



Comptroller and Auditor General

Appropriation Accounts 2010

Accounts for presentation to Dáil Éireann pursuant to Section 3 (11) of the
Comptroller and Auditor General (Amendment) Act 1993

September 2011

© Government of Ireland 2011

Audited Appropriation Accounts 2010

Section 3(11) of the Comptroller and Auditor General (Amendment) Act, 1993 requires me upon the completion of my audit of the Appropriation Accounts to present to Dáil Éireann a copy of each such account together with my certificate thereon.

I hereby transmit, pursuant to the foregoing provision, the said accounts and certificates for the year end 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

John Buckley

Comptroller and Auditor General

19 September 2011

Table of Contents

	Page
Part 1 — Preface	
Background to the Appropriation Accounts	9
Accountability and Audit Arrangements	10
Part 2 — Appropriation Accounts 2010	
Statement of Accounting Policies and Principles	14
Standard Statement on Internal Financial Control	19
Vote 1 President's Establishment	21
Vote 2 Department of the Taoiseach	29
Vote 3 Office of the Attorney General	41
Vote 4 Central Statistics Office	51
Vote 5 Office of the Comptroller and Auditor General	61
Vote 6 Office of the Minister for Finance	75
Vote 7 Superannuation and Retired Allowances	89
Vote 8 Office of the Appeal Commissioners	99
Vote 9 Office of the Revenue Commissioners	107
Vote 10 Office of Public Works	117
Vote 11 State Laboratory	135
Vote 12 Secret Service	145
Vote 13 Office of the Chief State Solicitor	151
Vote 14 Office of the Director of Public Prosecutions	163
Vote 15 Valuation Office	173
Vote 16 Public Appointments Service	185
Vote 17 Office of the Commission for Public Service Appointments	195
Vote 18 Office of the Ombudsman	205

Vote 19	Justice and Law Reform	217
Vote 20	Garda Síochána	235
Vote 21	Prisons	251
Vote 22	Courts Service	265
Vote 23	Property Registration Authority	277
Vote 24	Charitable Donations and Bequests	287
Vote 25	Environment, Heritage and Local Government	295
Vote 26	Education and Skills	315
Vote 27	Community, Equality and Gaeltacht Affairs	345
Vote 28	Foreign Affairs	365
Vote 29	International Co-Operation	379
Vote 30	Communications, Energy and Natural Resources	391
Vote 31	Agriculture, Fisheries and Food	407
Vote 32	Transport	429
Vote 33	National Gallery	443
Vote 34	Enterprise, Trade and Innovation	453
Vote 35	Tourism, Culture and Sport	475
Vote 36	Defence	489
Vote 37	Army Pensions	507
Vote 38	Social Protection	517
Vote 39	Health and Children	533
Vote 40	Health Services Executive	549
Vote 41	Office of the Minister for Children and Youth Affairs	577
	Contingency Fund	589

Part 1 — Preface

Background to the Appropriation Accounts

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

- approving estimates 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 'Votes', with one or more covering the functions of each Department or Office. The first part of the estimate for each Vote (referred to as the ambit) provides an outline of the services to be financed. The ambit 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 each 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 and
- Note 2 presents a statement of assets and liabilities, with related explanatory notes, giving information on the financial position 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.

Other notes to the Account provide information on variances in expenditure (Note 3), receipts (Note 4), staff numbers and pay (Note 5). Note 6 presents information on miscellaneous issues.

Accountability and Audit Arrangements

The respective duties of Accounting Officers and the Comptroller and Auditor General are as outlined below.

Duties of Accounting Officers in relation to Appropriation Accounts

An Accounting Officer is the head of a Government Department or Office to whom the Minister for Public Expenditure and Reform has assigned, in accordance with Section 22 of the Exchequer and Audit Departments Act, 1866, the duty of preparing the annual Appropriation Account for each Vote under his/her charge. By law, the Accounts must be submitted to the Comptroller and Auditor General by 31 March following the end of the year of account. The Appropriation Accounts must comply with the requirements of the Department of Public Expenditure and Reform's *Public Financial Procedures*, and with other directions of the Minister for Public Expenditure and Reform.

Accounting Officers are also responsible for the safeguarding of public funds and property under their control, for the efficiency and economy of administration in their Departments/Offices and for the regularity and propriety of all transactions in the Appropriation Accounts.

Duties of the Comptroller and Auditor General in relation to Appropriation Accounts

Article 33 of the Constitution of Ireland provides for a Comptroller and Auditor General to control on behalf of the State all disbursements and to audit all accounts of moneys administered by or under the authority of the Oireachtas. Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993 provides the legislative base for this audit by imposing a duty on the Comptroller and Auditor General to audit the Appropriation Accounts for the previous financial year prepared by the Departments and Offices of State.

In the discharge of his duty, the Comptroller and Auditor General must perform such tests as he considers appropriate for the purpose of the audit.

Upon completion of the audit, he is obliged to attach to each account a certificate stating whether, in his opinion, the account properly presents the receipts and expenditure related to the Vote concerned and 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.

He also draws attention to any material case in which the Statement on Internal Financial Control prepared by the Accounting Officer is misleading or inconsistent with other information of which the Comptroller and Auditor General is aware from the audit of the Appropriation Accounts.

Basis of the Comptroller and Auditor General's Opinion on the Appropriation Accounts

The Comptroller and Auditor General plans and performs his audit in a way which takes account of the special considerations which attach to State bodies in relation to their management and operation. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the Appropriation Account and an assessment of whether the accounting provisions of *Public Financial Procedures* have been complied with.

The audit is conducted in order to provide sufficient evidence to give reasonable assurance that the Appropriation Account is free from material misstatement whether caused by fraud or other irregularity or error and that in all material respects, the expenditure and receipts have been applied for the purposes intended by Dáil Éireann and conform to the authorities which govern them. In forming the opinion, the overall adequacy of the presentation of the information in the Appropriation Accounts is evaluated.

Reporting on Matters arising from Audit

Under Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993, the Comptroller and Auditor General has the additional duty of preparing, in each year, a report on such matters as he considers it appropriate to report arising from his audits of the Appropriation Accounts.

Certain matters arising from the audit of the Appropriation Accounts for 2010 are set out in a separate report entitled *Report of Comptroller and Auditor General — Accounts of the Public Services 2010*. Where such matters have arisen, his certificates are referenced to the relevant chapter in that report.

Part 2 — Appropriation Accounts 2010

Statement of Accounting Policies and Principles

1 Basis of Accounts

Appropriation Accounts, showing the financial transactions of Government Departments¹, are prepared in accordance with the Exchequer and Audit Departments Act, 1866 (as amended by the Comptroller and Auditor General (Amendment) Act, 1993) and with accounting rules and procedures laid down by the Minister for Finance.

The Accounts are a cash-based record of the receipts and payments in the year compared with the amounts provided under the Appropriation Act. The Accounts also show prior year figures for comparison purposes. Some information of an accruals nature is included in the notes to the Accounts.

The standard accounting policies and principles set out below are applied in the preparation of the Accounts. Any departures from the standard policies and principles are explained in the Accounting Officer's introduction to the Appropriation Account.

2 Reporting Period

The reporting period is the year ended 31 December 2010.

3 Receipts

Appropriations in aid are receipts that may, under section 2 of the Public Accounts and Charges Act, 1891, be used to meet expenditure to the extent authorised by the annual Appropriation Act. In general, these are receipts arising in the normal course of a Department's business under the Vote.

The Department of Finance requires certain receipts of Departments to be credited directly to the Exchequer as 'extra' receipts. In general, these are receipts that have no direct connection with the Vote expenditure or are 'windfall' receipts. Such extra receipts may not be used to meet expenditure from the Vote. Where they arise, they are reported in a note to the Appropriation Account (Note 4).

¹ In this statement, the term 'Department' includes central government departments, offices and agencies responsible for Vote management and accounting.

4 Payments

Payments consist of those sums, which have come in course of payment during the year. Sums are deemed to have come in course of payment where the liability has been incurred, payment is due and the cheque or payable order has been drawn.

Where a liability has been incurred and payment is due (i.e. the liability has matured), payment should be completed before the year end to ensure the integrity of the Appropriation Account. In cases where payment has not been effected and matured liabilities are outstanding at year end, the amount of such liabilities should be given in a note to the Account (Note 2).

5 Accruals

Each Appropriation Account incorporates information of an accruals nature in the notes to the Account, including

- an operating cost statement (Note 1), showing the total amount of resources consumed by the Department in the year
- a statement of the Department's assets and liabilities at year end (Note 2), with further explanatory notes including details regarding capital assets, capital assets under development, the net liability to the Exchequer, and commitments.

The statement of assets and liabilities includes the position at year-end in relation to the following

- **Accrued expenses** — These represent liabilities other than liabilities in regard to remuneration and pensions. In the case of goods and services, an accrued liability is recognised when the payee has met the contractual requirement to provide the goods or services ordered. Amounts due for goods delivered, but not yet paid for, even if un-inspected and not taken to stock, are treated as a liability. In the case of grants, a liability is recognised when the grantee has met all the requirements of the grant scheme but has yet to receive payment.
- **Prepayments** — These are payments made during the year of account to meet expenses which will arise in whole or in part in a subsequent financial year.
- **Accrued income** — This is income due to the Department at the end of the year of account which has yet to be received.
- **Deferred Income** — This represents income received by the Department during the year of account for goods/ services which it has yet to provide.

6 Capital Assets

The opening and closing values of capital assets on a Department's asset register and details of depreciation are shown by way of note to the statement of assets and liabilities.

The following are not included in the statement of capital assets

- assets worth less than €318 acquired from 1 January 1995 to 31 December 2003, or assets worth less than €1,000 acquired since 1 January 2004.
- heritage assets, the value of which cannot be adequately expressed in financial terms.

6.1 Valuation of Assets

Land and Buildings

All lands and buildings owned by the State and controlled or managed by a Department are included in the statement of assets and liabilities (and capital assets note). Where relevant, the basis of valuation of land and buildings is explained in the Accounting Officer's introduction to the Appropriation Account.

Where land and buildings are (a) vested in the Office of Public Works or (b) vested in a Minister but in fact controlled/managed by the Office of Public Works, they are included in the account for that Office. Otherwise, they appear in the account for the relevant Department.

Where lands or buildings are vested in a Minister but are, in fact, controlled/managed by an outside body, they are not included as assets of the Department, but the ownership of the asset is noted in the Department's Account.

Departments that cannot provide valuations for state-owned lands and buildings controlled or managed by them append to the Appropriation Account a schedule of these assets.

Equipment, Furniture and Fittings

Since 1995 all equipment, furniture and fittings are valued at cost.

Other Assets

Where required, accounting policies in respect of valuation of other assets (e.g. specialised vehicles) are set out in the Accounting Officer's introduction to the Appropriation Account.

6.2 Depreciation

Land is not depreciated. Where relevant, buildings are depreciated as indicated in the Accounting Officer's introduction to the Appropriation Account.

Equipment, furniture and fittings are depreciated on a straight-line basis at the following annual rates over their estimated useful lives:

- furniture and fittings, and telecommunications equipment – 10%
- IT equipment and software, scientific and laboratory equipment and other office machinery – 20%

Where required, other capital items are depreciated as indicated in the Accounting Officer's introduction to the Appropriation Account.

7 Capital Assets Under Development

A statement on capital assets under development is provided as a note to the statement of assets and liabilities. It shows cash payments on assets being developed within the Department, e.g.

software development or construction projects, which were not yet recognised as assets at the start of the year of account.

8 Stocks

Consumables are stated at the lower of cost or departmental valuations.

9 Net Liability to the Exchequer

A note on the net liability of the Vote to the Exchequer provides details of the actual position *vis-a-vis* the Exchequer at year-end, by making adjustments to the surplus to be surrendered figure in the Appropriation Account.

10 Commitments

A commitment is a contractual obligation to pay on delivery for goods or services which have yet to be supplied at year-end. In the case of grant schemes, a commitment is recognised when the grant is approved but the grantee has yet to fulfil the requirements of the scheme.

A note provides figures for commitments likely to materialise in the subsequent years under (a) procurement and (b) grant subheads, excluding commitments under €1,270.

A separate note is provided giving details of multi-annual capital commitments over €6,350,000.

11 Superannuation

Superannuation payments for retired civil servants, Gardaí, teachers, army personnel and Health Service Executive and former Health Board personnel are met on a current basis from Votes 7, 20, 26, 37 and 40. Provision for superannuation does not appear in the Appropriation Accounts of other Votes.

12 Foreign Currency Transactions

Transactions arising in foreign currencies are translated into Euro at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the year-end rates of exchange.

13 Other Notes to the Accounts

General Principles

In general, the other notes to the Appropriation Accounts aim to draw the attention of the Dáil and of the Committee of Public Accounts to matters bearing on parliamentary control, or to provide fuller information about material transactions of an unusual nature recorded in the Account e.g. losses, special or *ex gratia* payments, and extra remuneration. Except in the cases outlined below, notes are provided where an individual transaction, or a category of transactions taken together, involves a sum of €50,000 or more.

Where amounts lower than the threshold values are involved, notes are also provided where a serious issue of principle arises or where the Comptroller and Auditor General or the Department of Finance considers that a note should be given.

Variations from Grant

In cases where payments from a subhead vary from the grant (Note 3), a note is provided where the variation

- is €100,000 or more and
- represents 5% or more of the subhead (25% in the case of administrative subheads).

Where special circumstances warrant, a lower percentage variation may be explained by way of note.

Notes in relation to variations in the categories of appropriations in aid are included on a similar basis.

Extra Remuneration

In the case of extra remuneration, the details given (Note 5) include the total amount paid under each category, the total number of recipients, the number of individuals that received €10,000 or more, and the maximum individual payment, if over €10,000.

Late Payments

In the case of interest payments under the Late Payment in Commercial Transactions Regulations, 2002, information is supplied (Note 6) where

- the total of interest payments due was €10,000 or more or
- an individual payment was €10,000 or more.

Commissions and Inquiries

Where appropriate, Miscellaneous Notes (Note 6) include a statement of expenditure on each Commission or Inquiry financed from the Vote. Where a Commission or Inquiry has been established on a temporary basis, the total expenditure since its establishment is also given.

Grant-in-Aid Fund and Miscellaneous Accounts

Where relevant, accounts of grant-in-aid funds financed from the Vote and of other miscellaneous accounts are presented in Note 7.

Standard Statement on Internal Financial Control

On foot of the 2002 Report of the Working Group on the Accountability of Secretaries General and Accounting Officers, Accounting Officers are required to sign a standard Statement on Internal Financial Control in respect of the Appropriation Accounts. In their introductions the Appropriation Accounts, some Accounting Officers describe actions taken or planned to enhance particular aspects of internal control in the Departments or Offices concerned. The Statement is in the following format.

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

The position in regard to the financial control environment, the framework of administrative procedures, management reporting and internal audit is as follows:

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 Department/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.*

Internal Audit

I confirm that the Department/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 Department/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.

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 2010 for the salaries and expenses of the Office of the Secretary 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 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the President's Establishment.

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

Kevin Cardiff
Accounting Officer
Department of Finance
31 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 1: President's Establishment for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Finance in respect of the President's Establishment. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY
Comptroller and Auditor General
22 July 2011

Vote 1 President's Establishment Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	1,587	1,592	1,634
A.2. Travel and subsistence	132	83	120
A.3. Incidental expenses	173	88	148
A.4. Postal and telecommunications services	127	84	96
A.5. Office machinery and other office supplies and related services	174	96	140
Other service			
B. Centenarians' bounty	1,070	820	758
Gross Expenditure	3,263	2,763	2,896
Deduct:			
C. Appropriations-in-aid	92	85	64
Net Expenditure	3,171	2,678	2,832
Surplus to be surrendered		€492,537	€590,345

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			1,943	2,138
Expenditure on services and programmes			820	758
Gross expenditure			<u>2,763</u>	<u>2,896</u>
Deduct				
Appropriations in aid			(85)	(64)
Net expenditure			<u>2,678</u>	<u>2,832</u>
Changes in capital assets				
Purchases cash		(19)		
Depreciation		<u>28</u>	9	15
Changes in net current assets				
Decrease in closing accruals		(12)		
Decrease in Stock		<u>39</u>	27	(63)
Direct expenditure			<u>2,714</u>	<u>2,784</u>
Net allied services expenditure	1.1		<u>4,377</u>	<u>4,712</u>
Total operating cost			<u><u>7,091</u></u>	<u><u>7,496</u></u>

1.1 Net Allied Services

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

		2010 €000	2009 €000
Vote 2	Department of the Taoiseach	1	—
Vote 7	Superannuation and Retired Allowances	488	469
Vote 10	Office of Public Works	1,908	2,410
Vote 20	Garda Síochána	222	177
Vote 28	Foreign Affairs	436	199
Vote 36	Defence	411	427
	Central Fund (Emoluments and allowances of President, pensions of former Presidents and/or widows of former Presidents).	911	1,030
		<u>4,377</u>	<u>4,712</u>

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	47	56
Current Assets			
Bank and Cash	2.2	—	145
Stocks	2.3	82	121
Prepayments		57	64
Accrued Income		9	
Total Current Assets		148	330
Less Current Liabilities			
Accrued expenses		32	42
Net Liability to/(from) the Exchequer	2.4	(44)	72
Other credit balances	2.5	44	73
Total Current Liabilities		32	187
Net Current Assets		116	143
Net Assets		163	199

2.1 Capital Assets

	IT Equipment €000	Office Equipment €000	Total €000
Gross assets			
Cost or valuation at 1 January 2010	217	93	310
Additions	19	—	19
Cost or valuation at 31 December 2010	236	93	329
Accumulated Depreciation			
Opening balance at 1 January 2010	172	82	254
Depreciation for the year	24	4	28
Cumulative depreciation at 31 December 2010	196	86	282
Net Assets at 31 December 2010	40	7	47
Net Assets at 31 December 2009	45	11	56

Land and buildings are recorded on the Asset Register of Vote 10, Office of Public Works.

2.2 Bank and Cash

at 31 December

PMG balances and cash
Orders outstanding

2010	2009
€000	€000
74	211
(74)	(66)
—	145

2.3 Stocks

at 31 December

Stationery
IT consumables
Miscellaneous

2010	2009
€000	€000
48	69
9	13
25	39
82	121

2.4 Net Liability to/(from) the Exchequer

at 31 December

Surplus to be surrendered
Exchequer grant undrawn
Net liability to/(from) the Exchequer

2010	2009
€000	€000
493	590
(537)	(518)
(44)	72

Represented by:**Debtors**

Net PMG position and cash

—	145
---	-----

CreditorsDue to the State
Credit balances: suspense

(38)	(60)
(6)	(13)
(44)	(73)
(44)	72

2.5 Other Credit Balances

at 31 December

Amounts due to the StateIncome Tax
Pay Related Social Insurance
* Pension Levy/Contributions
Voluntary surrender of salary
Income Levy

2010	2009
€000	€000
19	19
10	10
7	6
—	22
2	3
38	60

*Adjusted for Rounding

Payroll deductions held in suspense

6	13
44	73

2.6 Commitments

as at 31 December

Total of legally enforceable commitments

2010	2009
€000	€000
23	—

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided	Explanation
	€000	
B	250	The savings arose as the number of centenarians in the year was less than anticipated.

4 Receipts

4.1 Appropriations-in-aid	2010 Estimated €	2010 Realised €	2009 Realised €
Receipts from Pension-related deductions on Public Service Remuneration.	92,000	84,523	64,629

5 Employee Numbers and Pay

Number of staff at year end (full time equivalents)	2010	2009
	22	24
	2010 €000	2009 €000
Pay	1,458	1,503
Higher, special or additional duties allowances	59	60
Other allowances	3	2
Overtime	15	12
Employer's PRSI	57	57
Total pay	1,592	1,634

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2010 €	2009 €
Higher, special or additional duties	8	3	19,126	20,113
Overtime	13	—	2,486	3,769

Note: Certain individuals received extra remuneration in more than one category.

Vote 2: Department of the Taoiseach

Introduction

As Accounting Officer for Vote 2, 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 2010 for the salaries and expenses of the Department of the Taoiseach, including certain services administered by the Department and for payments of grants and grants-in-aid.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Department of the Taoiseach.

DERMOT MCCARTHY
Accounting Officer
Department of the Taoiseach
29 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 2: Department of the Taoiseach for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of the Taoiseach. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

19 May 2011

Vote 2 Department of the Taoiseach Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	12,781	12,184	13,501
A.2. Travel and subsistence	700	284	479
A.3. Incidental expenses	1,560	733	618
A.4. Postal and telecommunications services	501	381	407
A.5. Office machinery and other office supplies and related services	1,836	934	1,007
A.6. Office premises expenses	732	440	493
A.7. Consultancy services	70	2	3
A.8. Organisational review programme	576	550	497
Other Services			
B. National Economic and Social Development Office (grant-in-aid)	3,332	2,535	3,401
C. Commemoration initiatives	100	87	133
D. Tribunal of inquiry (payments to Messrs.C.J. Haughey and M. Lowry)	7,480	3,125	3,796
<i>National Forum on Europe</i>	—	—	506
<i>Newfoundland and Labrador Business Partnerships</i>	—	—	291
<i>Active Citizenship Office</i>	—	—	17
Gross Expenditure	29,668	21,255	25,149
Deduct:			
E. Appropriations-in-aid	912	955	914
Net Expenditure	28,756	20,300	24,235
Surplus to be surrendered		€8,455,937	€8,450,714

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			15,508	17,005
Expenditure on services and programmes			5,747	8,144
Gross expenditure			21,255	25,149
Deduct				
Appropriations-in-aid			955	914
Net expenditure			20,300	24,235
Changes in Capital Assets				
Purchases cash		(114)		
Depreciation		195		
Loss on disposals		31	112	176
Changes in Net Current Assets				
Decrease in closing accruals		(53)		
Decrease in stock		13	(40)	(122)
Direct Expenditure			20,372	24,289
Expenditure Borne Elsewhere				
Net allied services expenditure	1.1		5,552	7,554
Notional rents			1,625	2,031
Total operating cost			27,549	33,874

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 2 borne elsewhere

Vote		2010 €000	2009 €000
7	Superannuation and Retired Allowances	2,459	3,302
10	Office of Public Works	954	2,278
19	Justice and Law Reform - Financial Shared Services Centre	264	265
20	Garda Síochána	1,425	1,048
36	Defence	75	88
	Central Fund - Ministerial etc. Pensions	375	573
		5,552	7,554

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	422	534
		422	534
Current Assets			
Bank and cash	2.2	405	1,613
Stocks	2.3	71	84
Prepayments		326	268
Other debit balances	2.4	320	398
Total Current Assets		1,122	2,363
Less Current Liabilities			
Accrued expenses		202	197
Other credit balances	2.5	365	514
Net Liability to the Exchequer	2.6	360	1,497
Total Current Liabilities		927	2,208
Net Current Assets		195	155
Net Assets		617	689

2.1 Statement of Capital Assets

	Office Equipment €000	Furniture and Fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2010	3,158	535	3,693
Additions	106	8	114
Disposals	(190)	(4)	(194)
Cost or valuation at 31 December 2010	<u>3,074</u>	<u>539</u>	<u>3,613</u>
Accumulated Depreciation			
Opening balance at 1 January 2010	2,806	353	3,159
Depreciation for the year	149	46	195
Depreciation on disposals	(161)	(2)	(163)
Cumulative depreciation at 31 December 2010	<u>2,794</u>	<u>397</u>	<u>3,191</u>
Net Assets at 31 December 2010	<u>280</u>	<u>142</u>	<u>422</u>
Net Assets at 31 December 2009	<u>352</u>	<u>182</u>	<u>534</u>

2.2 Bank and Cash

	2010 €000	2009 €000
at 31 December		
PMG balances and cash	684	1,941
Orders outstanding	(279)	(328)
	<u>405</u>	<u>1,613</u>

2.3 Stocks

	2010 €000	2009 €000
at 31 December		
Gifts	8	10
Stationery	26	33
Publications	19	22
Consumables etc.	18	19
	<u>71</u>	<u>84</u>

2.4 Other Debit Balances

	2010 €000	2009 €000
at 31 December		
Recoupable salaries	261	281
Recoupment of travel pass scheme	56	60
Other	3	57
	<u>320</u>	<u>398</u>

2.5 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the State		
Income Tax	168	204
Pay Related Social Insurance	88	102
Value Added Tax	5	5
Pension contributions	—	1
Retention Tax	19	56
	<hr/> 280	<hr/> 368
Payroll deductions	84	145
Other	1	1
	<hr/> 365	<hr/> 514

2.6 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	8,456	8,451
Exchequer grant undrawn	(8,096)	(6,954)
Net liability to the Exchequer	<hr/> 360	<hr/> 1,497

Represented by:**Debtors**

Bank and cash	405	1,613
Debit balances: suspense	320	398
	<hr/> 725	<hr/> 2,011

Creditors

Due to State	(280)	(368)
Credit balances: suspense	(85)	(146)
	<hr/> (365)	<hr/> (514)
	<hr/> 360	<hr/> 1,497

2.7 Commitments

Contracted commitments at 31 December 2010 amounted to €8,250 (2009 - €146,729)

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided	Explanation
	€000	
A.2.	416	Savings arose as a result of the reduction in travel and subsistence rates and a reduction in travel during 2010.
A.3.	827	Savings arose as a result of reduced spending on training, entertainment, library services and advertising.
A.5.	902	Savings arose as a result of reduced spending on consumables, IT hardware and printing, and the use of electronic resources for distribution of reports.
A.6.	292	Savings arose as a result of reduced expenditure and the achievement of better value for money.
A.7.	68	On the basis of past experience, a contingency amount was included in the estimate for consultancy needs that did not arise in 2010.
B.	797	Savings arose as a result of the moratorium on recruitment and reduced spending on consultancy, printing, travel and subsistence, office maintenance and training.
C.	13	The variation between spending and the estimate provision for the Commemoration initiatives in 2010 arose due to a small number of projects not proceeding as quickly as anticipated.
D.	4,355	The award of legal costs did not arise as expected in 2010.

4 Receipts

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
4.1 Appropriations-in-aid			
Pension-related deduction on public service remuneration	812	881	810
Miscellaneous	100	74	104
	912	955	914

The variation arose due to an underestimation of the amount to be collected under the pension related deduction and an overestimation of the amount to be collected in respect of superannuation in 2010.

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	191	198
	€000	€000
Pay	10,802	12,431
Higher, special or additional duties	382	623
Overtime and extra attendance	420	490
Employer's PRSI	591	681
Total pay	12,195	14,225

Note: The above figures exceed the outturn for subhead A as a pay element of subhead B is included.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	56	12	83,391	164,566
Overtime and extra attendance	113	13	26,445	25,620

Note: Certain individuals received extra remuneration in more than one category.

5.2 Other Remuneration Arrangements

Ex-gratia payments of €31,040 (2009 - €31,040) and €10,267 (2009 - €10,267) were made in respect of agreed retirement benefits to two former employees.

6 Miscellaneous Items

6.1 Commissions and Enquiries

	Year of Appointment	Total to 31 December 2010 €000	Expenditure in 2010 €000	Expenditure in 2009 €000
Commission, Committee or Special Inquiry				
Tribunal of Inquiry II (Payments to Messrs. Haughey and Lowry)	1997	41,396	3,125	3,796

There will be further payments associated with the Tribunal of Inquiry (Payments to Messrs. C.J. Haughey & M. Lowry). Costs cannot be determined at this point.

6.2 Official Gifts

The account includes the sum of €5,417 which was used for the purchase of gifts for presentation by, or on behalf of, the Taoiseach and Ministers of State in 2010. The comparable figure for 2009 was €3,145.

6.3 Other

In addition to expenditure in the Account the following amounts were received in 2010:

- €260,754 was received from the Change Management Fund (Public Service Modernisation), Subhead M. of Vote 6, Office of the Minister for Finance.

- €10,887 was received from Vote 6, Office of the Minister for Finance in respect of the Multisite Library Project.

Vote 3: Office of the Attorney General

Introduction

As Accounting Officer for Vote 3, 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 2010 for the salaries and expenses of the Office of the Attorney General including a grant-in-aid.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Office of the Attorney General. The following actions have been taken or are planned to enhance internal controls as regards staff training, risk management, information and communications technology security and the ongoing review of the effectiveness of administrative and financial controls.

Staff Training

As the Management Information Framework (MIF) and Case and Records Management System are embedded, training continues to be provided to relevant staff. Staff in the Finance Unit and other relevant Units as appropriate have received refresher training on the Financial Management System.

Risk Management

The risk management process is overseen by a Risk Management Committee, representative of the Office and the Office of the Chief State Solicitor, which reports to the local and joint Office MACs and the Audit Committee for both Offices. A Risk Management Policy and a Corporate Risk Register covering both Offices is in place. The Corporate Risk Register and Business Group/Unit Risk Registers are reviewed every six months.

Information and Communications Technology Security

The Office applies good practice controls to mitigate against key security risks associated with Information and Communications Technology (ICT). The Office has in place a cross-Office Business Continuity Plan and also in the AGO, a Breach Management Plan. The implementation of the plans is monitored, reviewed regularly and reported to local and Main MACs.

Administrative and Financial Controls

The MAC and Audit Committee regularly review controls through the provision of management reports. All internal audit reports are considered by the MAC and implementation of recommendations monitored. The Office is currently finalising a report in relation to a desktop review of financial controls and processes undertaken by an external consultant.

LIAM O'DALY
Accounting Officer
Office of the Attorney General
30 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 3: Office of the Attorney General for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Office of the Attorney General. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

22 July 2011

Vote 3 Office of the Attorney General Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	10,148	9,570	10,297
A.2. Travel and subsistence	120	65	62
A.3. Incidental expenses *	710	557	503
A.4. Postal and telecommunications services	120	107	104
A.5. Office machinery and other office supplies and related services	994	543	586
A.6. Office premises expenses	240	118	161
A.7. Consultancy services	20	1	3
A.8. Contract legal expertise	966	720	985
Other services			
B. Contributions to International Organisations	38	77	37
C. Law Reform Commission (grant-in-aid)	2,385	2,349	3,297
D. General law expenses	60	80	285
Gross Expenditure	15,801	14,187	16,320
Deduct			
E. Appropriations-in-aid	570	731	670
Net Expenditure	15,231	13,456	15,650
 Surplus to be surrendered		€1,775,135	€1,829,979

* Sea fisheries prosecutions transferred to Vote 14 (Office of the Director of Public Prosecutions) with effect from 1 August 2009.

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			11,681	12,701
Expenditure on services and programmes			2,506	3,619
Gross expenditure			14,187	16,320
Deduct				
Appropriations-in-aid			731	670
Net expenditure			13,456	15,650
Changes in capital assets				
Purchases cash			(173)	(168)
Depreciation			308	461
Loss on disposals			—	3
Changes in net current assets				
Decrease in closing accruals			(20)	(34)
Decrease in stock			4	7
Direct expenditure			13,575	15,919
Net allied services expenditure	1.1		1,254	1,747
Notional rents			840	1,050
Total operating cost			15,669	18,716

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 3 borne elsewhere

		2010 €000	2009 €000
7	Superannuation and Retired Allowances	484	673
10	Office of Public Works	178	266
20	Garda Síochána	194	172
	Central Fund - Ministerial etc. pensions	398	636
		1,254	1,747

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	666	801
Current Assets			
Bank and cash	2.2	506	310
Stocks	2.3	27	31
Prepayments		240	193
Accrued income		6	8
Other debit balances	2.4	64	36
Total Current Assets		843	578
Less Current Liabilities			
Accrued expenses		48	23
Other credit balances	2.5	304	369
Net Liability to the Exchequer	2.6	266	(23)
Total Current Liabilities		618	369
Net Current Assets		225	209
Net Assets		891	1,010

2.1 Capital Assets

	Office Equipment €000	Furniture and Fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2010	4,452	1,562	6,014
Additions	161	12	173
Disposals	(303)	—	(303)
Cost or valuation at 31 December 2010	4,310	1,574	5,884
Accumulated Depreciation			
Opening balance at 1 January 2010	3,970	1,243	5,213
Depreciation for the year	240	68	308
Depreciation on disposals	(303)	—	(303)
Cumulative depreciation at 31 December 2010	3,907	1,311	5,218
Net Assets at 31 December 2010	403	263	666
Net Assets at 31 December 2009	482	319	801

2.2 Bank and Cash

at 31 December	2010 €000	2009 €000
PMG balances and cash	517	412
Orders outstanding	(11)	(102)
	506	310

2.3 Stocks

at 31 December	2010 €000	2009 €000
IT consumables	6	3
Stationery	21	23
CD ROM Irish Statute Book	—	5
	27	31

2.4 Other Debit Balances

at 31 December	2010 €000	2009 €000
Recoupable shared costs	9	—
Miscellaneous	55	36
	64	36

2.5 Other Credit Balances

at 31 December

2010**€000****2009****€000****Amounts due to the State**

Income Tax

152

170

Pay Related Social Insurance

58

84

Pensions

34

33

Professional Services Withholding Tax

10

38

Value Added Tax

23

4

277

329

Payroll deductions held in suspense

27

40

304

369**2.6 Net Liability to the Exchequer**

at 31 December

2010**€000****2009****€000**

Surplus to be surrendered

1,775

1,830

Exchequer grant undrawn

(1,509)

(1,853)

Net liability to the Exchequer

266

(23)**Represented by:****Debtors**

Bank and cash

506

310

Debit balances: suspense

64

36

570

346**Creditors**

Due to State

(277)

(329)

Credit balances: suspense

(27)

(40)

266

(23)**2.7 Commitments**

at 31 December

2010**€000****2009****€000**

Total of legally enforceable commitments

691

887

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Subhead	Less/(more) than provided €000	Explanation
A.1.	578	Savings arose due to delays in filling legal vacancies during the year.
A.3.	153	Savings arose due to a MAC decision early in 2010 to minimise expenditure on entertainment and to limit attendance on training and development courses and seminars to critical courses and events only.
A.5.	451	Savings arose primarily due to the deferral to 2011 of expenditure in relation to two IT projects, the development of an authoring tool for legislation drafting and a new legal Know-how application.
A.6.	122	Savings arose due to less than anticipated expenditure incurred in respect of maintenance and utilities.
A.8.	246	Savings arose due to a reduction in the number of contract Parliamentary Counsel in 2010.

4 Receipts

4.1 Appropriations-in-aid

	2010 Estimated €	2010 Realised €	2009 Realised €
1. Miscellaneous	8,000	6,001	40,898
2. Receipts from pension related deductions in public service remuneration	562,000	725,024	629,084
Total	570,000	731,025	669,982

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%.

Heading	Less/(more) than estimated €000	Explanation
2.	163	Variation arose due to the publication in the Revised Estimates Volume 2010 of a reduced figure in respect of pension-related deductions for the Office and the Commission.

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	143	140
	2010	2009
	€000	€000
Pay	8,849	9,495
Higher, special or additional duties allowances	42	68
Other allowances	118	104
Overtime	2	5
Employer's PRSI	559	625
Total pay	9,570	10,297

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	19	6	20,603	12,865
Overtime and extra attendance	6	—	902	870

Note: Certain individuals received extra remuneration in more than one category.

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 2010 for the salaries and expenses of the Central Statistics Office.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Central Statistics Office.

GERARD O'HANLON
Accounting Officer
Central Statistics Office
24 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 4: Central Statistics Office for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Central Statistics Office. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapter 19 of my annual report refers to certain matters which I considered appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in dark ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY
Comptroller and Auditor General
8 August 2011

Vote 4 Central Statistics Office Appropriation Account 2010

Service	2010 Estimate	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	37,964	35,866	38,545
A.2. Travel and subsistence	1,238	1,009	1,135
A.3. Incidental expenses	2,080	1,591	1,573
A.4. Postal and telecommunications services	1,841	1,488	1,222
A.5. Office machinery and other office supplies and related services	10,513	9,724	4,700
A.6. Office premises expenses	1,788	1,119	1,609
A.7. Consultancy services	89	67	108
A.8. Collection of statistics	4,514	2,674	1,585
A.9. Value for money and policy reviews	54	—	—
Gross expenditure	60,081	53,538	50,477
Deduct			
A.10. Appropriations-in-aid	2,249	2,776	1,911
Net Expenditure	57,832	50,762	48,566
Surplus to be surrendered		€7,069,925	€5,067,879

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	2010 €000	2009 €000
Expenditure on administration		53,538	50,477
Expenditure on services and programmes		—	—
Gross expenditure		53,538	50,477
Deduct			
Appropriations in aid		2,776	1,911
Net expenditure		50,762	48,566
Changes in capital assets			
Purchases cash		(2,779)	(822)
Loss on disposals		10	—
Depreciation		4,015	3,720
Changes in assets under development			
Cash payments		(4,541)	(1,272)
Changes in net current assets			
Increase/(Decrease) in closing accruals		(719)	779
Decrease in stock		62	32
Direct expenditure		46,810	51,003
Net allied services expenditure	1.1	7,302	7,905
Notional rents		1,990	2,194
Total operating cost		56,102	61,102

1.1 Net Allied Services

The Net Allied Services Expenditure is made up of the following estimated amounts borne on other Votes:

		2010 €000	2009 €000
7	Superannuation and Retired Allowances	3,502	3,596
9	Office of the Revenue Commissioners	2,639	2,868
10	Office of Public Works	1,161	1,441
		7,302	7,905

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010	2009
		€000	€000
Capital Assets	2.1	19,173	18,565
Capital Assets under Development	2.2	3,707	998
		22,880	19,563
Current Assets			
Bank and cash	2.3	327	(57)
Stocks	2.4	178	240
Prepayments		730	558
Accrued income		945	456
Other debit balances		247	336
Net Liability from the Exchequer	2.5	577	900
Total Current Assets		3,004	2,433
Less Current Liabilities			
Accrued expenses		529	609
Deferred Income		80	36
Due to the State	2.6	920	937
Other credit balances	2.7	231	242
Total Current Liabilities		1,760	1,824
Net Current Assets		1,244	609
Net Assets		24,124	20,172

2.1 Statement of Capital Assets

	Land and buildings €000	Office Equipment €000	Furniture and Fittings €000	Total €000
Gross assets				
Cost or valuation at 1 January 2010	34	50,871	3,414	54,319
Additions	—	4,583	50	4,633
Disposals	—	(1,515)	(61)	(1,576)
Cost or valuation at 31 December 2010	34	53,939	3,403	57,376
Accumulated Depreciation				
Opening balance at 1 January 2010	34	33,030	2,690	35,754
Depreciation for the year	—	3,857	158	4,015
Depreciation on disposals	—	(1,515)	(51)	(1,566)
Cumulative depreciation at 31 December 2010	34	35,372	2,797	38,203
Net Assets at 31 December 2010	—	18,567	606	19,173
Net Assets at 31 December 2009	—	17,841	724	18,565

2.2 Statement of Capital Assets under Development

	In-House Computer Applications €000
Amounts brought forward at 1 January 2010	998
Cash payments for the year	4,541
Transferred to asset register	(1,832)
Amounts carried forward at 31 December 2010	3,707

2.3 Bank and Cash

at 31 December	2010 €000	2009 €000
PMG balances and cash	352	(37)
Orders outstanding	(25)	(20)
	327	(57)

2.4 Stocks

at 31 December	2010 €000	2009 €000
Stationery	86	132
IT consumables	30	45
Publications	62	63
	178	240

2.5 Net Liability to/(from) the Exchequer
 at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	7,070	5,068
Exchequer grant undrawn	(7,647)	(5,968)
Net liability to/(from) the Exchequer	<u>(577)</u>	<u>(900)</u>

Represented by:**Debtors**

Bank and cash	327	(57)
Debit balances: suspense	247	336
	<u>574</u>	<u>279</u>

Creditors

Due to State	(920)	(937)
Credit balances: suspense	(231)	(242)
	<u>(1,151)</u>	<u>(1,179)</u>
	<u>(577)</u>	<u>(900)</u>

2.6 Due to the State
 at 31 December

	2010	2009
	€000	€000
Income Tax	396	432
Pay Related Social Insurance	366	353
Professional Services Withholding Tax	33	—
Value Added Tax	2	2
Pensions	74	82
Income Levy	49	46
Exchequer Extra Receipts	—	22
	<u>920</u>	<u>937</u>

2.7 Other credit balances

	2010	2009
	€000	€000
Payroll deductions held in suspense	231	227
Other credit suspense items	—	15
	<u>231</u>	<u>242</u>

2.8 Commitments
 at 31 December

	2010	2009
	€000	€000
Total of legally enforceable commitments ¹	5,079	10,157

¹ As at 31 December 2010, commitments likely to materialise in future years amounted to €5,078,641. These commitments relate to contracts signed for the provision of the processing system for the 2011 Census of Population and for hosting the International Statistical Institute Conference that will be held in Dublin in August 2011. Commitments for IT and for the provision of maps for use in CSO surveys are also included in the figure.

3 Variations in Expenditure

turn varied from

Subhead	Less/(more) than provided €000	Explanation
---------	---	-------------

A.6. 669

es costs in 2010.
y of the economic

A.8. 1,840

s associated with
ment of temporary

4 Receipts

4.1 Appropriations-in-aid

1. European Union receipts
2. Miscellaneous

	2010 Estimated €	2010 Realised €	2009 Realised €
1. European Union receipts	340,000	754,852	136,741
2. Miscellaneous	200,000	73,883	188,710
	1,709,000	1,946,850	1,585,552
Total	2,249,000	2,775,585	1,911,003

Explanation of significant variations

from the amount

Heading	Less/(more) than estimated €000	Explanation
1.	(415)	Receipts from European Union contracts were higher than expected in 2010 because of the early receipt of pre-finance funding for the 2010 Census of Agriculture
2.	126	Receipts from publications and analysis were lower than expected in 2010 due to increased availability of data on the CSO website.
3.	(238)	Receipts from the pension related deduction increased in 2010 reflecting the full year take in 2010.

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	767	793
	2010	2009
	€000	€000
Pay	33,220	35,893
Higher, special or additional duties allowances	154	168
Other allowances	100	95
Overtime	331	175
Employer's PRSI	2,061	2,214
Total pay	35,866	38,545

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment of €10,000 or more 2010 €	Maximum individual payment of €10,000 or more 2009 €
Higher, special or additional duties	117	1	17,235	18,869
Overtime and extra attendance	214	6	15,312	15,918
Shift and roster allowances	6	—	—	—

Note: Certain individuals received extra remuneration in more than one category.

5.2 Performance and Merit Payments

In accordance with the Administrative Budget Agreement, 770 awards were made totalling €58,786 under the Exceptional Performance Scheme. The highest award was €2,000 paid to two groups comprising two members of staff. A further four individuals received individual awards of €1,000.

Vote 5: Office of the Comptroller and Auditor General

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 2010 for the salaries and expenses of the Office of the Comptroller and Auditor General.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Office of the Comptroller and Auditor General.

The internal audit function is provided by a private firm which uses appropriately trained personnel.

GERARD SMYTH
Accounting Officer
Office of the Comptroller and Auditor General
31 March 2011

Certificate of the Comptroller and Auditor General

The Appropriation Account of the Vote for the Office of the Comptroller and Auditor General for 2010 has been audited on my behalf by Tommy Doherty of Mazars, Chartered Accountants and Registered Auditors. On the basis of his audit and report, it is my opinion that the account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

12 July 2011

Opinion To The Comptroller And Auditor General In Accordance With Section 13 Of The Comptroller And Auditor General (Amendment) Act, 1993

As the auditor appointed under Section 13 of the Comptroller and Auditor General (Amendment) Act 1993, I have audited the Appropriation Account of the Office of the Comptroller and Auditor General for the year ended 31 December 2010.

This report is made solely to the Comptroller and Auditor General, in accordance with Section 13 of the Comptroller and Auditor General (Amendment) Act 1993. My audit work has been undertaken so that I can state to the Comptroller and Auditor General those matters I am required to state to him in my opinion and for no other purposes. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Comptroller and Auditor General, for the audit work, for this report, or for the opinions I have formed.

Respective responsibilities of the Accounting Officer and the Auditor

Under Section 22 of the Exchequer and Audit Departments Act 1866, the Accounting Officer is responsible for the preparation of the Appropriation Account. He is also responsible, inter alia, for the safeguarding of public funds and for the regularity and propriety of all transactions in the Appropriation Account.

It is my responsibility to audit the Appropriation Account in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the Appropriation Account gives a true and fair view. I also report to you whether in my opinion proper books of account have been kept by the Office. In addition, I state whether I have obtained all the information and explanations necessary for the purpose of my audit and whether the Office's Appropriation Account is in agreement with the books of account.

Basis of Opinion

I conducted my audit of the Appropriation Account in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Appropriation Account, of whether the transactions recorded in the account conform with the authority under which they purport to have been carried out, and of whether the accounting policies are appropriate to the Office's circumstances, consistently applied and adequately disclosed. I conducted my audit of the Appropriation Account of the Vote of the Comptroller and Auditor General in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and Section 3 of the Comptroller and Auditor General (Amendment) Act 1993. An audit includes an assessment of the significant estimates and judgments made by the Accounting Officer in the preparation of the Appropriation Account and of whether the accounting policies are appropriate to the Office's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations that I considered necessary to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion the Appropriation Account of the Vote for the Office of the Comptroller and Auditor General properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010 and there are no matters on which I need to report, pursuant to Section 3(10) of the Comptroller and Auditor General (Amendment) Act 1993.

I have obtained all the information and explanations which I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Office of the Comptroller and Auditor General. The Appropriation Account is in agreement with the books of account.

T DOHERTY

For and on behalf of Mazars
Chartered Accountants and Registered Auditors
Harcourt Centre
Block 3
Harcourt Centre
Dublin 2

8 June 2011

Vote 5 Office of the Comptroller and Auditor General

Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	10,181	9,390	10,473
A.2. Travel and subsistence	612	454	550
A.3. Incidental expenses	328	212	240
A.4. Postal and telecommunications services	210	166	189
A.5. Office machinery and other office supplies and related services	393	361	388
A.6. Office premises expenses	180	179	165
A.7. Consultancy services	1,050	67	128
A.8. Legal fees	50	14	17
Gross Expenditure	13,004	10,843	12,150
Deduct :			
A.9. Appropriations-in-aid	6,188	5,780	5,508
Net Expenditure	6,816	5,063	6,642
Surplus to be surrendered		€1,752,511	€1,628,650

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Notes	€000	2010 €000	2009 €000
Expenditure on administration			10,843	12,150
Expenditure on services and programmes			—	—
Gross expenditure			10,843	12,150
Deduct				
Appropriations in aid			5,780	5,508
Net expenditure			5,063	6,642
Changes in capital assets				
Purchases cash		(145)		
Depreciation		203	58	164
Changes in assets under development				
Cash payments			—	—
Changes in net current assets				
Decrease in closing accruals		314		
Decrease in stock		—		
			314	(939)
Direct expenditure			5,435	5,867
Movement in Work-in-Progress			(364)	336
Net allied services expenditure	1.1		2,817	2,592
Notional rents			304	379
Total operating cost			8,192	9,174

1.1 Net Allied Services

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

		2010 €000	2009 €000
7	Superannuation and Retired Allowances	1,737	1,257
10	Office of Public Works	612	826
	Central Fund - Comptroller and Auditor General's salary and pensions in respect of former holders of the Office	468	509
		2,817	2,592

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	485	543
Work-in-Progress	2.2	1,088	724
		1,573	1,267
Current Assets			
Bank and cash	2.3	(587)	(27)
Stocks	2.4	39	39
Prepaid Expenses		100	110
Audit Fee Debtors		512	222
Accrued audit fee income	2.5	569	1,146
Other debit balances	2.6	136	144
Total Current Assets		769	1,634
Less Current Liabilities			
Accrued expenses		47	30
Other credit balances	2.7	324	219
Net Liability to the Exchequer	2.8	(775)	(102)
Total Current Liabilities		(404)	147
Net Current Assets		1,173	1,487
Net Assets		2,746	2,754

2.1 Statement of Capital Assets

	Office Equipment €000	Furniture and Fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2010 ¹	1,908	832	2,740
Additions	119	26	145
Disposals	(237)	(10)	(247)
Cost or valuation at 31 December 2010	1,790	848	2,638
Accumulated Depreciation			
Opening balance at 1 January 2010 ¹	1,647	550	2,197
Depreciation for the year	146	57	203
Depreciation on disposals	(237)	(10)	(247)
Cumulative depreciation at 31 December 2010	1,556	597	2,153
Net Assets at 31 December 2010	234	251	485
Net Assets at 31 December 2009	261	282	543

¹The opening balances for cost or valuation and accumulated depreciation for Office Equipment have been reduced by €199,000 to correct a previous error, which resulted in assets that were scrapped being written out of the books at their Irish pound value instead of at their Euro values

2.2 Work in Progress

The value of work in progress is determined by the status of the audit and the agreed audit fee as follows:

Status of Audit	Percentage of Audit Fee included in	2010	2009
	Work-in-Progress	€000	€000
Cleared for Certification	90%	324	49
Audit Review Stage	75%	181	150
Fieldwork Complete	60%	342	309
Final Audit in Progress	30%	15	29
Interim Audit Completed	15%	79	176
Interim Audit in Progress	10%	147	11
		1,088	724

2.3 Bank and Cash

at 31 December

	2010	2009
	€000	€000
PMG balances and cash	(587)	(7)
Orders outstanding	—	(20)
	(587)	(27)

2.4 Stocks

at 31 December

	2010	2009
	€000	€000
Stationery	20	32
IT Consumables etc.	19	7
	<u>39</u>	<u>39</u>

2.5 Accrued Audit Fee Income

Accrued audit fee Income represents audit work completed but not yet invoiced at the year end.

2.6 Other Debit Balances

at 31 December

	2010	2009
	€000	€000
Recoupment of travel expenditure	5	5
Recoupment of travel pass scheme	51	36
Recoupable expenditure from co-tenants	80	93
	<u>136</u>	<u>134</u>

2.7 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the State		
Income Tax	100	100
Pay Related Social Insurance	83	78
Income Levy	13	13
Professional Services Withholding Tax	46	12
Value Added Tax	11	15
Pension Contributions	27	—
	<u>280</u>	<u>218</u>
Advances to OPW	4	(10)
Payroll deductions held in suspense	39	—
Other credit suspense items	1	1
	<u>324</u>	<u>209</u>

2.8 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	1,752	1,629
Exchequer grant undrawn	(2,527)	(1,731)
Net liability to the Exchequer	<u>(775)</u>	<u>(102)</u>

Represented by:**Debtors**

Bank and cash	(587)	(27)
Debit balances: suspense	136	144
	<u>(451)</u>	<u>117</u>

Creditors

Due to the State	(280)	(218)
Credit balances: suspense	(44)	(1)
	<u>(324)</u>	<u>(219)</u>

	<u>(775)</u>	<u>(102)</u>
--	--------------	--------------

2.9 Commitments

at 31 December

	2010	2009
	€000	€000
Total of legally enforceable commitments*	<u>241</u>	<u>19</u>

*Contracted commitments at 31 December 2010 amount to €240,768, of which €217,651 was in respect of contracts the Office had entered into with firms of accountants to provide audit services. Similar contracts were not in place at the end of 2009.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, by more than €100,000, and by more than 25%.

Sub-head	Less/(more) than provided €000	Explanation
A.1	791	The saving was due mainly to the delay in filling staff vacancies under the moratorium on staff recruitment in the public sector
A.2	158	The amount of official travel undertaken was less than anticipated
A.7	983	The saving was due to the non-use of the provision of €850,000 for N.A.M.A. related consultancy. Consultancy on the scale originally envisaged was not required although some expenditure under this heading is envisaged in 2011. The saving is also reflected in a consequential reduction in fee income in Appropriations in Aid

4 Receipts

4.1 Appropriations-in-aid	2010 Estimated €000	2010 Realised €000	2009 Realised €000
1. Receipt of fees	5,610	5,196	4,993
2. Receipts from Pension-related Deduction on Public Service Remuneration	578	584	515
Total	6,188	5,780	5,508

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%.

Heading	Less/(more) than estimated €000	Explanation
1	(414)	It was originally anticipated that certain consultancy costs would be recovered by way of audit fee charged to N.A.M.A. As explained in Note 3, no such costs were incurred with a consequent reduction in fees. Other receipts were slightly higher than anticipated, which partially compensated.

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	150	145
	2010	2009
	€000	€000
Pay	8,288	9,264
Higher, special or additional duties allowances	26	22
Other allowances	1	2
Overtime	—	3
Contract Work etc.	530	573
Employer's PRSI	545	609
Total pay	9,390	10,473

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	6	1	10,395	10,486
Overtime and extra attendance	—	—	—	3,233

5.2 Other Remuneration Arrangements

As part of their pay structure, Trainee Auditors received additional remuneration totalling €27,084 (€8,901 in 2009), following their qualification as accountants and their assumption of the responsibilities attaching to the Auditor grade, this is included in the pay figure above.

6 Miscellaneous Items

6.1 Audit Committee costs amounted to €6,510 (€4,690 in 2009).

Vote 6: Office of the Minister for Finance

Introduction

As Accounting Officer for Vote 6, 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 2010 for the salaries and expenses of the Office of the Minister for Finance, including the Paymaster General's Office, for certain services administered by the Office of the Minister and for payment of certain grants and grants-in-aid.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Department of Finance.

Kevin Cardiff
Accounting Officer
Department of Finance
31 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 6: Office of the Minister for Finance for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Finance. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

19 July 2011

Vote 6 Office of the Minister for Finance Appropriation Account 2010

Service		2010 Estimate provision	2010 Outturn	2009 Outturn
		€000	€000	€000
Administration				
A.1.	Salaries, wages and allowances	36,211	34,441	39,693
A.2.	Travel and subsistence	450	341	363
A.3.	Incidental expenses	1,100	903	1,007
A.4.	Postal and telecommunications services	1,017	756	966
A.5.	Office machinery and other office supplies and related services	1,800	1,885	1,661
A.6.	Office premises expenses	850	649	811
A.7.	Consultancy services	5	—	—
A.8.	Value for money and policy reviews	750	567	817
Other Services				
B.	Economic and Social Research Institute - administration and general expenses (grant-in-aid)	3,075	3,075	3,300
C.	Institute of Public Administration (grant-in-aid)	3,400	3,400	3,700
D.	Gaeleagras na Seirbhíse Poiblí	300	233	413
E.	Civil service arbitration and appeals procedures	70	32	67
F.1	Review Body on Higher Remuneration in the Public Service	60	48	269
F.2	Public Service Benchmarking Body	1	—	33
F.3	Committee for performance awards	1	—	46
G	Centre for Management and Organisation Development	2,035	1,123	1,656
H.1	Structural funds technical assistance and other costs	1,195	892	968
H.2	Technical assistance costs of Regional Assemblies (grant-in-aid)	930	670	1,022
I.1	Committees and commissions	405	316	975
I.2	Commissions and special inquiries	2,000	933	—
J.	Payments to the promoters of certain charitable lotteries (National Lottery funded)	8,618	8,618	8,618
K.	Change management fund	1,500	323	401

		2010 Estimate provision	2010 Outturn	2009 Outturn
		€000	€000	€000
L.1.	Peace Programme/Northern Ireland INTERREG	4,395	3,581	1,452
L.2.	Special EU programmes body	1,195	1,122	1,200
M.	Ireland/Wales and Transnational INTERREG	500	436	508
N.	Civil service childcare initiative	25	45	13
O.	Procurement management reform	350	—	209
P.	Consultancy and other services	4,742	5,031	6,092
	Gross Expenditure	76,980	69,420	76,260
	Deduct			
Q.	Appropriations-in-aid	6,822	7,545	11,086
	Net Expenditure	70,158	61,875	65,174
	Surplus to be surrendered		€3,283,204	€3,180,980

Notes to the Appropriation Account

1 Operating Cost Statement 2010

		2010	2009
	Note	€000	€000
Expenditure on administration		39,542	45,318
Expenditure on services and programmes		29,878	30,942
Gross expenditure		69,420	76,260
Deduct			
Appropriations in aid		7,545	11,086
Net expenditure		61,875	65,174
Changes in capital assets			
Purchases cash		(403)	
Depreciation		1,192	
Loss on disposals		1	3,108
Changes in assets under development			
Cash payments		(170)	(268)
Changes in net current assets			
Movement in closing accruals		(6)	
Increase in stock		(2)	71
Direct expenditure		62,487	68,085
Net allied services expenditure	1.1	14,480	20,107
Notional rents		4,378	5,390
		81,345	93,582

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 6 borne elsewhere

		2010	2009
		€000	€000
7	Superannuation and Retired Allowances	11,785	15,859
10	Office of Public Works	2,296	3,823
20	Garda Síochána	199	171
	Central Fund - Ministerial etc. pensions	200	254
		14,480	20,107

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	5,336	5,898
Capital Assets under Development	2.2	186	244
		5,522	6,142
Current Assets			
Bank and cash	2.3	1,226	1,597
Stocks	2.4	55	53
Prepayments		757	749
Accrued income		—	18
Other debit balances	2.5	213	319
Total Current Assets		2,251	2,736
Less Current Liabilities			
Accrued expenses		323	339
Other credit balances	2.6	1,416	1,944
Net Liability to the Exchequer	2.7	23	(28)
Total Current Liabilities		1,762	2,255
Net Current Assets		489	481
Net Assets		6,011	6,623

2.1 Capital Assets

	IT Equipment €000	Furniture and Fittings €000	Office Equipment €000	Total €000
Gross assets				
Cost or valuation at 1 January 2010	23,770	5,247	2,224	31,241
Additions	575	—	56	631
Disposals	(2)	—	—	(2)
Cost or valuation at 31 December 2010	24,343	5,247	2,280	31,870
Accumulated Depreciation				
Opening balance at 1 January 2010	19,535	3,725	2,083	25,343
Depreciation for the year	855	248	89	1,192
Depreciation on disposals	(1)	—	—	(1)
Cumulative depreciation at 31 December 2010	20,389	3,973	2,172	26,534
Net Assets at 31 December 2010	3,954	1,274	108	5,336
Net Assets at 31 December 2009	4,235	1,522	141	5,898

2.2 Capital Assets under Development

	In-House Computer Applications €000
Amounts brought forward at 1 January 2010	244
Cash payments for the year	170
Transferred to asset register	(228)
Amounts carried forward at 31 December 2010	186

2.3 Bank and Cash

at 31 December	2010 €000	2009 €000
PMG balances and cash	1,230	1,604
Orders outstanding	(4)	(7)
	1,226	1,597

2.4 Stocks

at 31 December	2010 €000	2009 €000
Stationery	22	19
IT consumables	33	34
	55	53

2.5 Other Debit Balances

at 31 December

	2010	2009
	€000	€000
Advances to OPW	—	16
Recoupable salaries	43	94
Recoupable travel expenditure	21	26
Recoupable travel pass scheme expenditure	135	118
Other debit suspense items	14	65
	<u>213</u>	<u>319</u>

2.6 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the State		
Income Tax	572	585
Pay Related Social Insurance	298	282
Professional Services Withholding Tax	174	605
Value Added Tax	30	118
Pension Contributions	61	3
Income Levy	60	50
	<u>1,195</u>	<u>1,643</u>
Payroll deductions held in suspense	178	284
Other credit suspense items	43	17
	<u>1,416</u>	<u>1,944</u>

2.7 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	8,283	3,181
Exchequer grant undrawn	(8,260)	(3,209)
Net liability to the Exchequer	<u>23</u>	<u>(28)</u>

Represented by:**Debtors**

Bank and cash	1,226	1,597
Debit balances: suspense	213	319
	<u>1,439</u>	<u>1,916</u>

Creditors

Due to State	(1,195)	(1,643)
Credit balances: suspense	(221)	(301)
	<u>(1,416)</u>	<u>(1,944)</u>
	<u>23</u>	<u>(28)</u>

2.8 Commitments

at 31 December

	2010	2009
	€000	€000
Total of legally enforceable commitments	480	498

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/ (more) than provided €000	Explanation
A.4.	261	Savings arose due to the reconfiguration of, and reduction in, the number of telephone lines as well as the reduction in costs following a procurement exercise.
G.	912	Savings arose due to planned projects not proceeding and certain cost cutting exercises undertaken by the Department .
H.1.	303	Savings arose mainly as a result of the closure of the NDP Information Office in August 2010.
H.2.	260	Costs were less than anticipated due to a delay in submission of claims by Regional Assemblies.
I.2.	1,067	Costs associated with the Commission of Investigation into the Banking Sector were less than anticipated due mainly to the investigation commencing later than anticipated and the renegotiation of legal fees. In any event, the nature of the investigation meant that any estimate of costs was necessarily conjectural.
K.	1,177	The drawdown of funds by Departments was less than anticipated.
L.1.	814	Savings arose as a result of delayed spending on projects.
O.	350	The saving arose as planned work was delayed.
P.	(289)	The excess was due to additional legal advice in relation to Credit Institutions (Stabilisation) Act, 2010.

4 Receipts

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
4.1 Appropriations-in-aid			
1. Receipts from computer services rendered by the Centre for Management and Organisation Development.	—	3	72
2. Receipts from Departments in respect of foreign language classes	65	39	12
3. EU Programmes	1,860	1,258	5,471
4. Recoupment of certain expenses under the Bank Guarantee Scheme	1,300	2,335	2,496
5. Receipts from pension-related deductions on public service remuneration	3,412	3,237	2,820
6. Miscellaneous	185	673	215
Total	6,822	7,545	11,086

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%.

Heading	Less/(more) than estimated €000	Explanation
3	602	The variance is linked to the cyclical nature of the funding of programmes.
4	(1,035)	The costs recoupable under the scheme are difficult to predict accurately.
6	(488)	The Financial Measures (Miscellaneous Provisions) Act, 2009 provided for the transfer of responsibility for the IPA and ESRI pension schemes to the Minister for Finance. As a consequence, pension payments made under those schemes are now paid from the contributions collected and any remaining balance is remitted to the Department and accounted for as appropriations-in-aid. No provision was made in the 2010 Estimate as the accounting arrangements had not been finalised at that stage.

4.2 Extra Receipts payable to the Exchequer

Other receipts totalling €9,887 were transferred to the Exchequer during the year in respect of monies received in December 2002 and March 2010 which were not proper to the Vote

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents) ¹	600	627
	2010	2009
	€000	€000
Pay ²	34,526	40,094
Higher, special or additional duties allowances	252	306
Other allowances	369	288
Overtime	344	414
Employer's PRSI	1,482	1,663
Total pay	36,973	42,765

¹ The above numbers include staff in the Special EU Programme Body whose salary is co-financed by the Department of Finance and the Department of Finance and Personnel, Northern Ireland. The salary costs in question are included under subhead L.2 of the Vote. The figure for 2009 has been amended to include this.

² The total pay figure is inclusive of pay in subheads A.1, A.8, D, E, F.1, H.1, I.1, I.2, K, L.2 and P.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2010	2009
			€	€
Higher, special or additional duties	51	13	19,551	19,149
Other allowances	95	7	26,637	32,752
Overtime	168	1	30,647	29,626

Note: Certain individuals received extra remuneration in more than one category

5.2 Other Remuneration Arrangements

Five retired civil servants in receipt of civil service pensions were re-engaged on a fee basis at a total cost of €78,403.

This account includes expenditure of €587,756 in respect of fourteen officers who were serving outside the Department for all or part of 2010 and whose salaries were paid by the Department.

€224,459 was paid to 98 staff under the terms of the AHCPs 1% PCW restructuring agreement.

6 Miscellaneous Items

6.1 National Lottery Funding

	2010 Estimate €000	2010 Outturn €000	2009 Outturn €000
Subhead			
J. Payments to promoters of certain charitable lotteries	8,618	8,618	8,618
Details are available on the Department of Finance website " www.finance.gov.ie "			

6.2 EU Funding

The outturn shown in Subheads H.1. and H.2 includes payments in respect of activities which are co-financed by the EU (e.g. ERDF, Interreg etc.). Estimates of expenditure and actual outturns were as follows:

Subhead Description	2010 Estimate €000	2010 Outturn €000	2009 Outturn €000
H.1. Structural funds technical assistance and other costs	913	766	768
H.2. Technical assistance costs of Regional Assemblies (grant-in-aid)	930	670	1,022
L.1. Peace Programme/Northern Ireland INTERREG	4,395	3,581	—
	6,238	5,017	1,790

6.3 Commissions and Inquiries

	Year of appointment	2010 €000	2009 €000
Civil Service Arbitration Board	1950/51	32	50
Credit Union Advisory Committee	1967	1	30
Review Body on Higher Remuneration in the Public Service	1969/70	48	269
Disabled Drivers Appeals Board	1989	312	371
Civil Service Appeals Board	1993	—	17
Public Service Benchmarking Body	2000	—	33
Commission on Taxation	2008	—	520
Independent Review Panel on the Department of Finance	2010	211	—
Commission of Investigation into the banking sector in Ireland	2010	722	—
		1,326	1,290

6.4 Write Offs

Sanction was obtained in 2010 to write off a balance of €20,828 owed by former staff members in respect of advances made under the travel pass scheme.

Vote 7: Superannuation and Retired Allowances

Introduction

As Accounting Officer for Vote 7, 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 2010 for pensions, superannuation, occupational injuries, and additional and other allowances and gratuities under the Superannuation Acts 1834 to 2004 and sundry other statutes; extra-statutory pensions, allowances and gratuities awarded by the Minister for Finance, fees to medical referees and occasional fees to doctors; compensation and other payments in respect of personal injuries; fees to Pensions Board; payments in respect of Pensions Benefit System, miscellaneous payments, etc.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Department of Finance.

CIARAN CONNOLLY

Accounting Officer
Superannuation and Retired Allowances
24 February 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 7: Superannuation and Retired Allowances for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Finance in respect of the Vote for Superannuation and Retired Allowances. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY
Comptroller and Auditor General
17 June 2011

Vote 7 Superannuation and Retired Allowances

Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A. Superannuation allowances, compensation allowances, pensions and certain children's allowances	297,900	281,135	238,915
B. Payments under the contributory pensions schemes for spouses and children of civil servants, members of the judiciary and court officers	44,000	42,438	42,231
C. Ex-gratia pensions for widows and children of civil servants, members of the judiciary and court officers	1,600	1,253	1,397
D. Additional allowances and gratuities in respect of established officers and payments in respect of transferred service	108,850	91,304	103,895
E. Pensions, allowances and gratuities in respect of unestablished officers and their spouses and children and other pensions and payments in respect of transferred service	24,000	20,946	22,121
F. Injury grants and medical fees	378	420	300
G. Fees to Pensions Board and pensions benefit system	120	68	73
H. Payments in respect of liability under Chapter 2C of the Taxes Consolidation Act 1997	5	—	—
I. Pension liabilities of former public service bodies payable under statute	150	71	—
Gross Expenditure	477,003	437,635	408,932
Deduct:			
J. Appropriations-in-aid	80,250	83,155	89,926
Net Expenditure	396,753	354,480	319,006
Surplus to be surrendered		€42,272,907	€14,728,556

Notes to the Appropriation Account

1 Operating Cost Statement 2010

This Note is not applicable as the administration costs of this Vote are borne on Vote 6 - Office for the Minister for Finance.

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Current Assets			
Bank and cash	2.1	12,231	2,328
Other debit balances	2.2	34	52
Total Current Assets		12,265	2,380
Less Current Liabilities			
Credit balances	2.3	4,746	4,386
Net Liability to/(from) the Exchequer	2.4	7,519	(2,006)
Total Current Liabilities		12,265	2,380
Net Current Assets		—	—
Net Assets		—	—

2.1 Bank and Cash	2010	2009
at 31 December	€000	€000
PMG balances and cash	13,707	4,022
Orders outstanding	(1,476)	(1,694)
	12,231	2,328
2.2 Other Debit Balances	2010	2009
at 31 December	€000	€000
Recoupable pensions owed by other departments	34	51
Other	—	1
	34	52

2.3 Credit Balances

at 31 December

2010**€000****2009****€000****Amounts due to the State**

Income Tax

2,430

2,310

Pay Related Social Insurance

396

334

Income Levy

326

283

3,152

2,927

Voluntary pension deductions held in suspense

1,594

1,459

4,746

4,386**2.4 Net Liability to/(from) the Exchequer**

at 31 December

2010**€000****2009****€000**

Surplus to be surrendered

42,272

14,729

Exchequer grant undrawn

(34,753)

(16,735)

Net liability to/(from) the Exchequer

7,519

(2,006)**Represented by:****Debtors**

Bank and cash

12,231

2,328

Debit balances: suspense

34

52

12,265

2,380**Creditors**

Due to the State

(3,152)

(2,927)

Credit balances: suspense

(1,594)

(1,459)

(4,746)

(4,386)

7,519

(2,006)

3 Variations in Expenditure

An explanation is provided below in the case of an expenditure subhead where the outturn varied from the amount provided by more than €100,000, and by more than 5%.

Sub-head	Less/(more) than provided €000	Explanation
A	16,765	The variation was due to an overestimation of the number of officers who would retire in the course of the year.
C	347	The variation was due to an overestimation of the numbers applying for ex-gratia payments in the course of the year.
D	17,546	The variation was due to an overestimation of the number of officers who would retire in the course of the year.
E	3,054	The variation was due to an overestimation of the number of unestablished officers who would retire in the course of the year.

4 Receipts

Appropriations-in-aid		2010 Estimated €	2010 Realised €	2009 Realised €
1	Receipt from the Social Insurance Fund under Section 5(3) of the Social Welfare Consolidation Act 2005, in respect of the cost of providing superannuation benefits for staff engaged in administering Social Insurance Fund Schemes	28,000,000	28,000,000	28,000,000
2	Receipts in respect of pension liability of staff on loan, etc.	1,103,000	2,496,251	1,672,357
3	Contributions to Spouses' and Children's Pension Scheme for Civil Servants and others	23,500,000	20,817,854	24,464,439
4	Receipts in respect of the Contributory Scheme introduced for established Civil Servants who were appointed on and after 6 April 1995 (Circular 6/95)	23,237,000	23,351,802	26,057,370
5	Repayment of Gratuities, etc.	1,103,000	1,135,365	1,154,232
6	Purchase of notional service	3,197,000	6,972,010	7,966,859
7	Miscellaneous	110,000	381,814	611,171
		80,250,000	83,155,096	89,926,428

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%.

Heading	Less/(more) than estimated €000	Explanation
2	(1,393)	The number of staff on loan can vary from year to year making estimation difficult.
3	2,682	The variation was due to an overestimation of the number of contributors and the level of contributions.
6	(3,775)	It is difficult to accurately predict the number of officers who will avail of the purchase scheme each year.
7	(272)	It is difficult to accurately predict the level of miscellaneous receipts.

5 Employee Numbers and Pay**5.1 Staff**

All staff employed in the administration and payment of superannuation charged to this Vote are paid from Vote 6 - Office of the Minister for Finance.

5.2 Pensioners

A breakdown of the total numbers of pensioners in payment by subhead at year end is set out below

		Number of Pensioners at year end	
		2010	2009
A	Superannuation Allowances, compensation allowances, pensions and certain children's allowances	10,288	9,423
B	Payments under the contributory pensions schemes for spouses and children of civil servants, members of the judiciary and court officers	2,739	2,716
C	Ex-gratia pensions for widows and children of civil servants, members of the judiciary and court officers	85	88
E	Pensions, allowances and gratuities in respect of unestablished officers and their spouses and children and other pensions and payments in respect of transferred service	5,002	4,778
I	Pension liabilities of former public service bodies payable under statute	8	—
Total		18,122	17,005

6 Miscellaneous Items

6.1 Abatement of Pensions

The Pensions (Abatement) Act, 1965 provides that the pensions of civil servants who are retained or re-employed after normal retirement age are abated as necessary to ensure that their total pay in the period of retention or re-employment does not exceed the remuneration which they would have received if they had remained in the posts they had held on the last day of their reckonable service. The Act also provides that such abatements may be waived at the discretion of the Minister for Finance.

For administrative convenience, the normal practice in the case of short term arrangements, is that, rather than abate the pension, the level of fee is set at a level to ensure that the combination of the fee and pension payment does not exceed the salary the officer would have received if he/she were still in employment. All fees paid to retired civil servants were consistent with this principle.

6.2 Write-offs

A total of €146,785 in respect of irrecoverable overpayments of pensions was written off.

Vote 8: Office of the Appeal Commissioners

Introduction

As Accounting Officer for Vote 8, 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 2010 for the salaries and expenses of the Office of the Appeal Commissioners.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Office of the Appeal Commissioners.

JOHN O'CALLAGHAN

Accounting Officer
Office of the Appeal Commissioners
25 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 8: Office of the Appeal Commissioners for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Office of the Appeal Commissioners. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY
Comptroller and Auditor General
2 September 2011

Vote 8 Office of the Appeal Commissioners Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	462	404	429
A.2. Travel and subsistence	34	15	11
A.3. Incidental expenses	25	18	14
A.4. Postal and telecommunications services	15	6	7
A.5. Office machinery and other office supplies, and related services	10	3	3
A.6. Office premises expenses	4	3	2
Gross Expenditure	550	449	466
Deduct:			
A.7. Appropriations-in-aid	32	32	28
Net Expenditure	518	417	438
Surplus to be surrendered		€101,309	€165,207

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			449	466
Gross expenditure			<u>449</u>	<u>466</u>
Deduct				
Appropriations-in-aid			(32)	(28)
Net expenditure			<u>417</u>	<u>438</u>
Changes in capital assets				
Purchases cash		(3)		
Depreciation		<u>4</u>	1	9
Changes in net current assets				
Increase/(decrease) in closing accruals			1	(3)
Direct expenditure			<u>419</u>	<u>444</u>
Net allied services expenditure	1.1		205	205
Total operating cost			<u><u>624</u></u>	<u><u>649</u></u>

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 8 borne elsewhere

		2010 €000	2009 €000
Vote			
10	Office of Public Works	205	205
		<u><u>205</u></u>	<u><u>205</u></u>

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	34	35
		34	35
Current Assets			
Bank and cash	2.2	101	114
Prepayments		4	3
Total Current Assets		105	117
Less Current Liabilities			
Accrued expenses		2	—
Vote 9 (Revenue Commissioners)		98	113
Net liability to the Exchequer	2.3	3	1
Total Current Liabilities		103	114
Net Current Assets		2	3
Net Assets		36	38

2.1 Statement of Capital Assets

	Furniture and Fittings €000	Office Equipment €000	Total €000
Gross assets			
Cost or valuation at 1 January 2010	60	39	99
Additions	3	—	3
Cost or valuation at 31 December 2010	63	39	102
Accumulated Depreciation			
Opening balance at 1 January 2010	30	34	64
Depreciation for the year	2	2	4
Cumulative depreciation at 31 December 2010	32	36	68
Net Assets at 31 December 2010	31	3	34
Net Assets at 31 December 2009	30	5	35

2.2 Bank and Cash

	2010 €000	2009 €000
at 31 December		
PMG balances and cash	101	114
	101	114

2.3 Net Liability to the Exchequer

	2010 €000	2009 €000
at 31 December		
Surplus to be surrendered	101	165
Exchequer grant undrawn	(98)	(164)
Net liability to the Exchequer	3	1

Represented by:**Debtors**

Bank and cash	101	114
	101	114

Creditors

Vote 9 (Revenue Commissioners)	(98)	(113)
	(98)	(113)
	3	1

3 Variations in Expenditure

Expenditure outturn on all subheads was not significantly different from the amounts provided.

4 Receipts

4.1 Appropriations-in-aid

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
1. Receipts from pension-related deduction on remuneration	32	31	28
2. Miscellaneous	—	1	—
Total	32	32	28

5 Employee Numbers and Pay

Number of staff at year end (full time equivalents)	2010 5	2009 3
	2010 €000	2009 €000
Pay	391	418
Allowances and overtime	—	—
Employer's PRSI	13	11
Total pay	404	429

Vote 9: Office of the Revenue Commissioners

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 2010 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 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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 in the case of the Customs Cutter which is depreciated on a straight line basis at an annual rate of 5% over its estimated useful life.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Office of the Revenue Commissioners.

JOSEPHINE FEEHILY

Accounting Officer

Office of the Revenue Commissioners

31 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 9: Office of the Revenue Commissioners for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Office of the Revenue Commissioners. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapters 11 to 18 of my annual report refer to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY
Comptroller and Auditor General
2 September 2011

Vote 9 Office of the Revenue Commissioners Appropriation Account 2010

	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	298,763	291,820	329,744
A.2. Travel and subsistence	3,600	3,287	3,615
A.3. Incidental expenses	12,621	11,220	13,095
A.4. Postal and telecommunications services	14,000	12,184	13,849
A.5. Office machinery and other office supplies, and related services	50,329	58,586	69,452
A.6. Office premises expenses	8,342	8,480	10,499
A.7. Consultancy services	30	69	29
A.8. Value for money and policy reviews	65	73	48
A.9. Motor vehicles and specialised enforcement equipment	2,370	2,479	3,392
A.10. Law charges, fees and rewards	13,225	13,459	15,978
A.11. Compensation and losses	350	112	469
Gross Expenditure	403,695	401,769	460,170
Deduct			
A.12 Appropriations-in-aid	64,644	72,477	66,987
Net Expenditure	339,051	329,292	393,183
Surplus to be surrendered		€9,759,339	€10,072,089

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Gross expenditure on administration			401,769	460,170
Deduct				
Appropriations-in-aid			(72,477)	(66,987)
Net expenditure			<u>329,292</u>	<u>393,183</u>
Changes in capital assets				
Purchases cash		(7,094)		
Depreciation		28,867		
Disposals cash		4		
Gain on disposals		(6)		
		<u></u>	21,771	21,459
Changes in assets under development				
Cash payments			(7,944)	(20,698)
Changes in net current assets				
Decrease in closing accruals		(6,927)		
Increase in stock		(48)		
		<u></u>	(6,975)	(7,170)
Direct expenditure			<u>336,144</u>	<u>386,774</u>
Net allied services expenditure	1.1		61,494	75,081
Notional rents			15,631	18,465
Total operating cost			<u>413,269</u>	<u>480,320</u>

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 9 borne elsewhere.

		2010 €000	2009 €000
Vote			
7	Superannuation and Retired Allowances	54,052	63,384
10	Office of Public Works	21,259	26,715
	Services rendered without charge	(13,817)	(15,018)
		<u>61,494</u>	<u>75,081</u>

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	61,333	70,136
Capital Assets under Development	2.2	489	5,507
		61,822	75,643
Current Assets			
Bank and cash	2.3	9,833	5,964
Stocks	2.4	1,806	1,758
Prepayments		22,728	15,735
Accrued income		369	650
Other debit balances	2.5	1,557	5,963
Total Current Assets		36,293	30,070
Less Current Liabilities			
Accrued expenses		2,289	2,514
Deferred Income		84	75
Other credit balances	2.6	11,139	11,767
Net Liability to the Exchequer	2.7	251	160
Total Current Liabilities		13,763	14,516
Net Current Assets		22,530	15,554
Net Assets		84,352	91,197

2.1 Capital Assets

	Vehicles & Equipment €000	Office/IT Equipment €000	Furniture & Fittings €000	Total €000
Gross assets				
Cost or valuation at 1 January 2010	12,607	379,467	51,155	443,229
Additions	310	18,420	1,354	20,084
Disposals	(77)	(6,313)	(127)	(6,517)
Cost or valuation at 31 December 2010	12,840	391,574	52,382	456,796
Accumulated Depreciation				
Opening balance at 1 January 2010	8,376	320,718	43,999	373,093
Depreciation for the year	806	26,131	1,930	28,867
Depreciation on disposals	(77)	(6,299)	(121)	(6,497)
Cumulative depreciation at 31 December 2010	9,105	340,550	45,808	395,463
Net Capital Assets at 31 December 2010	3,735	51,024	6,574	61,333
Net Capital Assets at 31 December 2009	4,231	58,749	7,156	70,136

2.2 Capital Assets under Development

	In-House Computer Applications €000
Amounts brought forward at 1 January 2010	5,507
Cash payments for the year	7,944
Transferred to asset register	(12,962)
Amounts carried forward at 31 December 2010	<u>489</u>

2.3 Bank and Cash

	2010	2009
at 31 December	€000	€000
PMG balances and cash	10,849	8,296
Orders outstanding	(1,016)	(2,332)
	<u>9,833</u>	<u>5,964</u>

2.4 Stocks

	2010	2009
at 31 December	€000	€000
Stationery	1,193	1,210
IT consumables	613	548
	<u>1,806</u>	<u>1,758</u>

2.5 Other Debit Balances

	2010	2009
at 31 December	€000	€000
Shared building advances	156	200
Advances to OPW for building works etc.	532	67
Advances for travel and subsistence purposes	11	17
Miscellaneous suspense	166	113
Recoupable expenditure	594	5,453
Vote 8 (Appeal Commissioners)	98	113
	<u>1,557</u>	<u>5,963</u>

2.6 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the State		
Income Tax	3,265	3,835
Pay Related Social Insurance	2,185	2,314
Professional Services Withholding Tax	1,388	897
Value Added Tax	322	381
Relevant Contracts Tax	4	—
Pensions	599	540
	<u>7,763</u>	<u>7,967</u>
Payroll deductions held in suspense	3,157	3,716
Other credit suspense items	219	84
	<u>11,139</u>	<u>11,767</u>

2.7 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	9,759	10,072
Exchequer grant undrawn	(9,508)	(9,912)
Net liability to the Exchequer	<u>251</u>	<u>160</u>

Represented by:**Debtors**

Bank and cash	9,833	5,964
Shared buildings advances	156	200
Advances to OPW for building works etc.	532	67
Advances for travel and subsistence	11	17
Miscellaneous suspense	166	113
Recoupable expenditure	594	5,453
Vote 8 (Appeal Commissioners)	98	113
	<u>11,390</u>	<u>11,927</u>

Creditors

Payroll deductions	(3,157)	(3,716)
Due to State	(7,763)	(7,967)
Other credit suspense items	(219)	(84)
	<u>(11,139)</u>	<u>(11,767)</u>
	<u>251</u>	<u>160</u>

2.8 Commitments

Contracted Commitments at 31 December 2010 amounted to €476k (2009 - €44k)

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, by more than €100,000, and by more than 25%.

Sub-head	Less/(more) than provided €000	Explanation
A.11	238	By its nature (various legal issues), it is difficult to forecast the amount and timing of payments under this subhead.

4 Receipts

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
4.1 Appropriations-in-aid			
1. Receipts for services relating to Pay-Related Social Insurance Scheme	37,437	37,437	37,437
2. Fines, forfeitures, law costs recovered	4,000	4,767	5,393
3. Cherished numbers	50	182	142
4. Receipts in respect of Environmental Levy collection	400	400	397
5. Miscellaneous	7,680	13,234	9,155
6. Receipts from pension related deduction on remuneration	15,077	16,457	14,463
Total	64,644	72,477	66,987

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%.

Heading	Less/(more) than estimated €000	Explanation
2.	(767)	Difficult to estimate accurately due to uncertainty as regards amounts and timing of receipts.
3.	(132)	Receipts vary with demand.
5.	(5,554)	It is difficult to estimate accurately as a number of items involved.
6.	(1,380)	This is the first full year of operation of this scheme which made accurate forecasting difficult.

4.2 Extra receipts payable to the Exchequer

An amount of €234,093 in respect of bank interest on Revenue accounts held with the Central Bank was paid to the Exchequer.

An amount of €1,020,720 which was received as Ireland's share of the annual payments under an international anti-counterfeit/anti-contraband agreement with a global cigarette manufacturer, was paid to the Exchequer.

The sum of €1,798,747 was lodged to the Exchequer in respect of cash forfeited under Section 39 of the Criminal Justice Act, 1994.

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	6,063	6,105
	2010	2009
	€000	€000
Pay	273,104	308,794
Allowances	4,141	4,181
Overtime	3,094	3,999
Employer's PRSI	11,481	12,770
Total pay	291,820	329,744

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	472	15	18,608	19,568
Overtime and extra attendance	2,293	91	20,007	20,501
Shift and roster allowances	177	25	20,181	20,724
Miscellaneous	63	—	4,538	10,000

5.2 Performance Awards

A total of €305,578 was spent on Exceptional Performance Awards (i.e. 1,038 individual awards ranging from €50 to €3,500 and 20 group awards ranging from €400 to €4,500).

5.3 Other Remuneration Arrangements

The cost of Revenue staff on loan to other Departments/Agencies without recoupment was €233,147.

6 Miscellaneous Items

6.1 Compensation and Legal Costs

Compensation of €41,047 was paid in respect of legal action taken by members of the public.

A total of €66,865 was paid in respect of compensation claims by members of staff pursued via the State Claims Agency.

6.2 EU Funding

A grant in the amount of €326,095 was received from the European Anti-fraud Office (OLAF) towards the cost of the purchase of a container X-ray scanner.

6.3 Other

As agreed with the Department of Finance under the delegated administrative budget scheme, a carryover of €1,909,000 is included in the Estimate for 2011.

Vote 10: Office of Public Works

Introduction

As Accounting Officer for Vote 10, 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 2010 for the salaries and expenses of the Office of Public Works; for services administered by that Office including the Stationery Office as part of the Government Supplies Agency, and for payment of certain grants and for the recoupment of certain expenditure in connection with flood relief.

The expenditure outturn is compared with the sums

- (a) granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year, and
- (b) provided for capital supply services in 2010 out of unspent 2009 appropriations, under the deferred surrender arrangements established by section 91 of the Finance Act 2004.

The Statement of Accounting Policies and Principles and notes 1 to 6 form part of the Account.

Statement of Accounting Policies and Principles

The Appropriation Account has been compiled in accordance with the Statement of Accounting Policies and Principles with the exceptions listed here.

(a) Operating Cost Statement

This statement includes amounts for notional rents on State-owned office accommodation. It does not include unique or prestige buildings or properties in the OPW property portfolio such as Áras an Uachtaráin, Leinster House and Dublin Castle, to which standard rental values would not be applicable.

(b) Statement of Capital Assets : Valuation of Land and Buildings

(i) The valuations are subject to a number of significant qualifications and should not be regarded as a current estimate of realisable value. For the major part of the portfolio, estimates are based on building cost norms and standard land values have been used.

(ii) Enhanced values were ascribed to a number of prestige buildings, such as Dublin Castle, Áras an Uachtaráin and Leinster House.

(iii) State-owned properties occupied and owned by OPW itself have been valued on the “existing use” basis.

(vi) Properties purchased since 1 January 1995 have been valued at acquisition cost.

(v) Estimates have not been included for a small number of miscellaneous properties and sites whose total value is not significant in the context of the overall OPW property portfolio.

(vi) OPW has commenced a review of the current valuation methodologies being used.

(c) Capital Assets Under Development

Construction projects are valued on practical completion, therefore construction projects ongoing at 31 December 2010, are not shown as Capital Assets Under Development.

(d) Depreciation

Plant & Machinery Assets are depreciated on a straight line basis over their estimated useful life.

Statement on Internal Financial Control

A statement on internal financial control in the standard format for the year ended 31 December 2010 has been submitted with this account to the Comptroller and Auditor General.

C. McGRATH

Accounting Officer
Office of Public Works
31 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 10: Office of Public Works for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Office of Public Works. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapter 9 and 18 of my annual report refers to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General
29 July 2011

Vote 10 Office of Public Works Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
€000	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	38,794	37,429	42,142
A.2. Travel and subsistence	1,476	940	1,096
A.3. Incidental expenses	1,200	793	869
A.4. Postal and telecommunications services	1,563	1,840	2,189
A.5. Office machinery and other office supplies and related services	2,070	2,729	3,225
A.6. Office premises expenses	1,314	1,482	1,245
A.7. Consultancy services	22	33	20
A.8. Value for money and policy reviews	35	46	16
Other Services			
B. President's household staff: wages and allowances	814	815	877
C.1. Grant to Zoological Society of Ireland	3,000	2,500	3,000
C.2. Grants for certain refurbishment works	1,500	2,000	3,475
C.3. Grant to Louvain Institute	—	—	2,875
D. Purchase of sites and buildings	3,000	8,193	5,286
E. New works, alterations and additions			
<i>Current Year Provision</i>	63,362		
<i>Deferred Surrender</i>	20,279		
	83,641	88,977	120,591
F.1. Maintenance and supplies	36,730	35,446	39,521
F.2. Government publications services	266	270	351
F.3. Rents, rates, etc.	127,700	127,908	148,994
F.4. Fuel, electricity, water, cleaning materials, etc.	1,423	1,706	1,690
F.5. National Public Procurement Operations Unit	769	496	100
F.6. Unitary Payments	45,750	41,031	—
G. Purchase and maintenance of engineering plant and machinery and stores	2,920	2,821	2,946
H.1. Hydrometric and hydrological investigation and monitoring	1,489	1,305	1,396
H.2. Flood risk management	50,000	38,633	36,462
H.3. Drainage - maintenance	16,821	16,807	17,713
I. Heritage services	37,382	39,210	42,273

		2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000	€000
Gross Expenditure				
<i>Current Year Provision</i>	439,400			
<i>Deferred Surrender</i>	<u>20,279</u>			
		459,679	453,410	478,352
Deduct				
J. Appropriations-in-aid		<u>25,231</u>	<u>27,965</u>	<u>31,447</u>
Net Expenditure				
<i>Current Year Provision</i>	414,169			
<i>Deferred Surrender</i>	<u>20,279</u>			
		<u>434,448</u>	<u>425,445</u>	<u>446,905</u>
Surplus for the year			€9,003,250	€26,839,879
Deferred surrender			€5,000,000	€20,279,000
Surplus to be surrendered			<u>€4,003,250</u>	<u>€6,560,879</u>

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	€000	2010 €000	2009 €000
Expenditure on administration		45,292	50,802
Expenditure on services and programmes		408,118	427,550
Gross expenditure ¹		453,410	478,352
Deduct			
Appropriations-in-aid		27,965	31,447
Net expenditure		425,445	446,905
Changes in capital assets			
Purchases cash	(29,742)		
Disposals cash ²	110		
Depreciation	6,770		
Loss on Disposals	35	(22,827)	(39,392)
Changes in assets under development			
Cash payments		(47)	(370)
Changes in net current assets			
Increase in closing accruals	783		
Decrease in stock	60	843	(22,699)
		403,414	384,444
Direct Expenditure			
Expenditure on services provided free to other Departments (Allied Services)		(187,724)	(219,351)
Expenditure on services where OPW acts as client ³		(107,872)	(61,652)
Direct Expenditure (excluding Allied Services and services where OPW acts as client)		107,818	103,441
Expenditure Borne Elsewhere			
Vote 7 - Superannuation and retired allowances		22,139	21,752
Notional Rents		3,674	6,657
		25,813	28,409
Total operating cost ⁴		133,631	131,850

¹ This figure is derived from the gross outturn on Vote 10 only (€453.410m) whereas the total financial transactions of the OPW during 2010, including direct expenditure incurred by OPW and charged to other Votes, amounted to €566m.

² The disposals cash figure does not include proceeds from the sale of property in 2010, to the value of €5m, which was lodged directly to the Exchequer (Note 4.2 refers).

³ The Direct Expenditure figure has been reduced by an amount of €107.9m which is the net cost of services where OPW acts as client in either carrying out or funding certain works on behalf of the State (e.g. drainage maintenance, flood relief, maintenance of heritage properties, grants for certain refurbishment works, payments for the National Convention Centre etc.) The cost of such works and grants do not form part of the running costs of OPW.

⁴ The Operating Cost figure does not include an amount for notional income.

(i) Notional rents receivable by the OPW on State-owned properties are estimated at some €104m.

(ii) Amounts have not been included in the Statement in respect of notional income from client Departments in respect of services currently provided free of charge by the Office of Public Works.

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	3,268,717	3,200,830
Capital Assets under Development	2.2	81	1,592
		3,268,798	3,202,422
Current Assets			
Bank and cash	2.3	40,759	63,333
Stocks	2.4	2,239	2,299
Prepayments		33,001	28,022
Accrued Income		3,125	7,334
Other Debit Balances	2.5	4,160	10,418
Total Current Assets		83,284	111,406
Less Current Liabilities			
Accrued Expenses		7,816	6,609
Deferred Income		865	417
Other Credit Balances	2.6	38,916	47,069
Net Liability to the Exchequer	2.7	6,003	26,682
Total Current Liabilities		53,600	80,777
Net Current Assets		29,684	30,629
Net Assets		3,298,482	3,233,051

2.1 Statement of Capital Assets

	Land and Buildings €000	Plant and Machinery €000	Office Equipment €000	Furniture and Fittings €000	Total €000
Gross assets					
Cost or valuation at 1 January 2010	3,173,331	39,105	22,340	17,304	3,252,080
Additions	68,370	3,260	1,798	1,403	74,831
Disposals	—	(2,157)	(2,850)	(53)	(5,060)
Cost or valuation at 31 December 2010	3,241,701	40,208	21,288	18,654	3,321,851
Accumulated Depreciation					
Opening balance at 1 January 2010	—	24,683	16,535	10,032	51,250
Depreciation for the year	—	3,518	2,069	1,183	6,770
Depreciation on disposals	—	(2,048)	(2,809)	(29)	(4,886)
Cumulative depreciation at 31 December 2010	—	26,153	15,795	11,186	53,134
Net Assets at 31 December 2010	3,241,701	14,055	5,493	7,468	3,268,717
Net Assets at 31 December 2009	3,173,331	14,422	5,805	7,272	3,200,830

2.2 Capital Assets under Development

	Plant and Machinery €000	In-House Computer Applications €000	Totals €000
Amounts brought forward at 1 January 2010	927	665	1,592
Cash payments for the year	47	—	47
Transferred to asset register	(412)	(665)	(1,077)
Adjustment	(481)	—	(481)
Amounts carried forward at 31 December 2010	81	—	81

2.3 Bank and Cash

	2010 €000	2009 €000
Bank balances	67,583	98,635
Orders outstanding	(26,824)	(35,302)
	40,759	63,333

2.4 Stocks

at 31 December

	2010	2009
	€000	€000
Engineering stocks	1,118	1,090
Heritage depot stocks	728	445
Building materials	325	650
Paper and stationery	59	94
Miscellaneous stocks	9	20
	2,239	2,299

2.5 Other Debit Balances

at 31 December

	2010	2009
	€000	€000
Maintenance Accounts	3,086	8,757
Pension refunds due from the Department of Finance	831	220
Rent Accounts	—	1,236
Service Charges	181	114
ACG Accounts	—	57
Fishery Harbours	59	32
Barretstown Castle	3	2
	4,160	10,418

2.6 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the State		
Income Tax	834	1,004
Income Levy	147	159
Pay Related Social Insurance	1,097	1,177
Professional Services Withholding Tax	975	862
Value Added Tax	3,540	5,480
Pension contributions	264	129
Receipts from sales of State property	26	87
Loan repayments	908	47
	7,791	8,945
Payroll deductions held in suspense	961	1,104
Sundry Works accounts	19,490	29,316
Health & Safety works	92	850
MSC non payroll accounts	4,925	1,928
Per cent for Art scheme	3,007	3,124
Site acquisitions for Department of Education	947	167
Furniture services	1,260	1,212
Prison projects	199	423
Rent accounts	244	—
	38,916	47,069

2.7 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	4,003	6,561
Deferred Surrender	5,000	20,279
Exchequer grant undrawn	(3,000)	(158)
Net liability to the Exchequer	<u>6,003</u>	<u>26,682</u>

Represented by:**Debtors**

Bank and cash	40,759	63,333
Debit balances: suspense	4,160	10,418
	<u>44,919</u>	<u>73,751</u>

Creditors

Due to State	(7,791)	(8,945)
Credit balances: suspense	(31,125)	(38,124)
	<u>(38,916)</u>	<u>(47,069)</u>

	<u>6,003</u>	<u>26,682</u>
--	--------------	---------------

2.8 Commitments**(A) Non Capital Commitments**

The figure for non-capital commitments likely to arise in 2011 and subsequent years is estimated to be €2,606,411 excluding the National Convention Centre, (see below).

There were commitments outstanding at the end of 2010 in respect of rental of leased properties - longer term leases would normally have a specific provision or minimum notice period for early termination. Figures have not been included for such commitments in this account but they are estimated to be €114m in 2011.

(B) Multi-annual Capital Commitments

The following table details expenditure in 2010 and commitments to be met in subsequent years on foot of capital projects where legally enforceable contracts were in place at 31 December 2010.

	€
Expenditure in 2010	78,318,684
Commitments to be met in subsequent years (2011 - 2014)	115,093,601

There is also a commitment in relation to the National Conference Centre to pay €380m (in net present value terms at April 2007) over the next 24 years. The first instalment was paid in 2010.

(C) Major Capital Projects

Expenditure was incurred on eleven ongoing major projects during 2010 where the total estimated cost of the individual project will exceed €6.5m. Particulars of these projects are as follows:

	Cumulative Expenditure to 31 December 2009	Expenditure in 2010	Subsequent Years	Total Estimated Project Cost
	€000	€000	€000	€000
Project				
Newbridge decentralisation	23,318	3,162	2,809	29,289
Tipperary decentralisation	—	881	14,080	14,961
Wexford decentralisation	18,259	812	680	19,751
Roscommon decentralisation	2,092	11,667	241	14,000
Mallow North flood relief	16,106	2,251	4,344	22,701
Mallow South flood relief	1,283	388	12,329	14,000
Clonmel West flood	15,073	3,318	2,809	21,200
Clonmel North flood	989	2,169	15,641	18,799
Ennis Upper flood relief	7,878	1,545	4,277	13,700
Fermoy North flood	2,557	2,651	4,692	9,900
River Tolka flood relief scheme	17,307	1,050	1,644	20,001

(D) Capital Cost of Public Private Partnership Project

	Expenditure to 31 December 2009	Expenditure in 2010¹	Balance still outstanding on capital cost of project at delivery	Total
	€000	€000	€000	€000
National Convention Centre	—	35,028	245,201	280,229

¹ Represents expenditure in the current year on repayment of the capital cost of the asset, excluding the cost of PPP financing, as well as the upfront payment of VAT.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000, and by more than 5% (25% in the case of administration subheads)

Sub-head	Less/(more) than provided €000	Explanation
A2	536	The savings relates to additional funds received from client Departments to offset travel costs on maintenance works and additional restrictions on travel and ongoing staff vacancies.
A3	407	The saving is due to a reduction in the employment of temporary short term workers and the reduction of miscellaneous expenses.
A5	(659)	The excess is due to the upgrading of telecommunication infrastructures linking OPW offices.
C1	500	Part of the grant payment was deferred to 2011 as there was no contractual commitment in place for that amount.
C2	(500)	An additional grant payment was made for works brought forward on Glasnevin Cemetery. Virement of funding was pre sanctioned by Department of Finance.
D	(5,193)	A number of strategic opportunities for purchases arose in 2010. Virement of funding was pre sanctioned by Department of Finance.
E	(5,336)	The excess was due to certain projects proceeding more quickly than planned and a number of negotiated dilapidation claims on lease surrenders. Virement of funding was pre sanctioned by Department of Finance.
F4	(283)	There was an increase in expenditure due to the transfer of responsibility to OPW for a number of vacant or unallocated properties due to office rationalisation.
F5	273	The procurement process for the new e-tenders project took longer than anticipated due to legal complexities resulting in the lower than anticipated spend
F6	4,719	There were two VAT issues. The first one related to the reverse charge on the construction cost which was estimated at €29m but cost €25.627m. The second VAT issue was due to an anticipated VAT payment which did not materialise in 2010.
H1	184	Savings were mainly due to better procurement value for money and delays in a number of contracts.
H2	11,367	The saving arose due to delays in advancing a number of flood relief schemes including Mallow South, Clonmel North and Ennis Lower. The delays arose due to post tender clarifications of very competitive tender prices received.

4 Receipts

4.1 Appropriations-in-aid

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
1. Rents, licence fees, etc.	3,123	4,206	3,542
2. Events and Facilities Management	1,437	1,258	1,404
3. Receipts for Government publication services	850	1,242	1,137
4. Recoveries for services carried out on repayment or agency basis	8,704	8,841	9,602
5. Sales at National Monuments and Historic Properties Visitor Centres	501	481	546
6. Admission charges at National Monuments and Historic Properties	5,045	4,866	5,012
7. Miscellaneous, including fees, disposals etc.	1,298	1,931	5,557
8. Receipts in respect of bank interest, penal interest, etc.	223	99	224
9. Receipts from pension related deduction on public service remuneration	4,050	5,041	4,423
Total	25,231	27,965	31,447

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%.

Heading	Less/(more) than estimated €000	Explanation
1	(1,083)	Rental income was greater than anticipated due to additional receipts from rents and mast licences.
2	179	The shortfall in receipts relates to a number of event cancellations and greater usage of conference facilities by non paying Government Departments.
3	(392)	The additional receipts related to increased sales of certain publications and an increase in Iris Oifigiúil advertising.
7	(633)	The excess is mainly due to unexpected receipts for dilapidation costs on lease surrenders.
8	124	The reduced receipts in bank interest was a result of the lower interest rates applying in 2010 when compared to 2009.
9	(991)	The surplus was due to actual receipts exceeding the published estimate.

4.2 Extra receipts payable to the Exchequer

Proceeds of €5m were realised from the sale of a property in Brussels on behalf of the Department of Foreign Affairs.

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)		
Civil Service Grades	644	671
OPW Specific Grades	1,185	1,236
	<u>1,829</u>	<u>1,907</u>
	2010	2009
	€000	€000
Pay	83,899	92,371
Higher, special or additional duties allowances	1,276	1,317
Other allowances	10	15
Overtime	5,219	5,455
Employer's PRSI	6,873	7,554
Total pay	<u>97,277</u>	<u>106,712</u>

Note: The total pay figure is inclusive of pay in subheads A.1, B, F.1,G, H.1, H.2, H.3 and I.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010	Maximum individual payment 2009
			€	€
Higher, special or additional duties and allowances	1,208	10	19,605	20,615
Other Allowances	33	—	5,598	2,238
Overtime	1,420	128	31,021	35,389

Note: Certain individuals received extra remuneration in more than one category.

5.2 Other Remuneration Arrangements

Seven retired civil servants in receipt of civil service pensions were re-employed and paid directly by OPW at a total cost of €136,706.

6 Miscellaneous Items

6.1 Deferred Allocation

Under the provisions of Section 91 of the Finance Act 2004, €5m of unspent allocations in respect of the capital subheads was carried forward to 2011, for services administered by the Office of Public Works including the stationery office as part of the Government Supplies Agency, and for payment of certain grants and for the recoupment of certain expenditure in connection with flood relief.

6.2 Compensation Payments

Compensation and associated legal and miscellaneous costs totalling €280,562 and ranging from €345 to €96,207 were paid in six cases of personal injury claims by employees.

Sums totalling €232,883 and ranging from €6,668 to €70,360 were paid in settlement of seven claims for injuries to persons on State Property.

Nine payments totalling €19,428 and ranging from €284 to €5,000 were made in respect of accidents involving State vehicles.

Ten ex-gratia payments totalling €74,761 and ranging from €700 to €50,000 were made in respect of loss or damage arising from the activities of this Office.

6.3 Administrative Budget Carryover

As agreed with the Department of Finance under the delegated administrative budget scheme, a carryover of €0.7m from the Vote for 2010 was included in the Estimate for 2011.

6.4 Provision of Agency Services

In addition to expenditure on Vote 10, the OPW also acts as an agent, and incurs expenditure, on behalf of other Government Departments and Agencies. Funding for this expenditure is provided to OPW by the sponsoring Department/Agency and appears as a charge on the account of the client organisation. The total expenditure in 2010 was €112m of which the main areas of expenditure were Major Capital Works (€58m), Maintenance Works (€21m), Leasing of Accommodation (€15m), Local Loans (€10m) and Health & Safety Works (€3m).

6.5 National Procurement Service

The National Procurement Service (NPS) was established in 2009 within the Office of Public Works and has been tasked with obtaining better value for money through optimising public sector procurement arrangements for common goods and services as well as the redevelopment of the eTenders website. To date 41 contracts have been placed by the NPS with an overall value in excess of €300m.

6.6 New Works, Alterations and Additions (Subhead E)

	Estimated Provision	Outturn	2009 Outturn
Analysis of Major Expenditure in 2010			
Programme Title:	€000	€000	€000
Garda Building Programme	11,304	12,459	22,576
Government Sites & Buildings incl Disability Friendly	33,063	36,635	51,219
Culture	11,139	10,702	3,519
Decentralisation	20,000	20,423	38,906
Heritage	8,135	8,758	4,371
Total	83,641	88,977	120,591

6.7 Services supplied to other Departments 2010 (Subhead F.3. Rents, Rates etc.)

Departments, etc	2010 Estimate Provision €000	2010 Outturn €000	2009 Outturn €000
Oireachtas	1,489	1,917	1,737
Taoiseach	193	528	225
Finance	3,043	1,905	3,550
Central Statistics Office	1,227	1,149	1,431
Comptroller and Auditor General	633	591	738
Revenue Commissioners	22,873	21,242	26,686
Office of Public Works	2,406	4,381	2,809
Attorney General	77	84	90
Director of Public Prosecutions	684	2,153	798
Valuation Office	1,904	1,757	2,221
Public Appointments Service	3,048	2,840	3,556
Ombudsman	1,231	1,153	1,437
Chief State Solicitor's Office	756	719	882
Justice and Law Reform	18,908	14,878	22,061
Garda Síochána	6,592	9,086	7,692
Prisons	696	1,183	812
Courts Service	1,413	1,504	1,649
Property Registration Authority	1,829	1,372	2,134
Environment, Heritage and Local Government	3,163	3,168	3,691
Education and Skills	4,769	4,842	5,564
Foreign Affairs	6,949	5,740	8,107
Social Protection	14,316	14,761	16,703
Health and Children	3,239	3,683	3,296
Agriculture, Fisheries and Food	6,543	7,806	7,634
Enterprise, Trade and Innovation	6,823	6,870	7,960
Communications, Marine and Natural Resources	3,800	3,706	4,434
Transport	5,662	5,479	6,606
Community, Equality and Gaeltacht Affairs	1,775	1,955	2,071
Tourism, Culture and Sport	1,060	728	1,238
National Gallery	50	105	58
Defence	549	598	641
Health Services Executive	—	25	483
Total	127,700	127,908	148,994

Vote 11: State Laboratory

Introduction

As Accounting Officer for Vote 11, 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 2010 for the salaries and expenses of the State Laboratory.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the State Laboratory.

DERMOT HAYES
Accounting Officer
State Laboratory
25 February 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 11: State Laboratory for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the State Laboratory. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

27 May 2011

Vote 11 State Laboratory Appropriation Account 2010

Service	2010 Estimate	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	5,426	5,100	5,523
A.2. Travel and subsistence	59	33	39
A.3. Incidental expenses	231	195	342
A.4. Postal and telecommunications services	82	72	74
A.5. Apparatus and chemical equipment	2,267	2,447	1,967
A.6. Office premises expenses	1,587	1,334	1,278
A.7. Consultancy services	12	13	11
	<hr/>	<hr/>	<hr/>
Gross Expenditure	9,664	9,194	9,234
Deduct			
A.8. Appropriations-in-aid	481	811	832
	<hr/>	<hr/>	<hr/>
Net Expenditure	9,183	8,383	8,402
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Surplus to be surrendered		€800,271	€1,062,905
		<hr/> <hr/>	<hr/> <hr/>

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			9,194	9,234
Expenditure on services and programmes			—	—
Gross expenditure			<u>9,194</u>	<u>9,234</u>
Deduct				
Appropriations-in-aid			811	832
Net expenditure			<u>8,383</u>	<u>8,402</u>
Changes in capital assets				
Purchases cash		(1,067)		
Depreciation		682		
Loss on disposals		20		
			<u>(365)</u>	<u>682</u>
Changes in net current assets				
Decrease in closing accruals			(358)	(39)
Decrease in stock			21	8
Direct expenditure			<u>7,681</u>	<u>9,053</u>
Expenditure borne elsewhere				
Net allied services expenditure	1.1		844	729
Notional rents			1,749	1,884
Total operating cost			<u><u>10,274</u></u>	<u><u>11,666</u></u>

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 11 borne elsewhere

Vote		2010 €000	2009 €000
7	Superannuation and Retired Allowances	844	729
		<u>844</u>	<u>729</u>

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	1,762	1,397
Current Assets			
Bank and cash	2.2	205	75
Stocks	2.3	211	232
Prepayments		641	211
Accrued income		104	136
Other debit balances	2.4	28	23
Total Current Assets		1,189	677
Less Current Liabilities			
Accrued expenses		84	44
Other credit balances	2.5	227	91
Net liability due to Exchequer	2.6	6	7
Total Current Liabilities		317	142
Net Current Assets		872	535
Net Assets		2,634	1,932

2.1 Statement of Capital Assets

	Office Equipment €000	Furniture and Fittings €000	Motor Vehicles €000	Total €000
Gross assets				
Cost or valuation at 1 January 2010	10,568	368	20	10,956
Additions	1,067	—	—	1,067
Disposals	(359)	—	—	(359)
Cost or valuation at 31 December 2010	11,276	368	20	11,664
Accumulated Depreciation				
Opening balance at 1 January 2010	9,373	176	10	9,559
Depreciation for the year	642	37	3	682
Depreciation on disposals	(339)	—	—	(339)
Cumulative depreciation at 31 December 2010	9,676	213	13	9,902
Net Assets at 31 December 2010	1,600	155	7	1,762
Net Assets at 31 December 2009	1,195	192	10	1,397

2.2 Bank and Cash

	2010 €000	2009 €000
at 31 December		
PMG balances and cash	205	75
	205	75

2.3 Stocks

	2010 €000	2009 €000
at 31 December		
Chemicals and laboratory consumables	188	210
Stationery and IT consumables	23	22
	211	232

2.4 Other Debit Balances

	2010 €000	2009 €000
at 31 December		
Suspense	28	23
	28	23

2.5 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the State		
Income Tax	52	—
Pay Related Social Insurance	37	1
Universal Social Charge	7	—
Relevant Contracts Tax	27	—
Value Added Tax on intra-EU acquisitions	39	69
	<u>162</u>	<u>70</u>
Payroll deductions held in suspense	40	15
Miscellaneous	25	6
	<u>227</u>	<u>91</u>

2.6 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	800	1,063
Exchequer grant undrawn	(794)	(1,056)
Net liability to the Exchequer	<u>6</u>	<u>7</u>

Represented by:**Debtors**

Bank and cash	205	75
Debit balances: suspense	28	23
	<u>233</u>	<u>98</u>

Creditors

Due to State	(162)	(70)
Credit balances: suspense	(65)	(21)
	<u>(227)</u>	<u>(91)</u>
	<u>6</u>	<u>7</u>

2.7 Commitments

at 31 December

	2010	2009
	€000	€000
Total of legally enforceable commitments	31	75

3 Variations in Expenditure

An explanation is generally provided in the case of each expenditure subhead where the outturn varied from the amount provided, by more than €100,000, and by more than 25%. However, no outturn on this vote met these criteria in 2010.

4 Receipts

4.1 Appropriations-in-aid

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
1. Receipts for various analyses, examinations, tests etc	180	513	577
2. Receipts from pension-related deduction on public service remuneration.	301	298	255
Total	481	811	832

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%.

Heading	Less/(more) than estimated €000	Explanation
1.	(333)	Most of the excess receipts arose from Coroners' fees. As this is a demand led service, it is difficult to accurately predict the income.

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	89	92
	2010	2009
	€000	€000
Pay	4,775	5,208
Higher, special or additional duties allowances	56	32
Overtime	10	7
Employer's PRSI	259	276
Total pay	5,100	5,523

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	26	1	10,290	3,810
Overtime and extra attendance	9	—	2,015	2,689

Vote 12: Secret Service

Introduction

As Accounting Officer for Vote 12, 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 2010 for the Secret Service.

The expenditure outturn is compared with the sum granted by Dáil Éireann under the Appropriation Act 2010.

The Statement of Accounting Policies and Principles and Notes 1 to 3 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

The Statement on Internal Financial Control made in respect of the Department of Finance also applies in relation to the issue of payments from this Vote.

KEVIN CARDIFF

Accounting Officer
Department of Finance
4 February 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 12: Secret Service for 2010 in accordance with Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. I have been furnished with certificates from the responsible Ministers which support the expenditure shown in the Account. On the basis of these certificates, it is my opinion that the Account properly presents the expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

13 May 2011

Vote 12 Secret Service Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Secret service	1,000	580	602
Total	1,000	580	602
Surplus to be surrendered		€420,438	€298,237

Notes to the Appropriation Account

1 Operating Cost Statement 2010

The note is not applicable in the case of the Secret Service Vote.

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Current Assets			
Sub-account balances		390	268
Total Current Assets		390	268
Less Current Liabilities			
PMG balance		267	205
Other credit balance		—	1
Net Liability to the Exchequer	2.1	123	62
Total Current Liabilities		390	268
2.1 Net Liability to the Exchequer		2010	2009
		€000	€000
at 31 December			
Surplus to be surrendered		420	298
Exchequer grant undrawn		(297)	(236)
Net liability to the Exchequer		123	62
Represented by:			
Debtors			
Sub-account balances		390	268
Creditors			
Net PMG balance		(267)	(205)
Suspense		—	(1)
		123	62

3 Variations in Expenditure

The estimate is necessarily conjectural.

Vote 13: Office of the Chief State Solicitor

Introduction

As Accounting Officer for Vote 13, 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 2010 for the salaries and expenses of the Office of the Chief State Solicitor.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Office of the Chief State Solicitor. The following actions have been taken or are planned to enhance internal control.

Staff Training

As the Management Information Framework (MIF) and the Case and Records Management System (ACME) are in place, the requirement for training is regularly reviewed and provided to relevant staff. Staff in the Finance Section and other relevant sections have received refresher training on the financial management system.

Risk Management

The risk management process is overseen by a Risk Management Committee, representative of the Office and the Office of the Attorney General, which reports to the joint Office MAC and the Audit Committee for both Offices. A risk management policy and a corporate risk register covering both Offices are in place. Legal and administrative risk registers for the CSSO are in place and are regularly reviewed.

Information and Communications Technology Security

The Office applies good practice controls to mitigate against key security risks associated with information and communications technology (ICT). The Office in conjunction with the Office of the Attorney General have reviewed the Information Technology elements of the Business Continuity Management plan during 2010. The Office intends to upgrade some systems to enhance existing security arrangements and further provide for Business Continuity Management implementation.

Administrative and Financial Controls

The MAC and the Audit Committee regularly review controls. All internal audit reports are considered by the MAC of both Offices. The Office regularly reviews all financial procedures and a review of financial procedures has been undertaken and a final draft is being prepared for presentation to the Accounting Officer and the Management Advisory Committee.

DAVID J O'HAGAN

Accounting Officer
Office of the Chief State Solicitor
31st March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 13: Office of the Chief State Solicitor for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Office of the Chief State Solicitor. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

22 August 2011

Vote 13 Office of the Chief State Solicitor Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	15,000	14,539	15,831
A.2. Travel and subsistence	92	57	51
A.3. Incidental expenses	1,120	947	874
A.4. Postal and telecommunications	450	369	395
A.5. Office machinery and other office supplies and related services	920	738	772
A.6. Office premises expenses	385	359	393
A.7. Consultancy services	29	18	14
A.8. External legal services	439	241	149
A.9. Value for money and policy reviews	14	—	—
Other services			
B. Fees to counsel	14,350	12,372	16,136
C. General law expenses	3,616	3,942	3,584
Gross Expenditure	36,415	33,582	38,199
Deduct			
D. Appropriations-in-aid	1,604	1,958	4,708
Net Expenditure	34,811	31,624	33,491
Surplus to be surrendered		€3,187,222	€2,395,268

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			17,268	18,479
Expenditure on services and programmes			16,314	19,720
Gross expenditure			33,582	38,199
Deduct				
Appropriations-in-aid			1,958	4,708
Net expenditure			31,624	33,491
Changes in capital assets				
Purchases cash		(265)		
Depreciation		420		
Loss on disposals		2	157	172
Changes in net current assets				
Decrease in closing accruals		(879)		
Increase in stock		(36)	(915)	203
Direct expenditure			30,866	33,866
Expenditure borne elsewhere				
Net allied services expenditure	1.1		2,649	2,088
Notional rents			1,239	1,549
Total operating cost			34,754	37,503

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 13 borne elsewhere

Vote		2010 €000	2009 €000
7	Superannuation and Retired Allowances	1,865	1,137
10	Office of Public Works	784	951
		2,649	2,088

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	971	1,128
Current Assets			
Bank and cash	2.2	2,725	1,739
Stocks	2.3	61	25
Prepayments		96	134
Accrued income		6,159	5,910
Other debit balances	2.4	82	171
Total Current Assets		9,123	7,979
Less Current Liabilities			
Accrued expenses		946	1,614
Other credit balances	2.5	2,775	1,831
Net Liability to the Exchequer	2.6	32	79
Total Current Liabilities		3,753	3,524
Net Current Assets		5,370	4,455
Net Assets		6,341	5,583

2.1 Capital Assets

	Office Equipment €000	Furniture and Fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2010	3,717	1,541	5,258
Additions	183	82	265
Disposals	(93)	(64)	(157)
Cost or valuation at 31 December 2010	3,807	1,559	5,366
Accumulated Depreciation			
Opening balance at 1 January 2010	3,046	1084	4,130
Depreciation for the year	343	77	420
Depreciation on disposals	(92)	(63)	(155)
Cumulative depreciation at 31 December 2010	3,297	1,098	4,395
Net Assets at 31 December 2010	510	461	971
Net Assets at 31 December 2009	671	457	1,128

2.2 Bank and Cash

	2010 €000	2009 €000
at 31 December		
PMG balances and cash	6,475	2,272
Orders outstanding	(3,750)	(533)
	2,725	1,739

2.3 Stocks

	2010 €000	2009 €000
at 31 December		
Stationery	61	25

2.4 Other Debit Balances

	2010 €000	2009 €000
at 31 December		
Miscellaneous	82	128
Shared accommodation costs	—	43
	82	171

2.5 Other Credit Balances

	2010 €000	2009 €000
at 31 December		
Amounts due to the State		
Income Tax	202	216
Pay Related Social Insurance	128	143
Professional Services Withholding Tax	380	371
Value Added Tax (4th Schedule)	4	4
Pension contributions	51	50
	765	784
Payroll deductions held in suspense	55	63
Other credit suspense items	1,955	984
	2,775	1,831

2.6 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	3,187	2,395
Exchequer grant undrawn	(3,155)	(2,316)
Net liability to the Exchequer	<u>32</u>	<u>79</u>

Represented by:**Debtors**

Bank and cash	2,725	1,739
Debit balances: suspense	82	171
	<u>2,807</u>	<u>1,910</u>

Creditors

Due to State	(765)	(784)
Credit balances: suspense	(2,010)	(1,047)
	<u>(2,775)</u>	<u>(1,831)</u>

	<u>32</u>	<u>79</u>
--	-----------	-----------

2.7 Commitments

at 31 December

	2010	2009
	€000	€000
Total of legally enforceable contracts	<u>976</u>	<u>941</u>

While the Office did have commitments in respect of legal fees at the year end, these are not quantifiable in a significant sense and are subject to inherent uncertainties and unpredictable factors associated generally with legal costs forecasts. They are, however, also subject to controls directed at the administration of costs and the observation of budgetary limits.

2.8 Matured Liabilities

The total amount of matured liabilities undischarged at 31 December 2010 amounted to €22,148.39.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided €000	Explanation
A.1.	461	A strategic decision was taken in relation to the filling of some vacancies and the non filling of other vacancies which existed in the Office in 2010. Also some members of staff on secondment to other Departments did not return as anticipated during 2010. The Office also did not re-engage some contract staff and some staff numbers availed of the additional maternity special leave without pay.
A.8.	198	Agreement on reduction in fees along with less activity than anticipated led to lower expenditure in this subhead in 2010.
B.	1,978	Expenditure on this subhead is dependant on the level of activity in the courts and as such is difficult to forecast. There is no indication of an overall reduction in the level of activity in 2010. The Office has implemented the 8% reduction in professional fees in 2009 and 2010 and has managed the Subhead actively to secure greater economy.
C.	(326)	The excess is attributable exclusively to an increase in the level of payments under the AG's Scheme which is administered by the Department of Justice and Law Reform and repaid by the CSSO. Trends in payments under the scheme are under ongoing consideration by the Department and the Office.

4 Receipts

	2010 Estimated €	2010 Realised €	2009 Realised €
4.1 Appropriations-in-aid			
1. Miscellaneous	750,000	1,039,516	3,908,477
2. Receipts from pension-related deduction on public service remuneration	854,000	918,650	799,685
Total	1,604,000	1,958,166	4,708,162

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%.

Heading	Less/(more) than estimated €000	Explanation
1.	(289)	It is not possible to forecast accurately what costs will be awarded to the State and what fees will be actually recovered in any year. The recovery of costs was marginally greater than anticipated during 2009. Towards the end of 2010 new procedures were introduced to facilitate a more active management of the tracking and recovery of costs.

4.2 Extra receipts payable to the Exchequer

A total of €6,526 was lodged to the Exchequer under the State Property Act, 1954.

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	225	230
Pay	13,462	14,656
Higher, special or additional duties allowances	83	102
Other allowances	8	9
Overtime	43	38
Employer's PRSI	943	1,026
Total pay	14,539	15,831

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	33	1	10,925	11,488
Overtime and extra attendance	24	1	10,261	8,408
Other allowances	5	—	3,077	1,913

Note: Certain individuals received extra remuneration in more than one category.

Vote 14 : Office of the Director of Public Prosecutions

Introduction

As Accounting Officer for Vote 14, 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 2010 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 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Office of the Director of Public Prosecutions.

BARRY DONOGHUE

Accounting Officer

Office of the Director of Public Prosecutions

12 August 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 14: Office of the Director of Public Prosecutions for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Office of the Director of Public Prosecutions. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY
Comptroller and Auditor General
22 August 2011

Vote 14 Office of the Director of Public Prosecutions Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	13,257	12,928	13,686
A.2. Travel and subsistence	145	97	90
A.3. Incidental expenses	1,185	937	1,041
A.4. Postal and telecommunications services	320	270	343
A.5. Office machinery and other office equipment and related services	996	494	1,012
A.6. Office premises expenses	630	523	574
A.7. Value for money and policy reviews	5	—	—
Other Services			
B. Fees to counsel	14,342	14,734	15,283
C. General law expenses	7,000	6,079	7,290
D. Local state solicitor service	5,974	6,322	6,368
Gross Expenditure	43,854	42,384	45,687
Deduct			
E. Appropriations-in-aid	614	1,031	901
Net Expenditure	43,240	41,353	44,786
Surplus to be surrendered		€1,887,211	€335,138

Notes to the Appropriation Account

1 Operating Cost Statement 2010

		2010	2009
	Note	€000	€000
Expenditure on administration		15,249	23,114
Expenditure on services and programmes		27,135	22,573
Gross expenditure		42,384	45,687
Deduct			
Appropriations-in-aid		1,031	901
Net expenditure		41,353	44,786
Changes in capital assets			
Purchases cash		(141)	(527)
Depreciation		586	705
Loss on disposals		66	80
Changes in net current assets			
Increase/(Decrease) in closing accruals		(1,282)	13
Increase in stock		(12)	(14)
Direct expenditure		40,570	45,043
Net allied services expenditure	1.1	3,777	2,195
Notional rents		360	450
Total operating cost		44,707	47,688

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 14 borne elsewhere.

		2010	2009
Vote		€000	€000
7	Superannuation and Retired Allowances	1,418	1,212
10	Office of Public Works	2,153	798
20	Garda Siochana	206	185
		3,777	2,195

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	1,592	2,023
		1,592	2,023
Current Assets			
Bank and cash	2.2	957	1,177
Stocks	2.3	93	81
Prepayments		163	154
Other debit balances	2.4	172	94
Total Current Assets		1,385	1,506
Less Current Liabilities			
Accrued expenses		5,712	7,003
Other credit balances	2.5	1,083	1,057
Net Liability to the Exchequer	2.6	46	214
Total Current Liabilities		6,841	8,274
Net Current Liabilities		(5,456)	(6,768)
Net Liabilities		(3,864)	(4,745)

2.1 Capital Assets

	Office Equipment	Furniture and Fittings	Total
	€000	€000	€000
Gross assets			
Cost or valuation at 1 January 2010	3,774	1,340	5,114
Prior year adjustment	162	3	165
Additions	93	30	123
Disposals	(339)	(186)	(525)
Cost or valuation at 31 December 2010	3,690	1,187	4,877
Accumulated Depreciation			
Opening balance at 1 January 2010	2,435	656	3,091
Prior year adjustment	67	—	67
Depreciation for the year	491	95	586
Depreciation on disposals	(329)	(130)	(459)
Cumulative depreciation at 31 December 2010	2,664	621	3,285
Net Assets at 31 December 2010	1,026	566	1,592
Net Assets at 31 December 2009	1,339	684	2,023

2.2 Bank and Cash

	2010	2009
at 31 December	€000	€000
PMG balance and cash	1,077	1,202
Orders outstanding	(120)	(25)
	957	1,177

2.3 Stocks

	2010	2009
at 31 December	€000	€000
Stationery	47	56
IT consumables	46	25
	93	81

2.4 Other debit balances

	2010	2009
at 31 December	€000	€000
Recoverable balances	172	94
	172	94

2.5 Other credit balances

at 31 December

2010**2009****€000****€000****Amounts due to the state**

Income Tax

350

379

Pay Related Social Insurance

141

141

Professional Services Withholding Tax

254

396

VAT

25

—

770

916

Payroll deductions held in suspense

124

138

Other credit suspense items

189

3

1,083

1,057**2.6 Net Liability to the Exchequer**

at 31 December

2010**2009****€000****€000**

Surplus to be surrendered

1,887

335

Exchequer grant undrawn

(1,841)

(121)

Net liability to the Exchequer

46

214**Represented by:****Debtors**

Bank and cash

957

1,177

Debit balances: suspense

172

94

1,129

1,271**Creditors**

Due to State

(770)

(916)

Credit balances: suspense

(313)

(141)

(1,083)

(1,057)

46

214**2.7 Commitments**

While the Office did have commitments in respect of legal fees at the year end, these are not included as it would be very difficult to estimate accurately the amounts involved due to the inherent uncertainties and status of outstanding cases.

2.8 Matured Liabilities

The total amount of matured liabilities undischarged at 31 December 2010 amounted to €458.44.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Heading	Less/(more) than provided	Explanation
	€000	
A.5.	502	Savings arose because costs associated with new accommodation were not incurred.
C.	921	Savings arose as the cost of settling cases was lower than in previous years.

4 Receipts

	2010 Estimated	2010 Realised	2009 Realised
4.1 Appropriations-in-aid			
1. Miscellaneous receipts	15,000	185,796	205,390
2. Receipts from Pension related deduction on Public service Remuneration	599,000	845,438	695,312
Total	614,000	1,031,234	900,702

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%.

Heading	Less/(more) than estimated	Explanation
	€000	
1.	(221)	The variation arises because the amount of legal costs received in the year was in excess of the amount expected. These costs were awarded by the courts in health and safety prosecutions, judicial review matters and other applications connected to legal proceedings against the Director.
2.	(246)	The variation arises because the amount of pension related deductions received in the year was in excess of the amount expected.

4.2 Extra receipts payable to the Exchequer

A total of €194,889 was lodged to the Exchequer arising from forfeitures ordered by the courts.

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	191	196
	2010	2009
	€000	€000
Pay	11,934	12,617
Higher, special or additional duties allowances	167	158
Overtime	1	39
Employer's PRSI	826	872
Total pay	12,928	13,686

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	53	4	50,685	13,004
Overtime and extra attendance	3	—	269	2,681

Note: Certain individuals received extra remuneration in more than one category.

5.2 Other Remuneration Arrangements

One retired civil servant in receipt of a civil service pension was re-engaged on a fee basis at a total cost of €18,124.

This account includes expenditure of €213,494 in respect of two officers who were serving outside the office for all or part of 2010 and whose salaries were paid from Subhead A.1.

Vote 15: Valuation Office

Introduction

As Accounting Officer for Vote 15, 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 2010 for the salaries and expenses of the Valuation Office and certain minor services.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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.

Statement on Internal Financial Control

A Statement on Internal Financial Control for the year ended 31 December 2010 has been submitted with this account to the Comptroller and Auditor General. The following actions have since been taken or put in train to improve the control environment.

Following a review, specific internal audit functions have been outsourced to a firm of accountants who will report to the head of internal audit. A comprehensive review of internal financial controls has commenced under this arrangement.

The Audit Committee has been reconstituted to include two external members and with a more specific charter.

An inventory of all assets has been undertaken and the results have been incorporated into a new asset register. An instruction has issued that disposals are to be documented and approved in advance by the Finance Officer.

A revised procedure for regular reconciliation of funds requested from the PMG, paid through the payroll software and attributed to general ledger bank account codes is being put in place.

Arrangements to ensure that public procurement requirements and guidelines are fully complied with have been strengthened.

There will be regular discussion of financial and risk matters at the Management Committee.

DERMOT B. QUIGLEY
Accounting Officer
Valuation Office
8 August 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 15: Valuation Office for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Valuation Office. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapter 20 of my annual report refers to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

6 September 2011

Vote 15 Valuation Office Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	8,657	8,242	9,081
A.2. Travel and subsistence	631	258	262
A.3. Incidental expenses	367	173	180
A.4. Postal and telecommunications services	173	89	124
A.5. Office machinery and other office supplies and related services	1,097	823	741
A.6. Office premises expenses	180	185	180
A.7. Consultancy services	31	23	152
A.8. Value for money and policy reviews	34	19	29
Other Services			
B. Valuation Tribunal	300	228	284
C. Fees to counsel and other legal expenses	73	191	1,060
Gross Expenditure	11,543	10,231	12,093
Deduct			
D. Appropriations-in-aid	2,198	2,699	2,788
Net Expenditure	9,345	7,532	9,305
 Surplus to be surrendered		€1,812,528	€2,039,009

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			9,812	10,749
Expenditure on services and programmes			419	1,344
Gross expenditure			<u>10,231</u>	<u>12,093</u>
Deduct				
Appropriations-in-aid			<u>2,699</u>	<u>2,788</u>
Net expenditure			<u>7,532</u>	<u>9,305</u>
Changes in capital assets				
Purchases cash		(129)		
Depreciation		260		
Loss on disposals		<u>15</u>	<u>146</u>	<u>121</u>
Changes in assets under development				
Cash payments			(93)	(156)
Changes in net current assets				
Decrease in closing accruals		(390)		
Increase in stock		<u>(7)</u>	<u>(397)</u>	<u>(707)</u>
Direct expenditure			<u>7,188</u>	<u>8,563</u>
Net allied services expenditure	1.1		<u>5,919</u>	<u>6,518</u>
Total operating cost			<u><u>13,107</u></u>	<u><u>15,081</u></u>

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 15 borne elsewhere:

		2010 €000	2009 €000
7	Superannuation & Retired Allowances	4,183	4,297
10	Office of Public Works	<u>1,736</u>	<u>2,221</u>
		<u>5,919</u>	<u>6,518</u>

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	451	289
Capital Assets under Development	2.2	93	945
		544	1,234
Current Assets			
Bank and cash	2.3	1,046	1,261
Stocks	2.4	36	29
Prepayments		422	122
Accrued income		410	396
Other debit balances	2.5	57	47
Total Current Assets		1,971	1,855
Less Current Liabilities			
Accrued expenses		2	71
Deferred Income		77	84
Other credit balances	2.6	398	(57)
Net Liability to the Exchequer	2.7	705	1,365
Total Current Liabilities		1,182	1,463
Net Current Assets		789	392
Net Assets		1,333	1,626

2.1. Capital Assets

	Office Equipment €000	Furniture and Fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2010	2,735	1,460	4,195
Prior year adjustment ¹	925	—	925
Additions	98	31	129
Disposals	(1,899)	(83)	(1,982)
Cost or valuation at 31 December 2010	1,859	1,408	3,267
Accumulated Depreciation			
Opening balance at 1 January 2010	2,635	1,271	3,906
Prior year adjustment ¹	617	—	617
Depreciation for the year	237	23	260
Depreciation on disposals	(1,899)	(68)	(1,967)
Cumulative depreciation at 31 December 2010	1,590	1,226	2,816
Net Assets at 31 December 2010	269	182	451
Net Assets at 31 December 2009	100	189	289

¹ The prior year adjustment reflects capitalisation of expenditures on in-house IT systems previously categorised as capital assets under development.

2.2 Capital Assets under Development

	In-House Computer Applications €000
Amounts brought forward at 1 January 2010	945
Prior year adjustments ¹	
system maintenance costs	(20)
transferred to capital assets	(925)
Cash payments for the year	93
Amounts carried forward at 31 December 2010	93

¹ The prior year adjustments reflect system maintenance costs previously categorised as capital assets under development, and the capitalisation of expenditures on in-house IT systems referred to in note 2.1 above.

2.3 Bank and Cash

at 31 December

	2010	2009
	€000	€000
PMG balances and cash	1,074	1,351
Orders outstanding	(28)	(90)
	<u>1,046</u>	<u>1,261</u>

2.4 Stocks

at 31 December

	2010	2009
	€000	€000
Valuation Office consumable stocks	30	23
Valuation Tribunal consumable stocks	6	6
	<u>36</u>	<u>29</u>

2.5 Other Debit Balances

at 31 December

	2010	2009
	€000	€000
Debit suspense items	<u>57</u>	<u>47</u>

2.6 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the State		
Income Tax	218	(32)
Pay Related Social Insurance	60	(32)
Professional Services Withholding Tax	16	—
Pensions	—	1
	<u>294</u>	<u>(63)</u>
Payroll deductions held in suspense	72	6
Other credit suspense items	32	—
	<u>398</u>	<u>(57)</u>

2.7 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	1,813	2,039
Exchequer grant undrawn	(1,108)	(674)
Net liability to the Exchequer	<u>705</u>	<u>1,365</u>

Represented by:**Debtors**

Bank and cash	1,046	1,261
Debit balances: suspense	57	47
	<u>1,103</u>	<u>1,308</u>

Creditors

Due to State	(294)	63
Credit balances: suspense	(104)	(6)
	<u>(398)</u>	<u>57</u>
	<u>705</u>	<u>1,365</u>

2.8 Commitments

at 31 December

	2010	2009
	€000	€000
Total of legally enforceable commitments	<u>—</u>	<u>7</u>

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Subhead	Less/(more) than provided €000	Explanation
A.2.	373	A lower volume of requests and subsequent inspection trips, coupled with the concentration of the revaluation programme within the Dublin area, brought reductions in travel and subsistence costs.
A.3.	194	Reductions in general incidental expenses, the concentration of training on a smaller number of crucial events and fewer requests for refunds of academic fees resulted in savings.
A.5.	274	Reduced spending on computer hardware for new projects and on an integrated database system development project.
C.	(118)	It remains difficult to predict when and for how much fees will be determined. In 2010 two cases were settled for €79,000 and €53,000 respectively.

4 Receipts

4.1 Appropriations-in-aid		2010 Estimated €000	2010 Realised €000	2009 Realised €000
1.	Valuation Tribunal appeal fees	40	49	38
2.	Valuation certificates	150	132	161
3.	Valuation revision fees	1,233	1,672	1,956
4.	Fees from appeals to the Commissioner	120	187	98
5.	Miscellaneous receipts	95	155	84
6.	Pension-related deduction on public service remuneration	560	504	451
Total		2,198	2,699	2,788

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%.

Heading	Less/(more) than estimated €000	Explanation
3.	(439)	Inspections produced a greater number of valuation outputs, leading to an increase in fees received. Efforts are continuing to recoup outstanding fees from local authorities.

5 Employee Numbers and Pay

	2010	2009
Average number of staff at year end (full time equivalents)	149	152

	2010 €000	2009 €000
Pay	7,656	8,330
Higher, special or additional duties allowances	130	275
Other allowances	—	—
Overtime	35	36
Employer's PRSI	421	440
Total pay	8,242	9,081

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	29	—	7,355	17,922
Overtime and extra attendance	7	1	10,418	10,976

Note: Certain individuals received extra remuneration in more than one category.

5.2 Other Remuneration Arrangements

Retirement gifts totalling €2,200 were paid to six members of staff.

Payments totalling €24,605 were made to two retired civil servants who were employed on contract on specialised tasks.

Vote 16: Public Appointments Service

Introduction

As Accounting Officer for Vote 16, 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 2010 for the salaries and expenses of the Public Appointment Service.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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.

Statement on Internal Financial Control

A Statement on Internal Financial Controls in the standard format for the year ended 31 December 2010 has been submitted with these accounts to the Comptroller and Auditor General. The following actions have been taken to enhance the system of internal controls.

Throughout 2010 the Board of the Public Appointments Service (PAS) was issued with a financial update prior to each one of their Board meetings. These reports were examined and discussed in the course of each meeting. A member of the PAS Board serves as a member of the Internal Audit Committee to ensure a close link between the Board and the audit function. This member reports on Audit Committee activity at each Board meeting.

During 2010, MAC actively engaged with the financial situation and, where necessary, recommended appropriate actions. MAC also maintained the focus on activity levels and resource usage. The staff levels have been reduced in line with the Employment Control Framework targets and a VFM approach has been adopted for all PAS activities. An audit of the energy usage has been conducted with the Sustainable Energy Authority and the implementation of the recommendations of the audit has led to considerable savings in energy costs over the year.

In 2010, following a procurement exercise, a new audit company was selected to support the internal audit process. The Audit Committee, with the assistance of the external auditor and the internal audit unit, completed major audits of the Purchase Order Processing System and the Management of Competitions. The Committee also receives regular updates on the implementation of recommendations from previous Audit Reports. The Chairman of the Audit Committee presents her report annually to the Board.

Throughout the year relevant staff and managers received presentations and training on various issues relating to financial management, procurement and other related issues.

BRYAN ANDREWS
Accounting Officer
Public Appointments Service
23 February 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 16: Public Appointments Service for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Public Appointments Service. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY
Comptroller and Auditor General
29 June 2011

Vote 16 Public Appointments Service Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	5,180	4,864	6,611
A.2. Travel and subsistence	192	106	152
A.3. Incidental expenses	345	135	249
A.4. Postal and telecommunications services	237	165	182
A.5. Office machinery and other office equipment, and related services	1,375	1,199	2,176
A.6. Office premises expenses	344	410	292
A.7. Consultancy services	248	189	119
A.8. Accommodation, advertising and purchasing and printing of test papers	308	332	221
A.9. Interview and miscellaneous competition costs	486	449	361
Gross Expenditure	8,715	7,849	10,363
Deduct			
A.10. Appropriations-in-aid	394	460	563
Net Expenditure	8,321	7,389	9,800
Surplus to be surrendered		€32,228	€2,854,728

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	2010 €000	2009 €000
Expenditure on administration		7,849	10,363
Gross expenditure		7,849	10,363
Deduct			
Appropriations-in-aid		460	563
Net expenditure		7,389	9,800
Changes in capital assets			
Purchases cash		(139)	(51)
Depreciation		785	1,214
Loss on disposals		1	—
		647	1,163
Changes in assets under development			
Cash payments		—	(886)
Changes in net current assets			
Increase /(Decrease) in closing accruals		10	(350)
Increase in stock		(43)	(59)
Direct expenditure		8,003	9,668
Net allied services expenditure	1.1	984	1,122
Notional rents		2,840	3,558
Total operating cost		11,827	14,348

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 16 borne elsewhere

Vote		2010 €000	2009 €000
7	Superannuation and Retired Allowances	984	1,122

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	3,162	3,817
		<u>3,162</u>	<u>3,817</u>
Current Assets			
Bank and cash	2.2	109	325
Stocks	2.3	915	872
Prepayments		339	320
Accrued income		27	49
Other debit balances: suspense		38	46
Total Current Assets		<u>1,428</u>	<u>1,612</u>
Less Current Liabilities			
Net liability to/(from) the Exchequer	2.4	(77)	156
Accrued expenses		109	102
Other credit balances	2.5	224	215
Total Current Liabilities		<u>256</u>	<u>473</u>
Net Current Assets		<u>1,172</u>	<u>1,139</u>
Net Assets		<u><u>4,334</u></u>	<u><u>4,956</u></u>

2.1 Statement of Capital Assets

	Office Equipment €000	Furniture and Fittings €000	Building Improvements €000	Total €000
Gross assets				
Cost or valuation at 1 January 2010	8,860	589	692	10,141
Prior year adjustment ¹	(17)	—	—	(17)
Additions	139	—	—	139
Disposals	(494)	—	—	(494)
Cost or valuation at 31 December 2010	8,488	589	692	9,769
Accumulated Depreciation				
Opening balance at 1 January 2010	5,344	428	552	6,324
Prior year adjustment ¹	(9)	—	—	(9)
Depreciation for the year	657	59	69	785
Depreciation on disposals	(493)	—	—	(493)
Cumulative depreciation at 31 December 2010	5,499	487	621	6,607
Net Assets at 31 December 2010	2,989	102	71	3,162
Net Assets at 31 December 2009	3,516	161	140	3,817

¹: Following a review of the asset register during 2010, prior year adjustments arose in respect of certain asset values and related depreciation.

2.2 Bank and Cash

	2010 €000	2009 €000
at 31 December		
PMG balances and cash	109	325
Orders outstanding	—	—
	109	325

2.3 Stocks	2010	2009
at 31 December	€000	€000
Registry supplies	889	845
IT consumables/stationery	26	27
	<u>915</u>	<u>872</u>

2.4 Net Liability to/(from) the Exchequer	2010	2009
at 31 December	€000	€000
Surplus to be surrendered	932	2,855
Exchequer grant undrawn	(1,009)	(2,699)
Net liability to/(from) the Exchequer	<u>(77)</u>	<u>156</u>

Represented by:**Debtors**

Bank and cash	109	325
Debit balances: suspense	38	46
	<u>147</u>	<u>371</u>

Creditors

Due to State	(194)	(163)
Credit balances: suspense	(30)	(52)
	<u>(224)</u>	<u>(215)</u>
	<u>(77)</u>	<u>156</u>

2.5 Other Credit Balances	2010	2009
at 31 December	€000	€000

Amounts due to the State

Income Tax	83	70
Pay Related Social Insurance	54	65
Professional Services Withholding Tax	25	1
Value Added Tax	21	13
Pensions	11	14
	<u>194</u>	<u>163</u>
Other credit suspense items	30	52
	<u>224</u>	<u>215</u>

2.6 Commitments	2010	2009
at 31 December	€000	€000

Total contracted commitments	30	1
------------------------------	----	---

2.7 Matured Liabilities

The total amount of matured liabilities undischarged at 31 December 2010 was €55,654

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, by more than €100,000, and by more than 25%.

Sub-head	Less/(more) than provided €000	Explanation
A.3	210	More efficient use of resources in conjunction with reduced support costs

4 Receipts

4.1 Appropriations-in-aid

	2010 Estimated €	2010 Realised €	2009 Realised €
1. Miscellaneous	150,000	187,166	298,273
2. Receipts from pension - related deduction on public service remuneration	244,000	272,692	264,675
Total	394,000	459,858	562,948

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	102	109
	2010	2009
	€000	€000
Pay	4,509	6,112
Higher, special or additional duties allowances	18	41
Other allowances	1	1
Overtime	50	67
Employer's PRSI	286	390
Total pay	4,864	6,611

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	11	—	9,209	8,894
Overtime and extra attendance	52	—	8,778	9,137

Note: Certain individuals received extra remuneration in more than one category.

5.2 Performance and Merit Payments

A total of €150 was paid out under the exceptional performance award scheme.

5.3 Other Remuneration Arrangements

A total of €28,800 was paid as fees to three Board members in 2010.

**Vote 17: Office of the
Commission for Public Service Appointments**

Introduction

As Accounting Officer for Vote 17, 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 2010, compared with the sum granted and the prior year comparatives, for the salaries and expenses for the Office of the Commission for Public Appointments.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Office of the Commission for Public Service Appointments.

The following actions are taken to continuously enhance the system of internal financial control.

An independent internal auditor carried out a number of audits of the financial accounting procedures and controls in operation on behalf of the Office during 2010. The auditor's conclusions have been adopted and action has been taken to address his findings and recommendations.

The Office's audit committee reviews and assesses each internal audit. It also provides advice regarding the Office's risk management systems.

The Performance Management and Development System (PMDS) is used to identify staff training needs, including financial management training.

A merger between the Office of the Commission for Public Service Appointments and the Office of the Ombudsman has been agreed following approval to proceed received from the Department of Finance. Legislative changes are required to formally complete the merger. Certain aspects of the merger have proceeded in advance of the legislation. The two organisations agreed a Memorandum of Understanding in December 2010 dealing with administrative matters to provide a flexible basis for both offices. The areas covered in the Memorandum are personnel matters relating to CPSA staff, finance matters and management of budgets, training and associated payments and general staff matters.

ANDREW PATTERSON

Accounting Officer

Office of the Commission for Public Service Appointments

25th February, 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 17: Office of the Commission for Public Service Appointments for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Office of the Commission for Public Service Appointments. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY
Comptroller and Auditor General
31 May 2011

Vote 17 Office of the Commission for Public Service Appointments Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	550	453	650
A.2. Travel and subsistence	7	4	4
A.3. Incidental expenses	76	42	68
A.4. Postal and telecommunications services	28	11	20
A.5. Office machinery and other office supplies, and related services	90	33	31
A.6. Office premises expenses	35	11	13
A.7. Consultancy services	91	14	88
A.8. Legal fees	81	26	109
Gross Expenditure	958	594	983
Deduct:			
A.9. Appropriations-in-aid	30	28	32
Net Expenditure	928	566	951
Surplus to be surrendered		€361,627	€252,849

Notes to the Appropriation Account

1 Operating Cost Statement 2010

		2010	2009
	€000	€000	€000
Expenditure on administration		594	983
Expenditure on services and programmes		—	—
Gross expenditure		<u>594</u>	<u>983</u>
Deduct			
Appropriations-in-aid		28	32
Net expenditure		<u>566</u>	<u>951</u>
Changes in capital assets			
Purchases cash	(7)		
Depreciation	13		
Loss on disposals	18	24	17
	<u>18</u>		
Changes in assets under development			
Cash payments		—	—
Changes in net current assets			
Increase/(Decrease) in closing accruals		18	(19)
Increase/(Decrease) in stock		17	(19)
Direct expenditure		<u>625</u>	<u>930</u>
Expenditure borne elsewhere		—	—
Total operating cost		<u><u>625</u></u>	<u><u>930</u></u>

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	32	56
		<u>32</u>	<u>56</u>
Current Assets			
Bank and cash	2.2	44	4
Stocks	2.3	12	29
Prepayments		8	23
Other debit balances		2	2
Total Current Assets		<u>66</u>	<u>58</u>
Less Current Liabilities			
Accrued expenses		3	—
Other credit balances	2.4	17	5
Net Liability to the Exchequer	2.5	29	1
Total Current Liabilities		<u>49</u>	<u>6</u>
Net Current Assets		<u>17</u>	<u>52</u>
Net Assets		<u>49</u>	<u>108</u>

2.1 Statement of Capital Assets

	Office Equipment €000	Furniture and Fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2010	114	50	164
Additions	7	—	7
Disposals	(9)	(30)	(39)
Cost or valuation at 31 December 2010	112	20	132
Accumulated Depreciation			
Opening balance at 1 January 2010	86	22	108
Depreciation for the year	11	2	13
Depreciation on disposals	(7)	(14)	(21)
Cumulative depreciation at 31 December 2010	90	10	100
Net Assets at 31 December 2010	22	10	32
Net Assets at 31 December 2009	28	28	56

2.2 Bank and Cash

	2010 €000	2009 €000
at 31 December		
PMG balances and cash	44	4
Orders outstanding	—	—
	44	4

2.3 Stocks

	2010 €000	2009 €000
at 31 December		
Printing and stationery	12	24
IT consumables	—	5
	12	29

2.4 Other Credit Balances

	2010 €000	2009 €000
at 31 December		
Amounts due to the State		
Income Tax	6	—
Pay Related Social Insurance	3	—
Professional Services Withholding Tax	3	2
	12	2
Other credit suspense items	5	3
	17	5

2.5 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	362	253
Exchequer grant undrawn	(333)	(252)
Net liability to the Exchequer	<u>29</u>	<u>1</u>
Represented by:		
Debtors		
Bank and cash	44	4
Debit balances: suspense	2	2
	<u>46</u>	<u>6</u>
Creditors		
Due to State	(12)	(2)
Credit balances: suspense	(5)	(3)
	<u>(17)</u>	<u>(5)</u>
	<u>29</u>	<u>1</u>

3 Variations in Expenditure

There were no expenditure subheads where the outturn varied from the amount provided by more than €100,000 and by more than 25%.

4 Receipts

	2010 Estimated €	2010 Realised €	2009 Realised €
4.1 Appropriations-in-aid			
1. Receipts from pension-related deductions on public service remuneration	30,000	28,165	32,060

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	8	9
	€000	€000
Pay	438	627
Employer's PRSI	15	23
Total pay	453	650

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Overtime and extra attendance	1	—	182	—

5.2 Performance and Merit Payments

Awards totalling €300 were paid to staff under the scheme for recognition of exceptional performance.

6 Miscellaneous Items

6.1 Write-offs

Sanction was obtained from the Department of Finance to write off a total of €10,174 in respect of stock of Codes of Practice pamphlets which were surplus to requirements.

Vote 18: Office of the Ombudsman

Introduction

As Accounting Officer for Vote 18, 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 2010 for the salaries and expenses of the Office of the Ombudsman, the Standards in Public Office Commission, the Office of the Information Commissioner and the Office of the Commissioner for Environmental Information.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Office of the Ombudsman. The actions that have been taken, or that are planned, to enhance the Office's system of internal financial controls include the following:

The Office uses the Performance Management and Development System (PMDS), inter alia, for identifying staff training needs, including financial management and accounting skills. The required training is then organised or sourced as appropriate.

Risk management is increasingly integral to the Office's strategic and business processes. This is brought about through risk registers, strategic and business plans and individual PMDS targets.

The Office has in place modern computer desktop hardware and software, which are available to all staff. Servers, networks and systems, back-up and firewall facilities are also in place. This system was reviewed in 2010 and it is functioning effectively. Further minor adjustments are in train arising from the review recommendations.

A merger between the Office of the Commission for Public Service Appointments and the Office of the Ombudsman has been agreed following approval to proceed received from the Department of Finance. Legislative changes are required to formally complete the merger. Certain aspects of the merger have proceeded in advance of the legislation. The two organisations agreed a Memorandum of Understanding in December 2010 dealing with administrative matters to provide a flexible basis for both offices. The areas covered in the Memorandum are personnel matters relating to CPSA staff, finance matters and management of budgets, training and associated payments and general staff matters.

Finally, the evaluation of internal controls is performed by the Office's internal auditor and this process is supported by an Audit Committee which includes two external members. The Committee, in developing its audit plans, also has regard to any comments the Comptroller and Auditor General may make arising from an audit of the Appropriation Account.

PAT WHELAN

Accounting Officer
Office of the Ombudsman
25 February 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 18: Office of the Ombudsman for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Office of the Ombudsman. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

14 June 2011

Vote 18 Office of the Ombudsman Appropriation Account 2010

Service	2010 Estimate €000	2010 Outturn €000	2009 Outturn €000
Administration			
A.1. Salaries, wages and allowances	4,173	3,938	4,197
A.2. Travel and subsistence	51	34	39
A.3. Incidental expenses	268	240	275
A.4. Postal and telecommunications services	62	32	42
A.5. Office machinery and other office supplies and related services	148	93	76
A.6. Office premises expenses	189	71	60
A.7. Consultancy services	65	97	51
A.8. Legal fees	70	32	56
Standards in Public Office Commission			
B.1. Salaries, wages and allowances	738	584	691
B.2. Travel and subsistence	12	6	3
B.3. Incidental expenses	191	76	65
B.4. Postal and telecommunications services	20	17	19
B.5. Office machinery and other office supplies and related services	58	48	39
B.6. Office premises expenses	47	36	30
B.7. Consultancy services	19	19	8
B.8. Legal fees	45	76	6
Office of the Information Commissioner/ Office of the Commissioner for Environmental Information			
C.1. Salaries, wages and allowances	1,332	1,034	1,200
C.2. Travel and subsistence	15	2	4
C.3. Incidental expenses	136	82	82
C.4. Postal and telecommunications services	24	20	26
C.5. Office machinery and other office supplies and related services	78	60	49
C.6. Office premises expenses	50	46	37
C.7. Consultancy services	27	46	10
C.8. Legal fees	202	235	225
Gross Expenditure	8,020	6,924	7,290
Deduct			
D. Appropriations-in-aid	381	372	317
Net Expenditure	7,639	6,552	6,973
Surplus to be surrendered		€1,087,311	€985,311

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Gross expenditure			6,924	7,290
Deduct				
Appropriations-in-aid			372	317
Net expenditure			<u>6,552</u>	<u>6,973</u>
Changes in capital assets				
Purchases cash		(48)		
Depreciation		90	42	83
Changes in net current assets				
Decrease in closing accruals		(55)		
Decrease in stock		6		
			(49)	10
Direct expenditure			<u>6,545</u>	<u>7,066</u>
Net allied services expenditure	1.1		1,507	2,006
Total operating cost			<u><u>8,052</u></u>	<u><u>9,072</u></u>

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 18 borne elsewhere

		2010 €000	2009 €000
Vote			
7	Superannuation and Retired Allowances	349	569
10	Office of Public Works	1,158	1,437
		<u>1,507</u>	<u>2,006</u>

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	214	256
Current Assets			
Bank and cash	2.2	154	241
Stocks	2.3	18	24
Prepayments		157	100
Other debit balances		19	14
Net Liability from the Exchequer	2.5	25	37
Total Current Assets		373	416
Less Current Liabilities			
Accrued expenses		21	19
Other credit balances	2.4	198	292
Total Current Liabilities		219	311
Net Current Assets		154	105
Net Assets		368	361

2.1 Capital Assets

	Office Equipment €000	Furniture and Fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2010	1,136	477	1,613
Additions	48	—	48
Disposals	(234)	—	(234)
Cost or valuation at 31 December 2010	950	477	1,427
Accumulated Depreciation			
Opening balance at 1 January 2010	997	360	1,357
Depreciation for the year	68	22	90
Depreciation on disposals	(234)	—	(234)
Cumulative depreciation at 31 December 2010	831	382	1,213
Net Assets at 31 December 2010	119	95	214
Net Assets at 31 December 2009	139	117	256

2.2 Bank and Cash

	2010 €000	2009 €000
at 31 December		
PMG balance and cash	151	241
Other cash balances	3	—
	154	241

2.3 Stocks

	2010 €000	2009 €000
at 31 December		
Stationery	6	5
IT consumables	12	19
	18	24

2.4 Other Credit Balances

	2010 €000	2009 €000
at 31 December		
Amount due to the State		
Income Tax	72	93
Pay Related Social Insurance	36	40
Professional Services Withholding Tax	18	35
Pension contributions	11	13
	137	181
Payroll deductions held in suspense	34	65
Other credit suspense items	27	46
	198	292

2.5 Net Liability from the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	1,087	985
Exchequer grant undrawn	(1,112)	(1,022)
Net liability from the Exchequer	<u>(25)</u>	<u>(37)</u>

Represented by:**Debtors**

Bank and cash	154	241
Debit balances: suspense	19	14
	<u>173</u>	<u>255</u>

Creditors

Due to State	(137)	(181)
Credit balances: suspense	(61)	(111)
	<u>(198)</u>	<u>(292)</u>

	<u>(25)</u>	<u>(37)</u>
--	-------------	-------------

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000 and by more than 25%.

Sub-head	Less/(more) than provided €000	Explanation
A.6.	118	The saving arose due to an unused allocation of €65,000 to cover fit-out costs associated with a proposed merger with the Commission for Public Service Appointments and due to lower than anticipated heat, light and fuel costs.
B.3.	115	The saving arose due to lower than anticipated advertising costs and because the subhead contained a contingency of €75,000 which remained unspent.

4 Receipts

4.1 Appropriations-in-aid

	2010 Estimated €	2010 Realised €	2009 Realised €
1. Miscellaneous	5,000	9,337	5,005
2. Receipts from pension-related deduction on public service remuneration	376,000	362,754	312,016
Total	381,000	372,091	317,021

4.2 Extra receipts payable to the Exchequer

Receipts totalling €57,323 were transferred to the Exchequer during the year, including €37,437 in recovered legal costs.

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	88	88
	2010 €000	2009 €000
Pay	5,273	5,780
Higher, special or additional duties allowances	29	43
Overtime	41	30
Employer's PRSI	213	235
Total pay	5,556	6,088

5.1 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	4	1	11,131	14,430
Overtime and extra attendance	15	1	11,793	8,823

Note: Certain individuals received extra remuneration in more than one category.

5.2 Performance and Merit Payments

A sum of €12,200 was spent on merit awards (including 19 individual awards ranging from €350 to €1,400).

Vote 19: Justice and Law Reform

Introduction

As Accounting Officer for Vote 19, 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 2010 for the salaries and expenses of the Office of the Minister for Justice and Law Reform, Probation Service staff and of certain other services, including payments under cash-limited schemes administered by that Office, and payment of certain grants and grants-in-aid.

This account has been prepared in accordance with the 2010 Further Revised Estimate for the Department of Justice and Law Reform, which took account of the alteration of the title of Department of Justice, Equality and Law Reform in June 2010 (S.I. No. 216/2010) and the transfer out of functions relating to Equality, Integration, Disability and Human Rights to the Department of Community, Equality and Gaeltacht Affairs (S.I. No. 217/2010)

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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 the following:

Depreciation

Capital assets are depreciated on a straight line basis over their estimated useful life starting in the month the asset is placed in service. Buildings are depreciated at a rate of 2% per annum on a straight line basis over the estimated useful life.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Department of Justice and Law Reform.

S AYLWARD

Accounting Officer
Department of Justice and Law Reform
30 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 19: Justice and Law Reform for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Justice and Law Reform. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapter 21 of my annual report refers to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY
Comptroller and Auditor General
31 August 2011

Vote 19 Justice and Law Reform

Appropriation Account 2010

Service		2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000	€000
Administration				
A.1. Salaries, wages and allowances		20,064	20,705	23,792
A.2. Travel and subsistence		455	338	405
A.3. Incidental expenses				
	<i>Original</i>	3,504		
	<i>Supplementary</i>	1,800	5,304	4,555
A.4. Postal and telecommunications services		1,117	1,131	1,534
A.5. Office machinery and other office supplies, and related services				
	<i>Original</i>	6,395		
	<i>Supplementary</i>	2,000	8,395	8,340
A.6. Office premises expenses		1,498	1,954	2,586
A.7. Consultancy services		109	86	170
A.8. Research		483	102	187
A.9. Financial shared services		11,123	10,466	10,510
A.10. Value for money and policy reviews		64	—	2
Commissions				
B.1. Commissions and special inquiries				
	<i>Original</i>	14,709		
	<i>Supplementary</i>	(5,500)	9,209	9,767
B.2. Human Rights Commission (grant-in-aid)		683	683	1,596
B.3. Commission for the victims of the Northern Ireland conflict		—	—	203
B.4. Independent International Commission (grant-in-aid)		596	594	623
B.5. Independent Monitoring Commission (grant-in-aid)		518	426	516
Legal Aid				
C.1. Legal Aid - criminal (no. 12 of 1962)				
	<i>Original</i>	47,467		
	<i>Supplementary</i>	7,500	54,967	56,517
C.2. Legal Aid Board (grant-in-aid)		24,225	24,225	26,311
C.3. Free legal advice centres		98	98	98

Service		2010 Estimate	2010 Outturn	2009 Outturn
	€000	€000	€000	€000
Immigration and Asylum				
D.1. Irish Naturalisation & Immigration Service (INIS)				
	<i>Original</i> 46,991			
	<i>Supplementary</i> 12,300	59,291	57,233	64,250
D.2. Asylum seekers task force - legal aid		8,145	7,967	8,330
D.3. European Refugees Fund		135	135	1,338
D.4. Asylum seekers accommodation		77,492	79,074	86,510
Equality				
E.1. Equality Authority (grant-in-aid)		1,193	1,193	3,329
E.2. Equality Tribunal		1,035	1,035	2,717
E.3. Grants to national women's organisations		274	274	558
E.4. Equality proofing		1	1	260
E.5. Cosc - domestic, sexual and gender-based violence				
	<i>Original</i> 2,716			
	<i>Supplementary</i> (675)	2,041	1,949	2,085
E.6. Equality Monitoring/Consultative Committees		115	115	763
E.7. Gender mainstreaming and positive action for women		61	61	1,427
E.8. Office of the Minister for Integration		836	836	5,241
Disability				
F.1. Status of people with disabilities		470	470	1,556
F.2. National Disability Authority		1,561	1,561	4,363
F.3. Disability projects		169	169	1,996
Other Services				
G.1. Garda Complaints Board				
	<i>Original</i> 320			
	<i>Supplementary</i> 620	940	975	664
G.2. Office of the Data Protection Commissioner		1,208	1,376	1,741
G.3. Criminal Assets Bureau				
	<i>Original</i> 8,227			
	<i>Supplementary</i> (1,000)	7,227	6,531	6,877

Service		2010 Estimate	2010 Outturn	2009 Outturn
	€000	€000	€000	€000
G.4. Prisons Inspectorate		363	344	339
G.5. Coroners service		355	378	392
G.6. Parole Board		275	392	335
G.7. Forensic Science Laboratory		12,819	8,702	8,062
G.8. State Pathology		5,541	2,459	1,056
G.9. Compensation for personal injuries criminally inflicted		4,437	4,285	4,442
G.10 Funding for services to victims of crime		1,321	1,307	1,289
G.11 Crime prevention measures		217	247	328
G.12 Central Authorities (child abduction, child protection and maintenance debtors)		166	78	106
G.13 Garda Ombudsman Commission				
	<i>Original</i>	10,242		
	<i>Supplementary</i>	<u>(1,200)</u>	9,042	9,422
G.14 Private Security Authority		2,233	2,170	2,399
G.15 Office of the Garda Inspectorate				
	<i>Original</i>	1,901		
	<i>Supplementary</i>	<u>(550)</u>	1,351	1,152
G.16 Irish Film Classification Office				
	<i>Original</i>	1,245		
	<i>Supplementary</i>	<u>(200)</u>	1,045	1,175
G.17 National Property Services Regulatory Authority (NPSRA)		738	622	657
G.18 Graffiti removal operation (GRO)		—	—	33
G.19 Social disadvantage measures (dormant accounts funded)		297	297	568
G.20 Mental Health (Criminal Law) Review Board		431	586	661
Probation Service				
H.1. Probation service - salaries, wages and allowances		23,394	21,826	24,723
H.2. Probation service - operating expenses		5,814	4,547	5,302
H.3. Probation service - services to offenders				
	<i>Original</i>	14,101		
	<i>Supplementary</i>	<u>(3,342)</u>	10,759	16,471
H.4. Community service order scheme		2,284	2,081	2,590

Service		2010 Estimate	2010 Outturn	2009 Outturn
		€000	€000	€000
Irish Youth Justice Service				
I.	Irish Youth Justice Service	51,648	43,894	44,524
Gross Expenditure				
	<i>Original</i>	423,879		
	<i>Supplementary</i>	11,753		
		435,632	415,831	470,833
Deduct:				
J.	Appropriations-in-aid			
	<i>Original</i>	33,634		
	<i>Supplementary</i>	11,752		
		45,386	48,068	43,653
Net Expenditure				
	<i>Original</i>	390,245		
	<i>Supplementary</i>	1		
		390,246	367,763	427,180
Surplus to be surrendered			€22,482,599	€1,707,710

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	2010 €000	2009 €000
Expenditure on administration		47,677	52,586
Expenditure on services and programmes		368,154	418,247
Gross expenditure		415,831	470,833
Deduct			
Appropriations-in-aid		48,068	43,653
Net expenditure		367,763	427,180
Changes in Capital Assets			
Purchase cash		(1,872)	(8,554)
Depreciation		9,341	10,631
Loss on disposals		305	47
Disposals cash		8	—
Changes in assets under development			
Cash payments		(7,538)	(3,495)
Changes in net current assets			
Decrease in closing accruals		(2,088)	1,828
Increase in stock		(17)	128
Direct expenditure		365,902	427,765
Net allied services expenditure	1.1	31,732	40,493
Notional rents		6,560	5,476
Total operating cost		404,194	473,734

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 19 borne elsewhere

		2010 €000	2009 €000
Vote			
7	Superannuation and Retired Allowances	21,920	23,306
9	Office of the Revenue Commissioners	2,676	2,909
10	Office of Public Works	15,181	22,270
20	Garda Síochána	216	183
	Central Fund - Ministerial pensions(No. 38 of 1938 etc.)	236	365
		40,229	49,033
19	Allied Services - apportioned cost of Financial Shared Services Centre	(8,497)	(8,540)
		31,732	40,493

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	34,549	40,503
Capital Assets under Development	2.2	9,536	3,826
		44,085	44,329
Current Assets			
Bank and cash	2.3	1,938	6,295
Stocks	2.4	538	521
Prepayments		1,841	1,384
Accrued income		1,544	1,057
Other debit balances	2.5	3,408	1,015
Total Current Assets		9,269	10,272
Less Current Liabilities			
Accrued expenses		9,507	10,641
Deferred income		191	201
Other credit balances	2.6	5,088	5,602
Net Liability to the Exchequer	2.7	258	1,708
Total Current Liabilities		15,044	18,152
Net Current Liabilities		(5,775)	(7,880)
Net Assets		38,310	36,449

2.1 Capital Assets	Land and Buildings	Vehicles and Equipment	Office Equipment	Furniture and Fittings	Total
	€000	€000	€000	€000	€000
Gross assets					
Cost or valuation at 1 January 2010	14,856	1,384	85,287	6,189	107,716
Additions	144	159	3,238	159	3,700
Disposals	—	(155)	(2,847)	(1,257)	(4,259)
Cost or valuation at 31 December 2010	15,000	1,388	85,678	5,091	107,157
Accumulated Depreciation					
Opening balance at 1 January 2010	360	797	61,695	4,361	67,213
Depreciation for the year	300	212	8,493	336	9,341
Depreciation on disposals	—	(124)	(2,655)	(1,167)	(3,946)
Cumulative depreciation at 31	660	885	67,533	3,530	72,608
Net Assets at 31 December 2010	14,340	503	18,145	1,561	34,549
Net Assets at 31 December 2009	14,496	587	23,592	1,828	40,503

2.2 Capital Assets under Development

	In-House Computer Applications	Buildings	Totals
	€000	€000	€000
Amounts brought forward at 1 January 2010	3,634	192	3,826
Cash payments for the year	2,106	5,432	7,538
Transferred to asset register	(1,828)	—	(1,828)
Amounts carried forward at 31 December 2010	3,912	5,624	9,536

2.3 Bank and Cash

at 31 December	2010 €000	2009 €000
PMG balances and cash	7,154	9,769
Orders outstanding	(5,216)	(3,474)
	1,938	6,295

2.4 Stocks

at 31 December	2010 €000	2009 €000
Stationery	180	175
Forensic consumables	182	154
Office consumables	—	2
IT consumables	124	152
Miscellaneous	30	28
Publications	5	—
Equipment/Clothing	17	10
	538	521

2.5 Other Debit Balances

at 31 December

	2010	2009
	€000	€000
Advances to OPW	127	55
Imprests	105	106
Recoupable salaries	209	253
Recoupment of travel pass scheme	42	168
CAB Receivership	161	169
Other	2,764	264
	<u>3,408</u>	<u>1,015</u>

2.6 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the State		
Income Tax	1,304	1,571
Pay Related Social Insurance	927	1,043
Value Added Tax	164	72
Pension Contributions	—	11
Professional Service Withholding Tax	1,481	1,847
Construction Tax	9	—
	<u>3,885</u>	<u>4,544</u>
Payroll deductions held in suspense	690	763
Other	513	295
	<u>5,088</u>	<u>5,602</u>

2.7 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	22,483	7,708
Exchequer grant undrawn	(22,225)	(6,000)
Net liability to the Exchequer	<u>258</u>	<u>1,708</u>

Represented by:**Debtors**

Bank and cash	1,938	6,295
Debit balances: suspense	3,408	1,015
	<u>5,346</u>	<u>7,310</u>

Creditors

Due to State	(3,885)	(4,544)
Credit balances: suspense	(1,203)	(1,058)
	<u>(5,088)</u>	<u>(5,602)</u>
	<u>258</u>	<u>1,708</u>

2.8 Commitments

(a) Global Commitments

Contracted commitments at 31 December 2010 amount to €1.5m (2009 - €3.3m)

(b) Multi-Annual Capital Commitments

	Expenditure to 1 January 2010	Expenditure in 2010	Subsequent Years	Total estimated cost
Project	€000	€000	€000	€000
AISIP - Asylum/Immigration Strategic Integration Programme	3,529	1,681	4,390	9,600
AFIS - Automated Fingerprint Identification System ¹	10,645	1,195	—	11,840
GNIB-IS - Upgrade Project	415	1,300	—	1,715

¹The AFIS project was jointly funded from the Justice and Garda Votes as both Immigration and Asylum requirements and Garda operational needs were met from the project. The total cost of the project was €23.125 million.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, after any supplementary estimate adjustments, by more than €100,000 and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided €000	Explanation
A.2.	117	The saving arose due to less travel than anticipated being undertaken in 2010. While the severe weather at the end of year and other restrictions such as the Volcanic Ash Cloud and airline industrial action contributed, the reduction was also due to changes in travel policy leading to only absolutely essential travel due to budgetary constraints.
A.6.	(456)	The excess arose mainly due to additional costs arising from flooding in 94 St Stephens Green and removal and relocation costs in respect of premises which were vacated as leases had expired.
A.8.	381	Due to the economic situation, it was necessary to reduce expenditure to the greatest extent possible and only one new research project was approved for funding.
B.1.	(558)	The excess in this case arises due to third party legal costs associated with the Morris Tribunal.
G.2.	(168)	The excess arose due to the pay costs associated with the running of the Office of the Data Protection Commissioner not being offset in full by savings in the non payroll side.
G.3.	696	The savings arose due to reductions in communications and other administrative costs. In addition anticipated legal costs did not materialise.
G.6.	(117)	The excess arose due to the ongoing costs, associated with the work of the Parole Board, being greater than the budget allocated.
G.7.	4,117	This saving arose as a result of the deferment of the implementation of a DNA database project in 2010
G.8.	3,082	The saving is primarily in relation to construction costs on the new Medico Legal Centre in Marino, which did not progress to the extent envisaged in 2010, due to the main contractor going into receivership.
G.15.	161	The saving is primarily due to staffing vacancies during part of 2010 and in addition the Inspectorate did not proceed with the replacements of two official vehicles in view of the difficult financial situation facing the Vote as a whole.
G.16.	316	The saving arose due to reductions in administration and other office costs including the fit-out of a new premises.
G.17.	116	The saving arose because certain statutory functions to be carried out by the NPRSA have not yet been provided for in legislation.
G.20.	(155)	The excess arose mainly due to the fees incurred in respect of the increased number of statutorily-required review hearings of the detention of patients at the Central Mental Hospital.
H.1.	1,568	The savings arose due to a number of staff vacancies which exist within the Probation Service.
H.2.	1,267	The savings arose primarily due to measures taken to reduce administrative costs such as more competitive prices negotiated with suppliers.
H.3.	1,239	The savings arose due to reductions in the 2010 grant allocations to Community Based Organisations (CBO's), the transfer of two CBO's to other bodies within the Justice Group and cessation of funding to one CBO in 2010.
H.4.	203	The saving arose due to a number of Community Service supervisor vacancies which exist within the Probation Service.
I.	7,754	The saving mainly arose from an underspend on the capital budget due to a delay in the tender process for the proposed new Children's Detention School in Oberstown, Co. Dublin. Additional savings also arose in relation to reductions in payroll costs in 2010.

4 Receipts

4.1 Appropriations-in-aid

		2010 Estimated €000	2010 Realised €000	2009 Realised €000
	€000			
1. Film censorship fees				
	<i>Original</i>	3,003		
	<i>Supplementary</i>	(500)	2,515	2,398
2. Recoupment of salaries				
	<i>Original</i>	75		
	<i>Supplementary</i>	(75)	—	317
3. Data Protection fees				
	<i>Original</i>	450		
	<i>Supplementary</i>	125	589	575
4. EU Receipts				
	<i>Original</i>	996		
	<i>Supplementary</i>	314	3,319	4,192
5. Miscellaneous receipts				
	<i>Original</i>	1,082		
	<i>Supplementary</i>	561	1,623	1,304
6. Immigration Registration fees				
	<i>Original</i>	10,908		
	<i>Supplementary</i>	4,500	14,900	14,600
7. Visa fees				
	<i>Original</i>	4,800		
	<i>Supplementary</i>	1,600	7,025	6,375
8. Dormant Accounts receipts			672	193
9. Private Security Authority fees				
	<i>Original</i>	2,364		
	<i>Supplementary</i>	100	2,668	2,082
10. Contributions to pension scheme for non-teaching staff of centres for young offenders			585	780
11. Nationality and Citizenship Certificates fees				
	<i>Original</i>	3,650		
	<i>Supplementary</i>	2,327	6,220	3,744
12. Receipts from pension-related deductions on public service remuneration				
	<i>Original</i>	5,049		
	<i>Supplementary</i>	2,800	7,907	7,093
Total		45,386	48,068	43,653

Explanation of significant variations

An explanation is provided below in the case of each heading where the outturn varied from the amount estimated after any supplementary estimate adjustments, by more than €100,000, and by more than 5%.

Heading	Less/(more) than estimated €000	Explanation
4	(2,009)	An amount of €2.009m was received by the Irish Youth Justice Service in late 2010 from the EU in relation to Community Programmes. This was not expected until January 2011.
6	508	While the fee intake in 2010 is slightly greater than the previous years figure, it did not reach the revised target of €15.408m, before the end of the financial year. This is due to a lesser number of registrations during the year than had been expected.
7	(625)	Receipts of visa fees were higher than anticipated. It is difficult to predict the level of demand for visas, including re-entry visas, as demand fluctuates due to a number of factors, including the world-wide economic situation.
9	(204)	The excess in the outturn for 2010 is due to the number of first time applications received for individual licences which exceeded the anticipated income from this category.
11	(243)	The volume of naturalisation certificates issued exceeded projections. This is due to the increased volume of qualified applicants remitting fees/documentation. The provision also includes long term residency certificate fees which were higher than estimated

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	2,476	2,854
	€000	€000
Pay	136,566	157,593
Higher, special or additional duties allowances	184	251
Other allowances	3,318	3,613
Overtime and extra attendance	1,663	1,878
Employer's PRSI	6,143	7,298
Total pay	147,874	170,633

Note: The total pay figure includes elements of pay from other subheads as follows: A1, A9, B1, B2, C2, D1, D2, E1, E2, E5, E7, E8, F2, G1, G2, G3, G4, G5, G6, G7, G8, G9, G10, G11, G12, G13, G14, G15, G16, G17, G20, H1, H4 and I.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	38	6	26,535	44,918
Overtime and extra attendance	272	26	27,886	37,984
Shift and roster allowances	—	—	—	7,951
Miscellaneous	478	37	27,429	21,700

Note: Certain individuals received extra remuneration in more than one category.

5.2 Other Remuneration Arrangements

A total amount of €159,960 was paid to 12 retired civil servants in receipt of civil service pensions, who were re-employed in various duties during 2010. In addition, an amount of €162,648 was paid to a former judiciary member, which was met directly out of Subhead G.20 Mental Health (Criminal Law) Review Board.

6 Miscellaneous Items

6.1 Ex-gratia payments

Ex-gratia payments amounting to €257,023 were made in respect of the non-statutory Legal Aid Scheme for CAB-type actions.

Ex-gratia payments amounting to €1,279,555 were made in respect of the non-statutory Garda Station Legal Aid Advice Scheme.

A payment amounting to €42,640 was made on an ex-gratia basis to a barrister to discharge the fees of a second junior counsel, in the exceptional circumstances of a particular case.

Ex-gratia payments amounting to €10,000 were made to the Association for Criminal Justice Research and Development.

Ex-gratia payments totalling €63,067 were made in a number of cases in relation to the Coroners service.

A payment of €20,000 was made by the Department to an employee in settlement of a personal injuries claim. An additional €17,627 was paid in respect of legal, medical and engineering fees regarding this claim.

6.2 Other

An amount of €40,897 was received from the Drugs Initiative Fund and is accounted for through a suspense account.

6.3 EU Funding

The outturn in Subheads D.1. and I. includes expenditure in respect of activities co-funded by the European Union. In addition funding for an EU funded programme "Safety Internet Plus Programme" is administered through a suspense account by the Office for Internet Safety.

Subhead Description	2010 Estimate €000	2010 Outturn €000	2009 Outturn €000
D.1. European Return Fund	1,083	1,083	620
I. ESF- Garda Youth Diversion additional skills and employees	3,850	3,500	3,173
	4,933	4,583	3,793

6.4 Commissions and Inquiries

	Year of appointment	Expenditure in 2009 €000	Expenditure in 2010 €000	Cumulative expenditure to 31 December 2010 €000
Morris Tribunal	2002	3,310	5,079	57,675
Barr Tribunal	2002	5	152	20,700
Criminal Injuries Compensation Tribunal	1974	154	74	1,405
Smithwick Tribunal	2005	1,372	1,518	7,827
Rossiter Inquiry	2005	663	14	2,729
Dublin Archdiocese Commission	2006	1,366	1,249	6,141
Casino Commission	2006	67	—	542
Location of Victims Remains Commission	2006	814	1,353	2,970
Restorative Justice Commission	2007	266	5	735
Gary Douch Commission of Investigation	2007	488	323	1,347
Independent Examination of the Stardust Victims Committee's case for a reopened Inquiry	2007	26	—	1,368
		8,531	9,767	103,439

Vote 20: Garda Síochána

Introduction

As Accounting Officer for Vote 20, 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 2010 for the salaries and expenses of the Garda Síochána, including pensions, etc; for the payment of certain witnesses' expenses, and for payment of a grant-in-aid.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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 the following:

(A) Depreciation

Capital assets are depreciated on a straight line basis over their estimated useful life starting in the month recorded in the fixed asset register.

Aircraft are depreciated on a straight line basis at the rate of 5% per annum.

Boats are depreciated on a straight line basis at the rate of 10% per annum.

Vehicles are depreciated on a straight line basis at the rate of 25% per annum.

(B) Land and Buildings

The Minister for Justice and Law Reform owns 8 Garda stations which are included in the Appropriation Account of the Office of Public Works (Vote 10).

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Garda Síochána.

The Audit Committee, a statutory body which was established in 2006 in accordance with Section 44 of the Garda Síochána Act 2005, met five times during 2010. The functions of the Audit Committee are set out in Section 45 of the Act and, in accordance with good governance, a revised Audit Charter was agreed. In addition, while the Code of Practice for the Governance of State Bodies is not applicable, it is the intention of the Garda Síochána to comply with it. The Audit Committee approved the Internal Audit Plan for 2010 and considered all of the significant control matters brought to its attention. At the end of 2010, the Garda Internal Audit section, which is headed by a Professional Accountant, had a total staff complement of six civilian and four sworn members.

As part of its annual work programme, the Garda Internal Audit section worked with the Garda Professional Standards unit, the Garda Inspectorate and the Garda Risk Governance Board on a number of issues of mutual interest. In 2009 the Head of Internal Audit in the Courts Service undertook a peer review of the Garda Internal Audit section which provided a road map for improvements to the internal audit function and in 2010 all of the recommendations in the peer review were substantially implemented.

The Finance Directorate continued to deliver a customised training programme in 2010 which covered the areas of financial management of devolved budgets, public procurement and processing of payroll and other claims. The Office of the Chief State Solicitor delivered a course dealing with the new EU Remedies Directive. A training programme was also delivered in relation to the implementation of the Department of Finance Capital Appraisal Guidelines.

An Garda Síochána continues to have a very strong commitment and investment programme in the security of its information and communication technology systems. During 2010 two review audits were conducted by external auditors on the payroll systems in operation in the Financial Shared Services Centre, Killarney and the Garda Síochána. The auditors concluded that reasonable assurance could be placed on the sufficiency of the controls in place.

A risk management framework and policy in accordance with the Department of Finance guidelines was implemented in 2009 which included a risk management office and a risk governance board chaired by a Deputy Commissioner. A risk management process was implemented at Regional and Divisional level in 2009 and this was extended to District level in 2010.

MARTIN CALLINAN

Accounting Officer

An Garda Síochána

31 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 20: Garda Síochána for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. I have also been furnished with certificates from the Accounting Officer which support the expenditure under the Witness Security Programme. As a result of my audit, and on the basis of the certificates furnished, it is my opinion that proper books of account have been kept by the Garda Síochána. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapter 21 of my annual report refers to certain matters which I considered appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

25 August 2011

Vote 20 Garda Síochána Appropriation Account 2010

Service		2010 Estimate provision	2010 Outturn	2009 Outturn
		€000	€000	€000
Administration				
A.1. Salaries, wages and allowances				
	<i>Original</i>	988,097		
	<i>Supplementary</i>	40,000	1,028,097	1,025,943
A.2. Travel and subsistence				1,079,545
	<i>Original</i>	18,479		
	<i>Supplementary</i>	1,200	19,679	19,733
A.3. Incidental expenses				23,232
	<i>Original</i>	17,445		
	<i>Supplementary</i>	300	17,745	18,055
A.4. Postal and telecommunications services				20,745
	<i>Original</i>	29,314		
	<i>Supplementary</i>	14,184	43,498	42,845
A.5. Office machinery and other office supplies and related services				25,811
	<i>Original</i>	24,772		
	<i>Supplementary</i>	3,375	28,147	28,537
A.6. Maintenance of Garda premises				32,633
	<i>Original</i>	7,521		
	<i>Supplementary</i>	500	8,021	9,058
A.7. Consultancy services				9,789
	<i>Original</i>	308		
	<i>Supplementary</i>	(100)	208	11
A.8. Station services				76
	<i>Original</i>	12,996		
	<i>Supplementary</i>	6,560	19,556	19,401
A.9. Implementation of Garda SMI			143	152
A.10. Garda Reserve			480	874
A.11. Value for money and policy reviews				523
	<i>Original</i>	290		
	<i>Supplementary</i>	(290)	—	—
Other Services				
B. Clothing and accessories				
	<i>Original</i>	2,764		
	<i>Supplementary</i>	630	3,394	3,783
C. St. Paul's Garda Medical Aid Society (grant-in aid)			124	124
				131

Service		2010 Estimate provision	2010 Outturn	2009 Outturn
		€000	€000	€000
D.	Transport			
	<i>Original</i>	14,538		
	<i>Supplementary</i>	14,603	29,141	21,241
E.	Communications and other equipment			
	<i>Original</i>	28,982		
	<i>Supplementary</i>	(6,297)	22,685	23,276
F.	Aircraft			
	<i>Original</i>	1,050		
	<i>Supplementary</i>	1,000	2,050	1,951
G.	Superannuation, etc.			
	<i>Original</i>	333,751		
	<i>Supplementary</i>	(45,000)	288,751	289,069
H.	Witnesses' expenses			
	<i>Original</i>	1,805		
	<i>Supplementary</i>	200	2,005	2,027
I.	Compensation			
	<i>Original</i>	16,622		
	<i>Supplementary</i>	1,258	17,880	17,198
J.	Witness security programme			
	<i>Original</i>	1,198		
	<i>Supplementary</i>	(498)	700	700
Gross Expenditure				
	<i>Original</i>	1,500,679		
	<i>Supplementary</i>	31,625	1,532,304	1,530,678
Deduct				
K.	Appropriations-in-aid			
	<i>Original</i>	111,322		
	<i>Supplementary</i>	21,625	132,947	133,040
Net Expenditure				
	<i>Original</i>	1,389,357		
	<i>Supplementary</i>	10,000	1,399,357	1,397,638
Surplus to be surrendered			€1,718,716	€2,275,060

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	2010 €000	2009 €000
Expenditure on administration		1,164,609	1,213,451
Expenditure on services and programmes		366,069	406,521
Gross expenditure		1,530,678	1,619,972
Deduct			
Appropriations-in-aid		133,040	112,226
Net expenditure		1,397,638	1,507,746
Changes in capital assets			
Purchases cash		(5,664)	(19,595)
Depreciation		25,908	34,970
Disposals cash		426	36
Loss on disposals		879	150
Changes in assets under development			
Cash payments		(1,946)	(754)
Changes in net current assets			
Increase in closing accruals		697	(6,457)
Increase in stock		(2,324)	6,148
Direct expenditure		1,415,614	1,522,244
Net allied services expenditure	1.1	11,909	11,036
Total operating cost		1,427,523	1,533,280

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 20 borne elsewhere.

		2010 €000	2009 €000
Vote			
7	Superannuation and Retired Allowances	600	600
10	Office of Public Works	11,424	9,552
19	Justice and Law Reform - Financial Shared Services Centre	5,414	5,442
Less			
Allied Services provided by An Garda Síochána to other Votes		(5,529)	(4,558)
		11,909	11,036

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	54,099	75,273
Capital Assets under Development	2.2	4,570	2,624
		58,669	77,897
Current Assets			
Bank and cash	2.3	5,647	19,592
Stocks	2.4	11,141	8,817
Prepayments		7,771	5,160
Accrued income		1,046	991
Other debit balances	2.5	28,160	20,503
Net Liability from the Exchequer	2.7	281	(275)
Total Current Assets		54,046	54,788
Less Current Liabilities			
Accrued expenses		8,274	4,536
Other credit balances	2.6	34,088	39,820
Total Current Liabilities		42,362	44,356
Net Current Assets		11,684	10,432
Net Assets		70,353	88,329

2.1 Capital Assets

	Aircraft	Motor Boat	Vehicles and Equipment	Office and IT Equipment	Furniture and Fittings	Total
	€000	€000	€000	€000	€000	€000
Gross assets						
Cost or valuation at 1 January 2010	20,201	975	66,232	148,204	4,197	239,809
Additions	—	85	3,089	2,598	267	6,039
Disposals	(3,200)	—	(2,711)	(1,269)	—	(7,180)
Cost or valuation at 31 December 2010	17,001	1,060	66,610	149,533	4,464	238,668
Accumulated Depreciation						
Opening balance at 1 January 2010	8,857	521	51,535	101,918	1,705	164,536
Depreciation for the year	824	67	10,470	14,116	431	25,908
Depreciation on disposals	(2,080)	—	(2,538)	(1,257)	—	(5,875)
Cumulative depreciation at 31 December 2010	7,601	588	59,467	114,777	2,136	184,569
Net Assets at 31 December 2010	9,400	472	7,143	34,756	2,328	54,099
Net Assets at 31 December 2009	11,344	454	14,697	46,286	2,492	75,273

2.2 Capital Assets under Development

	Schengen Project €000	MIMS Project €000	Total €000
Amounts brought forward at 1 January 2010	2,624	—	2,624
Cash payments for the year	52	1,894	1,946
Amount carried forward at 31 December 2010	2,676	1,894	4,570

2.3 Bank and Cash

at 31 December	2010 €000	2009 €000
PMG balances and cash	25,406	30,644
Orders outstanding	(19,759)	(11,052)
	5,647	19,592

2.4 Stocks

at 31 December

	2010	2009
	€000	€000
Stationery	690	639
Telecommunications stock	7,304	4,975
Clothing	1,215	1,075
Technical Bureau	235	294
United Nations stock	69	48
Armoury	1,257	1,348
Miscellaneous	371	438
	11,141	8,817

2.5 Other Debit Balances

at 31 December

	2010	2009
	€000	€000
Advances to OPW	621	893
Imprests	4,232	5,964
Recoupable salaries	21,958	11,840
Cycle to Work scheme	1,127	1,178
Other debit suspense items	222	628
	28,160	20,503

2.6 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the State		
Income Tax	13,462	16,939
Pay Related Social Insurance	10,588	11,472
Professional Services Withholding Tax	747	844
Value Added Tax	601	533
Firearm certificates	—	21
Road Traffic Act penalties	1,845	2,739
Pension contributions	—	25
Tax on pension contribution refunds	1	22
	27,244	32,595
Payroll deductions held in suspense	5,372	5,727
Garda Reward Fund	287	294
Other credit suspense items	1,185	1,204
	34,088	39,820

2.7 Net Liability from the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	1,719	2,275
Exchequer grant undrawn	(2,000)	(2,000)
Net liability from the Exchequer	<u>(281)</u>	<u>275</u>

Represented by:**Debtors**

Bank and cash	5,647	19,592
Debit balances: suspense	28,160	20,503
	<u>33,807</u>	<u>40,095</u>

Creditors

Due to State	(27,244)	(32,595)
Credit balances: suspense	(6,844)	(7,225)
	<u>(34,088)</u>	<u>(39,820)</u>
	<u>(281)</u>	<u>275</u>

2.8 Commitments

at 31 December

(A) Global Commitments

Contracted commitments at 31 December 2010 amounted to €5.688m. (2009 - €2.7m)

(B) Multi-Annual Capital Commitments

	Expenditure to 1 January 2010	Expenditure in 2010	Total Expected Project Cost
	€000	€000	€000
Project			
Schengen Information System	2,624	52	23,870
MIMS	—	1,894	28,746
AFIS Fingerprint*	11,241	44	11,285

Having reviewed all the expenditure in relation to the AFIS project the total cost funded from the Garda Vote was €11.285 million. As a result the expenditure figure for 2009 and prior years has been revised accordingly.

The AFIS project was jointly funded from the Justice and Garda Votes as both Immigration and Asylum requirements and garda operational needs were met from the project. The total cost of the project was €23.125 million.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, after any supplementary estimate adjustments, by more than €100,000, and by more than 5%.

Sub-head	Less/(more) than provided €000	Explanation
A.6.	(1,037)	The excess arose due to essential maintenance works to improve members' working environment.
A.7.	197	The saving arose due to the organisation's commitment to reducing consultancy expenditure as per Department of Finance directions.
A.10.	(394)	The excess arose due to the taxation costs associated with the Garda Reserve allowance of €1,000 per reservist.
B.	(389)	The excess arose due to the requirement to purchase additional operational equipment for security and policing purposes.

4 Receipts

		2010 Estimated €000	2010 Realised €000	2009 Realised €000
4.1 Appropriations-in-aid				
1. Contributions to the Garda Síochána Spouses' and Children's pension schemes				
	<i>Original</i>	15,350		
	<i>Supplementary</i>	(1,800)	13,550	14,194
				17,562
2. Contributions to the Garda Síochána pensions scheme				
	<i>Original</i>	19,974		
	<i>Supplementary</i>	2,200	22,174	22,619
				24,458
3. Miscellaneous receipts (breakdown given)				
	<i>Original</i>	11,150		
	<i>Supplementary</i>	150	11,300	11,082
				12,417
4. Receipts from banks in respect of cash escort services				
	<i>Original</i>	4,000		
	<i>Supplementary</i>	275	4,275	4,276
				4,822
5. Firearm licence fees				
	<i>Original</i>	10,000		
	<i>Supplementary</i>	5,500	15,500	14,199
				—
6. Safety cameras - certain receipts from fixed charges				
	<i>Original</i>	100		
	<i>Supplementary</i>	(100)	—	—
				—
7. Receipts from pension related deduction on public service remuneration				
	<i>Original</i>	50,748		
	<i>Supplementary</i>	15,400	66,148	66,670
				52,967
Total			132,947	133,040
				112,226

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%.

Heading	Less/(more) than provided €000	Explanation
1&2	(1,089)	Garda pension receipts are based on deductions from members pay and are difficult to predict with absolute accuracy because of the variable factors involved in pay such as the level of unsociable hours worked by members.
5	1,301	The firearm licence fees were less than originally estimated as this subhead is demand-led. In addition this was the first year of the new 3 year renewal scheme and this made potential receipts difficult to predict.
3	218	Miscellaneous receipts, which comprise the following, are difficult to estimate accurately:

	2010 €000	2009 €000
Repayment of advances under subhead A.2.	—	1
Payment for non-public duty services rendered by Gardaí	3,350	4,378
Recovery in respect of damage to official vehicles and other Garda property	194	217
Proceeds of sales of used vehicles, old stores, forfeited and unclaimed property	1,558	129
Fees for accident and malicious damage reports	502	524
Contribution for living quarters	70	80
Recoupment of witnesses' expenses	3	1
Recoupment of salaries	1	28
Percentage charge to insurance companies for collection of insurance premia	118	161
Taxi licence fees	156	167
Road Traffic Act - Section 41 charges	2,605	2,444
Fingerprints - for employment and visa purposes	20	29
Garda masts	—	1,088
Carrier liability	513	595
Unclassified items	1,992	2,575
	11,082	12,417

4.2 Extra receipts payable to the Exchequer

	2010 €000	2009 €000
Road Traffic Act penalties	19,125	21,384

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	16,477	16,884
	€000	€000
Pay	671,103	711,328
Higher, special or additional duties allowances	412	383
Other allowances	217,189	228,143
Overtime	78,223	79,485
Employer's PRSI	59,016	60,206
Total pay	1,025,943	1,079,545

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	202	1	10,474	—
Overtime and extra attendance	14,680	2,445	47,598	62,792
Shift and roster allowances	14,759	6,217	30,653	28,331
Miscellaneous	14,906	825	40,151	45,996

Note: Certain individuals received extra remuneration in more than one category.

5.2 Other Remuneration Arrangements

A total of €51,005 was paid to ten retired civil servants in receipt of civil service pensions, who were re-employed on various duties during 2010.

This account includes a total of €330,560 in respect of the remuneration of members of the Garda Síochána on special leave with pay with staff representative bodies and assigned to welfare organisations.

5.3 Garda Síochána Reward Fund

The following statement shows the total receipts proper to the Fund for the year 2010, the amount of payments in that period and the balance of the Fund at 31 December 2010:

	€
Balance brought forward on 1 January 2010	342,511
Receipts for the year ended 31 December 2010	43,362
	<u>385,873</u>
Payments for the year ended 31 December 2010	(50,189)
Balance on 31 December 2010	<u><u>335,684</u></u>

6 Miscellaneous Items

6.1 Support for Representative Associations

A grant of €58,000 was made to both the Association of Garda Superintendents and the Association of Chief Superintendents.

Sums of €63,487 and €139,950 were charged in respect of postal and telecommunications services and accommodation availed of by staff representative bodies and welfare organisations.

6.2 Statement of Losses (Garda Vehicles, etc.)

A total of 578 accidents involving garda vehicles were reported in 2010. Damage and other costs to official vehicles amounted to €502,176. Compensation totalling €128,641 was recovered.

6.3 Write-offs

Sanction was obtained from the Department of Finance to write-off a debit balance of €546,995 in respect of the OPW maintenance suspense account.

6.4 EU Funding

A total of €78,340 was received directly by the Garda Síochána in EU funding under Title VI of the Treaty of the European Union for a number of policing programmes.

6.5 Compensation and Legal Costs

Compensation and legal costs totalling €2,755,781 and ranging from €30 to €87,500 were paid in two hundred and ninety three cases in respect of claims for personal injuries and material damage resulting from accidents involving Garda vehicles

Compensation and legal costs totalling €7,464,634 and ranging from €1,000 to €350,000 were paid in two hundred and eleven cases in respect of claims made by members of An Garda Síochána under the Garda Síochána Compensation Act

Legal costs totalling €403,088 were paid in nine Judicial Review cases taken under the Garda Síochána Compensation Acts

At 31 December 2010 an estimated 2,727 compensation cases were outstanding against the Garda Authorities as follows:

Road Traffic Accidents	270
Garda Compensation Acts	1,283
Miscellaneous	1,174

Payments totalling €194,870 and ranging from €2 to €8,258 were made in respect of 2,919 claims under the Occupational Injuries Scheme.

Payments totalling €630,414 and ranging from €102 to €218,585 were made in respect of claims arising out of injuries received by thirty two Gardaí while on duty.

Payments totalling €90,972 and ranging from €31 to €35,536 were made to fourteen civilians in respect of injuries received as a result of accidents on Garda premises.

Payments totalling €188,842 and ranging from €301 to €101,541 were made in five instances following legal action taken by Gardaí.

Payments totalling €5,404,882 and ranging from €51 to €750,000 were made in two hundred and ten instances, where civil actions were taken against the State arising from actions taken by Gardaí in the performance of their duties.

Ex-gratia payments totalling €22,638 in respect of legal expenses were made in three instances where legal action was taken against members of An Garda Síochána arising from actions taken by them in the performance of their duties.

6.6 Other

Garda transport was made available to Prison Service personnel to convey prisoners to court, etc. without charge.

Assistance was rendered to An Garda Síochána by the Defence Forces in the disposal of explosive materials, without payment.

Garda personnel availed of Air Corps aircraft during 2010 without payment. Air Corps support was also provided without charge in relation to the operation of the Garda fixed-wing aircraft and pilot costs of Garda helicopters.

Vote 21: Prisons

Introduction

As Accounting Officer for Vote 21, 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 2010 for the salaries and expenses of the Prison Service, and other expenses in connection with prisons, including places of detention; for probation services and for payment of a grant-in-aid.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

The Statement of Accounting Policies 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 the following:

Land and Buildings:

The Minister for Justice and Law Reform owns 14 prisons and places of detention, as well as property at Beladd Park and Thornton Hall.

Land was valued at open market value by the OPW Valuation section during 2009. Land at Thornton Hall has been valued at purchase price.

The basis for valuing prison buildings – average replacement cost per cell – remains unchanged. Prisons land and buildings will be revalued every 5 years with the assistance of the OPW Valuation Section – the next planned revaluation is 2014. Buildings are not being depreciated in the years between revaluations, on the basis that ongoing annual maintenance expenditure will be sufficient to maintain their condition. With the exception of land, all other capital assets are depreciated on a straight line basis over their estimated useful life starting in the month placed in service.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Irish Prison Service.

S AYLWARD

Accounting Officer

Department of Justice and Law Reform

30 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 21: Prisons for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Justice and Law Reform in respect of the Vote for Prisons. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

22 August 2011

Vote 21 Prisons

Appropriation Account 2010

Service	2010 Estimate provision €000	2010 Outturn €000	2009 Outturn €000
Administration			
A.1. Salaries, wages and allowances	254,714	241,955	259,895
A.2. Travel and subsistence	2,316	2,082	2,714
A.3. Incidental expenses	8,187	5,884	8,099
A.4. Postal and telecommunications services	3,985	3,154	3,627
A.5. Office machinery and other office supplies and related services	3,923	5,100	5,179
A.6. Consultancy services	190	66	189
A.7. Value for money and policy reviews	50	—	—
Other Services			
B. Buildings and equipment	39,752	30,486	49,788
C. Prison services, etc.	32,407	41,336	38,218
D. Manufacturing department and farm	629	586	648
E. Probation service - services to offenders	53	26	10
F. Educational services	1,665	1,457	1,320
G. Prison Officers' Medical Aid Society (grant-in-aid)	521	—	—
H. Compensation	2,973	2,854	4,013
I. Social disadvantage measures (dormant accounts funded)	750	218	420
Gross Expenditure	352,115	335,204	374,120
Deduct			
J. Appropriations-in-aid	17,384	18,095	16,293
Net Expenditure	334,731	317,109	357,827
Surplus for the year		€17,622,088	€5,759,307
Deferred surrender under Section 91 of the Finance Act 2004		€2,000,000	—
Surplus to be surrendered		€15,622,088	€5,759,307

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	2010 €000	2009 €000
Expenditure on administration		258,241	279,703
Expenditure on services and programmes		76,963	94,417
Gross expenditure		335,204	374,120
Deduct			
Appropriations-in-aid		18,095	16,293
Net expenditure		317,109	357,827
Changes in capital assets			
Purchases cash		(15,113)	(21,834)
Depreciation		4,718	5,387
Disposals cash		1	1
Loss on disposals		182	23
Changes in assets under development			
Cash payments		(10,102)	(29,765)
Changes in net current assets			
Increase/(Decrease) in closing accruals		124	(2,035)
Decrease in stock		413	1,056
Direct expenditure		297,332	310,660
Net allied services expenditure	1.1	46,634	36,666
Total operating cost		343,966	347,326

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 21 borne elsewhere

		2010 €000	2009 €000
7	Superannuation and Retired Allowances	43,794	34,455
10	Office of Public Works	1,448	812
19	Justice and Law Reform - Financial Shared Services Centre	1,392	1,399
		46,634	36,666

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	755,263	672,651
Capital Assets under Development	2.2	15,690	77,796
		770,953	750,447
Current Assets			
Bank and cash	2.3	8,688	9,536
Stocks	2.4	1,922	2,335
Prepayments		380	271
Accrued income		310	115
Other debit balances	2.5	1,578	2,170
Total Current Assets		12,878	14,427
Less Current Liabilities			
Accrued expenses		3,658	3,230
Other credit balances	2.6	10,244	10,947
Net Liability to the Exchequer	2.7	22	759
Total Current Liabilities		13,924	14,936
Net Current Liabilities		(1,046)	(509)
Net Assets		769,907	749,938

2.1 Capital Assets

	Land and Buildings €000	Office Equipment €000	Furniture and Fittings €000	Motor Vehicles €000	Total €000
Gross assets					
Cost or valuation at 1 January 2010	660,502	67,100	10,497	9,194	747,293
Prior year adjustment ¹	—	4,696	(9,562)	(2,002)	(6,868)
Additions	81,756	3,729	101	1,749	87,335
Disposals	—	(4,847)	(271)	(193)	(5,311)
Cost or valuation at 31 December 2010	742,258	70,678	765	8,748	822,449
Accumulated Depreciation					
Opening balance at 1 January 2010	—	59,417	8,411	6,814	74,642
Prior year adjustment ¹	—	2,981	(7,786)	(2,255)	(7,060)
Depreciation for the year	—	3,716	40	962	4,718
Depreciation on disposals	—	(4,829)	(92)	(193)	(5,114)
Cumulative depreciation at 31 December 2010	—	61,285	573	5,328	67,186
Net Assets at 31 December 2010	742,258	9,393	192	3,420	755,263
Net Assets at 31 December 2009	660,502	7,683	2,086	2,380	672,651

¹ The Irish Prison Service concluded work in bringing all its fixed assets onto the computerised asset register in 2010. As a result, unlike previous years, the statement of capital assets has been prepared in its entirety from the computerised fixed assets register. This work included a review of all its fixed assets.

2.2 Capital Assets under Development

	Construction Contracts 2010 €000	Construction Contracts 2009 €000
Amounts brought forward at 1 January	77,796	121,388
Cash payments for the year	10,102	29,765
Transferred to asset register	(72,208)	(73,357)
Amounts carried forward at 31 December	15,690	77,796

2.3 Bank and Cash

	2010 €000	2009 €000
at 31 December		
PMG balances and cash	10,969	11,501
Orders outstanding	(2,281)	(1,965)
	8,688	9,536

2.4 Stocks	2010	2009
at 31 December	€000	€000
Uniforms and clothing	1,433	1,937
Furniture and maintenance material	206	158
Food	18	22
Miscellaneous	265	218
	<u>1,922</u>	<u>2,335</u>

Inventory valued at €689,197 has been written off as obsolete in 2010. This relates to uniform items (clothing and footwear), which were deemed obsolete on health and safety grounds and due to the uniform items being no longer functional. Some of the items were 10 to 20 years old and related to 8 different institutions throughout the State.

2.5 Other Debit Balances	2010	2009
at 31 December	€000	€000
Imprests	727	892
Other debit suspense items	851	1,278
	<u>1,578</u>	<u>2,170</u>

2.6 Other Credit Balances	2010	2009
at 31 December	€000	€000
Amounts due to the state		
Income Tax	4,053	4,764
Pay Related Social Insurance	2,925	2,978
Retention Tax	287	225
Value Added Tax	1,317	1,395
Construction Tax	—	12
Tax deducted from pension contribution refunds	2	—
Staff pension contributions	793	354
	<u>9,377</u>	<u>9,728</u>
Payroll deductions held in suspense	721	1,026
Other credit suspense items	146	193
	<u>10,244</u>	<u>10,947</u>

2.7 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	15,622	5,759
Deferred Surrender	2,000	—
Surplus for the year	17,622	5,759
Exchequer grant undrawn	(17,600)	(5,000)
Net liability to the Exchequer	22	759

Represented by:**Debtors**

Bank and cash	8,688	9,536
Debit balances: suspense	1,578	2,170
	10,266	11,706

Creditors

Due to State	(9,377)	(9,728)
Credit balances: suspense	(867)	(1,219)
	(10,244)	(10,947)
	22	759

2.8 Commitments**(a) Global Commitments**

Contracted commitments at 31 December 2010 amounted to €385,000. (2009 €3.266m)

(b) Multi-Annual Capital Commitments

	Expenditure to 31 December 2009	Expenditure in 2010	Subsequent Years	Total Cost
	€000	€000	€000	€000
Thornton Hall Prison	10,177	1,760	3,348	15,285
Midlands Prison	—	1,511	22,170	23,681
Other Projects	—	2,242	4,830	7,072
	10,177	5,513	30,348	46,038

The figure for subsequent years expenditure represents commitments where formal contracts were entered into at 31 December 2010.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000 and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided €000	Explanation
A.1.	12,759	The saving arises as a result of efficiencies introduced with the implementation of the Proposal for Organisational Change in the Prison Service together with an increase in the number of retirements.
A.2.	234	The saving primarily resulted from a reduction in the devolved allocations for travel and subsistence and tighter management of expenditure due to budgetary constraints.
A.3.	2,303	The savings in this subhead arose primarily due to reduced expenditure on prison officer uniforms in comparison to the prior year and reduced staff training costs for new recruits due to the impact of the recruitment moratorium.
A.4.	831	The saving arose due to efficiencies realised through telecommunications operations and new contract arrangements for telecommunication services (primarily the prisoner phone system and mobile phone services).
A.5.	(1,177)	The excess arose due to developments on key prison systems such as HRMS, PRIS etc which progressed during 2010. In addition, office and computer equipment at the Irish Prison Service headquarters in Longford had to be replaced after flood damage.
A.6.	124	The saving arose as the use of consultants was minimised to the greatest extent possible.
B.	9,266	The saving arose primarily due to the delays in the commencement of projects, due to procurement timelines, including the impact of the Remedies Directive.
C.	(8,929)	The excess arose due to the increased running cost of the prisons including utilities such as heat, light and fuel as well as other day to day costs such as food, clothing and healthcare costs, etc. The provision of additional spaces (in Wheatfield and Mountjoy) along with the increase in prisoner numbers in 2010 has, again, impacted on the cost of providing such prison services. In addition, a number of healthcare reviews were undertaken during the year on the recommendation of the European Committee for the Prevention of Torture and Inhuman or Degrading Treatment or Punishment (CPT), resulting in increased costs in this area.
F.	208	The saving arose due to efficiencies and other measures to reduce expenditure in this area being put in place including revised arrangements with service providers.
G.	521	The saving arose as funding was not provided under this subhead due to outstanding legal issues.
I.	532	The timing of expenditure under the dormant accounts initiatives is difficult to anticipate as it is dependent on the rate of progress in funded projects.

4 Receipts

	2010	2010	2009
4.1 Appropriations-in-aid	Estimated	Realised	Realised
	€000	€000	€000
1. Receipts from manufacturing department and farm (including produce used in prisons)	905	1,059	1,082
2. European Social Fund	5	—	—
3. Proceeds from the sale of prison property	—	—	—
4. Miscellaneous	519	360	541
5. Dormant account receipts	750	218	420
6. Receipts from pension - related deduction on public service remuneration	15,205	16,458	14,250
Total	17,384	18,095	16,293

Explanation of significant variation

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%.

Heading	Less/(more) than estimated €000	Explanation
1	(154)	Receipts from prison manufacturing activities are difficult to quantify in advance.
4	159	Receipts in this category are difficult to predict with certainty.
5	532	Receipts from the dormant accounts fund are linked to expenditure under subhead land are consequently difficult to predict.
6	(1,253)	The surplus has arisen due to a greater than expected intake of income from this source which is closely related to payroll expenditure.

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	3,521	3,577
	€000	€000
Pay	143,493	156,032
Higher, special or additional duties allowances	507	649
Other allowances	49,556	52,720
Overtime and extra attendance	34,950	36,643
Employer's PRSI	13,449	13,851
Total pay	241,955	259,895

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2010 €	2009 €
Higher, special or additional duties	134	9	13,566	13,226
Overtime and extra attendance	3,497	1,880	31,479	36,200
Shift and roster allowances	3,173	503	22,603	27,977
Miscellaneous	3,624	436	18,316	27,275

Note: Certain individuals received extra remuneration in more than one category.

5.2 Other Remuneration Arrangements

A total of €83,822 was paid to 11 retired civil servants in receipt of civil service pensions, ranging from €247 to €27,216, who were re-employed on various duties during 2010.

A total of €122,400 was paid as fees/expenses to 9 members of the Prisons Interim Board in 2010.

6 Miscellaneous Items

6.1 Prison Population

The estimated daily average number of prisoners in 2010 was 4,299 (3,881 in 2009).

6.2 Compensation and Legal Costs

Compensation and legal costs totalling €694,374 and ranging from €31 to €125,000 was paid in respect of 68 claims arising out of injuries received by Prison staff while on duty and other issues involving Prison staff.

Compensation and legal costs totalling €848,067 and ranging from €14 to €127,500 was paid in respect of 97 claims arising out of injuries received by prisoners and other actions involving prisoners.

Compensation and legal costs totalling €96,455 and ranging from €10 to €22,500 was paid in respect of 16 claims arising out of injuries to civilians.

Compensation payments totalling €1,101,524 were made arising from 30 awards of the Criminal Injuries Compensation Tribunal. The payments ranged from €631 to €270,200 and was paid in respect of claims arising out of injuries received by Prison staff.

Legal fees of €90,818 were also paid to a prison officer in respect of a judicial review case.

6.3 Other

Ex gratia payments totalling €12,565 were made towards the funeral expenses of 5 offenders who died while in prison.

6.4 Prisoner Assist Programme Fund

In the course of carrying out its statutory function, the Irish Prison Service and its agents operate certain bank accounts. These accounts are accounted for separately and do not form part of this Account as they do not relate to voted funds.

Appendix

ABSTRACT STATEMENT OF THE MANUFACTURING ACCOUNTS OF THE PRISONS FOR THE YEAR ENDED 31 DECEMBER 2010

	Agriculture	Other Industries	Total 31 December 2010	Total 31 December 2009
	€000	€000	€000	€000
Stock on hand at 1 January 2010	5	332	337	372
Purchases	61	518	579	626
Profit	21	366	387	397
	87	1,216	1,303	1,395

	Agriculture	Other Industries	Total 31 December 2010	Total 31 December 2009
	€000	€000	€000	€000
Sales	80	978	1,058	1,058
Stock on hand at 31 December 2010 ¹	7	238	245	337
	87	1,216	1,303	1,395

Note

¹Materials and manufactured goods €124,875 tools etc., €120,116

	2010 €000	2009 €000
Reconciliation with Appropriation Account		
Amount due in respect of purchases as at 1 January	8	30
Purchases during year ended 31 December	579	626
	587	656
Amount due in respect of purchases as at 31 December	(1)	(8)
Expenditure from subhead D. as per Appropriation Account	586	648
	2010 €000	2009 €000
Amount due in respect of sales as at 1 January	9	33
Sales during year ended 31 December	1,058	1,058
	1,067	1,091
Amount due in respect of sales as at 31 December	(8)	(9)
Receipts under subhead J.1. as per Appropriation Account	1,059	1,082

S AYLWARD

Accounting Officer
Department of Justice and Law Reform
30 March 2011

Vote 22: Courts Service

Introduction

As Accounting Officer for Vote 22, 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 2010 for such of the salaries and expenses of the Courts Service and of the Supreme Court, the High Court, the Special Criminal Court, the Circuit Court and the District Court and of certain other minor services as are not charged to the Central Fund.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Courts Service.

Depreciation

Capital assets are depreciated on a straight line basis over their estimated useful life. Buildings are depreciated at a rate of 2% per annum on a straight line basis over the estimated useful life starting in the month placed in service.

BRENDAN RYAN
Accounting Officer
The Courts Service
31st March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 22: Courts Service for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Courts Service. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY
Comptroller and Auditor General
8 August 2011

Vote 22 The Courts Service Appropriation Account 2010

Service		2010 Estimate Provision	2010 Outturn	2009 Outturn
Administration	€000	€000	€000	€000
A.1. Salaries, wages and allowances				
	<i>Original</i> 52,943			
	<i>Supplementary</i> (990)	51,953	51,834	58,181
A.2. Travel and subsistence				
	<i>Original</i> 3,416			
	<i>Supplementary</i> (316)	3,100	2,941	3,954
A.3. Incidental expenses				
	<i>Original</i> 8,413			
	<i>Supplementary</i> 1,837	10,250	9,245	10,728
A.4. Postal and telecommunications services				
	<i>Original</i> 2,417			
	<i>Supplementary</i> 723	3,140	2,825	2,835
A.5. Office machinery and other office supplies and related services				
	<i>Original</i> 6,094			
	<i>Supplementary</i> 2,728	8,822	8,525	9,239
A.6. Courthouse and office premises expenses				
	<i>Original</i> 17,972			
	<i>Supplementary</i> (277)	17,695	16,580	20,306
A.7. Consultancy services				
	<i>Original</i> 152			
	<i>Supplementary</i> (12)	140	212	102
A.8. Payments to the Incorporated Council of Law Reporting for Ireland				
	<i>Original</i> 57			
	<i>Supplementary</i> (57)	—	—	—
A.9. Value for money and policy reviews				
	<i>Original</i> 95			
	<i>Supplementary</i> (95)	—	—	—
Other Services				
B1. Courthouses (capital works)				
	<i>Original</i> 15,000			
	<i>Supplementary</i> 3,608	18,608	17,272	20,427
B2. PPP Costs				
	<i>Original</i> 21,163			
	<i>Supplementary</i> (130)	21,033	21,279	—
B3. PPP Costs - VAT Payments				
	<i>Original</i> 21,000			
	<i>Supplementary</i> (3,118)	17,882	17,881	—

Gross Expenditure					
	<i>Original</i>	148,722			
	<i>Supplementary</i>	<u>3,901</u>	152,623	148,594	125,772
Deduct					
C. Appropriations-in-aid	<i>Original</i>	46,519			
	<i>Supplementary</i>	<u>3,900</u>			
			50,419	50,447	51,358
Net Expenditure					
	<i>Original</i>	102,203			
	<i>Supplementary</i>	<u>1</u>			
			102,204	98,147	74,414
Surplus to be Surrendered				€4,057,095	€3,205,778

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			92,162	105,345
Expenditure on services and programmes			56,432	20,427
Gross Expenditure			148,594	125,772
Deduct				
Appropriations-in-aid			50,447	51,358
Net expenditure			98,147	74,414
Changes in Capital Assets				
Purchases cash		(2,089)		
Depreciation		12,587		
			10,498	6,072
Changes in assets under Development				
Cash payments			(13,581)	(68)
Changes in net current assets				
Increase in closing accruals		1,158		
Increase in stock		(25)		
			1,133	16
Direct Expenditure			96,197	80,434
Net allied services expenditure	1.1		42,642	43,440
Notional rents			5,003	6,253
Total operating cost			143,842	130,127

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 22 borne elsewhere.

		2010 €000	2009 €000
Vote:			
7	Superannuation and Retired Allowances	7,160	7,485
10	Office of Public Works	1,910	2,257 ¹
20	Garda Síochána	201	173
19	Justice and Law Reform-Financial Shared Services Centre	790	794
	Central Fund - Judicial salaries and pensions	32,581	32,731
		42,642	43,440

¹ This figure has been amended to exclude the capital element.

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	170,707	165,178
Capital Assets under Development	2.2	62,200	64,676 ¹
		232,907	229,854
Current Assets			
Bank and cash	2.3	198	307
Stocks	2.4	239	214
Prepayments		3,091	3,168
Accrued income		3,295	4,912
Other debit balances	2.5	6,275	6,959
Total Current Assets		13,098	15,560
Less Current Liabilities			
Accrued expenses		3,751	4,317
Other credit balances	2.6	5,816	6,561
Net Liability to the Exchequer	2.7	657	705
Total Current Liabilities		10,224	11,583
Net Current Assets		2,874	3,977
Net Assets		235,781	233,831

¹ 2009 figures have been adjusted to include construction projects under development.

2.1 Statement of Capital Assets

	Land and Buildings €000	IT and Equipment €000	Furniture and Fittings €000	Total €000
Gross Assets				
Cost or valuation at 1 January 2010	158,971	33,355	30,956	223,282
Additions	12,953	4,797	366	18,116
Disposals	—	(87)	—	(87)
Cost or valuation at 31 December 2010	171,924	38,065	31,322	241,311
Accumulated Depreciation				
Opening Balance at 1 January 2010	13,397	25,011	19,696	58,104
Depreciation for the year	3,330	6,549	2,708	12,587
Depreciation on disposals	—	(87)	—	(87)
Cumulative depreciation at 31 December 2010	16,727	31,473	22,404	70,604
Net Assets at 31 December 2010	155,197	6,592	8,918	170,707
Net Assets at 31 December 2009	145,574	8,344	11,260	165,178

Note: The Courts Service Act 1998 provides for the transfer of legal title in respect of certain land and buildings that are used for the purposes of the functions of the Service. In accordance with Section 26(3) of the Act, the Minister for Justice and Law Reform may by order appoint a day on which such land and buildings will be vested in the Service. Valuations of vested properties are provided by the Office of Public Works (OPW). The vested properties are capitalised when the OPW valuation has been received. There were no buildings vested in 2010. Valuations are outstanding for six buildings at year end and therefore have not been included in the above figures.

2.2 Capital Assets Under Development

	Construction Projects €000	Computer Applications €000	Total €000
Amounts brought forward at 1 January 2010	61,131	3,545	64,676
Cash payments for the year	13,426	155	13,581
Transferred to asset register	(12,512)	(3,545) ¹	(16,057)
Amounts carried forward at 31 December 2010	62,045	155	62,200

Note : In addition to Computer Applications, this note now includes disclosure in respect of Construction Projects under development.

¹ As part of a review of Capital Assets under Development it was decided to transfer legacy assets which had previously been included in the above figure, to the asset register, all of which were fully depreciated resulting in no increase in the overall value of our asset register.

2.3 Bank and Cash	2010	2009
at 31 December	€000	€000
PMG balance and cash	1,456	3,206
Orders outstanding	(1,258)	(2,899)
	198	307
2.4 Stocks	2010	2009
at 31 December	€000	€000
Stock	239	214
2.5 Other Debit Balances	2010	2009
at 31 December	€000	€000
Advances to OPW	4,852	6,451
Suspense	1,406	480
Imprest	17	28
	6,275	6,959
2.6 Other Credit Balances	2010	2009
at 31 December	€000	€000
Amounts due to the State		
Income Tax	656	757
Professional Services Withholding Tax	100	96
Value Added Tax	65	74
Pay Related Social Insurance	421	452
Fines	3,786	4,109
Excise Duty	103	162
	5,131	5,650
Payroll deductions held in suspense	378	426
Other credit suspense items	307	485
	5,816	6,561
2.7 Net Liability to the Exchequer	2010	2009
at 31 December	€000	€000
Surplus to be surrendered	4,057	3,206
Exchequer grant undrawn	(3,400)	(2,501)
Net Liability to the Exchequer	657	705
Represented by:		
Debtors		
Bank and cash	198	307
Debit balances: suspense	6,275	6,959
	6,473	7,266
Creditors		
Due to State	(5,131)	(5,650)
Credit balances: suspense	(685)	(911)
	(5,816)	(6,561)
	657	705

2.8 Commitments

(a) Global Commitments

Contracted commitments at 31 December 2010 amounted to €13.6m (2009 - €19.1m)

(b) Multi-Annual Capital Commitments

	Expenditure to 31 December 2009 ¹	Expenditure in 2010	Subsequent Years	Total
Project	€000	€000	€000	€000
Refurbishment of courthouses	27,173	13,623	22,086	62,882
Information Technology Projects	2,883	1,048	1,027	4,958

¹ Excludes projects completed by the end of 2009

(c) Capital Cost of Public Private Partnership Projects

Name of PPP Project	Expenditure to 31 December 2009	Expenditure in 2010	Legally enforceable commitments to be met in subsequent years	Total
	€000	€000	€000	€000
Criminal Courts Complex	—	20,621	156,461	177,082

2.9 Matured Liabilities

The estimate of matured liabilities not discharged at year end amounted to €8,260.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000 and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided €000	Explanation
B.1.	1,336	The underspend was due to a delay in the commencement of a capital project.

4 Receipts

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
4.1 Appropriations-in-aid			
1. Fees	45,991	46,025	47,429
2. Miscellaneous	1,294	1,328	1,235
3. Receipts from pension-related deduction on public service remuneration	3,134	3,094	2,694
Total	50,419	50,447	51,358

4.2 Extra receipts payable to the Exchequer

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
Road Traffic Act fines	16,000	11,372	15,665
Other fines	8,700	9,312	8,507
	24,700	20,684	24,172

Note: Other fines includes Revenue and Fisheries fines

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	990	1,015
	€000	€000
Pay	47,697	53,511
Higher, special or additional duties allowances	65	138
Other allowances	1,219	1,045
Overtime	443	849
Employer's PRSI	2,410	2,638
Total pay	51,834	58,181

5.1 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2010 €	2009 €
Higher, special or additional duties	23	1	10,117	21,921
Overtime	212	12	27,647	26,703
Miscellaneous	335	22	19,581	21,012

Note: Certain individuals received extra remuneration in more than one category.

5.2 Other Remuneration Arrangements

A total of €41,412 was paid to 6 retired civil servants in receipt of civil service pensions who were engaged for short periods during 2010.

5.3 Recouped Costs

Salary costs of €1,076,031 were recouped from Tribunals and Government Departments in respect of staff on secondment.

6 Miscellaneous Items

6.1 Compensation and Third Party legal costs

Total payments in respect of compensation and legal costs amounted to €504,173. Of this amount €313,232 relates to third party legal costs primarily associated with Judicial Review proceedings where the Courts Service was a party to such proceedings. Payments in respect of actions dealt with by the State Claims Agency amounted to €130,432. Also compensation and third party costs of €56,500 were paid in respect of three cases of wrongful arrest and detention.

Vote 23: Property Registration Authority

Introduction

As Accounting Officer for Vote 23, 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 2010 for the salaries and expenses of the Property Registration Authority.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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 the following;

Statement of Capital Assets - Depreciation

Capital assets are depreciated on a straight line basis over their estimated useful life starting in the month placed in service.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Property Registration Authority.

JOHN O'SULLIVAN
Accounting Officer
Property Registration Authority
26th July 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 23: Property Registration Authority for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Property Registration Authority. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

28 July 2011

Vote 23 Property Registration Authority Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	28,532	26,831	30,020
A.2. Travel and subsistence	126	97	95
A.3. Incidental expenses	5,443	4,672	4,293
A.4. Postal and telecommunications services	1,450	932	1,033
A.5. Office machinery and other office supplies, and related services	3,642	3,004	5,134
A.6. Office premises expenses	750	832	777
A.7. Consultancy services	55	33	28
Gross Expenditure	39,998	36,401	41,380
Deduct			
A.8. Appropriations-in-aid	1,249	1,402	1,182
Net Expenditure	38,749	34,999	40,198
Surplus to be surrendered		€3,749,588	€1,624,099

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			36,401	41,380
Gross expenditure			<u>36,401</u>	<u>41,380</u>
Deduct				
Appropriations-in-aid			<u>(1,402)</u>	<u>(1,182)</u>
Net expenditure			<u>34,999</u>	<u>40,198</u>
Changes in capital assets				
Purchases cash		(2,752)		
Depreciation		4,378		
Loss on disposals		13	1,639	(875)
			<u></u>	<u></u>
Changes in net current assets				
Decrease in closing accruals		(76)		
Increase in stock		(1)		
			<u>(77)</u>	<u>(85)</u>
Direct expenditure			<u>36,561</u>	<u>39,238</u>
Net allied services expenditure	1.1		5,394	5,953
Notional rents			3,463	4,200
Total operating cost			<u><u>45,418</u></u>	<u><u>49,391</u></u>

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 23 borne elsewhere

Vote		2010 €000	2009 €000
7	Superannuation and Retired Allowances	3,724	3,516
10	Office of Public Works	1,419	2,185
19	Justice and Law Reform - Financial Shared Services Centre	251	252
		<u>5,394</u>	<u>5,953</u>

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	10,388	12,093
		10,388	12,093
Current Assets			
Bank and cash	2.2	351	288
Stocks	2.3	300	299
Prepayments		611	519
Accrued income		34	29
Other debit balances	2.4	129	174
Net Liability from the Exchequer	2.6	250	425
Total Current Assets		1,675	1,734
Less Current Liabilities			
Accrued expenses		169	214
Other credit balances	2.5	730	887
Total Current Liabilities		899	1,101
Net Current Assets		776	633
Net Assets		11,164	12,726

2.1 Statement of Capital Assets

	Office Equipment €000	Furniture and Fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2010	38,062	4,463	42,525
Additions	2,642	44	2,686
Disposals	(375)	(195)	(570)
Cost or valuation at 31 December 2010	40,329	4,312	44,641
Accumulated Depreciation			
Opening balance at 1 January 2010	26,590	3,842	30,432
Depreciation for the year	4,229	149	4,378
Depreciation on disposals	(368)	(189)	(557)
Cumulative depreciation at 31 December 2010	30,451	3,802	34,253
Net Assets at 31 December 2010	9,878	510	10,388
Net Assets at 31 December 2009	11,472	621	12,093

2.2 Bank and Cash

	2010 €000	2009 €000
at 31 December		
PMG balances and cash	473	425
Orders outstanding	(122)	(137)
	351	288

2.3 Stocks

	2010 €000	2009 €000
at 31 December		
Stationery	100	103
Miscellaneous supplies	17	18
IT consumables	183	178
	300	299

2.4 Other Debit Balances

	2010 €000	2009 €000
at 31 December		
Suspense	32	5
Advances to OPW	94	166
Imprests	3	3
	129	174

2.5 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the State		
Income Tax	257	311
Retention Tax	1	10
Pay Related Social Insurance	219	244
Valued Added Tax	58	85
	<u>535</u>	<u>650</u>
Payroll deductions	195	237
	<u>730</u>	<u>887</u>

2.6 Net Liability from the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	3,749	1,624
Exchequer grant undrawn	(3,999)	(2,049)
Net liability from the Exchequer	<u>(250)</u>	<u>(425)</u>

Represented by:**Debtors**

Bank and cash	351	288
Debit balances: suspense	129	174
	<u>480</u>	<u>462</u>

Creditors

Due to State	(535)	(650)
Credit balances: suspense	(195)	(237)
	<u>(730)</u>	<u>(887)</u>
	<u>(250)</u>	<u>(425)</u>

2.7 Commitments**(a) Global Commitments**

Contracted commitments at 31 December 2010 amounted to €132,843 (2009 - €323,930).

(b) Multi-Annual Capital Projects

	Expenditure to 31 December 2009	Expenditure in 2010	Subsequent Years	Total
	€000	€000	€000	€000
Digital Mapping and related projects	25,325	1,111	—	26,436

2.8 Matured Liabilities

Matured liabilities not discharged at year end amounted to €1,452.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided €000	Explanation
A.1.	1,701	Expenditure on salaries and wages decreased due to the impact of Government initiatives to reduce staff numbers.
A.3.	771	Reduction due to the achievement of ongoing efficiencies in respect of day to day office expenditure.
A.4.	518	Reduction due to the introduction of new telecoms arrangements and a reduction in volume of post.
A.5.	638	A number of ICT maintenance contracts have been discontinued as a result of the consolidation of internal systems giving rise to savings.

4 Receipts

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
4.1 Appropriations-in-aid			
Pension-related deduction on public service remuneration	1,249	1,402	1,182

4.2 Extra receipts payable to the Exchequer

	2010 €000	2009 €000
Land Registry fees	28,646	37,036
Registry of Deeds fees	1,733	2,853
Ground rent fees	83	87
	<u>30,462</u>	<u>39,976</u>

Fee income declined in 2010 as a result of a lower level of activity in the property market.

5 Employee Numbers and Pay

	2010	2009
Number of Staff at Year End (full time equivalents)	586	616
	€000	€000
Pay	24,932	28,224
Higher, special or additional duties allowances	(3)	40
Other allowances	79	92
Overtime	479	164
Employer's PRSI	1,344	1,500
Total pay	26,831	30,020

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	—	—	—	8,661
Other allowances	46	—	7,879	8,373
Overtime	287	2	13,905	11,277

Note: Certain individuals received extra remuneration in more than one category.

5.2 Other Remuneration Arrangements

A sum of €1,764 was paid to a retired civil servant, in receipt of a civil service pension, who was re-employed during 2010.

6 Compensation Payments

All titles registered on the Land Register are guaranteed by the State. Section 120 of the Registration of Title Act, 1964 provides for the payment of compensation to a person who suffers a loss through reliance on the Register where the loss is not caused or substantially contributed by the act, neglect or default of himself or his agent. Compensation payments totalling €167,557 were paid in 2010.

Vote 24: Charitable Donations and Bequests

Introduction

As Accounting Officer for Vote 24, 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 2010 for the salaries and expenses of the Charitable Donations and Bequests Office.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

The Statement of Accounting Policies and Principles and notes 1 to 6 form part of the Account.

In the course of carrying out their statutory functions, the Commissioners of Charitable Donations and Bequests for Ireland hold certain charitable trust funds. Such funds are accounted for separately and do not form part of this 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

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Charitable Donations and Bequests Office. During 2010 the system did not include an internal audit function. An Audit Committee was established in November 2010 chaired by an external accountant. The committee met once in 2010 and will decide on internal audit plans and the appointment of an internal auditor in 2011.

ORLA BARRY MURPHY

Accounting Officer

Charitable Donations and Bequests Office

4 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 24: Charitable Donations and Bequests for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Charitable Donations and Bequests Office. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

14 June 2011

Vote 24 Charitable Donations and Bequests

Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	371	278	334
A.2. Travel and subsistence	2	—	1
A.3. Incidental expenses	30	56	28
A.4. Postal and telecommunications services	12	8	9
A.5. Office premises expenses	25	19	20
Gross Expenditure	440	361	392
Deduct			
A.6. Appropriations-in-aid	15	14	13
Net Expenditure	425	347	379
Surplus to be surrendered		€7,737	€6,745

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			361	392
Expenditure on services and programmes			—	—
Gross expenditure			<u>361</u>	<u>392</u>
Deduct				
Appropriations in aid			(14)	(13)
Net expenditure			<u>347</u>	<u>379</u>
Changes in capital assets				
Purchases cash		(4)		
Depreciation		<u>3</u>		
			(1)	3
Changes in net current assets				
Increase in closing accruals			1	(1)
Direct expenditure			<u>347</u>	<u>381</u>
Net allied services expenditure	1.1		117	193
Total operating cost			<u><u>464</u></u>	<u><u>574</u></u>

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 24 borne elsewhere

Vote		2010 €000	2009 €000
10	Office of Public Works	117	193
		<u>117</u>	<u>193</u>

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	6	5
		<u>6</u>	<u>5</u>
Current Assets			
Bank and Cash	2.2	1	(1)
Other Debit Balances	2.3	—	1
Total Current Assets		<u>1</u>	<u>—</u>
Less Current Liabilities			
Accrued expenses		4	3
Other credit balances	2.4	—	1
Net Liability to the Exchequer	2.5	1	(1)
Total Current Liabilities		<u>5</u>	<u>3</u>
Net Current Liabilities		(4)	(3)
Net Assets		<u>2</u>	<u>2</u>

2.1 Statement of Capital Assets

	Furniture and Fittings	Office Equipment	Total
	€000	€000	€000
Gross assets			
Cost or valuation at 1 January 2010	26	75	101
Additions	—	4	4
Disposals	—	(32)	(32)
Cost or valuation at 31 December 2010	<u>26</u>	<u>47</u>	<u>73</u>
Accumulated Depreciation			
Opening balance at 1 January 2010	26	70	96
Depreciation for the year	—	3	3
Depreciation on disposals	—	(32)	(32)
Cumulative depreciation at 31 December 2010	<u>26</u>	<u>41</u>	<u>67</u>
Net Assets at 31 December 2010	<u>—</u>	<u>6</u>	<u>6</u>
Net Assets at 31 December 2009	<u>—</u>	<u>5</u>	<u>5</u>

2.2 Bank and Cash

at 31 December

	2010	2009
	€000	€000
PMG balances and cash	2	—
Orders outstanding	(1)	(1)
	<u>1</u>	<u>(1)</u>

2.3 Other Debit Balances

at 31 December

	2010	2009
	€000	€000
Suspense	—	1
	<u>—</u>	<u>1</u>

2.4 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the state		
Due to the State (PAYE, PRSI, Income Levy & VAT)	—	1
	<u>—</u>	<u>1</u>

2.5 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	78	67
Exchequer grant undrawn	(77)	(68)
Net liability to the Exchequer	<u>1</u>	<u>(1)</u>

Represented by:**Debtors**

Net PMG position and cash	1	(1)
Debit balances: suspense	—	1
	<u>1</u>	<u>—</u>

Creditors

Due to State	—	(1)
	<u>1</u>	<u>(1)</u>

2.6 Matured Liabilities

The total amount of matured liabilities undischarged at 31 December 2010 was €1,210.

3 Variations in Expenditure

There were no expenditure subheads where the outturn varied from the amount provided by more than €100,000, and by more than 25%.

4 Receipts

4.1 Appropriations-in-aid

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
1. Miscellaneous	1	—	1
2. Pension-related deduction on public service remuneration	14	14	12
Total	15	14	13

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	6	7
	2010 €000	2009 €000
Pay	258	307
Higher, special or additional duties allowances	1	—
Other allowances	—	4
Overtime	—	—
Employer's PRSI	19	23
Total pay	278	334

6 Miscellaneous Items

6.1 An tÚdarás Rialála Carthanais

The Charities Act 2009 provides for the establishment of an tÚdarás Rialála Carthanais (the Charities Regulatory Authority). An tÚdarás will have all functions vested in the Commissioners of Charitable Donations and Bequests, which will be dissolved on establishment of an tÚdarás, as well as having a wider statutory regulatory role as set out in the Charities Act 2009. An establishment day has not yet been determined for an tÚdarás.

Vote 25: Environment, Heritage and Local Government

Introduction

As Accounting Officer for Vote 25, 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 2010 for the salaries and expenses of the Office of the Minister for the Environment, Heritage and Local Government, including grants to Local Authorities, grants and other expenses in connection with housing, water services, miscellaneous schemes, subsidies and grants.

The expenditure outturn is compared with the sums

- (a) granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year, and
- (b) provided for capital supply services in 2010 out of unspent 2009 appropriations, under the deferred surrender arrangements established by section 91 of the Finance Act 2004.

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 the following:

Multi-Annual Capital Commitments

Legally Enforceable Capital Commitments are reported on at the threshold of €12.697 million. (F7/9/92)

Capital Assets

Certain buildings are depreciated at 5% per annum while others as well as land are not depreciated. The value of the latter will be reviewed every 5 years following consultation with the Office of Public Works and revalued where considered necessary. Motor vehicles are depreciated at 20% per year over 5 years, plant and machinery are depreciated over 10 years at 10% per year and radar equipment depreciation is over 15 years. Electronic voting equipment is depreciated at 5% per year over 20 years.

Historic properties such as parks and heritage assets such as artefacts and manuscripts have not been valued.

Transfer of Functions

The account has been prepared in accordance with the Revised Estimates for Public Services 2010, which took account of the transfer to the Department of certain foreshore functions from the Department of Agriculture, Fisheries and Food with effect from 15 January 2010 (Foreshore and Dumping at Sea (Amendment) Act 2009 (No. 39 of 2009)).

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Department of the Environment, Heritage and Local Government.

GERALDINE TALLON

Accounting Officer

Department of the Environment, Heritage and Local Government

31 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 25: Environment, Heritage and Local Government for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Environment, Heritage and Local Government. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapter 22 of my annual report refer to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

6 September 2011

Vote 25 Office of the Minister for the Environment, Heritage and Local Government Appropriation Account 2010

Service		2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000	€000
Administration				
A.1. Salaries, wages and allowances		65,412	65,100	73,171
A.2. Travel and subsistence		2,697	2,001	2,194
A.3. Incidental expenses		2,253	1,310	1,764
A.4. Postal and telecommunications services		1,610	1,455	1,733
A.5. Office machinery and other office supplies and related services		9,777	8,369	9,193
A.6. Office premises expenses		1,635	1,228	727
A.7. Consultancy services		260	140	228
A.8. Value for money and policy reviews		1	—	220
Housing				
B.1. Social housing provision and support		829,557	780,930	1,297,434
B.2. Local authority estate regeneration and remedial works		241,375	194,910	94,040
B.3. Private housing adaptation - grants and other supports		94,132	89,440	—
Water Services				
C.1. Water services investment programme				
	<i>Original</i>	508,000		
	<i>Supplementary</i>	<u>(22,999)</u>	485,001	495,000
				512,000
Environment				
D.1. Environmental Protection Agency		27,015	27,094	34,308
D.2. Environmental radiation policy		4,585	4,570	5,083
D.3. Subscriptions to international organisations		4,116	4,122	4,165
D.4. Carbon Fund				
	<i>Current year provision</i>	33,223		
	<i>Deferred surrender</i>	<u>3,277</u>	36,500	36,146
				53,000
D.5. International climate change commitments				
	<i>Original</i>	1,300		
	<i>Supplementary</i>	<u>23,000</u>	24,300	23,000
				—
Waste Management				
E.1. Recycling services		—	—	—
E.2. Landfill remediation		4,000	3,526	5,347
Local Government				
F.1. Local Government Fund		226,403	241,403	443,000

Service	2010 Estimate	2010 Outturn	2009 Outturn
€000	€000	€000	€000
Local Government - continued			
F.2. Fire and emergency services	19,250	19,949	21,701
F.3. Local authority library and archive service	8,900	8,832	10,012
F.4. Community and social inclusion	5,655	5,568	5,978
F.5. Disability services	8,200	7,615	11,909
F.6. Economic and social disadvantage (Dormant Accounts Fund)	1,000	719	500
Heritage			
G.1. Grant for An Chomhairle Oidhreachta (Heritage Council) (part funded by National Lottery)	8,482	8,482	10,142
G.2. Built heritage	16,215	15,502	16,764
G.3. Natural heritage (National Parks and Wildlife Service)	31,585	26,908	26,363
G.4. Irish Heritage Trust	436	436	484
Planning			
H.1. An Bord Pleanála	13,029	13,565	15,331
H.2. Planning Tribunal	5,984	3,281	5,910
H.3. Urban regeneration	102	—	719
H.4. Tidy Towns Competition	289	289	289
H.5. Planning and development, etc.	237	236	176
H.6. Foreshore	1,012	833	—
Other Services			
I.1. Irish Water Safety Association	539	539	556
I.2. Miscellaneous services	17,217	16,199	9,141
Gross Expenditure			
Original	2,195,483		
Supplementary	1		
Deferred Surrender	3,277		
	2,198,761	2,108,697	2,673,582
Deduct:			
J. Appropriations-in-aid	21,156	30,280	21,688
Net Expenditure			
Original	2,174,327		
Supplementary	1		
Deferred Surrender	3,277		
	2,177,605	2,078,417	2,651,894
Surplus for the year		€9,187,749	€16,118,276
Deferred surrender		—	€3,277,000
Surplus to be surrendered		€9,187,749	€12,841,276

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			79,603	89,230
Expenditure on services and programmes			2,029,094	2,584,352
Gross Expenditure			2,108,697	2,673,582
Deduct				
Appropriations in Aid			30,280	21,688
Net Expenditure			2,078,417	2,651,894
Changes in Capital Assets				
Purchases cash		(1,936)		
Depreciation		4,869		
Disposals cash		7		
Loss on disposals		32	2,972	2,415
Changes in Assets under Development				
Cash payments			(96)	(524)
Changes in Net Current Assets				
Decrease in closing accruals		(5,504)		
Decrease in stock		7	(5,497)	(3,202)
Direct Expenditure			2,075,796	2,650,583
Net allied services expenditure	1.1		19,959	23,052
Notional rents			3,633	3,324
Total Operating Cost			2,099,388	2,676,959

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 25 borne elsewhere

		2010 €000	2009 €000
7	Superannuation and Retired Allowances	16,238	18,854
10	Office of Public Works	3,323	3,824
20	Garda Síochána	192	168
	Central Fund - Ministerial etc. pensions	206	206
		19,959	23,052

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	66,668	68,466
Capital Assets under Development	2.2	18	1,096
		66,686	69,562
Current Assets			
Bank and Cash	2.3	3,468	4,651
Stocks	2.4	350	357
Prepayments		8,434	5,137
Accrued income		956	738
Other debit balances	2.5	2,167	2,418
Total Current Assets		15,375	13,301
Less Current Liabilities			
Accrued expenses		1,371	3,360
Deferred income		1	1
Other credit balances	2.6	4,807	3,716
Net Liability to the Exchequer	2.7	828	3,353
Total Current Liabilities		7,007	10,430
Net Current Assets		8,368	2,871
Net Assets		75,054	72,433

2.1 Statement of Capital Assets

	Land and Buildings	Plant, Machinery and Motor Vehicles	Office and IT Equipment	Furniture and Fittings	Total
	€000	€000	€000	€000	€000
Gross Assets					
Cost or valuation at 1 January 2010	32,811	8,748	76,290	6,435	124,284
Additions	283	550	2,168	109	3,110
Disposals	—	(109)	(238)	(3)	(350)
Cost or valuation at 31 December 2010	33,094	9,189	78,220	6,541	127,044
Accumulated Depreciation					
Opening balance at 1 January 2010	31	6,195	46,430	3,162	55,818
Depreciation for the year	5	689	3,857	318	4,869
Depreciation on disposals	—	(106)	(202)	(3)	(311)
Cumulative depreciation at 31 December 2010	36	6,778	50,085	3,477	60,376
Net Assets at 31 December 2010	33,058	2,411	28,135	3,064	66,668
Net Assets at 31 December 2009	32,780	2,553	29,860	3,273	68,466

Note: Opening balances have been adjusted to reflect more accurate asset information.

2.2 Statement of Capital Assets under Development

	€000
Amounts brought forward at 1 January 2010	1,096
Cash payments for the year	96
Transferred to asset register	(1,174)
Amounts carried forward at 31 December 2010	18

2.3 Bank and Cash

at 31 December	2010 €000	2009 €000
PMG balances and cash	4,684	5,811
Orders outstanding	(1,216)	(1,160)
	3,468	4,651

2.4 Stocks	2010	2009
at 31 December	€000	€000
Other (includes consumables in local depots)	140	133
Stationery	58	67
IT consumables	81	94
Meteorological consumables	61	55
Cleaning materials	10	8
	<u>350</u>	<u>357</u>
2.5 Other Debit Balances	2010	2009
at 31 December	€000	€000
Imprests	9	9
Advances to OPW	121	699
Recoupable salary costs	205	169
Recoupable travel costs	40	39
Recoupable travel pass scheme	167	122
Other debit suspense items	1,625	1,380
	<u>2,167</u>	<u>2,418</u>
2.6 Other Credit Balances	2010	2009
at 31 December	€000	€000
Amounts due to the State		
Income Tax	820	969
Pay Related Social Insurance	556	602
Withholding Tax	471	426
Value Added Tax	647	436
Pension Contributions	376	368
	<u>2,870</u>	<u>2,801</u>
Other credit suspense items	1,937	915
	<u>4,807</u>	<u>3,716</u>

2.7 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	99,188	12,841
Deferred surrender	—	3,277
Exchequer grant undrawn	(98,360)	(12,765)
Net liability to the Exchequer	828	3,353
Represented by:		
Debtors		
Net PMG position and cash	3,468	4,651
Debit balances: suspense	2,167	2,418
	5,635	7,069
Creditors		
Due to State	(2,870)	(2,801)
Credit balances: suspense	(1,937)	(915)
	(4,807)	(3,716)
	828	3,353

2.8 Matured Liabilities

	2010	2009
	€000	€000
Estimate of matured liabilities not discharged at 31 December	18	29

2.9 Commitments**(a) Global Commitments**

Global figure for commitments likely to materialise in subsequent year(s) under procurement and grant subheads are €23,233 and €1,350,386,217 respectively.

(b) Multi-Annual Capital Commitments

(Projects Costing €12,697,380 or more)

1 Water/Sewerage Projects	Cumulative Expenditure to 31 December	Expenditure in 2010	Subsequent Years	Total Cost
Project	€000	€000	€000	€000
Arklow Water Supply Scheme ^{1,3}	4,156	1,426	11,034	16,616
Balbriggan-Skerries Sewerage ^{1,3}	22,342	—	6,071	28,413
Ballina Sewerage Scheme ^{1,3}	17,498	482	748	18,728
Ballycoolen Water Supply Scheme (Storage Reservoirs) ¹	60,338	986	1,944	63,268
Ballymore Eustace Water Treatment Plant Stage 3 ^{1,3}	58,869	4,096	268	63,233

1 Water/Sewerage Projects	Cumulative Expenditure to 31 December	Expenditure in 2010	Subsequent Years	Total Cost
Project	€000	€000	€000	€000
Ballyshannon Water Supply Scheme ¹	1,776	484	10,859	13,119
Barrow Abstraction Scheme ^{1,3}	5,934	1,379	18,430	25,743
Boherboy Water Supply Scheme ¹	23,494	6,973	1,487	31,954
Bray Shanaganagh Sewerage Scheme ¹	26,504	28,814	15,110	70,428
Carlow Town Surface Water Drainage (Main Scheme) ¹	610	4,669	12,849	18,128
Carna/Kilkieran Water Supply Scheme ²	12,448	—	569	13,017
Carrick on Suir Main Drainage	16,132	236	—	16,368
Carrickmacross Sewerage Scheme ²	11,276	2,003	—	13,279
Castlebar Environs Sewerage Scheme (excl Advance & Outfall) ¹	40,865	464	844	42,173
Castlerea Sewerage Scheme	13,923	—	537	14,460
Clareville Water Treatment Plant ¹	26,578	—	7,692	34,270
Cork Main Drainage Collection	158,673	3,073	3,254	165,000
Cork Main Drainage Treatment Works	122,720	400	—	123,120
Courtown Riverchapel Sewerage ¹	18,869	750	442	20,061
Donegal Bay Wastewater Treatment Plant Group A (DBO Contract - incorporating part of Donegal, Ballyshannon and Rossnowlagh)	26,143	—	1,841	27,984
Dublin Bay Sewerage ^{1,3}	399,553	34,738	6,972	441,263
Dublin North Fringe Water Supply - Sillogue Storage	26,050	—	396	26,446
Dublin Water Conservation (DRWRP) ^{1,3}	23,584	10,377	20,304	54,265
Dungarvan Sewerage ¹	31,162	—	1,232	32,394
Dunshaughlin Water Supply Scheme ¹	12,794	450	—	13,244
East Waterford Water Supply Scheme Stage 2 Phase 2 ¹	15,473	400	—	15,873
Four Roscommon Regional Water Supply Scheme ³	9,147	1,576	29,476	40,199
Galway DBO Bundle No.2	—	6,500	10,200	16,700
Gorey Regional Water Supply Scheme	5,095	6,335	4,949	16,379
Kildare Sludge Treatment Centre	16,080	—	1,004	17,084
Kildare Water Supply Strategy, Phase 1 - Wellfield Contract ¹	14,227	659	—	14,886
Kinsale Sewerage Scheme ²	10,950	6,570	4,189	21,709
Leitrim Towns & Villages Sewerage Scheme (Dromahair, Kinlough, Kiltyclogher, Tullaghan, Drumkeeran, Rooskey, Jamestown, Cloone, Drumcong, Killargue & Ballinaglera)	14,898	2,449	—	17,347
Letterkenny Sewerage Scheme ²	8,736	5,717	19,765	34,218
Limerick Main Drainage (Phase 1, 2 & 3) - Collection and Treatment ^{1,3}	321,378	9,732	280	331,390

1 Water/Sewerage Projects (continued)	Cumulative Expenditure to 31 December	Expenditure in 2010	Subsequent Years	Total Cost
Project	€000	€000	€000	€000
Limerick Water Network (Southern Ring Main - City & County) ²	12,630	349	488	13,467
Longford Central Regional Water Supply Scheme ¹	243	1,095	11,439	12,777
Lough Mask Regional Water Supply (Knock - Ballyhaunis) ³	30,421	—	650	31,071
Lower Liffey Valley Sewerage Scheme (Treatment Plant & Collection System for Kilcock, Straffan, Celbridge, Maynooth and Leixlip) ²	10,137	3,824	3,774	17,735
Meath Grouped Towns & Villages Sewerage Scheme (Donore, Duleek, Athboy, Kilmainhamwood, Summerhill, Moynalty, Rathcairn & Rathmolyon) ¹	41,004	5,945	—	46,949
Midleton Sewerage ¹	25,777	443	77	26,297
Mullingar Sewerage Improvement Scheme ³	35,444	1,597	103	37,144
Navan Mid Meath Water Supply ^{1,3}	21,263	2,876	429	24,568
Navan Sewerage ³	32,766	—	491	33,257
New Ross Sewerage Scheme	12,857	—	633	13,490
Portlaoise Sewerage Scheme (incorporating Laois Sludge Management) Stage 3 ^{1,3}	41,972	3,103	981	46,056
Portrane, Donabate, Rush and Lusk Waste Water Treatment Plant ²	3,598	18,188	6,483	28,269
Sandyford High Level Water Supply Scheme ^{1,3}	16,741	2,752	—	19,493
Skibbereen Sewerage Scheme ¹	13,794	2,680	—	16,474
Sligo Wastewater Treatment Plant (DBO Contract) ¹	18,487	155	—	18,642
Tipperary Grouped DBO & Wastewater Treatment Plants ¹	16,809	—	921	17,730
Towns & Villages SS (17 Villages) (Creagh, Cootehall, Tulsk & Lisacul started)	10,621	3,881	1,046	15,548
Tuam Regional Water Supply (Stage 3)	16,815	—	520	17,335
Tuam Regional Water Supply Scheme Ext to Headford ³	14,989	—	228	15,217
Tuam Water & Sewerage Scheme Network Contract ²	1,498	9,478	7,376	18,352
Tullamore Sewerage Scheme	2,003	6,095	11,188	19,286
Upper Liffey Valley, Sewerage Scheme Stage 3 - Osberstown (inc Advance Works)	3,966	—	22,909	26,875
Waterford Sewerage Scheme Stage 2 ¹	44,863	2,510	501	47,874
Westport Sewerage (Excl. Advance Section)	49,925	—	662	50,587
Wicklow Sewerage Scheme (Wentworth Place Culvert)	22,104	1,329	708	24,141
Total	2,079,002	208,038	264,353	2,551,393

2 Housing Projects	Cumulative Expenditure to 31 December	Expenditure in 2010	Subsequent Years	Total Cost
	€000	€000	€000	€000
Construction Projects				
Abbeylands, Ferrybank, Waterford City ¹	12,206	723	—	12,929
Balgaddy, Phase E, Lucan, Co. Dublin ¹	15,473	464	2	15,939
Cathedral Avenue, Shandon, Cork City ¹	10,998	2,117	—	13,115
Farrankelly, Delgany, Co. Wicklow ²	12,165	96	1,000	13,261
Fortunestown, Phase B1, Tallaght, Dublin 24 ¹	14,089	601	377	15,067
Fortunestown, Phase B2, Tallaght, Dublin 24 ^{1,3}	19,657	3,380	555	23,592
Gooldshill, Mallow, Co. Cork ¹	16,992	5,154	254	22,400
Knockboy, Ballygunner, Waterford City ¹	13,281	871	12,861	27,013
Mountwood, Dun Laoghaire, Co. Dublin ¹	16,847	—	2,008	18,855
Mullaharlin Road, Dundalk, Co. Louth ¹	14,786	108	—	14,894
Parlickstown, Mulhuddart, Dublin 15 ¹	13,057	—	426	13,483
Pearse Street, Sallynoggin, Co. Dublin ¹	13,077	722	—	13,799
Rickardstown, Newbridge, Co. Kildare ¹	24,849	—	2,127	26,976
Shankill, Phase 2, Co. Dublin ^{1,3}	23,352	3,166	—	26,518
Spencer Dock, Dublin ¹	—	—	34,449	34,449
Stag Park, Mitchelstown, Cork ^{1,3}	13,788	376	—	14,164
Total	234,617	17,778	54,059	306,454
Turnkey Projects	€000	€000	€000	€000
Carriganarra, Ballincollig, Co. Cork ¹	15,498	—	930	16,428
Tory Top Road, Cork City ¹	5,061	10,041	1,159	16,261
Total	20,559	10,041	2,089	32,689
Regeneration Projects	€000	€000	€000	€000
Bunratty Road, Maisonettes, Dublin City ¹	12,417	1,336	724	14,477
Inner City Dublin Flat Complexes ¹	101,330	10,744	8,309	120,383
Knocknaheeny, Cork City ¹	31,465	833	490	32,788
Laurel Avenue, Dun Laoghaire ¹	13,797	1,253	1,073	16,123
Regeneration of Ballymun Flats ¹	645,959	40,001	157,000	842,960
The Glen, Phase 2, Cork City ¹	6,566	1,444	9,516	17,526
Total	811,534	55,611	177,112	1,044,257
3 Carbon Fund				
Project	€000	€000	€000	€000
Purchase of Carbon Credits ¹	76,723	36,146	16,740	129,609

Notes:¹Cost of project updated since 2009.²Excluded from 2009 account as the then estimated cost of the scheme was under €12.7m.³Cumulative expenditure to 31 December 2009 updated.

(c) Water Services Public Private Partnership (PPP) projects

Water services related PPP projects are typically in the form of Design Build Operate (DBO) contracts for a water or waste water treatment plant. The DBO contract is between the local authority and the private sector partner. The Department funds a percentage of the capital cost of the contract by way of a grant payment which is paid to the local authority during the construction period (typically 24-30 months duration) of the treatment plant. The operation and maintenance element of the DBO is paid directly by the local authority to the private sector partner. The Department does not make any unitary payments to the local authority or private sector partner over the term of the contract and there is no capital commitment for the Department beyond the construction stage.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000, and by more than 5% (25% in the case of administration subheads).

In the latter part of 2010, based on an analysis of expenditure trends and a full review of 2010 requirements, and following consultation with the Department of Finance, the Department through the established processes of virement/supplementary estimate transferred savings that arose on various subheads to augment other subhead provisions in order to accommodate identified additional requirements in 2010.

Sub-head	Less/(more) than provided €000	Explanation
A.2.	696	Expenditure was lower than expected arising from the Department's policy to reduce travel and subsistence costs.
A.3.	943	Expenditure on staff training and development and costs associated with the transfer to new accommodation in Wexford were less than expected.
A.6.	407	Savings arose through the success of efforts to reduce energy costs and from expenditure on a number of projects being less than anticipated in the year.
A.7.	120	Expenditure related to consultancy work was reduced during 2010.
B.1.	48,627	Progress on the Voluntary Housing Capital Assistance Scheme and the Social Housing Leasing Initiative was less than expected during the year, leading to lower expenditure. In addition, changes in the rental market contributed to savings in the cost of the Rental Accommodation Scheme.
B.2.	46,465	Expenditure was lower than expected as a number of projects did not commence/progress as planned during the year and final accounts were due to be submitted by local authorities on completed works.
B.3.	4,692	Applications for site subsidy have declined as demand for affordable housing has reduced due to significant changes in the housing market, including falling prices in the private housing sector.
D.5.	1,300	This subhead provides for the cost of Ireland's contribution to the Climate Change Funding Mechanism for developing countries. A successor to the Bonn agreement (the funding mechanism up to 2008) has not been agreed at international level and, as a result, expenditure did not arise in 2010.
E.2.	474	Progress on projects was slower than anticipated due mainly to weather related delays.
F.1.	(15,000)	Additional funding was provided to the Local Government Fund to assist local authorities in responding to the severe winter weather related conditions.
F.5.	585	Expenditure was less than expected due to the rate of progress with planning and design of projects at local level.
F.6.	281	This subhead relates to funds allocated by the Department of Community, Rural and Gaeltacht Affairs from the Dormant Accounts Fund to support proposals which come within the remit of this Department. The time required to complete project selection and contract award resulted in reduced spending in 2010.
G.3.	4,677	Expenditure was lower than anticipated due mainly to the settlement of a compensation claim not being concluded by year end.

Sub-head	Less/(more) than provided €000	Explanation
H.2.	2,703	Expected payments in respect of third party legal costs did not materialise in 2010.
H.3.	102	No urban regeneration projects were approved for funding from this subhead in 2010.
H.6.	179	Spending in respect of legal fees, valuations and contingencies was less than anticipated.
I.2.	1,018	Expenditure under this subhead was less than anticipated due mainly to the rate of progress with planning and design of infrastructure projects at local level.

4 Receipts

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
4.1 Appropriations-in-aid			
1. Fees payable by Local Authorities, etc., for audit of their accounts	2,040	2,601	2,411
2. Receipt from the Social Insurance Fund in respect of premises occupied in connection with Social Insurance (Social Welfare (Consolidation) Act, 1993)	735	741	726
3. Receipt from EU for FEOGA element of the Programme for Peace and Reconciliation	—	—	—
4. MET Éireann Receipts	9,300	9,506	9,891
5. Rents (including receipts from lettings of fishing rights, etc.)	120	177	148
6. Sales of Property	35	44	55
7. Services and charges at National Parks and Wildlife Sites	550	795	580
8. Miscellaneous Receipts	150	200	895
9. Dormant Accounts Receipts	1,000	719	500
10. Foreshore Receipts	1,180	7,935	—
11. Receipts from Pension-related Deductions on Public Service Remuneration	6,046	7,562	6,482
Total	21,156	30,280	21,688

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%.

Heading	Less/(more) than estimated €000	Explanation
1.	(561)	Demands for audit fees are issued on an ongoing basis as audits are completed. Income was higher than expected due to the receipt of outstanding fees.
7.	(245)	Visitor numbers were higher than anticipated resulting in increased income.
9.	281	This appropriation-in-aid relates to recoupment from the Dormant Accounts Fund for any expenditure arising under subhead F.6. In the event, expenditure from subhead F.6 was less than anticipated in 2010.
10.	(6,755)	There was a higher level of receipts than anticipated in 2010 due to a number of once-off payments received in respect of new leases/licences.
11.	(1,516)	Income from this source was difficult to predict accurately and was higher than expected in 2010.

4.2 Extra receipts payable to the Exchequer

Miscellaneous receipts payable directly to the Exchequer amounted to €149,348. These were mainly in respect of the redemption of a project funded under the Voluntary Housing Capital Assistance Scheme, interest from the bank account used for electronic payments and refunds of purchase monies where acquisitions did not proceed.

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	1,177	1,192
	2010	2009
	€000	€000
Pay	62,756	70,269
Higher, special or additional duties allowances	410	391
Other allowances	2,526	2,999
Overtime	1,092	1,173
Employer's PRSI	3,540	3,939
Total pay	70,324	78,771

Note: The total pay figure is inclusive of pay in subheads A.1., G.2., G.3. and H.2.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	113	7	20,634	21,699
Other allowances	649	94	21,911	22,972
Overtime	330	29	21,624	26,510

Note: Certain individuals received extra remuneration in more than one category.

5.2 Other Remuneration Arrangements

Eleven retired civil servants in receipt of civil service pensions were re-engaged on a fee basis at a total cost of €55,415.

6 Miscellaneous Items

6.1 EU Funding

The outturn shown in subheads C.1, G.2. and I.2. includes payments in respect of activities co-financed by the European Regional Development Fund. The outturn shown in subhead G.3. includes payments in respect of activities co-financed under EU LIFE. Estimates of expenditure and actual outturns were as follows:

Subhead	Description	2010 Estimate €000	2010 Outturn €000	2009 Outturn €000
C.1.	Water services investment programme	5,000	5,000	10,700
G.2.	Built heritage	950	783	158
G.3.	Natural heritage (National Parks and Wildlife Service)	502	502	695
I.2.	Miscellaneous services	5,940	8,140	3,222
		12,392	14,425	14,775

6.2 Commissions and Inquiries

	Year of appointment	Cumulative Expenditure to end 2010 €000	2010 Outturn €000	2009 Outturn €000
Tribunal of Inquiry into certain Planning Matters (The Mahon Tribunal (formerly The Flood Tribunal))	1997	93,215	3,281	5,910

6.3 National Lottery Funding

Subhead	Description	2010	2010	2009
		Estimate	Outturn	Outturn
		€000	€000	€000
B.1.	Social housing provision and support	3,500	3,500	2,500
B.3.	Private housing adaptation - grants and other supports	6,688	6,688	3,500
G.1.	Grant for An Chomhairle Oidhreachta (Heritage Council) (part funded by National Lottery)	6,742	6,742	8,282
		16,930	16,930	14,282

Details are available on the Department's website at www.environ.ie

6.4 Legal Costs

A payment of €378,784 was made in respect of legal costs associated with settlement of a case related to works at the former ISPAT site at Haulbowline (Department of Finance sanction S74/45/00 of 19 October 2010).

Payments totalling €83,330 were made in respect of legal costs in relation to judicial reviews of the Residential Tenancies Act 2004 (Department of Finance sanction S74/45/00 of 3 December 2010).

A payment of €93,530 was made in respect of legal costs in relation to judicial review of waste management regulations (Department of Finance sanction S74/45/00 of 9 December 2010).

6.5 Other Miscellaneous Items

As agreed with the Department of Finance under the delegated administrative budget scheme, a carryover of €940,000 from the Vote for 2010 was included in the Estimates for 2011.

In addition to voted moneys, sponsorship totalling €318,964 was also expended on the Tidy Towns Competition.

Vote 26: Education and Skills

Introduction

As Accounting Officer for Vote 26, 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 2010 for the salaries and expenses of the Office of the Minister for Education and Skills, for certain services administered by the Office of the Minister, and for the payment of certain grants and grants-in-aid.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year and for deferred surrender of unspent appropriations for capital supply services under Section 91 of the Finance Act 2004.

Arising from the Transfer of Functions between Government Departments, that took effect under Statutory Instrument Number 187 of 2010, and became operational from 1 May 2010, responsibility for skills and training policy for FÁS as a State Body was transferred from Vote 34, Enterprise, Trade and Employment, to the re-named Department of Education and Skills. While responsibility for FÁS Employment Services and Employment Programmes was to transfer to the renamed Department of Social Protection, the Department of Education and Skills held responsibility for these employment functions on an interim basis during 2010 and into 2011, pending further legislation to effect their transfer to the Department of Social Protection. Additionally responsibility for the Programme for Research in Third Level Institutions (PRTLII) was transferred from this Department to the renamed Department of Enterprise, Trade and Innovation from 1 May 2010.

The Statement of Accounting Policies and Principles and notes 1 to 7 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 the following:

Multi-Annual Capital Commitments

Legally Enforceable Capital Commitments are reported on at the threshold of €12.697 million. (S14/03/06)

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the System of Internal Financial Control (SIFC) that operates in the Department of Education and Skills.

In that regard and with specific reference to the SIFC, the following is the position with regard to staff training and induction, specific financial training, risk management and information and communication technology security.

A wide range of training programmes were made available to both new and existing staff in 2010. General training in public financial management as well as corporate governance was promoted and delivered. Training resources were also focused on tax training, specifically in relation to Value Added Tax and Professional Services Withholding Tax. Additionally training in the understanding and use of the Department's Financial Management System (FMS) to staff in all three of the Department's main locations was further advanced encompassing the rollout of additional FMS functionality and various reporting tools. New and updated financial reports were also developed to assist staff and management across the Department.

The Department operates a Risk Management System which has been incorporated into the business planning process for all sections of the Department.

The Department seeks to operate to best practice in respect of Information and Communication Technology and continues to review, enhance and upgrade the ICT infrastructure.

The Internal Audit and, following its transfer from the Department of Enterprise, Trade and Innovation on 1st May 2010, the European Social Fund Audit Authority undertake their work in accordance with an annual work programme which is overseen by the Department's Audit Committee. The ESF Audit Authority ensures that Ireland complies with the regulatory requirements of the European Union in relation to the management, control and audit of such functions in Ireland.

The audit programmes aim to ensure that the effectiveness of internal controls is subject to constant review. The Committee, which has a membership of five (including three external members, one of whom is Chairperson), provides advice in relation to internal control, the risk management environment and audit matters. During 2010 a total of twenty three audit reports were presented to the Committee, including one which was a commitment under the National Audit Plan agreed with the European Commission in relation to programmes supported by the European Regional Development Fund. In addition, the Internal Audit and the European Social Fund Audit Authority reviewed the adequacy of the follow up action from previous audit reports.

BRIGID MC MANUS

Accounting Officer

Department of Education and Skills

29 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 26: Education and Skills for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Education and Skills. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

7 September 2011

Vote 26 Office of the Minister for Education and Skills Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
€000	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	62,392	59,148	65,005
A.2. Travel and subsistence	1,902	1,490	1,895
A.3. Incidental expenses	1,358	1,182	1,182
A.4. Postal and telecommunications services	3,250	2,721	2,778
A.5. Office machinery and other office supplies and related services	7,108	3,949	4,654
A.6. Office premises expenses	2,100	1,726	1,572
A.7. Consultancy services	100	39	53
A.8. Regional office service	260	267	226
A.9. Value for Money and Policy Reviews	863	737	906
A.10. National Educational Psychological Service	22,414	16,656	18,853
Other Services			
B.1. Grant-in-aid fund for general expenses of Adult Education Organisations (part funded by National Lottery)	864	864	941
B.2. Transport services	186,000	181,409	177,567
B.3. International activities	1,212	1,082	1,078
B.4. UNESCO contribution and international education exchanges	2,174	2,418	2,063
B.5. Research and development activities	6,001	5,974	5,929
B.6. Teacher Education	29,793	23,573	20,234
B.7. Expenses of National Council for Curriculum and Assessment	3,837	3,837	4,637
B.8. Payments in respect of Local Drug Task Force Projects (grant-in-aid)	2,461	2,461	3,643
B.9. National Council for Special Education	9,215	8,216	9,250
B.10. Educational disadvantage (Dormant Accounts Funding)	5,000	2,060	8,594
B.11. Occupational health strategy for first and second level teachers	1,800	1,742	1,602
B.12. Residential Institutions Redress			
	<i>Original</i> 53,249		
	<i>Supplementary</i> (10,000)		
	43,249	43,193	95,244
B.13. Royal Irish Academy of Music general expenses (grant-in-aid)	3,635	3,635	3,954
B.14. Grant-in-Aid fund for general expenses of cultural, scientific and educational organisations (part funded by National Lottery)	196	196	207
B.15. North/South Co-operation funding	3,600	2,717	1,373

Service		2010 Estimate provision	2010 Outturn	2009 Outturn
Other services (continued)	€000	€000	€000	€000
B.16. Fund for general expenses of organisations involved in the promotion of Ireland as an international education centre		229	229	686
B.17. Miscellaneous		5,893	4,591	9,039
B.18. Schools information and communication technologies activities				
	<i>Original</i>	56,578		
	<i>Supplementary</i>	20,000		
	<i>Deferred Surrender</i>	7,000	83,578	81,253
B.19. Commission on Child Abuse				35,172
	<i>Original</i>	15,944		
	<i>Supplementary</i>	(12,000)	3,944	2,261
B.20. School Completion Programme		31,000	30,008	31,000
B.21. National Education Welfare Board		9,575	8,695	9,630
B.22. National Qualifications Framework		10,652	8,938	10,679
First level education grants and services				
C.1. Salaries, etc., of teachers		1,994,399	2,006,602	2,105,660
C.2. Model schools - miscellaneous expenses		509	512	519
C.3. Capitation grants towards operating costs of national schools		196,836	193,281	184,385
C.4. Salaries etc. of non-teaching staff in national schools including special needs assistants, caretakers and clerical officers		288,590	291,383	303,631
C.5. Other grants and services		70,105	54,406	69,017
C.6. Superannuation, etc., of teachers		444,355	449,104	458,171
C.7. Special education initiatives		12,097	10,609	11,919
Second level and further education grants and services				
D.1. Salaries, etc., of teachers in secondary, comprehensive and community schools		1,177,768	1,179,101	1,282,934
D.2. Grants to secondary school authorities and other grants and services in respect of secondary schools		117,447	109,158	102,939
D.3. Salaries, etc., of non-teaching staff in secondary, comprehensive and community schools including special needs assistants and clerical officers		47,936	47,093	47,393

Service		2010 Estimate provision	2010 Outturn	2009 Outturn
Second level and further education grants and services (continued)	€000	€000	€000	€000
D.4. Superannuation of secondary, comprehensive and community school teachers		318,477	329,648	327,090
D.5. Comprehensive and community schools - running costs		47,447	48,680	48,131
D.6. Annual grants to Vocational Education Committees (excluding certain grants in respect of specialist colleges and student support)		905,674	912,705	952,798
D.7. Payments to Local Authorities in respect of superannuation charges		207,128	217,438	218,677
D.8. Miscellaneous		18,836	18,970	20,013
D.9. Special initiatives adult education		45,758	44,929	44,758
D.10. State Examinations Commission		54,510	54,286	56,943
Third level and further education grants and Services				
E.1. Student support				
	<i>Original</i>	324,449		
	<i>Supplementary</i>	43,000		
E.2. University scholarships		367,449	361,992	306,056
E.3. An tÚdarás um Ard-Oideachas - grant-in- aid for general expenses		1,626	1,549	1,316
E.4. An tÚdarás um Ard-Oideachas - general current grants to universities and colleges, institutes of technology and other designated institutions of higher education (grant-in-aid)		5,600	5,500	5,853
E.5. Training colleges for primary teachers excluding those funded through the Higher Education Authority		1,194,183	1,194,183	1,318,083
E.6. Strategic Innovation Fund		11,516	11,508	12,132
E.7. Dublin Dental Hospital - dental education grant (grant-in-aid)		18,000	18,890	27,068
E.8. Dublin Institute for Advanced Studies (grant-in-aid)		12,335	12,335	13,231
E.9. Grant in respect of tuition fees to designated non-Higher Education Authority third-level Institutions		7,213	7,213	7,905
E.10. Miscellaneous		4,725	5,126	4,540
E.11. Grants to certain third level institutions		220	253	203
E.12. Alleviation of disadvantage		17,787	17,454	18,329
E.13. Research and development activities ¹		16,000	16,057	17,984
E.14. Grangegorman Development Agency		54,892	52,214	86,989
— Payments in relation to the winding up of St Catherine's College of Education ²		1,831	1,042	1,032
		—	—	223

Capital services		2010 Estimate provision	2010 Outturn	2009 Outturn
		€000	€000	€000
F.1.	Building, equipment and furnishing of national schools			
	<i>Original</i>	306,800		
	<i>Supplementary</i>	(62,000)		
	<i>Deferred Surrender</i>	<u>72,000</u>	316,800	312,264
F.2.	Second-level schools - building grants and capital costs	200,000	213,468	197,026
F.3.	An tÚdarás um Ard-Oideachas - building grants and capital costs for universities and colleges, institutes of technology, designated institutions of higher education, and research and development (grant-in-aid)			
	<i>Original</i>	126,890		
	<i>Supplementary</i>	<u>42,000</u>	168,890	168,882
F.4.	Building grants and capital costs of other third level institutions	165	165	159
F.5.	Public private partnership costs	50,059	43,150	40,780
Skills Development^{3 & 4}				
G.1.	FÁS administration and general expenses	93,805	88,859	—
G.2.	FÁS training and integration supports			
	<i>Original</i>	44,001		
	<i>Supplementary</i>	<u>(20,999)</u>	23,002	23,353
G.3.	FÁS employment programmes	289,507	286,507	—
G.4.	FÁS capital	4,471	4,471	—
G.5.	FÁS- Pension payments arising from the Financial Measures (Miscellaneous Provisions) Act	17,984	22,930	—
G.6.	European Globalisation Fund	1,240	733	—
G.7.	Operational programme for human resources development- technical assistance	1,133	320	—
G.8.	Leonardo Programme	140	140	—
Gross Expenditure				
	<i>Original</i>	9,295,099		
	<i>Supplementary</i>	<u>1</u>		
	<i>Deferred Surrender</i>	<u>79,000</u>	9,374,100	9,345,730
Deduct:				
H.	Appropriations-in-aid	<u>626,995</u>	<u>621,868</u>	<u>579,521</u>
Net Expenditure		<u><u>8,747,105</u></u>	<u><u>8,723,862</u></u>	<u><u>8,776,215</u></u>

	2010 Outturn	2009 Outturn
	€000	€000
Surplus for the Year	€ 23,242,898	€ 145,133,680
Deferred surrender under Section 91 of the Finance Act 2004	—	€9,000,000
Surplus to be Surrendered	<u>€ 23,242,898</u>	<u>€66,133,680</u>

¹ As a result of the transfer of functions between Government Departments that took effect from 1 May, 2010 certain research functions including the Programme for Research in Third Level Institutions (PRTLTI) transferred from Vote 26 to Vote 34 - Office of the Minister for Enterprise, Trade and Innovation from that date.

² Following the closure of St. Catherine's College of Education for Home Economics Teachers in 2007 this subhead was utilised from 2008 to 2009 to make payments associated with the wind up of the College.

³ Under the Employment Programmes and Services and Skills Training (Transfer of Departmental Administration and Ministerial functions) Order 2010 (SI 187 of 2010) certain functions previously vested in the Office of the Minister for Enterprise, Trade and Employment were transferred to the re-named Office of the Minister for Education and Skills with effect from 1 May 2010. Expenditure on these functions is accounted for under subheads G.1. to G.8.

⁴ Subheads relating to Skills Development were accounted for under Vote 34, Office of the Minister for Enterprise Trade and Employment up to 30 April 2010.

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	2010 €000	2009 €000
Expenditure on administration		87,915	97,124
Expenditure on services and programmes		9,257,815	9,258,612
Gross expenditure		9,345,730	9,355,736
Deduct			
Appropriations-in-aid		621,868	579,521
Net expenditure		8,723,862	8,776,215
Changes in capital assets			
Purchases cash		(67,971)	(25,910)
Depreciation		1,799	2,133
Loss on disposals		62,595	69,938
Changes in assets under development			
Cash payments		(20,960)	(34,619)
Changes in net current assets			
Decrease in closing accruals		(810)	(11,600)
Decrease in stock		7	41
Direct expenditure		8,698,522	8,776,198
Net allied services expenditure	1.1	22,654	24,874
Notional rents		3,607	4,334
Total operating cost		8,724,783	8,805,406

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 26 borne elsewhere

		2010 €000	2009 €000
7	Superannuation and Retired Allowances	16,934	18,357
10	Office of Public Works	5,223	5,984
20	Garda Síochána	214	185
	Central Fund - Ministerial etc. pensions	283	348
		22,654	24,874

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	115,213	94,393
Capital Assets under Development	2.2	9,618	7,861
		124,831	102,254
Current Assets			
Bank and Cash	2.3	22,005	82,265
Stocks	2.4	124	131
Prepayments		7,318	9,715
Recoupment of Overpayments		1,581	1,522
Recoupment of Secondment Costs		1,347	1,581
Accrued Income		27,163	42,946
Other debit balances	2.5	6,906	11,417
Total Current Assets		66,444	149,577
Less Current Liabilities			
Accrued expenses		19,126	16,736
Pension recoupment to Local Authorities		151	23,037
Salary recoupment to other Departments and Agencies		—	6
Other credit balances	2.6	25,996	2,736
Net Liability to the Exchequer	2.7	2,915	90,946
Total Current Liabilities		48,188	133,461
Net Current Assets		18,256	16,116
Net Assets		143,087	118,370

2.1 Statement of Capital Assets

	Land and Buildings €000	Furniture and Fittings €000	Office Equipment €000	Total €000
Gross assets				
Cost or valuation at 1 January 2010	90,425	7,712	19,269	117,406
Additions	84,508	59	647	85,214
Disposals	(62,589)	(2)	(438)	(63,029)
Cost or valuation at 31 December 2010	112,344	7,769	19,478	139,591
Accumulated Depreciation				
Opening balance at 1 January 2010	—	6,358	16,655	23,013
Depreciation for the year	—	448	1,351	1,799
Depreciation on disposals	—	(2)	(432)	(434)
Cumulative depreciation at 31 December 2010	—	6,804	17,574	24,378
Net Assets at 31 December 2010	112,344	965	1,904	115,213
Net Assets at 31 December 2009	90,425	1,354	2,614	94,393

General Information Note

1 First Level

1.1. Thirty eight (38) first-level sites are owned and controlled/managed by the Minister for Education and Skills.

1.2(i) Fifty three (53) Gaelscoileanna and twenty two (22) Multi-Denominational schools are operating on sites owned by the Minister for Education and Skills in either permanent or temporary accommodation and are controlled/managed by Boards of Management.

1.2(ii) Two (2) Multi-Denominational, and one (1) Catholic School site and buildings are held by the Minister for Education and Skills under long term lease agreements but are controlled/managed by Boards of Management.

1.2(iii) Nine (9) Model schools, owned/leased by the State, are controlled/managed by Boards of Management.

1.3. The total number of National Schools in operation on 31 December 2010 was three thousand, three hundred and five (3,305). With the exception of 1.2(i) to 1.2(iii) above the majority of these schools are denominational and owned by the relevant diocesan authority.

1.4. Following the enactment of the Children's Act, 2001, one Children's Detention School vested in the Minister for Education and Skills will transfer to the Health Service Executive following the completion of all necessary legal procedures. Three other Children's Detention Schools were previously transferred to the Department of Justice, Equality and Law Reform. One Children's Detention School is vested with the Office of Public Works. The schools are managed by Boards of Management.

2 Second Level

2.1. Sixteen (16) sites for second-level schools are owned and controlled/managed by the Minister for Education and Skills.

2.2(i) Fourteen (14) Comprehensive schools, seventy eight (78) Community schools and two (2) Secondary schools owned by the Minister for Education and Skills are controlled/managed by Boards of Management.

2.2(ii) Two hundred and fifty-four (254) Vocational schools are vested in Vocational Education Committees under the Vocational Education Act, 1930.

2.2(iii) Three hundred and eighty-one (381) Secondary schools are privately owned.

3 Third Level

3.1. The land and buildings of one (1) third-level institution (Tipperary Rural and Business Development Institute - Thurles Campus) is owned by the Minister for Education and Skills and controlled/managed by the Board of Directors.

2.2 Statement of Capital Assets under Development

	Construction Contracts	In-House Computer Applications	Totals
	€000	€000	€000
Amounts brought forward at 1 January 2010	7,769	92	7,861
Cash payments for the year	20,499	461	20,960
Transferred to asset register	(19,001)	(202)	(19,203)
Amounts carried forward at 31 December 2010	9,267	351	9,618

2.3 Bank and Cash

	2010 €000	2009 €000
at 31 December		
PMG balances and cash	29,629	91,036
Orders outstanding	(7,624)	(8,771)
	22,005	82,265

2.4 Stocks

	2010 €000	2009 €000
at 31 December		
Stationery	58	59
IT consumables	66	72
	124	131

2.5 Other Debit Balances

at 31 December

	2010	2009
	€000	€000
Agency Payments to OPW	492	693
Sub-Accountants	126	138
Marriage, Retirement and Death Gratuities	1,429	2,578
Salaries Recoupable	715	782
Schools Broadband Programme	3,580	6,970
Travel Passes	150	122
Due from State - Suspense	6	11
Offices Shared Services Recoupment	219	—
Redress Board	108	—
Cycle to Work Scheme	54	—
Miscellaneous	27	123
	6,906	11,417

2.6 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the State		
Due to State Suspense	155	540
Suspense		
Redress Board	—	806
Pension Refund	661	343
Exchequer Extra Receipts	2	20
Erasmus Smith Endowment	125	106
Energy Building Programme	617	772
European Union Funds	24,368	—
Agency Payments to OPW (Maintenance)	21	—
Miscellaneous	47	149
	25,996	2,736

2.7 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	23,243	145,134
Exchequer grant undrawn	(20,328)	(54,188)
Net liability to the Exchequer	2,915	90,946
Represented by:		
Debtors		
Bank and cash	22,005	82,265
Debit balances: suspense	6,900	11,406
Due from the state - suspense	6	11
	28,911	93,682
Creditors		
Due to State	(155)	(540)
Credit balances: suspense	(25,841)	(2,196)
	(25,996)	(2,736)
	2,915	90,946

2.8 Commitments

at 31 December

2010**2009****€000****€000****A. Global Commitments**

Commitments likely to materialise in subsequent years for:-

Procurement subheads

985

1,091

Grant subheads

10,501

15,341

B. Multi-Annual Capital Commitments**1 Legally Enforceable Capital Commitments**

Expenditure in 2010

822,462

796,548

Commitments to be met in subsequent years ¹

1,427,295

1,091,595

¹. Following a review of the Department's PPP commitments it was found that cumulative PPP commitments had been understated in the commitment tables for the period 2001-2009. The errors arose principally due to contractual commitments for certain of the Public Private Partnership projects being reflected in the accounts as VAT exclusive rather than VAT inclusive, upfront construction VAT was not included in certain cases and indexation of the Unitary Payments for the Pilot Schools was not included in the commitment returns.

The total Commitment figures provided for 2009 has been corrected to take account of the errors.

2 Legally Enforceable Capital Commitments

Capital projects involving total expenditure of €12,697,380 or more

	Expenditure to 31 December 2009	Expenditure in 2010	Legally enforceable commitments to be met in subsequent years	Totals
	€000	€000	€000	€000
Subhead F.2.				
1 Malahide C.S.	13,659	187	21	13,867
2 Rathoath V.S.	12,821	360	1	13,182
3 Youghal C.S.	14,549	31	14	14,594
4 Phibblestown C.C. ¹	5,487	13,755	679	19,921

2 Legally Enforceable Capital Commitments (continued)

Capital projects involving total expenditure of €12,697,380 or more

	Expenditure to 31 December 2009	Expenditure in 2010	Legally enforceable commitments to be met in subsequent years	Totals
	€000	€000	€000	€000
Subhead F.3.				
5 Dundalk - Refurb of Carrolls Facility	17,269	2,731	—	20,000
6 Athlone - Engineering Informatics Building	28,681	3,297	4,022	36,000
7 National University of Ireland, Dublin Centre for Synthesis & Chemical Biology	13,488	—	221	13,709
8 National University of Ireland, Cork - Postgraduate Research Library	13,693	—	28	13,721
9 National University of Ireland, Dublin Science Centre	13,269	1,307	2,971	17,547
10 Mary Immaculate College Campus Development Phase 1a/infrastructure	15,078	217	575	15,870
11 Mary Immaculate College Campus Phase 1b/c infrastructure	17,504	5,827	821	24,152
12 National University of Ireland, Galway, Engineering School	9,491	12,809	—	22,300

C. Capital Costs of Public Private Partnership Projects

	Expenditure to 31 December 2009	Expenditure in 2010	Balance still outstanding on capital cost of project at delivery	Totals
	€000	€000	€000	€000
1. National Maritime College of Ireland	14,639	1,531	49,554	65,724
2. Five Schools Bundle PPP ²	17,030	1,916	74,666	93,612
3. Cork School of Music ²	11,115	1,429	66,196	78,740

Notes

¹ The Phibblestown CC project is a combined Primary/Post-Primary project. The overall project cost is €24.038m which is 82.97% funded by the Department of Education and Skills. The remainder is funded by Fingal County Council.

² Expenditure on the project is being met from Subhead F.5.

Note on PPPs

The Department has to date entered into five separate contracts to design, build, finance, maintain and operate educational accommodation under the Public Private Partnership (PPP) model.

There are two third level projects, the National Maritime College, Cork and the Cork School of Music as well as three bundles of schools projects, the Pilot PPP Schools project and the 1st and 2nd Bundle of Schools Projects. All five contracts are for twenty-five years. The buildings will remain in State ownership for the duration of the contract, with the PPP company being granted a licence to build the facilities and maintain them for a period of twenty-five years.

National Maritime College

The National Maritime College of Ireland (NMCI) PPP Project was completed in October 2004 with Focus Education Ireland as the private sector partner. NMCI was the first third level PPP to be completed and operating in Ireland. The college provides state of the art education and training facilities to service the needs of the Cork Institute of Technology and the non-military needs of the Irish Naval Service.

Five Pilot Schools PPP

The five post-primary schools are located in Dunmanway and Ballincollig, Co. Cork, Tubbercurry, Co. Sligo, Clones, Co. Monaghan, and Shannon, Co. Clare. The contract for the Five Schools PPP was signed with Jarvis Projects in November 2001. The operational phase of the schools commenced in January 2003.

Cork School of Music

A contract for the design, build, financing and operation of the Cork School of Music was signed with Hochtief in September 2005. The Cork School of Music was completed on 16 July 2007.

1st Bundle PPP Schools

A contract for the design, build, financing and operation of the four post primary schools located in Portlaoise, Co. Laois (2 Schools), Banagher and Ferbane (both in Co.Offaly) was signed with Maquarie Partnerships for Ireland in March 2009. These schools became operational in September 2010. Due to commercial sensitivities the financial elements of the contract will not be made public for at least two years after the schools became operational.

2nd Bundle PPP Schools

A contract for the design, build, financing and operation of the five post primary schools and one primary school located in Bantry Co. Cork (Primary and Post Primary), Kildare town, Abbeyfeale, Co. Limerick, Athboy, Co. Meath and Wicklow town was signed with Maquarie Partnerships for Ireland in June 2010. It is envisaged that all four schools will become operational in late 2011. Due to commercial sensitivities the financial elements of the contract will not be made public for at least two years after the schools become operational.

2.9 Matured Liabilities

Due to internal payment processing deadlines to enable the Department meet commercial bank deadlines for electronic funds transfers, it was not possible to finalise processing of certain bills on hands at year end. Arising from these processing limitations, the Department of Education and Skills had matured liabilities totalling €50,411 at 31 December 2010.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000, and by more than 5% (25% in the case of administration subheads A.1. - A.10.).

In compliance with Public Financial Procedures and with the sanction of the Department of Finance the Department of Education and Skills used a financial process known as virement in 2010, as in other years. This allowed for savings on one or more subheads to be used to meet excesses on other subheads. Please refer to the Public Financial Procedures Sections B.1.1.11 and C.2(6-13). As a result of ongoing monitoring of expenditure trends within the Department virement was used on certain subheads where, for example, schemes/projects progressed more rapidly than originally forecast or demand/costs were higher than originally anticipated in 2010.

Also, in the case of capital and in accordance with the Capital Envelope Agreement, the Department utilised capital carryover totalling €79 million which was carried forward from 2009 and which was applied to the Vote 26 Capital Programme during 2010.

Sub-head	Less/(more) than provided	Explanation
	€000	
A.5.	3,159	€1.4m of the saving arose due to delays in commencing and progressing projects due to internal capacity constraints. Savings of circa €0.7m arose due to reduced requirements for IT hardware, software and consumables as well as a one off reduction in licensing costs in 2010. The remainder of the savings arose due to lower costs being incurred in engaging contractors.
A.10.	5,758	The savings can mainly be attributed to the slower than planned pace of recruitment of NEPS psychologists and lower salary scales.
B.3.	130	The saving arose mainly due to a lower level of activity on once- off international projects during 2010.
B.4.	(244)	The excess arose principally due to a less favourable euro - US dollar exchange rate on the UNESCO contribution.
B.6.	6,220	The savings arose principally due to a lower drawdown of substitution costs for continuous personal development events and ongoing efficiencies arising from the amalgamation of support services during 2010. Other miscellaneous initiatives did not progress as planned during 2010.
B.9.	999	The savings principally arose from a reduction in the level of grant paid (€0.7m) due to an operating surplus in the 2009 NCSE accounts. The remainder of the savings arose due to a number of unfilled vacancies.
B.10.	2,940	The savings arose due to a slower drawdown and expenditure from the dormant fund accounts subhead during 2010.
B.15.	883	The savings principally arose due to a lower drawdown of funding to the US-Ireland Alliance. Payments to the fund are subject to matching funding by the fund manager. The remainder of the saving arose due to a lower level of general funding to the North-South projects.
B.17.	1,302	The savings in this miscellaneous subhead, which has eight subdivisions are net savings. €1.1m of the savings arose due to additional resources for teaching through Irish coming on stream at a slower pace than anticipated. The remainder of the savings arose due to lower than anticipated levels of activity on miscellaneous schemes.

Sub-head	Less/(more) than provided	Explanation
	€000	
B.19.	1,683	The saving arises as the Commission was unable to finalise as many third party legal bills as anticipated in 2010.
B.21.	880	In excess of €0.5m of the savings arose due to the non-filling of vacancies and the taking of unpaid leave. Savings of circa €280,000 arose due to lower operation costs.
B.22.	1,714	The savings arose mainly on the current side due to lower levels of activity on IT support, external examining, research promotional activities and publications. Additionally capital savings of €200,000 arose due to delays in the delivery of a new business system in FETAC.
C.5.	15,699	The savings in this subhead are net savings as there are thirteen subdivisions with the subhead being miscellaneous in nature. €8m of the savings arose due to lower than expected spending on the rental of temporary school accommodation during 2010. This is principally due to the decision to grant aid the purchase rather than the rental of prefabs in certain circumstances, along with the policy of allowing schools the option to use their capital grant aid to build a permanent classroom rather than purchase a prefab. Savings of a further €8m arose principally due to lower spend on special education initiatives, legal costs and equipment costs.
C.7.	1,488	The pay savings arose due to a high turnover of staff with replacement staff commencing at a lower point of the incremental pay scale. Savings were also achieved due to lower than anticipated spending on training and consultancy.
D.2.	8,289	€5.8m of this saving is technical in nature due to the fact that the total allocation for payment of certain grants to second level schools was attributed in the Estimates to Subhead D.2., before it was known what the exact apportionment of grants across secondary schools (Subhead D.2.) Community and Comprehensive schools (Subhead D.5.) and VEC Schools (Subhead D.6.) would be. For technical reasons the subsequent grant allocations to Community and Comprehensive and VEC schools had to be paid via these subheads. Accordingly the underspend on D.2. of €5.8m is balanced by overspends on Subheads D.5. and D.6. The remainder of the saving arises from lower than anticipated grant payments across the range of per capita grants.
E.9.	(401)	The excess arose due to higher than anticipated requirement from the free fees initiative in non-HEA Institutions. Due to variances in enrolments from year to year it is difficult to forecast the numbers who will be eligible for free fees.
E.14.	789	The savings principally arose due to the consultation process required in regard to the draft strategic plan for Grangegorman prior to its submission to Government. Savings of circa €600,000 arose on pay as the planned recruitment of additional staff and the filling of vacancies did not proceed as early as planned.
F.2.	(13,468)	The excess spending on the subhead reflects shifts in expenditure between different capital subheads within the Department's capital envelope. €8m arose due to the provision of grants to review physical education equipment in 721 post primary schools. The remainder of the excess arises from greater levels of activity on smaller scale projects than had been forecast.

Sub-head	Less/(more) than provided	Explanation
	€000	
F.5.	6,909	The savings on the PPP subhead arose principally for the following main reasons. Lower unitary payments were incurred due to a delay in two schools becoming operational. Additionally capital costs were less than anticipated due to a 3rd level PPP project bundle not progressing as originally planned, along with the fourth schools bundle not commencing. Additional savings arose due to lower Consumer Price Index increases being applied during 2010 on the Pilot Schools, National Maritime College and the Cork School of Music.
G.1.	4,946	The saving principally arose due to higher than expected numbers of retirements during 2010. The savings in this subhead were utilised through virement to assist the consequential excess of €4.9m on subhead G.5. FÁS Pension Payments.
G.5.	(4,946)	The excess arose due to higher than anticipated numbers of retirements during 2010.
G.6.	507	The savings arose due to a slower rate of project approval than had been anticipated.
G.7.	813	Expenditure was less than anticipated due to the tender process for Mid term Evaluations not progressing as planned in 2010 resulting in expenditure commencing in 2011. Planned expenditure on transnational activities and communications/publicity did not progress as planned during 2010.

4 Receipts

4.1 Appropriations-in-aid	2010	2010	2009
	Estimated	Realised	Realised
	€000	€000	€000
H.1. Administration and Other Services Receipts			
1. EU Travel Receipts	1	—	—
2. Contributions from the EU for educational activities	25	33	—
3. Receipts from the European Social Fund	69,393	49,972	36,102
4. Receipts in respect of Peace Programme	99	512	6
5. Miscellaneous	741	1,404	2,168
6. Dormant Accounts Funding	4,999	2,239	8,404
7. Miscellaneous Superannuation Schemes including National Education Welfare Board, Teaching Council and other miscellaneous bodies	696	785	382
H.2. First Level Receipts			
1. Superannuation, etc., of National Teachers:			
(i) Refunds of gratuities under Superannuation Schemes, 1934 to 1958, etc.	460	404	668
(ii) Contributions to the Superannuation Schemes	82,226	81,114	86,086
(iii) Contributions to Teachers' Spouses and Children's Pensions Scheme	27,784	27,755	29,304
2. Miscellaneous	550	2,750	2,069
3. Contributions to Superannuation Scheme for Special Needs Assistants, Caretakers and Clerical Staff in National Schools (Subhead C.4.)	7,100	6,541	7,240
4. Recoupment of salaries, etc., of teachers on secondment and recovery of overpayments of salary	4,780	5,005	6,150
5. Handling charge involved in making certain deductions from teachers' salaries	315	288	309
H.3. Second Level and Further Education Receipts			
1. Superannuation, etc., of Secondary, Comprehensive and Community School Teachers:			
(i) Contributions to Secondary Teachers' Superannuation Scheme	59,263	58,585	67,787
(ii) Contributions to Secondary Teachers' Spouses and Children's Pension Scheme	17,856	17,003	19,308
(iii) Refund of Gratuities under Secondary Teachers' Superannuation Scheme	81	82	125
2. Repeat Leaving Certificate course fees	70	90	142
3. Miscellaneous	451	1,992	1,882
4. Contributions to Superannuation Scheme for Special Needs Assistants and Clerical Assistants in Secondary Schools (Subhead D.3.)	1,000	1,004	1,054

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
H.3. Second Level and Further Education Receipts			
5. Recoupment of salaries, etc., of teachers on secondment and recovery of overpayments of salary	5,500	4,089	6,159
6. Handling charge involved in making certain deductions from teachers' salaries	201	178	191
H.4. FÁS Receipts^{1&2}			
1. FÁS - Pensions	2,274	2,532	—
2. FÁS - Pension Receipts arising from the Financial Measures (Miscellaneous Provisions) Act	3,777	3,555	—
H.5. Pension Levy			
1. Receipts from Pension-related Deduction on Public Service Remuneration	337,353	353,956	303,985
Total	626,995	621,868	579,521

¹. Under the Employment Programmes and Services and Skills Training (Transfer of Departmental Administration and Ministerial functions) Order 2010 (SI 187 of 2010) certain functions previously vested in the Office of the Minister for Enterprise, Trade and Employment were transferred to the re-named Office of the Minister for Education and Skills with effect from 1 May 2010.

². FÁS receipts were brought to account in Vote 34, Office of the Minister for Enterprise, Trade and Employment during 2009 and to 30 April 2010 under Vote 34, Office of the Minister for Enterprise, Trade and Innovation.

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%.

Heading	Less/(more) than estimated €000	Explanation
H.1.		
3.	19,421	The principal reason for the shortfall of European Social Fund (ESF) receipts (Subhead H.1.3) against the Voted estimate for 2010 arises due to the European Commission temporarily excluding elements of ESF expenditure, pending the implementation of certain audit recommendations. This expenditure was originally included in the calculations of the 2010 Estimates. This expenditure will be claimed later from the European Commission, without any expected loss of EU monies to the Irish Exchequer.
4.	(413)	The surplus arose principally from an accumulation of claims due under the Peace II Programme. The sums received in 2010 had been due to the Department from the European Union's Special EU Programmes Body for a number of years.
5.	(663)	Surplus miscellaneous receipts arose due to the recoupment of redundancy rebates, refunds of PRSI contributions, payover of social insurance benefits along with shared services costs and other ad-hoc receipts which are difficult to estimate.
6.	2,760	This subhead is utilised to bring to account receipts associated with expenditure incurred on the Dormant Funds Scheme, under Subhead B.10 Income to Subhead H.1.6. is linked to expenditure from subhead B.10 making it Exchequer neutral. A shortfall in receipts arose as a result of the savings in expenditure on subhead B.10.
H.2.		
2.	(2,200)	Surplus miscellaneous receipts arose mainly due to the recoupment of social insurance benefits and other ad-hoc receipts which are difficult to estimate.
3.	559	The shortfall in receipts arose due to an overestimation of the receipts that would be collected during 2010.
H.3.		
3.	(1,541)	Surplus miscellaneous receipts arose principally due to the recoupment of monies from local authorities relating to particular projects which support enhanced capital facilities in schools. The remainder of the surplus receipts largely arose due to refunds arising from out of date payable orders, refunds and the recoupment of social insurance benefits and other ad-hoc receipts which are difficult to estimate.
5.	1,411	The shortfall in receipts arose due to an overestimation of the value of recoupable receipts as well as a reduction in the number of secondment arrangements in place.

Heading	Less/(more) than estimated €000	Explanation
H.4.		
1.	(258)	Surplus receipts arose due to the collection of higher than anticipated levels of pension contributions.
2.	222	The shortfall in receipts relating to pension contributions paid by former ANCO staff to the FÁS closed pension scheme arises principally due to higher numbers of retirements leading to a reduction in the number of paying members.

4.2 Extra receipts payable to the Exchequer	2010	2009
	€000	€000
Exchequer Extra Receipts -	345	325

5 Employee Numbers and Pay

	2010	2009
Number of staff (full time equivalents) ¹	97,970	95,152

¹ Under the Employment Programme and Services and Skills Training (Transfer of Departmental and Administration and Ministerial functions) Order 2010 (SI 187 of 2010) certain functions previously vested in the Office of the Minister for Enterprise, Trade and Employment were transferred to the re-named Office of the Minister for Education and Skills with effect from 1 May 2010. This transfer included responsibility for FÁS. As a result, the staff numbers shown for 2010 include for the first time FÁS staff.

	€000	€000
Pay	53,817	59,850
Higher, special or additional duties allowances	278	587
Other allowances	113	193
Overtime	699	605
Employer's PRSI	4,241	3,770
Total pay	59,148	65,005

The financial details in this table relate solely to staff paid from the Administrative subhead A.1.Staff Salaries.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	69	6	19,548	38,627
Other allowances ¹	100	—	5,772	12,803
Overtime and extra attendance	267	10	16,974	23,766

Note: Certain individuals received extra remuneration in more than one category.

The details of allowances and overtime payments in this table relate solely to staff paid from the Administrative budget subheads A.1. and A.10.

¹ Due to an error in the 2009 accounts, the maximum individual payment listed under the category of Other allowances, which should have been reflected as €12,803 was listed as €12,864.

6 Miscellaneous Items

6.1 National Lottery Funding

The subheads in Vote 26 from which the National Lottery sourced funding was paid are noted below. A full list is available on the Department's website (www.education.ie)

Recipients of Funding from National Lottery	2010 €000	2009 €000
Expenses of Adult Education Organisations (Subhead B.1.)	864	941
Cultural Activities (Subhead B.14.)	196	207
Total	1,060	1,148

6.2 EU Funding

The amount of €49,972,299 received from the European Social Fund and shown as Appropriations-in-Aid was included in the recorded expenditure from the following Subheads of the Office of the Minister for Education and Skills: - A.1., B.5., B.20., B.22., D.1., D.6., D.9., E.4., and E.12.

Arising from the Transfer of Functions during 2010, the sum of €138,448 received in 2010 from ESF activities and shown in the H.1.3 total income of €49,972,000 derives from expenditure under the former Department of Enterprise, Trade and Employment - Vote 34 expenditure subheads M.1, M.2, M.3 and M.5 in previous years. Ongoing equivalent expenditure in Vote 26 is now recorded in subhead G.7.

EU funding Directly to Bodies

In addition to the grants from the Vote, direct EU aid to Bodies under the Aegis of the Department during 2010 was as shown below.

Subhead	Description	2010 Funding €	2009 Funding € ⁽¹⁾
G.1.	FÁS	567,204	867,638

¹ Arising from the Transfer of Functions during 2010 responsibility for FÁS was transferred from the former Department of Enterprise, Trade and Employment (Vote 34) to the Department of Education and Skills. During 2010 FÁS received direct EU aid to the amount of €567,204. In the 2009 Appropriation Accounts the €867,638 received by FÁS was accounted for in the Vote 34 accounts.

European Globalisation Adjustment Fund

The European Globalisation Adjustment Fund (EGF) is an European Union funding programme which assists Member States to provide a programme of upskilling and retraining supports to workers made redundant as a result of globalisation and changing global trade pattern. The EGF allows funding of up to 65% of the cost of providing relevant supports with the remaining 35% of funding required to be provided through national supports.

Ireland made three successful applications for EGF Funding in 2009 resulting in EU funding of €24,840,000 being paid over in 2010. €17,400,000 of the EGF funding was initially paid over to the former Department of Enterprise, Trade and Employment prior to the 2010 Transfer of Functions. €7,440,000 was paid over by the EU to the Department of Education and Skills following the Transfer of Functions.

In 2010, €2,545,625 in EGF related funding was paid to relevant City and County Enterprise Boards, the Higher Education Authority and relevant Vocational Education Committees under the following EGF Programmes;

European Globalisation Fund Programme	2010 Total Funding
	€000
Dell	1,898
Waterford Crystal	520
S. R. Technics	128
Total Funding	2,546

Arising from the Transfer of Functions during 2010, the Exchequer element of the European Globalisation Fund (EGF) payments was made by two Departments, the former Department of Enterprise, Trade and Employment from Vote 34's subhead L.3 and post Transfer of Functions from the Department of Education and Skills Vote 26's subhead G.6.

Of the €2,546,000 paid in 2010, 35% was funded from national sources and 65% was funded by EU EGF funding. The 35% national contribution was paid from the relevant Votes (€732,601) and from the National Training Fund (€158,368).

6.3 Commissions and Enquiries

	Year of appointment	Cumulative Expenditure to 31 December 2010 €000	Expenditure in 2010 €000	Expenditure in 2009 €000
Commission to Inquire into Child Abuse	1999	65,194	2,261	3,570
Residential Institutions Review Committee	2003	5,955	840	937
Commission on School Accommodation	1996	3,517	12	25
Inquiry into Kilkenny City Vocational School ¹	2006	324	39	120
		74,990	3,152	4,652

¹. Costs for the Kilkenny Inquiry were understated in error in each of the 2008 and 2009 Vote 26 Accounts. Cumulative expenditure on the Commission to 31 December 2008 was €164,282 and cumulative expenditure to 31 December 2009 was €284,538.

6.4 Contingent Liability

There will be further payments associated with the Commission to Inquire into Child Abuse and the Redress Board. Final costs cannot be determined at this point as the work of both bodies is ongoing.

Expenditure for the Commission to Inquire into Child Abuse from inception, to the end of 2010, was €65,194,363. At this point, it is estimated that a provision in the region of €30 - €35 million may be required to meet remaining costs of the Commission. This is a tentative provision, given that the Commission has yet to negotiate on a large volume of third party legal representation costs.

Expenditure associated with the Redress Board to the end of 2010 was €1,044,749,138 at which time some 14,390 applications had been processed out of a total of approximately 14,935 (including 487 late applications) received by the Board. At this point it is estimated that additional costs of up to some €90 million may arise. The estimate is based on the average award and also takes account of the latest information on late applications. However, the estimate is tentative given that the Board continues to receive and process late applications and that the level of award in these remaining cases may vary from the average.

6.5 Legal costs and compensation

Expenditure under Subhead B.12. includes awards totalling €235,000 in respect of two redress cases. Medical and other fees totalling €4,070 were incurred in the two award cases and two other cases. Legal costs totalling €522,173 were incurred in twenty other cases. (S18/10/04, Sanction number 1451 of 2010 and Sanction letter dated 02/02/2005)

6.6 Residential Institutions Redress

Redress Institutions Redress Special Account under Terms of Indemnity Agreement

Section 23 of the Residential Institutions Redress Act 2002 provided for the establishment of a Special Account to be funded from "moneys provided by the Oireachtas" and by "a person, with the consent of the Minister (for Education and Science) and the Minister for Finance". In addition to moneys provided by the Oireachtas, funding for the Special Account comes from moneys contributed under the terms of the Indemnity Agreement between the State and the contributing congregations. The first Schedule of the Agreement contains a list of the contributing congregations. Moneys from the Special Account are used to pay awards made by the Residential Institutions Redress Board and associated legal and settlement costs. The accounts are subject to audit by the Comptroller and Auditor General.

Redress Special Account Pending Establishment of the Statutory Fund

In April 2010, the Government announced its intention to utilise €110 million of the offers of contributions from religious Congregations to establish and operate a Statutory Fund to support the needs of survivors of residential institutional child abuse. Pending the establishment of the Statutory Fund a special interest bearing account, under the dual control of the Department of Finance and the Department of Education and Skills was opened in the Central Bank to receive the cash contributions from Congregations. During 2010, €20.6million was received in such contributions. These contributions, and the associated interest earned on the account, will be transferred to the Statutory Fund when established. The closing balance on the account at 31 December 2010 was €20,611,915.

6.7 Expenditure on Temporary School Accommodation

Expenditure under Subheads C.5. and D.8. included amounts totalling €29,300,944 in respect of temporary school premises.

6.8 Deferred Surrender

Under the provisions of Section 91 of the Finance Act 2004, €79m of the 2009 unspent allocation in respect of the Capital element of subhead B.18. and also in respect of subhead F.1. was carried forward to 2010 and utilised as deferred surrender expenditure during 2010.

7 Miscellaneous accounts

7.1 Non Voted Accounts	Securities	Cash	Total 2010	Total 2009
	€000	€000	€000	€000
Securities Balance on 1 January 2010	1,106	—	1,106	1,094
Securities Redeemed	(558)	—	(558)	—
Transfer from Income Account	—	558	558	(14)
Securities Purchased	—	—	—	26
Transfer of redemption money	—	(558)	(558)	—
Balances on 31 December 2010	548	—	548	1,106

Receipts and Payments Account for the year ended 31 December

	Total 2010	Total 2009
Balances on 1 January	114	79
Receipts	607	384
Transfer to Capital Account ¹	(558)	—
Payments	(20)	(349)
Balances on 31 December	143	114

¹. In line with an agreement with the Office of the Commissioners of Charitable Donations and Bequests (Vote 24), with effect from 2010 the Commissioners are accepting this Department's endowments investment income for investment in units of the Commissioners Common Investment Fund.

7.2 Endowed Schools

Account of the Receipts and Payments of the Endowed Schools (constituted under the Educational Endowments (Ireland) Act, 1885) during the year ended 31 December 2010, in respect of Capital and Income

	Securities	Cash	Total 2010	Total 2009
	€000	€000	€000	€000
Balance on 1 January	601	—	601	591
Securities Redeemed	(185)	185	—	—
Transfer from Income Account	—	26	26	3
Transfer of funds for re-investment ¹	—	(211)	(211)	7
Balances on 31 December	416	—	416	601

Receipts and Payments Account for the year ended 31 December	2010	2009
	€000	€000
Balances on 1 January	20	8
Receipts	249	148
Transfer to Capital Account	(211)	(136)
Payments	(45)	—
Balances on 31 December	13	20

¹. In line with an agreement with the Office of the Commissioners of Charitable Donations and Bequests (Vote 24), with effect from 2010 the Commissioners are accepting this Department's endowments investment income for investment in units of the Commissioners Common Investment Fund.

7.3 Grant in Aid Fund 2010	2010	2009
	€000	€000
Subhead B.1. - Fund for General Expenses of Adult Education		
Organisations (National Lottery Funded)	864	941
Subhead B.8. - Payments in respect of Local Drug	—	—
Task Force projects	2,461	3,643
Subhead B.14. - Fund for General Expenses of Cultural, Scientific and Educational Organisations (National Lottery Funded)	196	207
	3,521	4,791

Vote 27: Community, Equality and Gaeltacht Affairs

Introduction

As Accounting Officer for Vote 27, 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 2010 for the salaries and expenses of the Office of the Minister for Community, Equality and Gaeltacht Affairs, for certain services administered by that Office, and for the payment of certain grants and grants-in-aid.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

This account has been prepared in accordance with the 2010 Further Revised Estimate for the Department of Community, Equality and Gaeltacht Affairs which took account of the alteration of the title of the Department of Community, Rural and Gaeltacht Affairs to the Department of Community, Equality and Gaeltacht Affairs in June 2010 (S.I. No 215 of 2010), and the following transfer of functions:

Functions Transferred into this Department

- Equality, Integration, Disability and Human Rights functions transferred from the Department of Justice, Equality and Law Reform with effect from 1 June 2010 (S.I. No. 217 of 2010). Expenditure prior to that date is included in Vote 19.
- Family Affairs and Social Inclusion functions transferred from the Department of Social and Family Affairs with effect from 1 May 2010 (S.I. No. 190 of 2010). Expenditure prior to that date is included in Vote 38.

Functions Transferred out of this Department

- The Rural Social Scheme and the Community Services Programme transferred to the Department of Social Protection with effect from 1 September 2010 (Social Welfare (Miscellaneous Provisions) Act 2010). Expenditure prior to that date is included in this Department's Vote (Vote 27).

The Statement of Accounting Policies and Principles and Notes 1 to 7 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

A statement on internal financial controls in the standard format for the year ended 31 December 2010 has accompanied the submission of this account to the Comptroller and Auditor General. The steps that have been taken, or are planned, to enhance the Department's system of internal financial controls include the following:

1. The Department, through the implementation of the Performance Management Development System, provides access to, and encourages staff to avail of training in a wide range of programmes, financial and otherwise. In 2010, training in the Department's Financial Management System (FMS) was made available to staff on an individual and group basis, as appropriate. Additionally, managers and other key users were provided with training and support in the use of a management tool to facilitate interrogation of the Department's FMS.
2. Through the IT Steering Committee, chaired at Assistant Secretary level, the Department reviews and oversees the enhancement of its ICT infrastructure and systems. A significant step taken in 2010 was the absorption of new staff in the context of transfers of functions.
3. The Department's Risk Steering Committee, also chaired at Assistant Secretary level, maintained an overview of risk management across the Department including reporting arrangements on the high-level risks facing the Department and related mitigation strategies and associated measures. In addition, through the Business Planning process, line managers are required to link risk management to the achievement of objectives.
4. A number of mechanisms are in place to review and evaluate the Department's financial management and control systems on an ongoing basis. These include a Senior Financial Management Group, the Expenditure Committee, Inspection Services, the Gaeltacht Inspectorate and the Internal Audit Unit. In addition, the Department's independent Audit Committee (which has three external members, including the Chairperson) reviews the work of the Internal Audit Unit, with particular reference to the over-arching focus on controls. The Department's Accreditation Review Group also supports EU accreditation and control requirements arising in respect of the EU co-funded Rural Development Programme.

SEOSAMH Ó HAGHMAILL

Accounting Officer
Department of Community, Equality and Gaeltacht Affairs
31 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 27: Community, Equality and Gaeltacht Affairs for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Community, Equality and Gaeltacht Affairs. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

5 September 2011

Vote 27 Community, Equality and Gaeltacht Affairs

Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
€000	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	14,805	14,687	14,514
A.2. Travel and subsistence	617	464	457
A.3. Incidental expenses	1,411	825	644
A.4. Postal and telecommunications services	433	395	429
A.5. Office machinery and other office supplies and related services	1,389	1,094	992
A.6. Office premises expenses	380	350	291
A.7. Consultancy services	463	323	135
A.8. Value for money and policy reviews	43	1	3
Developing Communities			
B.1. Supports for Community and Voluntary Sector (part funded by National Lottery)	14,000	11,567	15,836
B.2. Community Services Programme	36,877	36,877	50,394
B.3. Local and Community Development Programmes (part funded by National Lottery)	67,500	67,454	73,393
B.4. Charities Regulation	191	407	181
B.5. RAPID	5,667	6,067	10,406
B.6. Dormant Accounts - Administration	900	1,618	1,717
B.7. Initiatives Tackling Economic and Social Disadvantage (Dormant Accounts funded)	6,650	5,107	8,916
Tackling Problem Drug Use			
C. Drugs Initiative	36,182	34,992	39,377
Rural Development			
D.1. Western Development Commission	1,738	1,683	2,158
D.2. Western Investment Fund	492	492	2,300
D.3. Rural Recreation and Rural Development Schemes	4,797	4,635	5,335
D.4. Rural Social Scheme	30,463	30,463	48,344
D.5. LEADER - Rural Economy Sub-Programme 2007 - 2013			
<i>Original</i>	40,000		
<i>Supplementary</i>	<u>8,000</u>	48,000	44,271
			20,943

Service		2010 Estimate €000	2010 Outturn €000	2009 Outturn €000
D.6. Ceantair Laga Árd-Riachtanais (CLÁR)		8,000	5,792	13,598
Gaeltacht and Islands Development				
E.1. Gaeltacht Capital ¹				
	<i>Original</i>	7,000		
	<i>Supplementary</i>	3,000	10,000	8,404
E.2. Gaeltacht Cultural and Social Schemes		9,327	9,827	9,900
E.3. Islands - Transport and Other Services		5,700	6,218	5,664
E.4. Islands - Infrastructure		11,000	10,803	19,732
E.5. Údarás na Gaeltachta - Administration		11,000	11,000	11,800
E.6. Údarás na Gaeltachta - Current Programme Expenditure		3,915	3,915	4,185
E.7. Údarás na Gaeltachta - Grants for Projects and Capital Expenditure on Premises				
	<i>Original</i>	15,000		
	<i>Supplementary</i>	3,000	18,000	21,650
E.8. Údarás na Gaeltachta - Election		1	—	—
Promotion and maintenance of the Irish language				
F.1. Irish Language Support Schemes (part funded by National Lottery) ²		7,216	8,001	8,071
F.2. An Coimisinéir Teanga		796	743	831
North-South Co-Operation				
G.1. An Foras Teanga		16,634	16,199	16,216
G.2. Waterways Ireland		33,585	32,919	34,504
G.3. Programme for Peace and Reconciliation/INTERREG		2,010	2,675	1,956
Equality				
H.1. Equality Authority (Grant-in-Aid)		2,007	1,959	—
H.2. Equality Tribunal		1,217	1,594	—
H.3. Grants to national women's organisations		284	284	—
H.4. Equality Proofing		309	252	—
H.5. Equality monitoring/consultative committees		366	264	—
H.6. Gender mainstreaming and positive action for women		2,361	2,054	—
H.7. Office of the Minister for Integration		4,519	3,558	—

Service		2010 Estimate €000	2010 Outturn €000	2009 Outturn €000
Disability				
I.1. Status of people with disabilities		2,045	855	—
I.2. National Disability Authority		4,056	2,289	—
I.3. Disability Projects		300	—	—
Other Services				
J.1. Human Rights Commission (Grant- in-Aid)		849	849	—
J.2. European Refugees Fund		1,713	1,305	—
J.3. Social disadvantage measures (Dormant Accounts funded)		703	89	—
J.4. Grant to Family Support Agency		23,600	21,040	—
J.5. Miscellaneous Services		353	399	—
Gross Expenditure				
	<i>Original</i>	440,864		
	<i>Supplementary</i>	<u>14,000</u>		
		454,864	435,059	458,686
Deduct:				
K. Appropriations-in-aid		35,305	35,171	18,234
Net Expenditure				
	<i>Original</i>	405,559		
	<i>Supplementary</i>	<u>14,000</u>		
		419,559	399,888	440,452
Surplus for the year			€19,670,520	€3,420,487

¹Subhead E.1 incorporates the 2009 Subheads E.1., E.3. and E.4.

² Subhead F.1 incorporates the 2009 Subheads F.1. and F.3.

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			18,139	17,465
Expenditure on services and programmes			416,920	441,221
Gross expenditure			435,059	458,686
Deduct				
Appropriations in aid			35,171	18,234
Net expenditure			399,888	440,452
Changes in capital assets				
Purchases Cash		(290)		
Disposals Cash		2		
Depreciation		557		
Loss on Disposals		13	282	659
Changes in assets under development				
Cash payments			(603)	(868)
Changes in net current assets				
Decrease in stock		5		
Decrease in closing accruals		(2)		
			3	(2,881)
Direct expenditure			399,570	437,362
Net allied services expenditure	1.1		6,279	6,341
Notional rents			504	612
Total operating cost			406,353	444,315

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 27 borne elsewhere

		2010 €000	2009 €000
7	Superannuation and Retired Allowances	4,170	4,170
10	Office of Public Works	1,843	1,931
20	Garda Síochána	205	182
	Central Fund - Ministerial etc. pensions	61	58
		6,279	6,341

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	1,144	1,418
Capital Assets under Development	2.2	8,433	7,830
		9,577	9,248
Current Assets			
Bank and Cash	2.3	(240)	(1,845)
Stocks	2.4	52	57
Loans outstanding	7.0	228	276
Prepayments		238	298
Accrued income		11,514	11,230
Other debit balances	2.5	1,505	2,791
Total Current Assets		13,297	12,807
Less Current Liabilities			
Accrued expenses		288	75
Other credit balances	2.6	27	18
Net Liability to the Exchequer	2.7	1,238	928
Total Current Liabilities		1,553	1,021
Net Current Assets		11,744	11,786
Net Assets		21,321	21,034

2.1 Statement of Capital Assets

	Plant and Machinery	Furniture and Fittings	Office Equipment	Total
	€000	€000	€000	€000
Gross assets				
Cost or valuation at 1 January 2010	41	733	6,139	6,913
Transfers	—	4	13	17
Additions	—	16	265	281
Disposals	—	(51)	(562)	(613)
Cost or valuation at 31 December 2010	41	702	5,855	6,598
Accumulated Depreciation				
Opening balance at 1 January 2010	8	437	5,050	5,495
Depreciation for the year	4	64	489	557
Depreciation on disposals	—	(46)	(552)	(598)
Cumulative depreciation at 31 December 2010	12	455	4,987	5,454
Net Assets at 31 December 2010	29	247	868	1,144
Net Assets at 31 December 2009	33	296	1,089	1,418

2.2 Statement of Capital Assets under Development

	Development of Projects
	€000
Amounts brought forward at 1 January 2010	7,830
Cash payments for the year	603
Transferred to asset register	—
Amounts carried forward at 31 December 2010	8,433

2.3 Bank and Cash

	2010	2009
at 31 December	€000	€000
PMG balances and cash	(75)	(1,767)
Orders outstanding	(165)	(78)
	(240)	(1,845)

2.4 Stocks	2010	2009
at 31 December	€000	€000
Stationery and miscellaneous items	28	22
IT consumables	24	35
	<u>52</u>	<u>57</u>
2.5 Other Debit Balances	2010	2009
at 31 December	€000	€000
Advances to Pobal	429	2,343
Advances to Drugs Task Forces	222	178
Advances to An Foras Teanga	233	205
Advances to An Coimisinéir Teanga	—	34
Advances to Family Support Agency	311	—
Other debit suspense items	310	31
	<u>1,505</u>	<u>2,791</u>
2.6 Other Credit Balances	2010	2009
at 31 December	€000	€000
Amounts due to the State		
Due to the State (PAYE, PRSI, Income Levy & VAT)	—	14
	<u>—</u>	<u>14</u>
Payroll deductions held in suspense	—	4
Other credit suspense items	27	—
	<u>27</u>	<u>18</u>

2.7 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	19,671	3,420
Exchequer grant undrawn	(18,433)	(2,493)
Net liability to the Exchequer	<u>1,238</u>	<u>928</u>
Represented by:		
Debtors		
Debit balances: suspense	1,505	2,791
Net PMG position and cash	(240)	(1,845)
	<u>1,265</u>	<u>946</u>
Creditors		
Due to State	—	(14)
Credit balances: suspense	(27)	(4)
	<u>(27)</u>	<u>(18)</u>
	<u>1,238</u>	<u>928</u>

2.8 Commitments

at 31 December

	2010	2009
	€000	€000

(A) Global Commitments

143,085 241,047

The figure for non-capital commitments likely to arise in 2011 and subsequent years is estimated to be €143,084,987.

(B) Multi-annual Capital Commitments

The following table details expenditure in 2010 and commitments to be met in subsequent years on foot of capital projects where legally enforceable contracts were in place at 31 December 2010:

	2010	2009
	€000	€000
Expenditure	48,189	89,306
Commitments to be met in subsequent years	74,992	106,165

(C) Major Capital Projects

Expenditure was incurred on three projects during 2010 where the total estimated cost of each project will exceed €6.5 million. Particulars of the projects are:

Project	Cumulative Expenditure to 31 December 2009	Expenditure in 2010	Subsequent years	Total	Expenditure in 2009
	€000	€000	€000	€000	€000
Cill Ronáin Pier ¹	31,546	8,865	3,682	44,093	14,096
Caladh Mór Pier	13,791	131	49	13,971	—
Inishboffin Coastal Protection ¹	7,143	437	—	7,580	485

¹ The total commitment amounts for Cill Ronáin Pier and Inishboffin Coastal Protection have increased by €3,207,750 and €435,520 respectively, within the terms of Department of Finance sanctions.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, after any supplementary estimate adjustments, by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided €000	Explanation
A.2.	153	Savings arose due to measures taken to minimise official travel where possible, including use of video conferencing.
A.3.	586	Savings arose mainly from the continuation of measures adopted to achieve departmental administration savings, as well as a reduction in training expenditure due to staff and organisational changes arising from the transfer of functions.
A.7.	140	Only essential consultancies were undertaken, in line with Government policy, resulting in overall savings.
B.1.	2,433	Savings arose due to the replacement of the Community Support for Older People Scheme by the Seniors Alert Scheme, which took some time to become fully operational, and the suspension during the year of the Once-Off Grants Scheme.
B.4.	(216)	Expenditure in line with the implementation plan for the Charities Act 2009 was greater than expected.
B.5.	(400)	A number of liabilities under certain measures, relating mainly to Sports Capital Grants, matured earlier than had been expected.
B.6.	(718)	Expenditure was greater than anticipated, primarily because of higher than anticipated administrative costs for Pobal due to an increased workload and also because the Dormant Accounts Board was not dissolved during 2010 as had been expected.
B.7.	1,543	Savings arose due to a delay in the commencement of a capital project valued at €1.5m under the Flagship Measure.
D.5.	3,729	Savings arose in the latter part of the year due to slower than anticipated expenditure by the Local Action Groups - which deliver the Programme on behalf of the Department.
D.6.	2,208	There was a slower than anticipated drawdown by other Government Departments, local authorities and agencies. In addition, a review of outstanding commitments resulted in lower expenditure than expected under CLÁR.
E.1.	1,596	Savings arose due to the drawdown of Gaeltacht housing grants being slower than expected at year-end and because planning issues delayed the commencement of a capital project related to a proposed childcare centre.
E.2.	(500)	Expenditure was greater than anticipated under some of the demand-led schemes for which it is difficult to accurately estimate uptake, notably Scéim na gCampaí Samhraidh and Scéim na bhFoghlaimoirí Gaeilge.
E.3.	(518)	Expenditure under the islands transport scheme was higher than estimated, due mainly to changes in cost structures relating to airfield landing charges.
F.1.	(785)	A number of liabilities under certain measures relating mainly to the Advanced Irish Language Skills programme matured earlier than had been expected.
G.3.	(665)	A change in the programme period from 7 years to 5 years resulted in the need for increased funding to meet expenditure requirements.

H.2.	(377)	The increase resulted from the need to review the pay provision for the Equality Tribunal, responsibility for which transferred to the Department in June 2010.
H.5.	102	The savings arose due to lower than anticipated expenditure under the Traveller Interagency Fund and certain training initiatives under the National Women's Strategy.
H.6.	307	Savings arose due to lower than anticipated expenditure under the Equality for Women Measure, which was re-launched in May 2010.
H.7.	961	There was slower than anticipated progress on some projects, relating mainly to the Resettlement Programme.
I.1.	1,190	Certain projects, including the Accessible Transport Project Funding scheme, progressed more slowly than anticipated, which resulted in savings.
I.2.	1,767	The savings arose due to lower than anticipated expenditure on certain disability projects, as well as a continuation of measures to achieve increased efficiencies and reductions in costs.
I.3.	300	The savings arose because certain projects, such as accessibility measures, progressed more slowly than anticipated.
J.2.	408	Savings arose due to payments to projects under the European Refugee and Integration Funds being lower than anticipated.
J.3.	614	The drawdown under the Traveller Interagency Fund was lower than expected.
J.4.	2,560	Savings arose due to slower than anticipated drawdown by certain organisations funded by the Family Support Agency, as well as on foot of measures taken to reduce costs and increase efficiencies on the administration side.

4 Receipts

4.1 Appropriations-in-aid	2010	2010	2009
	Estimated	Realised	Realised
	€000	€000	€000
1. Miscellaneous Receipts Pay	500	541	856
2. Miscellaneous Receipts Non-Pay	50	176	56
3. Programme for Peace and Reconciliation	2,700	141	—
4. Rural Development Schemes	—	—	—
5. LEADER, INTERREG and Peace Programme	2,000	—	744
6. Dormant Accounts - Administration	900	1,618	1,718
7. Dormant Accounts - Programme Expenditure	6,650	5,056	7,739
8. Receipts relating to Central Translation Unit	1	—	—
9. LEADER Rural Economy Sub-Programme 2007 - 2013	19,050	20,967	5,401
10. Airstrip related fees and charges	350	355	—
11. Receipts from EU for Year for Combating Poverty and Social Exclusion	330	140	—
12. EU Receipts Equality and Integration	504	3,244	—
13. Dormant Accounts- Social Disadvantage Receipts	328	230	—
14. Receipts from Pension-related Deduction on Public Service Remuneration	1,942	2,703	1,720
Total	35,305	35,171	18,234

Explanation of significant variations

An explanation is provided below in the case of each heading where the outturn varied from the amount estimated, after any supplementary estimate adjustments, by more than €100,000, and by more than 5%.

Heading	Less/(more) than estimated €000	Explanation
2	(126)	Miscellaneous receipts by their nature can be difficult to predict. The variance relates primarily to receipts arising from new functional areas transferred into the Department during 2010.
3	2,559	A final claim under this Programme was submitted in September 2010. However, as the combined total of Programme payments received from the European Commission has reached 95%, no further monies can be paid until the closure process for the Programme is finalised.
5	2,000	A receipt that was expected towards the end of 2010 on foot of the closure of the LEADER+ Programme did not materialise and is now expected in 2011.
6	(718)	Matching receipts from the Dormant Accounts Fund exceeded the level anticipated because of higher than expected administration costs. This arose due to an increase in Pobal's workload and because the Dormant Accounts Board was not dissolved during 2010 as had been expected.
7	1,594	The lower than anticipated receipts arose due to a delay in the commencement of a capital project valued at €1.5m under the Flagship Measure.

9	(1,917)	Certain expenditure under the Programme materialised earlier in the year than had been expected and enabled a higher than anticipated claim for the period to October 2010.
11	190	Arising from the transfer of functions during 2010, the Appropriation-in-aid target in this case was no longer an accurate reflection of the actual receipts due under this Programme.
12	(2,740)	Arising from the transfer of functions during 2010, the Appropriation-in-aid target in this case was no longer an accurate reflection of the actual receipts due under this Programme.
14	(761)	The variation resulted from the increased numbers that transferred into the Department on foot of the restructuring of Departmental responsibilities during 2010.

4.2 Extra receipts payable to the Exchequer

	2010	2009
	€000	€000
Prior Year Refunded Grants	690	273
Miscellaneous	—	60
	690	333

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	378	251

	2010	2009
	€000	€000
Pay	17,364	14,413
Higher, special or additional duties allowances	214	233
Other allowances	41	39
Overtime	81	73
Employer's PRSI	903	646
Total pay	18,603	15,404

Note: The total pay figure is inclusive of pay in subheads A.1., C., F.2., H.1., H.2. and H.7.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010	Maximum individual payment 2009
			€	€
Higher, special or additional duties	62	5	20,575	30,920
Other allowances	35	—	5,710	12,804
Overtime	25	2	13,830	14,140

Note: Certain individuals received extra remuneration in more than one category.

6 Miscellaneous Items

6.1 National Lottery Funding

Under subheads F.1., B.1. and B.3., a total of €33.262 million, which was part funded by the National Lottery, was paid to promoters under certain programmes. The programme areas in question and the amounts paid are summarised below. A full list is available on the Department's website (www.pobail.ie).

Subheads Part Funded by the National Lottery - Payments in the year ended 31 December 2010

Subhead	2010	2009
	€000	€000
F.1. Irish Language Support Schemes	5,598	5,837
B.1. Grants for Community and Voluntary Services	7,283	11,220
B.3. Local and Community Development Programmes	20,381	21,844
	33,262	38,901

6.2 Write-offs

An amount of €5,942 was written-off as ineligible project expenditure under the Peace II Programme. Appropriate sanction was received from the Department of Finance.

6.3 EU Funding

The 2010 outturns for subheads D.5., E.3., G.3., H.1., H.4., H.6., H.7., J.2. and J.5. include expenditure in respect of activities co-financed from EU funds.

Estimates of expenditure and actual outturns were as follows:

Subhead Description	2010 Estimate	2010 Outturn	2009 Outturn
	€000	€000	€000
D.5. LEADER - Rural Economy Sub-Programme (2007 - 2013)	48,000	44,271	20,943
E.3. Islands - Transport & Other Services	5,700	6,218	5,664
G.3. Programme for Peace and Reconciliation/INTERREG	2,010	2,675	1,956
H.1. Equality Authority (Grant-in-Aid)	2,007	1,959	—
H.4. Equality Proofing	309	252	—
H.6. Gender mainstreaming and positive action for women	2,361	2,054	—
H.7. Office of the Minister for Integration	4,519	3,558	—
J.2. European Refugees Fund	1,713	1,305	—
J.5. Miscellaneous Services	353	399	—
	66,972	62,691	28,563

6.4 Other

Gross payments of €385,218 were made, within the terms of a Department of Finance sanction, in respect of statutory redundancy arising from the establishment of the Local and Community Development Programme and its integrated delivery structure. This Department's net contribution is €155,628, with the balance of €229,590 being rebated from the Social Insurance Fund via the Department of Enterprise, Trade and Innovation.

As agreed with the Department of Finance under the Delegated Administrative Budget Scheme, a carryover of €199,000 is included in the Estimate for 2011.

6.5 Contingent Liability

The Department is involved in a number of pending legal proceedings which may generate liabilities, depending on the outcome of the litigation. The actual amount or the timing of the potential liabilities is uncertain.

6.6 Transfer of Functions

The total expenditure for 2010 in relation to the functions transferred into this Department (Vote 27) during the year from the Department of Justice and Law Reform (Vote 19) and the Department of Social Protection (Vote 38) is set out in the table below:

		2010 Vote 19 €000	2010 Vote 27 €000	2010 Total €000
H.1.	Equality Authority (Grant- in-Aid)	1,193	1,959	3,152
H.2.	Equality Tribunal	1,035	1,594	2,629
H.3.	Grants to national women's organisations	274	284	558
H.4.	Equality Proofing	1	252	253
H.5.	Equality monitoring/consultative committees	115	264	379
H.6.	Gender mainstreaming and positive action for women	61	2,054	2,115
H.7.	Office of the Minister for Integration	836	3,558	4,394
I.1.	Status of people with disabilities	470	855	1,325
I.2.	National Disability Authority	1,561	2,289	3,850
I.3.	Disability Projects	169	—	169
J.1.	Human Rights Commission (Grant- in-Aid)	683	849	1,532
J.2.	European Refugees Fund	135	1,305	1,440
J.3.	Social disadvantage measures (Dormant Accounts funded)	297	89	386
J.4.	Grant to Family Support Agency	9,909	21,040	30,949
J.5.	Miscellaneous Services	—	399	399

7 Statement of Loans for Gaeltacht Housing

Loans issued towards Gaeltacht housing under the Housing (Gaeltacht) Acts 1929 to 2001 and repayments thereof:

		2010	2009
	€000	€000	€000
Opening Balance at 1 January		276	233
Annual Penal Interest Accrued		4	68
Write-off of Loans ¹		(12)	(6)
		<u>268</u>	<u>295</u>
Repayments			
Principal	(23)		
Interest	(16)		
Penal Interest	(1)		
	<u></u>	(40)	(19)
Closing Balance at 31 December		<u>228</u>	<u>276</u>

¹ Relating to loans written-off within the terms of a Department of Finance sanction.

Vote 28: Foreign Affairs

Introduction

As Accounting Officer for Vote 28, 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 2010 for the salaries and expenses of the Office of the Minister for Foreign Affairs, and for certain services administered by that Office, including grants-in-aid and contributions to International Organisations.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

The Statement of Accounting Policies and Principles and notes 1 to 7 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 the following:

Foreign Currency Transactions

Transactions arising in foreign currencies are translated into Euro using an average monthly rate set at the beginning of each month.

Accruals, Prepayments, Commitments and Stocks at Diplomatic Missions

The accruals, prepayments and commitments figures do not include amounts in respect of the Department's diplomatic missions other than those relating to property rental. The value of stock held by missions at year end is also not included.

Commitments

Commitments include only those amounts for which the Department may be liable in the subsequent twelve months.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Department of Foreign Affairs.

DAVID COONEY
Accounting Officer
Department of Foreign Affairs
29 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 28: Foreign Affairs for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Foreign Affairs. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapters 18 and 23 of my annual report refer to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY
Comptroller and Auditor General
6 September 2011

Vote 28 Foreign Affairs

Appropriation Account 2010

Service		2010 Estimate provision	2010 Outturn	2009 Outturn
		€000	€000	€000
Administration				
A.1. Salaries, wages and allowances		92,603	92,975	97,891
A.2. Travel and subsistence				
	<i>Original</i>	5,659		
	<i>Supplementary</i>	(200)	5,274	5,056
A.3. Incidental expenses		5,459	3,227	4,709
A.4. Postal and telecommunications services		8,435	7,358	8,390
A.5. Office machinery and other office supplies and related services				
	<i>Original</i>	21,727		
	<i>Supplementary</i>	(100)	18,347	21,118
A.6. Office premises expenses				
	<i>Original</i>	27,419		
	<i>Supplementary</i>	(1,500)	27,030	31,323
A.7. Consultancy services		92	67	59
A.8. Value for money and policy reviews		20	—	—
Other Services				
B. Repatriation and maintenance of distressed Irish persons abroad		79	28	48
C. Support for Irish emigrant services				
	<i>Original</i>	12,983		
	<i>Supplementary</i>	(1,000)	11,933	15,132
D. Information services		783	422	1,232
E. Contributions to bodies in Ireland for the furtherance of international relations (grants-in-aid)		234	234	310
F.1. North-South and Anglo-Irish co-operation		3,000	2,999	3,000
F.2. International Fund for Ireland		195	195	195
G. Cultural relations with other countries (grant-in-aid)		846	846	891
H. Irish-American economic advisory board		28	13	14
I. Contributions to international organisations				
	<i>Original</i>	37,240		
	<i>Supplementary</i>	15,200	52,340	37,246
J. Actions consequent on Title V of the Treaty on European Union		582	494	551
K. Assistance to EU and other Eastern European states		—	—	789
L. Atlantic Corridor Project		250	250	250
M. Asia Strategy		200	179	183
N. Referendum on EU Reform Treaty		—	—	3,786

		2010 Estimate	2010 Outturn	2009 Outturn
		€000	€000	€000
Gross Expenditure				
	<i>Original</i>	217,834		
	<i>Supplementary</i>	<u>12,400</u>		
		230,234	224,211	232,173
O.	Deduct Appropriations-in-aid	<u>39,697</u>	<u>42,900</u>	<u>40,481</u>
	Net Expenditure	<u>190,537</u>	<u>181,311</u>	<u>191,692</u>
	Surplus to be surrendered		<u><u>€9,226,474</u></u>	<u><u>€15,069,961</u></u>

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	2010 €000	2009 €000
Expenditure on administration		154,278	168,546
Expenditure on services and programmes		69,933	63,627
Gross expenditure		224,211	232,173
Deduct			
Appropriations-in-aid		42,900	40,481
Net expenditure		181,311	191,692
Changes in capital assets			
Purchases cash		(6,542)	
Disposals cash		55	
Depreciation		7,560	
Profit on disposals		(51)	(3,077)
Changes in net current assets			
Decrease in closing accruals		(9,791)	
Decrease in stock		578	
		(9,213)	5,911
Direct expenditure		173,120	194,526
Net allied services expenditure	1.1	17,719	20,998
Notional rents		1,140	1,425
Total operating cost		191,979	216,949

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 28 borne elsewhere

Vote	2010 €000	2009 €000
7 Superannuation and Retired Allowances	10,873	11,610
9 Office of the Revenue Commissioners	142	154
10 Office of Public Works	6,276	8,621
20 Garda Síochána	203	172
Central Fund - Ministerial etc. pensions	225	441
	17,719	20,998

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	165,018	175,148
Current Assets			
Stocks	2.2	6,197	6,775
Prepayments		17,216	5,205
Other debit balances	2.3	11,314	13,057
Total Current Assets		34,727	25,037
Less Current Liabilities			
Bank and cash	2.4	5,561	9,966
Accrued expenses		760	432
Contributions to bodies in Ireland for the furtherance of international relations (grants-in-aid)	7.2	90	90
Cultural relations with other countries (grant-in- aid)	7.3	119	146
Other credit balances	2.5	3,155	2,747
Net Liability to the Exchequer	2.6	2,389	108
Total Current Liabilities		12,074	13,489
Net Current Assets		22,653	11,548
Net Assets		187,671	186,696

2.1 Statement of Capital Assets

	Land and Buildings	Motor Vehicles	Furniture and Fittings	Office Equipment	Total
	€000	€000	€000	€000	€000
Gross assets					
Cost or valuation at 1 January 2010	152,931	3,798	47,085	71,168	274,982
Additions	2,150	115	827	1,566	4,658
Disposals	(7,216)	(238)	—	(253)	(7,707)
Cost or valuation at 31 December 2010	147,865	3,675	47,912	72,481	271,933
Accumulated Depreciation					
Opening balance at 1 January 2010	—	2,915	33,747	63,172	99,834
Depreciation for the year	—	372	2,961	4,227	7,560
Depreciation on disposals	—	(232)	—	(247)	(479)
Cumulative depreciation at 31 December 2010	—	3,055	36,708	67,152	106,915
Net Assets at 31 December 2010	147,865	620	11,204	5,329	165,018
Net Assets at 31 December 2009	152,931	883	13,338	7,996	175,148

Notes:

(i) Fixed Assets included under Land and Buildings represent properties owned outside the State. In addition, the Department occupies ten buildings within the State, of which one is state-owned and nine are leased.

(ii) During the course of the year, two buildings, namely the Hague Chancery Building and the Brussels Permanent Representation Office, valued at €595,000 and €6,621,116 respectively were sold. The proceeds of the sale of the Hague premises, amounting to €607,514, have been brought to account through Extra Exchequer Receipts in this Vote while the proceeds of the sale of the Brussels premises, amounting to €5,000,000, were brought to account through Extra Exchequer Receipts in the Office of Public Works Vote.

2.2 Stocks

at 31 December

	2010	2009
	€000	€000
Passport booklets	5,975	6,558
Protocol stocks	120	124
Stationery	62	49
Prepaid postage	8	13
IT consumables	32	31
	6,197	6,775

2.3 Other Debit Balances

at 31 December

	2010	2009
	€000	€000
Mission and headquarter accounts	6,608	8,925
Inter-Government Department accounts	1,544	1,677
Imprest and personal suspense accounts	921	899
Foreign salary advance accounts	166	80
Miscellaneous	2,075	1,476
	11,314	13,057

2.4 Bank and Cash

at 31 December

	2010	2009
	€000	€000
PMG balances and cash	(5,536)	(9,934)
Orders outstanding	(25)	(32)
	(5,561)	(9,966)

2.5 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the state		
Income Tax	922	1,047
Pay Related Social Insurance	597	626
Pension contributions	197	23
VAT	1,053	696
Withholding Tax	68	86
	2,837	2,478
Miscellaneous	318	269
	3,155	2,747

2.6 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	9,226	15,070
Exchequer grant undrawn	(6,837)	(14,962)
Net liability to the Exchequer	<u>2,389</u>	<u>108</u>

Represented by:**Debtors**

Debit balances: suspense	11,314	13,057
--------------------------	--------	--------

Creditors

Net PMG position and cash	(5,561)	(9,966)
Due to the State	(2,837)	(2,478)
Credit balances: suspense	(318)	(269)
Credit balances: other	(209)	(236)
	<u>2,389</u>	<u>108</u>

2.7 Commitments

	2010	2009
	€000	€000
at 31 December	18,386	20,715

The estimated total figure for commitments at 31 December 2010 and likely to materialise in the following year is €18.386m relating to property rental payments abroad and a contract for the printing of passport booklets.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, after any supplementary estimate adjustments, by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided €000	Explanation
A.3.	2,232	Unanticipated foreign exchange gains were made on the revaluation of mission bank accounts. In addition, savings were made due to reduced expenditure on a range of items including purchases of official vehicles and state/official entertainment.
D.	361	Savings arose from reduced spending on general press costs and the Communicating Europe initiative. In addition, there were no major inward state visits in 2010.

4 Receipts

4.1 Appropriations-in-aid

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
1. Passport, visa and other consular services	33,870	36,521	35,194
2. Repayment of repatriation and maintenance advances	30	8	6
3. VAT refunds to diplomatic missions	1,600	1,951	1,488
4. Miscellaneous	500	543	455
5. Receipts from pension-related deduction on public service remuneration	3,697	3,877	3,338
Total	39,697	42,900	40,481

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%.

Heading	Less/(more) than estimated €000	Explanation
1.	(2,651)	Passport receipts were higher than anticipated due to an increase in applications received in 2010.
3.	(351)	It is difficult to predict the level of VAT refunds to diplomatic missions.

4.2 Extra receipts payable to the Exchequer

	2010 €	2009 €
Proceeds from sale of property	607,514	—

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	1,309	1,326
	2010	2009
	€000	€000
Pay	73,201	78,670
Higher, special or additional duties allowances	257	387
Other allowances	377	288
Overtime	2,601	1,725
Employer's PRSI	2,998	3,249
Foreign social security/health insurance (missions)	2,487	2,309
Total pay	81,921	86,628

Note: The total pay figures above exclude non-pay expenditure charged to A.1.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties allowances	55	4	19,629	29,224
Other allowances	202	1	12,020	11,317
Overtime	522	76	48,655	40,575

Note: Certain individuals received extra remuneration in more than one category.

5.2 Performance and Merit Payments

A staff member received €250 in recognition of long service (25 years) with the Department. Long service payments have been discontinued.

Retirement awards amounting to €7,500 in total were paid to fifteen staff members. Such payments have since been discontinued.

Additional payments totalling €2,300 were paid to fifteen staff for attendance on bank holidays to issue urgent passports.

A payment of €1,000 was made to the Houses of the Oireachtas in respect of a merit award sanctioned in 2008 for an official on secondment from the Department.

5.3 Other Remuneration Arrangements

Payments totalling €15,869 were paid to three retired civil servants whose services were employed on specialised tasks.

Severance payments amounting to €147,796 were made to eight locally employed staff at embassies abroad on termination of their employment.

6 Miscellaneous Items

Legal Costs and Compensation

Payments totalling €170,121 were made in relation to legal costs and fees incurred on a wide range of matters arising at headquarters and at missions abroad, including employment/industrial relations issues and personal injury claims. A total of €89,323 was paid in settlement costs arising from seven legal claims.

7 Miscellaneous Accounts

7.1 Repatriation Advances

Account of receipts and payments during year ended 31 December

		2010 €000	2009 €000
	Balance outstanding at 1 January	7	18
Add	Advances/expenditure (subhead B.)	28	48
		<u>35</u>	<u>66</u>
Less	Amounts written off	—	(53)
	Amounts recovered (subhead O.)	(8)	(6)
	Balance outstanding at 31 December	<u>27</u>	<u>7</u>

7.2 Contributions to Bodies in Ireland for the furtherance of International Relations (Grants-in-Aid)

Account of receipts and payments during year ended 31 December

		2010 €000	2009 €000
	Balance at 1 January	90	48
	Grant-in-aid (subhead E.)	234	310
		<u>324</u>	<u>358</u>
	Expenditure	(234)	(268)
	Balance at 31 December	<u>90</u>	<u>90</u>

7.3 Cultural Relations with Other Countries (Grant-in-Aid)**Account of receipts and payments during year ended 31 December**

	2010 €000	2009 €000
Balance at 1 January	146	42
Grant-in-aid (subhead G.)	846	891
	<hr/> 992	<hr/> 933
Expenditure	(873)	(787)
Balance at 31 December	<hr/> 119	<hr/> 146

Vote 29: International Co-Operation

Introduction

As Accounting Officer for Vote 29, 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 2010 for certain Official Development Assistance, including certain grants-in-aid, and for contributions to certain International Organisations involved in Development Assistance and for salaries and expenses in connection therewith.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

The Statement of Accounting Policies and Principles and notes 1 to 7 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 the following:

Depreciation

Vehicles have been depreciated on a straight line basis at a rate of 20% per annum.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Department of Foreign Affairs.

DAVID COONEY
Accounting Officer
Department of Foreign Affairs
3 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 29: International Co-operation for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Foreign Affairs in respect of the Vote for International Co-operation. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapter 24 of my annual report refers to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

17 June 2011

Vote 29 International Co-Operation Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	18,854	17,879	19,337
A.2. Travel and subsistence	2,961	2,085	2,269
A.3. Incidental expenses	3,277	2,092	2,250
A.4. Postal and telecommunications services	1,960	1,606	2,202
A.5. Office machinery and other office supplies and related services	1,648	1,413	1,432
A.6. Office premises expenses	4,603	4,267	3,507
A.7. Consultancy services	1,509	1,124	1,066
A.8. Value for money and policy reviews	420	—	127
Other services			
B. Payment to grant-in-aid fund for bilateral and other co-operation (grant-in-aid)	379,651	373,951	410,800
C. Emergency Humanitarian Assistance	54,000	52,501	56,000
D. Payments to international funds for the benefit of developing countries	28,000	28,000	28,000
E. Contributions to United Nations and other development agencies	39,500	39,500	40,500
Gross Expenditure	536,383	524,418	567,490
Deduct:			
F. Appropriations-in-aid	1,053	1,488	1,790
Net Expenditure	535,330	522,930	565,700
Surplus to be surrendered		€12,400,000	€4,502,996

Notes to the Appropriation Account

1 Operating Cost Statement 2010

		2010	2009
	€000	€000	€000
Expenditure on administration		30,466	32,190
Expenditure on services and programmes		493,952	535,300
Gross expenditure		524,418	567,490
Deduct			
Appropriations-in-aid		1,488	1,790
Net expenditure		522,930	565,700
Changes in capital assets			
Purchases cash	(1,262)		
Disposals cash	48		
Profit on disposals	(45)		
Depreciation	702		
		(557)	(358)
Changes in net current assets			
Increase in stock		(6)	3
Decrease in closing accruals		(1,883)	(534)
Total operating cost		520,484	564,811

Note: Net allied services expenditure and notional rents are borne on Vote 28 - Foreign Affairs.

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	9,902	8,805
Current Assets			
Bank and cash	2.2	5,591	2,474
Stocks	2.3	16	10
Prepayments		7,205	5,284
Other debit balances	2.4	74	63
Total Current Assets		12,886	7,831
Less Current Liabilities			
Accrued expenses		206	168
Other credit balances	2.5	146	173
Net Liability to the Exchequer	2.6	1,072	631
Bilateral and other co-operation fund (grant-in-aid)	7	4,447	1,733
Total Current Liabilities		5,871	2,705
Net Current Assets		7,015	5,126
Net Assets		16,917	13,931

2.1 Statement of Capital Assets

	Land and Buildings	Equipment	Office Equipment	Furniture and Fittings	Vehicles	Totals
	€000	€000	€000	€000	€000	€000
Gross assets						
Cost or valuation at 1 January 2010	7,308	989	687	1,593	2,223	12,800
Additions	969	30	9	68	240	1,316
Disposals	—	—	(17)	—	(224)	(241)
Cost or valuation at 31 December 2010	8,277	1,019	679	1,661	2,239	13,875
Accumulated Depreciation						
Opening balance at 1 January 2010	—	709	667	840	1,779	3,995
Prior year adjustment ¹	—	(103)	(140)	—	(297)	(540)
Depreciation for the year	—	147	61	166	328	702
Depreciation on disposals	—	—	(15)	—	(169)	(184)
Cumulative depreciation at 31 December 2010	—	753	573	1,006	1,641	3,973
Net Assets at 31 December 2010	8,277	266	106	655	598	9,902
Net Assets at 31 December 2009	7,308	280	20	753	444	8,805

¹The adjustment is due to over depreciation of some assets in previous years.

2.2 Bank and Cash

	2010	2009
at 31 December	€000	€000
PMG balances and cash	5,602	2,474
Orders outstanding	(11)	—
	5,591	2,474

2.3 Stocks

	2010	2009
at 31 December	€000	€000
Stationery	16	10

2.4 Other Debit Balances

	2010	2009
at 31 December	€000	€000
Sundry debtors	74	63

2.5 Other Credit Balances

at 31 December

2010**2009****€000****€000****Amounts due to the State**

Professional Services Withholding Tax

84

89

Value Added Tax

42

17

126

106

Other credit balances

20

67

146

173

2.6 Net Liability to the Exchequer

at 31 December

2010**2009****€000****€000**

Surplus to be surrendered

12,400

4,503

Exchequer grant undrawn

(11,328)

(3,872)

Net liability to the Exchequer

1,072

631

Represented by:**Debtors**

Bank and cash

5,591

2,474

Debit balances: suspense

74

63

5,665

2,537

Creditors

Due to the State

(126)

(106)

Other credit balances

(20)

(67)

Bilateral and other co-operation fund (grant-in-aid)

(4,447)

(1,733)

(4,593)

(1,906)

1,072

631

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Subhead	Less/(more) than provided €000	Explanation
A.2.	876	Savings were delivered through lower than anticipated air fare costs and a reduction in general travel costs.
A.3.	1,185	Savings were identified across all incidental costs associated with managing the aid programme delivered through programme country missions.
A.7.	385	Savings were achieved on this subhead through the continued tight control of technical consultancy services in 2010.
A.8.	420	Value for money reviews planned for 2010 were rescheduled to 2011.
B.	5,700	The savings delivered across the subhead were as a result of the overall reduction in the 2010 expenditure sanction provided to the Vote.
C.	1,499	The savings delivered across the subhead were as a result of the overall reduction in 2010 expenditure sanction provided to the Vote.

4 Receipts

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
Appropriations-in-aid			
1. Appropriations-in-aid	200	642	1,053
2. Receipts from pension-related deductions on public service remuneration	853	846	737
	1,053	1,488	1,790

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%.

Heading	Less/(more) than estimated €000	Explanation
1.	(442)	The surplus arose from higher than projected grant refunds under the Bilateral aid programme, VAT refunds originating in programme countries and proceeds from the sale of motor vehicles. Receipts under this subhead fluctuate from year to year and are difficult to estimate accurately.

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	209	197
	2010	2009
	€000	€000
Pay	14,947	16,162
Higher, special or additional duties allowances	45	41
Other allowances	103	303
Overtime	31	29
Employer's PRSI	833	1,107
Total pay	15,959	17,642

The total charge to A.1. includes certain non-pay elements which are not reflected in the above note.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	9	2	20,947	14,272
Other allowances	60	—	5,704	15,829
Overtime	20	—	9,281	11,283

Note: Certain individuals received extra remuneration in more than one category.

5.2 Performance and Merit Payments

The Administrative Budget provides for the recognition of exceptional performance by staff. A total of €1,500 was paid in bonuses and merit pay awards in 2010, consisting of 3 individual awards.

6 Miscellaneous Items

Contributions to UN and other development agencies (subhead E.)	2010	2009
	€000	€000
United Nations Development Programme (UNDP)	8,700	8,700
United Nations Children's Fund (UNICEF)	8,000	8,000
United Nations High Commissioner for Refugees (UNHCR)	6,000	6,000
World Health Organisation (WHO) Programmes	1,200	1,500
United Nations Population Fund	3,000	3,000
Office of the United Nations High Commissioner for Human Rights	2,000	2,000
UNAIDS	3,000	3,000
United Nations Development Fund for Women (UNIFEM)	400	300
UN International Drugs Control Programme	100	250
UN Industrial Development Organisation	450	474
UN Relief and Works Agency for Palestine Refugees in the Near East (UNWRA)	3,800	3,800
UNEP Trust Fund	743	750
Others - various	2,107	2,726
	39,500	40,500

7 Miscellaneous Accounts

Bilateral and other co-operation fund (grant-in-aid) account (subhead B.)

Account of receipts and payments during year ended 31 December 2010

	2010	2009
	€000	€000
Balance on 1 January 2010	1,733	2,355
Grant-in-aid 2010	373,951	410,800
	375,684	413,155
Expenditure 2010	371,237	411,422
Balance on 31 December 2010	4,447	1,733

In addition, at 31 December 2010, unspent balances totalling €5,132,241 (2009 - €5,024,073) were held in bank accounts controlled by Irish Aid mission offices in eleven countries.

Vote 30: Communications, Energy and Natural Resources

Introduction

As Accounting Officer for Vote 30, 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 2010 for the salaries and expenses of the Office of the Minister for Communications, Energy and Natural Resources, including certain services administered by that Office, and for payment of certain grants and sundry grants-in-aid and for the payment of certain grants under cash-limited schemes.

The expenditure outturn is compared with the sums

- (a) granted by Dáil Eireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year, and
- (b) provided for capital supply services in 2010 out of unspent 2009 appropriations, under the deferred surrender arrangements established by section 91 of the Finance Act 2004.

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.

Capital Assets

Motor vehicles are depreciated over 5 years at 20% per year. Certain Office/IT Equipment and Specialist Equipment Assets are depreciated over 10 years at 10% per year, while others are depreciated over 5 years at 20% per year.

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Department of Communications, Energy and Natural Resources.

Financial Skills Training

In 2010, the Department continued to focus on building financial management and reporting competence. This focused approach has contributed to further strengthening of the business planning and financial reporting processes. It has also served to embed the Public Financial Procedures as well as furthering organisational effectiveness and evidence based policy making decisions. Detailed monthly reporting to the Management Committee, combining key financial and non-financial information, is in place. This enables increased performance analysis capability to measure outputs, efficiency and value for money, through proper development of the Department's resources.

Risk Management

The Department operates a Risk Management System which is part of the business planning process for all divisions. The purpose of the system is to identify and assess risks and to outline measures to control and manage the risks to which the Department may be exposed. The Risk Management System is reviewed on an ongoing basis.

AIDAN DUNNING

Accounting Officer

Department of Communications, Energy and Natural Resources

31 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 30: Communications, Energy and Natural Resources for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Communications, Energy and Natural Resources. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapter 25 of my annual report refers to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

31 August 2011

Vote 30 Communications, Energy and Natural Resources

Appropriation Account 2010

Service		2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000	€000
Administration				
A.1. Salaries, wages and allowances		16,295	15,668	18,011
A.2. Travel and subsistence		801	530	504
A.3. Incidental expenses		1,495	1,079	1,130
A.4. Postal and telecommunication services		787	424	453
A.5. Office machinery and other office equipment and related services		4,236	2,569	3,163
A.6. Office premises expenses		1,289	846	1,158
A.7. Consultancy services		1,771	1,245	739
A.8. Equipment, stores and maintenance		154	103	188
A.9. Value for money and policy reviews		10	1	12
Communications				
B.1. Information and communications technology programme				
	<i>Current Year Provision</i>	45,138		
	<i>Deferred surrender</i>	14,290		
		59,428	49,776	40,021
B.2. Multimedia developments		7,554	7,950	5,544
B.3. RAPID programme (dormant accounts allocation)		370	—	774
B.4. Information society and eInclusion		450	113	812

Service		2010 Estimate provision €000	2010 Outturn €000	2009 Outturn €000
Broadcasting				
C.1. Grant to Radio Telefís Éireann for broadcasting licence fees (grant-in-aid)		195,000	195,000	204,255
C.2. Payment to An Post for collection of broadcasting licence fees		12,452	11,943	12,444
C.3. Deontas i leith Theilifís na Gaeilge (deontas-i-gcabhair)		34,050	34,050	36,133
C.4. Broadcasting Fund		14,678	14,678	11,888
C.5. Grants for digital terrestrial television		50	50	—
— <i>Broadcasting Commission of Ireland (grant-in-aid)</i>		—	—	4,550
Energy				
D.1. Sustainable Energy Ireland - administration and general expenses (grant-in-aid)		7,808	7,491	8,350
D.2. Sustainable energy programmes (cash - limited)		105,136	100,953	59,267
D.3. Energy research programmes (cash - limited)				
	<i>Current Year Provision</i>	12,906		
	<i>Deferred Surrender</i>	1,431	14,337	7,356
D.4. Strategic energy infrastructure		1	—	—
— <i>Energy efficiency awareness initiatives</i>		—	—	890
Natural Resources				
E.1. Petroleum services		5,367	5,378	755
E.2. Mining services		6,710	1,960	3,676
E.3. GSI services		540	270	157
E.4. Geoscience initiatives		4,285	3,262	1,127
E.5. National seabed survey		2,992	3,002	3,525
E.6. Ordnance Survey Ireland (grant-in-aid)		4,985	4,985	5,087

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
€000	€000	€000	€000
Service			
Inland Fisheries			
F. Inland fisheries	29,611	28,736	31,455
— <i>Salmon conservation</i>	—	—	4,612
Miscellaneous			
G.1. Subscriptions to international organisations	467	373	296
G.2. Change management fund for non-commercial bodies funded by the department	1	—	—
G.3. Gas services	32	32	32
G.4. Other services	501	—	—
Gross Expenditure			
<i>Current year provision</i>	517,922		
<i>Deferred surrender</i>	<u>15,721</u>		
	533,643	499,823	473,232
Deduct			
H. Appropriations-in-aid	244,907	244,003	240,699
Net Expenditure			
<i>Current year provision</i>	273,015		
<i>Deferred surrender</i>	<u>15,721</u>		
	288,736	255,820	232,533
Surplus for the year		€32,916,036	€45,966,738
Deferred surrender		—	€15,721,000
Surplus to be surrendered		€32,916,036	€30,245,738

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			22,465	25,358
Expenditure on services and programmes			477,358	447,874
Gross expenditure			499,823	473,232
Deduct				
Appropriations-in-aid			244,003	240,699
Net expenditure			255,820	232,533
Changes in capital assets				
Purchases Cash		(157)		
Depreciation		2,435		
Proceeds of Disposals		1		
Loss on Disposals		5	2,284	2,316
Changes in assets under development				
Cash payments			(197)	(6)
Changes in net current assets				
Decrease in closing accruals		(820)		
Decrease in stock		30	(790)	113
Direct expenditure			257,117	234,956
Net allied services expenditure	1.1		12,676	15,438
Notional rents			2,820	3,501
Total operating cost			272,613	253,895

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 30 borne elsewhere

Vote		2010 €000	2009 €000
7	Superannuation and Retired Allowances	8,303	10,326
9	Office of the Revenue Commissioners	334	363
10	Office of Public Works	3,706	4,442
20	Garda Síochána	193	167
	Central Fund - Ministerial etc. pensions	140	140
		12,676	15,438

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	7,690	8,387
Capital Assets under Development	2.2	203	6
		7,893	8,393
Current Assets			
Bank and cash	2.3	155	20,560
Stocks	2.4	342	372
Prepayments		810	866
Accrued income		1,552	867
Other debit balances	2.5	83	237
Total Current Assets		2,942	22,902
Less Current Liabilities			
Accrued expenses		125	316
Other credit balances	2.6	1,279	1,367
Net Liability to/(from) the Exchequer	2.7	(1,041)	19,430
Total Current Liabilities		363	21,113
Net Current Assets		2,579	1,789
Net Assets		10,472	10,182

2.1 Capital Assets

	Land and Buildings	Office Furniture	Office/IT Equipment	Specialist Equipment and Motor Vehicles	Total
	€000	€000	€000	€000	€000
Gross assets					
Cost or valuation at 1 January 2010	859	1,663	20,261	3,511	26,294
Reclassification	—	—	(247)	247	—
Transfer to Department of Transport	—	(421)	(351)	—	(772)
Transfer from Department of the Taoiseach	—	—	73	—	73
Additions	—	1	153	3	157
Disposals	—	(4)	(57)	(14)	(75)
Cost or valuation at 31 December 2010	859	1,239	19,832	3,747	25,677
Accumulated Depreciation					
Opening balance at 1 January 2010	—	1,413	14,543	1,951	17,907
Depreciation on transfer to Department of Transport	—	(329)	(339)	—	(668)
Depreciation on transfer from Department of the Taoiseach	—	—	44	—	44
Prior year adjustment	—	(98)	(1,612)	48	(1,662)
Depreciation for the year	—	72	1,788	575	2,435
Depreciation on disposals	—	(3)	(52)	(14)	(69)
Cumulative depreciation at 31 December 2010	—	1,055	14,372	2,560	17,987
Net Assets at 31 December 2010	859	184	5,460	1,187	7,690
Net Assets at 31 December 2009	859	250	5,718	1,560	8,387

Notes:

(a) The following fisheries are not included in capital assets but are owned by the Minister and are managed by Inland Fisheries Ireland.

- (i) Galway
- (ii) Owenea/Owentocker

(b) Land and Buildings relates to the GPO Henry Street Arcade.

(c) The Departments main relational data base, CONOR (Centrally Organise Network of Resources), was reclassified as Specialised Equipment.

(d) Transfers of assets to the Department of Transport relate to Office Furniture and Equipment located in its premises in Leeson Lane, that was taken over by the Department of Transport.

(e) Three items of IT equipment were transferred from the Department of the Taoiseach.

(f) The prior year adjustment is necessary to correct a double charge to depreciation on assets transferred from Assets under Development in 2007.

(g) The Minister for Communications, Energy and Natural Resources has a beneficial interest in Metropolitan Area Networks, the construction of which was funded jointly with certain local authorities and the European Regional Development Fund. This interest has not been recognised as an asset in the Statement of Capital Assets.

2.2 Capital Assets under Development

	Computer Applications and Research
	€000
Amounts brought forward at 1 January 2010	6
Cash payments for the year	197
Transferred to asset register	—
Amounts carried forward at 31 December 2010	<u>203</u>

2.3 Bank and Cash

	2010	2009
	€000	€000
at 31 December		
PMG balances and cash	1,449	21,784
Orders outstanding	(1,294)	(1,224)
	<u>155</u>	<u>20,560</u>

2.4 Stocks

	2010	2009
	€000	€000
at 31 December		
IT equipment	43	59
Geological Survey of Ireland	283	297
Stationery	16	16
	<u>342</u>	<u>372</u>

2.5 Other Debit Balances

	2010	2009
	€000	€000
at 31 December		
Suspense	83	237
	<u>83</u>	<u>237</u>

2.6 Other Credit Balances

at 31 December

2010**2009****€000****€000****Amounts due to the State**

Withholding Tax

175

323

Value Added Tax

144

85

Voluntary surrender of pay

—

53

319

461

Suspense

960

906

1,279

1,367

2.7 Net Liability (from)/to the Exchequer

at 31 December

2010**2009****€000****€000**

Surplus to be surrendered

32,916

30,246

Deferred surrender

—

15,721

Exchequer grant undrawn

(33,957)

(26,537)

Net liability (from)/to the Exchequer

(1,041)

19,430

Represented by:**Debtors**

Bank and cash

155

20,560

Debit balances: suspense

83

237

238

20,797

Creditors

Due to State

(319)

(461)

Credit balances: suspense

(960)

(906)

(1,279)

(1,367)

(1,041)

19,430

2.8 Commitments**2010****2009****(a) Global Commitments****€000****€000**

Total of legally enforceable commitments

6,668

1,087

(b) Multi-Annual Capital Projects

Project	Expenditure to 31 December 2009	Expenditure in 2010	Subsequent Years	Total
	€000	€000	€000	€000
ICT programmes	215,191	39,219	43,405	297,815
Multimedia developments	13,383	6,390	6,106	25,879
Sustainable energy programmes	13,057	11,056	24,998	49,111
Energy research programmes	34,110	3,473	6,237	43,820
Mining services	8,569	1,274	1,520	11,363
Geoscience initiatives	5,164	3,241	7,139	15,544
National seabed survey	17,568	3,014	6,978	27,560
TG4	—	1,800	8,450	10,250
Inland fisheries	—	1,457	1,949	3,406
	307,042	70,924	106,782	484,748

Expenditure figures for 2010 and prior years relate only to projects with future legally binding commitments. In relation to Sustainable Energy Programmes, expenditure figures include the National Energy Retrofit Programme but not the Home Energy Savings Scheme or the Warmer Homes Scheme. Activities in relation to these schemes are now funded under the National Retrofit Scheme and this is reflected in commitments figures for subsequent years.

2.9 Contingent Liability

There is potential for financial liabilities to arise in 2011 and forward years depending on the outcomes of current, pending and possible future EU and other legal actions. The amounts involved cannot be determined at this point.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000 and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided €000	Explanation
A.2.	271	The variance arose due to lower than anticipated levels of official travel and the Department's efforts to reduce overall administrative expenditure.
A.3.	416	The variance arose due to lower than anticipated expenditure in relation to the Moriarty Tribunal, Staff Training and the Department's efforts to reduce overall administrative expenditure.
A.4.	363	The variance arose due to credits being received from An Post (once off) and the introduction of cost saving measures.
A.5.	1,667	The variance reflects the Department's efforts to reduce IT and associated costs and some development projects and hardware refurbishment projects being deferred.
A.6.	443	The variance arose as a result of the Department's efforts to reduce overall administrative expenditure.
A.7.	526	The variance arose due to some consultancies not going ahead and the Department's efforts to reduce overall expenditure on consultancy services.
B.1.	9,652	Savings arose due to delays in the submission of retention claims by some local authorities and no expenditure on a MANS III Programme.
B.2.	(396)	Additional expenditure arose in relation to essential repairs to protected structures.
B.3.	370	This programme has ended and no expenditure was incurred in 2010.
B.4.	337	Savings due to use of a competitive tendering process and delays in the commencement of some projects.
D.3.	6,981	Savings due to delays in the commencement of the programme due to technical issues and the inability of some commercial partners to secure funding.
E.2.	4,750	The underspend arose due to a delay in the completion of an environmental impact assessment and fewer compensation claims than anticipated progressing to payment stage.
E.3.	270	Savings arose due to less progress than anticipated in a number of projects.
E.4.	1,023	Savings arose due to less progress than anticipated in a number of projects.
G.4.	501	Savings arose as the capital contingency funds were not required in 2010.

4 Receipts

4.1 Appropriations-in-aid

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
1. Proceeds of fines and forfeitures in respect of fishery offences	50	45	35
2. Receipts under the Minerals Development Act, 1940 and the Petroleum and Other Minerals Act, 1960	11,068	9,300	7,167
3. Petroleum Infrastructure Support Group	5,166	5,227	723
4. Broadcasting licence fees	222,130	222,376	226,207
5. Geological Survey Ireland income	400	627	330
6. Rent on properties in GPO	223	230	224
7. RAPID programme (dormant accounts allocation)	370	—	774
8. Miscellaneous	1,500	1,839	1,493
9. Receipts from pension-related deduction on public service remuneration	4,000	4,359	3,746
Total	244,907	244,003	240,699

Miscellaneous

	2010 €000	2009 €000
Pension contribution from Sustainable Energy Ireland	210	505
Pension contribution from Broadcasting Commission of Ireland	421	—
Pension contribution from Digital Hub Development Agency	136	305
Costs recovered from other bodies	246	251
Corrib verification process	—	171
Royalties in respect of Metropolitan Area Networks	786	207
Other	40	54
Total	1,839	1,493

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%.

Heading	Less/(more) than estimated €000	Explanation
2.	1,768	Shortfall due to a number of exploration licences being relinquished during the year resulting in a reduction of rental income billed.
4.	(246)	Broadcasting licence fees are dependent on television licence sales and it is not possible to estimate precisely the level of receipts.
5.	(227)	Surplus due to more progress than anticipated on a number of projects.
7.	370	This programme has ended and drawdown of funds was not required in 2010.
8.	(339)	Surplus due to an increase in royalties in respect of the MANS.
9.	(359)	Receipts were higher than anticipated.

4.2 Extra receipts payable to the Exchequer

	2010 €000	2009 €000
Voluntary surrender of pay	—	53
Total	—	53

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	263	271
	2010	2009
	€000	€000
Pay	15,089	17,423
Higher, special or additional duties allowances	170	175
Other allowances	—	—
Overtime	55	61
Employer's PRSI	709	824
Total pay	16,023	18,483

Note: The total pay figure includes elements of pay from A.1, E.3 and E.5.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010	Maximum individual payment 2009
			€	€
Higher, special or additional duties	9	3	20,635	21,699
Other allowances	62	—	6,765	13,216
Overtime	11	1	13,092	24,902

Note: Certain individuals received extra remuneration in more than one category.

5.2 Performance and Merit Payments

Merit payments amounted to €45 in 2010 which was in respect of 2009.

5.3 Other Remuneration Arrangements

€35,723 was paid to a retired civil servant in receipt of a civil service pension who was re-engaged on a fee basis.

6 Miscellaneous Items

6.1 EU Funding

The outturn shown for Subhead B.1. for 2010 includes expenditure which was co-financed from the European Regional Development Fund.

6.2 Commissions and Inquiries

€358,767 (2009: €458,147) was paid in respect of various expenses arising out of the Department's involvement in the Moriarty Tribunal.

6.3 Other Miscellaneous

A sum of €3,687,000 was written-off in relation to the replica famine ship Dunbrody. It was not deemed necessary to assign the debenture associated with the loan elsewhere as the State maintains a charge over the ship through Fáilte Ireland.

A payment of €55,000 was paid in settlement of a legal claim by a former employee.

An ex-gratia payment of €46,959 was made to a former employee in respect of agreed retirement benefits.

A payment of €75,000 was made in settlement of a legal claim by a broadband service provider.

6.4 Petroleum Infrastructure Programme Fund

Statement of the receipts and payments of the Petroleum Infrastructure Programme Fund for the year ended 31 December 2010

	2010	2009
	€000	€000
Balance at 1 January	1,677	1,137
Receipts	5,245	706
Payments	(359)	(166)
Balance at 31 December	<u>6,563</u>	<u>1,677</u>

The Petroleum Infrastructure Programme (PIP) was established in 1997 and is funded by oil companies with offshore exploration licences issued by Petroleum Affairs Division. Its aim is to promote hydrocarbon exploration and development activities by strengthening local support structures, funding of research data gatherings and "land based" research in Irish offshore areas and provides a forum for co-operation amongst explorationists and researchers. Receipts in relation to the PIPF are recorded as appropriations-in-aid and paid into the fund via Subhead E.1.

The fund is administered by Petroleum Affairs Division.

Vote 31: Agriculture, Fisheries and Food

Introduction

As Accounting Officer for Vote 31, 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 2010 for the salaries and the expenses of the Office of the Minister for Agriculture, Fisheries and Food, including certain services administered by that Office, and of the Irish Land Commission and for payment of certain grants, subsidies and sundry grants-in-aid and for the payment of certain grants under cash-limited schemes.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

The Statement of Accounting Policies and Principles and notes 1 to 7 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 with the exception of the following:

Depreciation

Telecommunications equipment is depreciated at 20%. The Animal Identification and Movement (AIM) system software is depreciated at 10%. All capital assets are depreciated on a straight line basis over their estimated useful life starting from the month in which they are placed in service.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Department of Agriculture, Fisheries and Food.

The Department has a number of mechanisms to review and evaluate its financial management and control systems on an ongoing basis. These include its Accreditation Review Group, its Audit Committee, its Risk Management Committee and its Management Information Framework (MIF) Management Group.

The Accreditation Review Group, which is chaired by the Secretary General, reviews EU audit findings and monitors progress in addressing identified control issues and in meeting the accreditation requirements laid down by regulation for EU paying agencies. The Department's Audit Committee, which includes five external members, reviews and monitors the work plan of the Internal Audit Unit and reports annually to the Minister and the Secretary General on its implementation. The Department is subject to a range of audits by the Comptroller and Auditor General, the Internal Audit Unit, the EU Court of Auditors, the EU Commission and by an independent certifying body - a professional accountancy firm - which certifies the annual EAGF and EAFRD accounts. The Secretary General provided a Statement of Assurance to the certifying body for the EU annual accounts as required by Council Regulation 1290/2005. In 2010, the Department was subject to approximately 3,200 audit person days by these bodies.

The Risk Management Committee, also chaired by the Secretary General, monitors the operation of the Department's Risk Management programme. The overall objective of the programme is to identify and assess the key risks (strategic, operational, financial and reputational) facing the Department in achieving its objectives and to outline measures for addressing those risks. It is reviewed on an ongoing basis. The programme continued to function satisfactorily in 2010 with Risk Management Committee meetings being held in March, May, September and November.

The MIF Management Group directs and monitors the delivery of the Department's MIF. It is chaired at Assistant Secretary level and focuses on improving the quality and availability of key financial data to all stakeholders. In 2010, following on from the Comptroller and Auditor General report, published in September 2009, a greater emphasis was placed on improving the performance measurement within the Department, including under MIF.

The Department participated in the Department of Finance Performance Budgeting pilot project. Among the aims of the project is the development of enhanced performance indicators as well as the planned restructuring of the Department's Vote on a strategic programme basis. In addition, the Department has commenced preparatory work on developing more refined costing methods for scheme operations.

The Department has a strong commitment to the security of its information and communication technology systems, which are also independently reviewed. Documented backup/recovery procedures are in place for all critical data, including the use of secure offsite storage services and disaster recovery facilities. The Department has a dedicated IT Security Unit and is proactive in the development and promotion of IT security policies. ICT security arrangements are subject to review by the IT audit section of the Internal Audit Unit. In addition, the Department, in its role as a Paying Agency on behalf of the European Union, is subject to an annual accreditation audit, which includes a computer risk management review. As part of the accreditation process, the Department has chosen to adopt the international standard ISO 27001: Code of Practice for Information Security Management, as the basis for its IT security.

There is ongoing identification of training needs, including those relating to financial management. Induction training includes a module on financial management. In addition, in-house training material is available for delivery on performance management and indicators, budgeting, planning and management reporting. The financial procedures manual is subject to ongoing review and revision to take account of any new developments. The financial procedures manual is available online to all Department staff as well as being made available for use in training courses.

T MORAN

Accounting Officer

Department of Agriculture, Fisheries and Food

31 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 31: Agriculture, Fisheries and Food for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Agriculture, Fisheries and Food. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapter 26 of my annual report refers to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

6 September 2011

Vote 31 Agriculture, Fisheries and Food Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	197,461	194,938	226,126
A.2. Travel and subsistence	9,721	8,312	9,752
A.3. Incidental expenses	8,193	5,770	5,719
A.4. Postal and telecommunications services	6,319	5,088	5,822
A.5. Office machinery and other office supplies and related services	21,041	17,470	14,694
A.6. Office premises expenses	7,385	6,306	7,800
A.7. Consultancy services	110	8	73
A.8. Supplementary measures to protect the financial interests of the EU	770	569	667
A.9. Laboratory equipment	6,450	5,426	5,861
A.10. Value for money and policy reviews	126	93	310
Programme expenditure			
B. Research and training	35,695	35,457	35,475
C. Food safety (and public health), animal health and welfare and plant	184,468	143,715	236,897
D. Income and market supports	27,360	13,114	18,439
E. Income support in disadvantaged areas	220,000	208,195	223,808
F. Rural environment	330,000	323,797	341,123
G. Land mobility (early retirement/ installation aid schemes)	44,515	35,155	47,248
H. Development of agriculture and food	277,808	341,595	371,762
I. Forestry and bioenergy	121,845	120,612	119,080
J. Fisheries	19,503	11,612	21,053
K. Teagasc - grant-in-aid for general expenses	114,165	114,165	119,927
L. Bord Bia - grant-in-aid for general expenses	29,116	28,491	28,221
M. Marine Institute - grant-in-aid	24,830	24,227	27,544
N. Bord Iascaigh Mhara - grant-in-aid	18,583	17,425	34,932
O. Sea Fisheries Protection Authority	11,324	11,324	10,853
P. Food aid donations - world food programme	9,960	9,960	9,960

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Q. Other services	32,058	21,831	14,356
<i>Aquaculture Licence Appeals Board</i>	—	—	340
R. Horse and Greyhound Racing Fund*	26,476	26,476	—
Gross Expenditure	1,785,282	1,731,131	1,937,842
Deduct			
S. Appropriations-in-aid	382,864	401,374	408,140
Net Expenditure	1,402,418	1,329,757	1,529,702
Surplus to be surrendered		€2,660,997	€69,379,696

* Responsibility for the Horse and Greyhound Racing Fund transferred from the Department of Arts, Sports and Tourism to the Department of Agriculture, Fisheries and Food on 1 May 2010. Transfer of Departmental Administration and Ministerial Functions Order 2010 (S.I. No. 179 of 2010), refers.

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	2010 €000	2009 €000
Expenditure on administration		243,980	276,824
Expenditure on services and programmes		1,487,151	1,661,018
Gross expenditure		1,731,131	1,937,842
Deduct			
Appropriations-in-aid		401,374	408,140
Net expenditure		1,329,757	1,529,702
Changes in capital assets			
Purchases cash		(2,097)	
Depreciation		14,118	
Loss on disposals		5	11,105
Changes in assets under development			
Cash payments		(5,403)	(1,031)
Changes in net current assets			
Decrease in closing accruals		(258,570)	
Increase in stock		(616)	
		(259,186)	(320,905)
Direct expenditure		1,077,194	1,218,871
Net allied services expenditure	1.1	60,765	81,819
Notional rents		11,021	13,494
Total operating cost		1,148,980	1,314,184

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 31 borne elsewhere

		2010 €000	2009 €000
Vote			
7	Superannuation and Retired Allowances	49,762	70,457
9	Office of the Revenue Commissioners	2,583	2,808
10	Office of Public Works	8,011	7,908
20	Garda Síochána	207	174
	Central Fund - Ministerial etc. pensions	202	472
		60,765	81,819

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	22,041	23,470
Capital Assets under Development	2.2	—	5,219
		22,041	28,689
Current Assets			
Bank and cash	2.3	60,967	42,483
Stocks	2.4	4,202	3,586
Prepayments		2,017	2,279
Accrued income		170,391	221,395
Other debit balances	2.5	3,132	5,269
Net Liability from the Exchequer	2.7	2,937	(29,163)
Total Current Assets		243,646	245,849
Less Current Liabilities			
Accrued expenses		68,192	378,028
Deferred income		3	3
Other credit balances	2.6	67,036	18,589
Total Current Liabilities		135,231	396,620
Net Current Assets		108,415	(150,771)
Net Assets		130,456	(122,082)

2.1 Capital Assets

	Office Equipment/ Other Machinery €000	Furniture and Fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2010	203,275	13,667	216,942
Additions	12,467	227	12,694
Disposals	(709)	—	(709)
Cost or valuation at 31 December 2010	215,033	13,894	228,927
Accumulated Depreciation			
Opening balance at 1 January 2010	182,176	11,296	193,472
Depreciation for the year	13,718	400	14,118
Depreciation on disposals	(704)	—	(704)
Cumulative depreciation at 31 December 2010	195,190	11,696	206,886
Net Assets at 31 December 2010	19,843	2,198	22,041
Net Assets at 31 December 2009	21,099	2,371	23,470

Notes

1. Valuations of land and buildings held by the Department are not available. A schedule of land and buildings is maintained.

2. The Minister, as successor to the Irish Land Commission, had 431 hectares of non-agricultural land on hand at 31 December 2010

2.2 Capital Assets under Development

	In-House Computer Application €000
Amounts brought forward at 1 January 2010	5,219
Prior year adjustment ¹	(25)
Cash payments for the year	5,403
Transferred to asset register	(10,597)
Amounts carried forward at 31 December 2010	—

¹ This represents non-capital expenditure incorrectly categorised as assets under development in previous years.

2.3 Bank and Cash

	2010 €000	2009 €000
at 31 December		
PMG balances and cash	73,102	53,701
Orders outstanding	(12,135)	(11,218)
	60,967	42,483

2.4 Stocks	2010	2009
at 31 December	€000	€000
Laboratory supplies and chemicals	293	331
Stationery supplies	100	66
Computer supplies	94	110
Veterinary supplies	3,180	2,480
Livestock	325	338
Agricultural stock	124	204
Safety items and first aid supplies	38	51
Cleaning supplies	7	6
Oil Stocks	41	—
	<u>4,202</u>	<u>3,586</u>
2.5 Other Debit Balances	2010	2009
at 31 December	€000	€000
Travel	380	388
Department of Finance	1,985	2,548
Office of Public Works	508	1,127
Harbour development	181	1,206
Other	78	—
	<u>3,132</u>	<u>5,269</u>
2.6 Other Credit Balances	2010	2009
at 31 December	€000	€000
Amounts due to the State		
Withholding Tax	678	647
Value Added Tax	869	776
Relevant Contracts Tax	37	(47)
Superannuation	494	542
Intervention VAT	(75)	(223)
Collector General	4,303	4,908
Extra exchequer receipts	2	14
	<u>6,308</u>	<u>6,617</u>
Securities	810	658
Milk quota sales and levies	438	445
Cork and Dublin district milk board funds	642	642
Pesticides licensing fees	2,231	2,459
EU advances	54,099	5,917
Miscellaneous	2,508	1,851
	<u>67,036</u>	<u>18,589</u>

2.7 Net Liability from the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	72,661	69,380
Exchequer grant undrawn	(75,598)	(40,217)
Net liability from the Exchequer	<u>(2,937)</u>	<u>29,163</u>

Represented by:**Debtors**

Bank and cash	60,967	42,483
Debit balances: suspense	3,132	5,269
	<u>64,099</u>	<u>47,752</u>

Creditors

Due to the State	(6,308)	(6,617)
Credit balances: suspense	(60,728)	(11,972)
	<u>(67,036)</u>	<u>(18,589)</u>
	<u>(2,937)</u>	<u>29,163</u>

2.8 Commitments

	2011	Subsequent	Total	Total
	€000	Years	2010	2009
	€000	€000	€000	€000
at 31 December				
(a) Procurement	3,403	2,634	6,037	5,318
(b) Grants				
Capital investment grants	41,700	82,550	124,250	121,794
Food research	21,945	26,258	48,203	39,435
Carcass disposal	—	—	—	50
Afforestation	92,133	680,034	772,167	848,451
Bioenergy	565	—	565	645
Grants to the organic sector	11,243	43,800	55,043	79,210
Farm improvement scheme	11,000	—	11,000	—
Early retirement scheme	34,700	93,840	128,540	144,230
Rural environment protection scheme	371,725	621,649	993,374	1,028,394
Horticulture scheme	399	—	399	360
Equine breeding	456	816	1,272	2,259
Total of legally enforceable commitments	<u>589,269</u>	<u>1,551,581</u>	<u>2,140,850</u>	<u>2,270,147</u>

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000 and by more than 5%.

Sub-head	Less/(more) than provided €000	Explanation
A.3.	2,423	There was less expenditure on staff training as more in-house training was carried out in the year. No major publicity needs arose in the year, resulting in a saving. In addition, there were less legal expenses than anticipated due to inherent uncertainties of timing and costs in legal cases.
A.7.	102	No new consultancies were undertaken during the year, leading to a saving under this heading.
A.8.	201	Not all of the funding allocated to cover contingency measures was required.
C.	40,753	There were savings on TB eradication, BSE and other animal diseases due to a decrease in disease incidence, lower compensation costs as a result of a fall in market prices and also due to a reduction in the rate of professional fees charged. Savings also arose under the Pork Recall scheme as less eligible and verifiable claims were processed for payment than estimated.
D.	14,246	Clearance of accounts procedures by the EU Commission were not concluded by year end thus resulting in a saving on the subhead. Savings also arose under this heading due to lower than anticipated borrowing requirements and interest rate charged for EU Guarantee schemes and to the lower level of intervention purchases and associated costs than estimated.
E.	11,805	There were less applications cleared for payment by year end than originally anticipated.
G.	9,360	There was a lower number of applications processed and approved for payment for early retirement and installation aid than originally anticipated.
H.	(63,787)	The excess resulted from bringing forward payments falling due under the Farm Waste Management Scheme in 2011 that were met from savings identified under other schemes within this heading and elsewhere in the Vote.
J.	7,891	The late adoption of the National Seafood Operational Programme in July led to a delay in the approval and payment of grant aid to fish processors and aquaculture developers. There were also less capital works completed on some of the fishery harbours than originally planned and less funds drawn down under the EAGGF fisheries schemes due to better than anticipated sales demand for fish.
N.	1,158	There were savings on the capital allocation to Bord Iascaigh Mhara as a result of the delay in the adoption of the National Seafood Operational programme in July.
Q.	10,227	There were fewer legal cases settled during the year than had been provided for in the estimate. Savings were also generated as fewer applications than anticipated were cleared for payment under the Frost Damage Crop scheme.

4 Receipts

	2010 Subhead	2010 Estimated €000	2010 Realised €000	2009 Realised €000
4.1 Appropriations-in-aid				
1. Recoupment of salaries, etc. of officers on loan to outside bodies	A.1.	996	923	997
2. Forfeited deposits and securities under EU intervention, export refund, etc. arrangements		1	996	793
3. Refunds from veterinary fees for inspection services at poultry and other meat plants		15,185	15,558	13,968
4. Receipts from veterinary inspection fees for live exports		1,241	2,407	1,626
5. Receipts from fees for dairy premises inspection services		5,000	4,929	4,732
6. Receipts from the sale of vaccines, livestock, farm produce, etc. at Veterinary Research Laboratory and farm at Abbotstown; recoupment of quarantine expenses at Spike Island	B. & C.	850	1,412	1,076
7. Receipts from seed testing fees, certification fees, licensing fees, pesticides, registration fees, etc. and receipts from Backweston Farm	B.	1,750	1,851	1,702
8. Receipts from farmer contributions towards the cost of eradicating bovine disease	C.	5,000	5,543	5,243
9. Land Commission receipts		358	506	546
10. Other receipts ¹		257	846	331
11. Market intervention expenses and financing costs for other FEOGA (Guarantee) section measures	D.	3,938	1,675	3,011
12. Intervention stock losses, etc.	D.	1	958	1,947
13. EAFRD (European Agricultural Fund for Rural Development)	E., F., G. & H.	306,132	306,132	323,771
14. Veterinary Fund	C.	18,860	14,020	6,424
15. Other Guarantee receipts from EU (Agriculture)	D. & R.	1,455	1,039	18,801
16. Other Guarantee receipts from EU (EAGGF Fisheries)	J.	720	1,050	617
17. National Development Plan - Structural receipts (2000-2006)		1	—	—
18. Proceeds from fines and forfeitures in respect of sea fisheries		280	234	160
19. Receipts under the 1933 Foreshore Act and the 1954 State Property Act		70	144	1,666

	2010 Subhead	2010 Estimated €000	2010 Realised €000	2009 Realised €000
20. EU recoupment in respect of expenditure on the conservation and management of fisheries		1	1,102	—
21. Aquaculture licence fees		412	387	285
22. EU FIFG receipts (aquaculture and development)	J.	1	—	2,526
23. EFF (Fisheries) 2007-2013		5,000	20,590	—
24. Receipts from pension-related deduction on public service remuneration		15,355	19,072	17,918
Total		382,864	401,374	408,140

¹ 2009 figure for other receipts includes receipts from licences and from the sale and leasing of livestock etc.

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%.

Heading	Less/(more) than estimated €000	Explanation
2.	(995)	Only a nominal amount was provided for as receipts under this heading are extremely difficult to estimate due to the unpredictable nature of forfeitures.
4.	(1,166)	A higher number of animals were inspected for live export than originally estimated, resulting in a higher level of receipts than anticipated.
6.	(562)	A higher level of samples were submitted to the Department's laboratories for testing during the year than predicted, due to increased emphasis on endemic diseases, generating more income than originally estimated under this heading.
7.	(101)	Pesticides registration fees are levied on the basis of sales volume in the sector, which was greater than anticipated.
8.	(543)	The revenue generated from the volume of milk sold by farmers and the number of animals slaughtered and exported live was higher than forecast.
9.	(148)	The higher level of receipts than estimated is due to monies received during the year from the sale of land, where a Trust was revoked.
10.	(589)	Receipts under this heading, by their nature, cannot be accurately forecast.
11.	2,263	The receipts reflect no intervention in regard to dairy produce or barley during the year, resulting in lower intervention storage charges being recouped from the European Commission.
12.	(957)	The additional amounts were received as a result of recoveries reassigned between EU Funds, a refund of overstated recovery amounts and the permitted flat rate retention that applies to recovered amounts. These adjustments were not anticipated.
14.	4,840	There was less received from the EU Commission than originally estimated as less eligible expenditure was claimed under the TB programme and the incidence of BSE reduced. In addition, an amount of €2.6m was withheld by the Commission pending the result of an ex-ante financial audit.

Heading	Less/(more) than estimated €000	Explanation
15.	416	There was a lower than anticipated take-up of the School Milk scheme, resulting in lower than estimated EU related receipts.
16.	(330)	Given the nature of the industry, it is difficult to accurately estimate in advance the level of uptake of fishery market intervention schemes and consequently the amounts recoupable from the EAGF.
20.	(1,101)	Payments by the EU Commission under this heading, expected in 2011, were received in 2010.
23.	(15,590)	All outstanding claims for the period 2008-2010 were approved and paid by the EU Commission during the year.
24.	(3,717)	The level of income levy was difficult to estimate due to the ongoing changes in pay levels and staff numbers in the Department and the agencies under its remit.

4.2 Extra receipts payable to the Exchequer

	2010	2009
	€000	€000
Dublin District Milk Board pension fund	11	10
Surrender of suspense account	350	3,913
Legal expenses	35	26
Refund by Department of Community, Rural and Gaeltacht Affairs	—	88
Refund of grant aid	—	39
Refund of legal fees	—	205
EU receipt	—	2
Voluntary surrender of pay	9	80
Sea Fisheries Protection Agency grant	—	811
Total	405	5,174

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	3,632	3,881
	2010	2009
	€000	€000
Pay	179,716	207,764
Higher, special or additional duties allowances	1,831	2,054
Other allowances	1,189	1,195
Overtime	3,941	5,603
Employer's PRSI	8,354	9,640
Total pay	195,031	226,256

This note represents the pay charge to subheads A.1. and A.10.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010	Maximum individual payment 2009
			€	€
Higher, special or additional duties	609	10	20,277	26,787
Other allowances	564	23	20,178	21,223
Overtime	951	108	39,843	46,937

Note: Certain individuals received extra remuneration in more than one category.

6 Miscellaneous Items

6.1 EU Funding

Council Regulation (EC) No. 1290/2005 introduced the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD) with effect from the 2007 EU budget year (16 October 2006 - 15 October 2007). The EAGF finances direct payments and market supports while the EAFRD co-finances rural development measures under approved rural development programmes. The EAGF and the EAFRD replace the EAGGF Guarantee and Guidance Funds respectively.

The Department's activities include measures fully funded by the EAGF and activities co-financed by the EAFRD and from the Vote.

Subheads E, F, G and H include expenditure in respect of activities co-financed by the EU through the EAFRD. Subhead C also includes expenditure in respect of activities that are co-financed from the EU Veterinary Fund. Subhead J includes expenditure in respect of activities co-financed by the EU through the Financial Instrument for Fisheries Guidance, 2000-2006 (FIFG) and the European Fisheries Fund, 2007-2013 (EFF).

The Account includes interest of €3.285m paid on short-term borrowings of €790m borrowed in 2009 to fund EAGF Guarantee expenditure pending recoupment from the EU. The borrowings were repaid in 2010 along with interest.

A total of €673m in short-term funds were borrowed in 2010 to fund EAGF Guarantee expenditure pending EU recoupment in 2011.

Revisions on the EAFRD Financial Plan provided additional funding under EERP and the Health Check over the remainder of the Programme. This additional funding was for specific measures under Article 69 (5a) of Regulation 1698/2005. A total of €54m was received due to increased financial ceilings and advance funding in 2010. This amount was lodged to a suspense account in 2010.

EU-funded expenditure managed by the Department of Agriculture, Fisheries and Food

EAGF Guarantee (measures fully funded by the EU)

	2010
	Outturn
Description	€m
Single payment scheme (including modulation refund)	1,145
Export refunds	9
Intervention	3
Co-funded Receipts (measures co-funded by EU) ¹	
Agriculture	
EAFRD Rural Development Programme 2007-2013	306
Veterinary Fund	14
Market intervention	2
Other co-financing receipts	2
Fisheries	
FIFG - aquaculture development/fisheries development	23
	<u>1,504</u>

¹ Only the EU co-funding on these programmes is shown in this table.

6.2 Write-offs

The following sums were written off in the year:

	2010	2009
	€	€
Scheme of early retirement from farming	674,864	38,728
Rural Environment Protection scheme	1,142	153,004
Afforestation schemes	29,792	31,054
Relevant Contracts Tax liability not recovered	50,748	—
Unfilled order due to a supplier liquidation	32,960	—

6.3 Legal Costs and Compensation

A settlement and associated legal costs totalling €79,437 were paid following a personal injuries claim made by a non-employee.

A settlement and legal costs totalling €1,885,861 were paid following a High Court hearing in relation to the storage of animal by-products.

Payments amounting to €509,832 were made in settlement of two cases arising from High Court proceedings under the milk quota regime.

Legal costs totalling €62,605 were paid arising out of a consultative case stated in the High Court against the Registrar General of Fishing Boats.

Legal costs of €91,075 were paid in settlement of a court case taken in relation to fisheries.

A total of €70,931 was paid in legal costs awarded by the Supreme Court in relation to a challenge to the Animal Remedies regulations.

Legal costs of €176,887 were paid as a result of a judicial review of an Aquaculture Licence Appeals Board decision in the High Court.

A payment of €200,000 was made as a contribution towards the legal costs of a company and formed the basis for a written settlement of the plaintiff's case.

Legal costs of €97,771 were paid arising from a judicial review of a case referred to the Agriculture Appeals Office.

Legal costs of €175,168 were paid on behalf of a company that won a case against the Minister in the Supreme Court.

An out-of-court settlement of €60,000 was made to an applicant under the Afforestation scheme.

6.4 Food Aid Donations

The World Food Programme is the food aid organisation of the UN and operates on the basis of voluntary contributions pledged at irregular intervals. The programme provides food aid to needy countries, assists in implementing economic and social development projects and provides relief to the victims of natural and other disasters. The programme operates in approximately 80 countries. Ireland's contribution to the World Food Programme in 2010 was €8.436m (2009: €8.436m).

The Food Aid Convention is the main international agreement on food aid provision and serves as both a best practice code of conduct and an annual food aid commitment. Aid donated under the Convention is held by the World Food Programme and used to provide aid in emergency situations. Ireland's contribution to the Food Aid Convention in 2010 was €1.524m (2009: €1.524m).

6.5 Other Miscellaneous

Ex-gratia payments totalling €1,210,000 were made to 121 animal welfare organisations.

Two ex-gratia payments totalling €72,800 were paid under the disease eradication schemes.

Ex-gratia payments totalling €85,291 were paid to 32 applicants under the Bioenergy scheme to enable them re-establish failed miscanthus crops.

7 Horse and Greyhound Racing Fund

Amounts of receipts and payments for the year ended 31 December 2010*

	2010	2009
	€000	€000
Balance on 1 January 2010	—	—
Receipts (subhead R.)	59,264	68,128
Payments		
Horse Racing Ireland	(47,411)	(54,502)
Bord na gCon	(11,853)	(13,626)
	<u>(59,264)</u>	
Balance at 31 December 2010	<u>—</u>	<u>—</u>

*For comparative purposes, receipts and payments for the full year are shown, and include the €32.788m included in the Vote of the Department of Arts, Sports and Tourism paid in the period prior to the transfer of responsibility on 1st May 2010.

Vote 32: Transport

Introduction

As Accounting Officer for Vote 32, 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 2010 for the salaries and expenses of the Office of the Minister for Transport, including certain services administered by that Office, for payment of certain grants and certain other services.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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 the following:

Depreciation

The Department's policy is to depreciate assets from the date of purchase up to and including date of disposal at the following annual rates:

Land and Buildings - No depreciation

Furniture and Fittings - 10%

Office Equipment - 20%

Motor Vehicles - 20%

Specialist Equipment - 20%

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Department of Transport.

TOM O'MAHONY

Accounting Officer

Department of Transport

29 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 32: Transport for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Transport. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapters 18 and 27 of my annual report refers to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

29 July 2011

Vote 32 Department of Transport Appropriation Account 2010

Service		2010 Estimate provision	2010 Outturn	2009 Outturn
Administration	€000	€000	€000	€000
A.1. Salaries, wages and allowances		29,414	29,405	33,679
A.2. Travel and subsistence		1,057	931	888
A.3. Incidental expenses		2,094	1,973	1,920
A.4. Postal and telecommunications		752	510	625
A.5. Office machinery and other office supplies and related services		1,634	1,565	1,863
A.6. Office premises expenses		977	1,078	1,167
A.7. Consultancy services		600	452	713
A.8. Value for money and policy reviews		61	—	19
Other Services				
Roads				
B.1. Road improvement/maintenance				
	<i>Original</i>	1,636,324		
	<i>Supplementary</i>	(864)	1,635,460	1,635,455
				1,962,986
B.2. Road haulage development programme		—	—	73
B.3. Road safety agencies and expenses				
	<i>Original</i>	33,303		
	<i>Supplementary</i>	(1,400)	31,903	29,163
			18,779	15,155
B.4. Vehicle and driver licencing expenses				37,907
				19,377
B.5. Smarter travel and carbon reduction measures				
	<i>Original</i>	23,000		
	<i>Supplementary</i>	(12,682)	10,318	8,898
				7,003
Public Transport				
C.1. Public service provision payments				
	<i>Original</i>	289,189		
	<i>Supplementary</i>	(331)	288,858	288,852
				327,823
C.2. Public transport investment programme			614,988	614,341
				673,732
C.3. Public transport agencies and expenses				
	<i>Original</i>	11,660		
	<i>Supplementary</i>	3,196	14,856	13,821
				11,582
Civil Aviation				
D.1. Aircraft accident investigation insurance		595	476	447
D.2. Regional airports				
	<i>Original</i>	19,926		
	<i>Supplementary</i>	4,000	23,926	21,193
				22,831

Service		2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000	€000
D.3. Payments to the Irish Aviation in respect of exempt services		2,558	2,809	3,383
D.4. Miscellaneous aviation services		123	76	207
Maritime Transport and Safety				
E.1. Maritime safety and Irish Coast Guard				
	<i>Original</i>	52,058		
	<i>Supplementary</i>	14,193	66,251	65,125
E.2. Seaports and Shipping ^a		—	—	45,239
				2,140
Miscellaneous				
F.1. Subscriptions to international organisations		8,337	7,664	7,429
F.2. Miscellaneous services		343	42	211
F.3. Cross border initiatives		—	—	11,513
	<i>Original</i>	10,274		
	<i>Supplementary</i>	(6,111)	4,163	134
				—
Gross Expenditure				
	<i>Original</i>	2,758,046		
	<i>Supplementary</i>	1		
		2,758,047	2,739,118	3,174,757
Deduct				
G. Appropriations-in-aid		446,536	441,977	582,987
Net Expenditure				
	<i>Original</i>	2,311,510		
	<i>Supplementary</i>	1		
		2,311,511	2,297,141	2,591,770
Surplus to be surrendered				
			€14,369,986	€2,664,822

^a Subhead E.2 Seaports and Shipping is now included in subhead E.1

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			35,914	40,874
Expenditure on services and programmes			2,703,204	3,133,883
Gross expenditure			2,739,118	3,174,757
Deduct				
Appropriations-in-aid			441,977	582,987
Net expenditure			2,297,141	2,591,770
Changes in capital assets				
Purchases cash		(14,358)		
Depreciation		5,366	(8,992)	(1,581)
Changes in assets under development				
Cash payments			(2,507)	(245)
Changes in net current assets				
Decrease in closing accruals		(204)		
Increase in stock		(161)	(365)	(1,914)
Direct expenditure			2,285,277	2,588,030
Net allied services expenditure	1.1		13,460	17,361
Notional rents			978	1,207
Total operating cost			2,299,715	2,606,598

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 32 borne elsewhere.

Vote	2010 €000	2009 €000
7 Superannuation and Retired Allowances	7,621	11,329
10 Office of Public Works	5,522	5,737
20 Garda Síochána	206	164
Central Fund - Ministerial etc. pensions	111	131
	13,460	17,361

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	19,543	11,865
Capital Assets under Development	2.2	2,752	1,899
		22,295	13,764
Current Assets			
Bank and Cash	2.3	738	(64)
Stocks	2.4	675	514
Prepayments		443	299
Accrued income		79	131
Other debit balances	2.5	1,476	1,905
Total Current Assets		3,411	2,785
Less Current Liabilities			
Accrued expenses		2,215	2,327
Other credit balances	2.6	1,840	1,492
Net Liability to the Exchequer	2.7	374	349
Total Current Liabilities		4,429	4,168
Net Current Liabilities		(1,018)	(1,383)
Net Assets		21,277	12,381

2.1 Capital Assets

	Land and Buildings €000	Office Equipment €000	Furniture and Fittings €000	Motor Vehicles €000	Specialist Equipment €000	Totals €000
Gross assets						
Cost or valuation at 1 January 2010	1,762	14,238	319	5,493	16,627	38,439
Additions	170	3,186	2	1,661	9,339	14,358
Disposals	—	(389)	—	—	—	(389)
Adjustment ¹	—	—	—	(54)	(1,260)	(1,314)
Cost or valuation at 31 December 2010	1,932	17,035	321	7,100	24,706	51,094
Accumulated Depreciation						
Opening balance at 1 January 2010	—	11,113	231	4,563	10,667	26,574
Depreciation for the year	—	3,070	28	337	1,931	5,366
Depreciation on disposals	—	(389)	—	—	—	(389)
Cumulative depreciation at 31 December 2010	—	13,794	259	4,900	12,598	31,551
Net Assets at 31 December 2010	1,932	3,241	62	2,200	12,108	19,543
Net Assets at 31 December 2009	1,762	3,125	88	930	5,960	11,865

¹ In order to correctly reflect the most accurate valuation of assets on the Financial Management System, an adjustment was required to two assets to reconcile with the 2010 opening balances.

2.2 Capital Assets under Development

	Information Systems €000
Amounts brought forward at 1 January 2010	1,899
Cash payments for the year	2,507
Write off ¹	(1,654)
Amounts carried forward at 31 December 2010	2,752

¹ This represents expenditure incurred in the period 2005-8 on a change of vehicle ownership project. It is now being written off because the nature of the expenditure related to support and service expenses which should not be capitalised.

2.3 Bank and Cash

at 31 December

	2010	2009
	€000	€000
PMG balances and cash	960	195
Orders outstanding	(222)	(259)
	<u>738</u>	<u>(64)</u>

2.4 Stocks

at 31 December

	2010	2009
	€000	€000
Stationery and office supplies	58	40
IT consumables, etc.	19	74
Specialised consumables (Irish Coast Guard)	598	400
	<u>675</u>	<u>514</u>

2.5 Other Debit Balances

at 31 December

	2010	2009
	€000	€000
Retirement lump sums	985	1,125
OPW	—	334
Other	491	446
	<u>1,476</u>	<u>1,905</u>

2.6 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the state		
Income Tax	10	13
Pay Related Social Insurance	(20)	(20)
Professional Services Withholding Tax	62	153
Value Added Tax	125	355
Relevant Contract Tax	113	330
	<u>290</u>	<u>831</u>
Department of Finance	—	64
Pension Charges	497	372
Other	1,053	225
	<u>1,840</u>	<u>1,492</u>

2.7 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	14,370	2,665
Exchequer Grant Undrawn	(13,996)	(2,316)
Net liability to the Exchequer	<u>374</u>	<u>349</u>

Represented by:**Debtors**

Bank and cash	738	(64)
Debit balances: suspense	1,476	1,905
	<u>2,214</u>	<u>1,841</u>

Creditors

Due to State	(290)	(831)
Credit balances: suspense	(1,550)	(661)
	<u>(1,840)</u>	<u>(1,492)</u>

	<u>374</u>	<u>349</u>
--	------------	------------

2.8 Global Commitments

at 31 December

	2010	2009
	€000	€000
(i) Procurement subheads	639,511	54,987
(ii) Grant subheads	17,177	4,897
Total of legally enforceable commitments	<u>656,688</u>	<u>59,884</u>

2.9 Matured Liabilities

The total of matured liabilities at 31 December 2010 was €46K.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided €000	Explanation
A.4.	242	Expenditure was less than estimated in 2010 due to the implementation of a project to improve the efficiency of the Department's communications network.
B.3.	2,740	In line with the Memorandum of Understanding between the Department and the RSA, it was agreed that if the fees reached the Capital Reserved amount of €14.7m, the RSA would reduce the monthly exchequer drawdown by the excess amount.
B.4.	3,624	Reductions secured in a number of National Vehicle Driver File technical support contracts in accordance with D/Finance guidelines as well as introduction of efficiencies in this area.
B.5.	1,420	Savings arose principally due to the fact that initiation of some 30 Smarter Travel Demonstration projects took a number of weeks longer than expected; there has also been an unforeseen delay in the announcement of successful applicants under the Smarter Travel Areas Competition.
C.3.	1,035	The RPA variance is mainly due to efficiencies in legal and professional fees, non-payroll staff costs, fixed assets and establishment and maintenance costs.
D.1.	119	The saving arose as a result of achieving the most economical price to provide air accident investigation insurance in the event of a major accident which resulted in a reduced premium.
D.2.	2,733	The variance is due to a combination of delays in the drawdown of capital expenditure grants and a reduced requirement for operational subvention to the regional airports together with the early withdrawal by Ryanair from the Kerry/Dublin PSO air services contract.
D.3.	(251)	The variance was caused by the under-estimation of global traffic and the amounts paid to the Irish Aviation Authority (IAA) being dependent on traffic levels.
F.1.	673	The variance is due to the amount of subscriptions being determined by the Organisations themselves.
F.2.	301	Expenditure on advertising on Transport 21 was reduced in line with overall Government policy.
F.3.	4,029	Savings relate to funding for the A5 Derry to Aughnacloy roads project which were not drawn down in 2010.

4 Receipts

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
4.1 Appropriations-in-aid			
1. Recoupment for seconded staff	450	—	131
2. Road Transport licence fees	1,150	800	604
3. Irish Aviation Authority refund of subscriptions to international organisations	7,560	7,489	7,227
4. Irish Aviation Authority recoupment of rents, etc.	305	533	305
5. Irish Aviation Authority associated costs	2,200	2,361	2,507
6. Recoupment of costs of IAA safety audit	—	—	—
7. Miscellaneous receipts	300	370	262
8. Receipts from Local Government Fund	431,000	426,263	567,519
10. Receipts under the Merchant Shipping and Wireless Telegraphy Act	440	531	694
11. Pension Contribution from the Commission for Taxi Regulation	—	25	687
12. Receipts from pension - related deduction on public service remuneration	3,131	3,605	3,051
Total	446,536	441,977	582,987

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%.

Heading	Less/(more) than estimated €000	Explanation
1	450	In 2010, recoupment of staff costs was credited to A.1 and not to G.1 as in previous years.
2	350	Applications for licences and renewals were less than anticipated.
4	(228)	Since the Authority was established in 1994, it has paid rent for land and properties owned by the Minister and occupied by the Authority. The recoupment is determined by the Authority themselves.
5	(161)	The Department recoups costs incurred by it in areas of work associated with the IAA. This includes costs of salaries, T&S costs etc. in related policy areas such as air navigation policy and air safety policy. The recoupment is determined by the Authority themselves.
12	(474)	The surplus was due to under estimation.

	2010 €000	2009 €000
4.2 Extra Exchequer Receipts		
Recoupment of costs incurred by the Irish Coastguard	35	—
Voluntary surrender of pay	—	11
Total	35	11

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	496	518
	€000	€000
Pay	26,128	30,177
Higher, special or additional duties allowances	699	726
Other allowances	743	811
Overtime	480	466
Employer's PRSI	1,355	1,499
Total pay	29,405	33,679

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2010	2009
			€	€
Higher, special or additional duties	263	58	54,222	64,990
Other allowances	66	47	15,321	16,288
Overtime	95	14	30,844	30,530

Note: Certain individuals received extra remuneration in more than one category.

5.2 Other Remuneration Arrangements

Four retired civil servants, in receipt of civil service pensions, were re-engaged on a fee basis at a total cost of €28,155.

6 Miscellaneous Items

Compensation and associated legal and miscellaneous costs totalling €690,229 and ranging from €1,500 to €212,967 were paid in twelve cases taken against the Minister.

Vote 33: National Gallery

Introduction

As Accounting Officer for Vote 33, 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 2010 for the salaries and expenses of the National Gallery, including grants-in-aid.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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.

The unique characteristics of the Gallery collection renders it incapable of meaningful valuation. Therefore no values have been included in this account in respect of the collection.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the National Gallery.

As part of the risk management process, Gallery management has updated its risk register and manages its risks through a Risk Management Forum.

The general effectiveness of the Gallery's administrative and financial controls and its compliance with corporate governance best practice are reviewed on an ongoing basis through the work of the Internal Audit function and the Audit and Risk Committee.

RAYMOND KEAVENEY

Accounting Officer

National Gallery

23 February 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 33: National Gallery for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the National Gallery. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

29 June 2011

Vote 33 National Gallery Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	5,686	5,476	6,125
A.2. Travel and subsistence	42	74	45
A.3. Incidental expenses	1,266	1,074	1,148
A.4. Postal and telecommunications services	160	150	160
A.5. Office machinery and other office supplies and related services	298	390	497
A.6. Office premises expenses	788	717	718
A.7. Consultancy services	135	226	167
Other Services			
B. Grant-in-aid fund for acquisitions and conservation	2,000	2,000	2,000
C. National Gallery Jesuit Fellowship (grant-in-aid fund)	41	41	43
Gross Expenditure	10,416	10,148	10,903
Deduct			
D. Appropriations-in-aid	253	322	263
Net Expenditure	10,163	9,826	10,640
Surplus to be surrendered		€37,460	€29,448

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			8,107	8,860
Expenditure on services and programmes			2,041	2,043
Gross expenditure			10,148	10,903
Deduct				
Appropriations in aid			322	263
Net expenditure			9,826	10,640
Changes in capital assets				
Purchases cash		(238)		
Depreciation		278		
Disposals cash		5		
Loss on disposals		1		
			46	28
Changes in assets under development				
Cash payments			(21)	(114)
Changes in net current assets				
Increase in closing accruals		65		
Decrease in stock		1		
			66	(77)
Direct expenditure			9,917	10,477
Net allied services expenditure	1.1		977	1,051
Total operating cost			10,894	11,528

Note: No notional rent is recorded in respect of Gallery buildings which are in State ownership and maintained by OPW.

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 33 borne elsewhere

		2010 €000	2009 €000
7	Superannuation and Retired Allowances	258	258
10	Office of Public Works	719	793
		977	1,051

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	849	767
Capital Assets under Development	2.2	247	18
		1,096	785
Current Assets			
Bank and cash	2.3	528	365
Stocks	2.4	6	7
Prepayments		107	139
Other debit balances	2.5	6	17
Net Liability from the Exchequer	2.7	1,289	45
Total Current Assets		1,936	573
Less Current Liabilities			
Accrued expenses		212	145
Other credit balances	2.6	1,823	427
Total Current Liabilities		2,035	572
Net Current Assets/(Liabilities)		(99)	1
Net Assets		997	786

2.1 Statement of Capital Assets

	Office Equipment and Motor Vehicles €000	Furniture and Fittings €000	Totals €000
Gross Assets			
Cost or valuation at 1 January 2010	2,267	1,368	3,635
Additions	260	105	365
Disposals	—	(11)	(11)
Cost or valuation at 31 December 2010	2,527	1,462	3,989
Accumulated Depreciation			
Opening balance at 1 January 2010	1,978	890	2,868
Depreciation for the year	162	116	278
Depreciation on disposals	—	(6)	(6)
Cumulative depreciation at 31 December 2010	2,140	1,000	3,140
Net Assets at 31 December 2010	387	462	849
Net Assets at 31 December 2009	289	478	767

Note

Includes assets to the value of €55,025 acquired by the National Gallery and funded by Vote 35 Department of Tourism, Culture and Sport from Subhead D.5.

2.2 Statement of Capital Assets under Development

	Specialist Equipment €000
Amounts brought forward at 1 January 2010	18
Cash payments for the year	21
Additions paid for by Vote 35 Department of Tourism, Culture and Sport from Subhead D.5	247
Transferred to asset register	(39)
Amounts carried forward at 31 December 2010	247

2.3 Bank and Cash

	2010 €000	2009 €000
at 31 December		
PMG balances and cash	671	579
Orders/Lodgments outstanding	(143)	(214)
	528	365

2.4 Stocks	Note	2010	2009
at 31 December		€000	€000
Stationery		4	6
Cleaning materials		2	1
		<u>6</u>	<u>7</u>
2.5 Other Debit Balances		2010	2009
at 31 December		€000	€000
Miscellaneous		6	17
		<u>6</u>	<u>17</u>
2.6 Other Credit Balances		2010	2009
at 31 December		€000	€000
Amounts due to the State			
Grant-in-Aid Fund for Acquisitions and Conservation	6.1	1,629	203
National Gallery Jesuit Fellowship Grant-in-Aid Fund	6.2	194	224
		<u>1,823</u>	<u>427</u>
2.7 Net Liability from the Exchequer		2010	2009
at 31 December		€000	€000
Surplus to be surrendered		337	294
Exchequer grant undrawn		(1,626)	(339)
Net liability to/(from) the Exchequer		<u>(1,289)</u>	<u>(45)</u>
Represented by:			
Debtors			
Bank and cash		528	365
Other debit balances		6	17
		<u>534</u>	<u>382</u>
Creditors			
Credit balances		<u>(1,823)</u>	<u>(427)</u>
		<u>(1,289)</u>	<u>(45)</u>

2.8 Commitments

Commitments likely to materialise in future years include

(a) Sterling £375,000 per annum in respect of an agreement in connection with the retention and acquisition of certain paintings on loan.

(b) €38,796 in respect of the installation costs associated with a picture storage racking system.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than €000	Explanation
A.1.	210	This saving arose because of the recruitment embargo in the Public Service.
A.2.	(32)	Travel to London to manage the Library and Archive bequested by Sir Denis Mahon.
A.3.	192	Lower than anticipated expenditure on carriage of pictures, security, staff training and uniforms.
A.5.	(92)	Higher than anticipated expenditure on office and photography equipment.
A.6.	71	Continued savings achieved on energy costs (light & heat).
A.7.	(91)	Higher than anticipated expenditure on HR and Finance Consultancy.

4 Receipts

4.1 Appropriations-in-aid		2010 Estimated €000	2010 Realised €000	2009 Realised €000
1	Miscellaneous receipts	1	29	1
2	Receipts from pension related deduction on public service remuneration	252	293	262
Total		253	322	263

Note

In addition to the funds voted by the Oireachtas, the National Gallery of Ireland generated funds from a variety of activities including Exhibitions, Donations, Royalties, and Retail sales

5 Employee Numbers and Pay

Number of staff at year end (full time equivalents)	2010 115	2009 119
Pay	2010 €000 4,980	2009 €000 5,534
Higher, special or additional duties allowances	9	14
Other allowances	3	4
Overtime	54	92
Employer's PRSI	430	481
Total pay	5,476	6,125

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	3	—	—	3,709
Other allowances	49	—	—	840
Overtime	53	1	10,105	12,746

5.2 Other Remuneration Arrangements

The Director of the Gallery is provided with the use of a car under his terms of employment.

6 Miscellaneous Accounts**6.1 Grant-in-Aid Fund for Acquisitions and Conservation**

	Purchase and repair of pictures €000	Conservation of works of art €000	Purchase of books and journals €000	Totals €000
Balance at 1 January 2010	86	48	69	203
Grant-in-Aid (Subhead B)	1,921	40	39	2,000
Expenditure	(499)	(50)	(25)	(574)
Balance at 31 December 2010	1,508	38	83	1,629

6.2 Grant-in-Aid Fund for the National Gallery Jesuit Fellowship

	€000
Balance at 1 January 2010	224
Grant-in-Aid (Subhead C)	41
Expenditure	(71)
Balance at 31 December 2010	194

Vote 34: Enterprise, Trade and Innovation

Introduction

As Accounting Officer for Vote 34, 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 2010 for the salaries and expenses of the Office of the Minister for Enterprise, Trade and Innovation, including certain services administered by that Office, for payment of certain subsidies, grants and a grant-in-aid, and for the payment of certain grants under the cash-limited schemes.

The expenditure outturn is compared with the sums

- (a) granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year, and
- (b) provided for capital supply services in 2010 out of unspent 2009 appropriations, under the deferred surrender arrangements established by section 91 of the Finance Act 2004.

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

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Department of Enterprise, Trade and Innovation.

SEÁN GORMAN

Accounting Officer

Department of Enterprise, Trade and Innovation

28 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 34: Enterprise, Trade and Innovation for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Enterprise, Trade and Innovation. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapters 28 and 29 of my annual report refer to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

26 August 2011

Vote 34 Department of Enterprise, Trade and Innovation

Appropriation Account 2010

Service		2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000	€000
Administration				
A.1. Salaries, wages and allowances		33,027	31,268	36,581
A.2. Travel and subsistence		1,102	860	1,201
A.3. Incidental expenses		1,113	635	838
A.4. Postal and telecommunications		840	914	969
A.5. Office machinery and other office supplies and related services		4,599	4,429	4,682
A.6. Office premises expenses		1,400	1,035	1,243
A.7. Consultancy services		139	158	58
A.8. Advertising and publicity		314	143	199
A.9. Office of the Director of Corporate Enforcement		6,086	3,674	5,605
A.10. Labour Court		2,208	2,412	2,726
A.11. National Employment Rights Authority		7,824	6,935	7,936
A.12. Value for money and policy reviews		89	5	18
Enterprise Development, Science and Technology				
B.1. Forfás - Grant for administration and general expenses		35,231	35,505	36,527
B.2. Forfás - Pension payments arising from the financial measures (miscellaneous provisions) act		7,720	9,046	—
B.3. Intertrade Ireland		7,848	7,848	8,100
C.1. IDA Ireland - Grant for administration and general expenses		39,240	39,240	41,877
C.2. IDA Ireland - Grants to Industry				
<i>Current year provision</i>	85,000			
<i>Deferred surrender</i>	<u>5,000</u>	90,000	90,460	65,364
C.3. IDA Ireland - Grant for building operations		1,000	1,000	3,230
D.1. Enterprise Ireland - Grant for administration and general expenses		86,531	84,420	93,056
D.2. Enterprise Ireland - Grant to Industry		83,423	80,123	111,646
D.3. Enterprise Ireland - Grant for capital expenditure		1,500	850	2,400
E.1. Shannon Free Airport Development Company Limited - Grant for administration and general expenses		2	—	—
E.2. Shannon Free Airport Development Company Limited - Grants to Industry				
<i>Current year provision</i>	3,600			
<i>Deferred surrender</i>	<u>1,400</u>	5,000	5,272	700

	2010 Estimate	2010 Outturn	2009 Outturn
€000	€000	€000	€000
E.3. Shannon Free Airport Development Company Limited - Pension Payments arising from the financial measures (miscellaneous provisions) act	2,930	2,834	—
F.1. Science Technology and Innovation Programmes	293,318	292,132	323,554
F.2. Dublin- City of Science	538	370	—
F.3. Research and Development Activities ¹	27,500	27,500	—
F.4. An tUdarás Um Ard-Oideachas- Building Grants and Capital Costs for Universities and Colleges, Institutes of Technology, designated Institutions of Higher Education and Research and Development (Grant-in-Aid) ¹	13,700	13,700	—
G. County Enterprise Development	28,310	31,091	34,028
H.1. Monitoring and evaluation of EU Programmes	89	—	19
H.2. Interreg Enterprise Development	2,152	1,379	507
I. National Standards Authority of Ireland - Grant for administration and general expenses			
Current year provision	7,432		
Deferred surrender	40	7,472	7,338
			8,547
Labour Force Development			
K.1. FÁS Administration and general expenses ²	44,310	44,310	150,111
K.2. FÁS Training and integration	22,184	22,184	83,130
K.3. FÁS Employment Programmes ²	127,831	127,831	424,669
K.4. FÁS Capital ²	2,029	2,029	10,000
K.5. FÁS- Pension payments arising from the financial measures (miscellaneous provisions) act ²	8,151	8,151	—
L.1. Grant to Irish National Organisation for the Unemployed ³	52	52	52
L.2. Enterprise Ireland - Temporary Employment Subsidy Scheme -	114,500	93,353	18,200
L.3. European Globalisation Fund ²	—	—	—
M.1. Operational Programme for Human Resources Development - Technical Assistance ²	340	362	874
M.2. Leonardo Programme ₂	—	—	140
M.3. ESF- Community Initiatives fund			
Original	—		
Supplementary	5,846	5,846	5,845
			—

	2010 Estimate	2010 Outturn	2009 Outturn
€000	€000	€000	€000
Employment Rights and Industrial Relations			
N. Labour Relations Commission - Grant for administration and general	5,641	5,108	5,657
O.1. Grants for Trade Union Education and Advisory Services	1,073	805	1,200
O.2. Workplace Innovation Fund Promotion of Partnership	720	307	357
P. Trade Union Amalgamations	45	15	—
Commerce, Consumers and Competition			
Q. Grant to the Competition Authority	4,734	4,551	5,381
R.1. National Consumer Agency - Grant for administration and general expenses	7,232	5,578	6,105
R.2. Consumer Support	61	29	68
S.1. Companies Registration Office and Registry of Friendly Societies - Grant for administration and general expenses	7,995	7,897	8,728
S.2. Irish Auditing and Accounting Supervisory Authority (Grant-in-Aid)	1,345	1,282	1,355
S.3. Personal Injuries Assessment Board	60	57	—
Health and Safety			
T. Health and Safety Authority - Grant for administration and general expenses	21,959	20,059	22,361
Other Services			
U. Research including manpower	210	25	98
V. National Framework Committee for Work/Life Balance Policies	156	54	83
W. Subscriptions to International Organisations, etc.	17,401	17,457	17,317
X.1. Commissions, Committees and Special Inquiries	541	299	389
X.2. Miscellaneous payments	2,533	356	1,545
X.3. Superannuation and Pensions for Members of the Labour Court, the Restrictive Practices Commission and the Competition Authority	679	561	611
X.4. Export Credit Insurance - Refund to the Exchequer	33	32	16

		2010	2010	2009
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Gross Expenditure				
	<i>Original</i>	1,177,620		
	<i>Supplementary</i>	5,846		
	<i>Deferred surrender</i>	6,440	1,189,906	1,151,165
				1,550,058
Deduct				
Y. Appropriations-in-Aid				
	<i>Original</i>	72,796		
	<i>Supplementary</i>	5,845	78,641	81,724
				73,253
Net Expenditure				
	<i>Original</i>	1,104,824		
	<i>Supplementary</i>	1		
	<i>Deferred surrender</i>	6,440		
		1,111,265	1,069,441	1,476,805
Surplus for the year			€ 41,824,150	€ 18,909,020
Deferred surrender			—	€ 6,440,000
Surplus to be surrendered			€ 41,824,150	€ 12,469,020

¹ Service transferred from the Department of Education and Skills with effect from 1 May 2010. Expenditure incurred prior to that date is shown in Vote 26.

² Service transferred to the Department of Education and Skills with effect from 1 May 2010. Expenditure incurred since that date is shown in Vote 26.

³ Service transferred to the Department of Education and Skills with effect from 1 May 2010, however, the full 2010 allocation was spent by the Department of Enterprise, Trade and Innovation prior to the transfer of functions.

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			52,468	62,056
Expenditure on services and programmes			1,098,697	1,488,002
Gross expenditure			1,151,165	1,550,058
Deduct				
Appropriations-in-aid			81,724	73,253
Net expenditure			1,069,441	1,476,805
Changes in capital assets				
Purchases cash		(872)		
Depreciation		2,721		
Transfers Cash		4		
Loss on disposals / transfers		33	1,886	1,573
Changes in assets under development				
Cash payments		(1,156)		
Adjustment to Capital Projects		39	(1,117)	(1,323)
Changes in net current assets				
Decrease in closing accruals		(1,181)		
Increase in stock		(24)		
			(1,205)	(2,968)
Direct expenditure			1,069,005	1,474,087
Net allied services expenditure	1.1		22,483	26,798
Notional rents			2,447	2,996
Total operating cost			1,093,935	1,503,881

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 34 borne elsewhere

	2010 €000	2009 €000
Vote		
7 Superannuation and Retired Allowances	14,791	17,351
9 Office of the Revenue Commissioners	269	292
10 Office of Public Works	6,956	8,515
20 Garda Síochána	211	185
Central Fund - Ministerial etc. pensions	256	455
	22,483	26,798

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	8,882	8,029
Capital Assets under Development	2.2	546	2,168
		9,428	10,197
Current Assets			
Bank and cash	2.3	3,827	14,056
Stocks	2.4	375	351
Prepayments		439	360
Accrued income		779	2,632
Other debit balances	2.5	1,752	1,899
Total Current Assets		7,172	19,298
Less Current Liabilities			
Accrued expenses		405	855
Deferred income		1,243	3,748
Other credit balances	2.6	3,804	6,668
Net Liability to the Exchequer	2.7	1,775	9,287
Total Current Liabilities		7,227	20,558
Net Current Liabilities		(55)	(1,260)
Net Assets		9,373	8,937

2.1 Capital Assets

	Motor Vehicles €000	Office & IT Equipment €000	Furniture and Fittings €000	Total €000
Gross assets				
Cost or valuation at 1 January 2010	14	31,007	7,900	38,921
Additions	—	3,590	21	3,611
Transfers ¹	—	—	(7)	(7)
Disposals	—	(680)	(1,167)	(1,847)
Cost or valuation at 31 December 2010	14	33,917	6,747	40,678
Accumulated Depreciation				
Opening balance at 1 January 2010	6	23,916	6,970	30,892
Depreciation for the year	3	2,391	327	2,721
Depreciation on transfers ¹	—	—	(2)	(2)
Depreciation on disposals	—	(680)	(1,135)	(1,815)
Cumulative depreciation at 31 December 2010	9	25,627	6,160	31,796
Net Assets at 31 December 2010	5	8,290	587	8,882
Net Assets at 31 December 2009	8	7,091	930	8,029

¹ Assets with a cost of €7,262 and cumulative depreciation of €2,075 were transferred from the Department to the Department of Education and Skills.

2.2 Capital Assets under Development

	In-House Computer Applications €000
Amounts brought forward at 1 January 2010	2,168
Cash payments for the year	1,156
Amount written off during 2010	(39)
Brought into use in year	(2,739)
Amounts carried forward at 31 December 2010	546

2.3 Bank and Cash

at 31 December

	2010	2009
	€000	€000
PMG balances and cash	4,824	15,090
Orders outstanding	(997)	(1,034)
	<u>3,827</u>	<u>14,056</u>

2.4 Stocks

at 31 December

	2010	2009
	€000	€000
Stationery	286	267
IT Supplies	66	65
Materials	23	19
	<u>375</u>	<u>351</u>

2.5 Other Debit Balances

at 31 December

	2010	2009
	€000	€000
Imprests advanced	20	21
Department of Justice and Law Reform	35	35
Department of Arts, Sport and Tourism	7	7
OPW Advances	25	—
Miscellaneous debit balances	487	522
Recoupable expenditure	1,178	1,314
	<u>1,752</u>	<u>1,899</u>

2.6 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the State		
Income Tax	101	120
Superannuation contributions	564	616
Pay Related Social Insurance	(64)	(101)
Income Levy	(1)	(58)
Professional Services Withholding Tax	137	177
VAT on Intra EU Acquisitions	67	31
	<u>804</u>	<u>785</u>
European Union funds	—	3,257
Miscellaneous credit balances	3,000	2,626
	<u>3,804</u>	<u>6,668</u>

2.7 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	41,824	18,909
Exchequer grant undrawn	(40,049)	(9,622)
Net liability to the Exchequer	<u>1,775</u>	<u>9,287</u>
Represented by:		
Debtors		
Bank and cash	3,827	14,056
Debit balances: suspense	1,752	1,899
	<u>5,579</u>	<u>15,955</u>
Creditors		
Due to State	(804)	(785)
Credit balances: suspense	(3,000)	(5,883)
	<u>(3,804)</u>	<u>(6,668)</u>
	<u>1,775</u>	<u>9,287</u>

2.8 Commitments

at 31 December

Global Commitments		2010	2009
		€000	€000
(A)	Procurement	734	239
(B)	Grants*	1,421,238	1,448,960

*includes expenditure from own resource income.

Multi Annual Capital Commitments over €6.35m ¹

	Cumulative Expenditure to 31 December 2009 €000	Expenditure in 2010 €000	Subsequent Years €000
IDA Ireland	78,100	110,300	111,000
Enterprise Ireland	20,749	12,372	106,379
Shannon Development ²	4,254	4,158	15,009
Science Foundation Ireland ²	35,188	33,586	104,017
Programme for Research in Third Level Institutions (PRLTI)	—	4,192	171,923
	138,291	164,608	508,328

¹ This relates to individual contracts with a value over €6.35m.

² Cumulative expenditure to 31 December 2009 was adjusted to account for expenditure on 2 projects omitted from 2009 Appropriation Account.

2.9 Matured Liabilities

Estimated matured liabilities undischarged at the year-end were € 89,827.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided €000	Explanation
A.3.	478	Savings were made through (i) the reduced use of external trainers (ii) Irish and Foreign Translation costs (iii) health and safety costs and (iv) legal fees. The Ministerial Allowance was discontinued early in the year.
A.6.	365	Due to the ongoing economic downturn the Department did not carry out any major refurbishment or renovation projects in 2010 and its purchase of new furniture and fittings were minimal. During the year also, the cost of certain services and supplies decreased due to increased competitiveness.
A.8.	171	Savings are primarily due to reduced spending levels in the newspaper/advertising element of the sub-head which is largely dependant on the number of statutory instruments being made in any particular financial year.
A.9.	2,412	The savings arose in the non-pay side of the ODCE budget. This was principally due to legal costs being significantly less than anticipated because expected Supreme Court and High Court judgements did not materialise.
A.11.	889	Pay under-spend of €159,805 resulted from a reduction in staff numbers and the consequent non filling of vacancies. Non-Pay underspend €729,496 arose due to savings in (i) travel and subsistence, (ii) the Information Communications Technologies area and (iii) across a range of administration headings arising from reduced costs and efficiencies.
B.2.	(1,326)	This subhead was established to provide funding to meet the pension liability on two Forfas pension schemes that were funded schemes up to 31 December 2009 when the funds were transferred to the National Pension Reserve Fund. The allocation provided was insufficient to meet the actual liability arising under the funded pensions in 2010.
C.2.	(460)	With the approval of the Department of Finance the sum of €460,000 was vired from subhead H2 to subhead C2 in December 2010 as grant claims for the year exceeded the original Exchequer funding allocation.
D.3.	650	This saving is due to the cancellation of proposed moves for the Athlone and Waterford regional offices of Enterprise Ireland and due to delays to work on the new entrance to the Glasnevin site.
E.2.	(272)	Original E2 allocation of €3,600,000 plus Capital Carryover of €1,400,000 was insufficient, due to increased grant demand from companies in the Shannon Free Zone. An approved virement amount from H2 was used to cover the balance of expenditure. This virement amounted to €272,256.
F.2.	168	The savings arose due to the late appointment of a Project Manager for the Dublin City of Science Event over the period 2009 to 2012.

G	(2,781)	An additional €3.3m Capital was provided from savings elsewhere in the Department, bringing the total allocation for 2010 to €31.6. The request to vire the additional funds was made to promote business start ups and to develop existing businesses to support job retention and creation in line with government policy.
H.2.	773	Delays in the approval of projects, and subsequent delayed and reduced expenditure by projects, resulted in a significant underspend by Interreg's Managing Authority - SEUPB (Special EU Programmes Body).
L.2.	21,147	The underspend arises because of approved enterprises not being able to maintain the required number of committed full and part time jobs as defined for the purposes of the scheme for a given claim period.
N	533	The saving in Pay of €53,000 was due to staff vacancies not being filled. The saving in Non-Pay of €480,000 was due to savings in (i) Travel and Subsistence, (ii) IT projects and (iii) expenditure on Assessors and Legal Costs being less than anticipated.
O.1.	268	The grant is payable in 4 instalments during the year to the Irish Congress of Trade Unions (ICTU), on the basis of requests from the ICTU for payment. The ICTU did not draw down the fourth instalment in 2010.
O.2.	413	The drawdown by Enterprise Ireland was less than anticipated as a number of the companies which had been approved for funding deferred plans to undertake project activity in 2010 as a consequence of the uncertainty resulting from the economic downturn.
R.1.	1,654	The Pay budget was provided to support the Agency recruiting additional staff during 2010 but under the Employment Control Framework no staff were recruited. Savings in Non Pay resulted from reductions in financial outlays on a range of administration and financial services. Savings were also achieved in travel and subsistence.
T	1,900	Savings were achieved by: (i) A strong efficiency drive by H.S.A. management (assisted by a new IT system), (ii) a lower level of legal cases than anticipated, (iii) the absence of major and complex accidents requiring outside forensic expertise, (iv) the deferral of expenditure on some major new projects to 2011, and (v) a tight management by DETI of cash drawdowns by the Authority.
U	185	Savings arose as a research project costing a potential €100,000 that was to be undertaken in 2010 did not proceed.
V	102	The underspend was due to the lower than expected level of companies applying for assistance from the Panel of Consultants Scheme. In 2010 a decision was made to wind up the Panel of Consultants Scheme, to disband the National Committee on Work Life Balance and to move the contents of the Work Life Balance website into DETI website, with the result that no expenditure was sanctioned in the later part of 2010.
X.1.	242	It is difficult to accurately predict the expenditure which might occur under this heading during the year. Cost reduction and cost containment measures resulted in savings on all nominals under this subhead.
X.2.	2,177	The estimate under this Subhead is to cover contingencies which might arise in cases of legal and other costs. Savings arose primarily due to legal costs not arising as anticipated. Some administrative savings were also achieved.
X.3.	118	This Subhead includes a contingency provision to cover death in service and ill-health retirements. It is necessary to have a contingency provision given their unforeseen nature.

4 Receipts

4.1 Appropriations-in-aid

	2010	2010	2009
	Estimated	Realised	Realised
€000	€000	€000	€000
1. Receipts from the Social Insurance Fund under Section 56 of the Redundancy Payments Act, 1967 (Employment Appeals Tribunal).	2,929	4,486	3,413
2. Work Permit Fees	5,000	3,816	4,601
3. Employment Agency licences	215	223	213
4. Companies Registration Office & Registry of Friendly Societies	18,000	20,254	22,648
5. Receipts under the Trade Marks Act, 1963 and Patents Act, 1964	8,600	8,978	8,878
6. Occasional Trading Licences (Competition Authority)	8	3	10
7. National Consumer Agency	440	370	439
8. Merger notifications	256	384	208
9. FÁS Pensions ¹	1,226	1,226	3,953
10. FÁS Pensions - Pension receipts arising from the Financial Measures (Miscellaneous Provisions) Act ¹	1,223	1,223	—
11. Receipts from IDA Ireland	13,836	13,836	—
12. European Social Fund			
Original Estimate	107		
Supplementary	5,845		
	5,952	5,952	8,332
13. ODCE legal	100	22	17
14. County Enterprise Development	618	332	99
15. Competition Authority - Receipts	—	1	95
16. Enterprise Policy (InterTrade Ireland)	50	37	77
17. IAASA pay refund	134	313	261
18. PIAB Pay and superannuation	1,719	1,233	1,404
19. HSA superannuation	675	522	509
20. IDA Ireland - Pension receipts arising from the Financial Measures (Miscellaneous Provisions) Act	2,580	2,586	—
21. SFADCo - Pension receipts arising from the Financial Measures (Miscellaneous Provisions) Act	1,270	1,143	—
22. Receipts from Pension - related deduction on Public Service Remuneration	13,710	13,555	16,890
23. Miscellaneous	100	1,229	1,206
Total	78,641	81,724	73,253

¹ Service transferred to the Department of Education and Skills with effect from 1 May 2010. Receipts received since that date have been brought to account in Vote 26.

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%.

Heading	Less/ (more) than estimated €000	Explanation
1.	(1,557)	The administrative costs of Redundancy, Insolvency and Finance Units are difficult to predict with overtime and annual increments to take into account and it is, therefore, difficult to give an exact estimate. The excess over the estimate for 2010 can be accounted for by the increase in staff numbers and also there was an extra reliance on overtime.
2.	1,184	The reduction in fee receipts can be attributed to (i) a drop in the number of new fee bearing applications received due to more restrictive policies introduced for first time permits from 1st June 2009, (ii) a new policy decision whereby non-EEA nationals who held an employment permit for a consecutive five year period no longer require one to work in the State, and (iii) continued downturn in the economy leading to a decrease in demand for permits.
4.	(2,254)	Receipts in the CRO are made up mainly of late filing penalties and filing fees. It is difficult to accurately forecast the number of companies who will file late and thereby incur late penalties, or who will file electronically and avail of lower filing fees. The estimate of €18m was based on a trend of diminishing receipts in previous years, but in any event, the receipts were more than anticipated.
8.	(128)	The Competition Authority estimated the number of notifications for 2010 at 32 based on the number of mergers and acquisitions notified to them in previous years. However, merger activity in 2010 was stronger than in previous years and 46 mergers were notified to the Competition Authority.
14.	286	The estimate of €618k was based on staff numbers at the time of the 2010 REV. The variation from the Estimate reflects the departure of staff and the subsequent vacancies arising from non replacement of staff, thus reduced outgoing pay costs and reduced incoming pension contributions.
17.	(179)	The Department's liability to IASSA is calculated at 40% of funding in respect of the Companies Act and 100% of expenditure in respect of the Transparency Directive. The Department runs the payroll for IASSA. Where the total amount of the payroll exceeds the Department's funding liability to IASSA the excess is refunded as A in A. In 2010, due to reduction in overall costs of IASSA the refund due from the Department's running of the payroll was greater than estimated.
18.	486	The 2010 estimate was overstated. The decrease in pension contributions for the staff of the Personal Injury Assessment Board is directly related to the pay cuts that took effect from January 2010.
19.	153	The item relates to the pension contributions for the staff of the Health & Safety Authority. The 2010 forecast of receipts was understated.
21.	127	The estimate of €1,270k was based on pay levels at the time of the 2010 REV, prior to the announcement of pay cuts that took effect from 1 Jan 2010. As a result of the pay cuts, both employee and employer pension contributions were decreased.
23.	(1,129)	By its nature it is difficult to predict what level of receipts will be received under this category. The majority of the excess, approximately €971k, relates to unused funds returned by CEBs in 2010. Also, an amount of €103k was received in respect of refunds of Employers PRSI.

4.2 Extra receipts payable to the Exchequer

	Estimated	Realised
	€	€
Export Credit - Recoveries from Iraq	200,000	—
IDA Ireland - Interconnectivity Project receipts	—	74,910
Enterprise Ireland - Surplus own resource income - Current (D1, D2, F)	20,000	494,000
Enterprise Ireland - Surplus own resource income - Capital (D2, D3, G)	10,000	9,714,024
Enterprise Ireland - Grant refunds - Capital (F)	251,000	271,332
Forfas - Current	—	799,000
FÁS - Sale of Assets	7,000	7,750
Shannon Development - Grant Refunds - Capital	—	490,477
Information Society - Refund in respect of PRISM 111 projects	21,000	10,723
Miscellaneous	—	717,595
	509,000	12,579,811

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	861	912
	€000	€000
Pay	41,197	47,741
Higher, special or additional duties allowances	763	899
Other allowances	382	410
Overtime	722	793
Employer's PRSI	2,215	2,633
Total pay	45,279	52,476

Note: The total pay of €45.279m is charged to subheads A.1, A.9, A.10, A.11, A.12, M.1 and S.1.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010	Maximum individual payment 2009
			€	€
Higher, special or additional duties	114	7	24,026	21,699
Other allowances	207	6	56,316	46,458
Overtime	258	17	19,266	26,908

Note: Certain individuals received extra remuneration in more than one category.

5.2 Performance and Merit Payments

No performance or merit awards were paid in 2010.

6 Miscellaneous Items

6.1 EU Funding

The amount of €5,951,912.27 received from the European Social Fund and shown as appropriations-in-aid was included in the recorded expenditure for subhead M.3 and M.5 (M.5 - Equal community initiative development partnerships - subhead retired in 2009). Some €5,845,060.30 of this was in respect of the Employment and Human Resources Operational Programme 2000 - 2006.

In addition to the grants from the Vote, the following bodies under the aegis of the Department received EU aid directly in 2010 as shown below:

Subhead	Description	2010 Total €	2009 Total €
E.2.	SFADCo	206,857	111,101
F	Science Foundation	—	109,173
K.1.	FÁS	—	867,638
M.2.	Leonardo Programme	—	1,008,785
		206,857	2,096,697

6.2 Commissions and Inquiries

	Year of appointment	2010 €	2009 €
National Framework Committee for Work/Life Balance Po	2004	53,706	83,048
Joint Labour Committees	1946	18,036	76,167
Company Law Inquiries	1994	15,246	72,642
Company Law Review Group	2000	23,780	24,919
Business Regulation Group	2006	36,970	7,918
Workplace Safety	2002	200,000	200,000
Departmental Audit Committee	2004	498	2,049
Sales Law Review Group	2009	4,197	5,157
Total		352,433	471,900

6.3 Miscellaneous

A sum of €5.845m was written off in respect of advance payments made to projects over the period 1995 - 2000 under the ADAPT and Employment Community Initiatives. It was expected that the amount in question would be recouped from the European Commission, but it was subsequently withheld due to the manner in which the Department presented European Social Fund Claims. The amount in question is deemed to be non-recoverable from the projects and the charge of €5.845m is reflected in Subhead M.3. having initially been charged to a suspense account.

Two amounts of €19,246 and €19,561 which were charged to Subhead A.5. in previous years in respect of two IT capital projects, were written off as the projects subsequently did not proceed.

Expenditure under Subhead X.2. Includes legal costs of €65,000 arising from costs in relation to legal actions of a constitutional nature to certain provisions of the Personal Injuries Assessment Board Act 2003, as amended.

6.4 Miscellaneous Payments

Employment and Training Levy - Statement of Payments made in accordance with Section 25(1) of the Labour Services Act, 1987

	Total for the year ended 31 December 2010	Cumulative to 31 December 2010	Total for the year ended 31 December 2009
	€	€	€
Received by Minister for Enterprise, Trade and Innovation	544,455	2,890,402,253	1,344,089
Paid by Minister for Enterprise, Trade and Innovation into the Exchequer	544,455	2,890,402,284	1,309,374

Vote 35: Tourism, Culture and Sport

Introduction

As Accounting Officer for Vote 35, 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 2010 for the salaries and expenses of the Office of the Minister for Tourism, Culture and Sport, including certain services administered by that Office, and for payment of certain subsidies, grants and grants-in-aid.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

The Statement of Accounting Policies and Principles and notes 1 to 7 form part of the Account.

It should be noted that the responsibility for the Horse and Greyhound Racing fund along with associated expenditure transferred to the Department of Agriculture, Fisheries and Food from 1st May 2010 (S.I. 179/2010)

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 with the exception of the following:

Depreciation

Capital assets are depreciated on a straight line basis over their estimated useful life commencing in the month the asset is placed in service.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Department of Tourism, Culture and Sport.

CON HAUGH

Accounting Officer

Department of Tourism, Culture and Sport

31 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 35: Tourism, Culture and Sport for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Tourism, Culture and Sport. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapters 30 and 31 of my annual report refer to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

22 July 2011

Vote 35 Department of Tourism, Culture and Sport

Appropriation Account 2010

Service	2010 Estimate	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	9,396	9,347	10,062
A.2. Travel and subsistence	275	208	220
A.3. Incidental expenses	240	180	178
A.4. Postal and telecommunications services	300	257	256
A.5. Office machinery and other office supplies and related services	440	281	382
A.6. Office premises expenses	500	351	335
A.7. Consultancy services	80	64	77
A.8. Advertising and publicity	41	9	12
A.9. Value for money and policy reviews	10	4	10
Tourism Services			
B.1. Fáilte Ireland - (grant-in-aid)	68,299	67,016	76,694
B.2. Tourism Ireland Limited - grant for administration and general expenses	18,740	18,740	18,970
B.3. Shannon Free Airport Development Company Limited - (tourism development) (grant-in-aid)	831	831	832
B.4. Tourism marketing fund (grant-in-aid fund)	44,250	44,250	47,250
B.5. Tourism product development (grant-in-aid)	21,000	10,000	5,611
Sports and Recreation Services			
C.1. Grants for sporting bodies and the provision of sports and recreational facilities (part funded by National Lottery)	48,000	50,042	58,738
C.2. Grants for provision and renovation of swimming pools	7,500	3,122	11,670
C.3. Irish Sports Council (grant-in-aid) (part funded by National Lottery)	49,572	49,572	51,677
C.4. National Sports Campus	7,754	5,459	6,397
C.5. Lansdowne Road	4,500	4,451	1,500
C.6. Grant to support sport in disadvantaged areas (Dormant Accounts funding)	395	395	1,304

Service	2010 Estimate	2010 Outturn	2009 Outturn
	€000	€000	€000
Arts and Culture			
D.1. Payments to match resources generated by the National Archives	66	28	52
D.2. General expenses of the National Archives and National Archives Advisory Council	1,654	1,775	1,813
D.3. General expenses of the Irish Museum of Modern Art, Chester Beatty Library, National Concert Hall and the Crawford Gallery (grant-in-aid)	14,069	14,069	15,631
D.4. Cultural projects	4,420	4,418	5,317
D.5. Cultural development	16,491	15,463	17,842
D.6. Culture Ireland	4,083	5,070	4,550
D.7. An Chomhairle Ealaíon (part funded by National Lottery) (grant-in-aid)	68,649	68,649	73,350
D.8. General expenses of the National Museum of Ireland (grant-in-aid)	15,125	15,125	15,415
D.9. General expenses of the National Library of Ireland (grant-in-aid)	9,348	9,251	10,742
D.10. Irish Film Board (grant-in-aid)	19,272	19,272	21,840
Horse and Greyhound Racing			
E. Horse and Greyhound Racing Fund	32,788	32,788	68,128
Gross Expenditure	468,088	450,487	526,855
Deduct			
F. Appropriations-in-aid	3,179	4,628	4,810
Net Expenditure	464,909	445,859	522,045
Surplus for the year		€19,050,334	€3,531,481
Deferred surrender		€5,000,000	—
Surplus to be surrendered		€14,050,334	€3,531,481

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			10,701	11,532
Expenditure on services and programmes			439,786	515,323
Gross expenditure			450,487	526,855
Deduct				
Appropriations in aid			(4,628)	(4,810)
Net expenditure			445,859	522,045
Changes in capital assets				
Purchases Cash		(450)		
Depreciation		502		
Loss on disposals		37	89	(61)
Changes in net current assets				
Increase in closing accruals		13		
Increase in Stock		(2)	11	(630)
Direct expenditure			445,959	521,354
Net allied services expenditure	1.1		10,678	13,638
Notional rents			5,663	6,979
Total operating cost			462,300	541,971

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 35 borne elsewhere.

		2010 €000	2009 €000
Vote :			
7	Superannuation and Retired Allowances	5,514	6,400
10	Office of Public Works	4,476	6,579
19	Justice and Law Reform - Financial Shared Services Centre	386	388
20	Garda Síochána	202	171
	Central Fund - Ministerial etc. pensions (No. 38 of 1938, etc)	100	100
		10,678	13,638

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital assets	2.1	2,699	3,187
		2,699	3,187
Current assets			
Bank and cash	2.2	10,135	1,334
Stocks	2.3	40	38
Prepayments		41	79
Accrued income		261	244
Other debit balances	2.4	261	173
Total current assets		10,738	1,868
Less current liabilities			
Accrued expenses		231	239
Other credit balances	2.5	938	1,061
Net liability to the Exchequer	2.6	9,458	446
Total current liabilities		10,627	1,746
Net current assets		111	122
Net assets		2,810	3,309

2.1 Capital assets

	Office Equipment €000	Furniture and Fittings €000	Totals €000
Gross assets			
Cost or valuation at 1 January 2010	3,121	5,382	8,503
Prior year adjustment ¹	(232)	(1,896)	(2,128)
Additions	136	314	450
Disposals	—	(132)	(132)
Cost or valuation at 31 December 2010	3,025	3,668	6,693
Accumulated depreciation			
Opening balance at 1 January 2010	2,314	3,002	5,316
Prior year adjustment ¹	(231)	(1,498)	(1,729)
Depreciation for the year	316	186	502
Depreciation on disposals	—	(95)	(95)
Cumulative depreciation at 31 December 2010	2,399	1,595	3,994
Net assets at 31 December 2010	626	2,073	2,699
Net assets at 31 December 2009	807	2,380	3,187

¹ The Department made adjustments to the fixed asset register in respect of prior years totalling €2,128,208 in terms of cost and €1,728,555 and €399,653 in terms of accumulated depreciation and net assets respectively. Of the above, €16,074 of the net assets adjustment related to an adjustment in order to bring the Department into compliance with the Department of Finance Circular 02/04 on capitalisation limits of €1,000. Net assets of €383,452 were removed from the register as they related to archive boxes and folders which were more properly treated as consumables and €127 related to other assets.

2.2 Bank and cash

	2010 €000	2009 €000
at 31 December		
PMG balances and cash	12,327	1,433
Orders outstanding	(2,192)	(99)
	10,135	1,334

2.3 Stocks

	2010 €000	2009 €000
at 31 December		
Stationery	23	20
IT consumables	17	18
	40	38

2.4 Other debit balances

at 31 December

	2010	2009
	€000	€000
OPW	20	—
Other	241	173
	<u>261</u>	<u>173</u>

2.5 Other credit balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the State		
Income Tax	142	177
Pay Related Social Insurance	75	82
Professional Services Withholding Tax	10	21
Value Added Tax	61	45
Pensions	32	10
	<u>320</u>	<u>335</u>
Crowley Bequest Fund	525	622
Other	93	104
	<u>938</u>	<u>1,061</u>

2.6 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	19,050	3,531
Exchequer grant undrawn	(9,592)	(3,085)
Net liability to the Exchequer	<u>9,458</u>	<u>446</u>

Represented by:**Debtors**

Bank and cash	10,135	1,334
Debit balances: suspense	261	173
	<u>10,396</u>	<u>1,507</u>

Creditors

Due to State	(320)	(335)
Credit balances: suspense	(618)	(726)
	<u>(938)</u>	<u>(1,061)</u>
	<u>9,458</u>	<u>446</u>

2.7 Commitments

(a) Global commitments

Contracted commitments at 31 December 2010 amounted to €4.9m (2009 - €7.1m)

	Expenditure 2002-2009	Expenditure 2010	Subsequent years	Total cost
	€000	€000	€000	€000
(b) Multi-annual capital commitments				
Sports & recreational facilities grants	502,559	50,042	77,528	630,129
Local Authority swimming pool programme	127,246	3,122	6,619	136,987
ACCESS (cultural development grants)	60,585	5,543	25,678	91,806
Other Arts capital projects	85,490	9,656	5,821	100,967
Lansdowne Road redevelopment	186,549	4,451	—	191,000

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided €000	Explanation
A.5.	159	The underspend was due to reductions in external service contract costs and managed services costs and a reduced level of IT hardware upgrade and replacement.
A.6.	149	The underspend was due to ongoing reductions in underlying electricity and heating expenditure, partly arising from retendering of existing contracts, and further substantial reductions in staff and office relocation costs. While the underlying expenditure in electricity was reduced during 2010, retrospective reconciliation of charges for previous years to the Department of Enterprise, Trade & Innovation resulted in a once-off spike in total expenditure for 2010.
B.1.	1,283	The underspend of €1.283 million arose due to the non-replacement of staff on maternity, parental and shorter working year leave together with the non-payment of lump sum gratuities due to the postponement until 2011 by five staff of proposed early retirements.
B.5.	11,000	The underspend was due to slower than anticipated drawdown due to difficulties including the availability of matched funding, planning and other related delays.
C.1.	(2,042)	Expenditure on this subhead is demand led. The overspend was due to Sports Capital projects progressing more quickly than was originally anticipated and due to a number of special allocations being made, and paid, in 2010. This overspend was met from savings elsewhere in the Vote.
C.2.	4,378	The Local Authority swimming pool programme is demand led and dependent on Local Authorities progressing with the actual building of the pools. The spend is profiled in the Department's estimates in line with the expenditure projections received from the Local Authorities. In 2010 the actual spend was less than that projected due to buildings progressing less quickly than originally expected by the Authorities.
C.4.	2,295	Most of the 2010 capital allocation (€3m) was provided to meet the costs associated with the refurbishment of the former Marine Institute building at Abbotstown as new office accommodation for the National Governing Bodies of Sport in Ireland. However, it did not prove possible to make progress on this refurbishment in 2010, thus resulting in savings on this provision.
D.2	(121)	The overspend arose from the urgent need to improve the storage facilities and storage density for the National Archives, both at Bishops Street and the Four Courts. The project was jointly managed with the OPW.
D.5.	1,028	This is a demand led subhead which depends on adequate progress being made with the projects funded under the subhead. The main reasons for the underspend were difficulties sourcing matching funding, planning permission issues and delays in obtaining the required legal agreements.
D.6.	(987)	Additional funding was allocated to Culture Ireland in November 2010 to be spent on the Imagine Ireland USA 2011 programme.

Appropriation in Aid

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
4.1 Appropriations-in-aid			
1. National Archives	66	29	63
2. Miscellaneous receipts	90	206	165
3. Dormant Accounts	395	395	1,304
4. Tourism Ireland Ltd. pension receipts	153	440	484
5. Irish Sports Council pension receipts	—	57	—
6. Irish Film Board pension receipts	—	36	—
7. Receipts from pension - related deduction on public service	2,475	3,465	2,794
Total	3,179	4,628	4,810

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%.

Heading	Less/(more) than estimated €000	Explanation
2	(116)	The variance is largely explained by the return by grantees of monies, awarded and paid in respect of the Sports Capital Programme
4	(287)	The variance is explained by once-off receipts in respect of the State's share of transfer values
7	(990)	The variance is mainly due to the underestimation of pension levy receipts as this was the first full year of receipts

4.2 Extra receipts payable to the Exchequer

The Department paid over in 2010 exchequer extra receipts of €305,007 in respect of prior year Irish Film Board pension contributions, €33,883 in respect of the closure of the Music Board suspense account which had been held in the context of the 2004 EU Presidency Cultural Programme and €5,065 in respect of the closure of the EU Lund Programme suspense account.

5 Employee Numbers and Pay

	2010	2009
Average number of staff (full time equivalents)	153	159
	€000	€000
Pay	8,694	9,360
Higher, special or additional duties allowances	46	58
Other allowances	60	70
Overtime	131	125
Employer's PRSI	416	449
Total pay	9,347	10,062

5.1 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	6	1	13,644	18,902
Other allowances	30	2	15,121	11,488
Overtime	34	4	12,812	12,782

Note: Certain individuals received extra remuneration in more than one category.

6 Miscellaneous Items

6.1 National Lottery funding

Under subheads C.1, C.3 and D.7, total expenditure of €168.263 million was part-funded by the National Lottery. A full list of grantees under subhead C.1. is available on the Department's website (www.tcs.gov.ie)

6.2 Other

The account includes expenditure in 2010 totalling €275,929 on Public Private Partnership projects for the redevelopment of the National Concert Hall (NCH) on its existing site and the development of a new Abbey Theatre at George's Dock. Since 2007 cumulative expenditure by the Department and State agencies, including the National Development Finance Agency and the Office of Public Works, on the projects amounted to €2,890,514 and a balance of approximately €63,750 in respect of the NCH remains to be paid.

It was decided in 2010 not to proceed with these projects.

7 Miscellaneous Accounts

7.1 Payments towards general expenses of the Irish Museum of Modern Art, Chester Beatty Library, National Concert Hall and the Crawford Gallery (Subhead D.3)

	2010 €000	2009 €000
Payments		
Irish Museum of Modern Art	6,671	7,317
Chester Beatty Library	2,714	3,083
National Concert Hall	3,105	3,478
Crawford Gallery, Cork	1,579	1,753
	<u>14,069</u>	<u>15,631</u>

7.2 Horse and Greyhound Racing Fund

Account of Receipts and Payments for the year ended 31 December 2010

Balance on 1 January 2010	—	—
Receipts (Subhead E)	32,788	68,128
Payments		
Horse Racing Ireland	(22,000)	(54,502)
Bord na gCon	(10,788)	(13,626)
Balance at 31 December 2010	<u>—</u>	<u>—</u>

It should be noted that the responsibility for the Horse and Greyhound Racing Fund transferred to the Department of Agriculture, Fisheries and Food from 1st May 2010 (S.I. 179/2010)

7.3 The Crowley Bequest Fund

Account of receipts and payments for the year ended 31 December 2010

Balance on 1 January 2010	622	727
Payments	(97)	(105)
Balance at 31 December 2010	<u>525</u>	<u>622</u>

Vote 36: Defence

Introduction

As Accounting Officer for Vote 36, 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 2010 for the salaries and expenses of the Office of the Minister for Defence, including certain services administered by that Office; for the pay and expenses of the Defence Forces; and for payment of certain grants-in-aid.

The expenditure outturn is compared with the sums

- (a) granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year, and
- (b) provided for capital supply services in 2010 out of unspent 2009 appropriations, under the deferred surrender arrangements established by section 91 of the Finance Act 2004.

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 the following:

Stock valuation

Military stocks are valued at average cost. Other stocks are valued at their most recent purchase price.

Depreciation

Military assets are depreciated to residual values at rates varying between 3% to 20% per annum using the straight line method.

Capital assets

A detailed register is maintained of land and buildings administered by the Department of Defence. However, as valuations for all of these properties are not available, they are not included in the Statement of Capital Assets (Note 2.1).

In the Statement of Capital Assets, Furniture and Fittings exclude items with a value below €600.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Department of Defence.

MICHAEL HOWARD
Accounting Officer
Department of Defence
31 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 36: Defence for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Defence. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapter 32 of my annual report refers to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

25 August 2011

Vote 36 Defence

Appropriation Account 2010

Service	2010 Estimate provision €000	2010 Outturn €000	2009 Outturn €000
Administration			
A.1. Salaries, wages and allowances	17,590	16,417	18,704
A.2. Travel and subsistence	330	210	286
A.3. Incidental expenses	250	219	191
A.4. Postal and telecommunications services	1,480	934	801
A.5. Office machinery and other office supplies and related services	2,400	2,302	2,464
A.6. Office premises expenses	1,700	1,036	1,305
A.7. Consultancy services	20	—	98
A.8. Value for money and policy reviews	140	93	41
Other Services			
Defence Forces			
B. Permanent Defence Force: pay	438,100	433,235	475,261
C. Permanent Defence Force: allowances	54,310	44,144	61,618
D. Reserve Defence Force: pay, etc.	4,700	4,014	6,651
E. Chaplains and officiating clergymen: pay and allowances	1,225	1,175	1,342
F. Civilians attached to units: pay, etc.	36,406	34,457	38,643
G. Defensive equipment	37,000	37,412	33,279
H. Air Corps: equipment and expenses	18,600	16,800	19,887
I. Military transport	16,955	15,812	15,293
J. Naval Service: equipment and expenses	18,000	37,087	14,177
K. Barrack expenses and engineering equipment	17,400	15,896	18,874
L. Buildings			
	<i>Current year provision</i> 22,583		
	<i>Deferred surrender</i> 1,000		
	<hr/>		
M. Ordnance, clothing and catering	23,800	19,627	24,364
N. Communications and information technology	9,000	10,205	9,681
O. Military training	2,900	3,716	2,936
P. Travel and freight services	8,200	10,489	7,804
Q. Medical expenses	3,500	3,019	3,816
R. Lands	1,205	1,037	2,886
S. Equitation	900	868	864
T. Compensation	5,800	4,135	6,260
U. Miscellaneous expenditure	2,778	4,054	3,461

Other Services		2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000	€000
V.	Costs arising directly from Ireland's participation in the EU's European Security and Defence Policy	1,100	600	956
W.	Civil Defence Board (grant-in-aid)	6,061	6,061	6,148
X.	Irish Red Cross Society (grant-in-aid)	951	951	951
Y.	Coiste an Asgard (grant-in-aid) (part funded by National Lottery)	—	—	800
Gross Expenditure				
	<i>Current year provision</i>	755,384		
	<i>Deferred surrender</i>	1,000	756,384	804,301
Deduct				
Z.	Appropriations-in-aid	49,859	50,149	39,434
Net Expenditure				
	<i>Current year provision</i>	705,525		
	<i>Deferred surrender</i>	1,000	706,525	764,867
Surplus for the year			€12,793,851	€24,386,074
Deferred surrender			€1,500,000	€1,000,000
Surplus to be surrendered			€11,293,851	€23,386,074

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			21,211	23,890
Expenditure on services and programmes			722,669	780,411
Gross expenditure			743,880	804,301
Deduct				
Appropriations-in-aid			50,149	39,434
Net expenditure			693,731	764,867
Changes in capital assets				
Purchases cash		(40,145)		
Depreciation		40,727		
Loss on disposals		421	1,003	13,084
Changes in assets under development				
Cash payments			(10,829)	(14,404)
Changes in net current assets				
Decrease in closing accruals		(18,586)		
Increase in stock		(11,744)	(30,330)	(8,443)
Direct expenditure			653,575	755,104
Net allied services expenditure	1.1		7,941	11,414
Notional rents			4,579	4,275
Total operating cost			666,095	770,793

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 36 borne elsewhere:

		2010 €000	2009 €000
7	Superannuation and Retired Allowances	9,009	12,240
10	Office of Public Works	667	749
20	Garda Síochána	207	174
	Central Fund - Ministerial etc. pensions	278	447
1	President's Establishment	(411)	(427)
2	Department of the Taoiseach	(75)	(88)
37	Army Pensions	(1,734)	(1,681)
		7,941	11,414

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	383,946	387,346
Capital Assets under Development	2.2	4,062	3,100
		388,008	390,446
Current Assets			
Bank and cash	2.3	16,103	2,310
Stocks	2.4	245,411	233,667
Prepayments		32,098	6,733
Accrued income		550	5,854
Other debit balances	2.5	1,838	2,124
Total Current Assets		296,000	250,688
Less Current Liabilities			
Accrued expenses		2,640	3,538
Deferred income		16	40
Other credit balances	2.6	14,646	1,671
Net Liability to the Exchequer	2.7	3,295	2,763
Total Current Liabilities		20,597	8,012
Net Current Assets		275,403	242,676
Net Assets		663,411	633,122

2.1 Capital Assets

	Military Equipment €000	Office/IT Equipment €000	Furniture and Fittings €000	Totals €000
Gross assets				
Cost or valuation at 1 January 2010	822,025	41,438	2,058	865,521
Additions	34,012	2,368	1,368	37,748
Disposals	(2,643)	(1,493)	(26)	(4,162)
Cost or valuation at 31 December 2010	853,394	42,313	3,400	899,107
Accumulated Depreciation				
Opening balance at 1 January 2010	443,213	33,382	1,580	478,175
Depreciation for the year	36,931	3,697	99	40,727
Depreciation on disposals	(2,362)	(1,357)	(22)	(3,741)
Cumulative depreciation at 31 December 2010	477,782	35,722	1,657	515,161
Net Assets at 31 December 2010	375,612	6,591	1,743	383,946
Net Assets at 31 December 2009	378,812	8,056	478	387,346

The Department of Defence administers land (approx. 8,200 hectares) and buildings at 100 different locations, as well as 20 properties outside of barracks which serve as married quarters. The disposal of these married quarters continues to be pursued. As indicated in the introduction, Land and Buildings are not included in this Statement.

2.2 Capital Assets under Development

	Construction Contracts €000
Amounts brought forward at 1 January 2010	3,100
Cash payments for the year	10,829
Transferred to asset register ¹	(9,867)
Amounts carried forward at 31 December 2010	4,062

¹Notional transfer to Asset Register. Land and Buildings are not shown in the Statement of Capital Assets.

2.3 Bank and Cash

	2010 €000	2009 €000
at 31 December		
PMG balances, bank and cash	17,098	4,057
Orders outstanding	(995)	(1,747)
	16,103	2,310

2.4 Stocks

at 31 December

	2010	2009
	€000	€000
Military stocks	245,342	233,566
Stationery, etc.	25	47
IT Consumables, etc.	44	54
	<u>245,411</u>	<u>233,667</u>

2.5 Other Debit Balances

at 31 December

	2010	2009
	€000	€000
Suspense	1,838	2,124
	<u>1,838</u>	<u>2,124</u>

2.6 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the State		
Pay Related Social Insurance	6,303	8
Income Tax	4,083	295
Value Added Tax	3,240	352
Income Levy	743	—
Relevant Contracts Tax	97	—
Professional Services Withholding Tax	96	138
Pension contributions	20	590
	<u>14,582</u>	<u>1,383</u>
Payroll deductions	32	220
Suspense	32	68
	<u>14,646</u>	<u>1,671</u>

2.7 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	12,794	24,386
Exchequer grant undrawn	(9,499)	(21,623)
Net liability to the Exchequer	<u>3,295</u>	<u>2,763</u>

Represented by:**Debtors**

Bank and cash	16,103	2,310
Other debit balances	1,838	2,124
	<u>17,941</u>	<u>4,434</u>

Creditors

Due to State	(14,582)	(1,383)
Other credit balances	(64)	(288)
	<u>(14,646)</u>	<u>(1,671)</u>

	<u>3,295</u>	<u>2,763</u>
--	--------------	--------------

2.8 Commitments

at 31 December

	2010	2009
	€000	€000
Total of legally enforceable commitments	133,150	43,610

(A) Global Commitments

The total of legally enforceable commitments at 31 December 2010 is estimated to be €133m. This includes €97m for the naval vessel replacement programme; €27m for the purchase of defensive equipment and €7m for a number of building projects.

(B) Multi-annual Capital Commitments

Expenditure in 2010 and commitments to be met in subsequent years on foot of capital projects where legally enforceable contracts were in place at 31 December :

	2010	2009
	€000	€000
Expenditure	10,829	14,404
Commitments to be met in subsequent years	5,324	6,684

2.9 Matured Liabilities

Matured liabilities outstanding at year end amounted to €658,957.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000 and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided €000	Explanation
A.2.	120	The saving is due to less than anticipated expenditure on travel, in particular non-EU foreign travel.
A.4.	546	The saving is due to lower than anticipated expenditure on telecommunications equipment for the Department's new offices in Newbridge.
A.6.	664	The saving is due mainly to delays associated with decentralisation.
C.	10,166	The saving is mainly due to lower than anticipated expenditure on overseas allowances due to the early withdrawal from the Chad mission.
D.	686	The saving is due mainly to lower levels of training activity and a more cost-effective approach to catering and transport arrangements for the Reserve.
F.	1,949	The saving is due mainly to a reduction in the number of civilian employees, and lower than anticipated expenditure on professional fees.
H.	1,800	The saving is due mainly to a lower than anticipated requirement for air transport services, equipment and training.
I.	1,143	The saving is due to delays in the delivery of military transport spare parts and lower than anticipated fuel requirements, and is partly offset by an additional requirement for the purchase of new vehicles and equipment.
J.	(19,087)	The excess is mainly due to payments made in respect of the contract for two new ships under the naval vessel replacement programme.
K.	1,504	The saving is due mainly to reduced expenditure on utility costs and is partly offset by higher than anticipated barrack equipment costs.
L.	5,708	The saving is mainly due to slower than anticipated progress on a number of building projects.
M.	4,173	The saving is due mainly to delays on certain clothing orders and reduced catering costs associated with overseas missions, and is partly offset by a requirement for additional ordnance equipment.
N.	(1,205)	The excess is due mainly to a requirement for additional telecommunications equipment and increased costs.
O.	(816)	The excess is mainly due to the requirement for general and specialist training being higher than anticipated.
P.	(2,289)	The excess is mainly due to higher than anticipated costs associated with the early withdrawal from the Chad mission.
Q.	481	The saving is mainly due to reduced pharmaceutical costs, and is partly offset by higher than anticipated expenditure on medical equipment.
R.	168	The saving is mainly due to a reduced need for property maintenance and a general reduction in the cost of such contracts.
T.	1,665	Expenditure under this subhead is subject to a number of unpredictable variables, including the number, value and timing of awards and settlements.
U.	(1,276)	The excess is due mainly to employment case legal costs being higher than anticipated.
V.	500	The saving is due to lower than anticipated European Defence Agency costs and common costs relating to EU missions.

4 Receipts

4.1 Appropriations-in-aid

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
1. Receipts from United Nations in respect of overseas allowances, etc.	8,000	7,108	2,667
2. Receipts from EU in respect of fishery protection costs	—	325	—
3. Receipts from banks in respect of cash escort services	9,000	8,839	7,454
4. Receipts from occupation of official quarters	180	166	164
5. Receipts from rations on repayment	900	582	878
6. Receipts from other issues on repayment	80	65	70
7. Receipts for aviation fuel	70	70	142
8. Receipts on discharge by purchase	110	41	23
9. Lands and premises :-			
(a) Rents, etc.	350	423	752
(b) Sales	6,000	4,140	728
10. Sale of surplus stores	200	388	1,457
11. Refunds in respect of services of seconded personnel	120	82	109
12. Miscellaneous	349	593	1,335
13. Receipts from pension-related deduction on public service remuneration	24,500	27,327	23,655
Total	49,859	50,149	39,434

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%.

Heading	Less/(more) than estimated €000	Explanation
1.	892	The shortfall is due to lower than anticipated receipts as a result of the earlier than scheduled withdrawal of troops from the Chad mission.
2.	(325)	The surplus is due to unanticipated recoupments from the European Commission in 2010.
5.	318	The shortfall is due to lower numbers of personnel availing of rations during 2010.
9.(b).	1,860	The shortfall arose due to two property sales not being completed in 2010.
10.	(188)	The surplus is due to the sale of obsolete Irish Defence Force assets in Kosovo following the withdrawal of troops.
12.	(244)	Receipts under this heading are difficult to forecast because there are a number of variable factors involved.
13.	(2,827)	Receipts under this heading are difficult to forecast accurately due to a number of factors including variable allowances paid to military personnel.

4.2 Extra receipts payable to the Exchequer

Other receipts totalling €1,613 were transferred to the exchequer during the year.

5 Employee Numbers and Pay

Overall Totals¹

	2010	2009
Numbers at year end (full time equivalents)	10,634	11,077
	2010	2009
	€000	€000
Pay	441,041	484,769
Higher, special or additional duties allowances	173	203
Overtime	736	887
Shift and roster allowance	156	167
Military allowances	35,025	51,104
Employer's PRSI	38,943	43,115
Total pay	516,074	580,245

Note: The total pay figures above exclude non-pay expenditure charged to some pay subheads.

5a Civil Servants

	2010	2009
Numbers at year end (full time equivalents)	324	344
	2010	2009
	€000	€000
Pay	15,740	17,888
Higher, special or additional duties allowances	102	127
Overtime	103	119
Shift and roster allowance	2	2
Employer's PRSI	534	606
Total pay	16,481	18,742

5a.1 Allowances and Overtime Payments²

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2010	2009
			€	€
Higher, special or additional duties allowances	20	3	19,605	20,616
Overtime	122	—	6,085	17,343
Shift and roster allowance	1	—	1,590	1,911

5b Civilian Employees

	2010	2009
Numbers at year end (full time equivalents)	728	765
	2010	2009
	€000	€000
Pay	26,575	29,733
Higher, special or additional duties allowances	71	76
Overtime	633	768
Shift and roster allowance	154	165
Employer's PRSI	2,748	3,077
Total pay	30,181	33,819

5b.1 Allowances and Overtime Payments²

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2010	2009
			€	€
Higher, special or additional duties allowances	29	—	7,951	8,240
Overtime	241	2	13,912	15,276
Shift and roster allowance	25	4	16,804	18,123

5c Permanent Defence Force (incl. Army Nursing Service and Chaplaincy)

	2010	2009
Numbers at year end	9,582	9,968
	2010	2009
	€000	€000
Pay and military service allowance	398,726	437,148
Overseas allowances	12,727	27,157
Security duty allowances	11,691	12,453
Border duty allowance	4,941	5,460
Patrol duty allowance	3,510	3,918
Miscellaneous allowances	2,156	2,116
Employer's PRSI	35,661	39,432
Total pay	469,412	527,684

5c.1 Allowances²

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2010	2009
			€	€
Overseas allowances	1,550	464	38,790	89,473
Security duty allowances ³	7,866	39	19,449	20,298
Border duty allowance	1,132	1	10,011	6,652
Patrol duty allowance	764	21	11,839	12,007
Miscellaneous allowances ³	1,668	23	21,456	19,338

¹The overall totals do not include the Civil Defence Board, the Office of the Ombudsman for the Defence Forces and Coiste an Asgard which account for personnel numbers of 32 and total pay and allowances of €1.7m. Each of these bodies produces its own accounts.

²Certain individuals received allowances in more than one category.

³These categories include a number of different allowances and some recipients in each category received more than one allowance and are counted more than once.

6 Miscellaneous Items

6.1 Overseas Missions

This account includes the sums indicated below in respect of the remuneration of military personnel serving with UN and EU peace support operations and various organisations, together with travel and subsistence and transportation costs:

	2010 €000	2009 €000
UN and EU Missions:		
MINURCAT (Chad - 15 March 2009 to 20 May 2010)	21,217	28,458
KFOR (Kosovo)	7,794	20,104
EUFOR (Bosnia Herzegovina)	3,968	4,079
Other UN and EU Missions (incl. UNTSO, ISAF, UNIFIL, etc.)	3,710	4,098
EUFOR (Chad - to 14 March 2009)	—	13,820
Total	36,689	70,559
Military Staffs (EU, PSC, EUMS, etc.), Brussels	1,879	2,399
Nordic Battle Group	1,392	277
Organisation for Security and Co-operation in Europe	533	659

Of the sum of €36.7m for UN and EU missions, €15.5m relates to missions the full costs of which are borne by the State. The remaining €21.2m relates to MINURCAT in respect of which arrangements for the reimbursement of certain costs have been agreed with the UN. The amount actually received from the UN by way of appropriations-in-aid in 2010 was €7.1m (Note 4.1), of which €2m related to personnel costs, and €5.1m to equipment costs. It is anticipated that further claims will be made on the UN in respect of expenses relating to the withdrawal from Chad.

6.2 Support for Representative Associations

This account includes a total of €458,514 in respect of the remuneration of military officers seconded to representative associations and certain related administrative costs.

6.3 Seconded Staff

This account includes a total of €122,210 in respect of the remuneration of a military officer and a civil servant on secondment.

6.4 Assistance to other Departments

Assistance was rendered without charge to the Garda Síochána in disposing of explosive materials.

Air Corps aircraft were provided without charge to other Government Departments and the Garda Síochána.

This account includes the full operating costs of the Garda fixed-wing aircraft and the pilot costs only of the two Garda helicopters.

Air Corps aircraft were provided without charge to the Health Service Executive for ambulance missions.

6.5 Write-offs

Fourteen cases of damage to military vehicles resulted in the sum of €12,917 being written off.

Seventy-two cases of irrecoverable debts resulted in the sum of €81,770 being written off.

6.6 Carryover to 2011

Under the provisions of section 91 of the Finance Act 2004, €1,500,000 of unspent allocation in respect of the capital element of Subhead L. was carried forward to 2011.

6.7 Personal Injury Claims

At 31 December 2010, there were 804 personal injury claims on hand, of which 646 have been referred to the State Claims Agency.

6.8 Medical Treatment

Institutional and outpatient services were afforded to Defence Forces personnel and to the dependants of enlisted personnel in civilian hospitals without application of the statutory charge and in military hospitals without charge to the Health Service Executive.

6.9 EU Funding

Appropriations-in-aid of €325,051 were received from the EU Fishery Protection Surveillance Programme in respect of expenditure incurred for the conservation and management of fishery resources under subheads H. and J.

Vote 37: Army Pensions

Introduction

As Accounting Officer for Vote 37, 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 2010 for retired pay, pensions, compensation, allowances and gratuities payable under sundry statutes to or in respect of members of the Defence Forces and certain other Military Organisations, etc., and for sundry contributions and expenses in connection therewith; for certain extra-statutory children's allowances and other payments and for sundry grants.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Department of Defence.

MICHAEL HOWARD

Accounting Officer
Department of Defence
24 February 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 37: Army Pensions for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Defence in respect of Army Pensions. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

19 May 2011

Vote 37 Army Pensions Appropriation Account 2010

Service		2010 Estimate provision	2010 Outturn	2009 Outturn
		€000	€000	€000
Army Pensions Board				
A.	Salaries, wages and allowances	103	99	105
	Pensions, allowances, etc.			
B.	Defence Forces (Pensions) Schemes and payments in respect of transferred service			
	Original	198,090		
	Supplementary	10,000	208,090	207,897
				204,002
C.	Wound and disability pensions, allowances and gratuities to or in respect of former members of the Defence Forces			
	Original	9,000		
	Supplementary	(190)	8,810	8,716
				8,943
D.	Payments in respect of Veterans of the War of Independence			
	Original	1,500		
	Supplementary	(70)	1,430	1,430
				1,704
E.	Compensation payments			
	Original	200		
	Supplementary	(180)	20	18
				18
F.	Medical appliances and travelling and incidental expenses			
	Original	100		
	Supplementary	(60)	40	42
				33
Gross Expenditure				
	Original	208,993		
	Supplementary	9,500	218,493	218,202
				214,805
Deduct				
G.	Appropriations-in-aid		6,500	6,230
				5,623
Net Expenditure				
	Original	202,493		
	Supplementary	9,500		
			211,993	211,972
				209,182
Surplus to be surrendered				
			€21,227	€18,361

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	2010 €000	2009 €000
Expenditure on administration		99	105
Expenditure on services and programmes		218,103	214,700
Gross expenditure		218,202	214,805
Deduct			
Appropriations-in-aid		6,230	5,623
Direct expenditure		211,972	209,182
Expenditure borne elsewhere			
Net allied services expenditure	1.1	1,734	1,681
Total operating cost		213,706	210,863

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 37 borne elsewhere

Vote		2010 €000	2009 €000
36	Defence	1,734	1,681
		1,734	1,681

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Current Assets			
Bank and cash	2.1	1,229	36
Other debit balances	2.2	9	10
Total Current Assets		1,238	46
Less Current Liabilities			
Credit balances	2.3	1,218	29
Net Liability to the Exchequer	2.4	20	17
Total Current Liabilities		1,238	46
Net Current Assets		—	—
2.1 Bank and Cash		2010	2009
at 31 December		€000	€000
PMG balances and cash		2,477	1,094
Orders outstanding		(1,248)	(1,058)
		1,229	36
2.2 Other Debit Balances		2010	2009
at 31 December		€000	€000
Suspense and payroll deductions		9	10
		9	10
2.3 Credit Balances		2010	2009
at 31 December		€000	€000
Amounts due to the State			
Income Tax		946	2
Income Levy		156	—
Pay Related Social Insurance		100	—
Professional Services Withholding Tax		1	—
		1,203	2
Suspense and payroll deductions		15	27
		1,218	29

2.4 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	21	18
Exchequer grant undrawn	(1)	(1)
Net liability to the Exchequer	20	17

Represented by:

Debtors

Bank and cash	1,229	36
Debit balances: suspense	9	10
	1,238	46

Creditors

Amounts due to the State	(1,203)	(2)
Credit Balances: Suspense and payroll deductions	(15)	(27)
	(1,218)	(29)
	20	17

3 Variations in Expenditure

Expenditure outturn on all subheads was not significantly different from the amounts provided.

4 Receipts

4.1 Appropriations-in-aid

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
1. Contributions to Defence Forces Spouses' and Children's Pension Schemes	5,400	4,847	4,269
2. Contributions to Defence Forces Contributory (Main) Pensions Schemes	945	1,294	1,261
3. Recoveries of overpayments	40	31	22
4. Payments received in respect of transferred service	40	27	4
5. Miscellaneous	70	26	64
6. Receipts from pension-related deductions on public service remuneration	5	5	3
	6,500	6,230	5,623

Explanation of significant variations

An explanation is provided below in the case of each heading where the outturn varied from the amount estimated, after any supplementary estimate adjustments, by more than €100,000, and by more than 5%.

Heading	Less/(more) than estimated €000	Explanation
1.	553	The shortfall is due to an overestimation of anticipated receipts and also to a greater than anticipated number of scheme contributors leaving the Permanent Defence Forces in 2010.
2.	(349)	The anticipated receipts for 2010 were underestimated. It is difficult to accurately estimate receipts as the numbers paying contributions vary during the year.

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	2	2
	2010	2009
	€000	€000
Pay	93	103
Higher, special or additional duties allowances	—	—
Other allowances	—	—
Overtime	—	—
Employer's PRSI	2	2
Total pay	95	105

The two staff members are administrative support to the Army Pensions Board. In addition to these payroll costs approximately €4,000 was paid in respect of travel and subsistence in 2010.

Twenty-six employees of the Department of Defence are engaged in the administration of pensions and other related payments. Their remuneration, which amounts to approximately €1.2m, is charged to Vote 36.

6 Miscellaneous Items

6.1 Write-offs

During the year an amount of €71,658 was written off in respect of 55 cases of overpayment of pensions and allowances. The gross overpayments were €72,053 of which €395 was recovered.

Vote 38: Social Protection

Introduction

As Accounting Officer for Vote 38, 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 2010 for the salaries and expenses of the Office of the Minister for Social Protection, for certain services administered by that Office, for payments to the Social Insurance Fund and for certain grants.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Department of Social Protection.

NIAMH O'DONOGHUE

Accounting Officer
Department of Social Protection
17 August 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 38: Social Protection for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Social Protection. The Appropriation Account is in agreement with the books of account.

In my opinion the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapters 33 to 40 of my annual report refer to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

I am required, under section 3 (5) of the Comptroller and Auditor General (Amendment) Act 1993, to refer in my audit certificate on an Appropriation Account to any material level of payment in excess of entitlement included in the charge to that account.

Chapter 35 of my annual report outlines the estimated range of payments in excess of entitlement included in the Appropriation Account.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

7 September 2011

Vote 38 Social Protection Appropriation Account 2010

Service		2010 Estimate provision	2010 Outturn	2009 Outturn
		€000	€000	€000
Administration				
A.1. Salaries, wages and allowances				
	<i>Original</i>	226,946		
	<i>Supplementary</i>	<u>3,500</u>	230,446	237,089
A.2. Travel and subsistence		3,188	3,108	3,166
A.3. Incidental expenses				
	<i>Original</i>	12,482		
	<i>Supplementary</i>	<u>(4,000)</u>	8,482	7,212
A.4. Postal and telecommunications services		19,930	18,340	18,813
A.5. Office machinery and other office supplies and related services				
	<i>Original</i>	31,164		
	<i>Supplementary</i>	<u>(3,000)</u>	28,164	30,594
A.6. Office premises expenses				
	<i>Original</i>	13,900		
	<i>Supplementary</i>	<u>(500)</u>	13,400	10,750
A.7. Consultancy Services		1,027	597	1,146
A.8. Payments for agency services				
	<i>Original</i>	64,172		
	<i>Supplementary</i>	<u>(3,000)</u>	61,172	64,156
A.9. Value for money and policy reviews		298	287	321
A.10. eGovernment related projects				
	<i>Original</i>	11,066		
	<i>Supplementary</i>	<u>(9,000)</u>	2,066	1,276
Social Assistance				
B. State Pension (Non-Contributory)				
	<i>Original</i>	946,740		
	<i>Supplementary</i>	<u>13,020</u>	959,760	1,000,546
C. Blind Pension		15,686	16,032	16,277
D. Child Benefit				
	<i>Original</i>	2,260,990		
	<i>Supplementary</i>	<u>(54,680)</u>	2,206,310	2,495,304
E. Jobseeker's Allowance				
	<i>Original</i>	2,759,911		
	<i>Supplementary</i>	<u>73,929</u>	2,833,840	2,004,556
F. Farm Assist scheme				
	<i>Original</i>	96,280		
	<i>Supplementary</i>	<u>15,070</u>	111,350	93,297
G. Employment Support Services				
	<i>Original</i>	229,330		
	<i>Supplementary</i>	<u>34,430</u>	263,760	193,888

Social Assistance - continued		2010 Estimate	2010 Outturn	2009 Outturn
		€000	€000	€000
H.	Pre-retirement Allowance			
	Original	75,440		
	Supplementary	3,560	77,850	96,606
I.	One-parent Family Payment			
	Original	1,119,932		
	Supplementary	7,988	1,110,328	1,121,344
J.	Widows'/ Widowers' Pension and Guardian's Payment (Non- Contributory)			
	Original	22,460		
	Supplementary	1,140	23,949	27,299
K.	Deserted Wives without Dependent Children	5,070	5,020	6,044
L.	Family Income Supplement			
	Original	215,040		
	Supplementary	(25,200)	185,998	167,133
M.	Carer's Allowance			
	Original	541,460		
	Supplementary	(36,570)	501,789	502,469
N.	Supplementary Welfare Allowances			
	Original	1,026,439		
	Supplementary	(11,999)	1,009,190	1,031,950
O.	Disability Allowance			
	Original	1,100,970		
	Supplementary	(9,240)	1,109,505	1,142,769
P.	Respite Care Grant			
	Original	153,000		
	Supplementary	(24,330)	128,097	99,200
Q.	Free Schemes (Assistance)			
	Original	408,536		
	Supplementary	(24,600)	381,808	353,166
R.	School Meals Scheme	35,000	34,939	34,848
S.	Grant to Family Support Agency ¹	9,909	9,909	34,660
T.	Grant to the Citizens Information Board ²	45,872	44,986	28,005
U.	Domiciliary Care Allowance			
	Original	99,264		
	Supplementary	(3,264)	95,710	31,017
V.	Rural Social Scheme ³	15,955	13,872	—
W.	Community Services Programme ³	9,123	8,198	—
X.	Miscellaneous services ⁴			
	Original	4,539		
	Supplementary	(800)	3,857	4,046
X.1.	Community Employment programmes administered by FÁS and associated expenses ⁵			
	Original	—		
	Supplementary	1	—	—

Social Assistance - continued		2010 Estimate	2010 Outturn	2009 Outturn
		€000	€000	€000
X.2. Other employment programmes administered by FÁS and associated expenses ⁵				
	<i>Original</i>	—		
	<i>Supplementary</i>	1	—	—
<i>Money Advice and Budgeting Service</i> ²		—	—	17,041
<i>Combat Poverty Agency</i> ¹		—	—	1,564
Social Insurance				
Y. Payment to the Social Insurance Fund under section 9(9)(a) of the Social Welfare Consolidation Act 2005 ⁶				
	<i>Original</i>	1,551,448		
	<i>Supplementary</i>	417,335	1,968,783	1,862,286
				—
Gross Expenditure				
	<i>Original</i>	13,132,567		
	<i>Supplementary</i>	359,791	13,492,358	13,377,458
				10,877,552
Deduct				
Z. Appropriations-in-aid				
	<i>Original</i>	212,399		
	<i>Supplementary</i>	9,791		
			222,190	218,132
				219,040
Net Expenditure				
	<i>Original</i>	12,920,168		
	<i>Supplementary</i>	350,000	13,270,168	13,159,326
				10,658,512
Surplus to be surrendered			€110,842,156	€258,497,235

¹The Combat Poverty Agency was dissolved on 1 July 2009 and its functions and staffing were integrated into the Department's Social Inclusion Division. Responsibility for the Family Support Agency, the Social Inclusion Division and for family policy transferred to the Department of Community, Equality and Gaeltacht Affairs on 1 May 2010.

²The Money Advice and Budgeting Service was transferred to the Citizen's Information Board during 2009.

³Responsibility for the Rural Social Scheme and the Community Services Programme transferred from the Department of Community, Equality and Gaeltacht Affairs on 1 September 2010.

⁴Dormant accounts for economic and social disadvantage and the EU Community Action Programme for Employment and Social Solidarity (PROGRESS) 2007-2013 (previously in separate subheads) are now included under the Miscellaneous Services subhead.

⁵A token estimate was included in the Supplementary Estimate in November 2010 to assume financial responsibility for the transfer of Employment and Community Services and associated administration expenses from the Department of Education and Skills from 1 January 2011.

⁶In anticipation of the exhaustion of the cash reserves of the Social Insurance Fund in 2010 it was necessary to put in place provision for subvention payments from Vote 38 in accordance with the existing relevant legislation.

Notes to the Appropriation Account

1 Operating Cost Statement 2010

			2010	2009
	Note	€000	€000	€000
Expenditure on administration			365,009	374,523
Expenditure on services and programmes			13,012,449	10,503,029
Gross expenditure			13,377,458	10,877,552
Deduct				
Appropriations-in-aid			218,132	219,040
Net expenditure			13,159,326	10,658,512
Changes in capital assets				
Purchases cash		(5,424)		
Depreciation		18,665		
Loss on disposals		—		
			13,241	6,646
Changes in assets under development				
Cash payments			(3,815)	(17,325)
Changes in net current assets				
Increase in closing accruals		300		(1,588)
Decrease in stock		1,162	1,462	(323)
Direct expenditure			13,170,214	10,645,922
Net allied services expenditure	1.1		31,173	36,637
Notional rents			14,588	16,458
Total operating cost			13,215,975	10,699,017

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 38 borne elsewhere

		2010	2009
Vote		€000	€000
7	Superannuation and Retired Allowances	22,411	27,950
10	Office of Public Works	8,495	8,453
20	Garda Síochána	209	176
	Central Fund - Ministerial etc. pensions	58	58
		31,173	36,637

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	52,425	50,843
Capital Assets under Development	2.2	16,648	27,659
		<u>69,073</u>	<u>78,502</u>
Current Assets			
Stocks	2.4	577	1,739
Prepayments		2,321	2,332
Accrued income		—	7
Other debit balances	2.5	215,145	12,033
Total Current Assets		<u>218,043</u>	<u>16,111</u>
Less Current Liabilities			
Bank and cash	2.3	155,378	(48,950)
Accrued expenses		16,076	15,798
Other credit balances	2.6	35,394	84,838
Net Liability to/(from) the Exchequer	2.7	24,373	(23,855)
Total Current Liabilities		<u>231,221</u>	<u>27,831</u>
Net Current Liabilities		<u>(13,178)</u>	<u>(11,720)</u>
Net Assets		<u>55,895</u>	<u>66,782</u>

2.1 Capital Assets

	Office Equipment	Furniture and Fittings	Totals
	€000	€000	€000
Gross assets			
Cost or valuation at 1 January 2010	230,181	29,579	259,760
Transfers	—	—	—
Additions	19,088	1,159	20,247
Disposals	(9)	(18)	(27)
Cost or valuation at 31 December 2010	249,260	30,720	279,980
Accumulated Depreciation			
Opening balance at 1 January 2010	187,216	21,701	208,917
Depreciation on transfers	—	—	—
Depreciation for the year	16,972	1,693	18,665
Depreciation on disposals	(9)	(18)	(27)
Cumulative depreciation at 31 December 2010	204,179	23,376	227,555
Net Assets at 31 December 2010	45,081	7,344	52,425
Net Assets at 31 December 2009	42,965	7,878	50,843

2.2 Capital Assets under Development

	In-House Computer Applications €000
Amounts brought forward at 1 January 2010	27,659
Cash payments for the year	3,815
Transferred to asset register	(14,826)
Amounts carried forward at 31 December 2010	16,648

Note: Cash payments do not include in-house developed software which is fully developed during the course of the year.

2.3 Bank and Cash	2010	2009
at 31 December	€000	€000
An Post balance	151,688	237,972
PMG balances and cash	(304,903)	(184,273)
Orders outstanding	(2,163)	(4,749)
	<u>(155,378)</u>	<u>48,950</u>

2.4 Stocks	2010	2009
at 31 December	€000	€000
Stationery	570	1,726
IT consumables	7	13
	<u>577</u>	<u>1,739</u>

2.5 Other Debit Balances	2010	2009
at 31 December	€000	€000
Advances to An Post for postage expenditure	1,020	885
Advances to OPW for office furniture and electrical work	778	808
Social Insurance Fund suspense account*	209,162	—
Other debit suspense items	4,185	10,212
Other recoupable expenditure	—	128
	<u>215,145</u>	<u>12,033</u>

* Represents advances from Vote 38 to the Social Insurance Fund subvention suspense account which were not expended by year end.

2.6 Other Credit Balances	2010	2009
at 31 December	€000	€000
Amounts due to the State		
Income Tax	1,754	2,083
Superannuation Contributions	364	368
Pay Related Social Insurance	1,703	1,811
Interstat Value Added Tax	78	49
Withholding Tax	387	1,798
Extra exchequer receipts	—	75
	<u>4,286</u>	<u>6,184</u>
Payroll Deductions	1,963	2,386
PARP Suspense	(57)	7,000
Due to/(from) Social Insurance Fund in respect of Jobseeker's and Free Scheme Payments	28,860	68,991
Other credit suspense items	342	277
	<u>35,394</u>	<u>84,838</u>

2.7 Net Liability to/(from) the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	110,842	258,497
Exchequer grant undrawn	(86,469)	(282,352)
Net liability to/(from) the Exchequer	<u>24,373</u>	<u>(23,855)</u>
Represented by:		
Debtors		
Debit balances: suspense	215,145	12,033
Creditors		
Bank and cash	(155,378)	48,950
Due to State	(4,286)	(6,184)
Credit balances: suspense	<u>(31,108)</u>	<u>(78,654)</u>
	<u>24,373</u>	<u>(23,855)</u>

2.8 Commitments

at 31 December

	2010	2009
	€000	€000
Total of legally enforceable commitments	39,405	53,958

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, after any supplementary estimate adjustments, by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided	Explanation
	€000	
A.7.	430	A number of projects were either deferred to 2011 or had later than anticipated start dates which resulted in less expenditure than profiled.
G.	(14,332)	Higher than expected recipients on Back to Work Allowance and Back to Education Allowance schemes.
V.	2,083	The variance is represented by monies unspent at the year end incorporating scheme expenditure being less than anticipated as a result of the implementation of cost saving measures.
W.	925	The variance is mainly represented by scheme expenditure being less than anticipated as a result of the implementation of cost saving measures.
Y.	106,497	Higher than expected SIF income from PRSI receipts over and above that provided for in the 2010 Supplementary Estimate.

4 Receipts

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
4.1 Appropriations-in-aid			
1. Recovery of administration expenses from the Social Insurance Fund	181,000	178,207	181,000
2. Recoveries of Social Assistance overpaid	13,000	12,314	14,175
3. Repayment from the Social Insurance Fund of amounts paid initially as Social Assistance	9,500	8,551	9,545
4. Receipts under "Liability to Maintain Family" provisions in Part XII of the Social Welfare Consolidation Act, 2005	800	657	851
5. Receipts from the General Register Office	750	671	718
6. Dormant Accounts Receipts	200	1,014	—
7. Receipts from European Social Fund for activation and participation of people with disabilities	307	179	232
8. Miscellaneous	5,000	4,769	3,164
9. Receipts from Pension-related Deduction on Public Service Remuneration	11,633	11,770	9,355
Total	222,190	218,132	219,040

Explanation of significant variations

An explanation is provided below in the case of each heading where the outturn varied from the amount estimated, after any supplementary estimates adjustments, by more than 5%.

Heading	Less/(more) than estimated €000	Explanation
2.	686	Receipts under this heading cannot be accurately forecasted.
3.	949	Less people were paid Unemployment Benefit in 2010 than anticipated.
4.	143	Receipts under this heading cannot be accurately forecasted.
6.	(814)	Section 44A(2) of the Dormant Accounts Acts 2001 to 2005 provides that expenditure incurred by the Department of Social Protection in respect of measures and projects approved by Government shall be paid from the Dormant Accounts Fund. The total expenditure in 2009 and 2010 in respect of the measures and projects incurred by the Department of Social Protection amount to €1,014,200 - €642,248 in 2009 and €371,952 in 2010. Receipts of €1,014,200 were received in 2010 to cover this expenditure.
7.	128	The refund from ESF was less than originally forecasted as the project did not expand as envisaged.

4.2 Extra receipts payable to the Exchequer

	2010 €000	2009 €000
Conscience Money	42	67
Witness Expenses	10	16
	52	83

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	4,812	4,690
	2010	2009
	€000	€000
Pay	212,691	217,294
Higher, special or additional duties allowances	573	698
Other allowances	469	691
Overtime	6,100	7,677
Employer's PRSI	10,618	10,729
Total pay	230,451	237,089

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010	Maximum individual payment 2009
			€	€
Higher, special or additional duties	325	11	19,605	32,899
Other allowances	259	15	13,824	14,656
Overtime	2,498	76	21,486	25,940

Note: Certain individuals received extra remuneration in more than one category.

5.2 Performance and Merit Payments

A total of €28,160 was spent on the Input scheme with awards made to 2 officers.

A total of €116,109 was awarded to Departmental staff for merit awards as allowed for under the Administrative Budget Scheme, comprising awards to 13 individuals ranging from €500 to €650 per individual and 14 teams ranging from €100 to €350 per team member.

5.3 Other Remuneration Arrangements

A payment of €3,000 was paid to 1 staff member in respect of a decentralisation training allowance as per Department of Finance Circular 19/2007.

Redundancy payments of €16,911 were paid to 6 staff under the Redundancy Payments Acts, 1967 – 2007.

6 Miscellaneous Items

6.1 Recovery of overpayments

Recoveries of Assistance overpayments amounting to €12,313,724 in cash refunds and by withholding from the Social Insurance Fund (Benefit) entitlements have been accounted for under Subhead Z. In addition, recoveries amounting to €10,888,916 were made by deductions from Assistance entitlements.

The summary position on Assistance overpayments at 31 December 2010 was as follows:

	2010 Outturn €000	2009 Outturn €000
Overpayments outstanding at 1st January	205,472	191,167
Adjustment for prior years	—	(741)
Net Overpayments recorded	54,441	45,604
	<hr/> 259,913	<hr/> 236,030
Less:		
Amounts recovered	23,203	23,592
Amounts written off as irrecoverable	5,207	6,966
	<hr/> 28,410	<hr/> 30,558
Overpayments outstanding at 31st December	<hr/> 231,503	<hr/> 205,472

6.2 Compensation

Compensation and associated legal and miscellaneous costs totalling €157,937 were paid in 9 cases of personal injury claims and other settlements in respect of employees.

Payments totalling €57,464 in respect of legal expenses, damages and costs in 5 instances were made in relation to personal injuries sustained on Departmental property and other cases.

Total payments of €427,662 were paid in legal costs in respect of 3 cases being taken against the Department.

Legal costs totalling €195,203 were paid in respect of Disability Allowance, Child Benefit and Maintenance Recovery.

An extra-statutory payment of €1,700 was made in respect of Respite Care Grant.

6.3 Administrative Budget Carry Forward

As agreed with the Department of Finance under the Administrative Budget scheme, a carry forward from 2010 of savings to the value of €900,000 is included in the Estimates for 2011.

6.4 EU Funds

An amount of €178,884 was received from the EU in respect of the Disability Activation Project. The project is a cross agency programme co-funded by the Department and the European Social Fund, Human Capital Investment Operational Programme 2007-2013.

Vote 39: Health and Children

Introduction

As Accounting Officer for Vote 39, 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 2010 for the salaries and expenses of the Office of the Minister for Health and Children and certain other services administered by that Office, including miscellaneous grants.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

The Statement of Accounting Policies and Principles and notes 1 to 7 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

Enhancing Internal Controls

A Statement of Internal Financial Controls in the standard format for the year ended 31 December 2010 has been submitted with this account to the Comptroller and Auditor General. The following further actions have been taken, or are under way, to enhance the system of internal control.

Staff

The Department continues to identify staff training needs through the Performance Management and Development System, particularly in respect of financial management, accounting skills, litigation and procurement. Further training on VAT was obtained in 2010 relating to revised VAT rates and Schedules.

Information Technology

In 2010, the Department further updated its system for securing and validating network access. The Department has also deployed additional facilities for business requirements only. The Department has also deployed additional facilities for network monitoring to provide detailed analysis in relation to internal network traffic.

Risk Management

The Department operates a Risk Management system which is tightly integrated into the business planning process. A revised Risk Management Policy was issued in early 2010 to streamline risk management processes and monitoring of risks under the Management Advisory Committee. Additional recent proposed changes will also allow for "Medium" Impact Risks to be considered by the Management Advisory Committee where appropriate.

Internal Audit and Audit Committee

An annual audit programme is prepared under the auspices of the Audit Committee and the Internal Audit Unit reports to the Committee on the conduct of this programme and the finalisation of audit reports. During 2010, a total of ten audit reports were finalised and issued, of which six were included in the 2009 Audit Programme. Audit work in respect of an additional five reports from the 2010 Audit Programme was completed with the final reports agreed by the Audit Committee in 2010. The Audit Committee and the Internal Audit Unit operate under a written Charter.

Administrative and Financial Controls

In 2010, the work of the MAC Sub-Committee on Internal Financial Controls included examination and follow up of Internal Audit Reports, Financial Risks from the Risk Register, Comptroller and Auditor General Reports relating to the Health Sector and the wider Public Service and Minutes of the Minister for Finance, in order to ensure that relevant recommendations relating to internal financial control are acted upon.

The Sub-Committee is also responsible for reviewing the internal financial control environment and in 2010 it commenced a comprehensive ongoing review of this. The initial areas reviewed were Administrative Budgets, Programme Budgets and Tax Compliance. This has led to further enhancement of controls in the areas reviewed.

In relation to the Department's Asset Register, the Department is working towards fully using the Financial Management System (FMS) Asset Register module for its Appropriation Account 2010. Use of Electronic Funds Transfer (EFT) has been further extended during 2010 to all payments to suppliers in respect of goods and services.

MICHAEL SCANLAN

Accounting Officer

31 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 39: Health and Children for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Health and Children. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

6 September 2011

Vote 39 Health and Children Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	32,173	29,140	32,679
A.2. Travel and subsistence	880	421	538
A.3. Incidental expenses	2,430	864	1,065
A.4. Postal and telecommunications services	1,090	548	599
A.5. Office machinery and other office supplies and related services	2,886	1,464	1,507
A.6. Office premises expenses	1,663	717	561
A.7. Consultancy services	1,178	701	524
A.8. Value for money and policy reviews	180	34	27
Grants			
B.1. Grants to research bodies	37,132	35,879	37,718
B.2. Grants to health agencies and other similar organisations (part funded by National lottery)	3,786	3,786	3,985
Other services			
C. Expenses in connection with the World Health Organisation and other International bodies	2,220	2,460	2,263
D. Statutory and non-statutory inquiries and miscellaneous legal fees and settlements	29,193	19,410	13,000
E.1. Developmental, consultative, supervisory and advisory bodies	82,088	66,828	133,503
E.2. The Food Safety Promotion Board	6,665	6,665	5,623
E.3. The National Treatment Purchase Fund Board	90,092	90,092	90,350
E.4. Ireland / Northern Ireland Interreg	2,190	837	216
E.5. Office of the Ombudsman for Children	2,223	2,070	2,310
F.1. Payments in respect of disablement caused by thalidomide	395	374	374
F.2. Payments in respect of persons claiming to have been damaged by vaccination	1	—	—
F.3. Payments to a special account established under section 10 of the Hepatitis C Compensation Tribunal Acts 1997 and 2002	55,786	42,000	49,000

		2010 Estimate provision	2010 Outturn	2009 Outturn
Other services continued		€000	€000	€000
F.4.	Payments to a reparation fund established under section 11 of the Hepatitis C Compensation Tribunal Acts 1997 and 2002	9,849	6,400	5,200
G.	Dissemination of information, conferences and publications in respect of health and health services	1,613	629	1,117
—	<i>Payments to the State Claims Agency in respect of costs relating to clinical negligence*</i>	—	—	29,979
Capital services				
H.	Grants in respect of building, equipping (including ICT) of agencies funded by the Department	15,000	10,778	13,298
Gross Expenditure		380,713	322,097	425,436
Deduct				
I.	Appropriations-in-aid	4,296	5,926	5,600
Net Expenditure		376,417	316,171	419,836
Surplus to be surrendered			€60,246,281	€71,337,879

* Funding of the State Claims Agency in respect of costs relating to clinical negligence transferred from Vote 39 (Office of the Minister for Health and Children) to Vote 40 (Health Service Executive) with effect from 1 July 2009.

Notes to the Appropriation Account

1 Operating Cost Statement 2010

		2010	2009
	Note	€000	€000
Expenditure on administration [<i>sum of A subheads</i>]		33,889	37,500
Expenditure on services and programmes		288,208	387,936
Gross expenditure		322,097	425,436
Deduct			
Appropriations in aid		(5,926)	(5,600)
Net expenditure		316,171	419,836
Changes in capital assets			
Purchases cash		(127)	
Depreciation		411	
Loss on disposals		189	224
Changes in net current assets			
Decrease in closing accruals		(1,989)	
Decrease in stock		25	(2,139)
Direct expenditure		314,680	417,921
Net allied services expenditure	1.1	17,831	18,243
Notional rents		3,480	4,297
Total operating cost		335,991	440,461

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 39 borne elsewhere

		2010	2009
		€000	€000
7	Superannuation and Retired Allowances	8,305	8,684
9	Office of the Revenue Commissioners	5,174	5,624
10	Office of Public Works	3,708	3,316
20	Garda Síochána	412	344
	Central Fund - Ministerial etc. pensions	232	275
		17,831	18,243

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	1,010	1,475
		<u>1,010</u>	<u>1,475</u>
Current Assets			
Stocks	2.3	77	102
Prepayments		308	220
Accrued income		3,822	2,176
Other debit balances	2.4	4,543	9,214
Net Liability from the Exchequer	2.6	401	4
Total Current Assets		<u>9,151</u>	<u>11,716</u>
Less Current Liabilities			
Accrued expenses		281	529
Other credit balances	2.5	1,111	1,379
Bank and cash	2.2	3,833	7,839
Total Current Liabilities		<u>5,225</u>	<u>9,747</u>
Net Current Assets		<u>3,926</u>	<u>1,969</u>
Net Assets		<u>4,936</u>	<u>3,444</u>

2.1 Statement of Capital Assets

	Office Equipment €000	Furniture & Fittings €000	Totals €000
Gross assets			
Cost or valuation at 1 January 2010	2,943	2,559	5,502
Additions	131	4	135
Disposals	(544)	(394)	(938)
Cost or valuation at 31 December 2010	2,530	2,169	4,699
Accumulated Depreciation			
Opening balance at 1 January 2010	2,057	1,970	4,027
Depreciation for the year	315	96	411
Depreciation on disposals	(513)	(236)	(749)
Cumulative depreciation at 31 December 2010	1,859	1,830	3,689
Net Assets at 31 December 2010	671	339	1,010
Net Assets at 31 December 2009	886	589	1,475

2.2 Bank and Cash

at 31 December

	2010 €000	2009 €000
PMG balances and cash	2,495	(2,145)
Orders outstanding	(6,328)	(5,694)
	(3,833)	(7,839)

2.3 Stocks

at 31 December

	2010 €000	2009 €000
Stationery	30	36
IT consumables	47	66
	77	102

2.4 Other Debit Balances

at 31 December

	2010	2009
	€000	€000
Advances to OPW	291	81
Recoupable salaries	319	651
Recoupment of travel expenditure	24	25
Recoupment of travel pass scheme	136	104
Compensation Tribunal	3,764	8,340
Other debit suspense items	9	13
	<u>4,543</u>	<u>9,214</u>

2.5 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Amounts due to the state		
Income Tax	413	11
Pay Related Social Insurance	206	10
Professional Services Withholding Tax	35	78
Value Added Tax	2	21
Pensions	90	384
Exchequer Extra Receipts	—	97
	<u>746</u>	<u>601</u>
Payroll deductions held in suspense	48	144
Other credit suspense items	317	634
	<u>1,111</u>	<u>1,379</u>

2.6 Net Liability from the Exchequer

at 31 December 2010

	2010	2009
	€000	€000
Surplus appropriations to be surrendered	60,246	71,338
Exchequer grant undrawn	(60,647)	(71,342)
Net liability from the Exchequer	<u>(401)</u>	<u>(4)</u>

Represented by:**Debtors**

Debit balances: suspense	4,543	9,214
	<u>4,543</u>	<u>9,214</u>

Creditors

Due to State	(746)	(601)
Bank and cash	(3,833)	(7,839)
Credit balances: suspense	(365)	(778)
	<u>(4,944)</u>	<u>(9,218)</u>
	<u>(401)</u>	<u>(4)</u>

2.7 Commitments	2010	2009
	€000	€000
at 31 December		

(A) Global Commitments

Commitments likely to arise in subsequent years for:
Procurement subheads

90 776

(B) Multi-Annual Capital Commitments**1. Legally Enforceable Capital Commitments**

Expenditure in year	10,778	13,298
Commitments to be met in subsequent years	27,780	29,123

2. Capital Projects over €6.3 million

	Cumulative spend to 31 December 2009 €m	Paid in 2010 €m	To be paid in subsequent years €m	Total €m
Health Research Board (Clinical Research Facility St James's Hospital and Dublin Clinical Research Network)	1.225	1.258	9.000	11.483
Health Research Board (Clinical Research Facility at University College Hospital, Galway)	—	—	7.500	7.500
Total of legally enforceable commitments	1.225	1.258	16.500	18.983

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, after any supplementary estimate adjustments, by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided €000	Explanation
A.2.	459	The saving arose due to a reduction in the numbers travelling.
A.3.	1,566	The saving arose from the implementation of expenditure curtailment measures.
A.4.	542	The saving arose from the implementation of expenditure curtailment measures.
A.5.	1,422	The saving arose from the implementation of expenditure curtailment measures.
A.6.	946	The saving arose from building premises costs being less than anticipated.
A.7.	477	The saving arose from a delay in commencing certain consultancies.
A.8.	146	The saving arose due to spending being less than anticipated.
C.	(240)	The excess arose due to the increased cost of subscriptions to international organisations.
D.	9,783	The estimate of certain legal costs and settlements did not materialise as originally anticipated.
E.1.	15,260	The saving arose from the the rationalisation of health agencies, the moratorium on recruitment and other spending being less than anticipated.
E.4.	1,353	The saving arose from spending being less than anticipated.
E.5.	153	The saving arose from spending being less than anticipated.
F.3.	13,786	The saving arose from spending being less than anticipated.
F.4.	3,449	The saving arose from spending being less than anticipated.
G.	984	The saving arose from spending being less than anticipated.
H.	4,222	The saving was due to timing factors associated with the delivery of various projects.

4 Receipts

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
4.1 Appropriations-in-aid			
1. Miscellaneous	1	267	473
2. Receipts from pension related deduction on public service remuneration.	4,295	5,659	5,127
Total	4,296	5,926	5,600

Heading	Less/(more) than estimated €000	Explanation
1.	(266)	The variance was due in part to the receipt of the balance of funding from health agencies whose assets and liabilities transferred to the Department on their closure under the Government's programme of the rationalisation of state agencies.
2.	(1,364)	The amount due to the Department from health agencies in respect of the Pension Related Deduction on Public Service Remuneration was difficult to estimate due to the possible impact of the Government's programme of rationalisation of state agencies.

4.2 Extra receipts payable to the Exchequer

Receipts totalling €96,584, in respect of the voluntary surrender of salary under Section 483 of the Taxes Consolidation Act, 1997 were transferred to the Exchequer during the year.

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	430	488
	€000	€000
Pay	27,565	30,879
Higher, special or additional duties allowances	242	312
Other allowances	7	9
Overtime	202	203
Employer's PRSI	1,124	1,276
Total pay	29,140	32,679

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	57	9	20,575	35,763
Other allowances	40	—	450	473
Overtime	64	6	19,121	22,174

Note: Certain individuals received extra remuneration in more than one category.

6 Miscellaneous Items

6.1 National Lottery Funding

Subhead Description	2010 Estimate €000	2010 Outturn €000	2009 Outturn €000
B.2. Grants to health agencies and other similar organisations (part funded by National Lottery)	3,786	3,786	3,985
	3,786	3,786	3,985

Under subhead B.2, a total of €3.786 million was paid to health agencies and other similar organisations. Details of the funding paid are available on the Department's website "www.dohc.gov.ie".

6.2 Commissions and Enquiries

	Year of appointment	Total paid to end 2010 €000	2010 €000	2009 €000
Commission on Patient Safety and Quality Assurance	2007	302	8	12
Commission of Investigation under the Commissions of Investigation Act 2004 to examine matters relating to the management, operation and supervision of Leas Cross Nursing Home.	2007	2,105	289	569
		2,407	297	581

7 Miscellaneous Accounts

A Special Obstetrics Indemnity Fund has been established from which certain participating hospitals will be indemnified in respect of specified obstetric claims. Contributions are provided by the participating hospitals into the Fund. In addition, under the terms of an arrangement with the Medical Protection Society certain funds (the Special Obstetrics Fund) were transferred to part-fund the cost of designated obstetric claims against named obstetricians. These Funds are managed by the State Claims Agency. The intention is that claims will be met in the first instance by the Funds and any shortfall in cover will be met by the Department. The Funds are sufficiently resourced to meet anticipated claims for the foreseeable future and the question of a shortfall in cover does not arise at the present time.

Vote 40: Health Service Executive

Introduction

As Accounting Officer for Vote 40, 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 2010 for the salaries and expenses of the Health Service Executive and certain other services administered by the Executive, including miscellaneous grants.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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 the following:

Statement of Capital Assets

Tangible fixed assets comprise Land, Buildings, Work in Progress, Equipment and Motor Vehicles. Tangible fixed asset additions since 1 January 2005 are stated at historic cost less accumulated depreciation. The carrying values of tangible fixed assets taken over from predecessor bodies by the HSE are included in the opening balance sheet on establishment day, 1 January 2005, at their original cost/valuation. The related aggregate depreciation account balance was also included in the opening balance sheet.

Depreciation is calculated to write-off the original cost/valuation of each tangible fixed asset over its useful economic life on a straight line basis at the following rates:

Land: land is not depreciated.

Buildings: depreciated at 2.5% per annum.

Modular buildings (i.e. prefabricated buildings): depreciated at 10% per annum.

Work in progress: no depreciation

Equipment - computers and ICT systems: depreciated at 33.33% per annum.

Equipment - other: depreciated at 10% per annum.

Motor Vehicles: depreciated at 20% per annum.

Statement of Capital Assets under Development

A separate Statement has not been completed as Capital Assets under Development are included as Work in Progress in the Statement of Capital Assets.

Stocks

Stocks are stated at the lower of cost and net realisable value. Net realisable value is the estimated proceeds of sales less costs to be incurred in the sale of stock.

Matured Liabilities

Matured Liabilities are invoices paid in January 2011 which fell due for payment before 31 December 2010.

Preparation of the Appropriation Account from the Annual Financial Statements (AFS)

Section 36 (2) of the Health Act, 2004 requires the HSE to prepare Annual Financial Statements (AFS) in such form as the Minister for Health and Children may direct and Section 36 (3) requires that these accounts be prepared in accordance with accounting standards specified by the Minister. The AFS are prepared on an income and expenditure basis. That is all income relating to the period is recognised, whether actually received or not and all expenditure relating to the period, both actual and accrued, is charged. The balance of the account shows the excess of income over expenditure or vice versa.

The Appropriation Account is prepared on a receipts and payments basis and recognises cash received and paid during the period of account. It is a non-cumulative account and any amount underspent at year-end is surrendered to the Exchequer.

The charge to the HSE Vote comprises expenditure recorded on an area basis and expenditure relating to nationally administered programmes. The area-based expenditure is produced for areas that pre-dated the HSE and derived from legacy systems operated in those areas. The Executive's financial systems are designed to produce accrual-based accounts and the cash based figures required for Vote accounting relies on substantial reconciliations to the accrual figures. These are derived from the AFS by eliminating non cash items and analysing all asset and liability accounts to identify all suspense account balances. The key to the process is that both sets of accounts are ultimately prepared from the same source transactions. The summary reconciliation of the vote outturn to the AFS is included in Note 1 to the Appropriation Account.

Ultimately, while this process produces an overall outturn that equates to the Vote outlay of the Executive in the year, the charge to some individual subheads include apportionments.

The Nursing Homes Support Bill was enacted on 1 July 2009 and the Nursing Homes Support Scheme (NHSS) commenced on 27 October 2009. The scheme provides eligible people with financial support towards the cost of their long term residential care and involves a co-payment arrangement between the person and the State. The scheme applies to people accessing long term residential care from 27 October 2009 onwards and replaces the Subvention Scheme which has been in existence since 1993. Subhead B.12 is designed to account for all expenditure on long term residential care which comprises the following four elements:

- subventions paid in respect of residents in private nursing homes, who were resident prior to the introduction of the NHSS and who have opted not to transfer to the NHSS scheme;
- contract bed payments paid in respect of residents in private nursing homes, who were resident prior to the introduction of the NHSS and who have opted not to transfer to the NHSS scheme;
- payments to private nursing homes in respect of residents who are in the NHSS;
- a percentage of the gross expenditure of public residential care units.

The first three elements are charged directly to the subhead. The fourth element is based on a cost allocation model developed by the HSE, which in summary, apportions the costs of its long-stay units on the basis of beds allocated to different care groups.

Other Apportionments

In addition to Subhead B.12 certain expenditure currently administered centrally (e.g. national contracts paid by HSE Corporate) is funded by the area-based subheads and accordingly the related expenditure is apportioned to those subheads on an estimated basis.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Health Service Executive.

Statement on Enhancing Internal Controls

The controls assurance process of the HSE is directed at enabling the CEO as Accounting Officer and the Board and Chairman of the HSE to deliver upon their requirement to satisfy themselves and represent to the Minister for Health and Children and Oireachtas that there is appropriate effective control within the HSE.

During 2010 a formal Review of the System of Internal Control in the Health Service Executive was completed by the Finance Directorate, the results of which have informed this Statement on Internal Financial Control. The review was carried out by finance managers with specific expertise in the areas of finance, audit and control. Annual reviews of the system of internal control use an established template which has been further developed in carrying out this review in 2010. An improved level of management awareness and understanding of the review process has been observed year on year. The methodology of the review involved reference to:

- Controls Assurance Statements completed by all senior managers from National Director level to Grade VIII (or equivalent) level. This had regard to the material risks that could affect the HSE, the methods of managing those risks, the controls that are in place to contain them and the procedures to monitor them;
- Results and findings of structured bilateral interviews with a cross section sample of approximately 100 managers and heads of service and their responses to an internal controls questionnaire completed during each interview;
- Internal Audit reports;
- Reports and management letters of the Comptroller and Auditor General;
- The 2010 audit programme of the Comptroller and Auditor General for the HSE and in particular, the audit risk identified therein;
- Assessment of the progress against the implementation of recommendations contained in previous Internal Audit reports and reports of the Comptroller and Auditor General as presented quarterly to the Audit Committee;
- Periodic status reports to the Audit Committee.

The report of the Review of the System of Internal Control in the Health Service Executive was circulated to senior management in March 2011. In summary, notwithstanding the significant breaches which were identified by management and are being addressed, the control environment, control and risk management processes and assurance arrangements are improving but are still not totally effective. There are a number of areas where specific action is recommended to increase effectiveness and consolidate on the improvements which have been put in place since the previous report.

In making this assessment regard must be had to the relative immaturity of the HSE as an organisation and the cultures of the various organisations incorporated within the HSE. The HSE is an amalgamation of 17 different bodies initially and has absorbed 8 additional bodies since its formation. The HSE remains dependent upon the legacy systems of these entities pending the implementation of a single enterprise wide financial, procurement and HR system. There have been a number of significant breaches of the control environment of the HSE which are referenced in this statement. These breaches point to the need for continued emphasis on and development of the control environment and a focus on the need to drive a single organisation wide culture of compliance. The HSE also needs to focus on building management capacity and capability in key areas including Finance, Procurement, ICT and line management.

Structured plans for the implementation of the recommendations of the Review of the System of Internal Control in the Health Service Executive are being prepared by management. The implementation of these recommendations by management will be monitored by the Audit Committee during the year and will be reassessed in the 2011 review of the system of internal controls.

Notwithstanding the improvements to the internal control framework, I, as Accounting Officer, have drawn attention to a range of issues in the following text that reflect the reality of the control environment in the HSE. There will continue to be a strong focus on driving compliance in the coming year.

Financial Control Environment

The HSE spends public funds on the provision of health and personal social services to the population of Ireland. The duties relating to expenditure incurred by the HSE are stringent in terms of accountability and transparency in order to fulfil our responsibility for a budget of some €14.4bn in 2010. These duties are set out in the Health Act 2004 and in the Public Financial Procedures of the Department of Finance. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under continuous review.

Development, maintenance and monitoring of this system of internal control involves additional challenges in the HSE, where devolved financial systems are multiple and fragmented. Some incremental consolidation and standardisation of financial processing systems has been undertaken to meet management and statutory reporting requirements. Financial processing is not fully automated and significant manual intervention is still required to facilitate the preparation of timely monthly management reports, the Annual Financial Statements and the Appropriation Account. The financial systems are not fit-for-purpose in that they are designed to produce accrual accounts rather than a Vote-based Appropriation Account. The financial systems are not capable of providing the level of detailed analysis of Vote expenditure which is required by Government Accounting rules.

The HSE has submitted various proposals in the last number of years to the Department of Health and Children seeking approval for investment in a single financial system. A detailed business case for a National Financial and Procurement System was submitted to the Department of Health and Children in June 2010. Due to the nature and scale of this project, and in accordance with Department of Finance protocols, this project is deemed subject to the standard peer review process for ICT projects in the public sector. The peer review process has three stages: Business Case Review; Tender Evaluation Review; Contract Review. The peer review group have now been selected and the Business Case Review stage has commenced with the HSE. The timeline associated with completion of each stage is outside the direct control of the HSE. Peer review process is estimated to take 12 months or longer.

The service and capital plan was adopted by the Board in January 2010 and approved by the Minister for Health and Children within the statutory timeframe. During 2010 monitoring and evaluation of performance and budgets against service plan objectives was carried out.

The following is a description of the key processes which are in place across the HSE to provide effective internal financial control:

- There is a framework of administrative procedures and regular management reporting in place including segregation of duties, a system of delegation and accountability and a system for the authorisation of expenditure. The HSE is working to develop a stronger evidence base of compliance with standards and procedures which will focus on simplicity of presentation of and communication to staff.

- The HSE's National Financial Regulations form an integral part of the system of internal control and have been prepared to reflect current best practice. Particular attention has been given to ensure that the Financial Regulations are consistent with statutory requirements, Department of Finance circulars and public sector guidelines. Compliance with National Financial Regulations is mandatory throughout the organisation. The development and maintenance of the HSE's suite of National Financial Regulations is a dynamic and continuous process, with new regulations and updates to existing regulations issued periodically in response to new or emerging requirements. While policies and regulations are nationally standardised, internal processes are largely systems-driven, and variations in process remain unavoidable until such time as the HSE has implemented a single organisation-wide financial system.

- The HSE has a comprehensive planning, performance monitoring and management framework. The HSE Performance Monitoring Control Committee, chaired by the National Director of Finance, continued in its role of reviewing and validating organisational performance in the key areas of finance, human resource management and the achievement of targets identified in the National Service Plan. The control assurance work undertaken in 2010 suggests the need for investment in ensuring clarity of roles, focus on sanctions for poor performance and the need to understand and integrate the clinical and managerial governance arrangements.

- The HSE is dependent upon a sector wide holistic approach to risk assessment so that issues and key dependencies to mitigating risk can be considered in their full effect.

- The monthly Performance Report provides an integrated analysis of key performance data from Finance, HR, Acute and Primary & Community Services and is published monthly on the HSE website, www.hse.ie. The activity data reported is based on the Performance Activity and Key Performance Indicators outlined in the National Service Plan. A Supplementary Report is also produced each month which provides more detailed data on the metrics covered in the Performance Report. Biannual reports were also published on the website to show progress against specific actions as set out in the National Service Plan and regular progress reports are provided against an agreed set of performance indicators and measures. In addition to the monthly and bi-annual performance reports, specific service programmes, e.g. Integrated Services Project, Reconfiguration and Clinical Programmes, provided regular progress reports.

- In accordance with the provisions of the Health Act 2004, the Board published the Corporate Plan 2008 – 2011 in 2008, which set out the HSE's priorities and direction for the three year period. The HSE is now in the process of preparing its next three-year Corporate Plan. The National Service Plan for 2010 was also prepared and submitted to the Minister for Health and Children for approval in January 2010.

- HealthStat is a comprehensive databank of performance information from Irish public health services. It currently provides detailed monthly results from 29 teaching, regional and general hospitals and 32 Local Health Offices (LHOs) responsible for providing health and social care services in the community. The results are published online on www.hse.ie. During 2010 the HSE modified services to achieve closer working between hospital and community services. HealthStat is accommodating these changes by reporting a joint view on the performance of hospitals and LHOs at a regional level in order to support the new integrated structures. Each month, the information generated through HealthStat is reviewed at a HealthStat Forum meeting, led by the HSE CEO and attended by the Regional Directors of Integrated Services, the hospital CEOs and Clinical Directors and the Local Health Office managers.

- The aim of HealthStat and the HealthStat Forum is to share best practice and address problem areas in specific hospitals or LHOs in a positive way. The Forum discusses suggestions for improvement in individual hospitals or LHO's and identifies systemic performance issues that need a national approach. The HealthStat Forum and the online publication of results encourage hospitals and LHOs to work for consistent performance improvement.

- A devolved budgetary system was in place with senior managers charged with responsibility to operate within defined accountability limits and to account for significant budgetary variances to the CEO.

- A detailed standardised appraisal process is conducted for all capital projects budgeted in excess of €0.5m. The process involves presenting a project brief to the National Director of Commercial and Support Services setting out service need in the context of capital priorities as expressed in the Corporate and Service Plans and the Health Strategy. A cost-benefit analysis of all proposed major capital projects is carried out. Those which are budgeted in excess of €30m are subject to a detailed cost benefit analysis carried out in accordance with Department of Finance 2005 Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector as amended by the Value for Money circular of January 2006. Board reviews of the capital programme take place on a regular basis.

- The HSE has an Internal Audit function with appropriately trained personnel which operates in accordance with a written charter/terms of reference which the Board has approved. Work of the National Director of Internal Audit and his team is informed by analysis of the financial risks to which the HSE is exposed. Annual Internal Audit plans, approved by the Audit Committee, 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 the Audit Committee, which reports to the Board. Procedures are in place to ensure that the reports of the Internal Audit function are followed up. The National Director of Internal Audit reports to the Board of the HSE through the Chairman of the Audit Committee and has a close working relationship with the CEO and is a member of the HSE management team. Any instances of fraud or other irregularities identified through management review or audit are addressed by management and where appropriate an Garda Síochána are notified.

- The HSE intends to commence an external review of Internal Audit in 2011 in accordance with standards issued by the Institute of Internal Auditors for all internal audit functions.

- An Audit Committee chaired by a Board member other than the Chairman of the Board is in place. It comprises three Board members. The Chairman of the Audit Committee reports to the Board on all significant issues considered by the Committee. The Committee operates under agreed Terms of Reference and met on ten occasions in 2010. The National Director of Finance and the National Director of Internal Audit attend meetings of the Committee, while the CEO and other members of the executive management team attend when necessary. The external auditors attend as required and have direct access to the Committee Chairman at all times. In accordance with best practice, the Committee met with the National Director of Internal Audit and with the external auditors in the absence of management.

- A Risk Committee chaired by a Board member other than the Chairman of the Board is in place. It comprises six Board members and an external specialist nominee. The Committee reports directly to the Board. The Risk Committee of the HSE operates under agreed Terms of Reference and focuses principally on assisting the board in fulfilling its duties by providing an independent and objective review of non-financial risks. The Risk Committee met on six occasions in 2010. Full liaison between the Audit and Risk Committees of the Board is essential to the proper functioning of these two inter-related Board committees. Liaison is facilitated by common membership between these two committees and joint meetings are held quarterly to strengthen this liaison role.

- Risk Management principles underpin all areas of governance within the HSE. An integrated approach to risk management is utilised, incorporating both clinical and non-clinical risk. Each service/function is obliged to identify, assess and manage risk relevant to their area; the risk register is the principle tool to enable communication of this risk information. Where risks are identified that have significant potential to impact on the overall objectives of the HSE they are recorded on the Corporate Risk Register. The corporate register is a mechanism to provide assurance (evidence) to the Board that risk is being identified, assessed and managed and that a range of control measures and action plans are in place at any time to enable mitigation of the risks identified.

- Regular reports on the status of the corporate risks are submitted to the Risk Committee. During the year the Chairman of the Risk Committee commissioned an external review of the operation of the Risk Committee, concerning the role of the Committee and its general conduct including interaction with the executive risk management function. Implementation of a number of recommendations from that report has commenced, while the Committee will oversee further risk management development initiatives throughout 2011 and future periods.

- The HSE has recently appointed a Director of Risk, Quality and Clinical Care with a specific role around improvement. Financially the impact of clinical and operational incidents is reflected in cases settled through the State Claims Agency and insurers. The HSE is focusing on the examination and effective management of quality with a view to reducing these incidents. The risk management processes in the HSE, while being developed, are still relatively immature. In addition, further guidance is being developed to promote a common understanding of the risk appetite of the HSE as required by the Code of Practice for the Governance of State Bodies.

- A revised National Incident Management and Serious Incident Management process has been agreed and implementation is underway.

- During 2010, three health entities; the Crisis Pregnancy Agency, St Luke's Hospital and the National Cancer Screening Service Board were dissolved under legislation and were subsumed into the HSE. All assets and liabilities of these entities, along with staff, were transferred to the HSE at the dissolution date. In accordance with HSE policy, formal due diligence examinations covering finance, HR, legal, insurance and governance aspects were carried out by the HSE as part of the process of subsuming these entities.

- Monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the Internal Audit function, the Audit Committee and the Managers in the HSE with responsibility for the development and maintenance of the financial control framework. Comments and recommendations made by the Comptroller and Auditor General in his management letters or other reports, such as reports of the Committee of Public Accounts are of the utmost importance and monitoring and review of their implementation is overseen by the Audit Committee.

- The HSE's Code of Governance was launched in 2008 following Ministerial approval and is published on www.hse.ie. A review of the Code of Governance was commenced in 2010 including an update of all organisational financial and operational control procedures. These include a wide range of written policies, procedures, guidelines and standards applicable to all HSE employees and are essential to ensure that organisational governance in the HSE is robust and effective. A one-stop online repository of all control procedures will be available for staff in 2011.

- The HSE has put in place procedures designed to ensure compliance with all pay and travel circulars issued by the Department of Finance. Any exceptions identified are addressed and are reported on an annual basis to the Minister, in accordance with the Code of Practice for the Governance of State Bodies.

- As part of the HSE's annual review of the effectiveness of the system of internal controls, all staff at Grade VIII (or equivalent) level and above are required to complete a Controls Assurance Statement, attesting to the existence and operation of controls which are in place in their area of responsibility. The level of compliance by managers in completing Controls Assurance Statements has been audited on a sample basis by Internal Audit in 2011, with the audit findings pointing to further requirements for improvement.

- Grants to outside agencies are governed by Sections 38 and 39 of the Health Act, 2004. Standardised Service Arrangement and Grant Agreement documentation was agreed between the HSE and its funded agencies in 2009. At 31 December 2010, the HSE had signed agreements in place covering 92% of the value of funding paid by the HSE to outside agencies. There are a number of agencies however, particularly in the physical and sensory disability sector, which have not yet signed documentation in respect of grant funding of approximately €190m. This is a very significant level of public funding not covered by formal governance documentation. The HSE cannot continue to fund organisations who will not sign up to formal Service Arrangements. A deadline of the end of Q1 2011 has been set for the signing of Service Arrangements by the agencies concerned.

- The HSE reserves the right to withhold or reduce the funding of agencies who have not signed Service Arrangements by the deadline, until such time as these formal agreements are signed. The signing of outstanding Service Arrangements is actively monitored by each Regional Director of Operations, reporting to the National Director for Integrated Services. The HSE is developing its contracting process to seek a positive assurance relating to the control environment of each funded body.

- Procedures for property acquisitions and disposals by the HSE comply with the legal obligations set out in sections 78 and 79 of the Health Act 1947, as amended by the Health Act 2004. The National Director of Commercial and Support Services has authority to approve proposed property transactions up to a limit of €2 million exclusive of VAT, once recommended for approval by the Property Committee. Transactions in excess of this amount must be approved by the CEO, once recommended for approval by the Property Committee and endorsed by the National Director of Commercial and Support Services. Transactions in excess of €2m once approved by the CEO must then be submitted to the HSE board for final approval.

Detailed examinations carried out in 2009 and 2010 by HSE Internal Audit and by the Comptroller and Auditor General into the SKILL training programme and the Health Services National Partnership Forum (HSNPF) are a matter of public record and have been examined by the Committee of Public Accounts in October and December 2010. Audits of SKILL and HSNPF identified significant failures in governance arrangements pertaining to both, particularly in relation to the operating model – existing as satellite entities outside the mainstream management control of the HSE. Systemic failures were exposed in terms of non adherence to financial, procurement and travel regulations of the HSE. Both programmes have now been subsumed into the HR Directorate of the HSE, ensuring that appropriate governance and oversight arrangements are now in place. The HSE has also taken the appropriate steps required to ensure comprehensive compliance with its regulations in relation to payments, travel and procurement and to address in full the recommendations of Internal Audit and the Comptroller and Auditor General and to ensure that these failures do not recur.

An external ICT Risk Assessment was commissioned by the HSE to inform the HSE ICT Audit Plan 2010-2012. The Risk Assessment was conducted by Mazars and sought to identify the risks that lay within the ICT environment of the HSE. The assessment endeavoured to establish a rating of the maturity of controls in place across the organisation in order to mitigate ICT risk. It concluded that these controls are at a relatively immature stage in their development, i.e. on a 0-5 maturity scale, the HSE ICT Risk Control Environment is at a rating of 1 = Initial. This is defined as meaning that the organisation has recognised that risks exist and need to be addressed, but that there are few standard controls in place and fully documented, that employees are not fully aware of their responsibilities for control activities and that the operating effectiveness is not evaluated on a regular basis (outside of audit). This reflects the fact that the ICT Directorate is made up of eight former health board ICT departments with eight separate networks and very diverse systems and processes.

The assessment identified a small number of ICT sub-processes that demonstrate a more advanced level of control maturity, e.g. the ICT Project Management Methodology, however these are very much “islands of excellence”. In summary, eleven risk areas were identified, with ICT Governance, Data Protection and ICT Security accorded high risk ratings. ICT Strategy and Planning was given a medium to high rating. The remaining seven risk areas were assessed as medium risk. These ratings have and will continue to inform Internal Audit plans and Internal Audit resource has been targeted at the assessment of the controls which are in place to mitigate the risks identified, based on these ratings.

Revenue Audits found underpayments of PAYE/PRSI, VAT, Relevant Contracts Tax and Professional Services Withholding Tax, giving rise to tax, interest and penalty settlements with Revenue totalling €3.35m in 2010. As part of a co-operative compliance programme with Revenue, a number of self reviews are performed by the HSE during the year to assess tax compliance. In 2010 a self review identified an erroneous underpayment of VAT which was the subject of a voluntary disclosure to Revenue in accordance with the Code of Practice for Revenue Audit. The HSE is committed to exemplary compliance with taxation laws. Where areas of non-compliance are detected, either in the course of Revenue audit or arising from self review exercises, immediate steps are taken to settle the liability with Revenue and ensure that the necessary action is taken to eliminate the scope for such errors.

During 2010 internal audits of a number of consultancies were undertaken. These audits revealed that vendors were paid €3.2m (over a number of years) in respect of services for which no competitive procurement processes were conducted. This constituted a breach of established regulations and additional controls have been introduced for the approval and monitoring of consultancy expenditure during 2010.

There are unacceptably long delays in the collection of income under the historical arrangements in place for the collection of charges on behalf of patients with private health insurance. The difficulties in income collection are caused primarily by delays in the signing, by private consultants, of claims which are due for reimbursement. The claims comprise two main elements – the HSE's statutory charge for the hospital bed and the consultant's private fee income. The HSE has sought to collect the statutory charge from the insurers, independent of the consultant's private fee income, prior to sign off of the entire claim by the consultant. This change to the claims process has not been facilitated by the private health insurers. The HSE has brought this to the attention of the Department of Health and is seeking the support of the Minister of Health in improving income collection in the current environment through enabling legislative changes to the claims process.

The HSE has undertaken a number of strategic reviews in areas such as the more effective provision of clinical and other client services focused upon improving quality and driving value. The implementation of these reviews, for example in acute medicine and surgery will improve the efficiency and effectiveness of the health service. Additionally, the HSE has developed proposals for a revised national logistics and procurement strategy. The implementation of these reviews will lead to increasingly effective use of healthcare resources and support the elimination of waste within the health system.

CATHAL MAGEE
Accounting Officer
Health Service Executive
31st March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 40: Health Service Executive for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Health Service Executive. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapters 41 to 48 of my annual report refer to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

6 September 2011

Vote 40 Health Service Executive Appropriation Account 2010

Service		2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000	€000
Administration				
A.1. Salaries, wages and allowances and other administration expenses of Corporate HSE				
	<i>Original</i> 68,558			
	<i>Supplementary</i> 1,000	69,558	71,700	96,780
A.2. Value for money and policy reviews		400	400	400
Other Services				
B.1. HSE - Dublin Mid Leinster Region				
	<i>Original</i> 1,509,628			
	<i>Supplementary</i> 33,006	1,542,634	1,478,521	1,602,764
B.2. HSE - Dublin North East Region				
	<i>Original</i> 1,403,082			
	<i>Supplementary</i> 30,669	1,433,751	1,400,962	1,610,325
B.3. HSE - South Region				
	<i>Original</i> 2,181,224			
	<i>Supplementary</i> 47,715	2,228,939	2,148,796	2,326,326
B.4. HSE - West Region				
	<i>Original</i> 2,406,090			
	<i>Supplementary</i> 52,610	2,458,700	2,483,008	2,601,667
B.5. Grants in respect of certain other health bodies including voluntary and joint board hospitals				
	<i>Original</i> 2,496,846			
	<i>Supplementary</i> 70,000	2,566,846	2,567,531	2,522,162
B.6. HSE - Medical Card Services and Community Schemes		2,812,000	2,728,989	2,752,987
B.7. Health agencies and other similar organisations (part funded by national lottery)		7,513	4,797	4,606

		2010 Estimate provision	2010 Outturn	2009 Outturn
Service	€000	€000	€000	€000
B.8. Hospital, in-patient, out-patient and counselling services for persons who have contracted Hepatitis C from the use of immunoglobulin anti-D and the provision of services under the Health (Amendment) Act 1996		15,016	15,182	14,993
B.9. Economic and Social Disadvantaged and Disability (Dormant Accounts Funded)		9,300	6,119	8,805
B.10. Payment to a special account established under Section 13 of the Health (Repayment Scheme) Act 2006		17,000	20,000	80,000
B.11. Payment to a special account established under Section 4 of the Hepatitis C Compensation Tribunal (Amendment) Act 2006 - Insurance Scheme		1,500	856	370
B.12. Long Term Residential Care		979,212	959,024	864,714
B.13. Service Developments and Innovative Service Delivery Projects				
	<i>Original</i>	79,270		
	<i>Supplementary</i>	(15,000)		
B.14. Payments to the State Claims Agency		64,270	57,679	68,671
		60,000	79,300	14,851
Capital Services				
C.1. Building, equipping and furnishing of health facilities and of higher education facilities in respect of the pre-registration nursing degree programme, including payments in respect of property rental, lease costs, etc		344,253	321,094	412,358
C.2. Building, equipping and furnishing of health facilities (part funded by national lottery)		2,539	2,539	2,539
C.3. Information systems and related services for health agencies				
	<i>Original</i>	140,000		
	<i>Supplementary</i>	(12,000)		
C.4. Building and equipping mental health and other health facilities (funded from the disposal of surplus assets)		128,000	106,689	118,232
		50,000	24,735	—

		2010 Estimate	2010 Outturn	2009 Outturn
Service	€000	€000	€000	€000
Gross Expenditure				
	<i>Original</i> 14,583,431			
	<i>Supplementary</i> <u>208,000</u>	14,791,431	14,477,921	15,103,550
Deduct:				
D. Appropriations-in-aid				
	<i>Original</i> 4,054,850			
	<i>Supplementary</i> <u>(387,000)</u>	3,667,850	3,523,317	3,225,504
Net Expenditure				
	<i>Original</i> 10,528,581			
	<i>Supplementary</i> <u>595,000</u>	<u>11,123,581</u>	<u>10,954,604</u>	<u>11,878,046</u>
Surplus to be surrendered		<u>€168,977,062</u>	<u>€168,977,062</u>	<u>€8,541,887</u>

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	2010	2009
€000	€000	€000
Expenditure on administration	72,100	97,180
Expenditure on services and programmes	14,405,821	15,006,370
Gross expenditure	14,477,921	15,103,550
Deduct		
Appropriations-in-aid	3,523,317	3,225,504
Net expenditure	10,954,604	11,878,046
Changes in capital assets		
Purchases cash	(338,666)	
Depreciation	195,067	
Disposals cash	3,516	
Loss on disposals	8,794	(129,078)
Changes in net current assets		
Decrease in closing accruals	(144,811)	(84,217)
Increase in stock	18,520	(26,693)
Direct expenditure	10,697,024	11,638,058
Reconciliation of Operating Cost to Expenditure Recognised in the Annual Financial Statements		
Operating Cost	10,697,024	11,638,058
Expenditure met from other income	3,615,806	3,341,595
Capital expenditure charged to income and expenditure account	338,666	290,258
Depreciation	(195,067)	(160,117)
Loss on disposals	(8,794)	(684)
Expenditure per Income and Expenditure Accounts	14,447,635	15,109,110
Revenue expenditure per revenue income and expenditure account	14,077,269	14,695,001
Capital expenditure per capital income and expenditure account	370,366	414,109
Expenditure per Income and Expenditure Accounts	14,447,635	15,109,110

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	5,274,663	5,143,374
Financial assets		3	3
		<u>5,274,666</u>	<u>5,143,377</u>
Current Assets			
Bank and cash	2.2	21,451	12,845
PMG balance		105,668	181,677
Stocks	2.3	128,087	146,607
Debtors and prepayments		169,996	143,248
Other debit balances	2.4	67,775	73,674
Total Current Assets		<u>492,977</u>	<u>558,051</u>
Less Current Liabilities			
Creditors		164,670	154,169
Accrued expenses		1,289,321	1,415,744
Deferred income		6,253	3,575
Other credit balances	2.5	176,917	225,773
Net liability to the Exchequer	2.6	17,977	42,423
Total Current Liabilities		<u>1,655,138</u>	<u>1,841,684</u>
Net Current Assets		<u>(1,162,161)</u>	<u>(1,283,633)</u>
Net Assets		<u>4,112,505</u>	<u>3,859,744</u>

2.1 Statement of Capital Assets

	Land	Buildings	Work-in Progress	Equipment	Vehicles	Totals
	€000	€000	€000	€000	€000	€000
Gross assets						
Cost or valuation at 1 January 2010	2,025,623	2,851,916	526,204	1,109,470	95,154	6,608,367
Transfers	—	278,959	(279,654)	—	695	—
Additions	6,817	88,117	157,546	83,474	2,712	338,666
Disposals	(3,747)	(1,034)	(4,976)	(45,133)	(4,972)	(59,862)
Cost or valuation at 31 December 2010	2,028,693	3,217,958	399,120	1,147,811	93,589	6,887,171
Accumulated Depreciation						
Opening balance at 1 January 2010	—	594,261	—	796,448	74,284	1,464,993
Depreciation for the year	—	91,815	—	94,084	9,168	195,067
Depreciation on disposals	—	(326)	—	(42,381)	(4,845)	(47,552)
Cumulative depreciation at 31 December 2010	—	685,750	—	848,151	78,607	1,612,508
Net Assets at 31 December 2010	2,028,693	2,532,208	399,120	299,660	14,982	5,274,663
Net Assets at 31 December 2009	2,025,623	2,257,655	526,204	313,022	20,870	5,143,374

2.2 Bank and Cash

	2010	2009
	€000	€000
Officers imprest at 31 December	570	518
Commercial bank account balances	20,881	12,327
	21,451	12,845

2.3 Stocks

	2010	2009
	€000	€000
at 31 December		
Medical, dental and surgical supplies	34,050	40,035
Laboratory supplies	6,478	7,027
Pharmacy supplies	19,361	20,577
High tech pharmacy stocks	30,926	32,526
Pharmacy dispensing stocks	2,001	2,455
Blood and blood products	1,408	1,271
Vaccine stocks	21,655	30,153
Household services	9,217	9,086
Stationery and office supplies	2,387	2,909
Sundries	604	568
	128,087	146,607

2.4 Other Debit Balances

	2010	2009
	€000	€000
at 31 December		
SWA debtors	(1)	(14)
Prepayments suspense	15	(135)
Other debtors suspense	67,761	73,823
	<u>67,775</u>	<u>73,674</u>

2.5 Other Credit Balances

	2010	2009
	€000	€000
at 31 December		
Amounts due to the state		
Income Tax	57,967	62,918
Pay Related Social Insurance	49,913	52,361
Professional Services Withholding Tax	20,746	20,714
Value Added Tax	4,788	5,546
Payroll deductions held in suspense	31,467	20,788
Special income and expenditure balances	11,849	13,446
Advance from VHI	187	50,000
	<u>176,917</u>	<u>225,773</u>

2.6 Net Liability to the Exchequer

	2010	2009
	€000	€000
at 31 December		
Surplus appropriations to be surrendered	168,977	8,542
Exchequer grant undrawn	(151,000)	33,881
Net liability to the Exchequer	<u>17,977</u>	<u>42,423</u>

Represented by:**Debtors**

Net PMG position and cash	127,119	194,522
Debit balances: long stay	—	—
Debit balances : suspense	67,775	73,674
	<u>194,894</u>	<u>268,196</u>

Creditors

Due to State	(133,414)	(141,539)
Credit balances: special income and expenditure	(11,849)	(13,446)
Credit balances: suspense	(31,654)	(70,788)
	<u>(176,917)</u>	<u>(225,773)</u>
	<u>17,977</u>	<u>42,423</u>

2.7 Commitments**2010****2009****€000****€000**

at 31 December

Global Commitments

Commitments likely to arise in subsequent years for:

Procurement subheads	238,346	253,981
Operating leases	32,573	33,028
Finance leases	40,310	41,049

Legally Enforceable Capital Commitments

	Hospital Service or Community Service	Cumulative spend to 31 Dec 2010	To be paid in subsequent years	Total
		€m	€m	€m
Community Nursing Unit, Ballinasloe	Community Service	10.15	0.50	10.65
St Anne's Child & Adolescent Psychiatric Unit	Community Service	7.05	0.86	7.91
St Joseph's Hospital, Ennis	Community Service	6.11	0.10	6.21
Letterkenny General Hospital - Medical Ward Block (Seventy two beds)	Hospital Service	15.84	5.16	21.00
Cork University Hospital (CUH) - Pet Scanner	Hospital Service	5.97	0.48	6.45
An Daingean Community Hospital	Community Service	14.65	0.20	14.85
Ballincollig Community Nursing Unit	Community Service	20.21	0.50	20.71
Bessboro, Co Cork - Child & Adolescent Psychiatric Unit	Community Service	6.98	0.22	7.20
Farnlea Community Nursing Unit (One hundred beds)	Community Service	18.39	0.50	18.89
Fermoy Community Hospital extension	Community Service	4.96	0.15	5.11
Marymount Hospice	Community Service	11.00	2.97	13.97
St Mary's Community Nursing Unit, Cork City	Community Service	9.60	0.40	10.00
Tralee Community Nursing Unit	Community Service	9.25	0.08	9.33
Integrated Patient Management System (IPMS)	Hospital Service	28.10	0.25	28.35
Cashel, Phase 2	Community Service	12.17	0.75	12.92
St Vincent's Hospital, Dungarvan, Co. Waterford	Community Service	11.02	0.17	11.19
Connolly Hospital, Blanchardstown - Surgical Block	Hospital Service	16.63	2.18	18.81
St Ita's Portrane, Co Dublin - Residential Development	Community Service	16.09	0.40	16.49
Our Lady of Lourdes Hospital, Drogheda- Extension & Refurbishment of A & E	Hospital Service	30.30	1.58	31.88
Community Health Unit, Navan	Community Service	29.35	1.00	30.35
Cherry Orchard	Community Service	2.67	5.50	8.17

Legally Enforceable Capital Commitments	Hospital Service or Community Service	Cumulative spend to 31 Dec 2010	To be paid in subsequent years	Total
		€m	€m	€m
Mental Health Services & Primary Care Centre - Ballyfermot	Community Service	1.79	8.36	10.15
Pearse St/ Irishtown Health Centre	Community Service	13.99	0.14	14.13
St Loman's Hospital - Community Redevelopment	Community Service	5.99	2.50	8.49
Inchicore Primary Care Centre	Community Service	14.49	1.53	16.02
Midland Regional Hospital, Tullamore - Equipment & Commissioning	Hospital Service	26.34	0.28	26.62
St Mary's Hospital, Mullingar - Community Nursing Unit (CNU)	Community Service	4.23	7.84	12.07
Clonskeagh Community Nursing Unit, Dublin 14 - One hundred bed Community Nursing Unit	Community Service	15.25	0.25	15.50
Cappagh National Orthopaedic Hospital	Hospital Service	3.02	1.80	4.82
Coombe Women's Hospital	Hospital Service	5.06	0.97	6.03
Incorporated Orthopaedic Hospital, Clontarf - Phase 2 Development	Community Service	16.08	0.35	16.43
Mater Campus Development	Hospital Service	88.33	77.00	165.33
National Paediatric Hospital Development Board	Hospital Service	23.99	14.00	37.99
Our Lady's Hospital for Sick Children	Hospital Service	6.48	1.52	8.00
National Integrated Medical Imaging System (NIMIS)	Hospital Service	4.90	25.00	29.90
National Cancer Control - Project technical support for National Plan for Radiation Oncology (NPRO) Phase 2 Public private partnership, Phase 1 facilities at St. James's & Beaumont hospitals	Hospital Service	70.43	5.50	75.93
Ambulance Services	Hospital Service	4.45	2.73	7.18
Total		591.31	173.72	765.03

2.8 Matured Liabilities

The total amount of matured liabilities undischarged at 31 December 2010 was €21,386,282.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000, and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided	Explanation
	€000	
B.7.	2,716	National Lottery Grants are not paid until the conditions of the grant are fulfilled. Approved grants unpaid at 31 December 2010 amounted to €0.7m.
B.9.	3,181	Expenditure is dependent on the timing of claims received from Pobal.
B.10.	(3,000)	Repayments to applicants were higher than anticipated.
B.11.	644	There is a timing difference between expenditure incurred by the HSE in respect of the Insurance Scheme and the related payments to the Special Account.
B.13.	6,591	Expenditure on some service developments did not commence until the second half of 2010.
B.14.	(19,300)	Expenditure is dependent on the timing and value of claims received from the State Claims Agency.
C.1.	23,159	As the receipts from the disposals of assets was less than expected there is a corresponding saving on gross capital expenditure.
C.3.	21,311	Projected 2010 capital expenditure of €2.4m on ICT infrastructure did not materialise until January 2011, due to delays in payment approvals. In addition, liabilities on a number of other ICT projects did not mature before year end.
C.4.	25,265	As the receipts from the disposals of assets was less than expected there is a corresponding saving on gross capital expenditure.

4 Receipts

4.1	Appropriations-in-aid	2010 Estimated €000	2010 Estimated €000	2010 Realised €000	2009 Realised €000
1.	Receipts from health contributions				
	<i>Original</i>	2,431,439			
	<i>Supplementary</i>	(422,000)	2,009,439	2,017,657	1,755,753
2.	Recovery of cost of Health Services provided under regulations of the European Community				
	<i>Original</i>	285,000			
	<i>Supplementary</i>	35,000	320,000	320,000	286,580
3.	Receipts from certain excise duties on tobacco products		167,605	167,605	167,605
4.	Recoupment of certain Ophthalmic Services Scheme costs from the Social Insurance Fund		5,000	3,788	5,000

		2010	2010	2010	2009
		Estimated	Estimated	Realised	Realised
		€000	€000	€000	€000
5.	Recoupment of certain Dental Treatment Services Scheme costs from the Social Insurance Fund		8,500	9,194	8,500
6.	Charges for maintenance in private and semi private accommodation in public hospitals		376,000	312,601	324,637
7.	Economic & Social Disadvantaged & Disability (Dormant Accounts Funded)		9,300	6,119	8,805
8.	Superannuation		205,000	203,279	220,411
9.	Miscellaneous receipts		167,000	115,961	116,229
10.	Receipts from the disposal of mental health and other health facilities.		58,800	3,586	—
11.	Receipts from pension-related deduction on public service remuneration		341,206	363,527	331,984
	Total				
		<i>Original</i>	4,054,850		
		<i>Supplementary</i>	(387,000)	3,667,850	3,523,317
					3,225,504

Explanation of significant variations

An explanation is provided below in the case of each heading where the outturn varied from the amount estimated [after any supplementary estimate adjustments] by more than €100,000, and by more than 5%.

Heading	Less/(more) than estimated €000	Explanation
4.	1,212	Receipts are dependent on the examination of claims by the Social Insurance Fund.
5.	(694)	Receipts are dependent on the examination of claims by the Social Insurance Fund.
6.	63,399	The accelerated cash receipt target set out in the estimate provision was not achieved.
7.	3,181	Receipts are dependent on the timing of claims received from Pobal.
9.	51,039	Miscellaneous receipts were less than anticipated.
10.	55,214	Disposals did not proceed as quickly as anticipated.
11.	(22,321)	Receipts from the pension levy were higher than estimated.

4.2 Reconciliation of Income per AFS to Appropriations-in-Aid per Appropriation Account

	Revenue	Capital	Total
	€000	€000	€000
Total income per annual financial statements	14,201,193	369,217	14,570,410
Less Exchequer revenue grant	(10,599,546)	(355,058)	(10,954,604)
Total Other Income per Annual Financial Statements	3,601,647	14,159	3,615,806

Less Income Credited to Suspense

Department of Community, Equality and Gaeltacht Affairs	(24,773)
National Cancer Screening Service	(5,172)
Non Vote miscellaneous income	(9,739)
Agency services	(9,609)
Other payroll deductions	(10,232)
EU funding/capital funding	(953)
Capital receipts from other state sources	(5,838)
Department of the Environment, Heritage and Local Government	(92)
National Council for the Professional Development of Nursing and Midwifery	(1,399)
Health Research Board	(1,474)

Less Movements in Working Capital

Less difference between maintenance cash and maintenance income	(7,640)
Less movement in other non-Vote debtors	(15,568)
Appropriations-in-Aid	3,523,317

4.3 Reimbursement of Private Activity in Acute Public Hospitals ¹

Private patients receiving treatment in a private-designated bed in an acute hospital are liable for a maintenance charge (determined by the Minister for Health and Children) in addition to the public hospital inpatient charge.

Under the per diem charging system which currently reimburses public hospitals for private treatment, patients are liable for a daily charge for each day that they are treated privately by their Consultant and accommodated in a designated private or semi-private bed. The charge rates are determined in the context of an examination of the different costs of treating patients in three categories of hospital. Hospital Casemix data is used to calculate an average cost per bedday for each category of hospital based on the hospitals within that category. This cost then informs the calculations for the charge rates.

Daily Maintenance Charge for Private Patients in Acute Hospitals by Type of Accommodation and Hospital Category, 2007 – 2010.

	2007	2008	2009	2010
	€	€	€	€
Category 1 – HSE Regional Hospitals and Voluntary and Joint Board Teaching Hospitals				
Private accommodation	689	758	910	910
Semi-private accommodation	540	594	713	713
Day care accommodation	496	546	655	655
Category 2 – HSE County Hospitals and Voluntary Non Teaching Hospitals				
Private accommodation	460	506	607	607
Semi-private accommodation	370	407	488	488
Day care accommodation	329	362	434	434
Category 3 – HSE District Hospitals				
Private accommodation	197	217	260	260
Semi-private accommodation	168	185	222	222
Day care accommodation	146	161	193	193

In addition to the charges set out above, private and semi private patients must also pay the charge equivalent to the statutory inpatient charge which currently stands at €75 in respect of each day spent in hospital. The maximum payment in respect of this charge in any twelve consecutive months is €750 per patient. The average cost per bedday in Category 1 hospitals was €1,018 in 2009. When the statutory charge is included, private and semi-private patients accommodated in private or semi private beds in Category 1 Hospitals were charged at the rates of €985 and €788 respectively per day in 2009. This represents an average of 97% and 77% of the average cost as calculated using the methodology.

¹ Value for Money and Policy Review of the Economic Cost and Charges Associated with Private and Semi-Private Treatment Services in Public Hospitals - Final Report Department of Health and Children, 2010.

4.4 Extra receipts payable to the Exchequer

There were no extra Exchequer receipts paid over in 2010.

	2010	2009
	€000	€000
Proceeds of sale of land and buildings	—	309

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	70,789	71,813
Summary analysis of pay and pension costs	€000	€000
Basic pay	3,574,545	3,803,109
Allowances	124,009	137,215
Overtime	177,079	192,834
Night duty	73,054	82,739
Weekends	189,795	205,020
On-call	55,353	62,403
Arrears	21,629	24,521
Employer PRSI	311,773	339,101
Superannuation	617,564	524,052
Total pay	5,144,801	5,370,994

Note 1: HSE Pay costs and numbers above relate to HSE employees only. The above figures are disclosed on an income and expenditure basis.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Allowances	40,531	9,500	186,004	160,536
Overtime	24,262	7,931	135,100	201,886
Night duty	33,363	5,364	19,763	20,572
Weekends	53,769	10,555	30,684	18,178
On-call	7,068	2,209	111,675	119,348
Other	13,731	185	104,460	109,373

Note 1: Certain Individuals received extra remuneration in more than one category.

Note 2: Allowances and overtime payments above relate to HSE employees only.

Note 3: The maximum individual allowance and overtime payments may include amounts paid in 2010 in respect of previous years.

5.2 Performance and Merit Payments

Gratuities (excluding pension lump sums) paid in 2010 amounted to €1,789,578

No performance related pay was paid in 2010.

5.3 Other Remuneration Arrangements

Payments to retired staff for services in 2010 amounted to €14,619,549

Payments of €655,645 were made in 2010 arising from Labour Relations Commission/Rights Commissioners awards.

The cost of severance awards paid in 2010 totalled €57,937

5.4 Voluntary Early Retirement (VER) and Voluntary Redundancy Scheme (VRS)

Following a Government Decision on 1 November 2010, the HSE introduced two new schemes aimed at effecting a reduction in staffing numbers in the Health Service. They include a Voluntary Early Retirement Scheme targeted at staff aged over 50 years of age, and a Voluntary Severance Scheme targeted at management, administrative and support staff grades. The entire cost of the scheme totalled €100m (income and expenditure basis), of which €73m directly related to staff employed by the HSE. The balance of €27m related to staff employed by voluntary health service providers funded by the HSE. Scheme costs relating to HSE employees are accounted for in subheads A1, B1-B4 and B6. Scheme costs relating to the voluntary health service providers' employees are accounted for in subhead B5.

6 Miscellaneous Items

6.1 National Lottery Funding

A total of €4.797 million was paid to the HSE areas. The recipients of the funding, and the amounts paid, are summarised below. A list is available on the HSE website (www.hse.ie). List on website will only include grants over €5k.

National Lottery Funding

	2010	2009
	Outturn	Outturn
	€000	€000
Block Allocations to HSE Regions		
Dublin Mid Leinster Region	1,497	1,436
Dublin North East Region	1,176	1,063
Southern Region	1,045	921
Western Region	1,079	1,186
Total	4,797	4,606

6.2 Write-offs

During 2010, the HSE wrote off bad debts amounting to €12.6m and reduced the provision for bad debts by €5.3m as follows:

	Debts Movement in	
	Written Off	Provision
	€m	€m
Private charges	3.1	(3.4)
In-patient charges	3.4	(1.3)
Emergency department charges	2.5	(0.7)
Road traffic accidents	2.0	(1.4)
Long-stay	0.8	2.4
Non-patient related debts	0.8	(0.9)
Total	12.6	(5.3)

The HSE wrote off stock amounting to €2.6m.

6.3 EU Funding

The outturn shown for Subhead C.1. includes expenditure which was co-financed under the INTERREG III A Initiative from the European Development Fund.

6.4 Legal Fees and Compensation

There were a total of 1,135 outstanding claims against the HSE with Irish Public Bodies Mutual Insurance Ltd. at the end of 2010.

There were a total of 2,170 outstanding claims against the HSE with the State Claims Agency at 31 December 2010.

The HSE paid a further €4,797,929 in respect of various claims brought against it and settled in 2010 which were not covered under insurance.

The HSE had 122 outstanding claims for compensation at 31 December 2010 which are not covered by the HSE insurance policy.

Other ex-gratia payments made during 2010 amounted to €40,557 and other miscellaneous payments amounted to €535,037.

Up to 31 December 2009 the HSE was insured against employers liability and public liability risks up to an indemnity limit, under both retro-rated and flat-rated bases. Under the retro-rated basis, the final premium is not determined until the end of the coverage period and is based on the HSE's loss experience for that same period. The retro-rated adjustment payable by the HSE is subject to maximum and minimum limits. At 31 December 2010 it was not possible to accurately quantify the liability, if any, which may arise as a result of future retro-rating. The maximum liabilities for retro-rated claims still outstanding, based on agreed levels of each insurable risk is €4,699 and €2,983,081 for employers liability and public liability respectively. All insurance premiums from 1 January 2001 have been paid on a flat basis only and no retro-rating applies to cover from this date forward.

Since 1 July 2009 the HSE is funded for claims processed by the State Claims Agency under the terms of the Clinical Indemnity Scheme. From 1 January 2010 the National Treasury Management Agency (Delegation of Functions) Order 2009 extended the State indemnity to personal injury and third party property damage claims against the HSE. Awards paid to claimants under the terms of the scheme are accounted for on a pay-as-you-go basis. At 31 December 2010, the estimated liability incurred to that date under the Clinical Indemnity Scheme and State indemnity was €854m.

6.5 Prompt Payment of Account Interest

Prompt Payment Interest paid by the HSE in 2010 was €279,325.

6.6 Contingent Liabilities

Pharmacists have lodged a claim with the HSE for loss of retail mark up on products dispensed under the terms of the over 70 medical card, products which would otherwise have been subject to higher margin where full eligibility did not exist. The claim is in the amount of €100 million, over and above the amount of €30 million currently paid per annum. The Irish Pharmaceutical Union have indicated that they will engage in non-binding mediation but may pursue the HSE through the courts if they are dissatisfied with the outcome.

The HSE is involved in a number of claims involving legal proceedings which may generate liabilities, depending on the outcome of the litigation. The HSE has insurance cover for public and employer liability, fire and specific all risk claims. In most cases such insurance would be sufficient to cover all costs, but this cannot be certain.

6.7 Other

The HSE paid €7.384 million in respect of insurance premia in 2010 and this is reflected in the outturn for Subhead A.1 and B.1. to B.4.

Vote 41: Office of the Minister for Children and Youth Affairs

Introduction

As Accounting Officer for Vote 41, 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 2010 for the provision of certain services in respect of children and youth affairs, including miscellaneous grants and grants-in-aid.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

The Statement of Accounting Policies and Principles and notes 1 to 7 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 the following -

The charge under subhead A. relates to payments to the Department of Social and Family Affairs in respect of the Early Childcare Payment Scheme. The amount charged to the subhead is the amount paid to that Department in 2010.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Office of the Minister for Children and Youth Affairs.

MICHAEL SCANLAN

Accounting Officer

Office of the Minister for Children and Youth Affairs

31 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 41: Office of the Minister for Children and Youth Affairs for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Health and Children in respect of the Office of the Minister for Children and Youth Affairs. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

Chapter 49 of my annual report refers to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

29 August 2011

Vote 41 Office of the Minister for Children and Youth Affairs

Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Childcare payments			
A. Early Childcare Payment	4,500	10,950	231,000
Childcare programmes			
B. National Childcare Investment Programme	105,078	97,369	131,578
C. Early Intervention Programme for Children (dormant accounts funded)	5,340	2,966	5,240
D. ECCE Pre-School Year Scheme	170,000	153,542	—
National Children's Strategy (NCS)			
E. NCS - National Longitudinal Study and other programmes	25,790	23,783	27,954
Youth Affairs			
F. Grant-in-aid fund for general expenses of youth organisations and other expenditure in relation to youth activities	8,000	8,000	8,772
G. Grant-in-aid fund for general expenses of youth organisations and other expenditure in relation to youth activities (part-funded by National Lottery)	38,600	38,599	39,340
Other Services			
H. Cost in connection with the holding of a constitutional referendum on children's rights	3,000	—	—
Gross Expenditure	360,308	335,209	443,884
Deduct :			
I. Appropriations-in-aid	9,040	2,966	5,240
Net Expenditure	351,268	332,243	438,644
Surplus to be surrendered		€19,025,384	2,933,938

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration ¹			—	—
Expenditure on services and programmes			335,209	443,884
Gross expenditure			<u>335,209</u>	<u>443,884</u>
Deduct				
Appropriations-in-aid			2,966	5,240
Net expenditure			<u>332,243</u>	<u>438,644</u>
Changes in capital assets				
Purchases cash		—		
Depreciation		—		
		<u>—</u>		
Changes in net current assets				
Decrease in closing accruals		(6,398)		
Increase in stock		—		
		<u>—</u>		
			(6,398)	18,766
Direct expenditure			<u>325,845</u>	<u>457,410</u>
Total operating cost			<u><u>325,845</u></u>	<u><u>457,410</u></u>

Note: ¹Administration costs of this Office, including accommodation costs, are met from the Vote of the Department of Health and Children.

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets		—	—
		—	—
Current Assets			
Bank and Cash	2.2	27	44
Prepayments		483	1,090
Other debit balances	2.3	157	—
Total Current Assets		667	1,134
Less Current Liabilities			
Accrued expenses		135	6,985
Other credit balances	2.4	20	29
Net Liability to the Exchequer	2.5	9	15
Total Current Liabilities		164	7,029
Net Current Assets / (Liabilities)		503	(5,895)
Net Assets / (Liabilities)		503	(5,895)

2.1 Statement of Capital Assets

Capital assets are reflected in the Appropriation Account of the Department of Health and Children.

2.2 Bank and Cash

at 31 December

	2010	2009
	€000	€000
PMG balances and cash	57	940
Orders outstanding	(30)	(896)
	<u>27</u>	<u>44</u>

2.3 Other Debit Balances

at 31 December

	2010	2009
	€000	€000
Other debit suspense items	2	—
Overpayments on ECCE pre school scheme	155	—
	<u>157</u>	<u>—</u>

2.4 Other Credit Balances

at 31 December

	2010	2009
	€000	€000
Income Tax	—	—
Pay Related Social Insurance	—	—
Professional Services Withholding Tax	17	29
Value Added Tax	3	—
Pensions	—	—
	<u>20</u>	<u>29</u>

2.5 Net Liability to the Exchequer

at 31 December

	2010	2009
	€000	€000
Surplus to be surrendered	19,025	2,934
Exchequer grant undrawn	(19,016)	(2,919)
Net liability to the Exchequer	<u>9</u>	<u>15</u>

Represented by:**Debtors**

Debit balances: suspense	2	—
Bank and cash	27	44
	<u>29</u>	<u>44</u>

Creditors

Due to State	(20)	(29)
	<u>(20)</u>	<u>(29)</u>
	<u>9</u>	<u>15</u>

2.6 Global Commitments

at 31 December

	2010	2009
	€000	€000
Commitments likely to arise in subsequent years for:		
Procurement subheads	29,333	36,324
Grant subheads	19,797	40,009
Total commitments	<u>49,130</u>	<u>76,333</u>

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, after any supplementary estimate adjustments, by more than €100,000, and by more than 5%.

Sub-head	Less/(more) than provided €000	Explanation
A.	(6,450)	The excess arose because the residual payments to claimants providing for arrears and appeals under the Early Childcare Payment were higher than expected.
B.	7,709	The funding required for the capital element of projects included in the National Childcare Investment Programme was less than anticipated due to delays encountered by some applicants in meeting the pre-contractual requirements, such as planning permission, property leases and liens. The total savings amounted to €5 million on the capital provision. In addition, the overall value of the Appropriations-in-Aid in 2010 fell below the level specified in the Vote by €6.074 million and the shortfall was partly offset by a reduction of €2.7 million in the gross expenditure under this Subhead.
C.	2,374	Savings of €1.75 million arose because of the delay in obtaining clarification on legal procedural requirements relating to disbursements from the Dormant Accounts Fund which had a consequential impact on spending under the Prevention and Early Intervention Programme. A further saving of €0.624 million arose because the grant approvals under the Youth Café Funding Scheme were not announced until 6 December 2010 and it was not possible to discharge payments pending the formalisation of contracts.
D.	16,458	Expenditure on the Early Childhood Care and Education (ECCE) Scheme was lower than anticipated because enrolment under the Scheme in its first short contract period was less than had been provided for in the estimate allocation. Of the €16.458 million savings, the sum of €6.45 million was vired (with the sanction of the Department of Finance) to Subhead A to offset a shortfall in the original estimate provision for that Subhead.
E.	2,007	Savings relate to a number of programmes including (i) the National Longitudinal Study reflected by reduced pay costs and the rescheduling of fieldwork; (ii) the decommitment of a project under the Young Peoples Facilities and Services Fund and (iii) slower than anticipated fund drawdowns related to the Centre for Effective Services and the National Children's Advisory Council.
H.	3,000	The savings arose because a decision has yet to be taken on a date for the holding of the Constitutional Referendum on Children.

4 Receipts

4.1 Appropriations-in-aid

1. EU Receipts
2. Dormant Account Funding
- Total**

2010 Estimated €000	2010 Realised €000	2009 Realised €000
3,700	—	—
5,340	2,966	5,240
9,040	2,966	5,240

Explanation of significant variations

An explanation is provided below in the case of each heading where the outturn varied from the amount estimated, after any supplementary estimate adjustments, by more than €100,000, and by more than 5%.

Heading	Less/(more) than estimated €000	Explanation
1.	3,700	The Equal Opportunities Childcare Programme 2000-2006 is co-funded by the EU. A rigorous process of reporting, verifying and certifying expenditure by grant beneficiaries is required before the EU contribution can be reclaimed by the State. The timing of rebates is largely outside the control of the Office and is dependent on the proper certification of expenditure through a number of authorities to the EU Commission.
2.	2,374	Recoupment from the Dormant Accounts Fund is linked to expenditure under Subhead C which was lower than expected due to reduced expenditure outlays under the Prevention and Early Intervention Programme and the Youth Café Funding Scheme.

5 Employee Numbers and Pay

Staffing and pay costs in relation to the vote funded activities are accounted for in the appropriation account for Vote 39 Health and Children.

6 Miscellaneous Items

6.1 National Lottery Funding

Subhead Description	2010	2010	2009
	Estimate	Outturn	Outturn
	€000	€000	€000
G Grant-in-aid fund for general expenses of youth organisations and other expenditure in relation to youth activities (part-funded by National Lottery)	38,600	38,599	39,340
	38,600	38,599	39,340

A list of the recipients of the funding, and the amounts paid is given on the Office's website 'www.omc.gov.ie'.

6.2 Agency services

Agency services are provided to this Office by the Department of Social and Family Affairs in respect of costs charged to Subhead A and by Pobal in respect of services charged to Subhead B.

7 Miscellaneous Accounts

Grant-in-Aid Funds

Subhead Description	2010	2010	2009
	Estimate	Outturn	Outturn
	€000	€000	€000
F. Grant-in-aid fund for general expenses of youth organisations and other expenditure in relation to youth activities.	8,000	8,000	8,772
G Grant-in-aid fund for general expenses of youth organisations and other expenditure in relation to youth activities (part-funded by National Lottery).	38,600	38,599	39,340
	46,600	46,599	48,112

Contingency Fund Deposit Account

Introduction

The Contingency Fund is a non-statutory fund formed by a grant-in-aid voted in 1923. The fund is available for use to facilitate the defraying of urgent or unforeseen expenditure which is not covered by the ordinary Votes and for which it may be impracticable to seek the immediate approval of Dáil Éireann e.g. during recess.

The procedures in relation to operation of the Fund are set out in the Department of Finance publication *Public Financial Procedures* (Sections C.1.5 to C.1.12).

The Fund operates as a deposit account held in the Paymaster General's Office in the Department of Finance.

By agreement with the Committee of Public Accounts, the use of the Contingency Fund is precluded when the Dáil is sitting, or for new services of a controversial nature.

A decision to use money held in the Fund is taken only by the Accounting Officer of the Department of Finance, with the prior agreement of the Minister for Finance. The following must be informed of the decision as early as possible

- the Committee of Public Accounts
- the Opposition parties (Finance spokesperson)
- the Office of the Comptroller and Auditor General.

All payments from the Fund are repaid to it either by

- a new or additional Vote if the advance is for a completely new service
- by way of a Supplementary Estimate if the service is related to an existing Vote
- from the Central Fund, which requires specific legislation.

The size of the Fund is reviewed every five years. Following a review in 2004, the amount in the Fund was increased to €1.2 million through a grant in aid under Vote 6 in 2005. Following a review that commenced in 2009, it was decided that the Fund should remain at that level. The next review is due in 2014.

Account of the Fund Transactions 2010

The account of the receipts and payments in relation to the Fund in the year ended 31 December 2010 is shown below. There were no transactions on the Fund in 2010.

Statement on Internal Financial Control

The control and accounting systems of the Department of Finance and the Statement on Internal Financial Control made in respect of the Department also apply in respect of this Fund.

KEVIN CARDIFF
Accounting Officer
Department of Finance
2 February 2011

Certificate of the Comptroller and Auditor General

I certify that I have examined this account and it is correct.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY

Comptroller and Auditor General

13 May 2011

Contingency Fund Deposit Account
Receipts and Payments in the Year Ended 31 December 2010

	2010	2009
	€000	€000
Balance at 1 January	1,200	1,200
Receipts	—	—
Payments	—	—
Balance at 31 December	1,200	1,200