

Preface

Dáil Éireann provides money for the ordinary services of Government departments and offices, both capital and non-capital, by

- approving estimates of expenditure for those services in the course of each year
- giving statutory effect to the estimates in an annual Appropriation Act.

Expenditure is provided for under a series of votes, with one or more covering the functions of each department or office.

The first part of the estimate for each vote is referred to as the **ambit**. This provides an outline of the services to be financed. The ambit of each vote is incorporated in the annual Appropriation Act, and so represents the purposes for which funds have been authorised by Dáil Éireann.

At the end of every financial year, each department or office is required to prepare an account, known as the **appropriation account**, for each voted service administered by it. The statutory requirement is for the appropriation account to provide details of the outturn for the year against the amount provided by Dáil Éireann, based on the cash amounts of payments and receipts. The prior-year outturn is also shown for comparison purposes.

In addition to providing the statutory financial information on a cash-accounting basis, each appropriation account sets out some accrual-based information in notes to the account.

- Note 1 presents an **operating cost statement** that gives information on the cost of the service for the year.
- Note 2 presents a **statement of financial position**, with related explanatory notes, giving information on the financial position in respect of the service at year-end. This includes information on expenditure commitments and on the actual position of the voted service *vis-à-vis* the Exchequer at year-end i.e. the net liability to the Exchequer, or amount due from the Exchequer.
- Other notes to the account provide standard information on: expenditure by programme and subhead (Note 3); receipts (Note 4); and staff numbers and pay (Note 5). Information on any other relevant matters is presented in Note 6 (miscellaneous and fund accounts).
- Many departmental votes include an appendix that lists the State bodies and funds that operate under the aegis of the relevant department, and that provides information on the timeliness of financial reporting by those bodies.