	82	3,481
Depreciation on disposals	—	(543)	(111)	(654)
Cumulative depreciation at 31 December 2015	34	51,237	3,235	54,506
Net assets at 31 December 2015	—	8,344	121	8,465
Net assets at 31 December 2014	—	10,430	178	10,608

2.3 Capital Assets under Development

	In-house computer applications	
at 31 December	2015 €000	2014 €000
Amounts brought forward at 1 January	1,436	1,026
Cash payments for the year	4,963	1,281
Transferred to asset register	(837)	(871)
Balance at 31 December	5,562	1,436

2.4 Bank and Cash

at 31 December	2015 €000	2014 €000
PMG balances	343	(688)
Commercial bank	50	32
Petty cash	1	1
	394	(655)

2.5 Stocks

at 31 December	2015 €000	2014 €000
Stationery	52	60
IT consumables	20	16
Publications	—	6
	72	82

Sanction was obtained from the Department of Public Expenditure and Reform to write-off the value of all stocks of printed publications to a total of €5,859. This was granted on the basis that the stock had little realistic chance of being sold.

2.6 Other Debit Balances	2015	2014
at 31 December	€000	€000
Recoupable salary costs	231	629
Recoupable travel costs	13	15
Recoupable travel pass scheme	27	25
Other debit suspense items	40	40
	<u>311</u>	<u>709</u>

During 2015, the Office wrote off no bad debts and made no provision for bad debts.

2.7 Other Credit Balances	2015	2014
at 31 December	€000	€000
Amounts due to the State		
Income Tax	534	322
Pay Related Social Insurance	330	208
Professional Services Withholding Tax	11	27
Value Added Tax	3	20
Pension contributions	110	68
Universal Social Charge	177	120
	<u>1,165</u>	<u>765</u>
Payroll deductions held in suspense	218	175
Other credit suspense items	9	12
	<u>1,392</u>	<u>952</u>

2.8 Net Exchequer Funding Due	2015	2014
at 31 December	€000	€000
Surplus to be surrendered	5,251	1,971
Exchequer grant undrawn	(5,938)	(2,869)
Net Exchequer funding due	<u>(687)</u>	<u>(898)</u>

Represented by:

Debtors

Debit balances: suspense	311	709
	<u>311</u>	<u>709</u>

Creditors

Bank and cash	394	(655)
Due to State	(1,165)	(765)
Credit balances: suspense	(227)	(187)
	<u>(998)</u>	<u>(1,607)</u>
	<u>(687)</u>	<u>(898)</u>

2.9 Commitments	2015	2014
at 31 December	€000	€000
Procurement subheads	6,441	12,215
	6,441	12,215

The decrease in commitments at 31 December 2015 is due to progression of payment milestones of the contract for the establishment of the processing environment for the Census of Population 2016. This contract was put in place at the end of 2014.

2.10 Matured Liabilities	2015	2014
at 31 December	€000	€000
Estimate of matured liabilities not discharged at year end	15	—

3 Programme Expenditure by Subhead

		2015		2014
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A	Delivery of annual statistical programme			
A.1	Administration - pay	36,320	33,515	30,684
A.2	Administration - non pay	18,405	16,357	8,788
		<u>54,725</u>	<u>49,872</u>	<u>39,472</u>

Significant variations

Overall, the expenditure in relation to Programme A was €4.85 million lower than provided. This was mainly due to the following:

Description	Less/ (more) than provided €000	Explanation
Salaries, wages and allowances	2,805	The saving arose because of delays in the filling of vacancies for additional posts that will enable the CSO to address unmet macro-economic and environment statistical demands in order to enhance its use of administrative data and improve organisation governance. In addition, delays were experienced in the filling of some Census of Population vacancies during 2015.
Training and development and incidental expenses	383	The saving arose because of continued tight control of all expenditure in the Subhead during the year. Much of the Office's training and development needs continued to be met from in-house resources.
Postal and communications services	512	Savings continue to be made on telecommunications costs. All costs associated with postage were kept to a minimum during 2015 and reflect the Office's increased use of administrative data to gather statistics.
Office premises expenses	309	The saving was due to lower than expected office premises costs in all three CSO locations during 2015.
Consultancy and value for money and policy reviews	95	The saving arose because of continued tight control of all consultancy related expenditure in 2015.
Collection of statistics	1,291	The saving arose because of continued tight control of all aspects of the CSO's field operation. Lower than expected field costs associated with the Household Budget Survey during 2015 contributed to the saving.

4 Receipts

4.1 Appropriations-in-aid	2015		2014
	Estimated	Realised	Realised
	€000	€000	€000
1. European Union receipts	130	575	118
2. Miscellaneous	70	16	138
3. Receipts from pension-related deductions on public service remuneration	1,689	1,696	1,610
Total	1,889	2,287	1,866

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%.

Description	Less/(more) than estimated €000	Explanation
European Union receipts	(445)	Pre-funding for the 2016 Farm Structure Survey that will be undertaken in June 2016 was received in 2015. A final payment in respect of the 2013 Survey was also received. The timing of these payments is in Eurostat's control and can be difficult to predict.
Miscellaneous	54	Income from the sales of statistics further declined during 2015 and reflects the CSO policy of making all material freely available on the web.

5 Employee Numbers and Pay

	2015	2014
Number of staff at year end (full time equivalents)	697	616
	2015	2014
	€000	€000
Pay	31,189	28,632
Redundancy	3	—
Higher, special or additional duties allowance	85	55
Other allowances	73	67
Overtime	82	69
Employer's PRSI	2,083	1,861
Total Pay	33,515	30,684

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	62	—	5,478	2,474
Overtime and extra attendance	32	1	10,936	14,256
Shift and roster allowances	14	—	8,650	8,318
Number of individuals who received extra remuneration in more than one category	20	5	18,243	19,364

5.2 Payroll Overpayments

Overpayments at the year end were €66,874 (135 cases) (2014 €52,680, 99 cases). Of this, €65,140 (96 cases) have recovery plans in place.

