

## **Appropriation Account 2023**

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### **Vote 9**

### **Office of the Revenue Commissioners**

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## Introduction

As Accounting Officer for Vote 9, 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 2023 for the salaries and expenses of the Office of the Revenue Commissioners, including certain other services administered by that Office.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2023, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €3.546 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, as set out by the Department of Public Expenditure, National Development Plan Delivery and Reform in circular 22 of 2023, have been applied in the preparation of the account.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows.

<i>Assets class</i>	<i>Useful life</i>	<i>Rate of amortisation</i>
Software licences	5 years	20%
Acquired/developed software	10 years	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 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.

### ***Shared services***

I have fulfilled my responsibilities in relation to the requirements of the service management agreement between this Office and the National Shared Services Office for the provision of human resource and payroll shared services.

I rely on a letter of assurance from the Accounting Officer of the Vote for the National Shared Services Office in relation to the provision of human resources and payroll shared services.

### ***Financial control environment***

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.
- Procedures for all key business processes have been documented.
- There are systems in place to safeguard the assets.

### ***Administrative Controls and Management Reporting***

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 to identify potential risks and ensure an appropriate mitigation strategy is in place. Mitigations used to manage risk include
  - Revenue's governance structures
  - environmental scanning to ensure Revenue is aware of influences that affect risk
  - integrated strategic/business planning and risk management framework that includes an assessment of risk at organisational, Divisional and Branch level
  - implementation of a strong and integrated project management framework for all significant projects.
- There are systems aimed at ensuring the security of the ICT applications, particularly in relation to cyber threats and malicious attacks.
- There are appropriate capital investment control guidelines and formal project management disciplines.

### ***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 formal written internal audit 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.

### ***Procurement***

The Office ensures that there is an appropriate focus on good procurement practice in the award of all contracts and that procedures are in place to ensure compliance with all relevant guidelines. Expenditure on goods and services, including the cost of contracted-in staff, amounted to a total of €207.35 million in 2023.

The Office has provided details of 68 non-competitive contracts in the annual return in respect of Circular 40/2002 to the Comptroller and Auditor General and the Department of Public Expenditure, National Development Plan Delivery and Reform.

### ***Non-compliance with procurement rules***

The Office complied with the guidelines with the exception of eight contracts (in excess of €25,000), totalling €2,671,650 (exclusive of VAT) as set out below:

- One contract for the provision of security services with a value of €2,048,061 had previously been awarded under compliant competitive processes but was extended while revised arrangements were being put in place. A new contract is now in place for these services.
- One contract for the provision of electricity with a value of €211,757, previously awarded under a competitive process, was deemed non-compliant due to transitional delays in migrating to a new service provider. The new service provider is now in place for this service.
- One contract for the storage of seized goods with a value of €159,062 awarded under a compliant competitive process in 2022 was extended while Revenue explores market options for the safe disposal and future storage of the goods and the renewal of a contract for the management of the State Warehouse.
- One contract for the provision of mobile voice and data services with a value of €102,686, previously awarded under a compliant competitive process, was deemed non-compliant due to transitional delays in migrating to a new service provider. A new request for tenders will go to market during Q2 of 2024 which will address the migration issues.
- Two contracts for audio visual services and fuel testing kits with a combined value of €80,047, were deemed non-compliant due to aggregated spend being above the threshold for more formal procurement processes. Requirements will be reviewed with a view to implementing compliant procurement processes during 2024.
- One contract for the provision of software licences with a value of €37,507, was deemed non-compliant as a direct award to a supplier. A more formal procurement process will be put in place in 2024 for the future renewal of these licences.
- One contract for training services with a value of €32,530, was deemed non-compliant due to aggregated spend being above the threshold for a more formal procurement process. A new contract is now in place for this training.

The above contracts have been included in the 40/2002 annual return referenced under procurement above.

### ***Risk and control framework***

This Office operates a corporate risk management system which identifies and reports key risks and the actions being taken to address and, to the extent possible, to mitigate those risks. A Corporate Risk Register is in place which identifies the key risks facing this Office. These risks are described, evaluated and graded according to their likelihood and impact. The risk register details the actions needed to mitigate risks and these actions are integrated into Revenue's strategic and business planning process.

There is a quarterly review process for the Corporate Risk Register. Divisions report on the effectiveness of risk mitigating controls and residual risk levels following mitigation. Revisions to the register, including whether there should be any changes to the priority or ranking of individual risks, are then considered as part of a formal review by the Risk Management Committee (RMC). The RMC then presents the updated register for note to the Management Advisory Committee (MAC). This process provides that risk escalation is recognised, reviewed, reported, and included in the Corporate Risk Register. The RMC Chair presents a Corporate Risk Management Annual Report to the Board of the Revenue Commissioners which outlines the activities of the RMC throughout the preceding year and provides assurance of adherence to Revenue's risk management policies.

A Data Protection Officer with responsibility for overseeing Revenue's data protection strategy and implementation, including compliance with the General Data Protection Regulation (GDPR) is in place and is supported by a Data Protection Unit.

### ***Ongoing monitoring and review***

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the MAC, where relevant, in a timely way. I confirm that key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

### ***Review of effectiveness***

The Office has procedures to monitor the effectiveness of its risk management and control procedures. The Office's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors and the senior management within this Office are responsible for the development and maintenance of the internal financial control framework.

### ***Internal financial control issues***

No weaknesses in internal financial control were identified in relation to 2023 that require disclosure in the appropriation account.

**Niall Cody**

Accounting Officer  
Office of the Revenue Commissioners

27 March 2024

## **Comptroller and Auditor General**

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

#### **Vote 9 Office of the Revenue Commissioners**

#### **Opinion on the appropriation account**

I have audited the appropriation account for Vote 9 Office of the Revenue Commissioners for the year ended 31 December 2023 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993.

In my opinion, the appropriation account

- properly presents the receipts and expenditure of Vote 9 Office of the Revenue Commissioners for the year ended 31 December 2023, and
- has been prepared in the form prescribed by the Minister for Public Expenditure, National Development Plan Delivery and Reform.

#### ***Basis of opinion***

I conducted my audit of the appropriation account in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Office of the Revenue Commissioners and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### ***Basis of recognition of charges in respect of Rosslare Terminal 7***

Without qualifying my opinion, I draw attention to note 2.13 to the appropriation account which deals with commitments of the Vote at the end of 2023. This discloses that €51.3 million was charged to Vote 9 in 2023 in respect of the Office of the Revenue Commissioners' share of the costs of developing a new border control facility (Terminal 7) at Rosslare Europort. The charges were recorded against subhead vi office premises expenses on the direct instructions of the Department of Public Expenditure, National Development Plan Delivery and Reform.

In my view, €31.3 million of the charge is not compliant with the *Public Financial Procedures* guidelines published by the Department, or with the accounting policies issued by the Department for the 2023 appropriation accounts.

Chapter 3 of my report on the accounts of the public services for 2023 explains the basis upon which the charges are recognised in the 2023 appropriation account for Vote 9.

#### **Report on the statement on internal financial control, and on other matters**

The Accounting Officer has presented a statement on internal financial control together with the appropriation account. My responsibilities to report in relation to the information in the statement, and on certain other matters upon which I report by exception, are described in the appendix to this report.

***Non-compliance with procurement rules***

The Accounting Officer has disclosed in the statement on internal financial control that material instances of non-compliance with procurement rules occurred in respect of contracts that operated in 2023.

**Seamus McCarthy**  
Comptroller and Auditor General

26 September 2024

## Appendix to the report

### Responsibilities of the Accounting Officer

The Accounting Officer is responsible for

- the preparation of the appropriation account in accordance with section 22 of the Exchequer and Audit Departments Act 1866
- ensuring the appropriation account complies with the requirements of the Department of Public Expenditure, National Development Plan Delivery and Reform's *Public Financial Procedures*, and with other directions of the Minister for Public Expenditure, National Development Plan Delivery and Reform
- ensuring the regularity of transactions, and
- implementing such internal control as the Accounting Officer determines is necessary to enable the preparation of the appropriation account free from material misstatement, whether due to fraud or error.

### Responsibilities 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 account and to report thereon to the Houses of the Oireachtas stating whether, in my opinion, the account properly presents the receipts and expenditure related to the vote.

My objective in carrying out the audit is to obtain reasonable assurance about whether the appropriation account is free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the appropriation account.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the appropriation account whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I assess whether the accounting provisions of the Department of Public Expenditure, National Development Plan Delivery and Reform's *Public Financial Procedures* have been complied with.

I communicate with the Accounting Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the appropriation account to be readily and properly audited, or
- the appropriation account is not in agreement with the accounting records.

### Reporting on the statement on internal financial control

My opinion on the appropriation account does not cover the Accounting Officer's statement on internal financial control, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the appropriation account, I am required under the ISAs to read the statement on internal financial control and, in doing so, consider whether the information contained therein is materially inconsistent with the appropriation account or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement, I am required to report that fact.

### Reporting on other matters

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I am required to report under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I am also required under the 1993 Act to prepare, in each year, a report on such matters arising from my audits of the appropriation accounts as I consider appropriate. In such cases, the audit reports on the relevant appropriation accounts refer to the relevant chapter(s) in my annual *Report on the Accounts of the Public Services*.



## Vote 9 Office of the Revenue Commissioners

### Appropriation Account 2023

		2023		2022
		Estimate provision		Outturn
		€000	€000	€000
<b>Programme expenditure</b>				
A	Administration and collection of taxes and duties, and frontier management			
	<i>Original</i>	531,995		
	<i>Supplementary</i>	55,364		
			587,359	585,127
				491,699
<b>Gross expenditure</b>			<b>587,359</b>	<b>585,127</b>
	<i>Deduct</i>			
B	<b>Appropriations-in-aid</b>			
	<i>Original</i>	58,089		
	<i>Supplementary</i>	3,066		
			<b>61,155</b>	<b>62,468</b>
				<b>64,152</b>
<b>Net expenditure</b>				
	<i>Original</i>	473,906		
	<i>Supplementary</i>	52,298		
			<b>526,204</b>	<b>522,659</b>
				<b>427,547</b>

#### Surplus

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

	2023	2022
	€	€
<b>Surplus to be surrendered</b>	<b>3,545,686</b>	<b>14,048,260</b>

#### Niall Cody

Accounting Officer  
Office of the Revenue Commissioners

27 March 2024

## Notes to the Appropriation Account

### Note 1 Operating Cost Statement 2023

	2023	2022
	€000	€000
Pay	374,191	350,751
Non pay	210,936	140,948
<b>Gross expenditure</b>	<b>585,127</b>	<b>491,699</b>
<i>Deduct</i>		
<b>Appropriations-in-aid</b>	<b>62,468</b>	<b>64,152</b>
<b>Net expenditure</b>	<b>522,659</b>	<b>427,547</b>
<b>Changes in capital assets</b>		
<b><i>Property, plant and equipment (note 2.1)</i></b>		
Purchases	(1,562)	
Depreciation	7,806	
Disposals cash	40	
Loss on disposals	1,184	
<b><i>Intangible assets (note 2.2)</i></b>		
Purchases	(19,238)	
Amortisation	13,795	
	2,025	(665)
<b>Changes in net current assets</b>		
Decrease in inventories	325	
(Increase) in prepayments	(1,710)	
Decrease in accrued income	5	
Increase in accrued expenses	2,998	
(Decrease) in deferred income	(1,117)	
	501	6,321
<b>Direct expenditure</b>	<b>525,185</b>	<b>433,203</b>
<b>Expenditure borne elsewhere</b>		
Net allied services expenditure (note 1.1)	171,953	167,154
Notional rents (non-cash)	12,043	12,043
<b>Net programme cost</b>	<b>709,181</b>	<b>612,400</b>

### 1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 9 borne elsewhere, net of costs of shared services provided to other Votes.

		<b>2023</b>	<b>2022</b>
		<b>€000</b>	<b>€000</b>
Vote 12	Superannuation and Retired Allowances	156,569	152,597
Vote 13	Office of Public Works	19,012	19,380
Vote 18	National Shared Services Office	705	680
		<u>176,286</u>	<u>172,657</u>
	Costs of shared services provided to other voted services rendered by Revenue without charge <sup>a</sup>	(4,333)	(5,503)
		<u><b>171,953</b></u>	<u><b>167,154</b></u>

Note <sup>a</sup> In addition to services rendered without charge to other Votes shown here (€4.333 million), services to the value of approximately €1.412 million were also provided without charge to other non-voted bodies. While the majority of the allied service costs are actual costs, approximated costs have been applied where actual costs are not available.

The costs incurred by Revenue on the administration of the Department of Social Protection funded schemes (Temporary Wage Subsidy Scheme (TWSS) and Employment Wage Subsidy Scheme (EWSS)) and the Department of Enterprise, Trade and Employment funded scheme (Temporary Business Energy Support Scheme (TBESS)) have not been included as the operation of these schemes was fully integrated within Revenue's systems.

**Note 2 Statement of Financial Position as at 31 December 2023**

	<b>Note</b>	<b>2023 €000</b>	<b>2022 €000</b>
<b>Fixed assets</b>			
Property, plant and equipment	2.1	29,913	37,611
Intangible assets	2.2	71,152	66,487
<b>Total fixed assets</b>		<b>101,065</b>	<b>104,098</b>
<b>Current assets</b>			
Bank and cash	2.3	15,411	30,170
Inventories	2.4	1,080	1,405
Prepayments	2.5	16,966	15,256
Accrued income	2.6	970	975
Other debit balances	2.7	2,657	1,883
<b>Total current assets</b>		<b>37,084</b>	<b>49,689</b>
<b>Less current liabilities</b>			
Accrued expenses	2.8	7,307	4,789
Deferred income	2.9	259	1,376
Other credit balances	2.10	17,484	25,999
Net Exchequer funding	2.11	584	6,054
<b>Total current liabilities</b>		<b>25,634</b>	<b>38,218</b>
<b>Net current assets</b>		<b>11,450</b>	<b>11,471</b>
<b>Net assets</b>		<b>112,515</b>	<b>115,569</b>
<b>Represented by:</b>			
<b>State funding account</b>	2.12	<b>112,515</b>	<b>115,569</b>

**2.1 Property, plant and equipment <sup>a</sup>**

	<b>Vehicles and equipment €000</b>	<b>Office and IT equipment €000</b>	<b>Furniture and fittings €000</b>	<b>Total €000</b>
<b>Cost or valuation <sup>b</sup></b>				
At 1 January 2023	20,793	54,007	88,681	163,481
Additions	57	1,003	272	1,332
Disposals	(140)	(1,052)	(4,635)	(5,827)
At 31 December 2023	20,710	53,958	84,318	158,986
<b>Accumulated depreciation</b>				
At 1 January 2023	16,189	48,560	61,121	125,870
Depreciation for the year	1,447	2,391	3,968	7,806
Depreciation on disposals	(140)	(1,051)	(3,412)	(4,603)
At 31 December 2023	17,496	49,900	61,677	129,073
<b>Net assets</b>				
<b>At 31 December 2023</b>	<b>3,214</b>	<b>4,058</b>	<b>22,641</b>	<b>29,913</b>
At 31 December 2022	4,604	5,447	27,560	37,611

Note <sup>a</sup> With effect from 1 January 2023, acquired and developed software assets were reclassified to intangible assets (note 2.2).

<sup>b</sup> Cost or valuation include assets acquired for less than €10,000 prior to 1 January 2021.

**2.2 Intangible assets <sup>a</sup>**

	<b>Acquired and developed software €000</b>	<b>Assets under development €000</b>	<b>Total €000</b>
<b>Cost or Valuation</b>			
At 1 January 2023	392,367	5,751	398,118
Additions	2,476	16,512	18,988
Transfers	17,170	(17,170)	—
Disposals	(2,782)	—	(2,782)
Write down <sup>b</sup>	—	(528)	(528)
<b>At 31 December 2023</b>	<b>409,231</b>	<b>4,565</b>	<b>413,796</b>
<b>Accumulated amortisation</b>			
At 1 January 2023	331,631	—	331,631
Amortisation for the year	13,795	—	13,795
Amortisation of disposals	(2,782)	—	(2,782)
Depreciation on write down <sup>b</sup>	—	—	—
<b>At 31 December 2023</b>	<b>342,644</b>	<b>—</b>	<b>342,644</b>
<b>Net assets</b>			
<b>At 31 December 2023</b>	<b>66,587</b>	<b>4,565</b>	<b>71,152</b>
At 31 December 2022	60,736	5,751	66,487

- Note <sup>a</sup> At 1 January 2023, acquired and developed software assets were reclassified from property, plant and equipment (note 2.1).
- <sup>b</sup> Following a review of the capitalisation rate initially recorded for all internal IT projects, Revenue removed six projects that had no capital amount to report.

**2.3 Bank and cash**

at 31 December	<b>2023 €000</b>	<b>2022 €000</b>
PMG balances and cash	13,577	20,272
Commercial bank account balance	54	55
TWSS bank account balance	65	1,662
EWSS bank account balance	539	8,156
TBESS bank account balance	1,176	25
	<b>15,411</b>	<b>30,170</b>

**2.4 Inventories**

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
Stationery and small stores	61	59
Equipment/clothing/miscellaneous	1,019	1,322
IT consumables	—	24
	<b>1,080</b>	<b>1,405</b>

**2.5 Prepayments**

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
ICT services and support	11,263	13,707
Other administration expenses	4,552	398
Postal and telecommunications	1,151	1,151
	<b>16,966</b>	<b>15,256</b>

**2.6 Accrued income**

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
Administration income	970	975
	<b>970</b>	<b>975</b>

**2.7 Other debit balances**

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
Shared building advances	498	247
Recoupable travel expenditure	44	12
Advances to OPW for building works, etc.	1,484	929
Vote 10 Tax Appeals Commission	280	300
Recoupable salaries	133	186
Recoupable travel pass scheme expenditure	114	100
Travel imprests	2	—
Other debit suspense items	102	109
	<b>2,657</b>	<b>1,883</b>

**2.8 Accrued expenses**

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
Other administration expenses	4,772	2,164
Training and development and other day-to-day expenses	1,530	1,312
ICT services and support	1,005	1,313
	<b>7,307</b>	<b>4,789</b>

**2.9 Deferred income**

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
EU funding for the procurement of specialised equipment	105	1,252
Fee income received in advance	154	124
	<b>259</b>	<b>1,376</b>



**2.10 Other credit balances**

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
<b>Amounts due to the State</b>		
Income Tax	4,400	4,300
Universal Social Charge	928	875
Pay Related Social Insurance	3,621	3,249
Professional Services Withholding Tax	1,162	2,210
Value Added Tax	1,498	937
Pension contributions	1,220	1,229
Local Property Tax	37	35
Extra Exchequer receipts	3	—
	<u>12,869</u>	<u>12,835</u>
Payroll deductions held in suspense	2,528	2,554
Recoupable expenditure in advance	204	258
Due to DSP in respect of		
• TWSS <sup>a</sup>	65	1,662
• EWSS <sup>a</sup>	539	8,156
Due to the Account of the Receipt of Revenue of the State in respect of		
• TBESS <sup>b</sup>	1,176	25
Other credit suspense items	103	509
	<u><b>17,484</b></u>	<u><b>25,999</b></u>

Note <sup>a</sup> In 2023, payments and recoveries administered under EWSS were as follows.

- EWSS payments €6 million
- EWSS recoveries €30.5 million

Recoveries of €30.5 million arose due to repayment of EWSS liabilities.

In 2023, payments and recoveries administered under TWSS were as follows.

- TWSS payments €223,000
- TWSS recoveries €9.5 million

Recoveries of €9.5 million arose due to repayment of TWSS liabilities.

<sup>b</sup> In 2023, payments (net of refunds and unpaid claims) administered under TBESS amounted to €148.2 million.

**2.11 Net Exchequer funding**

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
Surplus to be surrendered	3,545	14,048
Exchequer grant undrawn	(2,961)	(7,994)
<b>Net Exchequer funding</b>	<b>584</b>	<b>6,054</b>
<b>Represented by:</b>		
<b>Debtors</b>		
Bank and cash	15,411	30,170
Other debit balances	2,657	1,883
	<b>18,068</b>	<b>32,053</b>
<b>Creditors</b>		
Due to the State	(12,869)	(12,835)
Other credit balances	(4,615)	(13,164)
	<b>(17,484)</b>	<b>(25,999)</b>
	<b>584</b>	<b>6,054</b>

**2.12 State funding account**

	<b>Note</b>	<b>2023</b>	<b>2022</b>
		<b>€000</b>	<b>€000</b>
Balance at 1 January		115,569	121,225
Disbursements from the Vote			
Estimate provision	Account	526,204	
Surplus to be surrendered	Account	(3,545)	
Net vote		522,659	427,547
Expenditure (cash) borne elsewhere	1.1	171,953	167,154
Non cash items – write down	2.2	(528)	—
Non cash expenditure – notional rent	1	12,043	12,043
Net programme cost	1	(709,181)	(612,400)
<b>Balance at 31 December</b>		<b>112,515</b>	<b>115,569</b>

### 2.13 Commitments

at 31 December	2023 €000	2022 €000
Procurement of goods and services	49,567	25,070
Capital projects	29,954	—
<b>Total of legally enforceable commitments</b>	<b>79,521</b>	<b>25,070</b>

#### b) Major capital projects

	Cumulative expenditure to 31 December 2022 €000	Expenditure in 2023 €000	Project commitments in subsequent years €000	Expected total spend lifetime of project 2023 €000	Expected total spend lifetime of project 2022 €000
Terminal 7, Rosslare Europort <sup>a</sup>	—	51,301	29,954	81,255	—

Note <sup>a</sup> Revenue is co-funding, through Vote 9, the construction of a new border facility (Terminal 7) at Rosslare Harbour. The Office of Public Works is delivering the project on an agency basis. Revenue's agreed share of the total project cost is 34.43%. The commitments figure represents the costs to be borne by Vote 9 until completion of the project (expected to be October 2025). The entire asset will be included in the statement of financial position for Vote 13 Office of Public Works.

### 2.14 Contingent liabilities

Revenue has contingent liabilities estimated at €5.308 million (2022: €4.092 million) relating to possible legal and compensation costs.

### Note 3 Vote Expenditure

#### Analysis of administration expenditure

All programme expenditure is classified as administration expenditure.

		<b>2023</b>		<b>2022</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			
	<i>Original</i>	378,388		
	<i>Supplementary</i>	(3,888)		
			374,500	374,191
ii	Travel and subsistence			350,751
	<i>Original</i>	3,600		
	<i>Supplementary</i>	220		
			3,820	3,951
iii	Training and development and incidental expenses			1,836
	<i>Original</i>	28,400		
	<i>Supplementary</i>	850		
			29,250	29,058
iv	Postal and telecommunications services			28,496
	<i>Original</i>	10,600		
	<i>Supplementary</i>	220		
			10,820	9,709
v	Office equipment and external IT services			11,156
	<i>Original</i>	72,025		
	<i>Supplementary</i>	6,275		
			78,300	79,412
vi	Office premises expenses			72,763
	<i>Original</i>	11,470		
	<i>Supplementary</i>	51,328		
			62,798	62,580
vii	Consultancy services and value for money and policy reviews			9,308
	<i>Original</i>	2,000		
	<i>Supplementary</i>	2,450		
			4,450	4,125
viii	Motor vehicles			165
	<i>Original</i>	11,562		
	<i>Supplementary</i>	(627)		
			10,935	9,773
				5,421

		<b>2023</b>		<b>2022</b>
		<b>Estimate provision</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
ix	Law charges, fees and rewards			
	<i>Original</i>	12,850		
	<i>Supplementary</i>	<u>(968)</u>		
			11,882	11,693
				11,419
x	Compensation and losses			
	<i>Original</i>	1,100		
	<i>Supplementary</i>	<u>(496)</u>		
			604	635
			<u>587,359</u>	<u>585,127</u>
				<u>491,699</u>

**Significant variations**

The following outlines the reasons for significant variations in expenditure from the amount provided (+/- 25% and €100,000).

**vi Office premises expenses**

*Estimate provision €11.47 million; outturn €62.58 million*

An excess of €51.11 million arises due to the commencement of a critical infrastructure project to develop the necessary permanent infrastructure at Rosslare Europort to comply with Customs controls as a consequence of Brexit.

**vii Consultancy services and value for money and policy reviews**

*Estimate provision €2 million; outturn €4.125 million*

An excess of €2.125 million arises due to a large volume and complexity of appeals cases dealt with in 2023.

**x Compensation and losses**

*Estimate provision €1.1 million; outturn €635,000*

Expenditure was €465,000 less than the estimate provision due to legal cost award and compensation payments being lower than anticipated.

## Note 4 Receipts

### 4.1 Appropriations-in-aid

			2023	2022
		Estimated €000	Realised €000	Realised €000
1	Receipts for services relating to the PRSI scheme	37,437	37,437	37,437
2	Fines, forfeitures, law costs recovered			
	Original	2,050		
	Supplementary	125		
		2,175	2,318	2,441
3	Cherished numbers			
	Original	225		
	Supplementary	5		
		230	344	368
4	Receipts in respect of Environmental Levy collection			
	Original	400		
	Supplementary	5		
		405	416	407
5	Share of Single Authorisation for Simplified Procedures (SASP) collection costs			
	Original	7,250		
	Supplementary	2,363		
		9,613	10,327	10,453
6	Receipts from additional superannuation contributions on public service remuneration			
	Original	8,750		
	Supplementary	495		
		9,245	9,358	8,697
7	Miscellaneous			
	Original	1,977		
	Supplementary	73		
		2,050	2,268	4,349
		<b>61,155</b>	<b>62,468</b>	<b>64,152</b>

**Significant variations**

The following outlines the reasons for significant variations in individual appropriations-in-aid headings (+/-5% and €100,000). Overall, appropriations-in-aid were €4.379 million higher than the original estimate.

**2 Fines, forfeitures, law costs recovered**

*Estimate €2.05 million; realised €2.318 million*

The increase on estimates arises due to a greater volume of fines in respect of diesel and excise offences.

**3 Cherished numbers**

*Estimate €225,000; realised €344,000*

The demand for Cherished vehicle registrations can be difficult to forecast accurately as it relates to discretionary expenditure by purchasers of new vehicles. A conservative estimate is taken when preparing the Estimate.

**5 Share of SASP collection costs**

*Estimate €7.25 million; realised €10.327 million*

A significant increase (€3.08 million) in Customs collection costs receipts was received compared to the forecast. This was due to the expansion of a retail entity's business in central and eastern Europe.

**6 Receipts from additional superannuation contributions on public service remuneration**

*Estimate €8.75 million; realised €9.358 million*

The increase on estimates arises due to the pay increases generated by the Building Momentum Pay agreement which in turn increased ASC receipts.

**7 Miscellaneous**

*Estimate €1.977 million; realised €2.268 million*

The increase on estimates arises due to higher than expected Vote Returns and Ancillary State Support Scheme receipts.

**4.2 Extra receipts payable to the Exchequer**

	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
Balance at 1 January	—	445
Receipts from cash forfeited under Section 39 of the Criminal Justice Act 1994	708	726
Receipts from Ireland's share of the annual payments under an international anti-counterfeit/anti-contraband agreement with global cigarette manufacturers	690	130
Transferred to the Exchequer	(1,395)	(1,301)
<b>Balance at 31 December</b>	<b>3</b>	<b>—</b>

## Note 5 Staffing and Remuneration

### 5.1 Employee numbers

Full time equivalents	2023	2022
Number of staff at year end	6,901	6,676

### 5.2 Pay

	2023	2022
	€000	€000
Pay	332,134	313,000
Higher, special or additional duties allowances	9,322	8,885
Overtime	3,259	2,582
Employer's PRSI	29,476	26,284
<b>Total pay</b>	<b>374,191</b>	<b>350,751</b>

### 5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2023	2022
			€	€
Higher, special or additional duties allowances	101	20	22,290	21,600
Overtime and extra attendance	1,248	165	39,353	30,983
Shift and roster allowances	848	224	28,992	53,509
Miscellaneous	86	7	37,069	43,117
Extra remuneration in more than one category	183	72	37,440	54,311



### 5.4 Office employee pay bands

The number of Revenue employees whose total employee benefits (including basic pay, allowances, overtime; excluding employer PRSI, employer pension costs) for the financial year fell between €20,000 and €59,999 and within each band of €10,000 from €60,000 upwards are as follows.

Pay bands (€)		Number of employees	
From	To	2023	2022
20,000	59,999	5,230	5,217
60,000	69,999	704	610
70,000	79,999	381	373
80,000	89,999	208	205
90,000	99,999	179	122
100,000	109,999	52	22
110,000	119,999	37	46
120,000	129,999	31	10
130,000	139,999	3	—
140,000	149,999	—	1
150,000	159,999	1	3
160,000	169,999	9	10
170,000	179,999	3	2
180,000	189,999	—	—
190,000	199,999	—	—
200,000	209,999	—	1
210,000	219,999	1	1
220,000	229,999	2	—

### 5.5 Performance awards

A total of €120,000 (2022: €127,000) was spent on staff recognition schemes. There were 2,254 (2022: 2,413) individual awards, ranging from €5 to €250.

### 5.6 Other remuneration arrangements

A total of €44,000 was paid to 34 retired civil servants by Revenue in 2023 in respect of committee member payments, interview board payments, Revenue centenary events and witness expenses (2022: €77,000 was paid to 51 retired civil servants). These payments were made in accordance with the appropriate Department of Public Expenditure, National Development Plan Delivery and Reform rates.

This account includes expenditure of €877,000 in respect of 17 officers who were serving outside Revenue for all or part of 2023 and whose salaries were paid by Revenue (2022: €1.23 million in respect of 21 officers).

This account does not include expenditure in respect of 33 officers who were serving outside Revenue for all or part of 2023 in other Government departments/offices and whose salaries were paid by those other departments/offices.

### 5.7 Payroll overpayments

at 31 December	Number of recipients	2023 €000	2022 €000
Overpayments	1,031	1,679	1,520
Recovery plans in place	623	815	710

Two overpayment recovery plans, in respect of two individuals to the value of €6,148 were transferred to two other departments/offices during the year.

### 5.8 Remuneration and benefits of Accounting Officer

The Accounting Officer's remuneration and taxable benefits for the financial year was as follows.

	2023 €000	2022 €000
Basic pay	<u>227</u>	<u>213</u>

The value of retirement benefits earned in the period is not included above. The Accounting Officer is a member of the pre-1995 superannuation scheme for established civil servants, and his entitlements to retirement benefits do not extend beyond the standard terms of that pension scheme.

## Note 6 Miscellaneous

### 6.1 Write-offs

The following sums were written off in the year.

	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
Payroll overpayments <sup>a</sup>	123	10
Payroll amendments	—	10
Obsolete inventory	2	9
	<b>125</b>	<b>29</b>

Note <sup>a</sup> A review of fixed allowances identified seven cases where staff were receiving a consecutive allowance not due to them. The staff affected are in the lowest paid category and recoupment would have resulted in severe financial hardship for the staff.

### 6.2 Law charges, fees and rewards (subhead A (ix))

Legal costs paid during the year are categorised as follows.	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
External solicitors	2,968	2,337
Counsel fees	5,662	5,446
Bankruptcy/liquidation costs	2,131	2,009
Miscellaneous costs and rewards	932	1,627
	<b>11,693</b>	<b>11,419</b>

### 6.3 Compensation and losses

#### Payments/costs paid by Revenue Commissioners in the year

	Claims by					Total 2023	Total 2022
	employees		members of the public				
	Personal injury <sup>a</sup>	Other <sup>b</sup>	Personal injury <sup>c</sup>	Loss or damage <sup>d</sup>	Other <sup>e</sup>		
Number of cases	12	2	4	6	31	55	40
	€000	€000	€000	€000	€000	€000	€000
Revenue's own legal costs	18	—	4	—	128	150	718
Payments by/on behalf of Revenue							
Compensation	195	16	124	13	—	348	147
Legal costs	92	—	—	—	162	254	201
Other costs	6	3	1	1	7	18	45
2023 total	311	19	129	14	297	770	1,111
2022 total	276	72	4	1	758	1,111	

- Note
- <sup>a</sup> Amounts paid in individual cases ranged from €55 to €94,000
  - <sup>b</sup> Amounts paid in individual cases ranged from €300 to €10,000
  - <sup>c</sup> Amounts paid in individual cases ranged from €40 to €70,000
  - <sup>d</sup> Amounts paid in individual cases ranged from €86 to €4,000
  - <sup>e</sup> Amounts paid in individual cases ranged from €80 to €69,000

At 31 December 2023, the following claims are outstanding.

- Personal injury claims: 23 – employees 15, members of the public 8 (2022: 21)
- Loss or damage claims: 5 – employees 1, members of the public 4 (2022: 7)
- Other claims: 29 – members of the public 29 (2022: 19)

#### Cumulative costs of cases completed in 2023

	Claims by				Total
	employees	members of the public			
	Personal injury	Personal injury	Loss or damage	Other	
Number of cases	6	4	6	6	22
	€000	€000	€000	€000	€000
Revenue's own legal costs	19	4	—	104	127
Payments by/on behalf of Revenue					
Compensation	195	124	13	—	332
Legal costs	92	—	—	162	254
Other costs	7	2	1	6	16
Total	313	130	14	272	729

## 6.4 EU funding

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Under a grant agreement with EU Commission Anti-Fraud Office (OLAF), the Office of the Revenue Commissioners is entitled to a grant to a maximum of €1.44 million, or 80% of the eligible cost for the purchase of a mobile X-ray scanning van which is used by Investigation, Prosecution and Frontier Management Division (IPFMD) to scan trucks and containers. The first instalment of grant funding €720,000 was received in 2020 and the scanner was ordered in 2021. The scanner was delivered in October 2022. The second grant instalment of €361,000 was received in Q2 2023 and is included in category 7 'miscellaneous' in appropriations-in-aid.

Under a grant agreement with OLAF, the Office of the Revenue Commissioners is entitled to a grant to a maximum of €1.84 million, or 40% of the eligible cost for the purchase of a Customs cutter which will be used by IPFMD to detect prohibited goods and illicit excisable products in the maritime domain. The first instalment of €920,000 was received in June 2022 and the cutter was ordered in August 2023. Delivery of the cutter is scheduled for September 2025. The second grant instalment will be claimed by Revenue in Q4 2025.

Under a grant agreement with the Directorate-General Taxation and Customs Union (DG-TAXUD), the Office of the Revenue Commissioners is entitled to a grant to a maximum of €1.19 million, or 80% of the eligible cost for the purchase of various X-ray machines, trace detection systems, bore scopes and spectrometers which will be used by IPFMD to detect prohibited goods and illicit excisable products in ports, airports, and postal depots. The first instalment of €595,200 was received in October 2022 and equipment was ordered in 2022 and 2023. The second grant instalment will be claimed by Revenue in Q4 2024.