

Appropriation Account 2015

Vote 5

Office of the Director of Public Prosecutions

Introduction

As Accounting Officer for Vote 5, 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 Director of Public Prosecutions.

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 €164,795 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.

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 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.

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
- 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 four contracts to the value of €568,151 which were listed in my annual return in respect of Circular 40/2002. Two of the contracts, to the value of €67,968, involved services for which there was only one supplier. Another, to the value of €26,323, involving the provision of data connectivity was extended beyond the original advertised tender length because of a delay in reducing the number of locations in which staff of the Office are based. The final contract with a value of €473,860 was renewed without a tender competition while awaiting the completion of an Office of Government Procurement competition to establish a Framework Agreement.

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.

Barry Donoghue
Accounting Officer
Office of the Director of Public Prosecutions

31 March 2016

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 5 Office of the Director of Public Prosecutions

I have audited the appropriation account for Vote 5 Office of the Director of Public Prosecutions 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 5 Office of the Director of Public Prosecutions 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 Office of the Director of Public Prosecutions. The appropriation account is in agreement with the accounting records.

Seamus McCarthy

Comptroller and Auditor General

9 September 2016

Vote 5 Office of the Director of Public Prosecutions Appropriation Account 2015

	2015		2014
	Estimate provision	Outturn	Outturn
	€000	€000	€000
Programme expenditure			
A Provision of prosecution service	38,839	38,622	37,675
Gross expenditure	38,839	38,622	37,675
<i>Deduct</i>			
B Appropriations-in-aid	1,005	953	973
Net expenditure	37,834	37,669	36,702

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	164,795	135,853

Analysis of administration expenditure

	2015		2014
	Estimate provision	Outturn	Outturn
	€000	€000	€000
i Salaries, wages and allowances	13,826	12,963	12,648
ii Travel and subsistence	109	91	103
iii Training and development and incidental expenses	991	1,139	1,188
iv Postal and telecommunications services	250	219	201
v Office equipment and external IT services	808	422	469
vi Office premises expenses	792	983	597
vii Consultancy services and value for money and policy reviews	37	30	20
	16,813	15,847	15,226

Notes to the Appropriation Account

1 Operating Cost Statement 2015

	2015		2014
	€000	€000	€000
Programme cost		22,775	22,449
Pay		12,963	12,648
Non pay		2,884	2,578
Gross expenditure		38,622	37,675
<i>Deduct</i>			
Appropriations-in-aid		953	973
Net expenditure		37,669	36,702
Changes in capital assets			
Purchases cash	(75)		
Depreciation	152		
Loss on disposals	6		
		83	51
Changes in net current assets			
Increase in closing accruals		354	166
Direct expenditure		38,106	36,919
Expenditure borne elsewhere			
Net allied services expenditure (note 1.1)		2,509	2,897
Notional rents		457	457
Net programme cost		41,072	40,273

1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 5 borne elsewhere.

	2015	2014
	€000	€000
Vote 7 Finance	—	44
Vote 12 Superannuation and Retired Allowances	1,106	1,106
Vote 13 Office of Public Works	1,203	1,545
Vote 18 Shared Services	20	10
Vote 20 Garda Síochána	180	192
	<u>2,509</u>	<u>2,897</u>

2 Balance Sheet as at 31 December 2015

	Note	2015 €000	2014 €000
Capital assets	2.2	358	441
Current assets			
Bank and cash	2.3	968	608
Stocks	2.4	61	61
Prepayments		142	157
Other debit balances	2.5	84	370
Total current assets		1,255	1,196
Less current liabilities			
Net liability to the Exchequer	2.7	3	93
Accrued expenses		2,890	2,551
Other credit balances	2.6	1,049	885
Total current liabilities		3,942	3,529
Net current liabilities		(2,687)	(2,333)
Net assets		(2,329)	(1,892)
Represented by:			
State funding account	2.1	(2,329)	(1,892)

2.1 State Funding Account	Note	2015 €000	2014 €000
Balance at 1 January		(1,892)	(1,675)
Disbursements from the Vote			
Estimate provision	Account	37,834	
Surplus to be surrendered	Account	(165)	
Net vote		37,669	36,702
Expenditure (cash) borne elsewhere	1	2,509	2,897
Non cash expenditure – notional rent	1	457	457
Net programme cost	1	(41,072)	(40,273)
Balance at 31 December		(2,329)	(1,892)

2.2 Capital Assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2015	3,458	703	4,161
Additions	70	5	75
Disposals	(139)	(21)	(160)
Cost or valuation at 31 December 2015	3,389	687	4,076
Accumulated depreciation			
Opening balance at 1 January 2015	3,199	521	3,720
Depreciation for the year	102	50	152
Depreciation on disposals	(138)	(16)	(154)
Cumulative depreciation at 31 December 2015	3,163	555	3,718
Net assets at 31 December 2015	226	132	358
Net assets at 31 December 2014	259	182	441

2.3 Bank and cash

	2015 €000	2014 €000
at 31 December		
PMG balance	904	536
Commercial bank account balances	64	72
	968	608

2.4 Stocks

	2015 €000	2014 €000
at 31 December		
Stationery	36	40
IT consumables	25	21
	61	61

2.5 Other Debit Balances

	2015 €000	2014 €000
at 31 December		
Other debit balances	84	370

2.6 Other Credit Balances	2015	2014
at 31 December	€000	€000
Amounts due to the State		
Income Tax	536	433
Pay Related Social Insurance	160	119
Professional Services Withholding Tax	211	232
Value Added Tax	20	14
	<u>927</u>	<u>798</u>
Payroll deductions held in suspense	115	82
Other credit suspense items	7	5
	<u>1,049</u>	<u>885</u>

2.7 Net Liability to the Exchequer	2015	2014
at 31 December	€000	€000
Surplus to be surrendered	165	136
Exchequer grant undrawn	(162)	(43)
Net liability to the Exchequer	<u>3</u>	<u>93</u>

Represented by:**Debtors**

Bank and cash	968	608
Debit balances: suspense	84	370
	<u>1,052</u>	<u>978</u>

Creditors

Due to State	(927)	(798)
Credit balances: suspense	(122)	(87)
	<u>(1,049)</u>	<u>(885)</u>

	<u>3</u>	<u>93</u>
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2.8 Commitments

The Office had commitments in respect of legal fees at the year end, but the value of these commitments is difficult to estimate accurately, due to the inherent uncertainties and status of outstanding cases. The Office had no other legally enforceable commitments at 31 December 2015 (2014:nil).

3 Programme Expenditure by Subhead

		2015		2014
		Estimate	Outturn	Outturn
		provision		
	€000	€000	€000	
A	Provision of a Prosecution Service			
A.1	Administration - pay	13,826	12,963	12,648
A.2	Administration - non pay	2,987	2,884	2,578
A.3	Fees to counsel	13,150	14,022	13,399
A.4	General law expenses	2,226	2,319	2,648
A.5	Local state solicitor service	6,650	6,434	6,402
		<u>38,839</u>	<u>38,622</u>	<u>37,675</u>

Significant variations

Overall, the expenditure in relation to Programme A was €217,000 lower than provided. This was mainly due to the following;

Description	Less/(more) than provided €000	Explanation
Administration - pay	863	Savings arose on this subhead because posts which had been budgeted for were not filled.
Fees to counsel	(872)	The excess on this subhead is principally due to the higher than expected cost of a small number of very expensive trials.

4 Receipts

4.1 Appropriations-in-aid

		2015		2014
		Estimated	Realised	Realised
		€000	€000	€000
1.	Miscellaneous	80	140	151
2.	Receipts from pension-related deductions on public service remuneration	925	813	822
	Total	<u>1,005</u>	<u>953</u>	<u>973</u>

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 provided €000	Explanation
Receipts from pension-related deductions on public service remuneration	112	Receipts were less than expected because posts which had been budgeted for were not filled.

4.2 Extra receipts payable to the Exchequer

A total of €246,182 was lodged to the Exchequer arising from forfeitures ordered by the courts.

5 Employee Numbers and Pay

	2015	2014
Number of staff at year end (full time equivalents)	189	181
	2015	2014
	€000	€000
Pay	11,901	11,593
Higher, special or additional duties allowance	148	170
Overtime	2	3
Employer's PRSI	912	882
Total Pay	12,963	12,648

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	57	5	61,878	30,915
Overtime and extra attendance	8	—	632	910
Number of individuals who received extra remuneration in more than one category	1	—	449	3,673

5.2 Other Remuneration Arrangements

This account includes expenditure of €166,550 in respect of one officer who was serving outside the Office in 2015 and whose salary was paid from Subhead A.1.

