



Comptroller and Auditor General

Appropriation Accounts 2011

Presented to Dáil Éireann pursuant to Section 3 (11) of the
Comptroller and Auditor General (Amendment), Act 1993

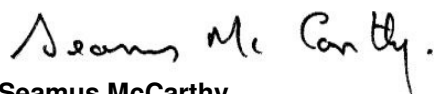
September 2012

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Appropriation Accounts 2011

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 ended 31 December 2011.

A handwritten signature in black ink, reading "Seamus McCarthy". The signature is written in a cursive, flowing style.

Seamus McCarthy
Comptroller and Auditor General

18 September 2012

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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.
- Note 2 presents a balance sheet, 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) and staff numbers and pay (Note 5). Note 6 presents information on any other relevant matters.

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 account(s) 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.

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 2011 are set out in a separate report entitled *Report on the Accounts of the Public Services 2011*. Where such matters have arisen, the certificates of opinion on the appropriation accounts refer to the relevant chapter(s) in that report.

Part 2 — Appropriation Accounts 2011

Statement of Accounting Policies and Principles

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 Public Expenditure and Reform.

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.

Reporting Period

The reporting period is the year ended 31 December 2011.

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 Public Expenditure and Reform 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).

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 instruction for the payment (cheque, payable order or electronic funds transfer) has been effected on the relevant payment system.

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

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).

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 balance sheet showing the department's assets and liabilities at year end (Note 2), with further explanatory notes including (as appropriate) details regarding capital assets, capital assets under development, the net liability to the Exchequer, and commitments.

The balance sheet 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.

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 balance sheet.

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.

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 balance sheet (and capital assets note).

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 relevant, the basis of valuation of land and buildings is explained in the Accounting Officer's introduction to the appropriation account.

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.

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.

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.

Capital Assets Under Development

A statement on capital assets under development (if any) is provided as a note to the balance sheet. 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.

Stocks

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

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.

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 contractual 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 any multi-annual capital commitments over €6,350,000.

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, respectively. Provision for superannuation does not appear in the appropriation accounts of other Votes.

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.

Other Notes to the Accounts

General Principles

In general, the other notes to the appropriation accounts aim to draw the attention of Dáil Éireann, 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 Public Expenditure and Reform 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 administration 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.

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 and
- 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 to 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 standard 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 2011 for the salaries and expenses of the Office of the Secretary General 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 2011, 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 controls 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.

Martin Fraser
Accounting Officer
29 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 1: President's Establishment for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
7 August 2012

Vote 1 President's Establishment Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Programme expenditure			
A. President's Establishment	2,113	1,973	1,888
B. Centenarians' bounty	1,040	966	875
Gross expenditure	3,153	2,939	2,763
Deduct:			
C. Appropriations-in-aid	92	84	85
Net expenditure	3,061	2,855	2,678
Surplus to be surrendered		€206,369	€492,537

	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
(i) Salaries, wages and allowances	1,587	1,670	1,592
(ii) Travel and subsistence	125	60	83
(iii) Training and development and incidental expenses	170	119	88
(iv) Postal and telecommunications services	127	93	84
(v) Office machinery and other office supplies and related services	159	79	96
	2,168	2,021	1,943

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Pay			1,670	1,592
Non pay			1,269	1,171
Gross expenditure			<u>2,939</u>	<u>2,763</u>
Deduct				
Appropriations-in-aid			(84)	(85)
Net expenditure			<u>2,855</u>	<u>2,678</u>
Changes in capital assets				
Purchases cash		(9)		
Depreciation		<u>23</u>	14	9
Changes in net current assets				
Increase in closing accruals		31		
Decrease in stock		<u>15</u>		
			46	27
Direct expenditure			<u>2,915</u>	<u>2,714</u>
Net allied services expenditure	1.1		4,487	4,377
Total operating cost			<u><u>7,402</u></u>	<u><u>7,091</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.

Vote		2011 €000	2010 €000
2	Department of the Taoiseach	—	1
6	Finance	41	—
7	Superannuation and Retired Allowances	470	488
10	Office of Public Works	2,067	1,908
19	Justice and Equality	257	—
20	Garda Síochána	213	222
28	Foreign Affairs and Trade	132	436
36	Defence	413	411
	Central Fund (Emoluments and allowances of President, pensions of former Presidents and/or widows of former Presidents).	894	911
		<u><u>4,487</u></u>	<u><u>4,377</u></u>

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	26	47
Current assets			
Bank and cash	2.2	41	—
Stocks	2.3	67	82
Prepayments		45	57
Accrued income		—	9
Net liability from the Exchequer	2.4	7	44
Total current assets		160	192
Less current liabilities			
Accrued expenses		38	32
Other credit balances	2.5	48	44
Total current liabilities		86	76
Net current assets		74	116
Net assets		100	163
Represented by:			
State funding account		100	163

2.1 Capital Assets

	IT equipment €000	Office equipment €000	Total €000
Gross assets			
Cost or valuation at 1 January 2011	236	93	329
Prior year adjustment ¹	(4)	—	(4)
Additions	5	—	5
Cost or valuation at 31 December 2011	<u>237</u>	<u>93</u>	<u>330</u>
Accumulated depreciation			
Opening balance at 1 January 2011	196	86	282
Prior year adjustment ¹	(1)	—	(1)
Depreciation for the year	20	3	23
Cumulative depreciation at 31 December 2011	<u>215</u>	<u>89</u>	<u>304</u>
Net assets at 31 December 2011	<u>22</u>	<u>4</u>	<u>26</u>
Net assets at 31 December 2010	<u>40</u>	<u>7</u>	<u>47</u>

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

¹ Following a review of the asset register, a prior year adjustment arose in respect of certain asset values and depreciation.

2.2 Bank and Cash

at 31 December	2011 €000	2010 €000
PMG balances and cash	91	74
Orders outstanding	(50)	(74)
	<u>41</u>	<u>—</u>

2.3 Stocks

at 31 December	2011 €000	2010 €000
Stationery	62	73
IT consumables	5	9
	<u>67</u>	<u>82</u>

2.4 Net Liability from the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	206	493
Exchequer grant undrawn	(213)	(537)
Net liability from the Exchequer	<u>(7)</u>	<u>(44)</u>

Represented by:**Debtors**

Net PMG position and cash

41 —

Creditors

Due to the State

(42) (38)

Credit balances: suspense

(6) (6)

(48) (44)(7) (44)**2.5 Other Credit Balances**

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Income Tax	21	19
Pay Related Social Insurance	6	10
Pension Levy	9	7
Universal Social Charge	6	—
Income Levy	—	2
	<u>42</u>	<u>38</u>
Payroll deductions held in suspense	6	6
	<u>48</u>	<u>44</u>

2.6 Commitments

as at 31 December

	2011	2010
	€000	€000
Total of legally enforceable commitments	<u>44</u>	<u>23</u>

3 Programme Expenditure

	2011 Estimate provision	2011 Outturn	2010 Outturn
A President's Establishment			
A.1. Administration - pay	1,547	1,637	1,552
A.2. Administration - non-pay	566	336	336
	2,113	1,973	1,888
B Centenarians' bounty			
B.1. Administration - pay	40	33	40
B.2. Administration - non-pay	15	15	15
B.3. Centenarians' Bounty	985	918	820
	1,040	966	875

Explanation of significant variations

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

Heading	Less/(more) than provided	Explanation
A.2	230	Savings arose as a proposed web development project and updating of the telephone system did not proceed as planned in 2011. In addition, there were some savings in the President's travel programme. Finally, savings were made in staff training and development and in various miscellaneous costs such as purchase of newspapers.

4 Receipts

4.1 Appropriations-in-aid	2011 Estimated €000	2011 Realised €000	2010 Realised €000
Receipts from pension-related deductions on public service remuneration	92	84	85

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	24	22
	2011	2010
	€000	€000
Pay	1,540	1,458
Higher, special or additional duties allowances	59	62
Overtime	14	15
Employer's PRSI	57	57
Total pay	1,670	1,592

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	9	3	19,108	19,126
Overtime	11	—	3,506	2,486

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

5.2 Ex Gratia Payment

Sanction was conveyed by the Department of Finance on 22 March 2011 for the payment of an ex gratia payment of €34,585 in full and final settlement of a pension appeal claim.

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 2011 for the salaries and expenses of the Department of the Taoiseach, including certain services administered by the Department and for payment of grants and grants-in-aid.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2011, 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.

Martin Fraser
Accounting Officer
Department of the Taoiseach
29 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 2: Department of the Taoiseach for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
20 July 2012

Vote 2 Department of the Taoiseach Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	12,499	11,307	12,184
A.2. Travel and subsistence	275	227	284
A.3. Training and development and incidental expenses	1,517	1,360	733
A.4. Postal and telecommunications services	370	310	381
A.5. Office equipment and external IT services	900	792	934
A.6. Office premises expenses	430	470	440
A.7. Consultancy services and value for money and policy reviews	50	13	2
<i>Organisational review programme</i>	—	—	550
Other Services			
B. National Economic and Social Development Office (grant-in-aid)	2,325	2,280	2,535
C. Commemoration initiatives	85	76	87
D. Tribunal of inquiry (payments to Messrs. C.J. Haughey and M. Lowry)	3,500	1,601	3,125
Gross expenditure	21,951	18,436	21,255
Deduct:			
E. Appropriations-in-aid	912	837	955
Net expenditure	21,039	17,599	20,300
Surplus to be surrendered		€3,440,502	€8,455,937

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			14,479	15,508
Expenditure on services and programmes			3,957	5,747
Gross expenditure			18,436	21,255
Deduct				
Appropriations-in-aid			837	955
Net expenditure			17,599	20,300
 Changes in Capital Assets				
Purchases cash		(109)		
Depreciation		159		
Loss on disposals		1	51	112
 Changes in Net Current Assets				
Decrease in closing accruals		(41)		
Increase in stock		(63)		
			(104)	(40)
Direct Expenditure			17,546	20,372
 Expenditure Borne Elsewhere				
Net allied services expenditure	1.1		5,147	5,552
Notional rents			1,083	1,625
Total operating cost			23,776	27,549

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		2011 €000	2010 €000
7	Superannuation and Retired Allowances	3,020	2,459
10	Office of Public Works	580	954
19	Justice and Equality - Financial Shared Services Centre	257	264
20	Garda Síochána	805	1,425
36	Defence	75	75
	Central Fund - Ministerial etc. pensions	410	375
		5,147	5,552

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	371	422
		371	422
Current assets			
Bank and cash	2.2	469	405
Stocks	2.3	134	71
Prepayments		274	326
Other debit balances	2.4	253	320
Total current assets		1,130	1,122
Less current liabilities			
Accrued expenses		109	202
Other credit balances	2.5	343	365
Net Liability to the Exchequer	2.6	379	360
Total current liabilities		831	927
Net current assets		299	195
Net assets		670	617
Represented by:			
State funding account		670	617

2.1 Statement of Capital Assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2011	3,074	539	3,613
Additions	66	43	109
Disposals	(88)	(8)	(96)
Cost or valuation at 31 December 2011	<u>3,052</u>	<u>574</u>	<u>3,626</u>
Accumulated depreciation			
Opening balance at 1 January 2011	2,794	397	3,191
Depreciation for the year	115	44	159
Depreciation on disposals	(88)	(7)	(95)
Cumulative depreciation at 31 December 2011	<u>2,821</u>	<u>434</u>	<u>3,255</u>
Net assets at 31 December 2011	<u>231</u>	<u>140</u>	<u>371</u>
Net assets at 31 December 2010	<u>280</u>	<u>142</u>	<u>422</u>

2.2 Bank and Cash

	2011 €000	2010 €000
at 31 December		
PMG balances and cash	737	684
Orders outstanding	(268)	(279)
	<u>469</u>	<u>405</u>

2.3 Stocks

	2011 €000	2010 €000
at 31 December		
Gifts	11	8
Stationery	46	26
Publications	46	19
Consumables etc.	31	18
	<u>134</u>	<u>71</u>

2.4 Other Debit Balances

	2011 €000	2010 €000
at 31 December		
Recoupable salaries	195	261
Recoupment of travel pass scheme	54	56
Other	4	3
	<u>253</u>	<u>320</u>

2.5 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Income Tax	184	168
Pay Related Social Insurance	60	88
Value Added Tax	4	5
Retention Tax	4	19
	<hr/> 252	<hr/> 280
Payroll deductions	90	84
Other	1	1
	<hr/> 343	<hr/> 365
	<hr/> <hr/>	<hr/> <hr/>

2.6 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	3,440	8,456
Exchequer grant undrawn	(3,061)	(8,096)
Net liability to the Exchequer	<hr/> 379	<hr/> 360
	<hr/> <hr/>	<hr/> <hr/>

Represented by:**Debtors**

Bank and cash	469	405
Debit balances: suspense	253	320
	<hr/> 722	<hr/> 725

Creditors

Due to State	(252)	(280)
Credit balances: suspense	(91)	(85)
	<hr/> (343)	<hr/> (365)

379	360
<hr/>	<hr/>

2.7 Commitments

at 31 December

	2011	2010
	€000	€000
Total of legally enforceable commitments	10	8

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
D.	1,899	Savings arose as a number of the Tribunal's legal team ceased working following the publication of its report.

4 Receipts

4.1 Appropriations-in-aid	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Receipts from pension-related deduction on public service remuneration	812	808	881
2. Miscellaneous	100	29	74
	912	837	955

The variation arose due an overestimation of the amount to be collected in respect of miscellaneous in 2011.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	159	191
	€000	€000
Pay	10,014	10,802
Higher, special or additional duties	310	382
Overtime and extra attendance	480	420
Employer's PRSI	503	591
Total pay	11,307	12,195

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	38	13	19,585	83,391
Overtime and extra attendance	141	15	28,121	26,445

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

5.2 Other Remuneration Arrangements

Ex-gratia payments of €29,682 (2010 - €31,040) and €9,062 (2010 - €10,267) were made in respect of agreed retirement benefits to two former employees.

6 Miscellaneous

6.1 Commissions and Inquiries

	Year of Appointment	Total to 31 December 2011 €000	Expenditure in 2011 €000	Expenditure in 2010 €000
Commission, Committee or Special Inquiry				
Tribunal of Inquiry (Payments to Messrs. Haughey and Lowry)	1997	42,997	1,601	3,125

There will be further payments associated with this Tribunal of Inquiry. Costs cannot be determined at this point.

6.2 Official Gifts

The account includes the sum of €8,480 which was used for the purchase of gifts for presentation by, or on behalf of, the Taoiseach and Ministers of State in 2011. (€5,417 - 2010)

6.3 Other

In addition to expenditure in the Account the following amounts were received in 2011:

- €10,460 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 2011 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 2011, 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 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.

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 has commenced the process of implementing the recommendations of 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
6 July 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 3: Office of the Attorney General for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
20 July 2012

Vote 3 Office of the Attorney General Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	10,436	9,995	9,570
A.2. Travel and subsistence	70	98	65
A.3. Training and development and incidental expenses	640	584	557
A.4. Postal and telecommunications services	125	79	107
A.5. Office equipment and external IT services	695	491	543
A.6. Office premises expenses	215	170	118
A.7. Consultancy services and value for money and policy reviews	20	4	1
A.8. Contract legal expertise	668	487	720
Other services			
B. Contributions to International Organisations	38	—	77
C. Law Reform Commission (grant-in-aid)	2,191	2,132	2,349
D. General law expenses	50	16	80
Gross expenditure	15,148	14,056	14,187
Deduct			
E. Appropriations-in-aid	788	778	731
Net expenditure	14,360	13,278	13,456
 Surplus to be surrendered		€1,082,325	€1,775,135

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			11,908	11,681
Expenditure on services and programmes			2,148	2,506
Gross expenditure			<u>14,056</u>	<u>14,187</u>
Deduct				
Appropriations-in-aid			778	731
Net expenditure			<u>13,278</u>	<u>13,456</u>
Changes in capital assets				
Purchases cash		(103)		
Depreciation		<u>271</u>	168	135
Changes in assets under development				
Cash payments			(39)	—
Changes in net current assets				
Increase in closing accruals		20		
Increase in stock		<u>(3)</u>		
			17	(16)
Direct expenditure			<u>13,424</u>	<u>13,575</u>
Net allied services expenditure	1.1		2,027	1,254
Notional rents			560	840
Total operating cost			<u><u>16,011</u></u>	<u><u>15,669</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 3 borne elsewhere.

Vote		2011 €000	2010 €000
6	Finance	54	—
7	Superannuation and Retired Allowances	950	484
10	Office of Public Works	313	178
20	Garda Síochána	64	194
	Central Fund - Ministerial etc. pensions	646	398
		<u><u>2,027</u></u>	<u><u>1,254</u></u>

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	500	666
Capital assets under development	2.2	39	—
		539	666
Current assets			
Bank and cash	2.3	388	506
Stocks	2.4	30	27
Prepayments		207	240
Accrued income		5	6
Other debit balances	2.5	168	64
Total current assets		798	843
Less current liabilities			
Accrued expenses		36	48
Other credit balances	2.6	311	304
Net Liability to the Exchequer	2.7	245	266
Total current liabilities		592	618
Net current assets		206	225
Net assets		745	891
Represented by:			
State funding account		745	891

2.1 Capital Assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2011	4,310	1,574	5,884
Additions	77	28	105
Disposals	(37)	(3)	(40)
Cost or valuation at 31 December 2011	4,350	1,599	5,949
Accumulated depreciation			
Opening balance at 1 January 2011	3,907	1,311	5,218
Depreciation for the year	207	64	271
Depreciation on disposals	(37)	(3)	(40)
Cumulative depreciation at 31 December 2011	4,077	1,372	5,449
Net assets at 31 December 2011	273	227	500
Net assets at 31 December 2010	403	263	666

2.2 Capital Assets Under Development

at 31 December 2011

	In-house computer applications €000
Cash payments for the year	39
Amounts carried forward at 31 December 2011	39

2.3 Bank and Cash

at 31 December

	2011 €000	2010 €000
PMG balances and cash	450	517
Orders outstanding	(62)	(11)
	388	506

2.4 Stocks

at 31 December

	2011 €000	2010 €000
IT consumables	5	6
Stationery	25	21
	30	27

2.5 Other Debit Balances

at 31 December

	2011	2010
	€000	€000
Office of Public Works	120	—
Recoupable shared costs	—	9
Miscellaneous	48	55
	<u>168</u>	<u>64</u>

2.6 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Income Tax	197	152
Pay Related Social Insurance	73	58
Pension contributions	(43)	34
Professional Services Withholding Tax	15	10
Value Added Tax	43	23
	<u>285</u>	<u>277</u>
Payroll deductions held in suspense	26	27
	<u>311</u>	<u>304</u>

2.7 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	1,082	1,775
Exchequer grant undrawn	(837)	(1,509)
Net liability to the Exchequer	<u>245</u>	<u>266</u>

Represented by:**Debtors**

Bank and cash	388	506
Debit balances: suspense	168	64
	<u>556</u>	<u>570</u>

Creditors

Due to State	(285)	(277)
Credit balances: suspense	(26)	(27)
	<u>(311)</u>	<u>(304)</u>
	<u>245</u>	<u>266</u>

2.8 Commitments

at 31 December

	2011	2010
	€000	€000
Total of legally enforceable commitments	<u>266</u>	<u>333</u>

Note: The 2010 figure has been adjusted to exclude salary commitments which were included in error.

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% in the case of administration subheads.

Subhead	Less/(more) than provided €000	Explanation
A.5	204	Savings were achieved primarily due to the deferral to 2012 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.8	181	Savings were achieved due to a delay in recruiting additional sanctioned consultant Parliamentary Counsel.

4 Receipts

4.1 Appropriations-in-aid

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Miscellaneous	8	14	6
2. Receipts from pension-related deductions on public service remuneration	780	764	725
Total	788	778	731

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	146	143
	2011	2010
	€000	€000
Pay	9,276	8,910
Higher, special or additional duties allowances	100	99
Overtime	2	2
Employer's PRSI	617	559
Total pay	9,995	9,570

Note: The figures in relation to 2010 have been adjusted to correct the misallocation of certain costs in the account for that year

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	25	2	24,310	20,603
Overtime and extra attendance	6	—	420	902

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

6 Miscellaneous

6.1 Write-offs

Sanction conveyed by the Department of Finance to write off €12,946 and €2,301 from outstanding suspense accounts in 2010 for PSWT and VAT respectively was not noted in the 2010 Appropriation Account. These write-offs are reflected in this account.

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 2011 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 2011, 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:

Depreciation

Assets that cost €3.214 million and were employed during the 2011 Census of Population are being depreciated over a two year period (2011-2012).

Some office equipment assets are being depreciated at 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 Central Statistics Office.

Gerard O'Hanlon
Accounting Officer
Central Statistics Office
21 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 4: Central Statistics Office for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
30 August 2012

Vote 4 Central Statistics Office Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	38,997	37,490	35,866
A.2. Travel and subsistence	946	913	1,009
A.3. Training and development and incidental expenses	4,690	2,977	1,591
A.4. Postal and telecommunications services	1,684	1,506	1,488
A.5. Office equipment and external IT services	7,544	5,553	9,724
A.6. Office premises expenses	2,488	1,135	1,119
A.7. Consultancy services and value for money and policy reviews	61	17	67
A.8. Collection of statistics	26,206	25,109	2,674
Gross expenditure	82,616	74,700	53,538
Deduct			
A.9. Appropriations-in-aid	2,549	2,574	2,776
Net expenditure	80,067	72,126	50,762
Surplus to be surrendered		€7,941,176	€7,069,925

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			74,700	53,538
Gross expenditure			<u>74,700</u>	<u>53,538</u>
Deduct				
Appropriations-in-aid			2,574	2,776
Net expenditure			<u>72,126</u>	<u>50,762</u>
Changes in capital assets				
Purchases cash		(443)		
Loss on disposals		8		
Depreciation		<u>5,448</u>	5,013	1,246
Changes in assets under development				
Cash payments			(1,822)	(4,541)
Changes in net current assets				
Decrease in closing accruals		(822)		
Decrease in stock		<u>45</u>		
			(777)	(657)
Direct expenditure			<u>74,540</u>	<u>46,810</u>
Net allied services expenditure	1.1		6,948	7,302
Notional rents			1,347	1,990
Total operating cost			<u>82,835</u>	<u>56,102</u>

1.1 Net Allied Services

The net allied services expenditure is made up of the following estimated amounts borne on other Votes:

		2011 €000	2010 €000
7	Superannuation and Retired Allowances	3,210	3,502
9	Office of the Revenue Commissioners	2,569	2,639
10	Office of Public Works	1,169	1,161
		<u>6,948</u>	<u>7,302</u>

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	18,558	19,173
Capital assets under development	2.2	923	3,707
		19,481	22,880
Current assets			
Bank and cash	2.3	136	327
Stocks	2.4	133	178
Prepayments		937	730
Accrued income		1,183	945
Other debit balances		121	247
Net liability from the Exchequer	2.5	1,162	577
Total current assets		3,672	3,004
Less current liabilities			
Accrued expenses		164	529
Deferred income		53	80
Other credit balances	2.6	1,419	1,151
Total current liabilities		1,636	1,760
Net current assets		2,036	1,244
Net assets		21,517	24,124
Represented by:			
State funding account		21,517	24,124

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 2011	34	53,939	3,403	57,376
Prior year adjustment ¹	—	(22)	(1)	(23)
Additions	—	4,983	50	5,033
Disposals	—	(1,483)	(5)	(1,488)
Transfers ²	—	(220)	—	(220)
Cost or valuation at 31 December 2011	34	57,197	3,447	60,678
Accumulated depreciation				
Opening balance at 1 January 2011	34	35,372	2,797	38,203
Prior year adjustment ¹	—	(7)	—	(7)
Depreciation for the year	—	5,313	135	5,448
Depreciation on disposals	—	(1,475)	(5)	(1,480)
Depreciation on transfers ²	—	(44)	—	(44)
Cumulative depreciation at 31 December 2011	34	39,159	2,927	42,120
Net assets at 31 December 2011	—	18,038	520	18,558
Net assets at 31 December 2010	—	18,567	606	19,173

¹Following a review of the asset register, a prior year adjustment arose in respect of certain asset values and depreciation.

²260 laptop computers that had been used in the collection of the 2011 Census of Population were transferred to three Government Departments/Offices in 2011 (140 to Department of Health & Children, 100 to the Office of the Revenue Commissioners and 20 to the Office of the Comptroller & Auditor General).

2.2 Statement of Capital Assets under Development

at 31 December 2011

	In-house computer applications €000
Amounts brought forward at 1 January 2011	3,707
Adjustment in respect of uncompleted project	(1)
Cash payments for the year	1,822
Transferred to asset register	(4,605)
Amounts carried forward at 31 December 2011	923

2.3 Bank and Cash

at 31 December

	2011 €000	2010 €000
PMG balances and cash	146	352
Orders outstanding	(10)	(25)
	136	327

2.4 Stocks

at 31 December

	2011 €000	2010 €000
Stationery	90	86
IT consumables	37	30
Publications	6	62
	<u>133</u>	<u>178</u>

2.5 Net Liability from the Exchequer

at 31 December

	2011 €000	2010 €000
Surplus to be surrendered	7,941	7,070
Exchequer grant undrawn	(9,103)	(7,647)
Net liability from the Exchequer	<u>(1,162)</u>	<u>(577)</u>

Represented by:**Debtors**

Bank and cash	136	327
Debit balances: suspense	121	247
	<u>257</u>	<u>574</u>

Creditors

Due to State	(1,021)	(920)
Credit balances: suspense	(398)	(231)
	<u>(1,419)</u>	<u>(1,151)</u>
	<u>(1,162)</u>	<u>(577)</u>

2.6 Other Credit Balances

at 31 December

	2011 €000	2010 €000
Amounts due to the State		
Income Tax	418	396
Pay Related Social Insurance	273	366
Professional Services Withholding Tax	93	33
Value Added Tax	16	2
Pension contributions	83	74
Income Levy	—	49
Universal Social Charge	138	—
	<u>1,021</u>	<u>920</u>
Payroll deductions held in suspense	224	231
Other credit suspense items	174	—
	<u>1,419</u>	<u>1,151</u>

2.7 Commitments

at 31 December

	2011 €000	2010 €000
Total of legally enforceable commitments	<u>815</u>	<u>5,079</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%.

Subhead	Less/(more) than provided €000	Explanation
A.3.	1,713	Savings in Census 2011 advertising and promotion costs, combined with lower than anticipated costs associated with the hosting of the World Statistics Conference of the International Statistical Institute, resulted in the saving.
A.5.	1,991	The saving arose because of delays in obtaining sanction from the Department of Public Expenditure and Reform on a number of planned IT projects during 2011.
A.6.	1,353	The saving was due to lower than expected office premises costs in the Census processing office in Swords during 2011.

4 Receipts

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
4.1 Appropriations-in-aid			
1. European Union receipts	130	453	755
2. Miscellaneous	70	94	74
3. Receipts from pension related deduction on public service remuneration	2,349	2,027	1,947
Total	2,549	2,574	2,776

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.	(323)	Receipts from European Union contracts were higher than expected in 2011 because of the early receipt of pre-financing funding for a number of contracts.
3.	322	Receipts from the pension related deduction were lower than expected mainly because of refunds that were made to temporary field supervisors who were engaged in the collection of the 2011 Census of Population. These refunds were made to those persons who left the public service at the end of their census contracts.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	813	767
	2011	2010
	€000	€000
Pay	34,828	33,220
Higher, special or additional duties allowances	217	154
Other allowances	63	100
Overtime	155	331
Employer's PRSI	2,227	2,061
Total pay	37,490	35,866

The increase in staffing was due to the temporary redeployment of staff from other departments and persons on temporary contracts to deal with the census.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment of €10,000 or more 2011 €	Maximum individual payment of €10,000 or more 2010 €
Higher, special or additional duties	127	1	10,354	17,235
Overtime and extra attendance	110	2	13,096	15,312
Shift and roster allowances	9	—	—	—

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

6 Miscellaneous

6.1 Write offs

Sanction was obtained from the Department of Public Expenditure and Reform to write-off stocks of publications which had built up in the CSO over a number of years to the value of €56,737. Measures are now in place to ensure that such a build up will not recur.

6.2 Support for statistical endeavour

A sum of €10,000 was paid to University College Cork by way of funding for the Donal McCarthy Scholarship 2011-2012. The recipient of the scholarship will undertake a CSO/official statistics project. In addition, the Office awarded prize money of €3,200 in 2011 as part of the inaugural John Hooper Medal for Statistics Competition. This competition was open to senior cycle second level students in Ireland.

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 2011 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 2011, 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
30 March 2012

Certificate of the Comptroller and Auditor General

The Appropriation Account of the Vote for the Office of the Comptroller and Auditor General for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
7 June 2012

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 2011.

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 of the Office 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 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 provisions of *Public Financial Procedures* have been complied with.

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 Appropriation Accounts 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 Appropriation Accounts.

Opinion

In my opinion the Appropriation Account of the Office of the Comptroller and Auditor General properly presents the receipts and expenditure of the Vote for the year ended 31 December 2011 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
Block 3
Harcourt Centre
Dublin 2

7 June 2012

Vote 5 Office of the Comptroller and Auditor General

Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Programme Expenditure			
A. Audit and Reporting	12,910	11,487	10,843
Gross expenditure	12,910	11,487	10,843
Deduct :			
B. Appropriations-in-aid	6,066	7,171	5,780
Net expenditure	6,844	4,316	5,063
Surplus to be surrendered		€2,528,030	€1,752,511

Administration	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
(i) Salaries, wages and allowances	9,983	9,407	8,869
(ii) Travel and subsistence	576	469	454
(iii) Training and development and incidental expenses	358	297	228
(iv) Postal and telecommunications services	150	150	166
(v) Office equipment and external IT services	413	410	361
(vi) Office premises expenses	260	233	257
(vii) Consultancy services and value for money and policy reviews	700	103	67
(viii) Legal fees	50	12	14
(ix) Contract audit services	420	406	427
	12,910	11,487	10,843

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Notes	€000	2011 €000	2010 €000
Pay			9,407	8,869
Non pay			2,080	1,974
Gross expenditure			11,487	10,843
Deduct				
Appropriations-in-aid			7,171	5,780
Net expenditure			4,316	5,063
Changes in capital assets				
Purchases cash		(200)		
Depreciation		172		
Write down of Fixed Assets		102	74	58
Changes in assets under development				
Cash payments			—	—
Changes in net current assets				
Decrease in closing accruals		65		
Decrease in stock		10		
			75	314
Direct expenditure			4,465	5,435
Movement in Work-in-Progress			477	(364)
Net allied services expenditure	1.1		3,018	2,817
Notional rents			203	304
Total operating cost			8,163	8,192

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

Vote		2011 €000	2010 €000
7	Superannuation and Retired Allowances	1,885	1,737
10	Office of Public Works	652	612
	Central Fund - Comptroller and Auditor General's salary and pensions in respect of former holders of the Office	467	468
4	Central Statistics Office- donated laptops to the Office that were no longer required follow completion of Census 2011 fieldwork	14	—
		3,018	2,817

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	425	485
Work-in-Progress	2.2	611	1,088
		1,036	1,573
Current assets			
Stocks	2.4	29	39
Prepaid expenses		85	100
Audit fee debtors		726	512
Accrued audit fee income	2.5	297	569
Other debit balances	2.6	155	136
Net liability from the Exchequer	2.8	209	775
Total current assets		1,501	2,131
Less current liabilities			
Bank and cash	2.3	40	587
Accrued expenses		39	47
Other credit balances	2.7	324	324
Total current liabilities		403	958
Net current assets		1,098	1,173
Net assets		2,134	2,746
Represented by:			
State funding account		2,134	2,746

2.1 Statement of Capital Assets

	Office equipment	Furniture and fittings	Total
	€000	€000	€000
Gross assets			
Cost or valuation at 1 January 2011	1,790	848	2,638
Write down of Fixed Assets ¹	—	(505)	(505)
Transfers	17	—	17
Additions	198	2	200
Disposals	(162)	(2)	(164)
Cost or valuation at 31 December 2011	1,843	343	2,186
Accumulated Depreciation			
Opening balance at 1 January 2011	1,556	597	2,153
Depreciation on write down of Fixed Assets ¹	—	(403)	(403)
Depreciation on transfers	3	—	3
Depreciation for the year	142	30	172
Depreciation on disposals	(162)	(2)	(164)
Cumulative depreciation at 31 December 2011	1,539	222	1,761
Net Assets at 31 December 2011	304	121	425
Net Assets at 31 December 2010	234	251	485

¹ A review of fixed assets during the year identified assets disposed of which had not been removed from the register and assets which cost less than the capitalisation threshold and which ought not to have been capitalised. These assets had an original cost of €504,343 and accumulated depreciation of €402,146. The net book value of €102,197 has been written out of the Operating Cost Statement.

2.2 Work in Progress

The value of work in progress is calculated as a percentage of the agreed audit fee depending on the status of the audit, as follows:

Status of Audit	Percentage of Audit Fee included in	2011	2010
	Work-in-Progress	€000	€000
Cleared for Certification	90%	188	324
Audit Review Stage	75%	66	181
Fieldwork Complete	60%	47	342
Final Audit in Progress	30%	5	15
Interim Audit Completed	15%	154	79
Interim Audit in Progress	10%	151	147
		611	1,088

Note: Work in Progress only assigns value to work conducted on audits for which a fee is charged

2.3 Bank and Cash

at 31 December

	2011	2010
	€000	€000
PMG balances and cash	(40)	(587)
Orders outstanding	—	—
	<u>(40)</u>	<u>(587)</u>

2.4 Stocks

at 31 December

	2011	2010
	€000	€000
Stationery	21	20
IT Consumables etc.	8	19
	<u>29</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

	2011	2010
	€000	€000
Recoupment of travel expenditure	5	5
Recoupment of travel pass scheme	55	51
Recoupable expenditure from co-tenants	86	80
Advances to OPW	9	—
	<u>155</u>	<u>136</u>

2.7 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Income Tax	118	100
Pay Related Social Insurance	66	83
Income Levy	40	13
Professional Services Withholding Tax	24	46
Value Added Tax	11	11
Pension Contributions	24	27
	<u>283</u>	<u>280</u>
Owed to OPW	—	4
Payroll deductions held in suspense	41	39
Other credit suspense items	—	1
	<u>324</u>	<u>324</u>

2.8 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	2,528	1,752
Exchequer grant undrawn	(2,737)	(2,527)
Net liability due to/(from) the Exchequer	<u>(209)</u>	<u>(775)</u>

Represented by:**Debtors**

Debit balances: suspense

	155	132
	<u>155</u>	<u>132</u>

Creditors

Due to the State

(283) (280)

Credit balances: suspense

(41) (40)

Bank and cash

(40) (587)

(364) (907)(209) (775)**2.9 Commitments**

at 31 December

	2011	2010
	€000	€000
Total of legally enforceable commitments ¹	<u>1</u>	<u>241</u>

¹ Contracted commitments at 31 December 2010 amounted 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 2011.

3 Programme Expenditure

	2011 Estimate provision €000	2011 Outturn €000	2010 Outturn €000
A - Audit and Reporting			
A .1. Administration - pay	9,983	9,407	8,869
A.2. Administration - non-pay	2,927	2,080	1,974
Total	12,910	11,487	10,843

Explanation of significant variations

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	847	Savings arose mainly because a provision of €500,000 had been made for National Asset Management Agency (NAMA) related consultancy. Consultancy on the scale originally envisaged was not required and only €80,000 was used. The saving is also reflected in a consequential reduction in fee income in Appropriations-in-Aid. There was also a saving of €177,000 on general consultancy as the examinations undertaken during the year required less external expert input than originally estimated. There was also a saving of €107,000 on official travel as the amount of travel undertaken was less than anticipated.

4 Receipts

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
4.1 Appropriations-in-aid			
1. Receipt of fees	5,450	6,570	5,196
2. Receipts from pension-related deduction on public service remuneration	616	601	584
Total	6,066	7,171	5,780

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	(1,120)	It was originally anticipated that certain consultancy costs would be recovered by way of audit fee charged to NAMA. As explained in Note 3, €420,000 of these costs were not incurred with a consequent reduction in fees. Notwithstanding this, due to exceptionally high certification of audit arrears, the audit fee target was exceeded.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	146	150
	2011	2010
	€000	€000
Pay	8,738	8,297
Higher, special or additional duties allowances	57	26
Other allowances	1	1
Overtime	—	—
Employer's PRSI	611	545
Total pay	9,407	8,869

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	6	1	10,395	10,395
Overtime and extra attendance	1	—	233	—

5.2 Other Remuneration Arrangements

As part of their pay structure, Trainee Auditors received additional remuneration totalling €47,520 (€27,084 in 2010), 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

6.1 Audit Committee costs amounted to € 6,000 (€6,510 in 2010).

6.2 Certain figures in respect of 2010 have been restated to ensure consistency of presentation with the 2011 account. There is no effect on the 2010 outturn

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 2011 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 2011, 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.

Transfer of Functions

The Department of Public Expenditure and Reform was established on 5 July 2011. Prior to the decision to separate the functions of the Department of Finance into two departments, it operated under four Divisional areas. Two expenditure programmes transferred to the Department of Public Expenditure and Reform:

- Public Expenditure and Sectoral Policy
- Public Services Management Policy.

Two programmes remained in the Department of Finance:

- Budget Taxation and Economic Policy
- Financial Services Policy.

A new programme, the Shared Services function was created to capture the costs associated with the management of a common pool of staff and facilities between both Departments.

The costs in relation to the two divisions transferred to the Department of Public Expenditure and Reform have been excluded from this account and are shown in the Appropriation Account of the Department of Public Expenditure and Reform (Vote 42). The 2010 comparatives have been restated accordingly.

Fixed assets have been split between the two Departments. IT equipment is shown in the account of the Office of the Minister for Public Expenditure and Reform. Other fixed assets including furniture and fittings and office equipment have been retained in the account of the Office of the Minister for Finance. Depreciation costs of fixed assets are split between the two Departments on the basis of staff numbers.

John Moran

Accounting Officer
Department of Finance
22 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 6: Office of the Minister for Finance for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
31 August 2012

Vote 6 Office of the Minister for Finance Appropriation Account 2011

Service		2011 Estimate provision	2011 Outturn	2010 Outturn ¹
		€000	€000	€000
Programme Expenditure				
A	Budget Taxation and Economic Policy	7,450	6,803	5,946
B	Financial Services Policy	9,650	7,641	10,284
C	Delivery of shared services ²	9,958	9,950	9,258
	Gross expenditure	27,058	24,394	25,488
	Deduct			
D	Appropriations-in-aid	1,201	1,812	3,511
	Net expenditure	25,857	22,582	21,977
Surplus to be surrendered			€3,275,382	€8,283,204

		2011 Estimate provision	2011 Outturn	2010 Outturn ¹
		€000	€000	€000
Administration				
(i)	Salaries, wages and allowances	17,757	17,478	15,987
(ii)	Travel and subsistence	306	299	224
(iii)	Training and development and incidental expenses	797	666	684
(iv)	Postal and telecommunications services	775	708	690
(v)	Office Equipment and external IT services	980	982	999
(vi)	Office premises expenses	725	825	649
(vii)	Consultancy and other services	28	—	—
	<i>Value for money and policy reviews</i>	—	—	567
		21,368	20,958	19,800

¹ For comparative purposes the outturn for 2010 includes only those programmes and associated administration costs that are proper to the Department of Finance for 2011. The remaining 2010 costs as reported in the 2010 Appropriation Account are included in the Appropriation Account for Vote 42 (Office of the Minister for Public Expenditure and Reform).

² Includes payments of €52,000 that were under subhead A.8 (Value for Money and Policy Review) of the Vote in 2010.

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 ¹ €000
Programme cost			3,350	5,432
Pay ²			17,564	16,191
Non pay			3,480	3,865
Gross expenditure			24,394	25,488
Deduct				
Appropriations-in-aid			1,812	3,511
Net expenditure			22,582	21,977
Changes in capital assets				
Purchases cash		(143)		
Depreciation		<u>1,189</u>	1,046	363
Changes in net current assets				
Movement in closing accruals		222		
Decrease in stock ³		<u>32</u>		
			254	69
Direct expenditure			23,882	22,409
Net allied services expenditure	1.1		14,559	14,265
Notional rents			1,454	2,014
			39,895	38,688

¹The outturn for 2010 excludes costs associated with the programmes which transferred to the new Department of Public Expenditure and Reform in 2011. These costs are included under Vote 42.

²This figure includes €86,000 payroll cost that is charged to heading B.5 - Commissions and special inquiries

³ The Department of Finance (Vote 6) and the Department of Public Expenditure and Reform (Vote 42) share stocks. For efficiency and convenience reasons, spend on stationery and stocks is recorded under Vote 6 and spend on IT consumable stocks is recorded under Vote 42. However, as the stocks are shared, they are included in the operating cost notes to the Accounts of Vote 6 and Vote 42 and are allocated on the basis of staff numbers in the respective Departments.

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

Vote		2011 €000	2010 €000
7	Superannuation and Retired Allowances	12,850	11,785
10	Office of Public Works	2,009	2,296
20	Garda Síochána	62	92
	Central Fund - Ministerial etc. pensions	163	92
		<u>15,084</u>	<u>14,265</u>
6	Allied services - apportioned cost of shared payroll	(525)	—
		14,559	14,265

2 Balance Sheet as at 31 December 2011 ¹

	Note	2011 €000	2010 €000
Capital assets	2.1	1,191	5,336
Capital assets under development	2.2	—	186
		1,191	5,522
Current assets			
Bank and cash	2.3	585	1,226
Stocks ²	2.4	23	55
Prepayments		353	757
Other debit balances	2.5	120	213
Total current assets		1,081	2,251
Less current liabilities			
Accrued expenses		141	323
Other credit balances	2.6	692	1,416
Net liability to the Exchequer	2.7	13	23
Total current liabilities		846	1,762
Net current assets		235	489
Net assets		1,426	6,011
Represented by:			
State funding account		1,426	6,011

¹ The 2011 balances reflect that certain functions were transferred from the Department of Finance to the Department of Public Expenditure and Reform in 2011. The 2010 balances have not been split between the two Departments.

² See footnote 3 to the operating cost statement (note 1).

2.1 Capital Assets

	IT equipmen €000	Furniture and fittings €000	Office equipment €000	Total €000
Gross assets				
Cost or valuation at 1 January 2011	24,343	5,247	2,280	31,870
Additions	—	25	88	113
Transfers to Department of Public Expenditure and Reform	(24,343)	—	—	(24,343)
Cost or valuation at 31 December 2011	—	5,272	2,368	7,640
Accumulated depreciation				
Opening balance at 1 January 2011	20,389	3,973	2,172	26,534
Transfers to Department of Public Expenditure and Reform	(20,389)	—	—	(20,389)
Depreciation for the year	—	238	66	304
Cumulative depreciation at 31 December 2011	—	4,211	2,238	6,449
Net assets at 31 December 2011	—	1,061	130	1,191
Net assets at 31 December 2010	3,954	1,274	108	5,336

Up to 31 December 2010, all capital assets were recorded on the asset register of the Department of Finance. The asset register does not record the location of the business unit using the asset. As a result, it was not possible to split the assets between those units remaining in the Department and those transferring to the Department of Public Expenditure and Reform. In general, furniture and fittings and office equipment assets are now recorded on the asset register of the Department of Finance and IT equipment assets are recorded on the asset register of the Department of Public Expenditure and Reform. Depreciation on assets is charged to each Department on the basis of staff numbers.

2.2 Capital Assets under Development

at 31 December 2011

In-house computer applications

€000

Amounts brought forward at 1 January 2011	186
Amounts transferred to Department of Public Expenditure and Reform	(186)
Balance at 31 December 2011	—

2.3 Bank and Cash

at 31 December

	2011 €000	2010 €000
PMG balances and cash	586	1,230
Orders outstanding	(1)	(4)
	<u>585</u>	<u>1,226</u>

2.4 Stocks

at 31 December

	2011 €000	2010 €000
Stationery	17	22
IT consumables	6	33
	<u>23</u>	<u>55</u>

2.5 Other Debit Balances

at 31 December

	2011 €000	2010 €000
Recoupable salaries	—	43
Recoupable travel expenditure	43	21
Recoupable travel pass scheme expenditure	71	135
Other debit suspense items	6	14
	<u>120</u>	<u>213</u>

2.6 Other Credit Balances

at 31 December

	2011 €000	2010 €000
Amounts due to the State		
Income Tax	264	572
Pay Related Social Insurance	117	298
Professional Services Withholding Tax	46	174
Value Added Tax	22	30
Pension contributions	45	61
Income Levy	—	60
Universal Social Charge	78	—
	<u>572</u>	<u>1,195</u>
Payroll deductions held in suspense	84	178
Recoupable salaries	30	—
Due for OPW managed services	1	—
Other credit suspense items	5	43
	<u>692</u>	<u>1,416</u>

2.7 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	3,275	8,283
Exchequer grant undrawn	(3,262)	(8,260)
Net liability to the Exchequer	<u>13</u>	<u>23</u>

Represented by:**Debtors**

Bank and cash	585	1,226
Debit balances: suspense	120	213
	<u>705</u>	<u>1,439</u>

Creditors

Due to State	(572)	(1,195)
Credit balances: suspense	(120)	(221)
	<u>(692)</u>	<u>(1,416)</u>
	<u>13</u>	<u>23</u>

2.8 Commitments

at 31 December

	2011	2010
	€000	€000
Total of legally enforceable commitments	<u>30</u>	<u>480</u>

3 Programme Expenditure

		2011 Estimate provision €000	2011 Outturn €000	2010 Outturn €000
A	Budget, Taxation and Economic Policy			
A.1.	Administration - pay	6,456	5,966	5,163
A.2.	Administration - non pay	284	270	230
A.3.	Committees and commissions	330	326	312
A.4.	Consultancy and other services	75	17	30
A.5.	Fiscal Advisory Council (grant-in-aid)	300	222	—
A.6.	Commissions and special inquiries	5	2	211
		7,450	6,803	5,946
B	Financial Services Policy			
B.1.	Administration - pay	4,486	4,585	4,456
B.2.	Administration - non pay	184	188	178
B.3.	Committees and commissions	35	26	4
B.4.	Consultancy and other services	4,195	2,213	4,924
B.5.	Commissions and special inquiries	750	629	722
		9,650	7,641	10,284
C	Delivery of Shared Services			
C.1.	Administration - pay	6,815	6,927	6,368
C.2.	Administration - non pay	3,143	3,023	2,890
		9,958	9,950	9,258

Explanation of significant variations

An explanation is provided below in the case of each heading 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 €000	Explanation
B.4	(1,982)	It was estimated that this allocation would be required for legal advice in relation to the bank guarantee scheme, recapitalisation and restructuring issues, the preparation of legislation and general financial and banking advice. However it is difficult to predict such requirements with any certainty.
B.5	(121)	The work of the commission of investigation into the Banking Sector in Ireland (Nyberg Commission) was concluded earlier than anticipated and legal challenges that had been anticipated and budgeted for did not materialise.

4 Receipts

4.1 Appropriations-in-aid

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Recoupment of certain expenses in relation to the stabilisation of the banking sector	300	532	2,335
2. Pension cashflow surpluses	—	—	—
3. Receipts from pension-related deductions on public service remuneration	895	1,158	1,082
4. Miscellaneous	6	122	94
Total	1,201	1,812	3,511

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.	(232)	The costs recoupable under the scheme are difficult to predict.
3.	(263)	It is not possible to estimate accurately the level of receipts as receipts vary depending on the number of staff employed and the percentage deduction varies depending on the salary level of the individual employees.
4.	(116)	Receipts under this heading fluctuate and are difficult to estimate accurately.

4.2 Extra Receipts payable to the Exchequer

Other receipts totalling €8,999 were transferred to the Exchequer during the year in respect of monies received in 2011 which were not proper to the Vote. This figure comprises €7,419 voluntary surrender of pay and €1,580 in respect of travel costs refunded by an international body.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	272	276
	2011	2010
	€000	€000
Pay ¹	15,927	14,752
Redundancy	145	—
Higher, special or additional duties allowances	166	185
Other allowances	117	214
Overtime	352	302
Employer's PRSI	857	738
Total pay	17,564	16,191

¹ The total pay figure is inclusive of pay in subheads A.1, B.1, B.5, C.1.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	36	5	15,934	19,551
Other allowances	79	1	89,038	26,637
Overtime	102	11	28,672	30,647

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

5.2 Other Remuneration Arrangements

Two retired civil servants in receipt of civil service pensions were re-engaged on a fee basis at a total cost of €10,470.

This account includes expenditure of €410,072 in respect of 7 officers who were serving outside the Department for all or part of 2011 and whose salaries were paid by the Department.

€41,763 was paid to 19 staff under the terms of the Association of Higher Civil and Public Servants 1% Programme for Competitiveness and Work restructuring agreement.

6 Miscellaneous

6.1 Banking System Functions

The Minister for Finance delegated a number of banking system functions to the National Treasury Management Agency (NTMA) under Statutory Instrument (S.I.) no. 115 of 2010. This delegation was revoked with effect from 5 August 2011 under S.I. no. 395 of 2011 and the NTMA banking unit has since then been seconded to the Department of Finance. At the direction of the Minister, the costs of the unit, comprising staff costs and certain consultancy costs, continue to be met by the NTMA. Costs incurred in the period from 5 August 2011 to 31 December 2011 amounted to €6.3 million.

6.2 Committees and Commissions

	Year of appointment	2011 €000	2010 €000
Credit Union Advisory Committee	1967	26	1
Disabled Drivers Appeals Board	1989	326	312
Independent Review Panel on the Department of Finance	2010	2	211
Commission of Investigation into the banking sector in Ireland	2010	629	722
		983	1,246

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 2011 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 Public Expenditure and Reform, 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 2011, 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 Public Expenditure and Reform. The statement of internal financial control for the Department of Finance is also relevant given that it makes superannuation payments on an agency basis for Vote 7.

Robert Watt
Accounting Officer
Superannuation and Retired Allowances
28 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 7: Superannuation and Retired Allowances for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
31 August 2012

Vote 7 Superannuation and Retired Allowances Appropriation Account 2011

	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Programme expenditure			
A. Superannuation and retired allowances	450,025	432,560	437,635
Gross expenditure	450,025	432,560	437,635
Deduct:			
B. Appropriations-in-aid	82,250	87,315	83,155
Net expenditure	367,775	345,245	354,480
Surplus to be surrendered		€22,530,394	€42,272,907

Notes to the Appropriation Account

1 Operating Cost Statement 2011

This note is not applicable as the administration costs of this Vote are borne on Vote 6 - Office of the Minister for Finance and the costs involved in formulation of superannuation policy are borne on Vote 42 - Office of the Minister for Public Expenditure and Reform.

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Current assets			
Bank and cash	2.1	8,559	12,231
Other debit balances	2.2	111	34
Total current assets		8,670	12,265
Less current liabilities			
Credit balances	2.3	7,556	4,746
Net liability to the Exchequer	2.4	1,114	7,519
Total current liabilities		8,670	12,265
Net current assets		—	—
Net assets		—	—
Represented by:			
State funding account		—	—

2.1 Bank and Cash	2011	2010
at 31 December	€000	€000
PMG balances and cash	10,238	13,707
Orders outstanding	(1,679)	(1,476)
	<u>8,559</u>	<u>12,231</u>
2.2 Other Debit Balances	2011	2010
at 31 December	€000	€000
Recoupable pensions owed by other Departments	<u>111</u>	<u>34</u>
2.3 Credit Balances	2011	2010
at 31 December	€000	€000
Amounts due to the State		
Income Tax	3,875	2,430
Pay Related Social Insurance	—	396
Universal Social Contribution	1,502	—
Income Levy	—	326
	<u>5,377</u>	<u>3,152</u>
Voluntary pension deductions held in suspense	<u>2,179</u>	<u>1,594</u>
	<u>7,556</u>	<u>4,746</u>
2.4 Net Liability to the Exchequer	2011	2010
at 31 December	€000	€000
Surplus to be surrendered	22,530	42,272
Exchequer grant undrawn	(21,416)	(34,753)
Net liability to the Exchequer	<u>1,114</u>	<u>7,519</u>
Represented by:		
Debtors		
Bank and cash	8,559	12,231
Debit balances: suspense	<u>111</u>	<u>34</u>
	<u>8,670</u>	<u>12,265</u>
Creditors		
Due to the State	(5,377)	(3,152)
Credit balances: suspense	<u>(2,179)</u>	<u>(1,594)</u>
	<u>(7,556)</u>	<u>(4,746)</u>
	<u>1,114</u>	<u>7,519</u>

3 Programme Expenditure

		2011 Estimate provision €000	2011 Outturn €000	2010 Outturn €000
A. Superannuation and Retired Allowances				
A.1.	Superannuation allowances, compensation allowances, pensions and certain children's allowances	280,300	284,194	281,135
A.2.	Payments under the contributory pensions schemes for spouses and children of civil servants, members of the judiciary and court officers	40,600	41,670	42,438
A.3.	Ex-gratia pensions for widows and children of civil servants, members of the judiciary and court officers	1,200	1,092	1,253
A.4.	Additional allowances and gratuities in respect of established officers and payments in respect of transferred service	107,250	83,423	91,304
A.5.	Pensions, allowances and gratuities in respect of unestablished officers and their spouses and children and other pensions and payments in respect of transferred service	20,000	21,721	20,946
A.6.	Injury grants and medical fees	400	349	420
A.7.	Fees to Pensions Board and pensions benefit system	120	58	68
A.8.	Payments in respect of liability under Chapter 2C of the Taxes Consolidation Act 1997	5	—	—
A.9.	Pension liabilities of former public service bodies payable under statute	150	53	71
		450,025	432,560	437,635

Explanation of significant variation

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

Heading	Less/(more) than provided €000	Explanation
A.3.	108	Requirements for ex gratia pensions were less than estimated.
A.4.	23,827	The estimate was based on the number of officers expected to retire on or before end December 2011. The 'grace period' within which pensions were calculated on the basis of pre-cut salary rates was extended to 29 February 2012, which resulted in a decrease in the number of officers retiring before year-end.
A.5.	(1,721)	179 unestablished officers retired in 2011, which was more than estimated.

4 Receipts

Appropriations-in-aid		2011 Estimated €000	2011 Realised €000	2010 Realised €000
1	Receipt under the Social Welfare Consolidation Act 1993 (No. 38 of 1993) in respect of pension liability of staff	30,000	30,000	28,000
2	Receipts in respect of pension liability of staff on loan, etc.	1,103	2,443	2,496
3	Contributions to spouses' and children's pension scheme for civil servants and others	22,500	21,657	20,818
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)	24,237	25,681	23,352
5	Repayment of gratuities, etc.	1,103	1,276	1,135
6	Purchase of notional service	3,197	5,964	6,972
7	Miscellaneous	110	294	382
		82,250	87,315	83,155

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	(1,340)	The numbers of staff on loan can vary from year to year making estimation difficult.
4	(1,444)	The numbers paying full pension contributions exceeded the estimate.
5	(173)	It is difficult to predict the number of repayments.
6	(2,767)	It is difficult to predict the numbers purchasing service for pension purposes.
7	(184)	By their nature it is difficult to predict miscellaneous receipts.

5 Employee and Pensioner Numbers

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 and staff engaged on the formulation of superannuation policy are charged to Vote 42 - Office of the Minister for Public Expenditure and Reform.

5.2 Pensioners

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

		Number of Pensioners at year	
		2011	2010
A.1.	Superannuation allowances, compensation allowances, pensions and certain children's allowances	11,014	10,288
A.2.	Payments under the contributory pensions schemes for spouses and children of civil servants, members of the judiciary and court officers	2,795	2,739
A.3.	Ex-gratia pensions for widows and children of civil servants, members of the judiciary and court officers	73	85
A.5.	Pensions, allowances and gratuities in respect of unestablished officers and their spouses and children and other pensions and payments in respect of transferred service	4,732	5,002
A.9.	Pension liabilities of former public service bodies payable under statute ¹	3	3
Total		18,617	18,117

¹ The figure for 2010 has been restated as five individuals whose pensions were recoupable were erroneously included under A.9.

6 Miscellaneous

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.

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 2011 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 2011, 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
8 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 8: Office of the Appeal Commissioners for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
17 August 2012

Vote 8 Office of the Appeal Commissioners Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Programme Expenditure			
A Facilitation of hearing tax appeals	509	464	449
Gross expenditure	509	464	449
Deduct:			
B Appropriations-in-aid	32	32	32
Net expenditure	477	432	417
Surplus to be surrendered		€45,441	€101,309

	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1 Salaries, wages and allowances	440	421	404
A.2 Travel and subsistence	28	13	15
A.3 Training and development and incidental expenses	22	16	18
A.4 Postal and telecommunications services	10	6	6
A.5 Office equipment and external IT services	5	6	3
A.6 Office premises expenses	4	2	3
	509	464	449

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Pay			421	404
Non pay			43	45
Gross expenditure			<u>464</u>	<u>449</u>
Deduct				
Appropriations-in-aid			(32)	(32)
Net expenditure			<u>432</u>	<u>417</u>
Changes in capital assets				
Purchases cash		(1)		
Depreciation		<u>7</u>	6	1
Changes in net current assets				
Decrease in closing accruals			(2)	1
Direct expenditure			<u>436</u>	<u>419</u>
Net allied services expenditure	1.1		241	241
Total operating cost			<u><u>677</u></u>	<u><u>660</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

Vote		2011 €000	2010 €000
10	Office of Public Works	241	241
		<u>241</u>	<u>241</u>

Net allied services expenditure for 2010 has been restated to include service charges and insurance costs previously omitted in error.

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	28	34
		28	34
Current assets			
Bank and cash	2.2	103	101
Prepayments		5	4
Total current assets		108	105
Less current liabilities			
Accrued expenses		1	2
Vote 9 Revenue Commissioners		104	98
Net liability to the Exchequer	2.3	(1)	3
Total current liabilities		104	103
Net current assets		4	2
Net assets		32	36
Represented by:			
State funding account		32	36

2.1 Statement of Capital Assets

	Furniture and fittings €000	Office equipment €000	Total €000
Gross assets			
Cost or valuation at 1 January 2011	63	39	102
Additions	—	1	1
Cost or valuation at 31 December 2011	63	40	103
Accumulated depreciation			
Opening balance at 1 January 2011	32	36	68
Depreciation for the year	5	2	7
Cumulative depreciation at 31 December 2011	37	38	75
Net assets at 31 December 2011	26	2	28
Net assets at 31 December 2010	31	3	34

2.2 Bank and Cash

	2011 €000	2010 €000
at 31 December		
PMG balances and cash	103	101
	103	101

2.3 Net Liability to the Exchequer

	2011 €000	2010 €000
at 31 December		
Surplus to be surrendered	45	101
Exchequer grant undrawn	(46)	(98)
Net liability to the Exchequer	(1)	3

Represented by:**Debtors**

Bank and cash	103	101
	103	101

Creditors

Vote 9 Revenue Commissioners	(104)	(98)
	(104)	(98)
	(1)	3

3 Programme Expenditure

	2011 Estimated provision	2011 Outturn	2010 Outturn
	€000	€000	€000
A Facilitation of hearing of tax appeals			
Administration - pay	440	421	404
Administration - non pay	69	43	45
	<u>509</u>	<u>464</u>	<u>449</u>

Explanation of significant variations

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

4 Receipts

4.1 Appropriations-in-aid

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Receipts from pension-related deduction on remuneration	32	32	31
2. Miscellaneous	—	—	1
Total	<u>32</u>	<u>32</u>	<u>32</u>

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	5	5
	2011 €000	2010 €000
Pay	405	391
Allowances and overtime	—	—
Employer's PRSI	16	13
Total pay	<u>421</u>	<u>404</u>

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 2011 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 2011, 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 with the exceptions listed here.

Capital Assets : Vehicles and Equipment

Seized vehicles that have been appropriated to Revenue are included in the capital assets at open market value at the time of appropriation and are depreciated at a rate of 20% per annum on a straight line basis over the estimated useful life from the date of appropriation.

The Customs cutter 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
28 February 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 9: Office of the Revenue Commissioners for 2011 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 2011.

Chapters 7 to 11 of my report on the accounts of the public services for 2011 refer to certain matters relating to Vote 9 on which I considered it appropriate to report in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993.

Seamus McCarthy
Comptroller and Auditor General
28 August 2012

Vote 9 Office of the Revenue Commissioners Appropriation Account 2011

	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Programme Expenditure			
A Administration and collection of taxes and duties, and frontier management	392,859	391,892	401,769
Gross expenditure	392,859	391,892	401,769
Deduct			
B Appropriations-in-aid	67,687	74,335	72,477
Net expenditure	325,172	317,557	329,292
Surplus to be surrendered		€7,614,739	€9,759,339

Administration	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
A.1 Salaries, wages and allowances	295,298	293,598	291,820
A.2 Travel and subsistence	3,478	3,325	3,287
A.3 Training and development and incidental expenses	11,700	13,163	11,220
A.4 Postal and telecommunications services	12,350	11,001	12,184
A.5 Office equipment and external IT services	45,625	43,559	58,586
A.6 Office premises expenses	7,700	7,674	8,480
A.7 Consultancy services and value for money and policy reviews	108	107	69
A.8 Motor vehicles	2,200	2,231	2,479
A.9 Law charges, fees and rewards	13,900	17,074	13,459
A.10 Compensation and losses	500	160	112
<i>Value for money and policy reviews</i>	—	—	73
	392,859	391,892	401,769

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Pay			293,598	291,820
Non pay			98,294	109,949
Gross expenditure			391,892	401,769
Deduct				
Appropriations-in-aid			(74,335)	(72,477)
Net expenditure			317,557	329,292
Changes in capital assets				
Purchases cash		(6,999)		
Depreciation		27,626		
Disposals cash		6		
Loss on disposals		34	20,667	21,771
Changes in assets under development				
Cash payments			(16,580)	(7,944)
Changes in net current assets				
Increase in closing accruals		7,251		
Decrease in stock		341		
			7,592	(6,975)
Direct expenditure			329,236	336,144
Net allied services expenditure	1.1		71,769	61,494
Notional rents			11,019	15,631
Total operating cost			412,024	413,269

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.

		2011 €000	2010 €000
7	Superannuation and Retired Allowances	57,840	54,052
10	Office of Public Works	22,342	21,259
	Services rendered by Revenue without charge	(8,413)	(13,817)
		71,769	61,494

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	55,276	61,333
Capital assets under development	2.2	2,734	489
		58,010	61,822
Current assets			
Bank and cash	2.3	10,466	9,833
Stocks	2.4	1,465	1,806
Prepayments		15,233	22,728
Accrued income		1,303	369
Other debit balances	2.5	2,308	1,557
Total current assets		30,775	36,293
Less current liabilities			
Accrued expenses		3,131	2,289
Deferred Income		89	84
Other credit balances	2.6	12,489	11,139
Net liability to the Exchequer	2.7	285	251
Total current liabilities		15,994	13,763
Net current assets		14,781	22,530
Net assets		72,791	84,352
Represented by:			
State funding account		72,791	84,352

2.1 Capital Assets

	Vehicles and equipment	Office/IT equipment	Furniture and fittings	Total
	€000	€000	€000	€000
Gross assets				
Cost or valuation at 1 January 2011	12,840	391,574	52,382	456,796
Prior year adjustment*	74	—	—	74
Seized vehicles appropriated to Revenue	76	—	—	76
Additions	405	20,206	897	21,508
Disposals	(220)	(2,068)	(213)	(2,501)
Cost or valuation at 31 December 2011	13,175	409,712	53,066	475,953
Accumulated depreciation				
Opening balance at 1 January 2011	9,105	340,550	45,808	395,463
Prior year adjustment*	32	—	—	32
Depreciation for the year	716	25,100	1,810	27,626
Depreciation on disposals	(208)	(2,033)	(203)	(2,444)
Cumulative depreciation at 31 December 2011	9,645	363,617	47,415	420,677
Net capital assets at 31 December 2011	3,530	46,095	5,651	55,276
Net capital assets at 31 December 2010	3,735	51,024	6,574	61,333

*Note: The prior year adjustment reflects the capitalisation of seized vehicles appropriated to Revenue in prior years

2.2 Capital Assets under Development

at 31 December 2011

	In-house computer applications €000
Amounts brought forward at 1 January 2011	489
Cash payments for the year	16,580
Transferred to asset register	(14,335)
Amounts carried forward at 31 December 2011	2,734

2.3 Bank and Cash

at 31 December

	2011	2010
	€000	€000
PMG balances and cash	10,577	10,849
Orders outstanding	(111)	(1,016)
	<u>10,466</u>	<u>9,833</u>

2.4 Stocks

at 31 December

	2011	2010
	€000	€000
Stationery	865	1,193
IT consumables	524	613
Equipment/clothing	76	—
	<u>1,465</u>	<u>1,806</u>

2.5 Other Debit Balances

at 31 December

	2011	2010
	€000	€000
Shared buildings advances	190	156
Advances to OPW for building works etc.	593	532
Advances for travel and subsistence purposes	14	11
Miscellaneous suspense	222	166
Recoupable expenditure	1,185	594
Vote 8 Appeal Commissioners	104	98
	<u>2,308</u>	<u>1,557</u>

2.6 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Income Tax	4,444	3,265
Pay Related Social Insurance	1,483	2,185
Professional Services Withholding Tax	1,189	1,388
Value Added Tax	317	322
Relevant Contracts Tax	—	4
Pensions	691	599
Extra Exchequer Receipts	1,028	—
	<u>9,152</u>	<u>7,763</u>
Payroll deductions held in suspense	3,074	3,157
Other credit suspense items	263	219
	<u>12,489</u>	<u>11,139</u>

2.7 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	7,615	9,759
Exchequer grant undrawn	(7,330)	(9,508)
Net liability to the Exchequer	<u>285</u>	<u>251</u>

Represented by:**Debtors**

Bank and cash	10,466	9,833
Other debit balances	2,308	1,557
	<u>12,774</u>	<u>11,390</u>

Creditors

Payroll deductions	(3,074)	(3,157)
Due to State	(9,152)	(7,763)
Other credit suspense items	(263)	(219)
	<u>(12,489)</u>	<u>(11,139)</u>
	<u>285</u>	<u>251</u>

2.8 Commitments

at 31 December

	2011	2010
	€000	€000
Total of legally enforceable commitments	<u>166</u>	<u>476</u>

3 Programme Expenditure

	2011 Estimated provision €000	2011 Outturn €000	2010 Outturn €000
Administration and Collection of Taxes, Duties and Frontier Management			
Administration - pay	295,298	293,598	291,820
Administration - non pay	97,561	98,294	109,949
	392,859	391,892	401,769

Explanation of significant variations

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

Heading	Less/(more) than provided €000	Explanation
A.10	340	Because of its legal nature, it is difficult to forecast the amount and timing of compensation payments and losses on legal cases.

4 Receipts

4.1 Appropriations-in-aid

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Receipts for services relating to Pay-Related Social Insurance Scheme	37,437	37,437	37,437
2. Fines, forfeitures, law costs recovered	4,500	4,155	4,767
3. Cherished numbers	50	166	182
4. Receipts in respect of Environmental Levy collection	200	399	400
5. Miscellaneous	9,500	15,379	13,234
6. Receipts from pension related deduction on remuneration	16,000	16,799	16,457
Total	67,687	74,335	72,477

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.	345	Difficult to estimate accurately due to uncertainty as regards amounts and timing of receipts.
3.	(116)	Receipts vary with demand.
4.	(199)	Demand for plastic bags did not decline as much as anticipated.
5.	(5,879)	The main component is collection costs in respect of Customs Duties. It is difficult to estimate this accurately because of the uncertain nature of the payments.

4.2 Extra receipts payable to the Exchequer

An amount of €478,455 in respect of bank interest on Revenue accounts held with the Central Bank was paid to the Exchequer.

An amount of €500,641 which was received during 2011 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 in 2011. An amount of €1,028,028 was received in December 2011 and is due to be paid to the Exchequer in 2012.

The sum of €519,697 was lodged to the Exchequer in respect of cash forfeited under Section 39 of the Criminal Justice Act, 1994.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	5,957	6,063
	2011	2010
	€000	€000
Pay	274,249	273,104
Allowances	4,332	4,141
Overtime	2,987	3,094
Employer's PRSI	12,030	11,481
Total pay	293,598	291,820

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	476	16	18,589	18,608
Overtime and extra attendance	2,169	105	21,409	20,007
Shift and roster allowances	179	29	19,466	20,181
Miscellaneous	68	3	18,828	18,847

5.2 Performance Awards

A total of €314,948 was spent on Exceptional Performance Awards (i.e. 1,121 individual awards ranging from €50 to €3,500 and eight group awards ranging from €500 to €4,000).

5.3 Other Remuneration Arrangements

The cost of Revenue staff on loan to other Departments/Agencies without recoupment was €268,053.

6 Miscellaneous

6.1 Compensation and Legal Costs

Compensation of €129,831 was paid in respect of legal action taken by members of the public.

A total of €9,574 was paid in respect of compensation claims by members of staff pursued via the State Claims Agency.

A payment of €25,000 was made to a former Revenue employee in respect of compensation awarded by the Employment Appeals Tribunal.

6.2 Administrative Budget Carryover

As agreed with the Department of Public Expenditure and Reform under the delegated administrative budget scheme, a carryover of €468,000 is included in the Estimate for 2012.

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 2011 for the salaries and expenses of the Office of Public Works; for services administered by that Office including the National Procurement Service, for payment of certain grants and for the recoupment of certain expenditure.

The expenditure outturn is compared with the sums

- (a) granted by Dáil Éireann under the Appropriation Act 2011, including the amount that could be used as appropriations-in-aid of expenditure for the year, and
- (b) provided for capital supply services in 2011 out of unspent 2010 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) Statement of Capital Assets : Valuation of Land and Buildings

1 The valuations are subject to a number of significant qualifications and should not be regarded as a current estimate of realisable value.

2 For the major part of the portfolio, estimates are based on: (i) building cost norms, and (ii) notional site values.

3 Enhanced values have been applied to a number of prestige properties, such as Dublin Castle, Áras an Uachtaráin and Leinster House.

4 State-owned properties occupied and owned by OPW have been valued on the 'existing use' basis.

5 Properties purchased since 1 January 1995 are initially valued at acquisition cost.

6 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.

7 OPW has commenced a review of the current valuation methodologies being used.

Valuation protocols produced by the Royal Institute of Chartered Surveyors, being the accepted industry standard in Ireland, were used for 2011. The Commissioners of Public Works have followed the public sector accounting standards as contained in the RICS - Professional Standards, Global and UK Edition, March 2012. For the 2011 accounts, assessments of market value were applied to land and buildings, excluding heritage assets, in Dublin 1, 2 and 4. Eighty State owned properties are located in the postal areas of Dublin 1, 2 and 4 and these represented approximately 43% of the cost or valuation of land and buildings at 31 December 2010. Forty eight different properties were revalued. The total original cost of these properties was €515m and the revaluation resulted in a reduction of €228m. The application of this revised methodology will continue in 2012.

8 National historic properties and national monuments are not included in the valuation.

(b) Capital Assets Under Development

Construction projects are valued on practical completion, therefore construction projects ongoing at 31 December 2011 are not shown as capital assets under development.

(c) Depreciation

Plant and 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 2011 has been submitted with this account to the Comptroller and Auditor General.

C McGrath

Accounting Officer
Office of Public Works
27 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 10: Office of Public Works for 2011 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 2011.

Chapter 14 of my report on the accounts of the public services for 2011 refers to certain matters relating to Vote 10 on which I considered it appropriate to report in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993.

Seamus McCarthy
Comptroller and Auditor General
13 September 2012

Vote 10 Office of Public Works Appropriation Account 2011

Service		2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000	€000
Programme Expenditure				
A Flood Risk Management				
	<i>Current year provision</i>	69,536		
	<i>Deferred surrender</i>	4,000	61,216	69,356
B National Procurement Service (NPS)		3,786	4,266	3,568
C Estate Portfolio Management				
	<i>Current year provision</i>	332,062		
	<i>Deferred surrender</i>	1,000	336,169	380,486
Gross expenditure				
	<i>Current year provision</i>	405,384		
	<i>Deferred surrender</i>	5,000		
		410,384	401,651	453,410
Deduct				
D Appropriations-in-aid		26,631	26,928	27,965
Net expenditure				
	<i>Current year provision</i>	378,753		
	<i>Deferred Surrender</i>	5,000		
		383,753	374,723	425,445
Surplus for the year				
			€9,029,810	€9,003,250
Deferred surrender				
			€8,000,000	€5,000,000
Surplus to be surrendered				
			€1,029,810	€4,003,250

	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
(i) Salaries, wages and allowances	38,672	36,460	37,429
(ii) Travel and subsistence	1,383	859	940
(iii) Training and development and incidental expenses	1,125	765	793
(iv) Postal and telecommunications services	1,569	2,015	1,840
(v) Office equipment and external IT services	2,447	2,993	2,729
(vi) Office premises expenses	1,334	1,307	1,482
(vii) Consultancy services and value for money and policy reviews	54	11	79
	46,584	44,410	45,292

Notes to the Appropriation Account

1 Operating Cost Statement 2011

		2011	2010
	€000	€000	€000
Programme cost		357,241	408,118
Pay		36,460	37,429
Non pay		7,950	7,863
Gross expenditure ¹		<u>401,651</u>	<u>453,410</u>
Deduct			
Appropriations-in-aid		<u>26,928</u>	<u>27,965</u>
Net expenditure		<u>374,723</u>	<u>425,445</u>
Changes in capital assets			
Purchases cash	(9,327)		
Disposals cash	107		
Depreciation	6,411		
Gain on disposals	<u>(35)</u>	<u>(2,844)</u>	<u>(22,827)</u>
Changes in assets under development			
Cash payments		(32)	(47)
Changes in net current assets			
Increase in closing accruals	5,877		
Increase in stock	<u>(122)</u>		
		<u>5,755</u>	<u>843</u>
Direct expenditure		<u>377,602</u>	<u>403,414</u>
Expenditure on services provided free to other Departments (allied services)		(166,653)	(187,724)
Expenditure on services where OPW acts as client ²		<u>(102,543)</u>	<u>(107,872)</u>
Direct expenditure (excluding allied services and services where OPW acts as client)		<u>108,406</u>	<u>107,818</u>
Expenditure borne elsewhere			
Vote 7 - Superannuation and retired allowances		17,360	22,139
Total operating cost ³		<u><u>125,766</u></u>	<u><u>129,957</u></u>

¹ This figure is derived from the gross outturn on Vote 10 only (€401.651m) whereas the total financial transactions of the OPW during 2011, including direct expenditure incurred by OPW and charged to other Votes, amounted to €487.055m.

² The direct expenditure figure has been reduced by an amount of €102.5m 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 Convention Centre Dublin and the National Procurement Service). The cost of such works and grants do not form part of the running costs of OPW.

³ The operating cost figure does not include an amount for notional income or payments

(i) Notional rents receivable by the OPW on State-owned properties are estimated at some €71m.

Notional rents payable by OPW estimated at €2.6m are excluded.

(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 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	3,046,978	3,268,717
Capital assets under development	2.2	64	81
		3,047,042	3,268,798
Current assets			
Bank and cash	2.3	48,310	40,759
Stocks	2.4	2,361	2,239
Prepayments		25,505	33,001
Accrued income		3,216	3,125
Other debit balances	2.5	912	4,160
Total current assets		80,304	83,284
Less current liabilities			
Accrued expenses		6,945	7,816
Deferred income		149	865
Other credit balances	2.6	40,781	38,916
Net liability to the Exchequer	2.7	8,441	6,003
Total current liabilities		56,316	53,600
Net current assets		23,988	29,684
Net assets		3,071,030	3,298,482
Represented by:			
State funding account		3,071,030	3,298,482

2.1 Statement of Capital Assets

	Land and buildings	Plant and machinery	Office equipment	Furniture and fittings	Total
	€000	€000	€000	€000	€000
Gross assets					
Cost or valuation at 1 January 2011	3,241,701	40,208	21,288	18,654	3,321,851
Additions	9,451	1,789	1,260	569	13,069
Disposals	(262)	(1,340)	(370)	(34)	(2,006)
Revaluations	(228,053)	—	—	—	(228,053)
Cost or valuation at 31 December 2011	3,022,837	40,657	22,178	19,189	3,104,861
Accumulated depreciation					
Opening balance at 1 January 2011	—	26,153	15,795	11,186	53,134
Depreciation for the year	—	3,504	1,875	1,032	6,411
Depreciation on disposals	—	(1,293)	(345)	(24)	(1,662)
Cumulative depreciation at 31 December 2011	—	28,364	17,325	12,194	57,883
Net assets at 31 December 2011	3,022,837	12,293	4,853	6,995	3,046,978
Net assets at 31 December 2010	3,241,701	14,055	5,493	7,468	3,268,717

2.2 Capital Assets under Development

at 31 December 2011

	Plant and machinery €000
Amount brought forward at 1 January 2011	81
Cash payments for the year	32
Transferred to asset register	(49)
Amount carried forward at 31 December 2011	64

2.3 Bank and Cash

at 31 December

	2011 €000	2010 €000
Bank balances	51,801	67,583
Orders outstanding	(3,491)	(26,824)
	48,310	40,759

2.4 Stocks

at 31 December

	2011	2010
	€000	€000
Engineering stocks	1,126	1,118
Heritage depot stocks	709	728
Building materials	403	325
Paper and stationery	87	59
Miscellaneous stocks	36	9
	2,361	2,239

2.5 Other Debit Balances

at 31 December

	2011	2010
	€000	€000
Maintenance accounts	—	3,086
Pension refunds due from the Department of Public Expenditure and Reform	753	831
Health and safety works	67	—
Service charges	92	181
Fishery harbours	—	59
Barretstown Castle	—	3
	912	4,160

2.6 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Income Tax	999	834
Income Levy	392	147
Pay Related Social Insurance	849	1,097
Professional Services Withholding Tax	957	975
Value Added Tax	7,578	3,540
Pension contributions	284	264
Receipts from sales of State property	76	26
Loan repayments	34	908
	11,169	7,791
Payroll deductions held in suspense	949	961
Sundry works accounts	14,934	19,490
Health and safety works	—	92
MSC non payroll accounts	5,882	4,925
Per cent for art scheme	2,573	3,007
Site acquisitions for Department of Education and Skills	906	947
Furniture services	1,186	1,260
Maintenance accounts	1,067	—
Prison projects	22	199
Rent accounts	2,093	244
	40,781	38,916

2.7 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	1,030	4,003
Deferred surrender	8,000	5,000
Exchequer grant undrawn	(589)	(3,000)
Net liability to the Exchequer	<u>8,441</u>	<u>6,003</u>

Represented by:**Debtors**

Bank and cash	48,310	40,759
Debit balances: suspense	912	4,160
	<u>49,222</u>	<u>44,919</u>

Creditors

Due to State	(11,169)	(7,791)
Credit balances: suspense	(29,612)	(31,125)
	<u>(40,781)</u>	<u>(38,916)</u>

	<u>8,441</u>	<u>6,003</u>
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2.8 Commitments**(A) Non capital commitments**

The figure for non-capital commitments likely to arise in 2012 and subsequent years is estimated to be €2,586,121 excluding the Convention Centre Dublin (see below).

There were commitments outstanding at the end of 2011 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 €112m in 2012.

(B) Multi-annual capital commitments

The following table details expenditure in 2011 and commitments to be met in subsequent years on foot of capital projects where legally enforceable contracts were in place at 31 December 2011.

	€
Expenditure in 2011	89,914,112
Commitments to be met (2012 - 2015)	159,541,161

(C) Major capital projects

Expenditure was incurred on eleven ongoing major projects during 2011 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	Expenditure in 2011	Subsequent years
	€000	€000	€000
Project			
Decentralisation projects			
Newbridge	26,480	743	2,268
Tipperary	881	4,879	9,127
Wexford	19,071	572	900
Roscommon	13,759	293	30
Flood relief schemes			
Mallow North	18,357	472	750
Mallow South	1,671	4,185	8,000
Clonmel West	18,391	3,419	2,000
Clonmel North	3,158	7,856	7,700
Ennis Upper	9,423	2,222	2,055
Fermoy North	5,208	1,021	1,100
River Tolka	18,357	14	1,000

(D) Capital cost of Public Private Partnership project

	Expenditure to 31 December 2010	Expenditure in 2011 ¹	Balance still outstanding on capital cost of project at delivery	Total
	€000	€000	€000	€000
Convention Centre Dublin	35,028	10,456	241,491	286,975

There is a long term commitment in relation to the Convention Centre Dublin to pay €380m (in net present value terms at April 2007) over the life of the contract. The first instalment was paid in 2010.

¹ Represents expenditure in the current year on repayment of the capital cost of the asset, excluding the cost of PPP financing.

3 Programme Expenditure

			2011 Estimate provision €000	2011 Outturn €000	2010 Outturn €000
A	Flood Risk Management				
A.1	Administration - pay		7,920	6,891	7,657
A.2	Administration - non pay		2,172	1,919	2,133
A.3	Purchase of engineering plant and machinery		800	812	2,821
A.4	Hydrometric and hydrological investigation and monitoring		1,410	925	1,305
A.5	Flood risk management				
	Current year provision	41,000			
	Deferred surrender	4,000	45,000	34,904	38,633
A.6	Drainage maintenance		16,234	15,765	16,807
			73,536	61,216	69,356
B	National Procurement Service (NPS)				
B.1	Administration - pay		2,504	2,747	2,463
B.2	Administration - non pay		320	330	339
B.3	Government Publication Services		247	176	270
B.4	National Procurement Service (NPS)		715	1,013	496
			3,786	4,266	3,568
C	Estate Portfolio Management				
C.1	Administration - pay		28,248	26,822	27,310
C.2	Administration - non pay		5,420	5,701	5,390
C.3	President's household staff (pay)		797	839	815
C.4	Grant to Zoological Society of Ireland		500	100	2,500
C.5	Grants for certain refurbishment works		1,000	1,000	2,000
C.6	Purchase of sites and buildings		1,000	363	8,193
C.7	New works, alterations and additions				
	Current year provision	54,500			
	Deferred surrender	1,000	55,500	55,602	88,977
C.8	Property maintenance and supplies		36,698	35,833	35,446
C.9	Rents, rates etc.		115,944	117,568	127,908
C.10	Fuel, electricity and water		1,323	1,559	1,706
C.11	Unitary payments		50,500	54,200	41,031
C.12	Heritage services		36,132	36,582	39,210
			333,062	336,169	380,486

Explanation of significant variation

An explanation is provided below in the case of each heading 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 €000	Explanation
A.4.	485	The saving is due to ongoing staff vacancies and efficiencies achieved on non-pay costs.
A.5.	10,096	The savings arose due to delays in advancing a number of flood relief schemes at Ennis, Fermoy, Bray and Clontarf, and due to Catchment Flood Risk Assessment and Management studies running behind schedule.
B.4.	(298)	The excess was in the main due to a higher than anticipated spend on the services of an energy consultant.
C.4.	400	Part of the grant was deferred as contractual commitments did not materialise in 2011.
C.6.	637	A number of anticipated acquisitions did not proceed in 2011.
C.10.	(236)	Expenditure on this subhead reduced from 2010. The estimate provided in 2011 was not sufficient to meet the energy costs related to prestige and unallocated buildings.
C.11.	(3,700)	The excess is due to the payment of additional VAT liabilities which could not be determined pre-contract.

4 Receipts

4.1 Appropriations-in-aid

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Rents, licence fees, etc.	4,000	4,117	4,206
2. Events and facilities management	1,181	1,197	1,258
3. Receipts for Government publication services	920	1,050	1,242
4. Recoveries for services carried out on repayment or agency basis	8,025	8,060	8,841
5. Sales at National Monuments and Historic Properties visitor centres	642	482	481
6. Admission charges at National Monuments and historic properties	4,677	5,495	4,866
7. Miscellaneous, including fees, interest and disposals etc.	2,186	1,612	1,931
8. Receipts from pension-related deduction on public service remuneration	5,000	4,915	5,041
<i>Receipts in respect of bank interest, penal interest, etc.</i>	—	—	99
Total	26,631	26,928	27,965

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	(130)	The excess was due to additional sales of publications and Iris Oifigúil.
5	160	Receipts were in line with previous years sales. The re-categorisation of receipts in 2010 was not reflected in the 2011 estimates.
6	(818)	Admissions were greater than anticipated due to increased visitor numbers at busier sites in 2011.
7	574	The shortfall was due to less than expected receipts in respect of lease surrenders by OPW tenants.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)		
Civil service grades	631	644
OPW specific grades	1,126	1,185
	<u>1,757</u>	<u>1,829</u>
	2011	2010
	€000	€000
Pay	81,782	83,899
Higher, special or additional duties allowances		
Civil service grades	328	322
OPW specific grades	774	954
Other allowances		
Civil service grades	8	10
OPW specific grades	—	—
Overtime		
Civil service grades	138	182
OPW specific grades	3,813	3,963
Extra attendance, shift and roster		
Civil service grades	—	—
OPW specific grades	1,107	1,074
Employer's PRSI	6,850	6,873
Total pay	<u>94,800</u>	<u>97,277</u>

Note: The total pay figure is inclusive of pay in programmes A, B and C and includes pay for an additional 417 temporary and seasonal staff in 2011.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties and allowances				
Civil service grades	86	3	14,877	19,605
OPW specific grades	1,080	1	15,618	14,593
Other Allowances				
Civil service grades	31	—	338	5,598
OPW specific grades	—	—	—	—
Overtime				
Civil service grades	35	3	14,448	22,050
OPW specific grades	630	113	34,999	31,021
Extra attendance, shift and roster				
Civil service grades	—	—	—	—
OPW specific grades	672	1	12,383	9,016

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 €148,438.

6 Miscellaneous

6.1 Deferred Allocation

Under the provisions of Section 91 of the Finance Act 2004, €8m of unspent allocations in respect of the capital subheads was carried forward to 2012.

6.2 Compensation Payments

Compensation and associated legal and miscellaneous costs totalling €346,739 and ranging from €10,148 to €181,007 were paid in six cases of personal injury claims by employees.

Sums totalling €168,035 and ranging from €6,987 to €74,338 were paid in compensation, and associated legal and miscellaneous costs, in respect of six claims for injuries to persons on State property.

6.3 Administrative Budget Carryover

As agreed with the Department of Public Expenditure and Reform under the delegated administrative budget scheme, a carryover of €0.588m from the Vote for 2011 was included in the Estimate for 2012.

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 2011 was €68m of which the main area of expenditure were major capital works (€22m), maintenance works (€20m), leasing of accommodation (€12m), local loans (€9m) and health and safety works (€1m).

The OPW also performs specific roles not attracting OPW voted funds which demand input and resources on a continuing basis e.g. advising on architectural matters, developing sustainable energy options, conducting universal access audits, examining and implementing flood protection proposals, the sourcing, assessment and acquisition of sites for primary schools, procurement issues related to specific projects (e.g. Lansdowne Road redevelopment, National Concert Hall, Convention Centre Dublin), art management within the State portfolio and certification of the payment of certain sports grants on behalf of the Department of Transport, Tourism and Sport.

The National Procurement Service (NPS) was established in 2009 and has now subsumed the procurement role previously performed by the Government Supplies Agency. The NPS administered drawdown contracts for other public bodies with an estimated value of €434m in 2011.

6.5 Services supplied to Departments and Offices 2011 (Subhead C9 Rents, Rates etc.)

Departments, etc	2011 Estimate provision €000	2011 Outturn €000	2010 Outturn €000
Houses of the Oireachtas	1,782	1,631	1,917
Taoiseach	491	180	528
Finance/Public Expenditure and Reform	1,771	1,817	1,905
Central Statistics Office	1,068	1,164	1,149
Comptroller and Auditor General	549	620	591
Revenue Commissioners	18,595	21,947	21,242
Office of Public Works	3,663	4,111	4,381
Attorney General	78	106	84
Director of Public Prosecutions	2,001	1,765	2,153
Valuation Office	1,633	1,834	1,757
Public Appointments Service	2,640	2,159	2,840
Ombudsman	1,071	1,123	1,153
Chief State Solicitor's Office	668	569	719
Justice and Equality	13,851	13,077	14,878
Garda Síochána	8,445	8,517	9,086
Prisons	391	84	1,183
Courts Service	1,398	1,109	1,504
Property Registration Authority	1,275	1,145	1,372
Environment, Community and Local Government *	2,917	5,043	3,168
Education and Skills	4,425	4,867	4,842
Foreign Affairs and Trade	5,335	5,213	5,740
Social Protection	15,705	15,012	14,761
Health	3,423	2,458	3,683
Agriculture and Food	5,225	—	7,806
Agriculture, Food and the Marine *	—	4,987	—
Jobs, Enterprise and Innovation	6,385	6,421	6,870
Communications, Energy and Natural Resources*	3,444	3,675	3,706
Transport, Tourism and Sport *	4,469	5,583	5,479
Community, Equality and Gaeltacht Affairs	921	—	1,955
Arts, Heritage and the Gaeltacht *	677	451	728
Children and Youth Affairs	896	—	—
National Gallery	97	109	105
Defence	556	690	598
Health Services Executive	99	101	25
Total	115,944	117,568	127,908

* Department titles and functions changed in 2011.

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 2011 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 2011, 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
27 February 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 11: State Laboratory for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
19 July 2012

Vote 11 State Laboratory Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Programme Expenditure			
A Government Analytical Laboratory and Advisory Service	9,135	8,366	9,194
Gross expenditure	9,135	8,366	9,194
Deduct			
B Appropriations-in-aid	485	896	811
Net expenditure	8,650	7,470	8,383
Surplus to be surrendered		€1,179,987	€800,271

Administration	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
(i) Salaries, wages and allowances	5,358	5,006	5,100
(ii) Travel and subsistence	59	27	33
(iii) Training and development and incidental expenses	231	208	195
(iv) Postal and telecommunications services	82	66	72
(v) Office equipment and external IT services	1,973	1,706	2,447
(vi) Office premises expenses	1,420	1,341	1,334
(vii) Consultancy services and value for money and policy reviews	12	12	13
	9,135	8,366	9,194

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Pay			5,006	5,100
Non pay			3,360	4,094
Gross expenditure			8,366	9,194
Deduct				
Appropriations-in-aid			896	811
Net expenditure			7,470	8,383
Changes in capital assets				
Purchases cash		(410)		
Depreciation		695		
Loss on disposals		—		
			285	(365)
Changes in net current assets				
Decrease in closing accruals		21		
Increase in stock		(7)		
			14	(337)
Direct expenditure			7,769	7,681
Expenditure borne elsewhere				
Net allied services expenditure	1.1		889	886
Notional rents			1,345	1,749
Total operating cost			10,003	10,316

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		2011 €000	2010 €000
6	Finance	39	42
7	Superannuation and Retired Allowances	850	844
		889	886

2 Statement of Assets and Liabilities as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	1,544	1,762
Current assets			
Bank and cash	2.2	331	205
Stocks	2.3	218	211
Prepayments		684	641
Accrued income		37	104
Other debit balances	2.4	13	28
Total current assets		1,283	1,189
Less current liabilities			
Accrued expenses		81	84
Other credit balances	2.5	298	227
Net liability due to Exchequer	2.6	46	6
Total current liabilities		425	317
Net current assets		858	872
Net assets		2,402	2,634
Represented by:			
State funding account		2,402	2,634

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 2011	11,276	368	20	11,664
Prior year adjustment ¹	—	170	—	170
Additions	410	—	—	410
Disposals	(118)	—	—	(118)
Cost or valuation at 31 December 2011	11,568	538	20	12,126
Accumulated depreciation				
Opening balance at 1 January 2011	9,676	213	13	9,902
Prior year adjustment ¹	—	103	—	103
Depreciation for the year	637	55	3	695
Depreciation on disposals	(118)	—	—	(118)
Cumulative depreciation at 31 December 2011	10,195	371	16	10,582
Net assets at 31 December 2011	1,373	167	4	1,544
Net assets at 31 December 2010	1,600	155	7	1,762

¹During 2011 a comprehensive inventory of capital assets was carried out. Assets were discovered which were not included on the register. A prior year adjustment was required to align the statement of capital assets note with the fixed assets register.

2.2 Bank and Cash

	2011 €000	2010 €000
at 31 December		
PMG balances and cash	331	205
	331	205

2.3 Stocks

	2011 €000	2010 €000
at 31 December		
Chemicals and laboratory consumables	197	188
Stationery and IT consumables	21	23
	218	211

2.4 Other Debit Balances

at 31 December

	2011	2010
	€000	€000
Suspense	13	28
	<u>13</u>	<u>28</u>

2.5 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Income Tax	60	52
Pay Related Social Insurance	29	37
Universal Social Charge	20	7
Relevant Contracts Tax	17	27
Value Added Tax on intra-EU acquisitions	93	39
	<u>219</u>	<u>162</u>
Payroll deductions held in suspense	38	40
Miscellaneous	41	25
	<u>298</u>	<u>227</u>

2.6 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	1,180	800
Exchequer grant undrawn	(1,134)	(794)
Net liability to the Exchequer	<u>46</u>	<u>6</u>

Represented by:**Debtors**

Bank and cash	331	205
Debit balances: suspense	13	28
	<u>344</u>	<u>233</u>

Creditors

Due to State	(219)	(162)
Credit balances: suspense	(79)	(65)
	<u>(298)</u>	<u>(227)</u>
	<u>46</u>	<u>6</u>

2.7 Commitments

at 31 December

	2011	2010
	€000	€000
Total of legally enforceable commitments	54	31

3 Programme Expenditure

		2011 Estimated provision €000	2011 Outturn €000	2010 Outturn €000
A	Government Analytical Laboratory and Advisory Service			
A.1	Administration - pay	5,358	5,006	5,100
A.2	Administration - non pay	3,777	3,360	4,094
		9,135	8,366	9,194

Explanation of significant variations

An explanation is generally provided in the case of each heading where the outturn varied from the amount provided by more than €100,000 and by more than 25%. No outturn on this vote met these criteria in 2011.

4 Receipts

4.1 Appropriations-in-aid	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Receipts for various analyses, examinations, tests etc	180	589	513
2. Receipts from pension-related deduction on public service remuneration.	305	307	298
Total	485	896	811

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	(409)	Most of the excess receipts arise from Coroners' fees. As this is a demand led service, it is difficult to accurately predict the income.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	85	89
	2011	2010
	€000	€000
Pay	4,689	4,775
Higher, special or additional duties allowances	44	56
Overtime	5	10
Employer's PRSI	268	259
Total pay	5,006	5,100

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	26	1	10,307	10,290
Overtime and extra attendance	4	—	2,790	2,015

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 2011 for the Secret Service.

The expenditure outturn is compared with the sum granted by Dáil Éireann under the Appropriation Act 2011.

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 Public Expenditure and Reform also applies in relation to the issue of payments from this Vote.

Robert Watt
Accounting Officer
22 February 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 12: Secret Service for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
24 July 2012

Vote 12 Secret Service Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Secret service	1,000	568	580
Total	1,000	568	580
Surplus to be surrendered		€432,362	€420,438

Notes to the Appropriation Account

1 Operating Cost Statement 2011

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

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Current assets			
Sub-account balances		272	390
Total current assets		272	390
Less current liabilities			
PMG balance		389	267
Other credit balance		—	—
Net Liability to the Exchequer	2.1	(117)	123
Total current liabilities		272	390
Net assets		—	—
Represented by:			
State funding account		—	—
2.1 Net Liability to the Exchequer		2011 €000	2010 €000
at 31 December			
Surplus to be surrendered		432	420
Exchequer grant undrawn		(549)	(297)
Net liability to the Exchequer		(117)	123
Represented by:			
Debtors			
Sub-account balances		272	390
Creditors			
Net PMG balance		(389)	(267)
Suspense		—	—
		(117)	123

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 2011 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 2011, 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 Chief State Solicitor. The following actions have been taken or are planned to enhance internal control.

Information and Communications Technology Security

The Office applies good practice controls to mitigate against key security risks associated with information and communications technology (ICT). Review and upgrade, where necessary, of ICT security systems is an ongoing process. In 2011 the Office upgraded its firewall systems and built redundancy to allow for failure of system without affecting users.

Administrative and Financial Controls

The MAC and the Audit Committee regularly review controls. All internal audit reports are considered by the joint MAC. A desktop review of financial procedures was presented to the Accounting Officer and Audit Committee in September 2011. The Office is in the process of implementing the recommendations.

Eileen Creedon
Accounting Officer
Office of the Chief State Solicitor
30 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of the Vote 13: Office of the Chief State Solicitor for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
20 July 2012

Vote 13 Office of the Chief State Solicitor Appropriation Account 2011

Service		2011 Estimate provision	2011 Outturn	2010 Outturn
		€000	€000	€000
Administration				
A.1.	Salaries, wages and allowances	14,995	14,404	14,539
A.2.	Travel and subsistence	61	61	57
A.3.	Training and development and incidental expenses	1,070	991	947
A.4.	Postal and telecommunications services	400	339	369
A.5.	Office equipment and external IT services	835	716	738
A.6.	Office premises expenses	412	445	359
A.7.	Consultancy services and value for money and policy reviews	29	20	18
A.8.	External legal services	280	147	241
Other services				
B.	Fees to counsel	14,350	10,268	12,372
C.	General law expenses	3,616	5,524	3,942
Gross expenditure		36,048	32,915	33,582
Deduct				
D.	Appropriations-in-aid	1,860	2,332	1,958
Net expenditure		34,188	30,583	31,624
Surplus to be surrendered			€3,605,195	€3,187,222

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			17,123	17,268
Expenditure on services and programmes			15,792	16,314
Gross expenditure			<u>32,915</u>	<u>33,582</u>
Deduct				
Appropriations-in-aid			2,332	1,958
Net expenditure			<u>30,583</u>	<u>31,624</u>
Changes in capital assets				
Purchases cash		(292)		
Depreciation		362		
Loss on disposals		<u>1</u>	71	157
Changes in assets under development				
Cash payments			(25)	—
Changes in net current assets				
Decrease in closing accruals		(2,080)		
Increase in stock		<u>(6)</u>		
			<u>(2,086)</u>	<u>(915)</u>
Direct expenditure			<u>28,543</u>	<u>30,866</u>
Expenditure borne elsewhere				
Net allied services expenditure	1.1		2,136	2,754
Notional rents			<u>826</u>	<u>1,239</u>
Total operating cost			<u><u>31,505</u></u>	<u><u>34,859</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 13 borne elsewhere

Vote		2011 €000	2010 €000
6	Finance	98	105
7	Superannuation and Retired Allowances	1,410	1,865
10	Office of Public Works	<u>628</u>	<u>784</u>
		<u><u>2,136</u></u>	<u><u>2,754</u></u>

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	900	971
Capital assets under development	2.2	25	—
		925	971
Current assets			
Stocks	2.4	67	61
Prepayments		154	96
Accrued income		8,637	6,159
Other debit balances	2.5	129	82
Net liability from the Exchequer	2.7	1,996	(32)
Total current assets		10,983	6,366
Less current liabilities			
Bank and cash	2.3	215	(2,725)
Accrued expenses		1,402	946
Other credit balances	2.6	1,910	2,775
Total current liabilities		3,527	996
Net current assets		7,456	5,370
Net assets		8,381	6,341
Represented by			
State funding account		8,381	6,341

2.1 Capital Assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2011	3,807	1,559	5,366
Additions	152	140	292
Disposals	(148)	(4)	(152)
Cost or valuation at 31 December 2011	3,811	1,695	5,506
Accumulated depreciation			
Opening balance at 1 January 2011	3,297	1,098	4,395
Depreciation for the year	273	89	362
Depreciation on disposals	(147)	(4)	(151)
Cumulative depreciation at 31 December 2011	3,423	1,183	4,606
Net assets at 31 December 2011	388	512	900
Net assets at 31 December 2010	510	461	971

2.2 Capital Assets Under Development

at 31 December 2011

	Computer applications €000
Amount brought forward 1 January 2011	—
Cash payments for the year	25
Transferred to asset register	—
Amount carried forward 31 December 2011	25

2.3 Bank and Cash

at 31 December

	2011 €000	2010 €000
PMG balances and cash	23	6,475
Orders outstanding	(238)	(3,750)
	(215)	2,725

2.4 Stocks

at 31 December

	2011 €000	2010 €000
Stationery	67	61

2.5 Other Debit Balances

at 31 December

	2011 €000	2010 €000
Miscellaneous	129	82

2.6 Other Credit Balances

at 31 December

	2011 €000	2010 €000
Amounts due to the State		
Income Tax	248	202
Pay Related Social Insurance	107	128
Professional Services Withholding Tax	410	380
Value Added Tax	7	4
Pension contributions	52	51
	<u>824</u>	<u>765</u>
Payroll deductions held in suspense	55	55
Other credit suspense items	1,031	1,955
	<u>1,910</u>	<u>2,775</u>

2.7 Net Liability from the Exchequer

at 31 December

	2011 €000	2010 €000
Surplus to be surrendered	3,605	3,187
Exchequer grant undrawn	(5,601)	(3,155)
Net liability from the Exchequer	<u>(1,996)</u>	<u>32</u>

Represented by:**Debtors**

Debit balances: suspense	129	82
	<u>129</u>	<u>82</u>

Creditors

Bank and cash	(215)	2,725
Due to State	(824)	(765)
Credit balances: suspense	(1,086)	(2,010)
	<u>(2,125)</u>	<u>(50)</u>
	<u>(1,996)</u>	<u>32</u>

2.8 Commitments

at 31 December

	2011 €000	2010 €000
Total of legally enforceable contracts	<u>893</u>	<u>976</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.

2.9 Matured Liabilities

The total amount of matured liabilities undischarged at 31 December 2011 amounted to €23,016.

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.8.	133	This subhead provides for the use of local solicitors to handle cases in courts outside Dublin. It is very difficult to predict the number of such cases that will arise in a particular year or the fees if the case is out of the ordinary range of work.
B.	4,082	Expenditure on this subhead is dependant on the level of activity in the courts and as such is difficult to forecast. When the estimate for 2011 was being prepared, there was no indication of an overall reduction in the level of activity in 2011. The Office continues to manage this subhead actively to secure greater economy.
C.	(1,908)	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 Equality and repaid by the CSSO. Trends in payments under the scheme are under ongoing consideration by the Department and the Office.

4 Receipts

4.1 Appropriations-in-aid	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Costs and fees received by the Office of the Chief State Solicitor	1,000	1,382	1,039
2. Receipts from pension-related deduction on public service remuneration	860	950	919
Total	1,860	2,332	1,958

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.	(382)	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.

4.2 Extra receipts payable to the Exchequer

A total of €21,003 was lodged to the Exchequer under the State Property Act, 1954.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	224	225
	2011	2010
	€000	€000
Pay	13,326	13,462
Higher, special or additional duties allowances	87	83
Other allowances	13	8
Overtime	28	43
Employer's PRSI	950	943
Total pay	14,404	14,539

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	33	1	10,914	10,925
Overtime and extra attendance	22	—	6,873	10,261
Other allowances	5	—	5,401	3,077

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

6 Miscellaneous

6.1 Losses and Write-offs

Sanction has been granted for the write-off of historical Professional Services Withholding Tax suspense balances of €28,685.

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 2011 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 2011, 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
30 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 14: Office of the Director of Public Prosecutions for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
10 August 2012

Vote 14 Office of the Director of Public Prosecutions Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	13,717	13,230	12,928
A.2. Travel and subsistence	119	101	97
A.3. Training and development and incidental expenses	1,115	850	937
A.4. Postal and telecommunications services	294	241	270
A.5. Office equipment and external IT services	917	438	494
A.6. Office premises expenses	820	509	523
A.7. Consultancy services and value for money and policy reviews	40	25	—
Other services			
B. Fees to counsel	14,000	13,501	14,734
C. General law expenses	6,500	2,622	6,079
D. Local state solicitor service	6,355	6,303	6,322
Gross expenditure	43,877	37,820	42,384
Deduct			
E. Appropriations-in-aid	614	1,043	1,031
Net expenditure	43,263	36,777	41,353
Surplus to be surrendered		€6,485,688	€1,887,211

Notes to the Appropriation Account

1 Operating Cost Statement 2011

			2011	2010
	Note	€000	€000	€000
Expenditure on administration			15,394	15,249
Expenditure on services and programmes			22,426	27,135
Gross expenditure			37,820	42,384
Deduct				
Appropriations-in-aid			1,043	1,031
Net expenditure			36,777	41,353
Changes in capital assets				
Purchases cash		(86)		
Depreciation		551		
Loss on disposals		1	466	511
Changes in net current assets				
Decrease in closing accruals		(2,644)		
Decrease in stock		16		
			(2,628)	(1,294)
Direct expenditure			34,615	40,570
Net allied services expenditure	1.1		3,451	3,777
Notional rents			240	360
Total operating cost			38,306	44,707

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.

		2011	2010
		€000	€000
Vote			
6	Finance	98	—
7	Superannuation and Retired Allowances	1,400	1,418
10	Office of Public Works	1,765	2,153
20	Garda Síochána	188	206
		3,451	3,777

2 Balance Sheet as at 31 December 2011

		2011	2010
	Note	€000	€000
Capital assets	2.1	1,120	1,592
		1,120	1,592
Current assets			
Bank and cash	2.2	785	957
Stocks	2.3	77	93
Prepayments		122	163
Other debit balances	2.4	160	172
Net liability from the Exchequer	2.6	37	(46)
Total current assets		1,181	1,339
Less current liabilities			
Accrued expenses		3,021	5,712
Other credit balances		982	1,083
Total current liabilities		4,003	6,795
Net current liabilities		(2,822)	(5,456)
Net liabilities		(1,702)	(3,864)
Represented by:			
State funding account		(1,702)	(3,864)

2.1 Capital Assets

	Office equipment	Furniture and fittings	Total
	€000	€000	€000
Gross assets			
Cost or valuation at 1 January 2011	3,690	1,187	4,877
Additions	61	19	80
Disposals	(82)	(10)	(92)
Cost or valuation at 31 December 2011	3,669	1,196	4,865
Accumulated depreciation			
Opening balance at 1 January 2011	2,664	621	3,285
Depreciation for the year	456	95	551
Depreciation on disposals	(82)	(9)	(91)
Cumulative depreciation at 31 December 2011	3,038	707	3,745
Net assets at 31 December 2011	631	489	1,120
Net assets at 31 December 2010	1,026	566	1,592

2.2 Bank and Cash

	2011	2010
at 31 December	€000	€000
PMG balance and cash	785	1,077
Orders outstanding	—	(120)
	785	957

2.3 Stocks

at 31 December	2011	2010
	€000	€000
Stationery	49	47
IT consumables	28	46
	77	93

2.4 Other Debit Balances

at 31 December	2011	2010
	€000	€000
Recoverable balances	160	172

2.5 Other Credit Balances

at 31 December

2011**2010****€000****€000****Amounts due to the State**

Income Tax	453	350
Pay Related Social Insurance	120	141
Professional Services Withholding Tax	301	254
VAT	23	25
	<hr/> 897	<hr/> 770
Payroll deductions held in suspense	85	124
Other credit suspense items	—	189
	<hr/> 982	<hr/> 1,083
	<hr/> <hr/>	<hr/> <hr/>

2.6 Net Liability from the Exchequer

at 31 December

2011**2010****€000****€000**

Surplus to be surrendered	6,486	1,887
Exchequer grant undrawn	(6,523)	(1,841)
Net liability from the Exchequer	<hr/> (37)	<hr/> 46
	<hr/> <hr/>	<hr/> <hr/>

Represented by:**Debtors**

Bank and cash	785	957
Debit balances: suspense	160	172
	<hr/> 945	<hr/> 1,129

Creditors

Due to State	(897)	(770)
Credit balances: suspense	(85)	(313)
	<hr/> (982)	<hr/> (1,083)

(37)

46

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.

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.5.	479	A provision of €410,000 for a move of office premises to Infirmary Road was not required as the move did not take place in 2011. Non-essential expenditure was also eliminated across a range of expense headings as a response to current economic circumstances.
A.6.	311	A provision of €270,000 for the move to Infirmary Road was not required as the move did not take place in 2011. There were also savings on heating and cleaning.
C.	3,878	A lower number of cases were paid out and individual settlement figures were lower than anticipated.

4 Receipts

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
4.1 Appropriations-in-aid			
1. Miscellaneous receipts	15	170	186
2. Receipts from pension related deduction on public service remuneration	599	873	845
Total	614	1,043	1,031

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.	(155)	These receipts arise where the courts award costs in favour of the Director in health and safety prosecutions, judicial review matters and other applications connected to legal proceedings. A nominal amount of €15,000 was provided in the estimate as these receipts are difficult to estimate.
2.	(274)	The 2011 estimate, prepared in 2010, was based on the 2009 estimate. However, the levy had operated for only ten months in 2009. As a result, actual receipts were higher than estimated.

4.2 Extra receipts payable to the Exchequer

A total of €4,450 was lodged to the Exchequer arising from forfeitures ordered by the courts.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	196	191
	2011	2010
	€000	€000
Pay	12,144	11,934
Higher, special or additional duties allowances	202	167
Overtime	1	1
Employer's PRSI	883	826
Total pay	13,230	12,928

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011	Maximum individual payment 2010
			€	€
Higher, special or additional duties	70	7	51,664	50,685
Overtime and extra attendance	3	—	269	269

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

5.2 Other Remuneration Arrangements

This account includes expenditure of €264,801 in respect of two officers who were serving outside the Office for all or part of 2011 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 2011 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 2011, 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

The report of the Working Group on the Accountability of Secretaries General and Accounting Officers recommends that Accounting Officers submit with their Appropriation Accounts a descriptive statement on internal financial controls. The report stresses that improving systems of internal financial control is a continuous process and acknowledges that full installation of comprehensive control systems represents a multi-year development agenda.

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 put in place, maintained and operated by the Valuation Office. This responsibility is exercised in the context of the resources available to me and my other obligations as Head of Office. Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period. A number of financial and governance weaknesses emerged in 2010. I took a number of steps to deal with them in 2011 as outlined below and the work of strengthening systems and controls is continuing.

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.
- Procedures are in place for reporting significant control failures and ensuring appropriate corrective action.
- A reconstituted Audit Committee operated in 2011 and the structure of that Committee was strengthened by the inclusion of a second external member and a more specific charter.

Administrative Controls and Management Reporting

I can confirm that a framework of administrative procedures and management reporting is in place including segregation of duties and a system of delegation and accountability, and in particular:

- There is an appropriate budgeting system with an annual budget, which is reviewed by senior management.
- There are regular reviews by management of periodic and annual financial reports, which indicate financial performance against forecast.
- Capital investment control guidelines and project management disciplines are followed.

Internal Audit

I can confirm that the Valuation Office has an internal audit function, which operates in accordance with a written charter. The internal audit function was outsourced in 2011 to a firm of accountants who report to the Head of Internal Audit.

Enhancing Internal Control

In line with the Working Group report's recognition that improving systems of internal financial control is a continuous process, I am continuing with the work of improving the control environment in order to fully implement the report's recommendations and to eliminate the weaknesses that emerged in 2010. Accordingly, I have described the actions I have taken or which are planned in relation to the following elements of the system of internal financial control:

- Two internal audit reviews were carried out in 2011 and the reports were approved by the Audit Committee. One of those was a comprehensive audit of Internal Financial Controls, the majority of the recommendations from which have been implemented. Further work will continue in 2012.
- A review of the risk management structures and procedures was carried out by the Internal Audit Unit as a result of which a risk policy statement has been put in place and processes for dealing with risk have been updated and strengthened.
- Procedures for identifying and investigating fraud have been put in place.
- The engagement of an accountant in a part-time capacity to support the accounting functions in the Office.
- An inventory of all assets and their incorporation in a new asset register was undertaken. This asset register is in place for the 2011 accounts.
- An instruction that disposals are documented and are approved in advance of disposal by the Finance Officer.
- A revised procedure for regular reconciliation of funds requested from the Paymaster General, paid through payroll software and attributed to general ledger bank account codes was put in place and is being overseen by the accountant.
- Arrangements to ensure that procurement requirements and guidelines are fully complied with have been strengthened.
- Some training has been provided for staff working in the financial area and this training will continue in 2012.

Dermot B Quigley
Accounting Officer
Valuation Office
30 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 15: Valuation Office for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
23 August 2012

Vote 15 Valuation Office Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Programme Expenditure			
A Provision of a state valuation service	9,832	8,905	9,672
B Administration services for the Valuation Tribunal	574	654	559
Gross expenditure	10,406	9,559	10,231
Deduct			
C Appropriations-in-aid	2,198	2,427	2,699
Net expenditure	8,208	7,132	7,532
Surplus to be surrendered		€1,075,653	€1,812,528

Administration	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
(i) Salaries, wages and allowances	7,966	7,974	8,242
(ii) Travel and subsistence	425	164	258
(iii) Training and development and incidental expenses	356	138	173
(iv) Postal and telecommunications services	155	118	89
(v) Office equipment and external IT services	942	476	823
(vi) Office premises expenses	186	110	185
(vii) Consultancy services and value for money and policy reviews	70	84	42
	10,100	9,064	9,812

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Programme cost			495	419
Pay			7,974	8,242
Non pay			1,090	1,570
Gross expenditure			<u>9,559</u>	<u>10,231</u>
Deduct				
Appropriations-in-aid			2,427	2,699
Net expenditure			<u>7,132</u>	<u>7,532</u>
Changes in capital assets				
Purchases cash		(47)		
Depreciation		293	246	146
Changes in assets under development				
Cash payments			(152)	(93)
Changes in net current assets				
Increase in closing accruals		520		(390)
Increase in stock		(2)		
			<u>518</u>	<u>(7)</u>
Direct expenditure			<u>7,744</u>	<u>7,188</u>
Net allied services expenditure			5,754	5,919
Total operating cost			<u><u>13,498</u></u>	<u><u>13,107</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.

		2011 €000	2010 €000
Vote			
7	Superannuation and Retired Allowances	3,920	4,183
10	Office of Public Works	1,834	1,736
		<u>5,754</u>	<u>5,919</u>

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	534	451
Capital assets under development	2.2	16	93
		550	544
Current assets			
Bank and cash	2.3	364	1,046
Stocks	2.4	38	36
Prepayments		152	422
Accrued income		245	410
Other debit balances	2.5	76	57
Total current assets		875	1,971
Less current liabilities			
Accrued expenses		61	2
Deferred Income		103	77
Other credit balances	2.6	199	398
Net Liability to the Exchequer	2.7	241	705
Total current liabilities		604	1,182
Net current assets		271	789
Net assets		821	1,333
Represented by:			
State funding account		821	1,333

2.1. Capital Assets

	Office equipment	Furniture and fittings	Total
	€000	€000	€000
Gross assets			
Cost or valuation at 1 January 2011	1,859	1,408	3,267
Prior year adjustment ¹	358	(42)	316
Additions	272	4	276
Cost or valuation at 31 December 2011	2,489	1,370	3,859
Accumulated depreciation			
Opening balance at 1 January 2011	1,590	1,226	2,816
Prior year adjustment ¹	154	62	216
Depreciation for the year	272	21	293
Cumulative depreciation at 31 December 2011	2,016	1,309	3,325
Net assets at 31 December 2011	473	61	534
Net assets at 31 December 2010	269	182	451

¹The prior year adjustment reflects additional assets identified as a result of a full count of fixed assets, reclassification of certain assets and the related impact on accumulated depreciation.

2.2 Capital Assets under Development

at 31 December	In-house computer applications
	€000
Amounts brought forward at 1 January 2011	93
Transferred to capital assets	(229)
Cash payments for the year	152
Amounts carried forward at 31 December 2011	16

2.3 Bank and Cash

at 31 December	2011 €000	2010 €000
PMG balances and cash	378	1,074
Orders outstanding	(14)	(28)
	364	1,046

2.4 Stocks

at 31 December	2011 €000	2010 €000
Valuation Office consumable stocks	33	30
Valuation Tribunal consumable stocks	5	6
	38	36

2.5 Other Debit Balances

at 31 December

	2011	2010
	€000	€000
Debit suspense items	76	57

2.6 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Income Tax	121	218
Pay Related Social Insurance	48	60
Professional Services Withholding Tax	28	16
Pensions	(2)	—
	<u>195</u>	<u>294</u>
Payroll deductions held in suspense	4	72
Other credit suspense items	—	32
	<u>199</u>	<u>398</u>

2.7 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	1,076	1,813
Exchequer grant undrawn	(835)	(1,108)
Net liability to the Exchequer	<u>241</u>	<u>705</u>

Represented by:**Debtors**

Bank and cash	364	1,046
Debit balances: suspense	76	57
	<u>440</u>	<u>1,103</u>

Creditors

Due to State	(195)	(294)
Credit balances: suspense	(4)	(104)
	<u>(199)</u>	<u>(398)</u>
	<u>241</u>	<u>705</u>

2.8 Commitments

at 31 December

	2011	2010
	€000	€000
Total of legally enforceable commitments	<u>35</u>	<u>—</u>

3 Programme Expenditure

		2011 Estimated provision	2011 Outturn	2010 Outturn
		€000	€000	€000
A	Provision of a State Valuation Service			
A.1	Administration - pay	7,625	7,643	7,911
A.2	Administration - non pay	2,134	1,090	1,570
A.3	Fees to counsel and other legal expenses	73	172	191
		9,832	8,905	9,672
B	Administration Services for the Valuation Tribunal			
B.1	Administration - pay	341	331	331
B.2	Administration - non pay	—	—	—
B.3	Valuation Tribunal	233	323	228
		574	654	559

Explanation of variations

An explanation is provided below in the case of each heading 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 €000	Explanation
A.2	1,045	The outturn for 2011 in relation to non pay administration was considerably lower than anticipated, partly as a result of efficiencies achieved and partly because the revaluation programme was confined to the Dublin City area during the year, resulting in savings on travel expenses in particular. There was a significant saving in respect of mapping services as a result of the renegotiation of a contract with Ordnance Survey Ireland.
A.3	(100)	Expenditure on legal fees in 2011 was higher than estimated due to a one-off payment for a High Court case which was decided some years ago and for which fees were determined in 2011.

4 Receipts

4.1 Appropriations-in-aid

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Valuation Tribunal appeal fees	65	126	49
2. Valuation certificates	158	139	132
3. Valuation revision fees	1,250	1,377	1,672
4. Fees from appeals to the Commissioner	180	233	187
5. Miscellaneous receipts	65	61	155
6. Receipts from pension related deduction on public service remuneration	480	491	504
Total	2,198	2,427	2,699

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.	127	The volume of revisions in 2011 in respect of which fees were payable exceeded the original estimate.

4.2 Extra Receipts payable to the Exchequer

An amount of €29,989 was paid in December 2011 representing the surplus on a suspense account closed during the year.

5 Employee Numbers and Pay

	2011	2010
Average number of staff at year end (full time equivalents)	144	149
	2011	2010
	€000	€000
Pay	7,375	7,656
Higher, special or additional duties allowances	130	130
Other allowances	—	—
Overtime	27	35
Employer's PRSI	442	421
Total pay	7,974	8,242

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	27	—	9,093	7,355
Overtime and extra attendance	11	1	10,128	10,418

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

5.2 Other Remuneration Arrangements

Retirement gifts for three members of staff totalling €770 in value were paid for in the period up to March 2011. This practice was subsequently discontinued.

Payments totalling €24,680 were made to two retired civil servants who were employed on contract on specialised tasks. Fee payments totalling €1,365 were made to two retired civil servants for service on Office committees.

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 2011 for the salaries and expenses of the Public Appointments Service.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2011, 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 2011 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 2011, 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 2011, the Management Advisory Committee (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.

In 2011, the Audit Committee, with the assistance of the internal audit unit, completed audits of 4 aspects of PAS business (Travel and Subsistence, Payroll, Risk Management and Asset Management). 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.

Fiona Tierney
Accounting Officer
Public Appointments Service
5 July 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 16: Public Appointments Service for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
3 August 2012

Vote 16 Public Appointments Service Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Programme expenditure			
A Civil and Public Service - Redeployment/Recruitment/Selection	8,025	7,301	7,849
Gross expenditure	8,025	7,301	7,849
Deduct			
B Appropriations-in-aid	269	520	460
Net expenditure	7,756	6,781	7,389
Surplus to be surrendered		€975,164	€932,228

Administration	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
(i) Salaries, wages and allowances	4,795	4,636	4,864
(ii) Travel and subsistence	169	92	106
(iii) Training and development and incidental expenses	308	121	135
(iv) Postal and telecommunications services	197	159	165
(v) Office equipment and external IT services	1,313	1,222	1,199
(vi) Office premises expenses	364	209	410
(vii) Consultancy services and value for money and policy reviews	185	175	189
(viii) Accommodation, advertising and purchasing and printing of test papers	289	264	332
(ix) Interview and miscellaneous competition costs	405	423	449
	8,025	7,301	7,849

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Pay			4,636	4,864
Non pay			2,665	2,985
Gross expenditure			7,301	7,849
Deduct				
Appropriations-in-aid			520	460
Net expenditure			6,781	7,389
Changes in capital assets				
Purchases cash		(169)		
Depreciation		713		
Loss on disposals		5		
			549	647
Changes in net current assets				
Decrease in closing accruals		(155)		
Increase in stock		—		
			(155)	(33)
Direct expenditure			7,175	8,003
Net allied services expenditure	1.1		3,182	3,877
Total operating cost			10,357	11,880

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		2011 €000	2010 €000
6	Finance	48	53 ¹
7	Superannuation and Retired Allowances	975	984
10	Office of Public Works	2,159	2,840
		3,182	3,877

¹Figure was omitted in error in 2010.

2 Balance Sheet as at 31 December 2011

		2011	2010
	Note	€000	€000
Capital assets	2.1	2,613	3,162
		<u>2,613</u>	<u>3,162</u>
Current assets			
Stocks	2.3	915	915
Prepayments		453	339
Accrued income		55	27
Other debit balances: suspense		269	38
Net liability from the Exchequer	2.4	28	77
Total current assets		<u>1,720</u>	<u>1,396</u>
Less current liabilities			
Bank and cash	2.2	138	(109)
Accrued expenses		96	109
Other credit balances	2.5	159	224
Total current liabilities		<u>393</u>	<u>224</u>
Net current assets		<u>1,327</u>	<u>1,172</u>
Net assets		<u>3,940</u>	<u>4,334</u>
Represented by:			
State funding account		<u>3,940</u>	<u>4,334</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 2011	8,488	589	692	9,769
Additions	169	—	—	169
Disposals	(267)	—	—	(267)
Cost or valuation at 31 December 2011	8,390	589	692	9,671
Accumulated depreciation				
Opening balance at 1 January 2011	5,499	487	621	6,607
Depreciation for the year	589	55	69	713
Depreciation on disposals	(262)	—	—	(262)
Cumulative depreciation at 31 December 2011	5,826	542	690	7,058
Net assets at 31 December 2011	2,564	47	2	2,613
Net assets at 31 December 2010	2,989	102	71	3,162

2.2 Bank and Cash

at 31 December

2011	2010
€000	€000

PMG balances and cash

(138)	109
-------	-----

2.3 Stocks

at 31 December

2011	2010
€000	€000

Registry supplies

890	889
-----	-----

IT consumables/stationery

25	26
----	----

915	915
-----	-----

2.4 Net Liability from the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	975	932
Exchequer grant undrawn	(1,003)	(1,009)
Net liability from the Exchequer	(28)	(77)

Represented by:**Debtors**

Bank and cash	(138)	109
Debit balances: suspense	269	38
	131	147

Creditors

Due to State	(159)	(194)
Credit balances: suspense	—	(30)
	(159)	(224)
	(28)	(77)

2.5 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Income Tax	82	83
Pay Related Social Insurance	36	54
Professional Services Withholding Tax	16	25
Value Added Tax	25	21
Pension contributions	—	11
	159	194
Other credit suspense items	—	30
	159	224

2.6 Commitments

at 31 December

	2011	2010
	€000	€000
Total of legally enforceable commitments	12	30

3 Programme Expenditure

		2011 Estimated provision	2011 Outturn	2010 Outturn
		€000	€000	€000
A	Civil and Public Service - Redeployment/Recruitment/Selection			
A.1.	Administration - pay	4,795	4,636	4,864
A.2.	Administration - non pay	3,230	2,665	2,985
		<u>8,025</u>	<u>7,301</u>	<u>7,849</u>

Explanation of significant variations

An explanation is provided in the case of each heading where the outturn varied from the amount provided, by more than €100,000, and by more than 25%. No outturn on this Vote met these criteria in 2011.

4 Receipts

	2011 Estimated	2011 Realised	2010 Realised
	€000	€000	€000
4.1 Appropriations-in-aid			
1. Miscellaneous	25	224	187
2. Receipts from pension - related deduction on public service remuneration	244	296	273
Total	<u>269</u>	<u>520</u>	<u>460</u>

Explanation of Significant Variance

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	(199)	Outturn reflects receipts in respect of recruitment costs recovered from clients where the underlying expense arose in the prior year.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	91	102
	2011	2010
	€000	€000
Pay	4,287	4,509
Higher, special or additional duties allowances ¹	42	41
Other allowances	1	1
Overtime ¹	28	27
Employer's PRSI	278	286
Total pay	4,636	4,864

¹The figures in relation to 2010 have been adjusted to correct the misallocation of certain costs in the account for that year.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	17	—	9,109	9,209
Overtime and extra attendance	46	2	12,693	8,778

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

5.2 Other remuneration arrangements

A total of €10,786 was paid as fees to three Board members in 2011.

**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 2011, for the salaries and expenses of the Office of the Commission for Public Service Appointments.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2011, 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 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 2011. The auditor's conclusions have been adopted and structures have been put in place to address his findings and recommendations.

The Office's audit committee reviews and assesses each internal and external audit. It also provides advice regarding the Office's risk management systems. The committee met once in 2011.

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 having been 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

29 February 2012

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 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
20 July 2012

Vote 17 Office of the Commission for Public Service Appointments Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Programme Expenditure			
A Regulation and Monitoring of Appointments	913	540	594
Gross expenditure	913	540	594
Deduct:			
B Appropriations-in-aid	30	31	28
Net expenditure	883	509	566
Surplus to be surrendered		€373,875	€361,627

Administration	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
(i) Salaries, wages and allowances	519	474	453
(ii) Travel and subsistence	7	1	4
(iii) Training and development and incidental expenses	76	13	42
(iv) Postal and telecommunications services	28	2	11
(v) Office equipment and external IT services	90	20	33
(vi) Office premises expenses	35	—	11
(vii) Consultancy services and value for money and policy reviews	84	8	14
(viii) Legal fees	74	22	26
	913	540	594

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Pay			474	453
Non pay			66	141
Gross expenditure			540	594
Deduct				
Appropriations-in-aid			31	28
Net expenditure			509	566
Changes in capital assets				
Purchases cash		(11)		
Depreciation		13		
Loss on disposals		6		
			8	24
Changes in net current assets				
Decrease in closing accruals		(2)		
Decrease in stock		2		
			—	35
Direct expenditure			517	625
Net allied services expenditure	1.1		3	4
Total operating cost			520	629

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 17 borne elsewhere

Vote		2011 €000	2010 €000
6	Finance	3	4
		3	4

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	24	32
		<u>24</u>	<u>32</u>
Current assets			
Bank and cash	2.2	15	44
Stocks	2.3	10	12
Prepayments		7	8
Other debit balances		2	2
Total current assets		<u>34</u>	<u>66</u>
Less current liabilities			
Accrued expenses		—	3
Other credit balances	2.4	15	17
Net liability to the Exchequer	2.5	2	29
Total current liabilities		<u>17</u>	<u>49</u>
Net current assets		<u>17</u>	<u>17</u>
Net assets		<u><u>41</u></u>	<u><u>49</u></u>
Represented by:			
State funding account		<u><u>41</u></u>	<u><u>49</u></u>

2.1 Statement of Capital Assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2011	112	20	132
Prior year adjustment ¹	(1)	(1)	(2)
Additions	11	—	11
Disposals	(2)	(10)	(12)
Cost or valuation at 31 December 2011	120	9	129
Accumulated depreciation			
Opening balance at 1 January 2011	90	10	100
Prior year adjustment ¹	(1)	(1)	(2)
Depreciation for the year	12	1	13
Depreciation on disposals	(2)	(4)	(6)
Cumulative depreciation at 31 December 2011	99	6	105
Net assets at 31 December 2011	21	3	24
Net assets at 31 December 2010	22	10	32

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

2.2 Bank and Cash

	2011 €000	2010 €000
at 31 December		
PMG balances and cash	15	44
	15	44

2.3 Stocks

	2011 €000	2010 €000
at 31 December		
Printing and stationery	10	12
	10	12

2.4 Other Credit Balances

at 31 December

2011**€000****2010****€000****Amounts due to the State**

Income Tax

8

5

Pay Related Social Insurance

2

3

Professional Services Withholding Tax

—

3

Pension contributions

1

1

11

12

Payroll deductions held in suspense

4

5

15

17

2.5 Net Liability to the Exchequer

at 31 December

2011**€000****2010****€000**

Surplus to be surrendered

374

362

Exchequer grant undrawn

(372)

(333)

Net liability to the Exchequer

2

29

Represented by:**Debtors**

Bank and cash

15

44

Debit balances: suspense

2

2

17

46

Creditors

Due to State

(11)

(12)

Credit balances: suspense

(4)

(5)

(15)

(17)

2

29

3 Programme Expenditure

	2011 Estimated provision €000	2011 Outturn €000	2010 Outturn €000
A Regulation and Monitoring of Appointments			
A.1 Administration - pay	519	474	453
A.2 Administration - non pay	394	66	141
	913	540	594

Explanation of significant variations

An explanation is provided in the case of each heading where the outturn varied from the amount provided by more than €100,000, and by more than 25%. No outturn on this Vote met these criteria in 2011.

4 Receipts

4.1 Appropriations-in-aid	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Receipts from pension-related deductions on public service remuneration	30	31	28

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	8	8
	€000	€000
Pay	459	438
Employer's PRSI	15	15
Total pay	474	453

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 2011 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 2011, 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 is 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.

The evaluation of internal controls is performed by the Office's internal auditor and this process is supported by an Audit Committee which includes three 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.

A merger with the Office of the Commission for Public Service Appointments and the Office of the Ombudsman has been agreed following approval to proceed having been 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.

Bernadette McNally

Accounting Officer
Office of the Ombudsman
12 July 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 18: Office of the Ombudsman for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
20 July 2012

Vote 18 Office of the Ombudsman Appropriation Account 2011

Service	2011 Estimate provision €000	2011 Outturn €000	2010 Outturn €000
Programme expenditure			
A Ombudsman function	4,769	4,432	4,537
B Standards in Public Office Commission	1,044	861	862
C Office of the Information Commissioner/ Office of the Commissioner for Environmental Information	1,659	1,500	1,525
Gross expenditure	7,472	6,793	6,924
Deduct			
D. Appropriations-in-aid	393	368	372
Net expenditure	7,079	6,425	6,552
Surplus to be surrendered		€653,534	€1,087,311

Administration	2011 Estimate provision €000	2011 Outturn €000	2010 Outturn €000
(i) Salaries, wages and allowances	5,909	5,535	5,556
(ii) Travel and subsistence	53	34	42
(iii) Training and development and incidental expenses	490	268	398
(iv) Postal and telecommunications services	86	67	69
(v) Office equipment and external IT services	199	179	201
(vi) Office premises expenses	238	205	153
(vii) Consultancy services and value for money and policy reviews	115	50	162
(viii) Legal fees	382	455	343
	7,472	6,793	6,924

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Pay			5,535	5,556
Non pay			1,258	1,368
Gross expenditure			6,793	6,924
Deduct				
Appropriations-in-aid			368	372
Net expenditure			6,425	6,552
Changes in capital assets				
Purchases cash		(72)		
Depreciation		82	10	42
Changes in net current assets				
Increase in closing accruals		115		
Decrease in stock		1		
			116	(49)
Direct expenditure			6,551	6,545
Net allied services expenditure	1.1		1,691	1,576
Total operating cost			8,242	8,121

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.

Vote		2011 €000	2010 €000
6	Finance	74	69 ¹
7	Superannuation and Retired Allowances	490	349
10	Office of Public Works	1,127	1,158
		1,691	1,576

¹Figure was omitted in error in 2010.

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	204	214
Current assets			
Bank and cash	2.2	290	154
Stocks	2.3	17	18
Prepayments		79	157
Other debit balances		16	19
Total current assets		402	348
Less current liabilities			
Accrued expenses		58	21
Other credit balances	2.4	259	198
Net liability to the Exchequer	2.5	47	(25)
Total current liabilities		364	194
Net current assets		38	154
Net assets		242	368
Represented by:			
State funding account		242	368

2.1 Statement of Capital Assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2011	950	477	1,427
Prior year adjustment ¹	(86)	—	(86)
Additions	46	26	72
Disposals	(35)	—	(35)
Cost or valuation at 31 December 2011	875	503	1,378
Accumulated depreciation			
Opening balance at 1 January 2011	831	382	1,213
Prior year adjustment ¹	(86)	—	(86)
Depreciation for the year	58	24	82
Depreciation on disposals	(35)	—	(35)
Cumulative depreciation at 31 December 2011	768	406	1,174
Net assets at 31 December 2011	107	97	204
Net assets at 31 December 2010	119	95	214

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

2.2 Bank and Cash

	2011 €000	2010 €000
at 31 December		
PMG balance and cash	290	151
Other cash balances	—	3
	290	154

2.3 Stocks

	2011 €000	2010 €000
at 31 December		
Stationery	4	6
IT consumables	13	12
	17	18

2.4 Other Credit Balances

at 31 December

2011**€000****2010****€000****Amount due to the State**

Income Tax	100	72
Pay Related Social Insurance	26	36
Professional Services Withholding Tax	3	18
Value Added Tax	1	—
Pension contributions	11	11
	<hr/>	<hr/>
	141	137
Payroll deductions held in suspense	37	34
Other credit suspense items	81	27
	<hr/>	<hr/>
	259	198
	<hr/>	<hr/>

2.5 Net Liability to the Exchequer

at 31 December

2011**€000****2010****€000**

Surplus to be surrendered	654	1,087
Exchequer grant undrawn	(607)	(1,112)
Net liability to the Exchequer	<hr/>	<hr/>
	47	(25)
	<hr/>	<hr/>

Represented by:**Debtors**

Bank and cash	290	154
Debit balances: suspense	16	19
	<hr/>	<hr/>
	306	173

Creditors

Due to State	(141)	(137)
Credit balances: suspense	(118)	(61)
	<hr/>	<hr/>
	(259)	(198)
	<hr/>	<hr/>
	47	(25)
	<hr/>	<hr/>

3 Programme Expenditure

		2011 Estimated €000	2011 Outturn €000	2010 Outturn €000
A	Ombudsman function			
A.1	Administration - pay	4,124	4,006	3,938
A.2	Administration - non pay	645	426	599
		4,769	4,432	4,537
B	Standards in Public Office Commission			
B.1	Administration - pay	626	612	584
B.2	Administration - non pay	418	249	278
		1,044	861	862
C	Office of the Information Commissioner/ Office of the Commissioner for Environmental Information			
C.1	Administration - pay	1,159	917	1,034
C.2	Administration - non pay	500	583	491
		1,659	1,500	1,525

Explanation of significant variations

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

Heading	Less/(more) than provided €000	Explanation
A.2	219	Further to an exercise carried out by the National Procurement Service, savings were achieved on both headings in respect of heat, light and fuel costs. Expenditure in respect of telecoms was also down following a tender for same. It can be difficult to predict the costs associated with legal advice with any degree of accuracy. Legal fees were lower than expected in 2011.
B.2	169	
In addition, expenditure on travel and subsistence charged to A.2 was lower than anticipated and the spend on consultancy charged to B.2 fell below the expected level.		

4 Receipts

4.1 Appropriations-in-aid

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Miscellaneous	5	6	9
2. Receipts from pension-related deduction on public service remuneration	388	362	363
Total	393	368	372

Explanation of significant variations

An explanation is provided below in the case of each heading where the outturn varied from the amount provided by more than €100,000 and by more than 5%. However, no outturn on this Vote met these criteria in 2011.

4.2 Extra receipts payable to the Exchequer

A receipt totalling €7,413 was transferred to the Exchequer during the year. This amount was in respect of legal costs which were recovered.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	87	88
	2011 €000	2010 €000
Pay	5,256	5,273
Higher, special or additional duties allowances	19	29
Overtime	33	41
Employer's PRSI	227	213
Total pay	5,535	5,556

5.1 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	3	1	10,493	11,131
Overtime and extra attendance	20	2	10,487	11,793

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

5.2 Performance and Merit Payments

A sum of €8,446 was spent on merit awards (including 11 individual awards ranging from €400 to €1,000).

Vote 19 Justice and Equality

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 2011 for the salaries and expenses of the Office of the Minister for Justice and Equality, 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.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2011, 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.

Transfer of Functions

This account has been prepared in accordance with the Revised Estimate for 2011 for the Department of Justice and Equality, which took account of the alteration of the title of Department of Justice and Law Reform in April 2011 (S.I. no. 138/2011) and the transfer in of functions relating to Equality, Integration, Disability and Human Rights (from April 2011) and Charities (from May 2011) from the former Department of Community, Equality and Gaeltacht Affairs (S.I. no. 139/2011 and 194/2011 refer). As a result, the expenditure under the relevant subheads only refers to that part of the year following the transfer of functions. Similarly, the 2010 comparative expenditure figures only reflect the expenditure which was made from the Justice and Equality Vote in that year also. As was reported in the 2010 Account, a number of functions relating to Equality, Integration, Disability and Human Rights transferred to the former Department of Community, Equality and Gaeltacht Affairs in June 2010.

In addition, responsibility for the functions in relation to the Family Mediation Service transferred from the Family Support Agency to the Legal Aid Board, with effect from November 2011. The Family Support Agency is part of the Department of Children and Youth Affairs which continued to fund the Family Mediation Service until the end of 2011.

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. Vehicles and equipment are depreciated at a rate of 20% 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 Equality.

Brian Purcell
Accounting Officer
Department of Justice and Equality
28 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 19: Justice and Equality for 2011 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 Equality. 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 2011.

Chapter 15 of my report on the accounts of the public services for 2011 refers to certain matters relating to Vote 19 on which I considered it appropriate to report in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993.

Seamus McCarthy
Comptroller and Auditor General
30 August 2012

Vote 19 Justice and Equality Appropriation Account 2011

Service		2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000	€000
Administration				
A.1. Salaries, wages and allowances		20,678	20,913	20,705
A.2. Travel and subsistence		457	301	338
A.3. Training and development and incidental expenses		3,768	4,082	4,555
A.4. Postal and telecommunications services		1,133	1,235	1,131
A.5. Office equipment and external IT services		6,467	7,027	8,340
A.6. Office premises expenses		1,517	2,379	1,954
A.7. Consultancy services and value for money and policy reviews		173	36	86
A.8. Research		483	13	102
A.9. Financial shared services		11,123	10,219	10,466
Commissions				
B.1. Commissions and special inquiries				
	<i>Original</i>	7,247		
	<i>Supplementary</i>	1,200		
		8,447	9,152	9,767
B.2. Independent International Commission (grant-in-aid)		596	7	594
B.3. Independent Monitoring Commission (grant-in-aid)		518	444	426
B.4. Human Rights Commission (grant-in-aid)		1,097	1,097	683
Legal Aid				
C.1. Legal Aid - criminal (no. 12 of 1962)				
	<i>Original</i>	47,552		
	<i>Supplementary</i>	10,000		
		57,552	56,118	56,517
C.2. Legal Aid Board (grant-in-aid)		24,125	24,125	24,225
C.3. Free legal advice centres		98	98	98
Immigration and Asylum				
D.1. Irish Naturalisation & Immigration Service (INIS)				
	<i>Original</i>	46,882		
	<i>Supplementary</i>	5,568		
		52,450	53,036	57,233
D.2. Asylum seekers task force - legal aid				
	<i>Original</i>	6,445		
	<i>Supplementary</i>	(800)		
		5,645	6,245	7,967
D.3. Asylum seekers accommodation		67,492	69,460	79,074

Service		2011 Estimate	2011 Outturn	2010 Outturn
	€000	€000	€000	€000
Other Services				
E.1. Garda Complaints Board		320	229	975
E.2. Office of the Data Protection Commissioner		1,458	1,450	1,376
E.3. Criminal Assets Bureau				
	<i>Original</i>	7,727		
	<i>Supplementary</i>	(1,300)		
E.4. Prisons Inspectorate		6,427	6,673	6,531
E.5. Coroners service		413	322	344
	<i>Original</i>	355		
	<i>Supplementary</i>	150		
E.6. Parole Board		505	517	378
E.7. Forensic Science Laboratory		291	364	392
	<i>Original</i>	9,119		
	<i>Supplementary</i>	(500)		
E.8. State Pathology		8,619	8,275	8,702
	<i>Original</i>	4,541		
	<i>Supplementary</i>	(3,000)		
E.9. Compensation for personal injuries criminally inflicted		1,541	945	2,459
E.10. Funding for services to victims of crime		4,237	4,228	4,285
E.11. Crime prevention measures		1,321	1,178	1,307
E.12. Central Authorities (child abduction, child protection and maintenance debtors)		217	205	247
E.13. Garda Ombudsman Commission		166	66	78
	<i>Original</i>	9,242		
	<i>Supplementary</i>	(700)		
E.14. Private Security Authority		8,542	8,506	9,235
E.15. Office of the Garda Inspectorate		2,233	2,044	2,170
	<i>Original</i>	1,701		
	<i>Supplementary</i>	(600)		
E.16. Irish Film Classification Office		1,101	1,083	1,190
	<i>Original</i>	1,245		
	<i>Supplementary</i>	(575)		
E.17. National Property Services Regulatory Authority (NPSRA)		670	621	729
E.18. Social disadvantage measures (dormant accounts funded)		738	637	622
E.19. Mental Health (Criminal Law) Review		176	176	297
E.20. Cosc - domestic, sexual and gender- based violence		477	511	586
	<i>Original</i>	2,416		
	<i>Supplementary</i>	(500)		
		1,916	1,905	1,949

Service		2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000	€000
Probation Services				
F.1. Probation service - salaries, wages and allowances				
	<i>Original</i> 22,524			
	<i>Supplementary</i> (600)	21,924	21,883	21,826
F.2. Probation service - operating expenses				
	<i>Original</i> 4,923			
	<i>Supplementary</i> (300)	4,623	4,599	4,547
F.3. Probation service - services to offenders				
	<i>Original</i> 11,522			
	<i>Supplementary</i> (1,586)	9,936	9,796	9,520
F.4. Community service order scheme		2,284	2,058	2,081
Equality, Integration & Disability				
G.1. Equality Authority (grant-in-aid)		2,420	2,395	1,193
G.2. Equality Tribunal		1,775	1,838	1,035
G.3. Grants to national women's organisations		405	405	274
G.4. Equality proofing		150	150	1
G.5. Equality Monitoring/Consultative Committees		402	228	115
G.6. Gender mainstreaming and positive action for women		2,203	2,100	61
G.7. Office for the promotion of migrant integration				
	<i>Original</i> 3,638			
	<i>Supplementary</i> (500)	3,138	2,141	836
G.8. European Refugees Fund		1,384	1,233	135
G.9. Status of people with disabilities				
	<i>Original</i> 1,939			
	<i>Supplementary</i> (1,000)	939	865	470
G.10. National Disability Authority				
	<i>Original</i> 4,336			
	<i>Supplementary</i> (826)	3,510	3,335	1,561
G.11. Disability projects		122	1	169
Charities				
H.1. Charities regulation		400	238	—
H.2. Charitable donations and bequests office		321	202	—
H.3. Payments to the promoters of certain charitable lotteries		6,000	6,000	—

Service		2011 Estimate provision	2011 Outturn	2010 Outturn
		€000	€000	€000
Irish Youth Justice Service				
I.	Irish Youth Justice Service			
	<i>Original</i>	39,341		
	<i>Supplementary</i>	(3,800)		
		<u>35,541</u>	35,062	43,894
	Gross expenditure			
	<i>Original</i>	402,333		
	<i>Supplementary</i>	331		
		<u>402,664</u>	400,451	415,831
	Deduct:			
J.	Appropriations-in-aid			
	<i>Original</i>	47,139		
	<i>Supplementary</i>	330		
		<u>47,469</u>	50,027	48,068
	Net expenditure			
	<i>Original</i>	355,194		
	<i>Supplementary</i>	1		
		<u>355,195</u>	350,424	367,763
	Surplus for the year		4,771,260	22,482,599
	Deferred surrender		460,000	—
	Surplus to be surrendered		<u>€4,311,260</u>	<u>€22,482,599</u>

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			46,205	47,677
Expenditure on services and programmes			354,246	368,154
Gross expenditure			400,451	415,831
Deduct				
Appropriations-in-aid			50,027	48,068
Net expenditure			350,424	367,763
Changes in Capital Assets				
Purchase cash		(1,196)		
Depreciation		8,711		
Loss on disposals		9		
Disposals cash		19	7,543	7,782
Changes in assets under development				
Cash payments			(4,193)	(7,538)
Changes in net current assets				
Decrease in closing accruals		(5,695)		
Increase in stock		(8)	(5,703)	(2,105)
Direct expenditure			348,071	365,902
Net allied services expenditure	1.1		31,505	31,732
Notional rents			4,514	6,560
Total operating cost			384,090	404,194

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.

		2011 €000	2010 €000
Vote			
7	Superannuation and Retired Allowances	23,315	21,920
9	Office of the Revenue Commissioners	2,605	2,676
10	Office of Public Works	13,295	15,181
20	Garda Síochána	198	216
	Central Fund - Ministerial pensions	388	236
		39,801	40,229
19	Allied services - apportioned cost of Financial Shared Services Centre	(8,296)	(8,497)
		31,505	31,732

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	35,263	34,549
Capital assets under development	2.2	5,647	9,536
		40,910	44,085
Current assets			
Bank and cash	2.3	3,082	1,938
Stocks	2.4	546	538
Prepayments		3,879	1,841
Accrued income		2,115	1,544
Other debit balances	2.5	3,817	3,408
Total current assets		13,439	9,269
Less current liabilities			
Accrued expenses		6,426	9,507
Deferred income		186	191
Other credit balances	2.6	5,946	5,088
Net liability to the Exchequer	2.7	953	258
Total current liabilities		13,511	15,044
Net current liabilities		(72)	(5,775)
Net assets		40,838	38,310
Represented by:			
State funding account		40,838	38,310

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 2011	15,000	1,388	85,678	5,091	107,157
Assets transferred from the Department of Community, Equality and Gaeltacht Affairs ¹	—	—	47	11	58
Assets transferred from Charitable Bequest and Donations Office ²	—	—	34	16	50
Agency assets transferred from other Agencies ³	—	—	571	151	722
Additions	—	80	9,161	37	9,278
Disposals	—	(185)	(860)	(20)	(1,065)
Cost or valuation at 31 December 2011	15,000	1,283	94,631	5,286	116,200
Accumulated depreciation					
Opening balance at 1 January 2011	660	885	67,533	3,530	72,608
Depreciation on assets transferred from other Departments ¹	—	—	499	156	655
Depreciation for the year	300	230	7,860	321	8,711
Depreciation on disposals	—	(185)	(834)	(18)	(1,037)
Cumulative depreciation at 31 December 2011	960	930	75,058	3,989	80,937
Net assets at 31 December 2011	14,040	353	19,573	1,297	35,263
Net assets at 31 December 2010	14,340	503	18,145	1,561	34,549

¹ The adjustment relates to assets transferred into the Department's asset register as a result of the transfer in of functions from the former Department of Community, Equality and Gaeltacht Affairs and the Charitable Donations and Bequests Office.

² €20,800 worth of assets were not added to the asset register as their cost was less than €1,000, it should be noted that these were fully depreciated at the time of the transfer.

³ Assets transferred back to the Department of Justice and Equality arising from the transfer of functions from the former Department of Community, Equality and Gaeltacht Affairs.

2.2 Capital Assets under Development

at 31 December 2011

	In-house computer applications	Buildings	Total
	€000	€000	€000
Amounts brought forward at 1 January 2011	3,912	5,624	9,536
Cash payments for the year	4,170	23	4,193
Transferred to asset register	(8,082)	—	(8,082)
Amounts carried forward at 31 December 2011	—	5,647	5,647

Note: The balance at 31 December 2011 includes expenditure of €1.059 million in respect of the fit out costs of a leased premises in Dublin for use by the Probation Service. Although the work has been completed at this stage, the Probation Service is not in a position to occupy the premises. This is because, despite earlier advice to the contrary, it has now been established planning permission does not exist for the use of the building for the intended purpose provided for in the lease. Following legal advice, a process has been initiated to rescind the lease and seek to recoup the fit out expenditure, rent and associated costs.

2.3 Bank and Cash

at 31 December

	2011	2010
	€000	€000
PMG balances and cash	7,354	7,154
Orders outstanding	(4,272)	(5,216)
	3,082	1,938

2.4 Stocks

at 31 December

	2011	2010
	€000	€000
Stationery	178	180
Forensic consumables	172	182
IT consumables	131	124
Miscellaneous	21	30
Publications	25	5
Equipment/Clothing	19	17
	546	538

2.5 Other Debit Balances

at 31 December

	2011	2010
	€000	€000
Advances to OPW	638	127
Imprests	97	105
Recoupable salaries	113	209
Recoupment of travel pass scheme	257	42
CAB receivership	152	161
Payroll suspense account (Paypath)	2,469	2,177
Other	91	587
	3,817	3,408

2.6 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Income Tax	2,090	1,304
Pay Related Social Insurance	907	927
Value Added Tax	106	164
Pension Contributions	1	—
Professional Service Withholding Tax	1,838	1,481
Construction Tax	28	9
	<u>4,970</u>	<u>3,885</u>
Payroll deductions held in suspense	744	690
Other	232	513
	<u>5,946</u>	<u>5,088</u>

2.7 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	4,311	22,483
Deferred surrender	460	—
Exchequer grant undrawn	(3,818)	(22,225)
Net liability to the Exchequer	<u>953</u>	<u>258</u>

Represented by:**Debtors**

Bank and cash	3,082	1,938
Debit balances: suspense	3,817	3,408
	<u>6,899</u>	<u>5,346</u>

Creditors

Due to State	(4,970)	(3,885)
Credit balances: suspense	(976)	(1,203)
	<u>(5,946)</u>	<u>(5,088)</u>
	<u>953</u>	<u>258</u>

2.8 Commitments**(a) Global Commitments**

at 31 December

2011	2010
€000	€000

Total of legally enforceable commitments

2,284	1,500
-------	-------

(b) Multi-Annual Capital Commitments

	Expenditure to 1 January 2011	Expenditure in 2011	Subsequent years	Total estimated cost
Project	€000	€000	€000	€000
AlSIP - Asylum/Immigration Strategic Integration Programme	5,210	4,242	303	9,755

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.2.	156	The saving arose due to stricter policy and controls in relation to travel and a reduction in the amount of travel undertaken in the Department generally.
A.6.	(862)	The excess arose mainly due to the payment of amounts to the Office of Public Works relating to maintenance carried out on behalf of the Department in previous years. The rising energy costs and extremely cold weather experienced at the end of 2010 added to the expenditure in this subhead.
A.7.	137	This saving arose due to certain planned projects not proceeding and other related tasks being carried out in-house.
A.8.	470	The saving arose due to the scaling back of research projects in the light of the current economic circumstances.
B.1.	(705)	The excess on this subhead arose due to larger than expected expenditure on third party legal fees in relation to the Morris Tribunal. In addition legal fees in relation to the Dublin Archdiocese and Diocese of Cloyne Commission fell due for payment in late 2011.
B.2.	589	The saving arose due to the conclusion of the work of the Commission in early 2011. The Commission was dissolved in March 2011.
D.2.	(600)	The excess arose mainly due to higher than expected expenditure in relation to services provided by the Refugee Legal Service. This subhead has been merged with the overall grant-in-aid to the Legal Aid Board for 2012 onwards.
E.8.	596	This saving arose mainly due to the lack of progress on the construction of a shared new laboratory and ancillary facilities with Dublin City Council as the contractor had gone into receivership and the tendering process has yet to recommence.
E.10.	143	The saving arose as a result of a small reduction in funding to organisations, due to the difficult budgetary environment and a saving on administrative subheads.
E.12.	100	Despite an increase in the number of applications, the cost of translation of documents relating to parental child abduction and the recovery of maintenance to and from abroad was less than anticipated.
E.14.	189	The saving arose as planned expenditure was not incurred due to a delay in the licensing of new security sectors pending completion of relevant legislation.
E.17.	101	The savings arose because certain statutory functions to be carried out by the NPSRA, and which are subject to the enactment of the Property Service Regulation Act 2011, were not proceeded with as the legislation had not been commenced.
F.4.	226	The savings arose due to a number of staff vacancies which exist within the Probation Service, together with more efficient administrative and procedural processes.

Sub-head	Less/(more) than provided €000	Explanation
G.5.	174	The savings arose due to a negotiated reduction in project management fees in relation to the Traveller Interagency Fund and also a slower than anticipated drawdown of funds by projects under this fund.
G.6.	103	The saving arose as two of the projects selected for funding under the Equality for Women Measure in the period 2009/2010 did not qualify for an extension in 2011.
G.7.	997	The saving arose from a reduction in funding for organisations, due to the budgetary constraints, together with the fact that a number of organisations had funding on hands from previous grant draw downs.
G.8.	151	The saving arose as beneficiary grant payments under the European Refugee and Integration Funds are made by Pobal to beneficiaries only when certain conditions are fulfilled.
G.10.	175	The saving arose due to a reduction in staff resources and efficiencies being achieved in administration and overhead costs.
G.11.	121	The saving arose as multi-annual funding commitments were not entered into due to the uncertainty in the budgetary situation.
H.1.	162	The saving arose due to the decision to defer the implementation of the Charities Act, due to budgetary constraints.
H.2.	119	The saving arose due to unfilled staff vacancies and other administrative savings in the office.

4 Receipts

4.1 Appropriations-in-aid

	€000	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Film censorship fees (cash)				
<i>Original</i>	2,503			
<i>Supplementary</i>	(275)	2,228	2,041	2,515
2. Recoupment of salaries		75	—	—
3. Data protection fees				
<i>Original</i>	450			
<i>Supplementary</i>	100	550	584	589
4. EU receipts		1,956	3,796	3,319
5. Miscellaneous receipts				
<i>Original</i>	1,083			
<i>Supplementary</i>	2,100	3,183	3,245	1,623
6. Immigration registration fees				
<i>Original</i>	15,908			
<i>Supplementary</i>	(3,800)	12,108	12,350	14,900
7. Visa fees				
<i>Original</i>	5,800			
<i>Supplementary</i>	205	6,005	7,323	7,025
8. Dormant Accounts receipts		350	221	672
9. Private Security Authority fees		2,364	2,199	2,668
10. Contributions to pension scheme for non-teaching staff of centres for young offenders		585	566	630
11. Nationality and Citizenship certificates fees				
<i>Original</i>	8,150			
<i>Supplementary</i>	1,850	10,000	9,592	6,220
12. Receipts from pension-related deductions on public service remuneration				
<i>Original</i>	7,915			
<i>Supplementary</i>	150	8,065	8,110	7,907
Total		47,469	50,027	48,068

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
J.1.	187	The deficit is due to a decrease in the number of films and DVDs requiring classification.
J.4.	(1,840)	The timing of receipts from the programmes in question is difficult to estimate with accuracy. In this case most of the surplus receipts were received in late 2011.
J.7.	(1,318)	The surplus arose due to an increase in overall visa demand worldwide, in comparison to 2010.
J.8.	129	The deficit is accounted for by a slower than anticipated drawdown of funds under the Traveller Interagency Fund for local projects administered by Pobal.
J.9.	165	The deficit arose due to a reduction in the volume of renewal licence applications.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	2,392	2,476
	€000	€000
Pay	132,061	136,566
Higher, special or additional duties allowances	181	184
Other allowances	5,630	3,318
Overtime and extra attendance	1,924	1,663
Employer's PRSI	7,566	6,143
Total pay	147,362	147,874

Note: The increase in allowances and overtime in 2011 is primarily accounted for by the inclusion of the employees of the Childrens Detention Schools (Subhead I) in the central Departmental payroll system from 1st January 2011 which provided more analysis of payroll cost.

Note: The total pay figure includes elements of pay from the following subheads: A1, A9, B1, B4, C2, D1, D2, E1, E2, E3, E4, E5, E6, E7, E8, E9, E11, E13, E14, E15, E16, E17, E19, E20, F1, F4, G1, G2, G6, G7, G10, H2, and I.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	41	6	19,063	26,535
Overtime and extra attendance	361	31	27,017	27,886
Shift and roster allowances	60	8	10,712	—
Miscellaneous	664	124	38,840	27,429

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

5.2 Other Remuneration Arrangements

A total amount of €206,458 was paid to 19 retired civil servants in receipt of civil service pensions, who were re-employed in various duties during 2011. In addition, an amount of €181,957 was paid to a former judiciary member, which was met directly out of Subhead E.19 Mental Health (Criminal Law) Review Board.

6 Miscellaneous

6.1 Ex-gratia payments

Ex-gratia payments amounting to €1,154,129 were made in respect of the non-statutory Legal Aid Scheme for CAB-type actions.

Ex-gratia payments amounting to €1,171,348 were made in respect of the non-statutory Garda Station Legal Aid Advice Scheme.

Ex-gratia payments totalling €355,979 were made in a number of cases in relation to the Coroners' service.

Irish Nonprofits Knowledge Exchange (INKEx) project which facilitated a repository for regulatory disclosed information about Irish non-profit organisations was provided with ex-gratia payments of €154,477 to meet commitments in relation to salaries and other items.

6.2 Drugs Initiative Fund

An amount of €317,751 was received from the Drugs Initiative Fund and is accounted for through a suspense account.

6.3 National Lottery Funding

Payments amounting to €6,000,000 were made to the promoters of certain charitable lotteries from subhead H.3

Details are available on the Department of Justice and Equality website " www.justice.ie "

6.4 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	2011 Estimate €000	2011 Outturn €000	2010 Outturn €000
D.1. European Return Fund	452	452	1,083
I. ESF- Garda Youth Diversion additional skills and employees	1,750	1,463	3,500
	2,202	1,915	4,583

6.5 Commissions and Inquiries

	Year of appointment	Expenditure in 2010 €000	Expenditure in 2011 €000	Cumulative expenditure to 31 December 2011 €000
Morris Tribunal	2002	5,079	2,865	60,540
Barr Tribunal	2002	152	—	20,700
Criminal Injuries Compensation Tribunal	1974	74	76	1,481
Smithwick Tribunal	2005	1,518	1,550	9,377
Rossiter Inquiry	2005	14	26	2,755
Dublin Archdiocese and Diocese of Cloyne Commission	2006	1,249	2,618	8,759
Location of Victims Remains Commission	2006	1,353	1,069	4,039
Restorative Justice Commission	2007	5	—	735
Gary Douch Commission of Investigation	2007	323	296	1,643
Referendum Commission (Judicial Pay)	2011	—	652	652
		9,767	9,152	110,681

6.6 Contingent Liability

There will be further costs associated with some of these Commissions and Inquiries. Final costs cannot be determined at this point as the work of the bodies is ongoing.

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 2011 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 2011, 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 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.

Land and Buildings

The Minister for Justice and Equality 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 six times during 2011. 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 2011 and considered all of the significant control matters brought to its attention. At the end of 2011, the Garda Internal Audit section, which is headed by a Professional Accountant, had a total staff of seven civilian and three 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 a continuous quality improvement process is in place.

The Finance Directorate continued to deliver a customised training programme in 2011 which covered the areas of financial management of devolved budgets, public procurement and processing of payroll and other claims. A senior financial accountant completed the Garda Síochána Executive Leadership Programme in 2011. Two civilian procurement staff members completed the Certificate in Business Procurement from the Irish Institute of Purchasing and Materials Management in 2011.

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 further extended to District level in 2010 and 2011.

Martin Callinan
Accounting Officer
An Garda Síochána
30 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 20: Garda Síochána for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
28 August 2012

Vote 20 Garda Síochána Appropriation Account 2011

Service		2011 Estimate provision	2011 Outturn	2010 Outturn
		€000	€000	€000
Administration				
A.1. Salaries, wages and allowances				
	<i>Original</i>	989,161		
	<i>Supplementary</i>	52,339	1,041,500	1,036,917
A.2. Travel and subsistence				1,025,943
	<i>Original</i>	18,483		
	<i>Supplementary</i>	3,292	21,775	19,733
A.3. Incidental expenses				
	<i>Original</i>	17,445		
	<i>Supplementary</i>	1,816	19,261	18,055
A.4. Postal and telecommunications services				
	<i>Original</i>	33,425		
	<i>Supplementary</i>	6,250	39,675	44,852
A.5. Office machinery and other office supplies and related services				42,845
	<i>Original</i>	26,472		
	<i>Supplementary</i>	(2,437)	24,035	24,563
A.6. Maintenance of Garda premises				28,537
	<i>Original</i>	7,521		
	<i>Supplementary</i>	2,479	10,000	9,534
A.7. Consultancy services				9,058
	<i>Original</i>	208		
	<i>Supplementary</i>	(148)	60	52
A.8. Station services				11
	<i>Original</i>	12,996		
	<i>Supplementary</i>	7,174	20,170	20,102
A.9. Implementation of Garda SMI			143	145
A.10. Garda Reserve				152
	<i>Original</i>	480		
	<i>Supplementary</i>	395	875	780
A.11. Value for money and policy reviews				874
	<i>Original</i>	190		
	<i>Supplementary</i>	(190)	—	—
Other Services				
B. Clothing and accessories				
	<i>Original</i>	2,764		
	<i>Supplementary</i>	421	3,185	3,896
C. St. Paul's Garda Medical Aid Society (grant-in aid)			124	124
				3,783

Service		2011 Estimate provision	2011 Outturn	2010 Outturn
		€000	€000	€000
D.	Transport			
	<i>Original</i>	14,538		
	<i>Supplementary</i>	10,917	25,455	27,941
E.	Communications and other equipment			
	<i>Original</i>	19,272		
	<i>Supplementary</i>	12,280	31,552	23,276
F.	Aircraft			
	<i>Original</i>	1,050		
	<i>Supplementary</i>	750	1,800	1,951
G.	Superannuation, etc.			
	<i>Original</i>	368,773		
	<i>Supplementary</i>	(59,000)	309,773	289,069
H.	Witnesses' expenses		1,805	2,027
I.	Compensation			
	<i>Original</i>	16,622		
	<i>Supplementary</i>	4,313	20,935	17,198
J.	Witness security programme			
	<i>Original</i>	1,198		
	<i>Supplementary</i>	(498)	700	700
Gross expenditure				
	<i>Original</i>	1,532,670		
	<i>Supplementary</i>	40,153	1,572,823	1,530,678
Deduct				
K.	Appropriations-in-aid			
	<i>Original</i>	120,447		
	<i>Supplementary</i>	12,753	133,200	133,040
Net expenditure				
	<i>Original</i>	1,412,223		
	<i>Supplementary</i>	27,400	1,439,623	1,397,638
Surplus to be surrendered			€2,376,031	€1,718,716

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	2011 €000	2010 €000
Expenditure on administration		1,176,489	1,164,609
Expenditure on services and programmes		394,474	366,069
Gross expenditure		1,570,963	1,530,678
Deduct			
Appropriations-in-aid		133,716	133,040
Net expenditure		1,437,247	1,397,638
Changes in capital assets			
Purchases cash	(8,859)		
Depreciation	18,358		
Disposals cash	12		
Loss on disposals	102	9,613	21,549
Changes in assets under development			
Cash payments		—	(1,946)
Changes in net current assets			
Increase in closing accruals	735		
Decrease in stock	5,610		
		6,345	(1,627)
Direct expenditure		1,453,205	1,415,614
Net allied services expenditure	1.1	13,778	11,909
Total operating cost		1,466,983	1,427,523

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.

Vote		2011 €000	2010 €000
7	Superannuation and Retired Allowances	670	600
10	Office of Public Works	10,514	11,424
19	Justice and Equality - Financial Shared Services Centre	5,286	5,414
	Less		
	Allied Services provided by An Garda Síochána to other Votes	(2,692)	(5,529)
		13,778	11,909

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	44,079	54,099
Capital assets under development	2.2	4,570	4,570
		48,649	58,669
Current assets			
Bank and cash	2.3	6,879	5,647
Stocks	2.4	5,531	11,141
Prepayments		7,213	7,771
Accrued income		1,372	1,046
Other debit balances	2.5	28,525	28,160
Total current assets		49,520	53,765
Less current liabilities			
Net liability to the Exchequer	2.7	376	(281)
Accrued expenses		8,370	8,274
Other credit balances	2.6	35,028	34,088
Total current liabilities		43,774	42,081
Net current assets		5,746	11,684
Net assets		54,395	70,353
Represented by:			
State funding account		54,395	70,353

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 2011	17,001	1,060	66,610	149,533	4,464	238,668
Additions	71	—	1,655	5,577	1,149	8,452
Disposals	—	—	(5,656)	(2,533)	—	(8,189)
Cost or valuation at 31 December 2011	17,072	1,060	62,609	152,577	5,613	238,931
Accumulated depreciation						
Opening balance at 1 January 2011	7,601	588	59,467	114,777	2,136	184,569
Depreciation for the year	823	73	3,981	13,035	446	18,358
Depreciation on disposals	—	—	(5,591)	(2,484)	—	(8,075)
Cumulative depreciation at 31 December 2011	8,424	661	57,857	125,328	2,582	194,852
Net assets at 31 December 2011	8,648	399	4,752	27,249	3,031	44,079
Net assets at 31 December 2010	9,400	472	7,143	34,756	2,328	54,099

2.2 Capital Assets under Development

at 31 December 2011

	Schengen Project	MIMS Project	Total
	€000	€000	€000
Amounts brought forward at 1 January 2010	2,676	1,894	4,570
Cash payments for the year	—	—	—
Amount carried forward at 31 December 2011	2,676	1,894	4,570

2.3 Bank and Cash

at 31 December

	2011 €000	2010 €000
PMG balances and cash	24,710	25,406
Orders outstanding	(17,831)	(19,759)
	6,879	5,647

2.4 Stocks	2011	2010
at 31 December	€000	€000
Stationery	465	690
Telecommunications stock	1,636	7,304
Clothing	1,487	1,215
Technical Bureau	153	235
United Nations stock	53	69
Armoury	1,338	1,257
Miscellaneous	399	371
	<u>5,531</u>	<u>11,141</u>
2.5 Other Debit Balances	2011	2010
at 31 December	€000	€000
Advances to OPW	216	621
Imprests	3,880	4,232
Recoupable salaries	23,393	21,958
Cycle to Work scheme	786	1,127
Other debit suspense items	250	222
	<u>28,525</u>	<u>28,160</u>
2.6 Other Credit Balances	2011	2010
at 31 December	€000	€000
Amounts due to the State		
Income Tax	19,341	13,462
Pay Related Social Insurance	7,413	10,588
Professional Services Withholding Tax	696	747
Value Added Tax	638	601
Road Traffic Act fines	420	1,845
Tax on pension contribution refunds	13	1
	<u>28,521</u>	<u>27,244</u>
Payroll deductions held in suspense	5,145	5,372
Garda Reward Fund	283	287
Other credit suspense items	1,079	1,185
	<u>35,028</u>	<u>34,088</u>

2.7 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	2,376	1,719
Exchequer grant undrawn	(2,000)	(2,000)
Net liability to the Exchequer	<u>376</u>	<u>(281)</u>

Represented by:**Debtors**

Bank and cash	6,879	5,647
Debit balances: suspense	28,525	28,160
	<u>35,404</u>	<u>33,807</u>

Creditors

Due to State	(28,521)	(27,244)
Credit balances: suspense	(6,507)	(6,844)
	<u>(35,028)</u>	<u>(34,088)</u>
	<u>376</u>	<u>(281)</u>

2.8 Commitments

at 31 December

(A) Global Commitments

	2011	2010
	€000	€000
Total of legally enforceable commitments	68,700	5,700

The commitments figure for 2011 includes an amount for €66.9 million in respect of a five-year project which was commenced in November 2010 for the outsourcing of Garda mobile road safety cameras. The total contract price is €83 million including VAT. The corresponding commitment amount for this project was €82.8 million as at 31 December 2010 and is not included in the 2010 figure.

(B) Multi-Annual Capital Commitments

	Expenditure to 1 January 2011 €000	Expenditure in 2011 €000	Total Expected Project Cost €'000
Project			
Schengen Information System	2,676	—	23,870
Major Investigation Management System	1,894	—	28,746

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
B.	(711)	The excess arose due to the requirement to purchase additional clothing items for security and public order purposes.

4 Receipts

4.1 Appropriations-in-aid	€000	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Contributions to the Garda Síochána spouses' and children's pension schemes				
Original	14,350			
Supplementary	(150)	14,200	15,005	14,194
2. Contributions to the Garda Síochána pensions scheme				
Original	22,374			
Supplementary	826	23,200	23,599	22,619
3. Miscellaneous receipts (breakdown given)				
Original	12,450			
Supplementary	(2,150)	10,300	10,823	11,082
4. Receipts from banks in respect of cash escort services				
Original	4,300			
Supplementary	(500)	3,800	3,836	4,276
5. Firearm fees				
Original	1,000			
Supplementary	1,600	2,600	2,706	14,199
6. Safety cameras - certain receipts from fixed charges				
Original	100			
Supplementary	11,200	11,300	10,624	—
7. Receipts from pension-related deduction on public service remuneration				
Original	65,873			
Supplementary	1,927	67,800	67,123	66,670
Total		133,200	133,716	133,040

Miscellaneous	2011	2010
	€000	€000
Payment for non-public duty services rendered by Gardaí	4,068	3,350
Recovery in respect of damage to official vehicles and other Garda property	308	194
Proceeds of sales of used vehicles, old stores, forfeited and unclaimed property	852	1,558
Fees for accident and malicious damage reports	521	502
Contribution for living quarters	62	70
Recoupment of witnesses' expenses	16	3
Recoupment of salaries	—	1
Percentage charge to insurance companies for collection of insurance premia	109	118
Taxi licence fees	197	156
Road Traffic Act - Section 41 charges	2,364	2,605
Fingerprint fees for employment and visa purposes	25	20
Garda masts	555	—
Carrier liability	485	513
Unclassified items	1,261	1,992
	10,823	11,082

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	(1,204)	The surplus arose due to additional deductions received in December due to the large number of retirements under the Public Service early retirement scheme
3	(523)	The surplus arose due to earlier than expected receipt of outstanding payments for non public duty services performed by An Garda Síochána.
6	676	The deficit occurred as road safety camera receipts in December were less than projected.

4.2 Extra receipts payable to the Exchequer

	2011	2011	2010
	Estimated	Realised	Realised
	€000	€000	€000
Road Traffic Act fines	15,000	12,675	19,125

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	15,969	16,477
	2011	2010
	€000	€000
Pay	679,453	671,103
Higher, special or additional duties allowances	363	412
Other allowances	213,828	217,189
Overtime	80,937	78,223
Employer's PRSI	62,336	59,016
Total pay	1,036,917	1,025,943

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	201	1	10,452	10,474
Overtime and extra attendance	14,540	2,168	49,372	47,598
Shift and roster allowances	14,464	6,654	39,439	30,653
Miscellaneous	14,520	771	36,304	40,151

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

5.2 Other Remuneration Arrangements

A total of €29,264 was paid to seven retired civil servants in receipt of civil service pensions, who were re-employed on various duties during 2011.

Included in A1 is a total of €329,120 in respect of the remuneration of members of the Garda Síochána on special leave with pay to 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 2011, the amount of payments in that period and the balance of the Fund at 31 December 2011:

	€
Balance brought forward on 1 January 2011	335,684
Receipts for the year ended 31 December 2011	67,916
	<u>403,600</u>
Payments for the year ended 31 December 2011	(72,530)
Balance on 31 December 2011	<u><u>331,070</u></u>

5.4 Settlement with the Revenue Commissioners

Included under the A.1. Subhead is a settlement of €12.5m to the Revenue commissioners in December 2011 in respect of a legacy liability covering taxes applicable to certain allowances and expense payments made to Garda members in the period 2009 to 2011.

5.5 State Visits

There was additional pay expenditure of €28.4 million incurred on the Garda Vote in 2011 as a result of the State visits of Queen Elizabeth II and President Obama as follows

	2011
	€000
Pay (including overtime)	28,426
Travel and Subsistence	2,968
Other	4,490
Total	<u>35,884</u>

6 Miscellaneous

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 €46,584 and €139,571 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 667 accidents involving garda vehicles were reported in 2011. Damage and other costs to official vehicles amounted to €493,746. Compensation totalling €167,173 was recovered.

6.3 EU Funding

A total of €20,409 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.

6.4 Compensation and Legal Costs

Compensation and legal costs totalling €2,656,579 and ranging from €22 to €197,500 were paid in three hundred and seventy three cases in respect of claims for personal injuries and material damage resulting from accidents involving Garda vehicles.

Compensation and legal costs totalling €9,756,071 and ranging from €320 to €350,834 were paid in two hundred and forty one cases in respect of claims made by members of An Garda Síochána under the Garda Síochána Compensation Act.

At 31 December 2011 an estimated 2,657 compensation cases were outstanding against the Garda Authorities as follows:

Road Traffic accidents	266
Garda Compensation Acts	1,160
Miscellaneous	1,231

Payments totalling €167,049 and ranging from €5 to €8,701 were made in respect of 2,595 claims under the Occupational Injuries scheme.

Payments totalling €584,955 and ranging from €31 to €71,222 were made in respect of claims arising out of injuries received by forty Gardaí while on duty.

Payments totalling €120,359 and ranging from €42 to €31,763 were made to twelve civilians in respect of injuries received as a result of accidents on Garda premises.

Payments totalling €585,360 and ranging from €12,100 to €270,000 were made in seven instances following legal action taken by Gardaí.

Payments totalling €6,205,955 and ranging from €31 to €900,000 were made in two hundred and thirty four 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 €26,262 in respect of legal expenses were made in two instances where legal action was taken by members of An Garda Síochána.

6.5 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 2011 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 2011 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

- a) granted by Dáil Éireann under the Appropriation Act 2011, including the amount that could be used as appropriations-in-aid of expenditure for the year and
- b) provided for capital supply services in 2011 out of unspent 2010 appropriations under the deferred surrender arrangement established by section 91 of the Finance Act, 2004.

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 Equality 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 depreciated in the years between revaluations, on the basis that ongoing annual maintenance expenditure is sufficient to maintain their condition. With the exception of land and buildings, 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 Prison Service.

Brian Purcell
Accounting Officer
Department of Justice and Equality
28 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 21: Prisons for 2011 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 Equality 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 2011.

Seamus McCarthy
Comptroller and Auditor General
28 August 2012

Vote 21 Prisons

Appropriation Account 2011

Service		2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000	€000
Administration				
A.1. Salaries, wages and allowances		248,582	242,728	241,955
A.2. Travel and subsistence		2,016	2,163	2,082
A.3. Incidental expenses		7,687	3,962	5,884
A.4. Postal and telecommunications services		3,485	2,814	3,154
A.5. Office machinery and other office supplies and related services		3,523	4,368	5,100
A.6. Consultancy services		90	60	66
A.7. Value for money and policy reviews		50	—	—
Other services				
B. Buildings and equipment				
	<i>Current year provision</i>	44,052		
	<i>Deferred surrender</i>	<u>2,000</u>	46,052	47,181
				30,486
C. Prison services, etc.		32,407	40,086	41,336
D. Manufacturing department and farm		629	715	586
E. Probation service - services to offenders		53	—	26
F. Educational services		1,265	1,240	1,457
G. Prison Officers' Medical Aid Society (grant-in-aid)		121	—	—
H. Compensation		2,873	2,869	2,854
I. Social disadvantage measures (dormant accounts funded)		750	229	218
Gross expenditure				
	<i>Current year provision</i>	347,583		
	<i>Deferred surrender</i>	<u>2,000</u>		
		349,583	348,415	335,204
Deduct				
J. Appropriations-in-aid		<u>18,372</u>	<u>18,266</u>	<u>18,095</u>
Net expenditure				
	<i>Current year provision</i>	329,211		
	<i>Deferred surrender</i>	<u>2,000</u>		
		331,211	330,149	317,109
Surplus for the year				
			€1,062,388	€17,622,088
Deferred surrender				
			<u>—</u>	<u>€2,000,000</u>
Surplus to be surrendered				
			<u>€1,062,388</u>	<u>€15,622,088</u>

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			256,095	258,241
Expenditure on services and programmes			92,320	76,963
Gross expenditure			348,415	335,204
Deduct				
Appropriations-in-aid			18,266	18,095
Net expenditure			330,149	317,109
Changes in capital assets				
Purchases cash		(5,345)		
Depreciation		4,947		
Disposals cash		29		
Profit on disposals		(20)	(389)	(10,212)
Changes in assets under development				
Cash payments			(32,165)	(10,102)
Changes in net current assets				
Increase in closing accruals		4,311		
Decrease in stock		601		
			4,912	537
Direct expenditure			302,507	297,332
Net allied services expenditure	1.1		41,193	46,634
Total operating cost			343,700	343,966

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.

Vote		2011 €000	2010 €000
7	Superannuation and Retired Allowances	39,740	43,794
10	Office of Public Works	94	1,448
19	Justice and Equality - Financial Shared Services Centre	1,359	1,392
		41,193	46,634

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	773,068	755,263
Capital assets under development	2.2	30,439	15,690
		803,507	770,953
Current assets			
Bank and cash	2.3	9,616	8,688
Stocks	2.4	1,321	1,922
Prepayments		367	380
Accrued income		130	310
Other debit balances	2.5	1,490	1,578
Total current assets		12,924	12,878
Less current liabilities			
Accrued expenses		7,776	3,658
Other credit balances	2.6	11,044	10,244
Net liability to the Exchequer	2.7	62	22
Total current liabilities		18,882	13,924
Net current liabilities		(5,958)	(1,046)
Net assets		797,549	769,907
Represented by:			
State funding account		797,549	769,907

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 2011	742,258	70,678	765	8,748	822,449
Additions	21,373	1,333	12	43	22,761
Disposals	—	(3,639)	(2)	(74)	(3,715)
Cost or valuation at 31 December 2011	763,631	68,372	775	8,717	841,495
Accumulated depreciation					
Opening balance at 1 January 2011	—	61,285	573	5,328	67,186
Depreciation for the year	—	3,676	36	1,235	4,947
Depreciation on disposals	—	(3,630)	(2)	(74)	(3,706)
Cumulative depreciation at 31 December 2011	—	61,331	607	6,489	68,427
Net assets at 31 December 2011	763,631	7,041	168	2,228	773,068
Net assets at 31 December 2010	742,258	9,393	192	3,420	755,263

2.2 Capital Assets under Development

as at 31 December

	Construction contracts	
	2011	2010
	€000	€000
Amounts brought forward at 1 January	15,690	77,796
Cash payments for the year	32,165	10,102
Transferred to asset register	(17,416)	(72,208)
Amounts carried forward at 31 December	30,439	15,690

2.3 Bank and Cash

at 31 December

	2011	2010
	€000	€000
PMG balances and cash	10,265	10,969
Orders outstanding	(649)	(2,281)
	9,616	8,688

2.4 Stocks

at 31 December

	2011	2010
	€000	€000
Uniforms and clothing	1,058	1,433
Furniture and maintenance material	141	206
Food	17	18
Miscellaneous	105	265
	<u>1,321</u>	<u>1,922</u>

2.5 Other Debit Balances

at 31 December

	2011	2010
	€000	€000
Imprests	728	727
Other debit suspense items	762	851
	<u>1,490</u>	<u>1,578</u>

2.6 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Income Tax	5,682	4,053
Pay Related Social Insurance	2,276	2,925
Retention Tax	168	287
Value Added Tax	1,077	1,317
Construction Tax	1	—
Tax deducted from pension contribution refunds	8	2
Staff pension contributions	865	793
	<u>10,077</u>	<u>9,377</u>
Payroll deductions held in suspense	851	721
Other credit suspense items	116	146
	<u>11,044</u>	<u>10,244</u>

2.7 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	1,062	15,622
Deferred surrender	—	2,000
Surplus for the year	1,062	17,622
Exchequer grant undrawn	(1,000)	(17,600)
Net liability to the Exchequer	62	22

Represented by:**Debtors**

Bank and cash	9,616	8,688
Debit balances: suspense	1,490	1,578
	11,106	10,266

Creditors

Due to State	(10,077)	(9,377)
Credit balances: suspense	(967)	(867)
	(11,044)	(10,244)
	62	22

2.8 Commitments

at 31 December

	2011	2010
	€000	€000
(a) Global Commitments		
Total of legally enforceable commitments	385	385

(b) Multi-Annual Capital Commitments

	Expenditure to 31 December 2010	Expenditure in 2011	Subsequent years	Total cost
	€000	€000	€000	€000
Midlands Prison	1,511	14,477	12,754	28,742
Mountjoy and Dochas	1,160	9,702	1,259	12,121
Other projects	1	3,588	410	3,999
	2,672	27,767	14,423	44,862

The figure for subsequent years expenditure represents commitments where formal contracts were entered into at 31 December 2011.

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.	3,725	The savings in this subhead arose from reduced expenditure in training costs for new recruits due to the moratorium on recruitment (outturn of €1.30m from a provision of €1.50m). In addition, due to the introduction of a new arrangement for uniform issues, the expenditure in 2011 was less than prior years (outturn of €0.99m from a provision of €2.80m). Cost saving measures in relation to staff catering arrangements also gave rise to reduced expenditure in 2011.
A.4.	671	The saving arose due to continued efficiencies realised through telecommunications operations and new contract arrangements for telecommunication services.
A.5.	(845)	The excess arose due to additional ICT projects commencing in 2011. These projects included CCTV data storage and related infrastructure upgrades as well as education/work and training systems.
C.	(7,679)	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.
G.	121	The saving arose as funding is no longer provided to the Prison Officers Medical Aid Society.
I.	521	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

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
4.1 Appropriations-in-aid			
1. Receipts from manufacturing department and farm (including produce used in prisons)	905	1,028	1,059
2. European Social Fund	5	—	—
3. Proceeds from the sale of prison property	—	—	—
4. Miscellaneous	519	405	360
5. Dormant account receipts	750	229	218
6. Receipts from pension - related deduction on public service remuneration	16,193	16,604	16,458
Total	18,372	18,266	18,095

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.	(123)	Receipts from prison manufacturing activities are difficult to quantify in advance.
4.	114	Receipts in this category are difficult to predict.
5.	521	Receipts from the dormant accounts fund are linked to expenditure under subhead I and are consequently difficult to predict.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	3,489	3,521
	€000	€000
Pay	142,364	143,493
Higher, special or additional duties allowances	653	507
Other allowances	49,680	49,556
Overtime and extra attendance	35,415	34,950
Employer's PRSI	14,616	13,449
Total pay	242,728	241,955

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2011 €	2010 €
Higher, special or additional duties	159	7	12,565	13,566
Overtime and extra attendance	3,357	1,913	29,870	31,479
Shift and roster allowances	3,078	517	26,205	22,603
Miscellaneous	3,514	444	17,279	18,316

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

5.2 Other Remuneration Arrangements

A total of €51,807 was paid to 11 retired civil servants in receipt of civil service pensions, ranging from €212 to €16,891, who were re-employed on various duties during 2011.

A total of €122,400 was paid as fees/expenses to nine members of the Prisons Interim Board in 2011. This payment covered the period 1 July 2010 to 30 June 2011. The Board was discontinued with effect from 28th July, 2011.

6 Miscellaneous

6.1 Prison Population

The estimated daily average number of prisoners in 2011 was 4,390 (4,299 in 2010).

6.2 Compensation and Legal Costs

Compensation and legal costs totalling €817,963 and ranging from €31 to €340,000 was paid in respect of 33 claims arising out of injuries received by Prison staff while on duty and other issues involving Prison staff.

Compensation payments totalling €999,044 were made arising from 77 awards of the Criminal Injuries Compensation Tribunal. The payments ranged from €850 to €75,925 and were paid in respect of claims arising out of injuries received by Prison staff.

Compensation and legal costs totalling €817,535 and ranging from €17 to €55,000 was paid in respect of 69 claims arising out of injuries received by prisoners and other actions involving prisoners.

Compensation and legal costs totalling €227,445 and ranging from €31 to €80,000 was paid in respect of 20 claims arising out of injuries to civilians.

6.3 Prisoners' Funeral Expenses

Ex gratia payments totalling €10,335 were made towards the funeral expenses of 7 offenders who died while in prison.

6.4 Prisoner Assist Programme Fund

In the course of carrying out its statutory function, the 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 2011

	Agriculture	Other industries	Total 31 December 2011	Total 31 December 2010
	€000	€000	€000	€000
Stock on hand at 1 January 2011	7	238	245	337
Purchases	70	656	726	579
Profit	10	308	318	387
	87	1,202	1,289	1,303

	Agriculture	Other industries	Total 31 December 2011	Total 31 December 2010
	€000	€000	€000	€000
Sales	80	944	1,024	1,058
Stock on hand at 31 December 2011 ¹	7	258	265	245
	87	1,202	1,289	1,303

¹The stock on hand at 31 December 2011 comprises materials and manufactured goods totalling €163,785 and tools and manufacturing equipment totalling €101,172.

	2011 €000	2010 €000
Reconciliation with Appropriation Account		
Amount due in respect of purchases as at 1 January	1	8
Purchases during year ended 31 December	726	579
	727	587
Amount due in respect of purchases as at 31 December	(12)	(1)
Expenditure from subhead D as per Appropriation Account	715	586
	2011 €000	2010 €000
Amount due in respect of sales as at 1 January	8	9
Sales during year ended 31 December	1,024	1,058
	1,032	1,067
Amount due in respect of sales as at 31 December	(4)	(8)
Receipts under subhead J.1 as per Appropriation Account	1,028	1,059

Brian Purcell
Accounting Officer
Department of Justice and Equality
28 March 2012

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 2011 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 2011, 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 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 Courts Service.

Brendan Ryan
Accounting Officer
The Courts Service
31 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 22: Courts Service for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
30 August 2012

Vote 22 The Courts Service Appropriation Account 2011

Service		2011 Estimate provision	2011 Outturn	2010 Outturn
Administration	€000	€000	€000	€000
A.1. Salaries, wages and allowances				
	<i>Original</i> 50,787			
	<i>Supplementary</i> 582	51,369	51,358	51,834
A.2. Travel and subsistence				
	<i>Original</i> 2,913			
	<i>Supplementary</i> 47	2,960	2,759	2,941
A.3. Training and development and incidental expenses				
	<i>Original</i> 8,992			
	<i>Supplementary</i> 460	9,452	8,707	9,245
A.4. Postal and telecommunications services				
	<i>Original</i> 2,415			
	<i>Supplementary</i> 683	3,098	2,666	2,825
A.5. Office equipment and external IT services				
	<i>Original</i> 6,094			
	<i>Supplementary</i> (392)	5,702	6,786	8,525
A.6. Office premises expenses				
	<i>Original</i> 13,972			
	<i>Supplementary</i> 1,663	15,635	16,056	16,580
A.7. Consultancy services and value for money and policy reviews		247	213	212
Other Services				
B.1. Courthouses (capital works)				
	<i>Original</i> 5,543			
	<i>Supplementary</i> (80)	5,463	4,679	17,272
B.2. PPP Costs				
	<i>Original</i> 21,163			
	<i>Supplementary</i> (1,663)	19,500	19,500	21,279
— PPP Costs - VAT Payments		—	—	17,881
Gross expenditure				
	<i>Original</i> 112,126			
	<i>Supplementary</i> 1,300	113,426	112,724	148,594
Deduct				
C. Appropriations-in-aid				
	<i>Original</i> 51,461			
	<i>Supplementary</i> (1,500)			
		49,961	50,085	50,447
Net expenditure				
	<i>Original</i> 60,665			
	<i>Supplementary</i> 2,800			
		63,465	62,639	98,147
Surplus to be surrendered			€826,295	€4,057,095

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			88,545	92,162
Expenditure on services and programmes			24,179	56,432
Gross Expenditure			112,724	148,594
Deduct				
Appropriations-in-aid			50,085	50,447
Net expenditure			62,639	98,147
Changes in capital assets				
Purchases cash		(1,440)		
Depreciation		11,566		
			10,126	10,498
Changes in assets under development				
Cash payments			(2,404)	(13,581)
Changes in net current assets				
Increase in closing accruals		908		
Decrease in stock		1		
			909	1,133
Direct expenditure			71,270	96,197
Net allied services expenditure	1.1		43,832	42,642
Notional rents			3,335	5,003
Total operating cost			118,437	143,842

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.

Vote		2011 €000	2010 €000
7	Superannuation and Retired Allowances	7,260	7,160
10	Office of Public Works	1,819	1,910
20	Garda Síochána	201	201
19	Justice and Equality - Financial Shared Services Centre	802	790
	Central Fund - Judicial salaries and pensions	33,750	32,581
		43,832	42,642

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	221,896	170,707
Capital assets under development	2.2	2,115	62,200
		224,011	232,907
Current assets			
Stocks	2.4	238	239
Prepayments		3,197	3,091
Accrued income		2,615	3,295
Other debit balances	2.5	5,387	6,275
Total current assets		11,437	12,900
Less current liabilities			
Bank and cash	2.3	3,300	(198)
Accrued expenses		3,958	3,751
Other credit balances	2.6	1,401	5,816
Net liability to the Exchequer	2.7	686	657
Total current liabilities		9,345	10,026
Net current assets		2,092	2,874
Net assets		226,103	235,781
Represented by:			
State funding account		226,103	235,781

2.1 Statement of Capital Assets

	Land and buildings €000	IT and office equipment €000	Furniture and fittings €000	Total €000
Gross assets				
Cost or valuation at 1 January 2011	171,924	38,065	31,322	241,311
Additions	61,928	615	212	62,755
Disposals	—	(14)	—	(14)
Cost or valuation at 31 December 2011	233,852	38,666	31,534	304,052
Accumulated depreciation				
Opening balance at 1 January 2011	16,727	31,473	22,404	70,604
Depreciation for the year	6,131	2,851	2,584	11,566
Depreciation on disposals	—	(14)	—	(14)
Cumulative depreciation at 31 December 2011	22,858	34,310	24,988	82,156
Net assets at 31 December 2011	210,994	4,356	6,546	221,896
Net assets at 31 December 2010	155,197	6,592	8,918	170,707

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 Equality 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 2011. 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

at 31 December 2011

	Construction €000	Computer applications €000	Total €000
Amounts brought forward at 1 January 2011	62,045	155	62,200
Cash payments for the year	2,404	—	2,404
Transferred to asset register	(61,442)	—	(61,442)
Adjustments made during the year ¹	(892)	(155)	(1,047)
Amounts carried forward at 31 December 2011	2,115	—	2,115

¹As part of a detailed review carried out in 2011, a number of adjustments were required to the balance.

2.3 Bank and Cash

at 31 December

	2011	2010
	€000	€000
PMG balance and cash	(2,250)	1,456
Orders outstanding	(1,050)	(1,258)
	<u>(3,300)</u>	<u>198</u>

2.4 Stocks

at 31 December

	2011	2010
	€000	€000
Stock	<u>238</u>	<u>239</u>

2.5 Other Debit Balances

at 31 December

	2011	2010
	€000	€000
Advances to OPW	4,035	4,852
Suspense	1,332	1,406
Imprests	20	17
	<u>5,387</u>	<u>6,275</u>

2.6 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Income Tax	827	656
Professional Services Withholding Tax	32	100
Value Added Tax	33	65
Pay Related Social Insurance	302	421
Fines	(157)	3,786
Excise Duty	—	103
	<u>1,037</u>	<u>5,131</u>
Payroll deductions held in suspense	364	378
Other credit suspense items	—	307
	<u>1,401</u>	<u>5,816</u>

2.7 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	826	4,057
Exchequer grant undrawn	(140)	(3,400)
Net liability to the Exchequer	<u>686</u>	<u>657</u>

Represented by:**Debtors**

Debit balances: suspense

	5,387	6,275
	<u>5,387</u>	<u>6,275</u>

Creditors

Bank and cash

Due to State

Credit balances: suspense

	(3,300)	198
	(1,037)	(5,131)
	(364)	(685)
	<u>(4,701)</u>	<u>(5,618)</u>

Net liability to the Exchequer

	<u>686</u>	<u>657</u>
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2.8 Commitments

at 31 December

2011	2010
€000	€000

(a) Global commitments

Total of legally enforceable commitments

9,876	13,636
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(b) Multi-annual capital commitments

	Expenditure to 31 December 2010¹	Expenditure in 2011	Subsequent Years	Total
Project	€000	€000	€000	€000
Refurbishment of courthouses	40,398	3,203	18,762	62,363
Information technology projects	3,931	262	1,064	5,257

¹ Excludes projects completed by the end of 2010**(c) Capital cost of Public Private Partnership project**

Name of PPP Project	Expenditure to 31 December 2010	Expenditure in 2011	Legally enforceable commitments to be met in subsequent years	Total¹
	€000	€000	€000	€000
Criminal Courts Complex	20,621	3,862	152,613	177,096

¹ Includes an amount of €15,000 for VAT not included in 2010.**2.9 Matured Liabilities**

The estimate of matured liabilities not discharged at year end amounted to €2,160 (2010 - €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%.

Sub-head	Less/(more) than provided €000	Explanation
B.1.	784	The underspend was due to a delay in commencing a capital project.

4 Receipts

4.1 Appropriations-in-aid		2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Fees				
	<i>Original</i>	47,493		
	<i>Supplementary</i>	(1,500)	45,993	45,156
2. Miscellaneous		1,142	1,858	1,328
3. Receipts from pension-related deduction on public service remuneration		2,826	3,071	3,094
Total		49,961	50,085	50,447

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
2.	(716)	The excess arose due to additional recoupment received from the Law Society and Bar Council.
3.	(245)	The excess arose due to the general difficulty in accurately forecasting staff movement, including age related retirements, early retirements, and the recruitment of staff to fill a number of these vacancies.

4.2 Extra receipts payable to the Exchequer

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
Road Traffic Act fines	10,800	9,700	11,372
Other fines ¹	9,000	5,230	6,991
Prior year fines ²	—	2,740	—
	19,800	17,670	18,363

¹In 2010, other fines included payments made to the Revenue Commissioners, the Department of Communications, Energy and Natural Resources and the Department of Agriculture, Fisheries and Food amounting to €2.3 million. The 2011 Estimate figure also includes a provision for direct payments to the aforementioned departments for revenue and fisheries fines. These are not extra receipts payable to the Exchequer. Payments in respect of revenue and fisheries fines are now shown separately in Note 6.2. The 2010 realised receipts figure has been revised.

² This amount relates to an untransferred legacy balance held in the fines suspense account.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	958	990
	€000	€000
Pay	47,222	47,697
Higher, special or additional duties allowances	25	65
Other allowances	1,230	1,219
Overtime	413	443
Employer's PRSI	2,468	2,410
Total pay	51,358	51,834

5.1 Allowances and Overtime payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties allowances	7	—	6,409	10,117
Other allowances	309	24	19,585	19,581
Overtime	135	10	27,016	27,647

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

5.2 Other Remuneration Arrangements

A total of €24,329 was paid to five retired civil servants in receipt of civil service pensions who were engaged for short periods during 2011.

5.3 Recouped Costs

Salary costs of €877,938 were recouped from tribunals and Government departments in respect of staff on secondment.

6 Miscellaneous

6.1 Compensation and third party legal costs

Total payments in respect of compensation and legal costs amounted to €140,531. Of this amount, €109,851 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 €18,676.

6.2 Fines collected on behalf of other Departments

Direct payments were made to the following departments in respect of fines collected by the Court Service on their behalf in 2011.

	2011	2010
	€000	€000
Revenue Commissioners	2,003	2,040
Department of Communications, Energy and Natural Resources	28	48
Department of Agriculture, Fisheries and Food	247	233
Total	2,278	2,321

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 2011 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 2011, 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
15 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 23: Property Registration Authority for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
25 July 2012

Vote 23 Property Registration Authority Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	27,138	26,046	26,831
A.2. Travel and subsistence	124	97	97
A.3. Incidental expenses	4,309	3,749	4,672
A.4. Postal and telecommunications services	1,450	794	932
A.5. Office machinery and other office supplies, and related services	2,742	1,436	3,004
A.6. Office premises expenses	580	696	832
A.7. Consultancy services	55	20	33
Gross expenditure	36,398	32,838	36,401
Deduct			
A.8. Appropriations-in-aid	1,226	1,355	1,402
Net expenditure	35,172	31,483	34,999
Surplus to be surrendered		€3,688,530	€3,749,588

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			32,838	36,401
Gross expenditure			32,838	36,401
Deduct				
Appropriations-in-aid			1,355	1,402
Net expenditure			31,483	34,999
Changes in capital assets				
Purchases cash		(222)		
Depreciation		3,772		
Loss on disposals		7	3,557	1,639
Changes in net current assets				
Increase in closing accruals		27		
Increase in stock		(23)		
			4	(77)
Direct expenditure			35,044	36,561
Net allied services expenditure	1.1		5,481	5,394
Notional rents			2,385	3,463
Total operating cost			42,910	45,418

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

		2011 €000	2010 €000
7	Superannuation and Retired Allowances	4,030	3,724
10	Office of Public Works	1,206	1,419
19	Justice and Equality - Financial Shared Services Centre	245	251
		5,481	5,394

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	6,802	10,388
		6,802	10,388
Current assets			
Stocks	2.3	323	300
Prepayments		635	611
Accrued income		—	34
Other debit balances	2.4	556	129
Net liability from the Exchequer	2.6	483	250
Total current assets		1,997	1,324
Less current liabilities			
Bank and cash	2.2	330	(351)
Accrued expenses		157	169
Other credit balances	2.5	709	730
Total current liabilities		1,196	548
Net current assets		801	776
Net assets		7,603	11,164
Represented by :			
State funding account		7,603	11,164

2.1 Statement of Capital Assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2011	40,329	4,312	44,641
Additions	168	25	193
Disposals	(615)	(155)	(770)
Cost or valuation at 31 December 2011	39,882	4,182	44,064
Accumulated depreciation			
Opening balance at 1 January 2011	30,451	3,802	34,253
Depreciation for the year	3,653	119	3,772
Depreciation on disposals	(609)	(154)	(763)
Cumulative depreciation at 31 December 2011	33,495	3,767	37,262
Net assets at 31 December 2011	6,387	415	6,802
Net assets at 31 December 2010	9,878	510	10,388

2.2 Bank and Cash

	2011 €000	2010 €000
at 31 December		
PMG balances and cash	198	473
Orders outstanding	(528)	(122)
	(330)	351

2.3 Stocks

	2011 €000	2010 €000
at 31 December		
Stationery	151	100
Miscellaneous supplies	18	17
IT consumables	154	183
	323	300

2.4 Other Debit Balances

	2011 €000	2010 €000
at 31 December		
Suspense	533	32
Advances to OPW	18	94
Imprests	5	3
	556	129

2.5 Other Credit Balances

at 31 December

2011**€000****2010****€000****Amounts due to the State**

Income Tax	343	257
Retention Tax	1	1
Pay Related Social Insurance	160	219
Valued Added Tax	21	58
	<hr/> 525	<hr/> 535
Payroll deductions	184	195
	<hr/> 709	<hr/> 730

2.6 Net Liability from the Exchequer

at 31 December

2011**€000****2010****€000**

Surplus to be surrendered	3,688	3,749
Exchequer grant undrawn	(4,171)	(3,999)
Net liability from the Exchequer	<hr/> (483)	<hr/> (250)

Represented by:**Debtors**

Debit balances: suspense	556	129
	<hr/> 556	<hr/> 129

Creditors

Bank and cash	(330)	351
Due to State	(525)	(535)
Credit balances: suspense	(184)	(195)
	<hr/> (1,039)	<hr/> (379)
	<hr/> (483)	<hr/> (250)

2.7 Commitments**2011****€000****2010****€000****Global Commitments**

Total of legally enforceable commitments	104	133
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2.8 Matured Liabilities

Matured liabilities not discharged at year end amounted to €732 (2010 - €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 25%.

Subhead	Less/(more) than provided €000	Explanation
A.4.	656	The PRA continues to modernise its telephone arrangements which is yielding sustainable savings. In addition there was a reduced volume of postal activity in 2011.
A.5.	1,306	The underspend arose as there were no major IT capital projects commenced in 2011.

4 Receipts

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
4.1 Appropriations-in-aid			
Pension-related deduction on public service remuneration	1,226	1,355	1,402

4.2 Extra receipts payable to the Exchequer

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
Land Registry fees	24,000	23,330	28,646
Registry of Deeds fees	2,000	1,359	1,733
Ground rent fees	100	77	83
	26,100	24,766	30,462

Fee income continued to decline in 2011 as a result of a lower level of activity in the property market.

5 Employee Numbers and Pay

	2011	2010
Number of Staff at Year End (full time equivalents)	573	586
	€000	€000
Pay	24,481	24,932
Higher, special or additional duties allowances	—	(3)
Other allowances	86	79
Overtime	153	479
Employer's PRSI	1,326	1,344
Total pay	26,046	26,831

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	—	—	—	—
Other allowances	44	—	7,870	7,879
Overtime	32	2	13,075	13,905

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

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 to by the act, neglect or default of himself or his agent. Thirty two compensation payments (27 - 2010) totalling €208,627 were paid in 2011 (2010 - € 167,557).

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 2011 for the salaries and expenses of Vote 24 Charitable Donations and Bequests Office.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2011, 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 2011 Revised Estimate for the Charitable Donations and Bequests Office. The functions of this Office were transferred to the Department of Justice and Equality (Vote 19) on 1 May 2011 (S.I. No. 194 of 2011). Therefore, expenditure prior to 1 May 2011 in relation to the functions of the Office is included in this Vote and all expenditure relating to the functions of the Office after that date is included in Vote 19. However, bank transactions occurring after the 1 May 2011 have been included in this account in order to finalise the affairs of Vote 24.

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 operated in the Charitable Donations and Bequests Office for the year ended 31 December 2011.

Orla Barry Murphy
Accounting Officer
Charitable Donations and Bequests Office
29 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 24: Charitable Donations and Bequests for 2011 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 Charitable Donations and Bequests. 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 2011.

Seamus McCarthy
Comptroller and Auditor General
11 September 2012

Vote 24 Charitable Donations and Bequests

Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	93	93	278
A.2. Travel and subsistence	1	—	—
A.3. Incidental expenses	18	18	56
A.4. Postal and telecommunications services	3	3	8
A.5. Office premises expenses	5	5	19
	<hr/>	<hr/>	<hr/>
Gross expenditure	120	119	361
Deduct			
A.6. Appropriations-in-aid	5	5	14
	<hr/>	<hr/>	<hr/>
Net expenditure	115	114	347
	<hr/>	<hr/>	<hr/>
Surplus for surrender		€628¹	€77,737
		<hr/>	<hr/>

¹Surrendered on 16 September 2011

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			119	361
Expenditure on services and programmes			—	—
Gross expenditure			<u>119</u>	<u>361</u>
Deduct				
Appropriations in aid			5	14
Net expenditure			<u>114</u>	<u>347</u>
Changes in capital assets				
Purchases cash		—		
Depreciation		—		
			—	(1)
Changes in net current assets				
Decrease in closing accruals			(4)	1
Direct expenditure			<u>110</u>	<u>347</u>
Net allied services expenditure	1.1		4	117
Total operating cost			<u>114</u>	<u>464</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		2011 €000	2010 €000
10	Office of Public Works	4	117
		<u>4</u>	<u>117</u>

2 Balance Sheet as at 31 December 2011

		2011	2010
	Note	€000	€000
Capital assets	2.1	—	6
		<hr/>	<hr/>
		—	6
Current assets			
Net liability from the Exchequer	2.3	10	(1)
Total current assets		<hr/>	<hr/>
		10	(1)
Less current liabilities			
Bank and cash	2.2	10	(1)
Accrued expenses		—	4
Total current liabilities		<hr/>	<hr/>
		10	3
Net current liabilities			
		<hr/>	<hr/>
		—	(4)
Net assets		<hr/>	<hr/>
		—	2
Represented by:			
State funding account		<hr/>	<hr/>
		—	2
		<hr/>	<hr/>

2.1 Statement of Capital Assets

	Furniture and fittings €000	Office equipment €000	Total €000
Gross assets			
Cost or valuation at 1 January 2011	26	47	73
Additions	—	—	—
Disposals	—	(2)	(2)
Transfers	(26)	(45)	(71)
Cost or valuation at 31 December 2011	—	—	—
Accumulated depreciation			
Opening balance at 1 January 2011	26	41	67
Depreciation for the year	—	—	—
Depreciation on disposals	—	(2)	(2)
Depreciation on transfers	(26)	(39)	(65)
Cumulative depreciation at 31 December 2011	—	—	—
Net assets at 31 December 2011	—	—	—
Net assets at 31 December 2010	—	6	6

2.2 Bank and Cash

	2011 €000	2010 €000
at 31 December		
PMG balances and cash	(10)	2
Orders outstanding	—	(1)
	<u>(10)</u>	<u>1</u>

The Office executed its responsibilities in clearing its PMG accounts by processing all payments and receipts. The remaining PMG balance is of a technical nature and is being addressed by the Department of Public Expenditure and Reform with advice from the Department of Finance.

2.3 Net Liability from the Exchequer

	2011 €000	2010 €000
at 31 December		
Surplus to be surrendered	—	78
Exchequer grant undrawn	(10)	(77)
Net liability from the Exchequer	<u>(10)</u>	<u>1</u>

Represented by**Creditors**

Net PMG position and cash	<u>(10)</u>	<u>1</u>
	<u>(10)</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

4.1 Appropriations-in-aid

1. Miscellaneous	—	—	—
2. Pension-related deduction on public service remuneration	5	5	14
Total	5	5	14

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Miscellaneous	—	—	—
2. Pension-related deduction on public service remuneration	5	5	14
Total	5	5	14

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	—	6
	2011 €000	2010 €000
Pay	86	258
Higher, special or additional duties allowances	—	1
Employer's PRSI	7	19
Total pay	93	278

6 Miscellaneous

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, Community 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 2011 for the salaries and expenses of the Office of the Minister for the Environment, Community 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 granted by Dáil Éireann under the Appropriation Act 2011, 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:

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.

Capital assets are depreciated on a straight line basis over their estimated useful life starting in the month the asset is placed in service.

Transfer of Functions

The account has been prepared in accordance with the Revised Estimates for Public Services 2011, which took account of the alteration of the title of the Department of the Environment, Heritage and Local Government to the Department of the Environment, Community and Local Government with effect from 2 May 2011 (S.I. No. 193 of 2011) and the following transfer of functions:

- the transfer of community functions from the Department of Community, Equality and Gaeltacht Affairs to this Department with effect from 1 May 2011 (S.I. No. 196 of 2011) and
- the transfer of heritage functions from this Department to the Department of Tourism, Culture and Sport (title altered to the Department of Arts, Heritage and the Gaeltacht on 2 May 2011) with effect from 1 May 2011 (S.I. No. 192 of 2011).

In line with accounting arrangements set out by the Department of Public Expenditure and Reform, the Revised Estimates for 2011 reflects the heritage change in Departmental functions on a full year basis. The Appropriation Account, which must follow the form and format of the relevant estimate, also reflects the heritage change in functions on a full year basis. Therefore, all heritage related expenditure and income for 2011 is included in the Appropriation Account for the Department of Arts, Heritage and the Gaeltacht (Vote 35).

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, Community and Local Government.

Geraldine Tallon

Accounting Officer

Department of the Environment, Community and Local Government

29 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 25: Environment, Community and Local Government for 2011 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 Environment, Community 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 2011.

Chapters 16, 26 and 27 of my report on the accounts of the public services for 2011 refer to certain matters relating to Vote 25 on which I considered it appropriate to report in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993.

Seamus McCarthy
Comptroller and Auditor General
11 September 2012

Vote 25 Environment, Community and Local Government Appropriation Account 2011

Service		2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000	€000
Administration				
A.1. Salaries, wages and allowances		51,574	51,073	65,100
A.2. Travel and subsistence		1,613	1,275	2,001
A.3. Training and development and incidental expenses		1,664	974	1,310
A.4. Postal and telecommunications services		1,311	1,176	1,455
A.5. Office equipment and external IT services		9,704	6,845	8,369
A.6. Office premises expenses		1,033	732	1,228
A.7. Consultancy services and value for money and policy reviews		349	99	140
Housing				
B.1. Social housing provision and support (part funded by National Lottery)				
	<i>Original</i>	531,325		
	<i>Supplementary</i>	(9,999)		
		<u>521,326</u>	490,009	780,930
B.2. Local authority estate regeneration and remedial works		203,700	182,177	194,910
B.3. Private housing adaptation - grants and other supports (part funded by National Lottery)		70,505	70,200	89,440
Water Services				
C.1. Water services investment programme		435,000	428,964	495,000
Environment				
D.1. Environmental Protection Agency		19,796	19,353	27,094
D.2. Environmental radiation policy		3,323	3,398	4,570
D.3. Subscriptions to international organisations		4,110	4,108	4,122
D.4. Carbon Fund		4,200	4,140	36,146
D.5. International climate change				
	<i>Original</i>	—		
	<i>Supplementary</i>	<u>10,000</u>	10,000	23,000
Waste Management				
E.1. Recycling services		—	—	—
E.2. Landfill remediation		1,000	1,001	3,526

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
€000	€000	€000	€000
Local Government			
F.1. Local Government Fund	164,000	175,000	241,403
F.2. Fire and emergency services	12,130	13,130	19,949
F.3. Local authority library and archive service	7,600	7,582	8,832
F.4. Community and social inclusion	2,989	3,399	5,568
F.5. Disability services	—	—	7,615
F.6. Economic and social disadvantage (Dormant Accounts Fund)	282	—	719
Supporting Communities			
G.1. Supports for community and voluntary sector (part funded by National Lottery)	6,486	6,490	—
G.2. Local and community development programmes (part funded by National Lottery)	34,308	33,469	—
G.3. RAPID	2,458	1,563	—
G.4. Dormant accounts measures	1,943	1,639	—
Planning			
H.1. An Bord Pleanála	12,829	13,724	13,565
H.2. Planning Tribunal	3,470	4,137	3,281
H.3. Tidy Towns Competition	1	1	289
H.4. Planning and development, etc.	150	180	236
H.5. Foreshore	1,400	416	833
Rural Development			
I.1. Western Development Commission	660	563	—
I.2. National rural development schemes	2,987	2,985	—
I.3. LEADER - Rural economy sub-programme 2007-2013	53,072	38,610	—
Other Services			
J.1. Irish Water Safety	512	512	539
J.2. Miscellaneous services	14,212	17,818	16,199
Heritage			
— Grant for An Chomhairle Oidhreachta (Heritage Council) (part funded by National Lottery)	—	—	8,482
— Built heritage	—	—	15,502
— Natural heritage (National Parks and Wildlife Service)	—	—	26,908
— Irish Heritage Trust	—	—	436

Service		2011 Estimate provision	2011 Outturn	2010 Outturn
		€000	€000	€000
Gross expenditure				
	<i>Original</i>	1,661,696		
	<i>Supplementary</i>	<u>1</u>		
		1,661,697	1,596,742	2,108,697
Deduct:				
K.	Appropriations-in-aid	<u>52,225</u>	<u>47,917</u>	<u>30,280</u>
Net expenditure				
	<i>Original</i>	1,609,471		
	<i>Supplementary</i>	<u>1</u>		
		<u>1,609,472</u>	<u>1,548,825</u>	<u>2,078,417</u>
Surplus for the year			€60,646,675	€99,187,749
Deferred surrender			€34,000,000	—
Surplus to be surrendered			<u>€26,646,675</u>	<u>€99,187,749</u>

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			62,174	79,603
Expenditure on services and programmes			1,534,568	2,029,094
Gross expenditure			1,596,742	2,108,697
Deduct				
Appropriations-in-aid			47,917	30,280
Net expenditure			1,548,825	2,078,417
Changes in capital assets				
Purchases cash		(904)		
Depreciation		3,745		
Disposals cash		—		
Loss on disposals		11	2,852	2,972
Changes in assets under development				
Cash payments			(17)	(96)
Changes in net current assets				
Increase in closing accruals		3,424		
Increase in stock		(91)		
			3,333	(5,497)
Direct expenditure			1,554,993	2,075,796
Net allied services expenditure	1.1		22,025	19,959
Notional rents			2,565	3,633
Total operating cost			1,579,583	2,099,388

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

Vote		2011 €000	2010 €000
7	Superannuation and Retired Allowances	16,430	16,238
10	Office of Public Works	5,198	3,323
20	Garda Síochána	62	192
	Central Fund - Ministerial etc. pensions	335	206
		22,025	19,959

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	28,851	66,668
Capital assets under development	2.2	35	18
		28,886	66,686
Current assets			
Bank and cash	2.3	37,030	3,468
Stocks	2.4	441	350
Prepayments		2,413	8,434
Accrued income		5,905	956
Other debit balances	2.5	976	2,167
Total current assets		46,765	15,375
Less current liabilities			
Accrued expenses		2,748	1,371
Deferred income		1,058	1
Other credit balances	2.6	3,684	4,807
Net liability to the Exchequer	2.7	34,322	828
Total current liabilities		41,812	7,007
Net current assets		4,953	8,368
Net assets		33,839	75,054
Represented by:			
State funding account		33,839	75,054

2.1 Statement of Capital Assets

	Land and buildings	Plant, and 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 2011	33,094	9,189	78,220	6,541	127,044
Prior year adjustments ¹	238	(49)	(5,210)	(711)	(5,732)
Additions	—	—	957	29	986
Disposals	—	—	(358)	—	(358)
Transfers to the Department of Arts, Heritage and the Gaeltacht	(33,272)	(8,975)	(708)	(2,622)	(45,577)
Transfers from the Department of Community, Equality and Gaeltacht Affairs	—	41	1,635	111	1,787
Cost or valuation at 31 December 2011	60	206	74,536	3,348	78,150
Accumulated depreciation					
Opening balance at 1 January 2011	36	6,778	50,085	3,477	60,376
Prior year adjustments ¹	4	(1)	(7,629)	(345)	(7,971)
Depreciation for the year	1	12	3,593	139	3,745
Depreciation on disposals	—	—	(347)	—	(347)
Depreciation on transfers to the Department of Arts, Heritage and the Gaeltacht	(19)	(6,648)	(529)	(560)	(7,756)
Depreciation on transfers from the Department of Community, Equality and Gaeltacht Affairs	—	12	1,185	55	1,252
Cumulative depreciation at 31 December 2011	22	153	46,358	2,766	49,299
Net assets at 31 December 2011²	38	53	28,178	582	28,851
Net assets at 31 December 2010	33,058	2,411	28,135	3,064	66,668

¹ In order to correctly reflect the most accurate valuation of assets, adjustments were required to the cost or valuation of gross assets at 1 January 2011, and to the accumulated depreciation at 1 January 2011.

² In June 2012, a contract for removal and disposal of the electronic voting equipment, with a book value of €24.51 million, was signed providing for payment of €70,267 by the successful tenderer, subject to verification of the quantities of items involved. This will be reflected in the Operating Cost Statement in the Appropriation Account for 2012.

2.2 Statement of Capital Assets under Development

at 31 December	€000
Amounts brought forward at 1 January 2011	18
Cash payments for the year	17
Transferred to asset register	—
Amounts carried forward at 31 December 2011	35

2.3 Bank and Cash

at 31 December	2011 €000	2010 €000
PMG balances and cash	37,049	4,684
Orders outstanding	(19)	(1,216)
	37,030	3,468

2.4 Stocks

at 31 December	2011 €000	2010 €000
Meteorological consumables	323	61
Stationery	58	58
IT consumables	52	81
Other	7	140
Cleaning materials	1	10
	441	350

2.5 Other Debit Balances

at 31 December	2011 €000	2010 €000
Imprests	8	9
Advances to OPW	—	121
Recoupable salary costs	146	205
Recoupable travel costs	42	40
Recoupable travel pass scheme	120	167
Other debit suspense items	660	1,625
	976	2,167

2.6 Other Credit Balances

at 31 December	2011 €000	2010 €000
Amounts due to the State		
Income Tax	940	820
Pay Related Social Insurance	278	556
Withholding Tax	224	471
Value Added Tax	329	647
Pension Contributions	282	376
	2,053	2,870
Other credit suspense items	1,631	1,937
	3,684	4,807

2.7 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	26,647	99,188
Deferred surrender	34,000	—
Exchequer grant undrawn	(26,325)	(98,360)
Net liability to the Exchequer	<u>34,322</u>	<u>828</u>
Represented by:		
Debtors		
Net PMG position and cash	37,030	3,468
Debit balances: suspense	976	2,167
	<u>38,006</u>	<u>5,635</u>
Creditors		
Due to State	(2,053)	(2,870)
Credit balances: suspense	(1,631)	(1,937)
	<u>(3,684)</u>	<u>(4,807)</u>
	<u>34,322</u>	<u>828</u>

2.8 Matured Liabilities

	2011	2010
	€000	€000
Estimate of matured liabilities not discharged at 31 December	1	18

2.9 Commitments**(a) Global commitments**

Global figure for commitments likely to materialise in subsequent year(s) under procurement and grant subheads are €117,901 and €1,170,039,952 respectively.

(b) Multi-annual capital commitments

(Projects costing €12,697,380 or more)

1 Water/Sewerage Projects	Cumulative expenditure to 31 December 2010	Expenditure in 2011	Subsequent years	Total cost
Project	€000	€000	€000	€000
Arklow Water Supply Scheme ¹	5,581	2,199	12,032	19,812
Ashbourne/Ratoath/Kilbride Sewerage Scheme ²	12,349	—	3,113	15,462
Ballina Sewerage Scheme	17,980	—	748	18,728
Ballycoolen Water Supply Scheme (3 elements combined) ¹	61,324	2,353	1,858	65,535
Ballymore Eustace Water Treatment Plant Stage 3 ¹	62,965	12,456	10,224	85,645
Ballyshannon Water Supply Scheme ¹	2,260	441	11,206	13,907
Barrow Abstraction Scheme	7,313	7,028	11,402	25,743

1 Water/Sewerage Projects	Cumulative expenditure to 31 December 2010	Expenditure in 2011	Subsequent years	Total cost
Project	€000	€000	€000	€000
Boherboy Water Supply Scheme ¹	30,467	2,999	848	34,314
Bray Shanaganagh Sewerage Scheme ^{1,3}	60,604	7,948	136	68,688
Carlow Town Surface Water Drainage (Main Scheme) ¹	5,279	7,047	6,188	18,514
Carna/Kilkieran Water Supply Scheme	12,448	—	569	13,017
Castlebar Environs Sewerage Scheme (excl advance & outfall)	41,330	—	843	42,173
Castleconnell Sewerage Scheme	13,438	2,000	398	15,836
Courtown Riverchapel Sewerage ¹	19,619	805	224	20,648
Donegal Bay Wastewater Treatment Plant - Group A (DBO contract)	26,143	—	1,841	27,984
Dublin Bay Sewerage ¹	434,291	11,812	4,891	450,994
Dublin Region Watermains Rehabilitation Project (aka Dublin Water Conservation - Project C Rehabilitation - Long Term Phase - Tranche 2) ²	5,419	10,407	8,679	24,505
Dublin Water Conservation (DRWRP) ¹	33,961	3,233	21,204	58,398
Dungarvan Sewerage	31,162	98	1,134	32,394
Dunshaughlin Water Supply Scheme ¹	13,244	—	330	13,574
East Waterford Water Supply Scheme Stage 2 Phase 2 ¹	15,873	259	518	16,650
Four Roscommon Regional Water Supply Scheme	10,723	98	29,378	40,199
Galway DBO Bundle No. 2 ^{1,3}	6,477	9,565	1,272	17,314
Gorey Regional Water Supply Scheme ¹	11,430	2,175	5,168	18,773
Kildare Sludge Treatment Centre	16,080	—	1,004	17,084
Kildare Water Supply Strategy, Phase 1 - Trunk Watermains ^{1,3}	14,831	—	503	15,334
Killybegs Sewerage Scheme	5,221	13,178	1,590	19,989
Kinsale Sewerage Scheme ¹	17,519	1,852	2,561	21,932
Leitrim Towns and Villages Sewerage Scheme (9 villages) ¹	17,347	—	4,819	22,166
Letterkenny Sewerage Scheme	14,453	14,530	5,235	34,218
Limerick Main Drainage (Phase 1, 2 & 3) - collection and treatment ¹	331,110	4,357	280	335,747
Limerick Water Network (Southern Ring Main - City & County)	12,979	240	248	13,467
Lough Mask Regional Water Supply (Knock-Ballyhaunis)	30,421	—	650	31,071

1 Water/Sewerage Projects	Cumulative expenditure to 31 December 2010	Expenditure in 2011	Subsequent years	Total cost
Project	€000	€000	€000	€000
Lower Liffey Valley Sewerage Scheme (treatment plant & collection system for Kilcock, Straffan, Celbridge, Maynooth and Leixlip)	13,961	—	3,774	17,735
Meath Grouped Towns and Villages Sewerage Scheme ¹	46,949	3,586	630	51,165
Midleton Sewerage	26,220	—	77	26,297
Mullingar Sewerage Improvement Scheme	37,041	—	103	37,144
Navan Mid Meath Water Supply ¹	24,139	—	1,006	25,145
Navan Sewerage	32,766	—	491	33,257
New Ross Sewerage Scheme ¹	12,857	1,361	282	14,500
Portlaoise Main Drainage ¹	45,075	2,633	510	48,218
Portrane, Donabate, Rush and Lusk Waste Water Treatment Plant ¹	21,786	10,766	807	33,359
Roscommon Towns & Villages SS (17 villages) Work started on 4 - Creagh, Cootehall, Tulsk & Lisacul ¹	14,502	2,919	1,435	18,856
Sandyford High Level Water Supply Scheme ^{1,3}	15,109	—	544	15,653
Sligo Wastewater Treatment Plant (DBO contract) ¹	18,642	487	312	19,441
Tipperary Grouped DBO & Wastewater Treatment Plants ¹	16,809	—	1,581	18,390
Tuam Regional Water Supply Stage 3	16,815	—	520	17,335
Tuam Regional Water Supply Scheme Ext to Headford	14,989	—	228	15,217
Tuam Water & Sewerage Scheme Network Contract ¹	10,976	9,720	837	21,533
Tullamore Sewerage Scheme, DBO Contract ¹	8,098	11,044	120	19,262
Waterford Grouped Towns & Villages Sewerage Scheme (Ardmore, Tallow, Stradbally, Cappoquin, Dunmore East, Kilmacthomas and Ballyduff/Kilmeadan) ²	11,338	786	1,625	13,749
Waterford Sewerage Scheme Stage 2 ¹	47,373	6,118	219	53,710
Waterville Water Supply & Sewerage Scheme ²	8,804	755	3,464	13,023
Westport Sewerage (excl. advance section)	49,925	—	662	50,587
Wicklow Sewerage Scheme (Wentworth Place Culvert) ¹	23,433	315	708	24,456
Total	1,919,248	167,570	171,029	2,257,847

2 Housing Projects

	Cumulative expenditure to 31 December 2010	Expenditure in 2011	Subsequent years	Total cost
	€000	€000	€000	€000
Construction Projects				
Balgaddy, Phase E, Lucan, Co. Dublin ¹	15,936	403	719	17,058
Carrickpheirish Upper, Phase 3, Waterford City	17,766	826	371	18,963
Fortunestown, Phase B1, Tallaght, Dublin 24 ¹	14,690	1,167	543	16,400
Fortunestown, Phase B2, Tallaght, Dublin 24 ¹	23,037	224	—	23,261
Gooldshill, Mallow, Co. Cork ¹	22,146	—	1,116	23,262
Mountwood, Dun Laoghaire, Co. Dublin ¹	16,847	—	151	16,998
Pearse Street, Sallynoggin, Co. Dublin ¹	13,799	—	160	13,959
Rickardstown, Newbridge, Co. Kildare ¹	24,849	—	675	25,524
Shankill, Phase 2, Co. Dublin ¹	26,517	1,210	—	27,727
Stag Park, Mitchelstown, Cork ¹	14,164	1,620	—	15,784
Total	189,751	5,450	3,735	198,936
Turnkey Projects	€000	€000	€000	€000
Carriganarra, Ballincollig, Co.Cork	15,498	—	930	16,428
Tory Top Road, Cork City ¹	15,102	—	163	15,265
Total	30,600	—	1,093	31,693
Regeneration Projects	€000	€000	€000	€000
Bunratty Road, Maisonettes, Dublin City	13,753	—	724	14,477
Knocknaheeny, Block D, Cork City ^{1,3}	33,332	—	2,668	36,000
Laurel Avenue, Dun Laoghaire	15,050	1,072	—	16,122
Lourdes House, Dublin City	17,963	329	469	18,761
Poplar Row, Dublin City	16,499	—	677	17,176
Regeneration of Ballymun Flats ¹	685,960	20,519	51,000	757,479
Sean Treacy House, Dublin City	10,880	2,289	337	13,506
The Glen, Phase 2, Cork City ¹	8,010	3,789	6,167	17,966
Total	801,447	27,998	62,042	891,487
Voluntary Housing	€000	€000	€000	€000
Respond, Springfield, Tallaght, Dublin 24	18,654	2,414	1,613	22,681
Catholic Housing Aid, Fr. Scully House, Grenville Street, Dublin 1	—	1,238	15,391	16,629
Respond, High Park Convent, Grace Park Road, Dublin 9 ²	12,662	—	284	12,946
Total	31,316	3,652	17,288	52,256

3 Carbon Fund	Cumulative expenditure to 31 December 2010	Expenditure in 2011	Subsequent years	Total cost
	€000	€000	€000	€000
Purchase of carbon credits ¹	112,869	4,140	3,160	120,169

Notes:

¹ Cost of project updated since 2010.

² Excluded from 2010 account as the then estimated cost of the scheme was under €12.7m.

³ Cumulative expenditure to 31 December 2010 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

3.1 Explanation of significant variations

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 2011, based on an analysis of expenditure trends and a full review of 2011 requirements, and following consultation with the Department of Public Expenditure and Reform, 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 2011.

Sub-head	Less/(more) than provided €000	Explanation
A.3.	690	Savings arose as a result of the consolidation of office accommodation, sharing of costs with co-tenants and lower than expected expenditure on staff training.
A.5.	2,859	Savings were achieved through re-negotiation of software contracts, changes in service providers and deferral of certain ICT projects.
A.6.	301	Expenditure was less than expected due to the reduction in the number of staff in the Department and the associated consolidation of Dublin offices.
A.7.	250	Expenditure was confined to a limited number of projects, resulting in overall savings.
B.1.	31,317	Savings arose as progress on the Voluntary Housing Capital Assistance Scheme was less than expected.
B.2.	21,523	Expenditure was lower than anticipated as a number of projects did not progress as planned during the year.
F.1.	(11,000)	Extra funding was provided to assist local authorities with additional costs arising from serious flooding in a number of areas and meeting environmental compliance requirements.
F.2.	(1,000)	Expenditure was higher than expected due to the progress made by local authorities in relation to the construction/upgrading of fire stations, the procurement of fire appliances and the provision of miscellaneous equipment.
F.4.	(410)	Due to the relevant scheme ending in 2011, work on projects was expedited resulting in a significant increase in claims arising for payment to local authorities.
F.6.	282	Project selection and awarding of contracts took longer than anticipated and resulted in lower than expected spending in 2011.
G.3.	895	Savings arose as expenditure by other public bodies to be co-funded under the scheme was lower than expected.

Sub-head	Less/(more) than provided €000	Explanation
G.4.	304	Savings arose as a number of anticipated liabilities did not mature during the year.
H.1.	(895)	Additional funding was provided to An Bord Pleanála to meet increased expenditure associated with legal costs and the retirement of Board members, and shortfalls arising from reduced fee income.
H.2.	(667)	Legal costs to be met by the Tribunal were higher than expected in 2011.
H.5.	984	Spending in respect of legal costs, valuations and contingencies was less than anticipated.
I.3.	14,462	Savings arose due to slower than anticipated project spending by the Local Action Groups which deliver the programme.
J.2.	(3,606)	Expenditure on the Programme for Peace and Reconciliation was greater than expected due to additional requirements and commitments to be met in 2011.

3.2 Expenditure comparison for transfer of functions

The table below shows the full expenditure for all Supporting Communities and Rural Development subheads which formed part of the Department of Community, Equality and Gaeltacht Affairs (Vote 27) until these functions were transferred to the Department of the Environment, Community and Local Government (Vote 25) with effect from 1 May 2011.

Subhead Description				2011	2010
		Vote 27 €000	Vote 25 €000	Total €000	Total €000
Supporting Communities					
G.1.	Supports for community and voluntary sector (part funded by National Lottery)	3,514	6,490	10,004	11,567
G.2.	Local and community development programmes (part funded by National Lottery)	28,976	33,469	62,445	67,454
G.3.	RAPID	706	1,563	2,269	6,067
G.4.	Dormant account measures	1,131	1,639	2,770	6,814
Rural Development					
I.1.	Western Development Commission	895	563	1,458	2,175
I.2.	National rural development schemes	412	2,985	3,397	10,427
I.3.	LEADER - Rural economy sub programme 2007-2013	8,928	38,610	47,538	44,271

4 Receipts

4.1 Appropriations-in-aid	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Fees payable by local authorities, etc., for audit of their accounts	2,060	2,499	2,601
2. Receipt from the Social Insurance Fund in respect of premises occupied in connection with Social Insurance (Social Welfare (Consolidation) Act, 2005)	741	741	741
3. MET Éireann receipts	9,100	9,332	9,506
4. Miscellaneous receipts	175	364	200
5. Dormant accounts receipts	282	—	719
6. Foreshore receipts	2,000	2,192	7,935
7. Rural development schemes	3,877	4,366	—
8. LEADER, INTERREG and Peace programme	2,000	2,296	—
9. Dormant accounts - administration	900	938	—
10. Dormant accounts - programme expenditure	2,000	1,441	—
11. LEADER rural economy sub-programme 2007-2013	23,185	17,208	—
12. Receipts from pension-related deduction on public service remuneration	5,905	6,540	7,562
- Rents (including receipts from lettings of fishing rights, etc.)	—	—	177
- Sales of property	—	—	44
- Services and charges at National Parks and Wildlife sites	—	—	795
Total	52,225	47,917	30,280

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.	(439)	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.
4.	(189)	Miscellaneous appropriations-in-aid are difficult to estimate.
5.	282	This appropriation-in-aid relates to recoupment from the Dormant Accounts Fund for any expenditure arising under subhead F.6. There was no expenditure from subhead F.6 in 2011 and as a result there was no recoupment.
6.	(192)	Foreshore receipts are difficult to predict reliably.
7.	(489)	There were higher than expected receipts from EU funds.
8.	(296)	There were higher than expected receipts from EU funds.
10.	559	The shortfall in receipts arose due to a delay in the commencement of certain projects.
11.	5,977	This appropriation-in-aid relates to expenditure from subhead I.3., which is co-financed by the EU. In the event, expenditure from subhead I.3. was less than anticipated in 2011.
12.	(635)	Income from this source was difficult to predict accurately.

4.2 Extra receipts payable to the Exchequer

Miscellaneous receipts payable directly to the Exchequer amounted to €1,208,453. These were mainly in respect of refunds of grants, interest from the bank account used for electronic payments, and redemption of projects funded under the Voluntary Housing Capital Assistance Scheme.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	812	1,177
	2011	2010
	€000	€000
Pay	45,568	62,756
Higher, special or additional duties allowances	360	410
Other allowances	2,245	2,526
Overtime	599	1,092
Employer's PRSI	2,363	3,540
Total pay	51,135	70,324

Note: The total pay figure is inclusive of pay in subheads A.1. and H.2.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011	Maximum individual payment 2010
			€	€
Higher, special or additional duties	89	9	19,586	20,634
Other allowances	330	92	22,016	21,911
Overtime	152	18	22,098	21,624

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 €25,921.

6 Miscellaneous

6.1 EU Funding

The outturn shown in subheads C.1 and J.2. includes payments in respect of activities co-financed by the European Regional Development Fund. The outturn shown in subhead I.3. includes payments in respect of activities co-financed by the European Agricultural Fund for Rural Development. Estimates of expenditure and actual outturns were as follows:

Subhead Description		2011 Estimate €000	2011 Outturn €000	2010 Outturn €000
C.1.	Water services investment programme	6,177	5,288	5,000
I.3.	Leader - Rural economy sub-programme 2007-2013	38,002	17,208	—
J.2.	Miscellaneous services	3,983	8,493	8,140
—	<i>Built heritage</i>	—	—	783
—	<i>Natural heritage (National Parks and Wildlife Service)</i>	—	—	502
		48,162	30,989	14,425

6.2 Commissions and Inquiries

	Year of appointment	Cumulative expenditure to end 2011 €000	2011 Outturn €000	2010 Outturn €000
Tribunal of Inquiry into certain Planning Matters (The Mahon Tribunal (formerly The Flood Tribunal))	1997	97,352	4,137	3,281

There will be further payments associated with the Tribunal of Inquiry into certain Planning Matters (The Mahon Tribunal (formerly the Flood Tribunal)). Final costs cannot be determined at this point pending the determination of third party legal costs in respect of the period since 2002. Expenditure to the end of 2011 was €97m; in May 2012, the Tribunal estimated that additional costs of €99m may arise, primarily relating to third party legal representation.

6.3 Redundancy Payments

Gross payments of €77,960 were made, within the terms of a Department of Public Expenditure and Reform 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 was €31,184, with the balance of €46,776 being rebated from the Social Insurance Fund via the Department of Social Protection.

6.4 National Lottery Funding

Subhead	Description	2011 Estimate €000	2011 Outturn €000	2010 Outturn €000
B.1.	Social housing provision and support (part funded by National Lottery)	2,000	2,000	3,500
B.3.	Private housing adaptation - grants and other supports (part funded by National Lottery)	6,375	6,375	6,688
G.1.	Supports for community and voluntary sector (part funded by National Lottery)	4,430	4,430	—
G.2.	Local and community development programmes (part funded by National Lottery)	5,915	5,915	—
—	<i>Grant for An Chomhairle Oidhreachta (Heritage Council) (part funded by National Lottery)</i>	—	—	6,742
		18,720	18,720	16,930

Details are available on the Department's website at www.enviro.n.ie

6.5 Legal Costs

A payment of €231,917 was made in relation to this Department's contribution to settlement of the judicial review in the High Court of consents related to the Corrib Gas Pipeline, including the foreshore licence granted by the Minister (Department of Public Expenditure and Reform sanction of 9 March 2011).

A payment of €113,165 was made in settlement of legal costs incurred in a High Court action taken against the State, the Minister, An Bord Pleanála, Dublin City Council and the Attorney General. The main issue for the Department concerned the adequacy of transposition of the Public Participation Directive (Department of Public Expenditure and Reform sanction S10/2/75 of 22 July 2011).

Payments totalling €60,095 were made in respect of legal costs in relation to judicial reviews of the Residential Tenancies Act 2004 (Department of Public Expenditure and Reform sanctions S74/45/00 of 22 February 2011 and 14 October 2011).

6.6 Contingent Liability

The Department is involved in a number of pending legal proceedings which may generate liabilities, depending on the outcome of the litigation. Any actual amount or the timing of potential liabilities is uncertain.

6.7 Carryover of Funding

Under the provisions of Section 91 of the Finance Act 2004, €34,000,000 of unspent allocation in respect of the capital elements of subheads B.2., B.3., C.1. and I.3. was carried forward to 2012.

As agreed with the Department of Public Expenditure and Reform under the delegated administrative budget scheme, a carryover of €702,000 from the Vote for 2011 was included in the Estimates for 2012.

6.8 Tidy Towns Funding

In addition to voted moneys of €1,000, sponsorship and Environment Fund funding totalling €553,211 was 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 2011 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 2011, 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.

Transfer of Functions

Arising from Order of the Minister for Children & Youth Affairs (Transfer of Departmental Administration and Ministerial Functions) Order 2011, certain functions of the Department relating to the School Completion Programme and the National Educational Welfare Board transferred to Vote 43, Department of Children & Youth Affairs, with effect from 1 June 2011. Financial responsibility for FÁS Employment Programmes was transferred to the Department of Social Protection with effect from 1 January 2011. Also from 1 January 2011 there was a transfer of funding into this Department from the Department of Health in respect of the provision of nursing education.

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.

Staff Training

The Department identifies training and development needs through the business planning and PMDS processes. Training continues to be provided in the areas of financial management, procurement, internal audit, payroll (e.g. PAYE/PRSI, Pension Levy and Universal Social Charge courses) Value Added Tax (VAT), Professional Services Withholding Tax (PSWT) and the Department's financial management system (FMS).

Risk Management

The Department operates a Risk Management System which is integrated into the business planning process.

Information technology

In 2011, the Department continued to seek to operate to best practice in respect of Information and Communication Technology and continues to review, enhance and upgrade the ICT infrastructure. Regular security 'health checks' are undertaken by external IT consultants. These assessments cover areas such as database security, network access control, application security and penetration testing of external facing web applications. Mitigating actions were taken in response to minor risks identified in 2011.

Internal Audit

Annual audit programmes are prepared under the auspices of the Audit Committee and both the Internal Audit Unit and the European Social Fund (ESF) Audit Authority (which ensures compliance with the regulatory requirements of the European Union in relation to the management, control and audit of such functions in Ireland) report to the Committee on the conduct of these programmes and the finalisation of audit reports. During 2011, a total of twenty three audit reports, sixteen ESF and seven Internal Audit, were finalised and issued. Four of the internal audit reports were carried forward from the 2010 Audit Programme with the remaining three on the 2011 Audit Programme.

The Audit Committee, the Internal Audit Unit and the European Social Fund Audit Authority each operate under a written charter.

Administrative and Financial Controls

Developments regarding the Department's financial management environment during 2011 included improving efficiencies in relation to invoice processing and to financial reporting on the Financial Management System (FMS). Training in the use of new financial reports was provided to staff in the Department's headquarters locations and included training in relation to the operation of appropriate financial procedures on the FMS. Continued guidance on the application of the Public Financial Procedures was also provided.

The Management Advisory Committee (MAC) reviews and approves expenditure management reports on a monthly basis. Payment authorisation limits for each MAC member area were reviewed across the Department during 2011 in order to ensure the effective operation of such limits.

Seán Ó Foghlú

Accounting Officer

Department of Education and Skills

30 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 26: Education and Skills for 2011 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 2011.

Chapters 17 and 18 of my report on the accounts of the public services for 2011 refer to certain matters relating to Vote 26 on which I considered it appropriate to report in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993.

Seamus McCarthy
Comptroller and Auditor General
11 September 2012

Vote 26 Office of the Minister for Education and Skills Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances ¹	62,743	60,197	59,878
A.2. Travel and subsistence	1,577	1,420	1,490
A.3. Training and development and incidental expenses ¹	1,355	1,001	1,189
A.4. Postal and telecommunications services	3,250	2,401	2,721
A.5. Office equipment and external IT services	5,462	5,053	3,949
A.6. Office premises expenses	2,350	1,635	1,726
A.7. Consultancy services and value for money and policy reviews	100	50	39
A.8. Regional office expenses	260	233	267
A.9. National Educational Psychological Service	18,629	17,763	16,656
Other Services			
B.1. Grant-in-aid fund for general expenses of Adult Education Organisations (part funded by National Lottery)	854	854	864
B.2. Transport services	179,974	171,483	181,409
B.3. International activities	1,038	955	1,082
B.4. UNESCO contribution and international education exchanges	2,464	2,172	2,418
B.5. Research and development activities	2,475	2,270	5,974
B.6. Teacher education	25,205	23,453	23,573
B.7. Expenses of National Council for Curriculum and Assessment	3,812	3,447	3,837
B.8. Funding of Projects in Drug Task Force areas	543	412	2,461
B.9. National Council for Special Education	9,015	8,152	8,216
B.10. Educational disadvantage (Dormant Accounts Funding)	2,000	1,613	2,060
B.11. Occupational health strategy for first and second level teachers	1,750	1,744	1,742
B.12. Residential Institutions Redress	45,000	44,200	43,193
B.13. Royal Irish Academy of Music general expenses (grant-in-aid)	3,544	3,544	3,635
B.14. Grant-in-Aid fund for general expenses of cultural, scientific and educational organisations (part funded by National Lottery)	196	187	196
B.15. North/South Co-operation funding	3,350	1,187	2,717

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
Other services (continued)	€000	€000	€000
B.16. Funding for the promotion of Ireland as an international education centre	100	91	229
B.17. Miscellaneous	5,005	4,200	4,591
B.18. Schools information and communication technologies activities	15,078	9,566	81,253
B.19. Commission on Child Abuse	12,994	2,173	2,261
B.20. National Qualifications Framework	9,323	7,918	8,938
— <i>School Completion Programme</i> ²	—	—	30,008
— <i>National Education Welfare Board</i> ²	—	—	8,695
First level education grants and services			
C.1. Salaries, etc., of teachers	2,052,229	2,050,404	2,006,602
C.2. Model schools - miscellaneous expenses	511	469	512
C.3. Capitation grants towards operating costs of national schools	187,102	186,933	193,281
C.4. Salaries etc. of non-teaching staff in national schools including special needs assistants, caretakers and clerical officers	310,451	300,079	291,383
C.5. Other grants and services	55,337	51,059	54,406
C.6. Superannuation, etc., of teachers	473,474	487,029	449,104
C.7. Special education initiatives	6,065	4,970	10,609
Second level and further education grants and services			
D.1. Salaries, etc., of teachers in secondary, comprehensive and community schools	1,180,733	1,175,669	1,179,101
D.2. Grants to secondary school authorities and other grants and services in respect of secondary schools	107,191	104,280	109,158
D.3. Salaries, etc., of non-teaching staff in secondary, comprehensive and community schools including special needs assistants and clerical officers	52,151	49,126	47,093
D.4. Superannuation of secondary, comprehensive and community school teachers	344,125	345,078	329,648
D.5. Comprehensive and community schools - running costs	46,342	46,342	48,680
D.6. Annual grants to Vocational Education Committees (excluding certain grants in respect of specialist colleges and student support)	906,809	926,340	912,705
D.7. Payments to local authorities in respect of superannuation charges	234,278	230,796	217,438
D.8. Miscellaneous	18,574	17,929	18,970
D.9. Special initiatives adult education	44,465	43,851	44,929
D.10. State Examinations Commission	54,310	55,912	54,286

Service	2011 Estimate	2011 Outturn	2010 Outturn
	€000	€000	€000
Third level and further education grants and			
E.1. Student support	386,057	355,057	361,992
E.2. University scholarships	1,800	1,654	1,549
E.3. An tÚdarás um Ard-Oideachas - grant-in-aid for general expenses	5,587	5,037	5,500
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)	1,177,032	1,177,032	1,194,183
E.5. Training colleges for primary teachers excluding those funded through the Higher Education Authority	12,549	11,469	11,508
E.6. Strategic Innovation Fund	14,000	14,000	18,890
E.7. Dublin Dental Hospital - dental education grant (grant-in-aid)	11,986	11,986	12,335
E.8. Dublin Institute for Advanced Studies (grant-in-aid)	7,020	7,020	7,213
E.9. Grant in respect of tuition fees to designated non-Higher Education Authority third-level Institutions	5,475	5,018	5,126
E.10. Miscellaneous	220	418	253
E.11. Grants to certain third level institutions	17,019	17,149	17,454
E.12. Alleviation of disadvantage	16,000	16,000	16,057
E.13. Research and development activities	41,085	38,549	52,214
E.14. Grangegorman Development Agency	2,080	1,276	1,042
Capital services	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
F.1. Building, equipment and furnishing of national and second level schools ³	418,000	455,074	312,264
F.2. Public private partnership costs	57,151	54,632	43,150
F.3. An tÚdarás um Ard-Oideachas - building grants and capital costs for universities and colleges, institutes of technology and designated institutions of higher education	57,335	77,320	168,882
F.4. Building grants and capital costs of other third level institutions	165	—	165
— <i>Second-level schools - building grants and capital costs</i> ³	—	—	213,468

	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Skills Development ^{4, 5, 6}			
G.1. FÁS administration and general expenses	85,491	85,491	88,859
G.2. FÁS training and integration supports	40,267	40,267	23,353
G.3. Leonardo Programme	140	140	140
G.4. FÁS capital	5,500	4,000	4,471
G.5. FÁS- Pension payments arising from the Financial Measures (Miscellaneous Provisions) Act 2009	30,500	30,500	22,930
G.6. European Globalisation Fund	1,000	1,055	733
G.7. Operational programme for human resources development- technical assistance	1,300	578	320
— FÁS Employment Programmes ⁴	—	—	286,507
Gross Expenditure	8,888,352	8,866,362	9,345,730
Deduct:			
H. Appropriations-in-aid	608,933	617,483	621,868
Net Expenditure	8,279,419	8,248,879	8,723,862
Surplus to be Surrendered		€ 30,540,004	€23,242,898

Notes on 2011 subheads

¹ To provide improved clarity in relation to administration, the 2010 costs associated with the former Value for Money and Policy Review Initiative subhead (€737,000 spent during 2010) have been redistributed to the relevant pay (A.1. €730,000) and non pay (A.3. €7,000) expenditure subheads.

² The functions in relation to School Completion Programme (previously subhead B.20.), the National Educational Welfare Board (formerly B.21.) and part of subhead C.5. Other Grants and Services transferred to Vote 43 - Department of Children & Youth Affairs on 1 June 2011 under Order of the Minister for Children & Youth Affairs (Transfer of Departmental Administration and Ministerial Functions) Order 2011.

³ With effect from 2011 a single capital subhead, subhead F.1. is being utilised to allow greater flexibility between capital expenditure at primary and second level. In 2010 subhead F.1. reflected primary capital expenditure and subhead F.2. reflected expenditure relating to second level capital. Combined 2010 payments totalled €525.7 million.

⁴ As a result of the transfer of functions between Government Departments that took effect from 1 May 2010, funding relating to the FAS Employment Programmes transferred from Vote 34 Office of the Minister for Enterprise, Trade and Employment to Vote 26 for 2010. With effect from 1 January 2011, the funding for FÁS Employment Programmes (Subhead G.3 in 2010) was transferred from Vote 26 to Vote 38 - The Department of Social Protection.

Notes on 2010 expenditure

⁵ 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 (PRTLII) transferred from Vote 26 to Vote 34 - Office of the Minister for Enterprise, Trade and Innovation from that date.

⁶ 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 2011

	Note	2011 €000	2010 €000
Expenditure on administration		89,753	87,915
Expenditure on services and programmes		8,776,609	9,257,815
Gross expenditure		8,866,362	9,345,730
Deduct			
Appropriations-in-aid		617,483	621,868
Net expenditure		8,248,879	8,723,862
Changes in capital assets			
Purchases cash		(30,493)	(67,971)
Depreciation		1,452	1,799
Loss on disposals		56,146	62,595
Changes in assets under development			
Cash payments		(42,641)	(20,960)
Changes in net current assets			
Increase in closing accruals		20,296	(810)
Decrease in stock		29	7
Direct expenditure		8,253,668	8,698,522
Net allied services expenditure	1.1	23,820	22,654
Notional rents		2,508	3,607
Total operating cost		8,279,996	8,724,783

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

		2011 €000	2010 €000
Vote			
7	Finance	50	—
12	Superannuation and Retired Allowances	17,995	16,934
10	Office of Public Works	5,253	5,223
20	Garda Síochána	63	214
	Central Fund - Ministerial etc. pensions	459	283
		23,820	22,654

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	118,140	115,213
Capital assets under development	2.2	21,822	9,618
		139,962	124,831
Current assets			
Bank and cash	2.3	56,117	22,005
Stocks	2.4	95	124
Prepayments		7,437	7,318
Overpayments for recoupments		3,150	1,581
Recoupment of secondment costs		1,235	1,347
Accrued income		202	27,163
Other debit balances	2.5	6,451	6,906
Total current assets		74,687	66,444
Less current liabilities			
Accrued expenses		12,271	19,126
Deferred income		91	—
Pension recoupment to local authorities		1,416	151
Salary recoupment to other departments and agencies		5	—
EU Funds suspense		49,619	24,368
Other credit balances	2.6	1,988	1,628
Net liability to the Exchequer	2.7	10,961	2,915
Total current liabilities		76,351	48,188
Net current liabilities		(1,664)	18,256
Net assets		138,298	143,087
Represented by:			
State funding account		138,298	143,087

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 2011	112,344	7,769	19,478	139,591
Additions	59,847	7	671	60,525
Disposals	(56,141)	(15)	(318)	(56,474)
Cost or valuation at 31 December 2011	116,050	7,761	19,831	143,642
Accumulated depreciation				
Opening balance at 1 January 2011	—	6,804	17,574	24,378
Depreciation for the year	—	340	1,112	1,452
Depreciation on disposals	—	(14)	(314)	(328)
Cumulative depreciation at 31 December 2011	—	7,130	18,372	25,502
Net assets at 31 December 2011	116,050	631	1,459	118,140
Net assets at 31 December 2010	112,344	965	1,904	115,213

General Information Note

1. First Level

1.1. Thirty seven first-level sites are owned and controlled/managed by the Minister for Education and Skills.

1.2(i) Fifty eight gaelscoileanna and twenty three 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. Two community national schools operating on sites owned by the Minister for Education and Skills in either permanent or temporary accommodation are controlled/managed by a single manager appointed by the Minister for Education and Skills.

1.2(ii) Two multi-denominational, and one Catholic school sites 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 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 2011 was 3,300. 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.

1.5. The Minister is one of two guarantors of Middletown Centre for Autism (Holdings) Limited, a company limited by guarantee, which owns and holds a property in Co. Armagh, which is used for the Middletown Centre for Autism.

2. Second Level

2.1. Eighteen sites for second-level schools are owned and controlled/managed by the Minister for Education and Skills.

2.2(i) Fourteen comprehensive schools, seventy nine community schools and four 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 vocational schools are vested in Vocational Education Committees under the Vocational Education Act, 1930.

2.2(iii) Three hundred and seventy two secondary schools are privately owned.

3 Third Level

3.1. The land and buildings of 1 third-level institution (Tipperary Rural and Business Development Institute - Thurles Campus) were owned by the Minister for Education and Skills up to 31 August 2011 and were controlled/managed by a Board of Directors up to that date. With effect from 1st September 2011, the Institute amalgamated with Limerick Institute of Technology at which date the lands and buildings were subsumed into the asset portfolio of Limerick Institute of Technology which is a public body under the aegis of the Department.

2.2 Statement of Capital Assets under Development

	Construction contracts	In-house computer applications	Totals
	€000	€000	€000
Amounts brought forward at 1 January 2011	9,267	351	9,618
Cash payments for the year	42,013	628	42,641
Transferred to asset register	(30,437)	—	(30,437)
Amounts carried forward at 31 December 2011	20,843	979	21,822

2.3 Bank and Cash

at 31 December	2011 €000	2010 €000
PMG balances and cash	61,659	29,629
Orders outstanding	(5,542)	(7,624)
	56,117	22,005

2.4 Stocks

at 31 December	2011 €000	2010 €000
Stationery	56	58
IT consumables	39	66
	95	124

2.5 Other Debit Balances

at 31 December

	2011	2010
	€000	€000
Agency payments to OPW	1,345	492
Sub-accountants	117	126
Marriage, retirement and death gratuities	310	1,429
Salaries recoupable	538	715
Schools Broadband Programme	3,580	3,580
Travel passes	151	150
Due from State - suspense	5	6
Offices shared services recoupment	269	219
Redress Board	—	108
Cycle to Work Scheme	52	54
Miscellaneous	84	27
	6,451	6,906

2.6 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Due to State	68	155
Suspense		
Redress Board	681	—
Pension refund	242	661
Exchequer extra receipts	3	2
Erasmus Smith Endowment	127	125
Energy building programme	586	617
European Union funds	49,619	24,368
Agency payments to OPW (Maintenance)	—	21
Central Bank	173	—
Spouses & Childrens Pension	75	—
Cycle to Work Scheme	11	—
Miscellaneous	22	47
	51,607	25,996

2.7 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	30,540	23,243
Exchequer grant undrawn	(19,579)	(20,328)
Net liability to the Exchequer	10,961	2,915
Represented by:		
Debtors		
Bank and cash	56,117	22,005
Debit balances: suspense	6,446	6,900
Due from the state - suspense	5	6
	62,568	28,911
Creditors		
Due to State	(68)	(155)
EU Funds suspense	(49,619)	(24,368)
Credit balances: suspense	(1,920)	(1,473)
	(51,607)	(25,996)
	10,961	2,915

2.8 Commitments	2011	2010
at 31 December	€000	€000

A. Global Commitments

Commitments likely to materialise in subsequent years for:-

Procurement subheads	247	985
Grant subheads	2,187	10,501

B. Multi-Annual Capital Commitments**1 Legally Enforceable Capital Commitments**

Expenditure in 2011	593,700	822,462
Commitments to be met in subsequent years	1,409,028	1,427,295

2. Legally Enforceable Capital Commitments

Capital projects involving total expenditure of €12,697,380 or more

	Expenditure to 31 December 2010	Expenditure in 2011	Legally enforceable commitments to be met in subsequent years	Totals
	€000	€000	€000	€000
Subhead F.1.				
1. Malahide C.S.	13,846	—	21	13,867
2. Rathoath V.S. ¹	13,181	—	—	13,181
3. Youghal C.S.	14,580	—	14	14,594
4. Phibblestown C.C. ²	19,242	823	256	20,321
Subhead F.3.³				
5. Athlone - Engineering Informatics Building	31,978	2,231	1,791	36,000
6. National University of Ireland, Cork - Medicine ⁴	15,736	5,208	1,737	22,681
7. National University of Ireland, Dublin - Science Centre	5,580	9,981	46,213	61,774
8. NUI - Maynooth - Library	1,482	4,804	13,705	19,991
9. Trinity College Dublin - Medicine	15,240	3,683	2,302	21,225
10. Mary Immaculate College Campus Development Phase 1a/ infrastructure ⁵	15,295	251	324	15,870
11. Mary Immaculate College Campus Development Phase 1b/c infrastructure	23,331	19	802	24,152
12. St. Patricks Drumcondra - Campus Development	5,505	1,826	32,405	39,736
13. University of Limerick - School of Medicine	8,627	1,412	3,832	13,871

¹ In the 2010 accounts the Rathoath project was identified as having a further commitment of €1,000. The project is now complete.

² Phibblestown is a combined primary/post primary project. The overall project cost is €24.492m which is 82.97% funded by the Department of Education and Skills. The remainder is funded by Fingal County Council. The contractual commitments have increased by €0.4m since the 2010 accounts were published arising from the approval of change orders arising from agreed changes to the scope of the contract.

³ Certain projects listed in the 2010 legally enforceable capital commitments table were completed by year end 2010. They were the Dundalk Institute of Technology project and the National University of Ireland, Galway Engineering School project. All research activities are now vested in the Department of Enterprise, Trade and Innovation (Vote 34) with the result that research specific projects previously reported under Vote 26 have been removed from the Vote 26 legally enforceable capital commitments table. The relevant projects are the National University of Ireland Dublin Science Centre and the National University of Ireland Centre for Synthesis and Chemical Biology and the National University of Ireland, Cork, Postgraduate Research Library.

⁴ As the National University of Ireland - Cork Medicine facility was not regarded as a commitment at 31 December 2010 it was omitted from the 2010 accounts.

⁵ Following a review of the expenditure incurred relating to the Mary Immaculate Campus 1a/ infrastructure project, the cumulative expenditure to end 2010 as reflected in the 2010 Appropriation Accounts has been amended from €15.295m to €15.326m arising from an understatement of €31,000 in past years accounts. Additionally during 2011, on settlement of the overall agreed sum for the project, the project cost increased marginally to take account of sums incurred for the provision of additional works - leading to a final commitment of €15.901m rather than the €15.870 as noted in the 2010 Accounts.

C. Capital Costs of Public Private Partnership Projects¹

	Expenditure to 31 December 2010	Expenditure in 2011	Balance still outstanding on capital cost of project at delivery	Totals
	€000	€000	€000	€000
1. National Maritime College of Ireland PPP	16,170	1,612	47,942	65,724
2. Pilot Schools Bundle	18,946	2,082	72,584	93,612
3. Cork School of Music	12,544	1,517	64,679	78,740
4. 1st Bundle PPP Schools	8,531	1,919	74,270	84,720
5. 2nd Bundle PPP Schools	—	11,765	98,749	110,514

Notes

¹ Expenditure on the projects are being met from Subhead F.2

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 and three schools projects, (Pilot Schools, School Bundles 1&2). The buildings will remain in State ownership for the duration of the contract, with the PPP company 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.

Note on PPPs - Continued**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 Pilot 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 (two schools), Banagher and Ferbane (both in Co.Offaly) was signed with Maquarie Partnerships for Ireland in March 2009. All four schools became operational in September 2010.

2nd Bundle PPP Schools

A contract for the design, build, financing and operation of five post primary schools and one primary school was signed with Maquarie Partnerships for Ireland in June 2010. All six schools became operational in late 2011.

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 €107,029 at 31 December 2011. The equivalent sum at 31 December 2010 was €50,411.

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.9.).

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 2011, 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 in 2011 than originally anticipated.

Sub-head	Less/(more) than provided	Explanation
	€000	
A.3.	354	Savings arose due to the prioritisation of training requirements, better value for money arising from the provision of customised in house training, as well as reductions in the cost of services due to ongoing efforts to achieve economies in administrative expenditure.
A.4.	849	€500,000 of this saving was technical in nature due to the fact that the replacement of the Department's telecommunications system was not ultimately charged to Subhead A.4 which received the allocation in the Estimates. The remainder of the savings arose principally due to new mobile phone contracts being in place in 2011 and savings accruing from the purchase of a telecommunications gateway hub which reduced the cost of calls from land lines to mobile phones.
A.6.	715	The savings on the office premises subhead arose largely because certain improvement works to the Department's premises did not proceed as planned in 2011. Further savings arose on maintenance and energy costs which can vary from year to year.
B.2.	8,491	The savings arose principally due to the reorganisation of school transport services including route amalgamation and downsizing of vehicles reflecting a drop in demand for new services, re-tendering of a number of services by Bus Éireann, agreement with Bus Éireann for a cap on their administration charge as well as a general reduction in the number of children availing of the school transport service.
B.4.	292	The saving arose principally due to a favourable US Dollar - Euro exchange rate on the contribution paid to UNESCO, as well as a rebate due to prompt payment of the annual contribution. The remainder of the savings arose due to a delay in the launch of the new scholarship scheme under the provision of the "International Education Strategy 2010-2015".
B.5.	205	The savings arose due to expenditure on research programmes and on EU - related projects not progressing as anticipated when the estimates were originally set. Additionally certain functions transferred to the Department of Children and Youth Affairs during 2011.
B.6.	1,752	The savings on teacher education largely arose due to slower than anticipated progress with miscellaneous initiatives relating to the Irish language and maths. Additionally, costs associated with continuing professional development were lower than anticipated.

Sub-head	Less/(more) than provided	Explanation
	€000	
B.8.	131	The saving arose principally due to the cessation of two projects in 2010 as well as reduced administration costs due to the reduction in numbers of projects in recent years.
B.9.	863	The savings principally arose due to a reduction in grant funding made available to the NCSE during 2011 due to an operating surplus in the NCSE accounts. Further savings arose due to vacancies remaining unfilled and projects not progressing as planned during 2011.
B.10.	387	The saving arose mainly due to the fact that no new Dormant Accounts funding was allocated for this subhead in 2011.
B.15.	2,163	€2 million of the saving arose due to a lower drawdown of funding to the US-Ireland Alliance. Payments to the Fund are subject to the provision of matching funding by the fund manager, as no request for funding was received by the Department in 2011. The remainder of the saving arose due to lower than anticipated expenditure on North-South projects.
B.17.	805	The saving in this miscellaneous subhead, which has six subdivisions, is a net saving. €700,000 of the saving arose due to elements of the 20 year strategy for Irish not being progressed at the pace originally anticipated due to resource constraints.
B.18.	5,512	The savings arose principally due to targeted expenditure reductions and deferral of planned activities from 2011 to 2012 and lower than anticipated expenditure on the Schools Broadband Programme.
B.19.	10,821	The savings arose as the Commission on Child Abuse did not finalise as many third party legal bills as anticipated during 2011.
B.20.	1,405	The savings arose principally due to once off receipts of fee income of €600,000, the deferral of expenditure relating to the amalgamation of the NQAI, FETAC and HETAC, along with associated savings on current expenditure.
C.5.	4,278	The savings in this subhead are net savings as there are thirteen subdivisions, with the subhead being miscellaneous in nature. €3.5m of the saving arose due to lower than anticipated spending on legal costs, special education initiatives and equipment costs. Savings of circa €0.5m arose due to lower spending on the rental of temporary school accommodation.
C.7.	1,095	The savings on this special initiatives subhead arose principally due to the ABA pilot schemes being recognised as special schools during 2011, with the associated staff costings transferring from this subhead to the Department's payroll subheads.
D.3.	3,025	The saving arose on the subhead principally due to the numbers of special needs assistants on payroll being lower than expected during 2011 as well as consequential employer PRSI payments being lower as a result of the lower payroll costs.

Sub-head	Less/(more) than provided	Explanation
	€000	
E.1.	31,000	The savings on the student support subhead arose principally due to the impact in 2011 of measures introduced in Budgets 2010 and 2011 which discontinued the practice of allowing students to hold maintenance grants in conjunction with back to Education/VTOS allowances. Additional savings arose due to the impact of the change in qualifying criteria for the non-adjacent rate of grant.
E.3.	550	Savings arose mainly due to measures introduced to reduce public expenditure, including the moratorium on recruitment, lower services costs and additionally due to a delay in commencing works on a planned institutional staff database.
E.5.	1,080	Savings arose due to higher rates of student registration fees with a corresponding reduction in the net amount payable in 2011 and lower student numbers, as well as lower numbers of those students being eligible for grants. Additionally other schemes and payments did not progress as anticipated when the estimates were set for 2011.
E.9.	457	The saving arose due to a lower than anticipated funding requirement from the free fee initiative and to the introduction of the student contribution.
E.10.	(198)	The excess arose principally due to a registration fee being payable to the Pensions Board in respect of the pension schemes of certain third level institutions.
E.13.	2,536	The saving is mainly due to an overestimation of the funding required for grants by the Irish Research Council for Science, Engineering and Technology for 2011.
E.14.	804	Savings arose on the Grangegorman Development Agency subhead due to delays in filling staff vacancies during 2011.
F.1.	(37,074)	Additional funding was made available through the use of virement to contribute towards funding a scheme of Minor Improvement Works in schools and addressing other contractual commitments.
F.3.	(19,985)	Additional funding was made available through the use of virement to facilitate the payment of a devolved capital grant to Universities and Institutes of Technology.
F.4.	165	The saving arose due to the suppression of the subhead in 2011.
G.4.	1,500	The saving arose as FÁS capital spending was lower than anticipated due to upgrade works for apprentice facilities in the Galway Training Centre not progressing during 2011.

4 Receipts

4.1 Appropriations-in-aid	2011 Estimated €000	2011 Realised €000	2010 Realised €000
H.1. Administration and Other Services Receipts			
1. Miscellaneous superannuation schemes including the Teaching Council and other miscellaneous bodies	350	436	785
2. Contributions from the EU for educational activities	25	750	33
3. Receipts from the European Social Fund	28,300	28,782	49,972
4. Receipts in respect of Peace Programme	10	71	512
5. Miscellaneous	1,151	861	1,404
6. Dormant Accounts funding	3,000	1,624	2,239
H.2. First Level Receipts			
1. Superannuation, etc., of National Teachers:			
(i) Refunds of gratuities under superannuation schemes, 1934 to 1958, etc.	460	461	404
(ii) Contributions to the superannuation schemes	81,647	80,926	81,114
(iii) Contributions to Teachers' Spouses and Children's Pensions Scheme	28,238	28,001	27,755
2. Miscellaneous	1,290	1,876	2,750
3. Contributions to Superannuation Scheme for Special Needs Assistants, Caretakers and Clerical Staff in National Schools (Subhead C.4.)	6,553	6,979	6,541
4. Recoupment of salaries, etc., of teachers on secondment and recovery of overpayments of salary	3,961	4,262	5,005
5. Handling charge involved in making certain deductions from teachers' salaries	288	344	288
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	59,929	58,033	58,585
(ii) Contributions to Secondary Teachers' Spouses and Children's Pension Scheme	17,997	17,212	17,003
(iii) Refund of gratuities under Secondary Teachers' Superannuation Scheme	79	151	82
2. Repeat Leaving Certificate course fees	83	118	90
3. Miscellaneous	2,725	4,868	1,992
4. Contributions to Superannuation Scheme for Special Needs Assistants and Clerical Assistants in Secondary Schools (Subhead D.3.)	948	1,130	1,004
5. Recoupment of salaries, etc., of teachers on secondment and recovery of overpayments of salary	4,259	2,785	4,089
6. Handling charge involved in making certain deductions from teachers' salaries	178	175	178

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
H.4. FÁS Receipts^{1&2}			
1. FÁS - pensions	4,000	4,236	2,532
2. FÁS - pension receipts arising from the Financial Measures (Miscellaneous Provisions) Act	4,500	3,963	3,555
H.5. Pension Related Deductions			
1. Receipts from pension-related deduction on public service remuneration	358,962	369,439	353,956
Total	608,933	617,483	621,868

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 until 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.		
2.	(725)	Surplus EU receipts arose due to the introduction of a recoupment process for staff based in the European Commission Food and Veterinary Office in Co. Meath. Recoupment of two years expenses occurred during 2011.
5.	290	A shortfall in receipts arose due to a significantly higher provision for collection having been set for 2011(€1.1m) which was approximately €0.04m higher than the 2010 collection target. Receipts to this miscellaneous subhead are ad hoc in nature and difficult to estimate.
6.	1,376	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 B.10 making it Exchequer neutral.
H.2.		
2.	(586)	Surplus receipts arose from the recoupment of redundancy rebates, social insurance benefits and other ad hoc receipts which are difficult to estimate.
3.	(426)	A surplus arose in 2011 due to the higher than anticipated levels of purchase of pension service by Special Needs Assistants and Caretakers.
4.	(301)	The 2011 surplus arose principally due to the recovery of outstanding secondment bills from previous years.

H.3.

- | | | |
|----|---------|---|
| 1. | 2,609 | A shortfall of receipts arose due mainly to lower numbers of teaching posts in 2011 as well as a shortfall in once off receipts. |
| 3. | (2,143) | 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. |
| 4. | (182) | A surplus arose in 2011 due to the higher than anticipated levels of purchase of pension service by Special Needs Assistants. |
| 5. | 1,474 | A shortfall of receipts arose mainly due to a reduction in the number of secondment arrangements in place in 2010/11. |

H.4.

- | | | |
|----|-------|--|
| 1. | (236) | A surplus arose in 2011 due to the collection of higher than anticipated levels of pension contributions. |
| 2. | 537 | The shortfall in receipts relating to pension contributions paid by former ANCO staff to the FÁS closed pension scheme arises principally due to the higher numbers of retirements leading to a reduction in the number of paying members. |

4.2 Extra receipts payable to the Exchequer

	2011	2010
	€000	€000
Exchequer extra receipts ¹	17,281	345
Conscience money	31	—

Note 1 - During 2011, the following large value Exchequer extra receipts were refunded to the Department for surrender to the Department of Finance as Exchequer extra receipts. These payovers largely arose from surplus balances remaining unspent from prior year grants and were surrendered from the following bodies;

	€'000
FÁS	5,000
Bus Éireann	6,818
HEA - National Access Office	3,800
HEA - Research Programmes	1,602

5 Employee Numbers and Pay

	2011	2010
Number of staff (full time equivalents) ¹	94,613	96,919

1. The employee numbers for 2010 have been amended from the 97,970 reported in the 2010 published accounts to 96,919 for consistency of approach. The numbers reported have been adjusted to include only core funded posts at third level, as these posts are included in the overall count of public sector numbers.

2. During 2011 under the 'Office of the Minister for Children & Youth Affairs (Transfer of Departmental Administration and Ministerial Functions) Order 2011' certain staffing relating to school completion programme, the National Welfare Board and part of Subhead C.5 Other Grants and Services transferred to the Department of Children and Youth Affairs.

	€000	€000
Pay	54,597	53,817
Higher, special or additional duties allowances	291	278
Other allowances	104	113
Overtime	724	699
Employer's PRSI	4,481	4,241
Total pay	60,197	59,148

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 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	65	5	19,585	19,548
Other allowances ¹	88	—	5,783	5,772
Overtime and extra attendance	252	10	17,964	16,974

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.9.

5.2 Other Remuneration Arrangements

19 retired civil servants in receipt of civil service pensions were re-engaged on a fee basis at a total cost of €91,673.

5.3 Overpayments

Of the €3.15 million overpayments sum declared in the Balance Sheet of the Department's accounts, the sum of €1.18 million arises from overpayments discussed in the 2011 Report of the Comptroller and Auditor General.

As part of the 2011 Budget, the Government applied a ten per cent reduction in the pay of new entrants to the public service. The Budget decision also meant that all new appointees to teaching and retired teachers returning to teach commenced at the first point of the relevant pay scale. The terms of the Budget decision also applied to non teaching staff employed in schools.

The Department of Education and Skills issues ninety four thousand payments each fortnight to teaching and non teaching staff. The changes announced in the budget necessitated major changes to the payroll systems that had to be developed and implemented without any disruption to the main payroll services. These changes were implemented within the shortest possible timeframe, after all issues regarding new appointees were clarified, as well as ensuring the rules being implemented for the application of the decision to staff in the education sector was consistent with those being applied in other sectors. The terms of the Budget decision, the revised salary scales and a Frequently Asked Question document were incorporated into a Department Circular 40/2011.

The policy of the Department of Education and Skills is to recover all overpayments. The recovery of the overpayments made to new appointees will commence in Quarter 3, 2012.

6 Miscellaneous

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	2011 €000	2010 €000
Expenses of Adult Education Organisations (Subhead B.1.)	854	864
Cultural activities (Subhead B.14.)	187	196
Total	1,041	1,060

6.2 EU Funding

The amount of €20,071,525 from the European Social Fund (ESF) receipts in H1.3 of €28,782,398 (€19,971,123 and €8,811,275 Non-Pay) received in 2011 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, D.1., D.6., D.9., E.4., and E.12, G.2 and G.7.

Arising from the transfer of functions during 2010, the sum of €8,710,873 received in 2011 from ESF activities and shown in the H.1.3 total income of €28,782,398 derives from expenditure under the former Department of Enterprise, Trade and Employment - Vote 34 expenditure subheads K.2., M.1, M.2, M.3 and M.5 in previous years. Ongoing equivalent expenditure in Vote 26 is now recorded in subheads G.2 and 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 2011 was as shown below.

Subhead	Description	2011 Funding € ¹	2010 Funding €
G.1.	FÁS	412,062	567,204

¹ The breakdown of 2011 receipts is as follows: EURES programmes - €197,000; Apprentice Mobility Programme €49,000; and Screen Leaders €166,000.

European Globalisation Adjustment Fund

The European Globalisation Adjustment Fund (EGF) is an European Union funding programme which assists EU member states to provide a programme of upskilling, retraining and enterprise supports to workers made redundant as a result of the adverse impacts of globalisation. For programmes submitted by member states in the period between May 2009 and December 2011, the EGF provides funding of up to 65%, the remaining 35% being met through national funding. A reduced maximum EU co-funding rate of 50% applies to applications submitted from 1 January 2012.

European Globalisation Adjustment Fund (Continued)

EGF programmes are multi-annual in nature. Under Article 13(2) of EU regulation 1927/2006, an EGF programme implementation period is of 24 months duration commencing from the date of submission of an application by a member state. In addition, measures which commenced *before* the application was submitted may be included. Under the Regulation, a member state must submit a final report and expenditure statement to the European Commission not later than six months after the end of an EGF programme. In addition, there is a 6 months closure period after the receipt of the final Report for the Commission to formally wind up the programme. It is ultimately upon winding up of an EGF programme that a full accounting of programme funding and expenditure becomes available.

The multi-annual structure of the Fund, the submission by national service providers of expenditure claims on interim, annual or multi-annual bases and the fact that apportionment of total EU and national expenditure is not finalised until the full closure of the programmes, makes it difficult to reconcile annual programme expenditure in line with prescribed national accounts reporting. However, full details of programme expenditure will be available after the winding up of each individual programme.

In 2010, Ireland received payments of €24.85m from the EU under the Fund for the Dell (€14.83m), Waterford Crystal (€2.57m) and S R Technics (€7.45m) applications. These programmes commenced in 2009 and ended between June 2011 and October 2011. Only one final report, in respect of the Dell programme, was submitted to the EU in 2011. As of March 2012 the report, and certain additional information sought thereon, was still being considered by the European Commission. The final report for the Waterford Crystal EGF programme was submitted to the European Commission in February 2012 and the final report for the S R Technics programme is required to be submitted in April 2012.

The Dell EGF Programme Final Report submitted to the EU certified total expenditure of €13.62m, of which 65% (€8.85m) was funded by the EU and 35% (€4.77m) from national sources.

The Waterford Crystal EGF Programme Final Report submitted to the EU certified expenditure of €3.09m of which 65%(€2.01m) was funded by the EU and 35% (€1.08m) from national sources. As of March 2012, the S R Technics Final Report has not been finalised.

In 2011, Ireland received EGF payments totalling €35.74m from the EU for three sub-sectoral applications encompassing in total almost 9,000 redundant construction workers. Total EGF funding received to date, therefore, amounts to €60.59m.

National co-funding for EGF programmes has been provided to date from:-

- Department of Education and Skills, subhead G.6 (enterprise supports), Subheads G.2 and E.1., (training and education supports and allowances, technical assistance)
- National Training Fund
- Department of Social Protection (Vote 38) (Back to Education Allowance and employment service supports)

NQAI and FETAC

Both the NQAI and FETAC were in receipt of EU funding in 2011. The NQAI received funding of €0.060 million in respect of its EUROPASS activities. FETAC receives funding for its provision of the secretariat for EQAVET. This amounted to €0.411 million in 2011.

6.3 Commissions and Enquiries

	Year of appointment	Cumulative Expenditure to 31 December 2011 €000	Expenditure in 2011 €000	Expenditure in 2010 €000
Commission to Inquire into Child Abuse	1999	67,367	2,173	2,261
Residential Institutions Review Committee	2003	6,633	678	840
Commission on School Accommodation	1996	3,518	1	12
Inquiry into Kilkenny City Vocational School	2006	328	4	39
		77,846	2,856	3,152

6.4 Contingent Liability

There will be further payments associated with the Commission to Inquire into Child Abuse and the Residential Institution 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 2011, was €67,367,166. At this point, it is estimated that a provision in the region of €15 - €20 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 2011 was €1,087,898,420 at which time some 14,855 applications had been processed out of a total of approximately 15,412 (including 964 late applications) received by the Board. The Board also had 1,474 late submissions to consider. At this point, it is estimated that additional costs of up to some €150 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 process late applications up to the closing date of 16th September 2011 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.2. included awards totalling €51,217 arising from a recommendation of the Ombudsman. (S18/40/79)

Expenditure under subhead B.12 includes awards totalling €484,167 in respect of three redress cases. Legal costs totalling €271,422 were also incurred in these three cases and eight other cases. Investigative and other fees totalling €5,851 were incurred in one of the settlement cases and three other legal cases. (S18/10/04)

Expenditure under subhead C.10 includes settlement costs of €240,000 relating to four special education cases. Legal costs totalling €622,159 were incurred in the four settlement cases and five other special education cases. (S18/7/00 and S18/7/00 (Part 1))

Expenditure under subhead D.8. includes legal costs of €450,505 and costs of €75,000 in settlement of a court case involving a teacher.

Expenditure under subhead E.1 included a settlement of €17,500 and legal fees of €19,030 arising from the awarding of a maintenance grant. (Sanction reference 1500 dated 10/03/2011)

6.6 Residential Institutions Redress

Residential 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 the cash element of €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 (now the Department of Public Expenditure and Reform) and the Department of Education and Skills was opened in the Central Bank to receive the cash contributions from congregations. During 2010, €20.6 million was received in such contributions, while a further €0.45 million was received in 2011. 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 2011 was €21,232,058.

6.7 Expenditure on Temporary School Accommodation

Expenditure under Subheads C.5. and D.8. included amounts totalling €28,941,529 in respect of temporary school premises.

7 Miscellaneous accounts

7.1 Non Voted Accounts	Securities	Cash	Total	Total
	€000	€000	2011 €000	2010 €000
Securities balance on 1 January 2011	548	—	548	1,106
Securities redeemed	—	—	—	(558)
Transfer from receipts and payments account	—	—	—	558
Securities purchased	—	—	—	—
Transfer of redemption money	—	—	—	(558)
Balances on 31 December 2011	<u>548</u>	<u>—</u>	<u>548</u>	<u>548</u>

Receipts and Payments Account for the year ended 31 December

	Total 2011	Total 2010
Balances on 1 January	143	114
Receipts	24	607
Transfer to Capital Account ¹	—	(558)
Payments	(18)	(20)
Balances on 31 December	<u>149</u>	<u>143</u>

¹. In line with an agreement with the Office of the Commissioners of Charitable Donations and Bequests (Vote 24), and commencing from 2010 both endowment funds and stockholdings are being transferred to the Commissioners on a staggered basis over the years 2010 to 2013.

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	Total
	€000	€000	2011 €000	2010 €000
Balance on 1 January	416	—	416	601
Securities redeemed	—	—	—	—
Transfer from receipts and payments account	—	—	—	26
Transfer of funds for re-investment ¹	—	—	—	(211)
Balances on 31 December	<u>416</u>	<u>—</u>	<u>416</u>	<u>416</u>

Receipts and Payments Account for the year ended 31 December	2011 €000	2010 €000
Balances on 1 January	13	20
Receipts	16	249
Transfer to Capital Account	—	(211)
Payments	(20)	(45)
Balances on 31 December	<u>9</u>	<u>13</u>

¹. In line with an agreement with the Office of the Commissioners of Charitable Donations and Bequests (Vote 24), and commencing from 2010 both endowment funds and stockholdings are being transferred to the Commissioners on a staggered basis over the years 2010 to 2013

7.3 Grant in Aid Fund 2011

	2011	2010
	€000	€000
Subhead B.1. - Fund for General Expenses of Adult Education Organisations (National Lottery Funded)	854	864
Subhead B.8. - Payments in respect of Local Drug Task Force projects	412	2,461
Subhead B.14. - Fund for General Expenses of Cultural, Scientific and Educational Organisations (National Lottery Funded)	187	196
	<u>1,453</u>	<u>3,521</u>

Vote 27 Community, Equality and Gaeltacht Affairs

Introduction

As Accounting Officer for Vote 27, I am required 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 2011 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 2011, including the amount that could be used as appropriations-in-aid of expenditure for the year.

Transfer of Functions

This Account has been prepared in accordance with the 2011 Revised Estimate for the Department of Community, Equality and Gaeltacht Affairs. The allocations took account of the cessation of the Department and the retirement in 2011 of Vote 27. The functions of the Department of Community, Equality and Gaeltacht Affairs, along with any associated commitments, were transferred to various Departments as outlined below:

- Equality, integration, disability and human rights functions were transferred to the Department of Justice and Law Reform with effect from 1 April 2011 (S.I. No. 139 of 2011). Expenditure prior to that date is included in this Department's Vote (Vote 27) and expenditure after that date is included in Vote 19.
- Irish language, gaeltacht and islands functions were in general transferred to the Department of Tourism, Culture and Sport with effect from 1 May 2011 (S.I. No. 164 of 2011) and, in relation to planning matters in the Gaeltacht, on 1 June 2011 (S.I. No. 216 of 2011). Expenditure prior to 1 May 2011 is included in this Department's Vote (Vote 27) and expenditure after 1 May 2011 is included in Vote 35. In the case of the Gaeltacht planning function transferring on 1 June 2011, there was no expenditure in the period from 1 May 2011 to 1 June 2011.
- Social inclusion functions were transferred to the Department of Social Protection with effect from 1 May 2011 (S.I. No. 165 of 2011). Expenditure prior to that date is included in this Department's Vote (Vote 27) and expenditure after that date is included in Vote 38.
- National Drugs Strategy functions were transferred to the Department of Health and Children with effect from 1 May 2011 (S.I. No. 166 of 2011). Expenditure prior to that date is included in this Department's Vote (Vote 27) and expenditure after that date is included in Vote 39.
- Charity law functions were transferred to the Department of Justice and Equality with effect from 1 May 2011 (S.I. No. 194 of 2011). Expenditure prior to that date is included in this Department's Vote (Vote 27) and expenditure after that date is included in Vote 19.
- Inland waterways and Waterways Ireland functions were transferred to the Department of Tourism, Culture and Sport with effect from 1 May 2011 (S.I. No. 195 of 2011). Expenditure prior to that date is included in this Department's Vote (Vote 27) and expenditure after that date is included in Vote 35.
- Community affairs functions were transferred to the Department of the Environment, Heritage and Local Government with effect from 1 May 2011 (S.I. No. 196 of 2011). Expenditure prior to that date is included in this Department's Vote (Vote 27) and expenditure after that date is included in Vote 25.

- Family policy functions became part of the functions of the Department of Children and Youth Affairs following its establishment on 2 June 2011 (S.I. No. 214 of 2011). Expenditure prior to that date is included in this Department's Vote (Vote 27) and expenditure after that date is included in Vote 43.

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 that, the Department's depreciation policy is to charge a full year's depreciation in the year of acquisition and not charge any depreciation in the year of disposal/transfer.

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 operated in the Department of Community, Equality and Gaeltacht Affairs until its dissolution.

Seosamh Ó hÁghmaill

Accounting Officer

Vote 27 Community, Equality and Gaeltacht Affairs

29 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 27: Community, Equality and Gaeltacht Affairs for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
11 September 2012

Vote 27 Community, Equality and Gaeltacht Affairs

Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	5,185	5,185	14,687
A.2. Travel and subsistence	111	111	464
A.3. Training and development and incidental expenses	844	844	825
A.4. Postal and telecommunications services	201	201	395
A.5. Office equipment and external IT services	332	332	1,094
A.6. Office premises expenses	178	178	350
A.7. Consultancy services and value for money and policy reviews ¹	27	27	324
Supporting Communities			
B.1. Supports for community and voluntary sector (part funded by National Lottery)	3,514	3,514	11,567
B.2. Grant to Family Support Agency	16,025	16,024	21,040
B.3. Local and community development programmes (part funded by National Lottery)	28,976	28,976	67,454
B.4. Charities regulation	100	100	407
B.5. RAPID	706	706	6,067
B.6. Dormant Account measures ³	1,131	1,131	6,814
B.7. Miscellaneous services ⁴	16	16	399
— <i>Community Services Programme</i> ²	—	—	36,877
Tackling Problem Drug Use			
C. Drugs Initiative	15,306	15,306	34,992
Rural Development			
D.1. Western Development Commission ⁵	895	895	2,175
D.2. Islands ⁶	2,687	2,687	17,021
D.3. National Rural Development ⁷	412	412	10,427
D.4. LEADER - Rural Economy Sub-Programme 2007 - 2013	8,928	8,928	44,271
— <i>Rural Social Scheme</i> ²	—	—	30,463

Service	2011 Estimate provision €000	2011 Outturn €000	2010 Outturn €000
Irish Language and the Gaeltacht			
E.1. Gaeltacht Support Schemes ⁸	1,424	1,424	18,231
E.2. Irish Language Support Schemes (part funded by National Lottery)	1,221	1,221	8,001
E.3. An Coimisinéir Teanga	199	199	743
E.4. Údarás na Gaeltachta - Election	—	—	—
E.5. Údarás na Gaeltachta - Administration	3,452	3,452	11,000
E.6. Údarás na Gaeltachta - Current Programme Expenditure	825	825	3,915
E.7. Údarás na Gaeltachta - Grants for Projects and Capital Expenditure on Premises	500	500	18,000
Equality, Integration and Human Rights			
F.1. Equality Authority (grant-in-aid)	637	637	1,959
F.2. Equality Tribunal	682	682	1,594
F.3. Grants to national women's organisations	132	132	284
F.4. Equality proofing	—	—	252
F.5. Equality monitoring/consultative committees	58	58	264
F.6. Gender mainstreaming and positive action for women	217	217	2,054
F.7. Office of the Minister for Integration	464	464	3,558
F.8. European Refugees Fund	116	116	1,305
F.9. Human Rights Commission (grant-in-aid)	366	366	849
F.10. Status of people with disabilities	161	161	855
F.11. National Disability Authority	829	829	2,289
F.12. Disability projects	—	—	—
North-South Co-Operation			
G.1. An Foras Teanga	4,166	4,166	16,199
G.2. Waterways Ireland	10,124	10,124	32,919
G.3. Programme for Peace and Reconciliation/INTERREG	1,685	1,685	2,675
Gross expenditure	112,832	112,831	435,059
Deduct:			
H. Appropriations-in-aid	7,898	7,898	35,171
Net expenditure	104,934	104,933	399,888
Surplus for surrender		€1,126⁹	€19,670,520

- ¹ Subhead A.7. amalgamates the 2010 Subheads A.7. (€0.323m) and A.8. (€0.001m).
- ² The Rural Social Scheme and the Community Services Programme transferred to the Department of Social Protection with effect from 1 September 2010.
- ³ Subhead B.6. amalgamates the 2010 Subheads B.6. (€1.618m), B.7. (€5.107m) and J.3. (€0.089m)
- ⁴ Subhead B.7. was presented as Subhead J.5. in the 2010 Appropriation Account.
- ⁵ Subhead D.1. amalgamates the 2010 Subheads D.1. (€1.683m) and D.2. (€0.492m).
- ⁶ Subhead D.2. amalgamates E.3. (€6.218m) and E.4 (€10.803m) from the 2010 Account.
- ⁷ Subhead D.3. amalgamates D.3. (€4.635m) and D.6. (€5.792m) from the 2010 Account.
- ⁸ Subhead E.1. amalgamates the 2010 Subheads E.1. (€8.404m) and E.2. (€9.827m).
- ⁹ Surrendered on 16 September 2011.

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			6,878	18,139
Expenditure on services and programmes			105,953	416,920
Gross expenditure			112,831	435,059
Deduct				
Appropriations-in-aid			7,898	35,171
Net expenditure			104,933	399,888
Changes in capital assets				
Purchases cash		(31)		
Loss on disposals		9	(22)	282
Changes in assets under development				
Cash payments			(50)	(603)
Changes in net current assets				
Decrease in stock		52		
Increase in closing accruals		11,464		
			11,516	3
Direct expenditure			116,377	399,570
Net allied services expenditure	1.1		2,409	6,279
Notional rents			503	504
Total operating cost			119,289	406,353

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

		2011 €000	2010 €000
Vote			
7	Superannuation and Retired Allowances	1,361	4,170
10	Office of Public Works	921	1,843
20	Garda Síochána	67	205
	Central Fund - Ministerial etc. pensions	60	61
		2,409	6,279

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	—	1,144
Capital assets under development	2.2	—	8,433
		—	9,577
Current assets			
Stocks	2.4	—	52
Loans outstanding		—	228
Prepayments		—	238
Accrued income		—	11,514
Other debit balances	2.5	—	1,505
Net liability from the Exchequer	2.7	258	(1,238)
Total current assets		258	12,299
Less current liabilities			
Bank and cash	2.3	258	240
Accrued expenses		—	288
Other credit balances	2.6	—	27
Total current liabilities		258	555
Net current assets		—	11,744
Net assets		—	21,321
Represented by:			
State funding account		—	21,321

2.1 Statement of Capital Assets

	Plant and machinery €000	Furniture and fittings €000	Office equipment €000	Total €000
Gross assets				
Cost or valuation at 1 January 2011	41	702	5,855	6,598
Additions	—	1	30	31
Disposals	—	(8)	(1,063)	(1,071)
Transferred to the following Departments:				
Arts, Heritage and Gaeltacht Affairs	—	(233)	(2,597)	(2,830)
Environment, Community and Local Government	(41)	(63)	(1,683)	(1,787)
Social Protection	—	—	(12)	(12)
Health	—	(1)	(23)	(24)
Children and Youth Affairs	—	(387)	(460)	(847)
Justice and Equality	—	(11)	(47)	(58)
Cost or valuation at 31 December 2011	—	—	—	—
Accumulated depreciation				
Opening balance at 1 January 2011	12	455	4,987	5,454
Depreciation on disposals	—	(4)	(1,058)	(1,062)
Transferred to the following Departments:				
Arts, Heritage and Gaeltacht Affairs	—	(179)	(2,292)	(2,471)
Environment, Community and Local Government	(12)	(30)	(1,210)	(1,252)
Social Protection	—	—	(4)	(4)
Health	—	(1)	(19)	(20)
Children and Youth Affairs	—	(235)	(394)	(629)
Justice and Equality	—	(6)	(10)	(16)
Cumulative depreciation at 31 December 2011	—	—	—	—
Net assets at 31 December 2011	—	—	—	—
Net assets at 31 December 2010	29	247	868	1,144

Note: In 2011 (2010: €557,000) no depreciation was charged to the Vote for the period. The Department's policy is to charge depreciation in the year of acquisition and none in the year of disposal.

2.2 Statement of Capital Assets under Development

at 31 December 2011

	Development of projects €000
Amounts brought forward at 1 January 2011	8,433
Cash payments for the year	50
Transferred to Department of Arts, Heritage and the Gaeltacht	(8,483)
Amounts carried forward at 31 December 2011	<u>—</u>

2.3 Bank and Cash

at 31 December

	2011 €000	2010 €000
PMG balances and cash	(258)	(75)
Orders outstanding	—	(165)
	<u>(258)</u>	<u>(240)</u>

The Department executed its responsibilities in clearing its PMG accounts by processing all payments and receipts. The remaining PMG balance is of a technical nature and is being addressed by the Department of Public Expenditure and Reform with advice from the Department of Finance.

2.4 Stocks

at 31 December

	2011 €000	2010 €000
Stationery and miscellaneous items	—	28
IT consumables	—	24
	<u>—</u>	<u>52</u>

2.5 Other Debit Balances

at 31 December

	2011 €000	2010 €000
Advances to Pobal	—	429
Advances to Drugs Task Forces	—	222
Advances to An Foras Teanga	—	233
Advances to Family Support Agency	—	311
Other debit suspense items	—	310
	<u>—</u>	<u>1,505</u>

2.6 Other Credit Balances

at 31 December

	2011 €000	2010 €000
Due to the State (PAYE, PRSI, Income Levy & VAT)	—	—
Other credit suspense items	—	27
	<u>—</u>	<u>27</u>

2.7 Net Liability from the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	—	19,671
Exchequer grant undrawn	(258)	(18,433)
Net liability from the Exchequer	(258)	1,238
Represented by:		
Debtors		
Debit balances: suspense	—	1,505
	—	1,505
Creditors		
Net PMG position and cash	(258)	(240)
Due to State	—	—
Credit balances: suspense	—	(27)
	(258)	(267)
	(258)	1,238

2.8 Commitments

at 31 December

	2011	2010
	€000	€000
(a) Global Commitments	—	143,085

No commitments are expected to arise in 2012 and subsequent years.

(b) Multi-annual Capital Commitments

The following table details expenditure in 2011 and commitments to be met in subsequent years on foot of capital projects where legally enforceable contracts were in place at 2 June 2011:

	2011	2010
	€000	€000
Expenditure	—	48,189
Commitments to be met in subsequent years	—	74,992

(c) Major Capital Expenditure

Expenditure was incurred on three such projects during 2010. Responsibility for these (Cill Ronáin Pier, Caladh Mór Pier, Inishboffin Coastal Protection) projects was transferred to the Department of Arts, Heritage and Gaeltacht Affairs with effect from 1 May 2011.

3 Variations in Expenditure

There were no subheads 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).

4 Receipts

4.1 Appropriations-in-aid	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Miscellaneous receipts pay	107	107	541
2. Miscellaneous receipts non-pay	57	56	176
3. Programme for Peace and Reconciliation	—	—	141
4. Rural Development Schemes	—	—	—
5. LEADER, INTERREG and Peace Programme	—	—	—
6. Dormant Accounts - administration	—	—	1,618
7. Dormant Accounts - programme expenditure	—	—	5,056
8. Receipts relating to Central Translation Unit	1	1	—
9. LEADER Rural Economy Sub-Programme 2007 - 2013	6,815	6,816	20,967
10. Airstrip related fees/charges	37	37	355
11. Receipts for the European Year for Combating Poverty and Social Exclusion 2010	—	—	140
12. EU receipts - equality and integration	—	—	3,244
13. Dormant Accounts - social disadvantage receipts	—	—	230
14. Receipts from pension - related deduction on public service remuneration	881	881	2,703
Total	7,898	7,898	35,171

Explanation of significant variations

There were no appropriations-in-aid headings where the outturn varied from the amount estimated, by more than €100,000, and by more than 5%.

4.2 Extra receipts payable to the Exchequer

	2011 €000	2010 €000
Prior year refunded grants	105	690

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	—	378
	2011	2010
	€000	€000
Pay	6,400	17,364
Higher, special or additional duties allowances	84	214
Other allowances	15	41
Overtime	27	81
Employer's PRSI	345	903
Total pay	6,871	18,603

Note: The total pay figure is inclusive of pay in subheads A.1., C., E.3., F.1., F.2. and F.7.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011	Maximum individual payment 2010
Higher, special or additional duties	55	—	8,259	20,575
Other allowances	27	—	2,621	5,710
Overtime	14	—	4,534	13,830

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

6 Miscellaneous

6.1 National Lottery Funding

Under subheads B.1., B.3. and E.2., a total of €5.214 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.

Subheads Part Funded by the National Lottery¹

Subhead	2011	2010
	€000	€000
B.1. Supports for community and voluntary sector	1,881	7,283
B.3. Local and community development programmes	2,151	20,381
E.2. Irish language support schemes	1,182	5,598
	5,214	33,262

¹ Payments in the 5 months ended 2 June 2011

6.2 EU Funding

The 2011 outturns for subheads B.7., D.4., F.6., F.7., F.8., F.11. and G.3. include expenditure in respect of activities co-financed from EU funds.

Estimates of expenditure and actual outturns were as follows:

Subhead Description	2011 Estimate €000	2011 Outturn €000	2010 Outturn €000
B.7. Miscellaneous services	16	16	399
D.4. LEADER - Rural Economy Sub-Programme 2007 - 2013	8,928	8,928	44,271
F.4. Equality proofing	—	—	252
F.6. Gender mainstreaming and positive action for	217	217	2,054
F.7. Office of the Minister for Integration	464	464	3,558
F.8. European Refugees Fund	116	116	1,305
F.11. National Disability Authority	829	829	2,289
G.3. Programme for Peace and Reconciliation/INTERREG	1,685	1,685	2,675
	12,255	12,255	56,803

6.3 Legal Costs

Payments totalling €521,128 were made, within the terms of a Department of Public Expenditure and Reform sanction, in respect of legal costs arising from two Supreme Court cases – one relating to whether a constitutional basis existed for requiring simultaneous translation of statutory instruments into Irish, and the other relating to the designation of an organisation as a public body for the purposes of the Official Languages Act 2003.

6.4 Other Payments

A multi-annual contract to provide data connectivity between two of the Department's buildings was cancelled in May 2011, consequent on the reconfiguration of the Department's functions. This triggered a final payment of €43,106 in accordance with the terms of the contract.

6.5 Redundancy Payments

Gross payments of €51,812 were made, within the terms of a Department of Public Expenditure and Reform 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 €29,676, with the balance of €22,136 being rebated from the Social Insurance Fund via the Department of Enterprise, Trade and Innovation to the Department of Environment, Community and Local Government in line with the transfer of community functions (S.I. No. 196 of 2011).

7 Statement of Loans for Gaeltacht Housing

Loans issued towards Gaeltacht housing under the Housing (Gaeltacht) Acts 1929 to 2001 and repayments thereof:

	2011 €000	2010 €000
Opening balance at 1 January	228	276
Annual penal interest accrued	—	4
Write-off of loans ¹	—	(12)
	<hr/> 228	<hr/> 268
Repayments	—	(40)
Transferred to Department of Arts, Heritage and the Gaeltacht	(228)	—
Closing balance at 31 December	<hr/> —	<hr/> 228

¹ Relating to loans written-off within the terms of a Department of Public Expenditure and Reform sanction.

Vote 28 Foreign Affairs and Trade

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 2011 for the salaries and expenses of the Office of the Minister for Foreign Affairs and Trade, 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 2011, 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 at the market rate of exchange prevailing at the beginning of the 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.

Capital Assets

The value of land and buildings included in the statement of capital assets is based on a valuation conducted in 2005 except for

land and buildings acquired since 2005 which are valued at cost

three embassy premises that are included on the basis of a professional valuation conducted in 2011.

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 and Trade.

David Cooney

Accounting Officer

Department of Foreign Affairs and Trade

29 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 28: Foreign Affairs and Trade for 2011 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 and Trade. 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 2011.

Seamus McCarthy
Comptroller and Auditor General
26 August 2012

Vote 28 Foreign Affairs and Trade Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	90,260	92,101	92,975
A.2. Travel and subsistence	6,080	4,313	5,274
A.3. Training and development and incidental expenses	4,688	3,813	3,227
A.4. Postal and telecommunications services	7,408	6,553	7,358
A.5. Office equipment and external IT services	15,386	14,969	18,347
A.6. Office premises expenses	26,282	22,017	27,030
A.7. Consultancy services and value for money and policy reviews	108	28	67
Other services			
B. Repatriation and maintenance of distressed Irish persons abroad	79	36	28
C. Support for Irish emigrant services	12,883	11,568	11,933
D. Information services	652	424	422
E. Contributions to bodies in Ireland for the furtherance of international relations (grants-in-aid)	100	100	234
F.1. North-South and Anglo-Irish co-operation	3,000	2,998	2,999
F.2. International Fund for Ireland	195	150	195
G. Cultural relations with other countries (grant-in-aid)	846	846	846
H. Irish-American economic advisory board	28	13	13
I. Contributions to international organisations	47,440	48,407	52,340
J. Actions consequent on Title V of the Treaty on European Union	418	226	494
K. Atlantic Corridor project	250	250	250
L. Trade promotion funds	400	320	—
<i>Asia Strategy</i>	—	—	179

	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Gross expenditure	216,503	209,132	224,211
M. Deduct Appropriations-in-aid	<u>43,997</u>	<u>44,380</u>	<u>42,900</u>
Net expenditure	<u>172,506</u>	<u>164,752</u>	<u>181,311</u>
Surplus for the year		€7,754,196	€9,226,474
Deferred surrender		€370,000	—
Surplus to be surrendered		<u>€7,384,196</u>	<u>€9,226,474</u>

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			143,794	154,278
Expenditure on services and programmes			65,338	69,933
Gross expenditure			209,132	224,211
Deduct				
Appropriations-in-aid			44,380	42,900
Net expenditure			164,752	181,311
Changes in capital assets				
Purchases cash		(1,853)		
Disposals cash		89		
Depreciation		6,307		
Profit on disposals		(92)	4,451	1,022
Changes in net current assets				
Decrease in closing accruals		(1,893)		
Decrease in stock		1,862		
			(31)	(9,213)
Direct expenditure			169,172	173,120
Net allied services expenditure	1.1		18,574	17,719
Notional rents			760	1,140
Total operating cost			188,506	191,979

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		2011 €000	2010 €000
7	Superannuation and Retired Allowances	11,920	10,873
9	Office of the Revenue Commissioners	138	142
10	Office of Public Works	5,958	6,276
20	Garda Síochána	192	203
	Central Fund - Ministerial etc. pensions	366	225
		18,574	17,719

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	173,865	165,018
Current assets			
Stocks	2.2	4,335	6,197
Prepayments		17,049	17,216
Other debit balances	2.3	12,419	11,314
Total current assets		33,803	34,727
Less current liabilities			
Bank and cash	2.4	4,594	5,561
Accrued expenses		545	760
Other credit balances	2.5	2,696	3,155
Net liability to the Exchequer	2.6	4,839	2,389
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	200	119
Total current liabilities		12,964	12,074
Net current assets		20,839	22,653
Net Assets		194,704	187,671
Represented by:			
State funding account		194,704	187,671

2.1 Statement of Capital Assets

	Land and buildings ¹ €000	Motor vehicles €000	Furniture and fittings €000	Office equipment €000	Total €000
Gross assets					
Cost or valuation at 1 January 2011	147,865	3,675	47,912	72,481	271,933
Additions	297	119	497	2,813	3,726
Revaluation ²	11,430	—	—	—	11,430
Prior year adjustment ³	—	(323)	—	—	(323)
Disposals	—	(298)	(11)	(56)	(365)
Cost or valuation at 31 December 2011	159,592	3,173	48,398	75,238	286,401
Accumulated depreciation					
Opening balance at 1 January 2011	—	3,055	36,708	67,152	106,915
Depreciation for the year	—	312	2,867	3,128	6,307
Prior year adjustment	—	(346)	—	—	(346)
Depreciation on disposals	—	(281)	(3)	(56)	(340)
Cumulative depreciation at 31 December 2011	—	2,740	39,572	70,224	112,536
Net assets at 31 December 2011	159,592	433	8,826	5,014	173,865
Net assets at 31 December 2010	147,865	620	11,204	5,329	165,018

Notes:

¹ 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.

² Three embassy premises, Paris, Holy See and Permanent Mission to the United Nations, New York were revalued during the year, resulting in a total increase in their values of €11.43m.

³ Work on the preparation of the fixed asset register for inclusion in the financial management system highlighted some errors in the manually prepared asset register.

2.2 Stocks

at 31 December

	2011	2010
	€000	€000
Passport booklets	4,038	5,975
Protocol stocks	146	120
Stationery	54	62
Prepaid postage	8	8
IT consumables	89	32
	4,335	6,197

2.3 Other Debit Balances

at 31 December

	2011	2010
	€000	€000
Mission and headquarter accounts	7,324	6,608
Departmental and agency accounts	2,344	1,544
Imprest and personal suspense accounts	944	921
Foreign salary advance accounts	149	166
Miscellaneous	1,658	2,075
	12,419	11,314

2.4 Bank and Cash

at 31 December

	2011	2010
	€000	€000
PMG balances and cash	(4,581)	(5,536)
Orders outstanding	(13)	(25)
	(4,594)	(5,561)

2.5 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Income Tax	1,203	922
Pay Related Social Insurance	449	597
Pension contributions	298	197
VAT	521	1,053
Withholding Tax	61	68
	2,532	2,837
Miscellaneous	164	318
	2,696	3,155

2.6 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	7,384	9,226
Deferred surrender	370	—
Exchequer grant undrawn	(2,915)	(6,837)
Net liability to the Exchequer	<u>4,839</u>	<u>2,389</u>

Represented by:**Debtors**

Debit balances: suspense	12,419	11,314
--------------------------	--------	--------

Creditors

Bank and cash	(4,594)	(5,561)
Due to the State	(2,532)	(2,837)
Credit balances: suspense	(164)	(318)
Credit balances: grant-in-aid accounts	(290)	(209)
	<u>(7,580)</u>	<u>(8,925)</u>
	<u>4,839</u>	<u>2,389</u>

2.7 Commitments

at 31 December

	2011	2010
	€000	€000
Total of legally enforceable commitments	18,318	18,386

This total figure for commitments at 31 December 2011 and likely to materialise in the following year relates 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.2.	1,767	Savings arose from lower spending under a number of headings, particularly on air fares (€162,000), hotels (€140,000), subsistence allowances (€147,000), removals (€385,000) and taxis (€27,000). A number of factors contributed to the lower outturn, including reduced St. Patrick's Day activity and increased use by officers of same day return travel, particularly to destinations such as London and Brussels with subsequent reductions in hotel costs and subsistence amounts payable. Increased use of video conferencing facilities was also a factor.
C.	1,315	The saving arose because several applications for capital projects in 2011 were not sufficiently advanced to pay any grant towards them.
D.	228	The saving arose from the lower than expected general spending on information services. Development of the Department's website was deferred resulting in a spending reduction of €100,000.
J.	192	Following the making of mandatory payments totalling €116,000, €302,000 was initially available for discretionary spending in 2011. However, to take account of the difficult budgetary environment and in particular the shortfall on subhead I, which had to be addressed with transfers from existing Departmental resources, €150,000 from this subhead was identified for transfer/virement.

4 Receipts

4.1 Appropriations-in-aid

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Passport, visa and other consular services	38,520	39,166	36,521
2. Repayment of repatriation and maintenance advances	30	6	8
3. VAT refunds to diplomatic missions	1,250	907	1,951
4. Miscellaneous	500	506	543
5. Receipts from pension-related deduction on public service remuneration	3,697	3,795	3,877
Total	43,997	44,380	42,900

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.	343	It is difficult to predict the level of VAT refunds to diplomatic missions.

4.2 Extra receipts payable to the Exchequer	2011	2010
	€	€
Proceeds from sale of property	—	607,514

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	1,255	1,309
	2011	2010
	€000	€000
Pay	73,595	73,201
Higher, special or additional duties allowances	272	257
Other allowances	384	377
Overtime	1,534	2,601
Employer's PRSI	3,046	2,998
Foreign social security/health insurance (missions)	2,443	2,487
Total pay	81,274	81,921

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 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties allowances	54	11	14,894	19,629
Other allowances	200	2	13,835	12,020
Overtime	464	23	40,760	48,655

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

5.2 Other Remuneration Arrangements

Payments totalling €142,968 were paid to two retired civil servants whose services were employed on specialised tasks.

Severance and redundancy payments amounting to €398,122 were made to eleven former Minister's Office staff on termination of their employment. Severance payments amounting to €89,080 were paid also to ten locally employed staff at embassies abroad.

Additional payments totalling €3,900 were paid to thirty-six staff members for attendance on bank holidays to issue urgent passports.

6 Miscellaneous

6.1 Legal Costs and Compensation

Payments totalling €56,848 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 €168,937 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

		2011 €000	2010 €000
	Balance outstanding at 1 January	27	7
Add	Advances/expenditure (subhead B.)	36	28
		<u>63</u>	<u>35</u>
Less	Amounts written off	(24)	—
	Amounts recovered (appropriations-in-aid)	(6)	(8)
	Balance outstanding at 31 December	<u>33</u>	<u>27</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

		2011 €000	2010 €000
	Balance at 1 January	90	90
	Grant-in-aid (subhead E.)	100	234
		<u>190</u>	<u>324</u>
	Expenditure	(100)	(234)
	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**

	2011	2010
	€000	€000
Balance at 1 January	119	146
Grant-in-aid (subhead G.)	846	846
	<hr/> 965	<hr/> 992
Expenditure	(765)	(873)
Balance at 31 December	<hr/> 200	<hr/> 119

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 2011 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 2011, 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.

Buildings are not depreciated.

Foreign Exchange Transactions

Transactions arising on convertible currencies are translated into Euro at the rate of exchange ruling at the date of settlement. At programme country mission level, transactions arising on non-convertible currencies are translated into Euro at the market rate of exchange prevailing at the beginning of the month.

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 and Trade.

David Cooney
Accounting Officer
Department of Foreign Affairs and Trade
26 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 29: International Co-operation for 2011 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 and Trade 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 2011.

Chapter 19 of my report on the accounts of the public services for 2011 refers to certain matters relating to Vote 29 on which I considered it appropriate to report in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993.

Seamus McCarthy
Comptroller and Auditor General
27 July 2012

Vote 29 International Co-Operation Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	18,626	17,405	17,879
A.2. Travel and subsistence	2,747	2,084	2,085
A.3. Training and development and incidental expenses	2,920	1,488	2,092
A.4. Postal and telecommunications services	1,920	1,563	1,606
A.5. Office equipment and external IT services	2,020	1,207	1,413
A.6. Office premises expenses	3,910	3,364	4,267
A.7. Consultancy services and value for money and policy reviews	1,400	1,092	1,124
Other services			
B. Payment to grant-in-aid fund for bilateral and other co-operation (grant-in-aid)	365,633	365,633	373,951
C. Emergency Humanitarian Assistance	51,000	50,997	52,501
D. Payments to international funds for the benefit of developing countries	34,354	34,354	28,000
E. Contributions to United Nations and other development agencies	39,500	39,500	39,500
Gross expenditure	524,030	518,687	524,418
Deduct:			
F. Appropriations-in-aid	1,153	1,790	1,488
Net expenditure	522,877	516,897	522,930
Surplus to be surrendered		€5,980,013	€12,400,000

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	2011	2010
€000	€000	€000
Expenditure on administration	28,203	30,466
Expenditure on services and programmes	490,484	493,952
Gross expenditure	518,687	524,418
Deduct		
Appropriations-in-aid	1,790	1,488
Net expenditure	516,897	522,930
Changes in capital assets		
Purchases cash	(191)	
Disposals cash	14	
Profit on disposals	(6)	
Depreciation	633	
	450	(557)
Changes in net current assets		
Decrease in stock	1	(6)
Increase in closing accruals	(3,098)	(1,883)
Total operating cost	514,250	520,484

Note: Net allied services expenditure and notional rents are borne on Vote 28 - Foreign Affairs and Trade.

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	9,452	9,902
Current assets			
Bank and cash	2.2	6,350	5,591
Stocks	2.3	15	16
Prepayments		10,235	7,205
Other debit balances	2.4	31	74
Total current assets		16,631	12,886
Less current liabilities			
Accrued expenses		138	206
Other credit balances	2.5	164	146
Net liability to the Exchequer	2.6	2,061	1,072
Bilateral and other co-operation fund (grant-in-aid)	7	4,156	4,447
Total current liabilities		6,519	5,871
Net current assets		10,112	7,015
Net assets		19,564	16,917
Represented by:			
State funding account		19,564	16,917

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 2011	8,277	1,019	679	1,661	2,239	13,875
Additions	31	26	42	34	58	191
Disposals	—	(34)	—	(10)	—	(44)
Cost or valuation at 31 December 2011	8,308	1,011	721	1,685	2,297	14,022
Accumulated depreciation						
Opening balance at 1 January 2011	—	753	573	1,006	1,641	3,973
Depreciation for the year	—	135	59	168	271	633
Depreciation on disposals	—	(31)	—	(5)	—	(36)
Cumulative depreciation at 31 December 2011	—	857	632	1,169	1,912	4,570
Net assets at 31 December 2011	8,308	154	89	516	385	9,452
Net assets at 31 December 2010	8,277	266	106	655	598	9,202

2.2 Bank and Cash

	2011	2010
at 31 December	€000	€000
PMG balances and cash	6,350	5,602
Orders outstanding	—	(11)
	6,350	5,591

2.3 Stocks

at 31 December	2011	2010
	€000	€000
Stationery	15	16

2.4 Other Debit Balances

at 31 December	2011	2010
	€000	€000
Sundry debtors	31	74

2.5 Other Credit Balances

at 31 December

2011	2010
€000	€000

Amounts due to the State

Professional Services Withholding Tax
Value Added Tax

97	84
19	42

116	126
-----	-----

Other credit balances

48	20
----	----

164	146
-----	-----

2.6 Net Liability to the Exchequer

at 31 December

2011	2010
€000	€000

Surplus to be surrendered

5,980	12,400
-------	--------

Exchequer grant undrawn

(3,919)	(11,328)
---------	----------

Net liability to the Exchequer

2,061	1,072
-------	-------

Represented by:**Debtors**

Bank and cash

6,350	5,591
-------	-------

Debit balances: suspense

31	74
----	----

6,381	5,665
-------	-------

Creditors

Due to the State

(116)	(126)
-------	-------

Other credit balances

(48)	(20)
------	------

Bilateral and other co-operation fund (grant-in-aid)

(4,156)	(4,447)
---------	---------

(4,320)	(4,593)
---------	---------

2,061	1,072
-------	-------

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.	663	Savings were delivered through lower than anticipated air fare costs and continued tight cost control on expenditure to this subhead.
A.3.	1,432	Savings were delivered across all incidental costs associated with managing the aid programme at head quarters and at country mission level.
A.5.	813	Savings were delivered on this subhead through lower than anticipated office running costs at head quarters and at country mission level.

4 Receipts

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
Appropriations-in-aid			
1. Appropriations-in-aid	300	1,018	642
2. Receipts from pension-related deductions on public service remuneration	853	772	846
	<u>1,153</u>	<u>1,790</u>	<u>1,488</u>

Explanation of significant variations

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

Heading	Less/(more) than estimated €000	Explanation
1.	(718)	The surplus arose through higher than anticipated grant refunds received into the Bilateral aid programme. Miscellaneous receipts of this nature fluctuate from year to year and are difficult to forecast accurately in advance.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	194	209
	2011	2010
	€000	€000
Pay	14,894	14,947
Higher, special or additional duties allowances	34	45
Other allowances	44	103
Overtime	37	31
Employer's PRSI	788	833
Total pay	15,797	15,959

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 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	6	2	12,345	20,947
Other allowances	25	—	6,622	5,704
Overtime	18	1	10,612	9,281

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

6 Miscellaneous Items

Contributions to UN and other development agencies (subhead E.)	2011	2010
	€000	€000
United Nations Development Programme (UNDP)	8,940	8,700
United Nations Children's Fund (UNICEF)	8,200	8,000
United Nations High Commissioner for Refugees (UNHCR)	6,100	6,000
World Health Organisation (WHO) Programmes	1,200	1,200
United Nations Population Fund	3,050	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)	1,200	400
UN International Drugs Control Programme	100	100
UN Industrial Development Organisation	481	450
UN Relief and Works Agency for Palestine Refugees in the Near East (UNWRA)	4,000	3,800
UNEP Trust Fund	755	743
Others - various	474	2,107
	39,500	39,500

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 2011

	2011	2010
	€000	€000
Balance on 1 January 2011	4,447	1,733
Grant-in-aid 2011	365,633	373,951
	370,080	375,684
Expenditure 2011	365,924	371,237
Balance on 31 December 2011	4,156	4,447

In addition, at 31 December 2011, unspent balances totalling €3.98m (2010 - €5.13m), 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 2011 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 granted by Dail Eireann under the Appropriation Act 2011, 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, with the following exception.

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.

Statement on Internal Financial Controls

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 Management

Detailed monthly reporting to the Management Committee, combining key financial and non-financial information, is in place. This enables effective management of outputs, efficiency and ensures value for money.

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. In this context, the Internal Audit Committee has been renamed the Internal Audit and Risk Committee to emphasise the importance of risk as part of its remit.

Internal Audit and Audit Committee

An annual internal audit programme is prepared under the auspices of the Audit Committee. The Internal Audit Unit carry out these audits and report their findings to the Committee which operates under a written charter. During 2011, a total of ten reports were completed.

Aidan Dunning

Accounting Officer

Department of Communications, Energy and Natural Resources

29 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 30: Communications, Energy and Natural Resources for 2011 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 2011.

Chapter 20 of my report on the accounts of the public services for 2011 refers to certain matters relating to Vote 30 on which I considered it appropriate to report in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993.

Seamus McCarthy
Comptroller and Auditor General
30 August 2012

Vote 30 Communications, Energy and Natural Resources

Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	16,289	15,690	15,668
A.2. Travel and subsistence	552	407	530
A.3. Training and development and incidental expenses	1,092	880	1,079
A.4. Postal and telecommunication services	528	426	424
A.5. Office equipment and external IT services	3,118	2,665	2,569
A.6. Office premises expenses	920	763	846
A.7. Consultancy services and value for money and policy reviews	1,980	1,364	1,246
A.8. Equipment, stores and maintenance	123	81	103
Communications			
B.1. Information and communications technology programme	29,630	8,831	49,776
B.2. Multimedia developments	8,495	8,074	7,950
B.3. Information society	950	174	113
Broadcasting			
C.1. Grant to Radio Telefís Éireann for broadcasting licence fees (grant-in-aid)	185,724	182,444	195,000
C.2. Payment to An Post for collection of broadcasting licence fees	12,457	12,405	11,943
C.3. Deontas i leith Theilifís na Gaeilge (deontas-i-gcabhair)	33,550	36,260	34,050
C.4. Broadcasting Fund	14,704	14,420	14,678
C.5. Grants for digital terrestrial television	3,000	575	50
Energy			
D.1. Sustainable Energy Authority of Ireland - administration and general expenses (grant-in-aid)	8,968	7,763	7,491
D.2. Sustainable energy programmes (cash - limited)	109,451	100,500	100,953
D.3. Energy research programmes (cash - limited)	14,400	9,252	7,356
D.4. Strategic energy infrastructure	1	—	—

Service	2011 Estimate provision €000	2011 Outturn €000	2010 Outturn €000
Natural Resources			
E.1. Petroleum services	1,367	1,183	5,378
E.2. Mining services	4,700	1,971	1,960
E.3. GSI services	540	488	270
E.4. Geoscience initiatives	2,208	1,437	3,262
E.5. National seabed survey	2,900	2,944	3,002
E.6. Ordnance Survey Ireland (grant-in-aid)	7,451	7,451	4,985
Inland Fisheries			
F. Inland fisheries	28,617	27,565	28,736
Miscellaneous			
G.1. Subscriptions to international organisations	467	299	373
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	494,716	446,344	499,823
Deduct			
H. Appropriations-in-aid	241,243	239,648	244,003
Net expenditure	253,473	206,696	255,820
Surplus for the year		€46,776,852	€32,916,036
Deferred surrender		€15,800,000	—
Surplus to be surrendered		€30,976,852	€32,916,036

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			22,276	22,465
Expenditure on services and programmes			424,068	477,358
Gross expenditure			446,344	499,823
Deduct				
Appropriations-in-aid			239,648	244,003
Net expenditure			206,696	255,820
Changes in capital assets				
Purchases cash		(329)		
Depreciation		1,752		
Proceeds of disposals		—		
Loss on disposals		—	1,423	2,284
Changes in assets under development				
Cash payments			(124)	(197)
Changes in net current assets				
Increase in closing accruals		457		
Decrease in stock		32		
			489	(790)
Direct expenditure			208,484	257,117
Net allied services expenditure	1.1		13,388	12,676
Notional rents			3,257	2,820
Total operating cost			225,129	272,613

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		2011 €000	2010 €000
6	Finance	132	—
7	Superannuation and Retired Allowances	8,870	8,303
9	Office of the Revenue Commissioners	325	334
10	Office of Public Works	3,775	3,706
20	Garda Síochána	59	193
	Central Fund - Ministerial etc. pensions	227	140
		13,388	12,676

2 Balance Sheet as at 31 December 2011

		2011	2010
	Note	€000	€000
Capital assets	2.1	6,355	7,690
Capital assets under development	2.2	239	203
		6,594	7,893
Current assets			
Bank and cash	2.3	11,068	155
Stocks	2.4	310	342
Prepayments		373	810
Accrued income		1,586	1,552
Other debit balances	2.5	289	83
Total current assets		13,626	2,942
Less current liabilities			
Accrued expenses		78	125
Other credit balances	2.6	1,461	1,279
Net liability to the Exchequer	2.7	9,896	(1,041)
Deferred Income		101	—
Total current liabilities		11,536	363
Net current assets		2,090	2,579
Net assets		8,684	10,472
Represented by:			
State funding account		8,684	10,472

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 2011	859	1,239	19,832	3,747	25,677
Additions	—	4	349	64	417
Disposals	—	(4)	(150)	—	(154)
Cost or valuation at 31 December 2011	859	1,239	20,031	3,811	25,940
Accumulated depreciation					
Opening balance at 1 January 2011	—	1,055	14,372	2,560	17,987
Depreciation for the year	—	61	1,397	294	1,752
Depreciation on disposals	—	(4)	(150)	—	(154)
Cumulative depreciation at 31 December 2011	—	1,112	15,619	2,854	19,585
Net assets at 31 December 2011	859	127	4,412	957	6,355
Net assets at 31 December 2010	859	184	5,460	1,187	7,690

Notes:

(a) The following fisheries are not included in capital assets but are owned by the Minister and are managed by Inland Fisheries Ireland.

Galway

Owenea/Owentocker, Co. Donegal

(b) Land and buildings relates to the GPO Henry Street Arcade.

(c) 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.

2.2 Capital Assets under Development

at 31 December 2011

**Computer applications
and research**

€000

Amounts brought forward at 1 January 2011	203
Cash payments for the year	124
Transferred to asset register	(88)
Amounts carried forward at 31 December 2011	239

2.3 Bank and Cash

at 31 December

	2011	2010
	€000	€000
PMG balances and cash	11,368	1,449
Orders outstanding	(300)	(1,294)
	<u>11,068</u>	<u>155</u>

2.4 Stocks

at 31 December

	2011	2010
	€000	€000
IT equipment	29	43
Geological Survey of Ireland	266	283
Stationery	15	16
	<u>310</u>	<u>342</u>

2.5 Other Debit Balances

at 31 December

	2011	2010
	€000	€000
Due from the State	1	—
Suspense	288	83
	<u>289</u>	<u>83</u>

2.6 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Withholding Tax	181	175
Value Added Tax	137	144
Voluntary surrender of pay	8	—
	<u>326</u>	<u>319</u>
Suspense	1,135	960
	<u>1,461</u>	<u>1,279</u>

2.7 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	30,977	32,916
Deferred surrender	15,800	—
Exchequer grant undrawn	(36,881)	(33,957)
Net liability to the Exchequer	<u>9,896</u>	<u>(1,041)</u>

Represented by:**Debtors**

Bank and cash	11,068	155
Debit balances: suspense	288	83
Due from the State	1	—
	<u>11,357</u>	<u>238</u>

Creditors

Due to State	(326)	(319)
Credit balances: suspense	(1,135)	(960)
	<u>(1,461)</u>	<u>(1,279)</u>
	<u>9,896</u>	<u>(1,041)</u>

2.8 Commitments

	2011	2010
	€000	€000
(a) Global Commitments		
Total of legally enforceable commitments	1,291	6,668

(b) Multi-Annual Capital Commitments

Project	Expenditure to 31 December 2010 €000	Expenditure in 2011 €000	Subsequent Years €000	Total €000
ICT programmes	242,646	8,766	18,673	270,085
Multimedia developments	19,773	4,457	6,000	30,230
Sustainable energy programmes	7,771	90,106	29,014	126,891
Energy research programmes	8,165	5,654	2,031	15,850
Mining services	9,843	1,346	150	11,339
Geoscience initiatives	8,405	1,437	5,751	15,593
National seabed survey	20,582	2,944	5,300	28,826
TG4	1,800	3,510	4,965	10,275
	318,985	118,220	71,884	509,089

Expenditure figures for 2011 and prior years relate only to projects with future legally binding commitments.

2.9 Contingent Liability

There is potential for financial liabilities to arise in 2012 and subsequent 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.	145	The savings arose due to lower than anticipated levels of official travel and the Department's efforts to reduce overall administrative expenditure.
A.7.	616	The savings arose due to some consultancies not proceeding and the Department's efforts to reduce overall expenditure on consultancy services.
B.1.	20,799	The variance arose primarily due to the later than anticipated rollout of the 100Mbps Schools Broadband programme.
B.3.	776	The savings arose primarily as planned expenditure in respect of the cyber security and the emergency call answering service projects did not take place in 2011.
C.3.	(2,710)	The excess arose to facilitate the transition to high definition television by TG4.
C.5.	2,425	The savings arose due to the later than anticipated commencement of the Digital Terrestrial Television information and awareness campaign.
D.1.	1,205	Savings primarily due to the SEAI being below its Employment Control Framework ceiling.
D.2.	8,951	Saving arose due to slower than anticipated uptake of the demand-led Better Energy Homes Scheme.
D.3.	5,148	Expenditure was deferred in some projects pending a review of spending priorities.
E.1.	184	The savings arose primarily due to delays in the completion of two strategic environmental assessments.
E.2.	2,729	The savings arose due to delays in the commencement of remedial works at a state owned mine and some mining compensation payments not proceeding to payment stage.
E.4.	771	The savings arose due to deferred expenditure in respect of the Griffith Research Programme and the Tellus Border Project.
G.1.	168	The savings arose due to lower than anticipated subscriptions to international organisations during the year.
G.4.	501	The savings arose because capital contingency funds were not required in 2011.

4 Receipts

4.1 Appropriations-in-aid

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Proceeds of fines in respect of fishery offences	50	28	45
2. Receipts under the Minerals Development Act, 1940 and the Petroleum and Other Minerals Act, 1960	11,488	13,382	9,300
3. Petroleum Infrastructure Support Group	1,166	1,175	5,227
4. Broadcasting licence fees	222,130	217,759	222,376
5. Geological Survey Ireland income	400	305	627
6. Rent on properties in GPO	223	192	230
7. Emergency call answering service	250	—	—
8. Miscellaneous	1,500	2,506	1,839
9. Receipts from pension-related deduction on public service remuneration	4,036	4,301	4,359
Total	241,243	239,648	244,003

Miscellaneous

	2011 €000	2010 €000
Pension contribution from Sustainable Energy Authority of Ireland	225	210
Pension contribution from Broadcasting Authority of Ireland	771	421
Pension contribution from Ordnance Survey Ireland	409	—
Pension contribution from Digital Hub Development Agency	—	136
Costs recovered from other bodies	69	246
Corrib verification process	274	—
Royalties in respect of Metropolitan Area Networks	735	786
Other	23	40
Total	2,506	1,839

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	(1,894)	Receipts higher than anticipated due to increases in production and in prospecting licence activities.
7	250	The commencement of the ECAS was deferred until 2012. This is a Vote neutral measure and accordingly no income could be recognised in 2011.
8	(1,006)	Receipts were higher than anticipated as revised procedures were introduced regarding the collection of superannuation monies from some State Bodies.
9	(265)	Receipts higher than anticipated due to uncertainty on forecasting retirements.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	259	263
	2011	2010
	€000	€000
Pay	14,715	15,089
Higher, special or additional duties allowances	105	170
Other allowances	80	—
Overtime	47	55
Employer's PRSI	743	709
Total pay	15,690	16,023

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	11	4	20,614	20,635
Other allowances	54	—	7,098	6,765
Overtime	12	—	9,133	13,092

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

5.2 Performance and Merit Payments

There was no performance or merit payments made in 2011.

5.3 Other Remuneration Arrangements

An ex-gratia payment totalling €1,569 was made to four employees in respect of a European Court of Justice decision regarding employees on fixed-term contracts.

An ex-gratia payment of €11,936 was made to a former employee in respect of agreed retirement benefits.

6 Miscellaneous

6.1 EU Funding

The outturn shown for Subhead B.1. for 2011 includes expenditure which was co-financed from the European Regional Development Fund.

6.2 Commissions and Inquiries

€152,264 (2010: €358,767) was paid in respect of various expenses arising out of the Department's involvement in the Moriarty Tribunal.

6.3 Other Miscellaneous

A total of €231,916 was paid in settlement of a court case relating to the Corrib Gas Field.

Legal costs of €12,100 were paid as a result of a High Court Order in respect of a case involving the Commission for Energy Regulation.

6.4 Petroleum Infrastructure Programme Fund

Statement of the receipts and payments of the Petroleum Infrastructure Programme Fund for the year ended 31 December 2011

	2011	2010
	€000	€000
Balance at 1 January	6,563	1,677
Receipts	1,104	5,245
Payments	(383)	(359)
Balance at 31 December	<u>7,284</u>	<u>6,563</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 PIP fund are recorded as appropriations-in-aid and paid into the fund via Subhead E.1.

The fund is administered by Petroleum Affairs Division of the Department.

6.5 Carryover to 2012

Under the provisions of Section 91 of the Finance Act 2004, €15.8m of unspent allocation in respect of the capital elements of subheads B2 and D2 was carried forward to 2012.

Vote 31 Agriculture, Food and the Marine

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 2011 for the salaries and the expenses of the Office of the Minister for Agriculture, Food and the Marine, 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 2011, 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:

Capital Assets

A schedule is maintained of all land and buildings administered by the Department. However, as valuations for all of these properties are not available, they are not included in the statement of capital assets (Note 2.1).

Depreciation

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, Food and the Marine.

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 and its Risk Management Committee.

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 2011, the Department was subject to approximately 2,800 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 2011 with Risk Management Committee meetings being held in February, April, July and October.

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. The Department and the Finance Group of Votes went live in 2011 with their respective estimates being published in the new Vote format with accompanying non financial data. In addition, the Department has commenced preparatory work on developing an improved performance measurement framework and costing methodology 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.

Tom Moran
Accounting Officer
Department of Agriculture, Food and the Marine
29 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 31: Agriculture, Food and the Marine for 2011 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, Food and the Marine. 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 2011.

Seamus McCarthy
Comptroller and Auditor General
7 September 2012

Vote 31 Agriculture, Food and the Marine Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Programme expenditure			
A. Agri-food policy, development and trade	383,642	344,085	317,483
B. Food safety, animal health and welfare and plant health	317,130	256,627	266,887
C. Rural economy and environment	647,885	535,504	869,499
D. Effective delivery of client focused schemes and services	298,850	285,064	277,262
Gross expenditure	1,647,507	1,421,280	1,731,131
Deduct			
E. Appropriations-in-aid	373,892	429,883	401,374
Net expenditure	1,273,615	991,397	1,329,757
Surplus for the year		€282,217,298	€72,660,997
Deferred surrender		€26,900,000	—
Surplus to be surrendered		€255,317,298	€72,660,997
	2011 Estimate	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
(i) Salaries, wages and allowances	188,675	189,817	194,938
(ii) Travel and subsistence	8,994	7,885	8,312
(iii) Training and development and incidental expenses	9,086	4,723	5,770
(iv) Postal and telecommunications services	6,142	4,653	5,088
(v) Office equipment and external IT services	20,213	17,778	17,470
(vi) Office premises expenses	7,300	6,166	6,306
(vii) Consultancy services and value for money and policy reviews	136	14	8
(viii) Supplementary measures to protect the financial interests of the EU	658	588	569
(ix) Laboratory equipment	6,230	5,738	5,426
<i>Value for money and policy reviews</i>	—	—	93
	247,434	237,362	243,980

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Programme cost			1,183,918	1,487,151
Pay			189,817	194,938
Non pay			47,545	49,042
Gross expenditure			1,421,280	1,731,131
Deduct				
Appropriations-in-aid			429,883	401,374
Net expenditure			991,397	1,329,757
Changes in capital assets				
Purchases cash		(3,721)		
Depreciation		8,035		
Loss on disposals		3		
			4,317	12,026
Changes in assets under development				
Cash payments			—	(5,403)
Changes in net current assets				
Decrease in closing accruals		(19,062)		
Increase in stock		(107)		
			(19,169)	(259,186)
Direct expenditure			976,545	1,077,194
Net allied services expenditure	1.1		64,424	60,765
Notional rents			7,215	11,021
Total operating cost			1,048,184	1,148,980

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.

		2011 €000	2010 €000
7	Superannuation and Retired Allowances	56,340	49,762
9	Office of the Revenue Commissioners	2,514	2,583
10	Office of Public Works	5,174	8,011
20	Garda Síochána	69	207
	Central Fund - Ministerial etc. pensions	327	202
		64,424	60,765

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	17,724	22,041
		17,724	22,041
Current assets			
Bank and cash	2.2	118,044	60,967
Stocks	2.3	4,309	4,202
Prepayments		1,518	2,017
Accrued income		129,339	170,391
Other debit balances	2.4	2,111	3,132
Total current assets		255,321	240,709
Less current liabilities			
Accrued expenses		7,578	68,192
Deferred income		4	3
Other credit balances	2.5	44,042	67,036
Net liability to the Exchequer	2.6	76,113	(2,937)
Total current liabilities		127,737	132,294
Net current assets		127,584	108,415
Net assets		145,308	130,456
Represented by:			
State funding account		145,308	130,456

2.1 Capital Assets

	Office equipment/ other machinery €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2011	215,033	13,894	228,927
Additions	3,618	103	3,721
Disposals	(931)	—	(931)
Cost or valuation at 31 December 2011	217,720	13,997	231,717
Accumulated depreciation			
Opening balance at 1 January 2011	195,190	11,696	206,886
Depreciation for the year	7,641	394	8,035
Depreciation on disposals	(928)	—	(928)
Cumulative depreciation at 31 December 2011	201,903	12,090	213,993
Net assets at 31 December 2011	15,817	1,907	17,724
Net assets at 31 December 2010	19,843	2,198	22,041

Notes

1. As indicated in the Introduction, land and buildings are not included in this statement.

2. The Minister, as successor to the Irish Land Commission, had 431 hectares of non-agricultural land on hand at 31 December 2011.

2.2 Bank and Cash

at 31 December	2011 €000	2010 €000
PMG balances and cash	123,983	73,102
Orders outstanding	(5,939)	(12,135)
	118,044	60,967

2.3 Stocks

at 31 December	2011 €000	2010 €000
Laboratory supplies and chemicals	287	293
Stationery supplies	103	100
Computer supplies	180	94
Veterinary supplies	3,254	3,180
Livestock	302	325
Agricultural stock	104	124
Safety items and first aid supplies	36	38
Cleaning supplies	7	7
Oil stocks	36	41
	4,309	4,202

2.4 Other Debit Balances

at 31 December

	2011	2010
	€000	€000
Imprests and recoupable travel costs	232	380
Department of Finance recoupable gratuities and retirement lump sums	594	1,985
Advance payments to OPW	1,109	508
Due from Local Authorities in respect of harbour development	131	181
Other	45	78
	<u>2,111</u>	<u>3,132</u>

2.5 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Withholding Tax	598	678
Value Added Tax	761	869
Relevant Contracts Tax	168	37
Superannuation	473	494
Intervention VAT	(29)	(75)
Income Tax	3,365	3,270
Pay Related Social Insurance	1,189	1,033
Extra exchequer receipts	—	2
	<u>6,525</u>	<u>6,308</u>
Securities	343	810
Milk quota sales and levies	422	438
Cork and Dublin district milk board funds	642	642
Pesticides licensing fees	2,205	2,231
EU advances	32,176	54,099
Miscellaneous	1,729	2,508
	<u>44,042</u>	<u>67,036</u>

2.6 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	255,317	72,661
Deferred surrender	26,900	—
Exchequer grant undrawn	(206,104)	(75,598)
Net liability to the Exchequer	<u>76,113</u>	<u>(2,937)</u>

Represented by:**Debtors**

Bank and cash	118,044	60,967
Debit balances: suspense	<u>2,111</u>	<u>3,132</u>
	<u>120,155</u>	<u>64,099</u>

Creditors

Due to the State	(6,525)	(6,308)
Credit balances: suspense	<u>(37,517)</u>	<u>(60,728)</u>
	<u>(44,042)</u>	<u>(67,036)</u>
	<u>76,113</u>	<u>(2,937)</u>

2.7 Commitments at 31 December	Due in 2012 €000	Subsequent years €000	Total 2011 €000	Total 2010 €000
(a) Procurement	7,054	2,398	9,452	6,037
(b) Grants				
Capital investment grants	23,000	80,000	103,000	124,250
Fishery harbour and coastal infrastructure development	152	—	152	—
Food research	15,697	17,361	33,058	48,203
Afforestation	99,666	684,795	784,461	772,167
Bioenergy	293	—	293	565
Grants to the organic sector	11,449	43,400	54,849	55,043
Farm Improvement Scheme	22,858	56,830	79,688	11,000
Early Retirement Scheme	24,000	69,840	93,840	128,540
Rural Environment Protection Scheme	184,614	311,877	496,491	993,374
Agri Environment Options Scheme	58,000	224,100	282,100	—
Horticulture Scheme	225	—	225	399
Equine breeding	1,676	—	1,676	1,272
Cattle Breeding Authority	884	—	884	—
Animal Health Ireland	500	500	1,000	—
Total of legally enforceable commitments	450,068	1,491,101	1,941,169	2,140,850

3 Programme Expenditure

	2011 Estimate provision €000	2011 Outturn €000	2010 Outturn €000
A Agri-Food Policy, Development and Trade			
A.1 Administration - pay	15,085	15,176	15,572
A.2 Administration - non pay	4,325	3,417	3,484
A.3 Research and training	35,695	35,190	35,455
A.4 Development of agriculture and food	44,500	20,361	25,846
A.5 Teagasc - grant-in-aid for general expenses	120,156	120,156	114,165
A.6 An Bord Bia - grant-in-aid for general expenses	28,392	27,637	28,491
A.7 Marine Institute (grant-in-aid)	24,200	24,123	24,227
A.8 Bord Iascaigh Mhara (grant-in-aid)	16,738	16,738	17,425
A.9 Food aid donations - World Food Programme	9,960	9,960	9,960
A.10 Other services	27,301	14,037	16,382
A.11 Horse and Greyhound Racing Fund	57,290	57,290	26,476
	383,642	344,085	317,483
B Food Safety, Animal Health and Welfare and Plant Health			
B.1 Administration - pay	105,231	105,868	108,726
B.2 Administration - non pay	35,984	29,455	29,752
B.3 Food safety (and public health), animal health and welfare and plant health	175,730	121,212	128,281
B.4 Other services	185	92	128
	317,130	256,627	266,887
C Rural Economy and Environment			
C.1 Administration - pay	40,856	41,103	42,223
C.2 Administration - non pay	11,062	8,781	9,447
C.3 Rural environment	337,000	277,022	323,802
C.4 Land mobility (early retirement/installation aid)	35,960	27,702	35,155
C.5 Development of agriculture and food	73,340	40,882	315,063
C.6 Forestry and bioenergy	119,820	116,459	120,612
C.7 Fisheries	17,838	12,648	10,616
C.8 Sea Fisheries Protection Authority	10,895	10,199	11,324
C.9 Other services	1,114	708	1,257
	647,885	535,504	869,499
D Effective Delivery of Client Focused Schemes and Rewards			
D.1 Administration - pay	27,503	27,670	28,416
D.2 Administration - non pay	7,388	5,892	6,358
D.3 Income and market supports	43,333	17,609	30,229
D.4 Income support in disadvantaged areas	220,000	233,757	208,195
D.5 Other services	626	136	4,064
	298,850	285,064	277,262
Gross Expenditure		1,421,280	1,731,131

Explanation of significant variations

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

Sub-head	Less/(more) than provided €000	Explanation
A.4	24,139	The impact of the economic downturn contributed to a lower level of investment than anticipated in 2011 under the Dairy and Beef/Sheepmeat Marketing and Processing Investment Funds.
A.10	13,264	Savings arose on legal expenses as fewer cases than anticipated were settled during the year. Also the beef efficiency programme provided for under this heading was not launched until 2012.
B.3	54,518	There were savings on TB eradication, BSE and other animal diseases due to the continuing decrease in disease incidence and fewer incidences of class A disease outbreaks during the year. The level of claims submitted under the suckler cow welfare scheme was lower than anticipated and there were also savings under the fallen animal scheme due to the reduced cattle numbers taken into knackeries.
C.3	59,978	The variation from estimate arose as some applications under both the agricultural environmental options scheme and rural environment protection scheme did not clear all of the administrative checks that are required for payment under the EU regulation before year end.
C.4	8,258	The savings occurred as more participants under the early retirement scheme than anticipated qualified for the national old age pension at 65 or 66 years, at which point the early retirement scheme pension was reduced by the amount of national pension paid.
C.5	32,458	Expenditure under the targeted agricultural modernisation schemes was less than estimated as some projects approved for grant aid were not completed and the funding provided was not fully drawn down (farmers have two years to complete works approved). In addition, the schemes were temporarily suspended in June 2011 resulting in less grant approvals being issued.
C.7	5,190	The savings arose mainly under aquaculture capital development due to on-going constraints on eligible investment projects arising from the designation of inshore waters as special areas of conservation and special protection areas and also due to the exclusion of salmon aquaculture. There were also savings due to non completion of development works at some of the fishery harbours.
C.8	696	Due to a derogation in legislation, fewer vessels required systems installations than was originally provided for in the estimate.
C.9	406	There was less expenditure under technical assistance than estimated due to a streamlining of activities under the national rural network.
D.3	25,724	Savings arose as the number of expected audits and possible disallowances cases were not concluded by year end and the resulting reimbursement to the EU did not occur.
D.4	(13,757)	The excess is mainly due to the high level of applications under the 2010 scheme that remained to be paid in 2011.
D.5	490	Most of the outstanding applications under the 2010 frost damage crop scheme did not meet the scheme conditions, leading to a saving.

4 Receipts

4.1 Appropriations-in-aid	Subhead	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Recoupment of salaries, etc. of officers on loan to outside bodies		735	761	923
2. Forfeited deposits and securities under EU intervention, export refund, etc. arrangements		1	736	996
3. Refunds from veterinary fees for inspection services at poultry and other meat plants		14,735	15,247	15,558
4. Receipts from veterinary inspection fees for live exports		1,241	1,646	2,407
5. Receipts from fees for dairy premises inspection services		5,000	5,685	4,929
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.3	970	1,277	1,412
7. Receipts from seed testing fees, certification fees, licensing fees, pesticides, registration fees, etc. and receipts from Backweston Farm	A.3	1,666	1,698	1,851
8. Receipts from farmer contributions towards the cost of eradicating bovine disease	B.3	5,000	5,780	5,543
9. Land Commission receipts		346	410	506
10. Other receipts		200	2,652	846
11. Market intervention expenses and financing costs for other FEOGA (Guarantee) section measures	D.3	1,261	1,056	1,675
12. Intervention stock losses, etc.		1	1,086	958
13. EAFRD (European Agricultural Fund for Rural Development)	C.3-C.5, D.4	300,000	346,368	306,132
14. Veterinary Fund	B.3	15,921	19,566	14,020
15. Other Guarantee receipts from EU (Agriculture)	D.3,D.5	1,615	1,044	1,039
16. Other Guarantee receipts from EU (EAGGF Fisheries)	D.3	750	919	1,050
17. National Development Plan - structural receipts (2000-2006)	C.7	2,000	3,316	—
18. Proceeds of fines and forfeitures in respect of sea fisheries	C.7	100	249	234
19. Receipts under the 1933 Foreshore Act and the 1954 State Property Act	A.5, A.7,A.8,C.8	100	120	144
20. EU recoupment in respect of expenditure on the conservation and management of fisheries		1	379	1,102
21. Aquaculture licence fees		412	689	387
22. EU FIGG receipts (aquaculture and development)		1	—	—
23. EFF (Fisheries) 2007-2013		5,000	—	20,590
24. Receipts from pension-related deduction on public service remuneration		16,836	19,199	19,072
Total		373,892	429,883	401,374

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.	(735)	Only a nominal amount was provided due to the unpredictable nature of forfeitures on licence securities.
4.	(405)	Fee income was higher than estimated as exports of bovines were higher than anticipated when the estimate was being framed.
5.	(685)	There was a higher milk volume processed in 2011 resulting in more fees collected than estimated.
6.	(307)	The level of samples submitted to the Department's laboratories for testing during the year was higher than predicted, due to increased emphasis on endemic diseases.
8.	(780)	The higher volumes of milk produced and cattle slaughtered during the year resulted in a higher level of disease levies collected from farmers than anticipated.
10.	(2,452)	Staff superannuation deductions now receivable from some of the state agencies under the remit of this Department included under this heading contributed to the excess.
11.	205	The lower level of receipts resulted from the absence of purchases of milk products or barley into intervention, but this was partly offset by a higher level of recoupment costs for the removal of skim milk powder stocks out of intervention.
12.	(1,085)	The outcome of the clearance of the EAGF account cannot be pre-determined and only a nominal provision was made.
13.	(46,368)	Receipts were higher than estimated due to accelerated recoupment in respect of EAFRD expenditure. In addition, funding held in suspense, arising from an advance of EU co-funding under the rural development programme 2007-2013, was returned as an appropriation-in-aid.
14.	(3,645)	An amount of €3.6m, withheld from the 2010 claim under the TB programme pending the result of an EU Commission audit, was received in 2011.
15.	571	The outturn reflects lower than expected uptake of the school milk scheme.
16.	(169)	Given the nature of the industry and the relative volatility of supply and demand, 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.
17.	(1,316)	The amount received represents the final 5% closing balance under the EAGGF Fund. It was not possible to anticipate the timing of the receipts.
18.	(149)	Receipts from fines are variable, depending on the level of detections, the number of court cases completed and the level of fines and forfeitures imposed.
20.	(378)	Reimbursement under this heading had not been provided for in the original estimate as receipts are dependent on funding available and on the suitability of projects.
21.	(277)	The variance was due to the earlier billing of licence fees and collection of arrears during the year.
23.	5,000	The claim submitted was not certified in time by the EU Commission to complete the drawdown of funds before year end.
24.	(2,363)	The level of income levy was difficult to estimate due to the ongoing changes in staff number in the Department and the agencies under its remit.

4.2 Extra receipts payable to the Exchequer

	2011	2010
	€000	€000
Dublin District Milk Board pension fund	11	11
Conscience money	1	—
Surrender of suspense account	164	350
Legal expenses	20	35
National Milk Agency pension contributions	782	—
Refund of legal fees	4	—
Voluntary surrender of pay	8	9
Total	990	405

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	3,525	3,632
	2011	2010
	€000	€000
Pay	174,515	179,716
Higher, special or additional duties allowances	1,813	1,831
Other allowances	1,291	1,189
Overtime	3,625	3,941
Employer's PRSI	8,573	8,354
Total pay	189,817	195,031

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	599	10	20,614	20,277
Other allowances	596	20	20,642	20,178
Overtime	865	97	46,771	39,843

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

5.2 Other Remuneration Arrangements

Out of court settlements of €35,000 each were made to two staff members during the year.

An ex-gratia payment of €27,000 was made to one staff member in settlement of a claim.

Ex-gratia payments of €2,500 each were made to two staff members following an assault on them by members of the public.

€78,492 was paid to a retired civil servant, in receipt of a civil service pension, who was re-engaged on a fee basis. Fees paid were consistent with the principles of the Pensions (Abatement) Act, 1965.

This account includes €40,970 in respect of the non recoupable portion of the remuneration of an officer seconded to a staff representative body.

An amount of €58,122 in respect of severance pay was paid to six employees in 2011.

6 Miscellaneous

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 replaced 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 C and D include expenditure in respect of activities co-financed by the EU through the EAFRD. Subhead B includes expenditure in respect of activities that are co-financed from the EU Veterinary Fund. Subhead C 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 €4.268 million paid on short-term borrowings of €673 million borrowed in 2010 to fund EAGF Guarantee expenditure pending recoupment from the EU. The borrowings were repaid in 2011 along with interest.

A total of €720 million in short-term funds were borrowed in 2011 to fund EAGF Guarantee expenditure pending EU recoupment in 2012.

Provision, as outlined in note 6.4, has been made for potential future liabilities arising from the repayment of EAFRD advance funding received from the EU.

Receipts in relation to EU-funded expenditure managed by the Department of Agriculture, Food and Marine EAGF Guarantee (measures fully funded by the EU)

Description	2011	2010
	Outturn €m	Outturn €m
Single payment scheme (including modulation refund)	1,316	1,145
Grassland sheep, dairy efficiency, Burren life (EU Reg 73/2009 Article 68 measures)	23	—
Export refunds	3	9
Intervention	36	3
Other	(2)	—
Co-funded receipts (measures co-funded by EU) ¹		
Agriculture		
EAFRD Rural Development Programme 2007-2013	346	306
Veterinary fund	20	14
Market intervention	1	2
Other co-financing receipts	5	2
Fisheries		
FIFG - aquaculture development/fisheries development	1	23
	1,749	1,504

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:

	2011	2010
	€	€
Scheme of early retirement from farming	265,949	674,864
Afforestation schemes	221,837	29,792
Overpayment of salary to staff member (now retired)	1,414	—
Land Commission annuity arrears	75,834	—
Miscellaneous EU premia and areas based schemes	84,930	—
Rural Environment Protection scheme	—	1,142
Relevant Contracts Tax liability not recovered	—	50,748
Unfilled order due to a supplier liquidation	—	32,960

6.3 Legal Costs and Compensation

Legal costs of €43,205 were paid following a personal injuries claim made by a non-employee.

An award and legal costs totalling €180,000 were paid following a High Court hearing in relation to an animal welfare case.

Legal costs totalling €336,489 were paid arising out of two High Court actions in fisheries related cases.

Legal costs of €82,611 were paid arising out of a High Court hearing in relation to a claim under the Early Retirement Scheme.

An out of court settlement and associated legal costs totalling €126,300 were paid in relation to a claim made under the disease eradication schemes.

6.4 Contingent Liability

The EAFRD programme under Regulation 1290/2005 Article 25 provided 7% advance funding on the overall programme paid in two instalments in 2007 and 2008. This amounted to €147m advance funding for the Department which was receipted as appropriations-in-aid in those years. This advance funding must be accounted for by the end of the programme. Depending on the final expenditure for the programme, which ends in 2013, there exists the potential for liabilities to the extent of the advance. The Department is providing in a suspense account the difference between the value of the advance funding and eligible expenditure declared as at 31 December 2011. The value retained in suspense is €32m.

6.5 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 2011 was €8.436m (2010: €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 2011 was €1.524m (2010: €1.524m).

6.6 Ex-Gratia Payments

Ex-gratia payments totalling €1,234,000 were made to 132 animal welfare organisations.

Ex-gratia payments totalling €11,458,414 were made to 17,569 applicants under the farm waste management scheme, whose grants were paid on a phased basis on foot of a Government decision.

7 Horse and Greyhound Racing Fund

Amounts of receipts and payments for the year ended 31 December 2011

	2011 €000	2010 €000
Balance on 1 January 2011	—	—
Receipts (subhead A.)	57,290	59,264
Payments		
Horse Racing Ireland	(45,830)	(47,411)
Bord na gCon	(11,460)	(11,853)
Balance at 31 December 2011	—	—

Vote 32 Transport, Tourism and Sport

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 2011 for the salaries and expenses of the Office of the Minister for Transport, Tourism and Sport, including certain services administered by that Office, for payment of certain grants, grants-in-aid and certain other services.

The expenditure outturn is compared with the sums

(a) granted by Dáil Éireann under the Appropriation Act 2011, including the amount that could be used as appropriations-in-aid of expenditure for the year, and

(b) provided for capital supply services in 2011 out of unspent 2010 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.

Transfer of Functions

Tourism and Sport functions in general transferred to the Department of Transport, Tourism and Sport (Vote 32) with effect from 1 April 2011 (S.I. 140 of 2011) and, in relation to all other Tourism and Sport functions from 1 June 2011 (S.I. No. 217 of 2011). All expenditure relating to the functions transferred is included in Vote 32 from 1 January 2011.

The 2011 allocations take account of the transfer of functions from the former Department of Tourism, Culture and Sport (Vote 35) from 1 April 2011. The services transferred are those under subheads G and H. The Account reports on the estimate and expenditure figures for the calendar year. Prior year comparisons are given in Note 3.1.

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 the previous year 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, Tourism and Sport.

Tom O'Mahony

Accounting Officer

Department of Transport, Tourism and Sport

1 August 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 32: Transport, Tourism and Sport for 2011 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, Tourism 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 2011.

Chapter 26 of my report on the accounts of the public services for 2011 refers to certain matters relating to Vote 32 on which I considered it appropriate to report in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993.

Seamus McCarthy
Comptroller and Auditor General
31 August 2012

Vote 32 Department of Transport, Tourism and Sport Appropriation Account 2011

Service		2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000	€000
Administration				
A.1. Salaries, wages and allowances		30,646	30,663	29,405
A.2. Travel and subsistence		1,003	911	931
A.3. Training and development and incidental expenses		2,208	1,609	1,973
A.4. Postal and telecommunications services		750	555	510
A.5. Office equipment and external IT services		1,667	1,523	1,565
A.6. Office premises expenses		913	846	1,078
A.7. Consultancy services and value for money and policy reviews		599	397	452
Other services				
Roads				
B.1. Road improvement/maintenance		1,258,998	1,270,666	1,635,455
B.2. Road safety agencies and expenses		27,582	17,075	29,163
B.3. Vehicle and driver licencing expenses		18,279	13,546	15,155
B.4. Smarter travel and carbon reduction		21,865	17,674	8,898
Public transport				
C.1. Public service provision payments		275,916	277,764	288,852
C.2. Public transport investment programme		370,000	377,210	614,341
C.3. Public transport agencies and expenses		13,712	13,160	13,821
Civil aviation				
D.1. Aircraft accident investigation insurance		495	476	476
D.2. Regional airports		19,327	19,782	21,193
D.3. Payments to the Irish Aviation Authority in respect of exempt services		2,558	2,916	2,809
D.4. Miscellaneous aviation services		123	60	76
Maritime transport and safety				
E.1. Maritime administration and Irish Coast Guard		54,058	54,974	65,125

Service	2011 Estimate provision €000	2011 Outturn €000	2010 Outturn €000
Miscellaneous transport			
F.1. Subscriptions to international organisations	8,337	6,611	7,664
F.2. Miscellaneous services	13	10	42
F.3. Cross border initiatives	14,000	13,481	134
Tourism services			
G.1. Fáilte Ireland - (grant -in-aid)	63,622	63,622	—
G.2. Tourism Ireland Limited - grant for administration and general expenses	17,006	17,006	—
G.3. Shannon Free Airport Development Company Limited (tourism development) (grant -in-aid)	786	786	—
G.4. Tourism marketing fund (grant-in-aid)	41,383	46,083	—
G.5. Tourism product development (grant -in-aid)	24,790	14,790	—
Sports and recreation services			
H.1. Grants for sporting bodies and provision of sports and recreational facilities (part funded by National Lottery)			
Current year provision	28,000		
Deferred surrender	5,000	33,000	23,403
H.2. Grants for provision and renovation of swimming pools		6,650	9,528
H.3. Irish Sports Council (grant-in-aid) (part funded by National Lottery)		46,837	46,837
H.4. National Sports Campus		4,998	2,174
Gross expenditure			
Current year provision	2,357,121		
Deferred surrender	5,000		
	2,362,121	2,346,138	2,739,118
Deduct			
I. Appropriations-in-aid	433,074	428,319	441,977
Net expenditure			
Current year provision	1,924,047		
Deferred surrender	5,000		
	1,929,047	1,917,819	2,297,141
Surplus for the year		11,228,933	14,369,986
Deferred surrender		8,700,000	—
Surplus to be surrendered		€2,528,933	€14,369,986

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			36,504	35,914
Expenditure on services and programmes			2,309,634	2,703,204
Gross expenditure			2,346,138	2,739,118
Deduct				
Appropriations-in-aid			428,319	441,977
Net expenditure			1,917,819	2,297,141
Changes in capital assets				
Purchases cash		(4,481)		
Depreciation		3,691	(790)	(8,992)
Changes in assets under development				
Cash payments			(110)	(2,507)
Changes in net current assets				
Decrease in closing accruals		(308)		
Decrease in stock		20		
			(288)	(365)
Direct expenditure			1,916,631	2,285,277
Net allied services expenditure	1.1		13,782	13,460
Notional rents			1,214	978
Total operating cost			1,931,627	2,299,715

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	2011 €000	2010 €000
7 Superannuation and Retired Allowances	7,945	7,621
10 Office of Public Works	5,595	5,522
20 Garda Síochána	62	206
Central Fund - Ministerial etc. pensions	180	111
	13,782	13,460

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	11,834	19,543
Capital assets under development	2.2	2,496	2,752
		14,330	22,295
Current assets			
Bank and cash	2.3	1,488	738
Stocks	2.4	655	675
Prepayments		322	443
Accrued income		25	79
Other debit balances	2.5	2,319	1,476
Total current assets		4,809	3,411
Less current liabilities			
Accrued expenses		1,732	2,215
Other credit balances	2.6	743	1,840
Net liability to the Exchequer	2.7	3,064	374
Total current liabilities		5,539	4,429
Net current liabilities		(730)	(1,018)
Net assets		13,600	21,277
Represented by:			
State funding account		13,600	21,277

2.1 Capital Assets

	Land and buildings €000	Office equipment €000	Furniture and fittings €000	Motor vehicles €000	Specialist Equipment €000	Total €000
Gross assets						
Cost or valuation at 1 January 2011	1,932	17,035	321	7,100	24,706	51,094
Transfer from Tourism, Culture and Sport ¹	—	49	10	—	—	59
Additions	—	1,039	8	2,127	1,307	4,481
Adjustment ²	—	(342)	—	—	(8,470)	(8,812)
Cost or valuation at 31 December 2011	1,932	17,781	339	9,227	17,543	46,822
Accumulated depreciation						
Opening balance at 1 January 2011	—	13,794	259	4,900	12,598	31,551
Transfer from Tourism, Culture and Sport ¹	—	20	8	—	—	28
Depreciation for the year	—	1,140	63	710	1,778	3,691
Adjustment ²	—	—	—	—	(282)	(282)
Cumulative depreciation at 31 December 2011	—	14,954	330	5,610	14,094	34,988
Net assets at 31 December 2011	1,932	2,827	9	3,617	3,449	11,834
Net assets at 31 December 2010	1,932	3,241	62	2,200	12,108	19,543

¹ As part of the transfer of the Tourism and Sport functions, the respective fixed assets have been transferred to this Department.

² The adjustment relates to payments in respect of a capital contractual commitment and office refurbishment incorrectly treated as fixed assets of the Department.

2.2 Capital Assets under Development

Information Systems	2011 €000	2010 €000
Amounts brought forward at 1 January 2011	2,752	1,899
Cash payments for the year	110	2,507
Transferred to Asset Register	(312)	—
Adjustment ¹	(54)	(1,654)
Amounts carried forward at 31 December 2011	2,496	2,752

¹ As part of an Internal Audit recommendation in relation to examining all Work in Progress (WIP) accounts, some transactions previously treated as capital were reclassified.

2.3 Bank and Cash	2011	2010
at 31 December	€000	€000
PMG balances and cash	1,618	960
Orders outstanding	(130)	(222)
	<u>1,488</u>	<u>738</u>
2.4 Stocks	2011	2010
at 31 December	€000	€000
Stationery and office supplies	55	58
IT consumables, etc.	73	19
Specialised consumables (Irish Coast Guard)	527	598
	<u>655</u>	<u>675</u>
2.5 Other Debit Balances	2011	2010
at 31 December	€000	€000
Retirement lump sums	1,826	985
Other	493	491
	<u>2,319</u>	<u>1,476</u>
2.6 Other Credit Balances	2011	2010
at 31 December	€000	€000
Amounts due to the state		
Income Tax	333	10
Pay Related Social Insurance	—	(20)
Professional Services Withholding Tax	94	62
Value Added Tax	245	125
Relevant Contract Tax	—	113
	<u>672</u>	<u>290</u>
Pension Charges	11	497
Other	60	1,053
	<u>743</u>	<u>1,840</u>

2.7 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	2,539	14,370
Deferred surrender	8,700	—
Exchequer grant undrawn	(8,175)	(13,996)
Net liability to the Exchequer	3,064	374

Represented by:**Debtors**

Bank and cash	1,488	738
Debit balances: suspense	2,319	1,476
	3,807	2,214

Creditors

Due to State	(672)	(290)
Credit balances: suspense	(71)	(1,550)
	(743)	(1,840)

	3,064	374
--	-------	-----

2.8 Commitments

at 31 December

	2011	2010
	€000	€000
(a) Global Commitments		
(i) Procurement subheads*	629,806	639,511
(ii) Grant subheads	108,203	17,177
Total of legally enforceable commitments	738,009	656,688

*** Commitments under procurement subheads**

	€
Helicopter services	603,643,000
Airports	21,614,744
Vehicle/driving licencing	3,444,831
Air Accident Investigation Unit	355,800
Other Coastguard services	569,775
IT	177,754
	629,805,904

(b) Multi Annual Capital Commitments

	Expenditure to 31 December 2010	Expenditure 2011	Subsequent years	Total cost
	€000	€000	€000	€000
Search and Rescue Helicopter services - 2010 contract*	8,470	6,776	19,311	34,557

* Multi annual capital commitments relate to up-front capital payments to the service provider under the new contract which commences 1 July 2012. The overall commitment of €603.6 million for these services includes monthly standing charges, hourly flying charge and fuel charges based on estimated flying hours and airport and ancillary charges. The actual costs may, therefore, vary from this estimate.

2.9 Matured Liabilities

The total of matured liabilities at 31 December 2011 was €106,000.

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.3.	599	A concerted effort was made in the Department in 2011 to reduce costs which resulted in reductions in items such as advertising, printing and entertainment costs.
A.4.	195	Expenditure was less than estimated due to efficiencies being implemented with the Department's communications network.
A.7.	202	Expenditure on consultancies was less than anticipated as a result of delays on some studies.
B.2.	10,507	Higher than anticipated fee income by the Road Safety Authority, in respect of driving test applications, NCT levies and driver theory tests, resulted in the monthly drawdown amounts under the subhead being adjusted by €9.957 million.
B.3.	4,733	A number of cost saving measures were introduced including new support contracts which have significant savings, new online banking services, online change of ownership processing.
B.4.	4,191	The underspend in 2011 Smarter Travel capital spending arises on foot of postponement of the Smarter Travel Areas scheme until funding clarity for future years was achieved in addition to timing issues in respect of various Smarter Travel infrastructure projects.
D.3.	(358)	Additional funding was required by the Irish Aviation Authority. The Authority base their calculation on fee income on estimates of flights operating in Irish controlled airspace. Sanction has been granted from the Department for Public Expenditure and Reform to vire the additional expenditure.
F.1.	1,726	In addition to Eurocontrol subscriptions, this subhead also provides for Ireland's membership subscription to the International Civil Aviation Organisation (ICAO), the European Civil Aviation Conference (ECAC) and ABIS, a small regional grouping of 7 States that Ireland participates in to influence matters in ICAO. The subscriptions are determined by the organisations themselves in all cases so the Department of Transport, Tourism and Sport (DTTAS) has no input into the estimate process of the contributions.
G.4.	(4,700)	The provision of an additional €4.7 million for tourism marketing in 2011 was approved by Department for Public Expenditure and Reform, consequent on the decision by the Government to retain the €3 Air Travel Tax, pending a further review in Spring 2012, and to use a significant proportion of the revenues deriving from its retention to support inbound tourism, by funding co-operative marketing. Sanction has been granted from the Department for Public Expenditure and Reform to vire the additional expenditure.
G.5.	10,000	The saving of €10 million can be attributed in the main to the legacy of the freeze on capital allocations which took place in 2009. The low number of project approvals in that year has meant that expenditure on the programme has lagged. It is anticipated that spend will increase considerably in 2012 based on allocations made in 2010 and 2011.

Sub-head	Less/(more) than provided	Explanation
	€000	
H.1.	9,597	As this subhead is demand led, it is often difficult to accurately predict total drawdown for any given year. In 2011, drawdown by grantees was slower than expected. There could be a number of reasons for this, but it is likely that grantees are finding it difficult to complete projects in the current financial climate.
H.2.	(2,878)	During the year a special initiative was launched to provide funding for local authorities for energy efficiency and disabled access measures in respect of swimming pools. Demand under this initiative was greater than expected. Sanction has been granted from the Department for Public Expenditure and Reform to vire the additional expenditure.
H.4.	2,824	The savings arose as an Office of Public Works tender was delayed in 2011 but will proceed in 2012.

3.1 Total Services Outturn for 2011

As described in the introduction to the account, the expenditure on services contained in the Vote was previously accounted for in Vote 35. The table below shows the year on year comparison.

	2011 Outturn €000	2010 Outturn €000
G.1. Fáilte Ireland - (grant -in-aid)	63,622	67,016
G.2. Tourism Ireland Limited - grant for administration and general expenses	17,006	18,740
G.3. Shannon Free Airport Development Company Limited (tourism development) (grant -in-aid)	786	831
G.4. Tourism marketing fund (grant-in-aid)	46,083	44,250
G.5. Tourism product development (grant -in-aid)	14,790	10,000
H.1. Grants for sporting bodies and provision of sports and recreational facilities (part funded by National Lottery)	23,403	50,042
H.2. Grants for provision and renovation of swimming pools	9,528	3,122
H.3. Irish Sports Council (grant-in-aid) (part funded by National Lottery)	46,837	49,572
H.4. National Sports Campus	2,174	5,459
H.5. Landsdowne Road	—	4,451
H.6. Grants to support sport in disadvantaged areas (dormant account funds)	—	395
Gross expenditure	224,229	253,878

4 Receipts

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
4.1 Appropriations-in-aid			
1. Recoupment for seconded staff	450	—	—
2. Road Transport licence fees	1,150	1,007	800
3. Irish Aviation Authority refund of subscriptions to international organisations	7,560	6,511	7,489
4. Irish Aviation Authority recoupment of rents, etc.	305	305	533
5. Irish Aviation Authority associated costs	2,200	2,268	2,361
6. Recoupment of costs of IAA safety audit	—	—	—
7. Miscellaneous receipts	260	224	370
8. Receipts from Local Government Fund	415,780	410,788	426,263
9. National toll roads	—	—	—
10. Receipts under the Merchant Shipping and Wireless Telegraphy Act	480	562	531
11. Pension Contribution from the Commission for Taxi Regulation	—	1,196	25
12. Tourism Ireland pension receipts	258	333	—
13. Receipts from pension-related deduction on public service remuneration	4,631	5,125	3,605
Total	433,074	428,319	441,977

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 2011, recoupment of staff costs was credited to A.1 and not brought in as appropriations in aid as in previous years.
2	143	Due to the economic downturn, applications for licences and renewals were less than anticipated.
3	1,049	As contributions under subhead F.1. were lower than expected, recoupment from the Irish Aviation Authority was also lower.
11	(1,196)	In 2011 there was no provision made in respect of pension contributions from the Commission for Taxi Regulation (CTR). However, in 2011 the CTR was incorporated into the National Transport Authority (NTA), therefore pension receipts collected in respect of the CTR/NTA were more than anticipated.
13	(494)	The Department of Public Expenditure and Reform determined the figure for 2011 and the receipts were more than they estimated.

4.2 Extra Exchequer Receipts

	2011	2010
	€000	€000
Receipt from the Medical Bureau of Road Safety	500	—
Recoupment of costs incurred by the Irish Coastguard	24	35
Receipt from the Department of Arts, Heritage and Gaelteacht	28	—
Recoupment of travel costs	2	—
Total	554	35

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	497	496
	€000	€000
Pay	27,302	26,128
Higher, special or additional duties allowances	685	699
Other allowances	681	743
Overtime	551	480
Employer's PRSI	1,444	1,355
Total pay	30,663	29,405

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2011	2010
			€	€
Higher, special or additional duties	261	56	63,791	54,222
Other allowances	96	22	32,195	15,321
Overtime	68	39	15,573	30,844

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

5.2 Other Remuneration Arrangements

Eight retired civil servants, in receipt of civil service pensions, were re-engaged on a fee basis at a total cost of €71,416.

6 Miscellaneous Items

6.1 National Lottery Funding

Total expenditure of €70.240 million (€99.614 million in 2010) under subheads H.1. and H.3. was part funded by the National Lottery as shown below

	2011	2010
	€000	€000
H.1. Grants for sporting bodies and provision of sports and recreational facilities	14,724	30,589
H.3. Irish Sports Council (grant-in-aid)	29,467	30,301
	<u>44,191</u>	<u>60,890</u>

A full list of grantees under subhead H.1. is available on the Department's website, (www.dttas.ie).

6.2 Compensation and Legal Costs

Compensation and associated legal and miscellaneous costs totalling €375,938 and ranging from €1,421 to €150,000 were paid in fourteen 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 2011 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 2011, 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.

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.

Gerry D'Arcy
Accounting Officer
National Gallery
23 February 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 33: National Gallery for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
29 August 2012

Vote 33 National Gallery Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	5,790	5,191	5,476
A.2. Travel and subsistence	42	43	74
A.3. Incidental expenses	895	801	1,074
A.4. Postal and telecommunications services	160	133	150
A.5. Office machinery and other office supplies and related services	277	280	390
A.6. Office premises expenses	710	679	717
A.7. Consultancy services	185	324	226
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	41
Gross expenditure	10,100	9,492	10,148
Deduct			
D. Appropriations-in-aid	253	283	322
Net expenditure	9,847	9,209	9,826
Surplus to be surrendered		€637,620	€337,460

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			7,451	8,107
Expenditure on services and programmes			2,041	2,041
Gross expenditure			9,492	10,148
Deduct				
Appropriations-in-aid			283	322
Net expenditure			9,209	9,826
Changes in capital assets				
Purchases cash		(78)		
Depreciation		268		
Disposals cash		—		
Loss on disposals		—		
			190	46
Changes in assets under development				
Cash payments			—	(21)
Changes in net current assets				
Increase in closing accruals		33		
Decrease in stock		—		
			33	66
Direct expenditure			9,432	9,917
Net allied services expenditure	1.1		984	977
Total operating cost			10,416	10,894

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

Vote		2011 €000	2010 €000
7	Superannuation and Retired Allowances	235	258
10	Office of Public Works	749	719
		984	977

2 Balance Sheet as at 31 December 2011

		2011	2010
	Note	€000	€000
Capital assets	2.1	881	849
Capital assets under development	2.2	—	247
		<u>881</u>	<u>1,096</u>
Current assets			
Bank and cash	2.3	2,006	528
Stocks	2.4	6	6
Prepayments		105	107
Other debit balances	2.5	84	6
Net liability from the Exchequer	2.7	1,232	1,289
Total current assets		<u>3,433</u>	<u>1,936</u>
Less current liabilities			
Accrued expenses		217	212
Other credit balances	2.6	3,322	1,823
Total current liabilities		<u>3,539</u>	<u>2,035</u>
Net current liabilities		<u>(106)</u>	<u>(99)</u>
Net assets		<u><u>775</u></u>	<u><u>997</u></u>
Represented by:			
State funding account		<u><u>775</u></u>	<u><u>997</u></u>

2.1 Statement of Capital Assets

	Office equipment and motor vehicles	Furniture and fittings	Total
	€000	€000	€000
Gross assets			
Cost or valuation at 1 January 2011	2,527	1,462	3,989
Additions	15	285	300
Disposals	—	—	—
Cost or valuation at 31 December 2011	2,542	1,747	4,289
Accumulated depreciation			
Opening balance at 1 January 2011	2,140	1,000	3,140
Depreciation for the year	135	133	268
Depreciation on disposals	—	—	—
Cumulative depreciation at 31 December 2011	2,275	1,133	3,408
Net assets at 31 December 2011	267	614	881
Net assets at 31 December 2010	387	462	849

2.2 Statement of Capital Assets under Development

at 31 December 2011

	Specialist equipment €000
Amounts brought forward at 1 January 2011	247
Transferred to asset register	(247)
Amounts carried forward at 31 December 2011	—

2.3 Bank and Cash

at 31 December

	2011 €000	2010 €000
PMG balances and cash	2,006	671
Orders/lodgments outstanding	—	(143)
	2,006	528

2.4 Stocks

at 31 December

	2011 €000	2010 €000
Stationery	3	4
Cleaning materials	3	2
	6	6

2.5 Other Debit Balances

at 31 December

	2011 €000	2010 €000
Redundancy rebates	60	—
Miscellaneous	24	6
	84	6

2.6 Other Credit Balances

at 31 December

2011**€000****2010****€000****Amounts due to the State**

Grant-in-aid fund for acquisitions and conservation

3,106

1,629

National Gallery Jesuit Fellowship grant-in-aid fund

211

194

Value Added Tax

5

—

3,3221,823**2.7 Net Liability from the Exchequer**

at 31 December

2011**€000****2010****€000**

Surplus to be surrendered

638

337

Exchequer grant undrawn

(1,870)

(1,626)

Net liability from the Exchequer

(1,232)(1,289)**Represented by:****Debtors**

Bank and cash

2,006

528

Other debit balances

84

6

2,090534**Creditors**

Credit balances

(3,322)(1,823)(1,232)(1,289)

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	599	This saving was due to the non filling of staff vacancies under the moratorium of staff recruitment in the public sector and redundancies of staff whose fixed term contracts expired in 2011.
A.7.	(139)	Expenditure on this subhead is demand led. This excess arose because of greater than anticipated expenditure on employee and industrial relations issues, recruitment, and consultancy relating to the Gallery's Master Development Programme.

4 Receipts

4.1 Appropriations-in-aid		2011 Estimated €000	2011 Realised €000	2010 Realised €000
1	Miscellaneous receipts	1	1	29
2	Receipts from pension related deduction on public service remuneration	252	282	293
Total		253	283	322

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 and commission. These additional funds are accounted for in the National Gallery of Ireland Combined Accounts.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	98	115
	2011	2010
	€000	€000
Pay	4,712	4,980
Higher, special or additional duties allowances	9	9
Other allowances	2	3
Overtime	52	54
Employer's PRSI	416	430
Total pay	5,191	5,476

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	3	—	3,523	—
Other allowances	34	—	235	—
Overtime	44	—	9,906	10,105

5.2 Other Remuneration Arrangements

The Director of the Gallery is provided with the use of a car under his terms of employment.

5.3 Redundancy Payments

Gross payments of €99,559 were made, within the terms of a Department of Public Expenditure and Reform sanction, in respect of statutory redundancy arising from the expiration of fixed term contracts for a number of staff in 2011. The National Gallery's net cost contribution was €39,824 with the balance of €59,735 due to be rebated from the Social Insurance Fund via the Department of Social Protection.

6 Miscellaneous

6.1 Contingent Liabilities

The Gallery is involved in a number of legal challenges which may generate liabilities depending on the outcome of these challenges. The actual amount or timing of the potential liabilities is uncertain.

7 Miscellaneous Accounts

7.1 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	Total €000
Balance at 1 January 2011	1,508	38	83	1,629
Grant-in-aid (Subhead B)	1,940	30	30	2,000
Expenditure	(445)	(41)	(37)	(523)
Balance at 31 December 2011	3,003	27	76	3,106

7.2 Grant-in-Aid Fund for the National Gallery Jesuit Fellowship

	€000
Balance at 1 January 2011	194
Grant-in-aid (Subhead C)	41
Expenditure	(24)
Balance at 31 December 2011	211

Vote 34 Jobs, Enterprise 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 2011, for the salaries and expenses of the Office of the Minister for Jobs, Enterprise 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 granted by Dáil Éireann under the Appropriation Act, 2011, 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 Jobs, Enterprise and Innovation.

John Murphy
Accounting Officer
Department of Jobs, Enterprise and Innovation
8 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 34: Jobs, Enterprise and Innovation for 2011 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 Jobs, Enterprise 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 2011.

Seamus McCarthy
Comptroller and Auditor General
17 August 2012

Vote 34 Department of Jobs, Enterprise and Innovation Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
€000	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	27,564	28,107	31,268
A.2. Travel and subsistence	1,033	816	860
A.3. Training and development and incidental expenses	846	673	635
A.4. Postal and telecommunications services	863	823	914
A.5. Office equipment and external IT services	4,256	3,419	4,429
A.6. Office premises expenses	1,169	1,062	1,035
A.7. Consultancy services and value for money and policy reviews ¹	210	139	158
A.8. Advertising and publicity	282	154	143
A.9. Office of the Director of Corporate Enforcement	5,967	3,397	3,674
A.10. Labour Court	2,695	2,442	2,412
A.11. National Employment Rights Authority	6,946	6,642	6,935
Value for money and policy reviews ¹	—	—	5
Enterprise Development, Science and Technology			
B.1. Forfás - Grant for administration and general expenses	42,877	34,683	35,505
B.2. Forfás - Pension payments arising from the Financial Measures (Miscellaneous Provisions) Act, 2009	14,417	9,777	9,046
B.3. InterTrade Ireland	8,041	6,638	7,848
C.1. IDA Ireland - Grant for administration and general expenses	38,577	37,377	39,240
C.2. IDA Ireland - Grants to Industry	85,000	84,841	90,460
C.3. IDA Ireland- Grant for industrial property			
	<i>Original</i> 1,000		
	<i>Supplementary</i> 10,000		
D.1. Enterprise Ireland - Grant for administration and general expenses	11,000	11,000	1,000
	84,300	80,600	84,420
D.2. Enterprise Ireland - Grant to Industry			
	<i>Original</i> 78,923		
	<i>Supplementary</i> (12,000)		
D.3. Enterprise Ireland - Grant for capital expenditure	66,923	54,800	80,123
	1,000	1,000	850

Service		2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000	€000
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>Original</i>	3,600		
	<i>Supplementary</i>	2,001	5,601	5,272
E.3. Shannon Free Airport Development Company Limited - Pension payments arising from the Financial Measures (Miscellaneous Provisions) Act 2009		3,516	2,751	2,834
F.1. Science and Technology Development Programme		320,670	302,659	292,132
F.2. Dublin- City of Science		832	932	370
F.3. Programme for research in third level institutions (PRTL) ²		55,563	57,856	—
G. County Enterprise Development		27,242	29,957	31,091
H.1. Monitoring and evaluation of EU Programmes		89	16	—
H.2. INTERREG Enterprise Development		2,000	1,512	1,379
I. National Standards Authority of Ireland - Grant for administration and general expenses		6,836	6,336	7,338
<i>Research and Development Activities</i> ²		—	—	27,500
<i>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)</i> ²		—	—	13,700
Labour Force Development				
L. Enterprise Ireland - Temporary Employment Subsidy Scheme - Cash Limited		4,250	4,250	93,353
<i>FÁS Administration and general expenses</i> ³		—	—	44,310
<i>FÁS Training and integration</i> ³		—	—	22,184
<i>FÁS Employment Programmes</i> ³		—	—	127,831
<i>FÁS Capital</i> ³		—	—	2,029
<i>FÁS- Pension payments arising from the Financial Measures (Miscellaneous Provisions) Act</i> ³		—	—	8,151
<i>2009</i>				
<i>Grant to Irish National Organisation for the Unemployed</i> ³		—	—	52

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
€000	€000	€000	€000
Labour Force Development			
<i>Operational Programme for Human Resources Development - Technical Assistance</i> ³	—	—	362
<i>ESF- Community Initiatives fund</i> ⁴	—	—	5,845
Employment Rights and Industrial Relations			
N. Labour Relations Commission - Grant for administration and general expenses	5,359	4,959	5,108
O.1. Grants for Trade Union Education and Advisory Services	874	874	805
O.2. Workplace Innovation Fund Promotion of Partnership	296	255	307
P. Trade Union Amalgamations	10	—	15
Commerce, Consumers and Competition			
Q. Grant to the Competition Authority	5,116	3,621	4,551
R.1. National Consumer Agency - Grant for administration and general expenses	6,366	5,499	5,578
R.2. National Consumer Agency - Grant for financial information and education functions	2,000	1,622	—
R.3. Consumer Support	50	—	29
S.1. Companies Registration Office and Registry of Friendly Societies - Grant for administration and general expenses	7,428	7,463	7,897
S.2. Irish Auditing and Accounting Supervisory Authority (Grant-in-Aid)	1,598	1,442	1,282
S.3. Personal Injuries Assessment Board	58	55	57
Health and Safety			
T. Health and Safety Authority - Grant for administration and general expenses	20,556	19,828	20,059
Other Services			
U. Research	168	1	25
V. National Framework Committee for Work/Life Balance Policies	2	—	54
W. Subscriptions to International Organisations, etc.	17,184	17,855	17,457
X.1. Commissions, Committees and Special Inquiries	425	207	299
X.2. Miscellaneous payments	1,647	78	356

Service		2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000	€000
Other Services				
X.3. Superannuation and Pensions for Members of the Labour Court, the Restrictive Practices Commission		758	587	561
X.4. Export Credit Insurance - Refund to the Exchequer		8	7	32
Gross expenditure				
	<i>Original</i>	900,469		
	<i>Supplementary</i>	1	900,470	844,612
				1,151,165
Deduct				
Y. Appropriations-in-Aid		55,629	56,085	81,724
Net expenditure				
	<i>Original</i>	844,840		
	<i>Supplementary</i>	1		
		844,841	788,527	1,069,441
Surplus for the year			€ 56,314,575	€41,824,150
Deferred surrender			€ 18,125,000	—
Surplus to be surrendered			€ 38,189,575	€41,824,150

¹ Subheads for Consultancy Services (A.7) and Value for Money and Policy Reviews (A.12) amalgamated with effect from 1 January and are now shown as a single subhead (A.7).

² The capital elements and the current elements of the PRTL programme were shown separately in 2010, and are now merged into a single subhead (F.3).

³ Service transferred to the Department of Education and Skills with effect from 1 May 2010.

⁴ Subhead retired on 31 December 2010.

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			47,674	52,468
Expenditure on services and programmes			796,938	1,098,697
Gross expenditure			844,612	1,151,165
Deduct				
Appropriations-in-aid			56,085	81,724
Net expenditure			788,527	1,069,441
Changes in capital assets				
Purchases cash		(512)		
Depreciation		2,391		
Disposals cash		5		
Loss on disposals		5	1,889	1,886
Changes in assets under development				
Cash payments		(839)	(839)	(1,117)
Changes in net current assets				
Increase in closing accruals		560		
Decrease in stock		96		
			656	(1,205)
Direct expenditure			790,233	1,069,005
Net allied services expenditure	1.1		22,048	22,483
Notional rents			1,669	2,447
Total operating cost			813,950	1,093,935

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

		2011 €000	2010 €000
7	Superannuation and Retired Allowances	14,830	14,791
9	Office of the Revenue Commissioners	262	269
10	Office of Public Works	6,512	6,956
20	Garda Síochána	61	211
	Central Fund - Ministerial etc. pensions	383	256
		22,048	22,483

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	7,498	8,882
Capital assets under development	2.2	552	546
		8,050	9,428
Current assets			
Bank and cash	2.3	37,596	3,827
Stocks	2.4	279	375
Prepayments		442	439
Accrued income		883	779
Other debit balances	2.5	1,699	1,752
Total current assets		40,899	7,172
Less current liabilities			
Accrued expenses		647	405
Deferred income		1,668	1,243
Other credit balances	2.6	18,774	3,804
Net liability to the Exchequer	2.7	20,521	1,775
Total current liabilities		41,610	7,227
Net current liabilities		(711)	(55)
Net assets		7,339	9,373
Represented by:			
State funding account		7,339	9,373

2.1 Capital Assets

	Motor vehicles	Office and IT equipment	Furniture and fittings	Total
	€000	€000	€000	€000
Gross assets				
Cost or valuation at 1 January 2011	14	33,917	6,747	40,678
Transfer to Department of Social Protection ¹	—	(1,356)	(144)	(1,500)
Transfer to Department of Arts, Heritage & Gaeltacht ²	—	—	(2)	(2)
Additions	—	1,312	33	1,345
Disposals	(14)	(986)	(10)	(1,010)
Cost or valuation at 31 December 2011	—	32,887	6,624	39,511
Accumulated depreciation				
Opening balance at 1 January 2011	9	25,627	6,160	31,796
Depreciation on transfer to Department of Social Protection ¹	—	(1,037)	(135)	(1,172)
Depreciation on transfer to Department of Arts, Heritage & Gaeltacht ²	—	—	(2)	(2)
Depreciation for the year	—	2,132	259	2,391
Depreciation on disposals	(9)	(982)	(9)	(1,000)
Cumulative depreciation at 31 December 2011	—	25,740	6,273	32,013
Net assets at 31 December 2011	—	7,147	351	7,498
Net assets at 31 December 2010	5	8,290	587	8,882

¹ ICT assets and furniture and fittings with a net book value of €328,197 were transferred to the Department of Social Protection arising from the transfer of certain functions from this Department to the Department of Social Protection with effect from 1st January 2011.

² Furniture and fittings with a net book value of nil were transferred to the Department of Arts, Heritage and the Gaeltacht on the reassignment of certain rooms in Kildare Street to that Department in 2011.

2.2 Capital Assets under Development

at 31 December 2011

	In-house computer applications €000
Amounts brought forward at 1 January 2011	546
Cash payments for the year	839
Brought into use in year	(833)
Amounts carried forward at 31 December 2011	552

2.3 Bank and Cash

at 31 December

	2011	2010
	€000	€000
PMG balances and cash	37,771	4,824
Orders outstanding	(175)	(997)
	<u>37,596</u>	<u>3,827</u>

2.4 Stocks

at 31 December

	2011	2010
	€000	€000
Stationery	201	286
IT Supplies	61	66
Materials	17	23
	<u>279</u>	<u>375</u>

2.5 Other Debit Balances

at 31 December

	2011	2010
	€000	€000
Imprests advanced	20	20
Department of Justice and Law Reform	35	35
Department of Arts, Sport and Tourism	7	7
Advances to OPW	30	25
Miscellaneous debit balances	527	487
Recoupable expenditure	1,080	1,178
	<u>1,699</u>	<u>1,752</u>

2.6 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Income Tax	66	101
Superannuation contributions	389	564
Pay Related Social Insurance	(25)	(64)
Income Levy	(1)	(1)
Professional Services Withholding Tax	71	137
VAT on Intra EU Acquisitions	31	67
	<u>531</u>	<u>804</u>
Miscellaneous credit balances ¹	18,243	3,000
	<u>18,774</u>	<u>3,804</u>

¹This includes an amount of €16.108m returned by Enterprise Ireland to the Department in respect of unused funds and surplus own resource income. These monies were received by the Department on 29 and 31 December 2011 and were subsequently paid over to the Department of Public Expenditure and Reform as an Extra Exchequer Receipt in January 2012.

2.7 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	38,190	41,824
Deferred surrender	18,125	—
Exchequer grant undrawn	(35,794)	(40,049)
Net liability to the Exchequer	<u>20,521</u>	<u>1,775</u>
Represented by:		
Debtors		
Bank and cash	37,596	3,827
Debit balances: suspense	1,699	1,752
	<u>39,295</u>	<u>5,579</u>
Creditors		
Due to State	(531)	(804)
Credit balances: suspense	(18,243)	(3,000)
	<u>(18,774)</u>	<u>(3,804)</u>
	<u>20,521</u>	<u>1,775</u>

2.8 Commitments

at 31 December

	2011	2010
	€000	€000
Global commitments		
(A) Procurement	71	734
(B) Grants*	<u>1,239,167</u>	<u>1,421,238</u>

*includes expenditure from own resource income.

Multi annual capital commitments over €6.35m ¹

	Cumulative Expenditure to 31 December 2010	Expenditure in 2011	Subsequent Years
	€000	€000	€000
IDA Ireland	188,400	40,000	93,900
Enterprise Ireland ²	71,259	19,591	112,700
Shannon Development	8,412	4,588	10,420
Science Foundation Ireland ²	180,803	53,866	126,577
Programme for Research in Third Level Institutions (PRLTI)	4,192	30,307	138,577
	<u>453,066</u>	<u>148,352</u>	<u>482,174</u>

¹ This relates to individual contracts with a value over €6.35m.² Cumulative expenditure to December 2010, was adjusted following a review of previous years expenditure on contracts valued over €6.35m.**2.9 Matured Liabilities**

Estimated matured liabilities undischarged at the year-end were €454,497.

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.8.	128	In addition to the core spending on advertising, publicity and subscriptions, expenditure which had been anticipated since 2007 for the implementation of the Official Languages Act, 2003 has not materialised to date. The Department published a Statutory Scheme under the Act in 2010, and provision was made in the 2011 Estimates for expenditure associated with the implementation of the various Action Points under the Scheme but due to staff shortages, the Implementation Plan was delayed.
A.9.	2,570	The savings mainly arose on 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.
B.1.	8,194	Savings of €6.984m arose on B1 pensions due primarily to fewer retirements occurring in 2011 than had been anticipated. The 2011 Budget also introduced a levy on existing pensions (PSPR) thus reducing the level of payments on existing pensions. Saving on non-pay of €0.6m is attributable to timing of contracts placement and work completion.
B.2.	4,640	The saving arose on B2 pensions payments primarily due to fewer retirements occurring in 2011 than had been anticipated.
B.3.	1,403	The underspend is as a result of savings of €231,281 on the euro/sterling exchange rate throughout 2011 (InterTradeIreland operates in sterling) and a reduction by the Department of the cash balance by €1,172,058 (equivalent to Stg£1m) in December thus eliminating the need for the drawdown of these funds in 2011. The reduction was jointly agreed with InterTrade Ireland's co-sponsoring Department in Northern Ireland.
D.2.	24,123	The D2 current saving of €1.1m is mainly due to cancellations and postponements of projects under the client management development programmes. The D2 capital saving of €23m is mainly due to (1) an under spend of €15m on the Innovation Fund and (2) Financial Supports to Industry and Expansion Projects. During 2011 Enterprise Ireland conducted a detailed examination of the D2 commitments and pipeline and identified an estimated under spend of €8m.
E.3 .	765	The underspend arose due to the difficulty in predicting the number of expected retirees during 2011. Budget 2011 also reduced pay for pensioners which reduced the E3 drawdown requirement for SFADCo.
F.1.	18,011	SFI had an underspend on Capital grants of €7m. This primarily related to reduced expenditure on existing commitments from SFI grants awarded in previous years. SFI also had to undertake the rescheduling of certain payments on some research projects into 2012. SFI had Pay savings of €395k and Non-Pay savings of €1.105m. The amount drawn down by Enterprise Ireland resulted in a saving of €9.25m i.e. (Capital €9m and Current €0.25m).

Sub-head	Less/(more) than provided €000	Explanation
F.2.	(100)	An additional allocation of €100,000 for the ESOF/Dublin City of Science 2012 Programme was required as it was decided to open registration for the event in November 2011 rather than in 2012 as originally planned. This required that an advertising campaign be undertaken in 2011. EU Funding for the programme was not made available until 2012. Some funding in 2011 had been anticipated.
F.3 .	(2,293)	There was a PRTL current underspend of €2.7m due to the slower than anticipated expenditure on a number of projects, primarily on fifteen Cycle 5 Structured PhD Programmes which only commenced in autumn 2011. The PRTL Capital allocation of €27.007m was fully drawdown. In addition, due to capital savings arising elsewhere and given Exchequer commitments under the PRTL, sanction was received to vire an additional €5m capital for expenditure in 2011. The above factors resulted in a total overall variance of €2.29m excess on initial 2011 PRTL sanction allocation.
G.	(2,715)	A total of €27.2m was provided under the Estimates process for the 35 County and City Enterprise Boards (CEBs). This was supplemented in the fourth quarter of 2011 by an additional €3.3m Capital sourced from savings elsewhere in the Department. The excess was incurred in Capital expenditure and was used to support business start up and job retention in existing businesses.
H.2.	488	The lack of high quality Enterprise project applications has resulted in delays in the approval process and project start ups. The Department and the agencies have been working with Invest NI and the Department of Enterprise, Trade and Investment (DETI) in Northern Ireland to improve the quality of applications.
I.	500	NSAI did not require its full allocation in 2011 due to tight cost control leading to lower cash outflow together with its debt collection process which returned greater than anticipated cash flow.
N.	400	The saving in pay of €80,922 was due to unfilled staff vacancies. The Labour Relations Commission has been aware that reform of the State Bodies involved in Employment Rights and Industrial Relations would feature in the overarching reform agenda in 2011 and the Minister made such an announcement on July 1st 2011. In anticipation of this development the LRC had delayed certain planned expenditure to improve Case Management Systems, other IT related activity and research. The saving in Non-Pay was €320,000.
Q.	1,495	The Authority did not draw down any of its €1,008,000 non-pay budget allocation during 2011 due to it having a surplus in its bank account. The surplus arose from the accumulation of funds to cover the contingent liability in a High Court case of an award of legal costs against the Authority, estimated at €1.7m. The liability did not materialise in 2011 as the Authority's appeal to the Supreme Court was not heard. The Authority did not use its full pay budget allocation as additional employer pension contributions budgeted for by the Department did not materialise in 2011.

Sub-head	Less/(more) than provided	Explanation
	€000	
R.1.	867	The NCA pay budget was underspent by €426,792 due to the Agency being unable to reach its approved ECF staffing levels during 2011. The non pay budget was underspent by €440,454 due to a reduction in financial outlays in external research, legal and advertising and marketing. An amount of €87,000 was returned to the Exchequer in March and the Agency returned €231,000 in November 2011.
R.2.	378	The Department funds the non pay costs of the NCA through this subhead and the Agency reimburses the Department on recoupment of the levy. An amount of €130,000 was not required as the Central Bank reduced their estimated charge for the collection of the financial services levy on behalf of the NCA during 2011. A further amount of €170,000 for potential proceedings to recover levies from defaulting financial service entities was not required as the collection of 2011 levies is still underway. The balance of the underspend (€77,799) was due to lower than estimated expenditure in the Financial Education, Advertising, Marketing and Distribution Services.
S.2.	156	IAASA has an approved staff complement of 15. At the end of December 2011 the staff complement was 14. This resulted in an under-spend in 2011.
U.	167	The Department has made attempts to minimise spend on consultancies in line with previous Government decisions and Department of Finance instructions in recent years, and that approach has been extended to the Research subhead.
X.1.	218	It is difficult to accurately forecast expenditure which might occur under this Subhead. Savings were made across all nominals in this subhead due to cost reduction measures undertaken during the year.
X.2.	1,569	This estimate in this Subhead is provided to cover a range of legal costs which are difficult to accurately forecast. Savings arose mainly due to anticipated legal costs not subsequently arising.
X.3.	171	The reason for the variation between estimate and outturn is that in addition to payments in respect of compulsory retirements and pension payments to retired members of the Labour Court, provision was made for potential retirements given the extension of the grace period during which retirements were based on 2009 (pre-cut) salaries. Provisions were also made for contingencies such as ill health retirements or Death in Service. It is necessary to make contingency provisions given their unforeseen nature.

4 Receipts

4.1 Appropriations-in-aid

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Receipts from the Social Insurance Fund	2,020	3,152	4,486
2. Work Permit Fees	5,500	2,868	3,816
3. Employment Agency licences	230	216	223
4. Companies Registration Office	18,000	20,604	20,254
5. Registry of Friendly Societies	100	101	—
6. Receipts under the Trade Marks Act, 1963 and Patents Act, 1964	9,000	8,271	8,978
7. Occasional Trading Licences	8	4	3
8. National Consumer Agency	374	383	370
9. Merger notifications	320	320	384
10. Receipts from IDA Ireland	—	—	13,836
11. ODCE legal	50	211	22
12. County Enterprise Development	350	27	332
13. Miscellaneous	70	176	1,229
14. Competition Authority Receipts	—	400	1
15. Enterprise Policy (InterTrade Ireland)	50	93	37
16. NCA - Grant for Financial information and educational functions	2,000	1,563	—
17. IAASA pay refund	241	490	313
18. PIAB Pay and superannuation	1,909	1,909	1,233
19. HSA superannuation	600	369	522
20. IDA Ireland - Pension receipts arising from the Financial Measures (Miscellaneous Provisions) Act, 2009	2,290	2,371	2,586
21. SFADCo - Pension receipts arising from the Financial Measures (Miscellaneous Provisions) Act, 2009	1,040	1,138	1,143
22. Receipts from Pension - related deduction on Public Service Remuneration	11,477	11,419	13,555
<i>FÁS Pensions ¹</i>	—	—	1,226
<i>FÁS Pensions - Pension receipts arising from the Financial Measures (Miscellaneous Provisions) Act ¹</i>	—	—	1,223
<i>European Social Fund ¹</i>	—	—	5,952
Total	55,629	56,085	81,724

¹ Service transferred to the Department of Education and Skills with effect from 1 May 2010.

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	(1,132)	Responsibility for the administration of the Redundancy and Insolvency Schemes transferred to the Department of Social Protection with effect from 1 January 2011, with a corresponding transfer of core staff and associated budgets. However, significant staff resources were still assigned to the work until the formal handover of the administration which took place at the end of September which accounts for the higher than estimated recoupment associated with these schemes.
2	2,632	The reduction in receipts can be attributed in the most part to the €2m which was originally included in the 2011 Estimate to account for the possibility that fee income could arise as a result of the establishment, in conjunction with the Department of Justice and Equality, of a framework to address the issue of timed-out students and also to the continued downturn in the economy leading to a decrease in demand for permits.
4	(2,603)	Income in the CRO is dominated by late filing penalties and it is difficult to forecast from year to year how many companies will be late in filing their annual returns. There has been a downward trend in CRO income in recent years and as a result, an estimate of €18m was considered prudent for 2011. However, income was higher than expected in 2011, due mainly to an increase in late filing penalties compared to 2010.
6	729	A contraction in business activity in Ireland caused by the recession impacted negatively on the Office's fee receipts to a greater degree than had been anticipated. In addition, some receipts from WIPO in the amount of €109,134, which were due to be paid in December 2011 were not received until January 2012.
11	(160)	It is difficult to estimate the amount of receipts as costs awarded to ODCE are difficult to anticipate in advance. The estimate of €50,000 was a notional figure.
12	332	The estimate is a nominal figure, indicative of the potential for CEB grant monies disbursed in a previous year to be returned by micro-enterprise project promoters where they are no longer eligible for the grant. No such monies were received in 2011. Also, due to a higher number of staff retirements than anticipated, contribution income from the pension schemes was therefore lower than anticipated disbursements. The income figure of €26,842 represents late receipt of CEB staff pension scheme contributions for 2010, received by DJEI in January 2011.
13	(106)	By its nature it is difficult to predict what level of receipts will be received under this category. The excess includes a number of miscellaneous receipts.
14	(400)	The receipt was in respect of the settlement of costs in the Competition Authority's High Court enforcement action against the Beef Industry Development Society. In January 2011 the defendant withdrew its defence and the case was struck out. The Authority agreed to the striking out of the case on the basis that the defendant had made a substantial contribution towards the Authority's legal costs. This contribution was €400,000.

Heading	Less/ (more) than estimated €000	Explanation
16	437	The financial information and education functions of the Agency are funded by means of a levy on regulated financial service entities. The Department funds the non pay costs and the Agency reimburses the Department on recoupment of this levy, which is an exchequer neutral arrangement. The variance arose as the Agency did not receive all of the monies owed to it from the levy in 2011 and the balance was refunded to the Department in 2012.
17	(249)	Approximately 50% of IAASA's funding is provided by the Exchequer. The mechanism for providing this funding is that the Department provides payroll services for IAASA and pays all of the Agency's staff salaries. As the cost of the salaries exceeds the funding requirement IAASA refunded the difference. The refund was greater than estimated as IAASA had not recruited its full complement of staff by year end.
19	231	The HSA deducts pension contributions from its employees through its payroll system. It remits these contributions and other superannuation monies net of retirement lump sums/death gratuities etc. to the Department monthly. The gross superannuation contribution received totalled €664,179. €279,979 was deducted in respect of lump sums/death gratuities etc paid out, leaving €384,200 to be remitted to the Department. An unanticipated death gratuity and a retirement gratuity reduced the amount refunded. The December Superannuation payment of €14,986 was remitted in 2012.

4.2 Extra receipts payable to the Exchequer

	Estimated €	Realised €
Export Credit - Recoveries from Iraq	50,000	—
IDA Ireland - Interconnectivity Project receipts	—	45,985
IDA Ireland - Current	—	20,000
IDA Ireland - Capital (C2,C3)	—	110,000
Enterprise Ireland - Current (D1, D2, F1, G1)	—	3,320,822
Enterprise Ireland - Capital (D2, D3)	—	33,299,924
Forfas - Current	1,232,000	1,232,000
PIAB - Refund of Set up Costs	—	6,937,640
Health & Safety Authority	99,000	99,314
Science Foundation Ireland - Capital (F)	—	20,436
Information Society - Refund in respect of PRISM 111 projects	—	10,122
Miscellaneous	—	685,397
	<u>1,381,000</u>	<u>45,781,640</u>

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	831	861
	2011	2010
	€000	€000
Pay	38,180	41,197
Higher, special or additional duties allowances	631	763
Other allowances	430	382
Overtime	345	722
Employer's PRSI	2,066	2,215
Total pay	41,652	45,279

Note: The total pay of €41.652m is charged to subheads A.1, A.3, A.9, A.10, A.11 and S.1.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011	Maximum individual payment 2010
			€	€
Higher, special or additional duties	97	4	20,614	24,026
Other allowances	191	3	69,127	56,316
Overtime	142	8	12,831	19,266

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 2011.

5.3 Other Remuneration Arrangements

A total of €14,196 was paid to 3 retired civil servants who were re-engaged in various duties during 2011.

6 Miscellaneous Items

6.1 EU Funding

No bodies under the aegis of the Department received EU aid directly, in 2011.

Subhead	Description	2011 Total €	2010 Total €
E.2.	SFADCo	—	206,857
		—	206,857

6.2 Commissions and Inquiries

	Year of appointment	2011 €	2010 €
National Framework Committee for Work/Life Balance Policies	2004	—	53,706
Joint Labour Committees ¹	1946	18,746	18,036
Company Law Inquiries	1994	—	15,246
Company Law Review Group	2000	19,966	23,780
Business Regulation Group	2006	15,054	36,970
Workplace Safety	2002	140,000	200,000
Departmental Audit Committee	2004	4,500	498
Sales Law Review Group	2009	9,173	4,197
Total		207,439	352,433

¹ In July 2011 a High Court Ruling found the operation of the Joint Labour Committee System to be unconstitutional which led to a cessation of activity under part of Subhead X.1.

6.3 Refund of Employment Permit Fees

In late 2011, a review of the legal basis for charging fees for Employment Permits indicated that under the current regulations the appropriate maximum fee for the renewal of a permit for first time employees should have been €1,500 and not €2,250. Arrangements are being made to refund the small number of permit applicants who paid the higher fee. These refunds will be made in 2012 and the total refund due, is estimated at €12,000.

6.4 Miscellaneous Payments

Employment and Training Levy - Statement of Payments made in accordance with Section 25(1) of the Labour Services Act, 1987

	Cumulative to 31 December 2011 €	Total for the year ended 31 December 2011 €	Total for the year ended 31 December 2010 €
Received by Minister for Jobs, Enterprise and Innovation	2,890,713,003	310,750	544,455
Paid by Minister for Jobs, Enterprise and Innovation into the Exchequer	2,890,713,003	310,750	544,455

Vote 35 Arts, Heritage and the Gaeltacht

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 2011 for the salaries and expenses of the Office of the Minister for Arts, Heritage and the Gaeltacht, 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 2011, 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.

Transfer of Functions

This Account has been prepared in accordance with the 2011 Revised Estimate for the Department of Arts, Heritage and the Gaeltacht. The 2011 allocations take account of the following transfers of functions:

- Irish Language, Gaeltacht and Islands functions in general transferred to the Department with effect from 1 May 2011 (S.I. No. 164 of 2011) and, in relation to planning matters in the Gaeltacht, on 1 June 2011 (S.I. No. 216 of 2011). Expenditure prior to 1 May 2011 is included in the former (Vote 27) Community, Equality and Gaeltacht Affairs and expenditure after 1 May 2011 is included in this Department's Vote. In the case of the Gaeltacht planning function transferring on 1 June 2011, there was no expenditure in the period from 1 May 2011 to 1 June 2011.

- Inland Waterways and Waterways Ireland functions transferred to the Department with effect from 1 May 2011 (S.I. No. 195 of 2011). Expenditure prior to 1 May 2011 is included in the former (Vote 27) Community, Equality and Gaeltacht Affairs and expenditure after 1 May 2011 is included in this Department's Vote.

- Tourism and sport functions in general, such as Sports Campus Ireland and the Sports Council, transferred to the Department of Transport, Tourism and Sport (Vote 32) with effect from 1 April 2011 (S.I. no. 140 of 2011) and, in relation to all other tourism and sport functions, such as the Sports Capital and Swimming Pool programmes and Tourism Ireland, transferred on 1 June 2011 (S.I. no. 217 of 2011). All tourism and sport expenditure from 1 January 2011 is included in Vote 32.

- Heritage functions transferred to the Department from the former Department of Environment, Heritage and Local Government (Vote 25) with effect from 1 May 2011 (S.I. No. 192 of 2011). All heritage expenditure from 1 January 2011 is included in this Department's Vote.

- All arts expenditure from 1 January 2011 is included in this Department's Vote.

The comparative figures for 2010 contained in the account relate to the former Department of Tourism, Culture and Sport (Vote 35).

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.

In line with the policy of the former Department of Environment, Heritage and Local Government, certain historic properties such as parks and heritage assets such as artefacts and manuscripts have not been valued.

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 Arts, Heritage and the Gaeltacht.

Seosamh Ó hÁghmall

Accounting Officer

Department of Arts, Heritage and the Gaeltacht

30 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 35: Arts, Heritage and the Gaeltacht for 2011 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 Arts, Heritage and the Gaeltacht. 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 2011.

Seamus McCarthy
Comptroller and Auditor General
6 September 2012

Vote 35 Arts, Heritage and the Gaeltacht

Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	30,462	30,696	9,347
A.2. Travel and subsistence	1,539	1,164	208
A.3. Training and development and incidental expenses	926	417	180
A.4. Postal and telecommunications services	660	578	257
A.5. Office equipment and external IT services	1,385	1,272	281
A.6. Office premises expenses	875	676	351
A.7. Consultancy services and value for money and policy reviews	211	36	64
<i>Advertising and publicity</i>	—	—	9
<i>Value for money and policy reviews</i>	—	—	4
Arts and Culture			
B.1. Payments to match resources generated by the National Archives	56	29	28
B.2. General expenses of the National Archives and National Archives Advisory Council	1,458	1,522	1,775
B.3. General expenses of the Irish Museum of Modern Art, Chester Beatty Library, National Concert Hall and the Crawford Gallery (grant-in-aid)	12,896	12,896	14,069
B.4. Regional museums, galleries, cultural centres and projects	4,297	4,296	4,418
B.5. Cultural infrastructure and development	8,265	8,460	15,463
B.6. Culture Ireland	6,997	6,994	5,070
B.7. An Chomhairle Ealaíon (part funded by National Lottery) (grant-in-aid)	65,167	65,163	68,649
B.8. General expenses of the National Museum of Ireland (grant-in-aid)	14,240	14,240	15,125
B.9. General expenses of the National Library of Ireland (grant-in-aid)	8,084	8,084	9,251
B.10. Irish Film Board (grant-in-aid)	18,431	18,431	19,272

	2011 Estimate Provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Heritage			
C.1. Grant for An Chomhairle Oidhreachta (Heritage Council) (part funded by National Lottery)	5,992	5,992	—
C.2. Built heritage	3,666	3,509	—
C.3. Natural heritage (National Parks and Wildlife Service)	14,034	13,617	—
C.4. Irish Heritage Trust	375	375	—
Irish Language and the Gaeltacht			
D.1. Gaeltacht support schemes	9,076	9,454	—
D.2. Irish language support schemes (part funded by National Lottery)	5,379	5,456	—
D.3. An Coimisinéir Teanga	471	431	—
D.4. Údarás na Gaeltachta - election	1	—	—
D.5. Údarás na Gaeltachta - administration	6,848	6,848	—
D.6. Údarás na Gaeltachta - current programme expenditure	2,475	2,475	—
D.7. Údarás na Gaeltachta - grants for projects and capital expenditure on premises	5,500	5,500	—
D.8. Islands	6,713	6,808	—
North-South Co-Operation			
E.1. An Foras Teanga	12,434	11,707	—
E.2. Waterways Ireland	20,176	20,176	—
<i>Tourism Services</i>	—	—	140,837
<i>Sports and Recreation Services</i>	—	—	113,041
<i>Horse and Greyhound Racing</i>	—	—	32,788
Gross expenditure	269,089	267,302	450,487
Deduct			
F. Appropriations-in-aid	4,990	5,614	4,628
Net expenditure	264,099	261,688	445,859
Surplus for the year		€2,410,967	€19,050,334
Deferred Surrender		—	€5,000,000
Surplus to be surrendered		€2,410,967	€14,050,334

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			34,839	10,701
Expenditure on services and programmes			232,463	439,786
Gross expenditure			<u>267,302</u>	<u>450,487</u>
Deduct				
Appropriations-in-aid			<u>(5,614)</u>	<u>(4,628)</u>
Net expenditure			<u>261,688</u>	<u>445,859</u>
Changes in capital assets				
Purchases cash		(768)		
Depreciation		1,376		
Loss on disposals		<u>6</u>	<u>614</u>	<u>89</u>
Changes in Assets under Development				
Cash payments			(115)	—
Changes in net current assets				
Decrease in closing accruals		(433)		
Increase in stock		<u>(222)</u>		
Direct expenditure			<u>(655)</u>	<u>11</u>
			<u>261,532</u>	<u>445,959</u>
Net allied services expenditure	1.1		8,884	10,678
Notional rents			4,182	5,663
Total operating cost			<u>274,598</u>	<u>462,300</u>

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.

		2011 €000	2010 €000
Vote			
7	Superannuation and Retired Allowances	4,135	5,514
10	Office of Public Works	4,148	4,476
19	Justice and Equality - Financial Shared Services Centre	62	386
20	Garda Síochána	377	202
	Central Fund - Ministerial etc. pensions	162	100
		<u>8,884</u>	<u>10,678</u>

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	40,324	2,699
Capital assets under development	2.2	8,598	—
		48,922	2,699
Current assets			
Bank and cash	2.3	10,774	10,135
Stocks	2.4	262	40
Prepayments		1,108	41
Accrued income		219	261
Other debit balances	2.5	1,124	261
Total current assets		13,487	10,738
Less current liabilities			
Accrued expenses		823	231
Other credit balances	2.6	1,486	938
Net liability to the Exchequer	2.7	10,412	9,458
Total current liabilities		12,721	10,627
Net current assets		766	111
Net assets		49,688	2,810
Represented by:			
State funding account		49,688	2,810

2.1 Capital Assets

	Land and buildings €000	Plant and machinery €000	Office equipment €000	Furniture and fittings €000	Totals €000
Gross assets					
Cost or valuation at 1 January 2011	—	—	3,025	3,668	6,693
Assets transferred from the Department of Environment, Heritage and Local Government	33,272	8,963	788	2,554	45,577
Assets transferred from the Department of Community, Equality and Gaeltacht Affairs	—	—	2,466	233	2,699
Adjustment due to reclassification	1,774	—	—	(1,774)	—
Additions	403	47	232	86	768
Assets transferred to the Department of Transport, Tourism and Sport	—	—	(49)	(10)	(59)
Disposals	—	—	(55)	(39)	(94)
Gross assets at 31 December 2011	35,449	9,010	6,407	4,718	55,584
Accumulated depreciation					
Opening balance at 1 January 2011	—	—	2,399	1,595	3,994
Assets transferred from the Department of Environment, Heritage and Local Government	8	6,672	602	453	7,735
Assets transferred from the Department of Community, Equality and Gaeltacht Affairs	—	—	2,104	167	2,271
Adjustment due to reclassification	98	—	—	(98)	—
Depreciation for the year	38	695	432	211	1,376
Assets transferred to the Department of Transport, Tourism and Sport	—	—	(20)	(8)	(28)
Depreciation on disposals	—	—	(54)	(34)	(88)
Cumulative depreciation at 31 December 2011	144	7,367	5,463	2,286	15,260
Net capital assets at 31 December 2011	35,305	1,643	944	2,432	40,324
Net capital assets at 31 December 2010	—	—	626	2,073	2,699

ICT assets to a gross value of €131,000, identified for disposal by the Department of Community, Equality and Gaeltacht Affairs, were accepted by the Department of Arts, Heritage and the Gaeltacht for disposal on behalf of the Department of Community, Equality and Gaeltacht Affairs. These assets for disposal were not included on the Department of Arts, Heritage and the Gaeltacht register as they were never intended to be used by the Department of Arts, Heritage and the Gaeltacht.

2.2 Statement of Capital Assets Under Development

at 31 December 2011

	Air strips under development
	€000
Amounts brought forward at 1 January 2011	—
Transferred from Department of Community, Equality and Gaeltacht Affairs on 1 May 2011	8,483
Cash payments in year	115
Transferred to Asset Register	—
	<u>8,598</u>

2.3 Bank and Cash

at 31 December

	2011	2010
	€000	€000
PMG balances and cash	11,423	12,327
Orders outstanding	(649)	(2,192)
	<u>10,774</u>	<u>10,135</u>

2.4 Stocks

at 31 December

	2011	2010
	€000	€000
Building material and small plant	73	—
Fuels and fertilizers	28	—
Stationery	23	23
Equipment consumables	12	—
Janitorial supplies and first aid	29	—
IT consumables	39	17
Miscellaneous	58	—
	<u>262</u>	<u>40</u>

2.5 Other Debit Balances

at 31 December

	2011	2010
	€000	€000
OPW	130	20
Other	994	241
	<u>1,124</u>	<u>261</u>

2.6 Other Credit Balances

at 31 December

	2011 €000	2010 €000
Amounts due to the State		
Income Tax	531	142
Pay Related Social Insurance	236	75
Professional Services Withholding Tax	13	10
Value Added Tax	12	61
Pension deductions	76	32
	<u>868</u>	<u>320</u>
Crowley Bequest Fund (Note 7.2)	459	525
Other	159	93
	<u>1,486</u>	<u>938</u>

2.7 Net Liability to the Exchequer

at 31 December

	2011 €000	2010 €000
Surplus to be surrendered	2,411	19,050
Exchequer grant overdrawn	8,001	(9,592)
Net liability to the Exchequer	<u>10,412</u>	<u>9,458</u>

Represented by:**Debtors**

Bank and cash	10,774	10,135
Debit balances: suspense	1,124	261
	<u>11,898</u>	<u>10,396</u>

Creditors

Due to State	(868)	(320)
Credit balances: suspense	(618)	(618)
	<u>(1,486)</u>	<u>(938)</u>
	<u>10,412</u>	<u>9,458</u>

2.8 Commitments**(a) Global commitments**

Total of legally enforceable commitments	21,242	4,900
--	--------	-------

	Expenditure 2003-2010 €000	Expenditure 2011 €000	Subsequent years €000	Total cost €000
(b) Multi-annual capital commitments				
ACCESS (cultural development grants)	66,128	5,267	21,353	92,748
Other arts capital projects	95,146	2,717	2,416	100,279
Cill Ronáin Pier	40,410	2,817	866	44,093
Caladh Mór Pier	13,922	82	—	14,004
	<u>215,606</u>	<u>10,883</u>	<u>24,635</u>	<u>251,124</u>

2.9 Matured Liabilities

Mature liabilities outstanding at year end amounted to €20,455.

3 Variations in Expenditure

3.1 Explanation of significant variations

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.	509	In the period between the establishment of the Department and year-end, the corporate support structures were significantly reorganised, with a number of processes/supports taking time to become established. In this context, demand on the A3 subhead was reduced by comparison with previous years.
A.7.	175	The saving arose as measures were taken to ensure that only essential consultancies were undertaken during 2011.
E.1.	727	The saving arose as a proposed Irish language research project was not started as planned and there were delays in staff recruitment in 2011.

3.2 Expenditure comparison for transfer of functions

The table below shows the full expenditure for all Irish Language and Gaeltacht, North-South Co-Operation and Heritage subheads which formed part of Votes 27 and 25 respectively until 30 April 2011.

Subhead Description				2011	2010
		Vote 27	Vote 35	Total	Total
		€000	€000	€000	€000
Irish Language and the Gaeltacht					
D.1.	Gaeltacht support schemes	1,424	9,454	10,878	18,231
D.2.	Irish language support schemes (part funded by National Lottery)	1,221	5,456	6,677	8,001
D.3.	An Coimisinéir Teanga	199	431	630	743
D.4.	Údarás na Gaeltachta - election	—	—	—	—
D.5.	Údarás na Gaeltachta - administration	3,452	6,848	10,300	11,000
D.6.	Údarás na Gaeltachta - current programme expenditure	825	2,475	3,300	3,915
D.7.	Údarás na Gaeltachta - grants for projects and capital expenditure on premises	500	5,500	6,000	18,000
D.8.	Islands	2,687	6,808	9,495	17,021
North-South Co-Operation					
E.1.	An Foras Teanga	4,166	11,707	15,873	16,199
E.2.	Waterways Ireland	10,124	20,176	30,300	32,919
Heritage (Vote 25)					
C.1.	Grant for An Comhairle Oidhreachta (Heritage Council) (part funded by National Lottery)	—	—	5,992	8,482
C.2.	Built heritage	—	—	3,509	15,502
C.3.	Natural heritage (National Parks and Wildlife Service)	—	—	13,617	26,908
C.4.	Irish Heritage Trust	—	—	375	436

4 Receipts

4.1 Appropriations-in-aid	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. National Archives	56	30	29
2. Miscellaneous receipts	411	715	206
3. Rents (including receipts from letting of fishing rights etc.)	120	156	395
4. Sales of property	25	10	—
5. Services and charges at national parks and wildlife sites	375	790	—
6. Airstrip related fees/charges	57	1	—
7. Receipts from pension - related deduction on public service	3,946	3,912	3,465
<i>Tourism Ireland Ltd. pension receipts</i>	—	—	440
<i>Irish Sports Council pension receipts</i>	—	—	57
<i>Irish Film Board pension receipts</i>	—	—	36
Total	4,990	5,614	4,628

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	(304)	The excess arose due to higher than anticipated pension receipts from agencies.
5	(415)	The excess arose due to a higher than anticipated level of receipts in the National Parks, mainly due to the increase in visitor numbers and associated receipts from Killarney National Park and Muckross House.

5 Employee Numbers and Pay

	2011	2010
Average number of staff (full time equivalents)	609	153
	€000	€000
Pay	27,941	8,694
Higher, special or additional duties allowances	164	46
Other allowances	299	60
Overtime	435	131
Employer's PRSI	1,857	416
Total pay	30,696	9,347

5.1 Allowances and Overtime payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2011	2010
			€	€
Higher, special or additional duties	31	5	15,093	13,644
Other allowances	277	—	6,209	15,121
Overtime	229	7	18,180	12,812

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

6 Miscellaneous

6.1 National Lottery funding

Under subheads B.7, C.1 and D.2, total expenditure of €76.611 million was part-funded by the National Lottery. A full list of grantees under subhead D.2. is available on the Department's website (www.ahg.gov.ie).

6.2 Deferred Surrender

The capital carryover of €5 million for the former Department of Tourism, Culture and Sport (Vote 35) was reflected in the Revised Estimates for Public Services 2011 for the Department of Transport, Tourism and Sport (Vote 32).

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 B.3).

	2011 €000	2010 €000
Payments		
Irish Museum of Modern Art	6,093	6,671
Chester Beatty Library	2,579	2,714
National Concert Hall	2,874	3,105
Crawford Gallery, Cork	1,350	1,579
	<u>12,896</u>	<u>14,069</u>

7.2 The Crowley Bequest Fund

Account of receipts and payments for the year ended 31 December 2011

	2011 €000	2010 €000
Balance on 1 January	525	622
Payments	(66)	(97)
Balance at 31 December	<u>459</u>	<u>525</u>

7.3 Statement of Loans for Gaeltacht Housing

Loans issued towards Gaeltacht Housing under the Housing (Gaeltacht) Acts 1929 to 2001 and repayments thereof:

	2011 €000	2010 €000
Opening balance on 1 January	228	276
Annual penal interest accrued	5	4
Write-off of loans	—	(12)
Repayments		
Principal	(10)	
Interest	<u>(5)</u>	<u>(15)</u>
Closing balance on 31 December	<u>218</u>	<u>228</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 2011 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 2011, including the amount that could be used as appropriations-in-aid of expenditure for the year, and
- (b) provided for capital supply services in 2011 out of unspent 2010 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).

The statement of capital assets includes all military equipment and IT assets but excludes furniture and fittings that cost less than €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
29 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 36: Defence for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
22 August 2012

Vote 36 Defence

Appropriation Account 2011

Service	2011 Estimate provision €000	2011 Outturn €000	2010 Outturn €000
Administration			
A.1. Salaries, wages and allowances	17,485	16,065	16,417
A.2. Travel and subsistence	369	407	210
A.3. Training and development and incidental expenses	280	194	219
A.4. Postal and telecommunications services	900	723	934
A.5. Office equipment and external IT services	2,400	2,065	2,302
A.6. Office premises expenses	1,716	1,262	1,036
A.7. Consultancy services and value for money and policy reviews	50	—	93
Defence Forces			
B. Permanent Defence Force: pay	442,374	421,329	433,235
C. Permanent Defence Force: allowances	43,600	42,245	44,144
D. Reserve Defence Force: pay, etc.	4,386	3,935	4,014
E. Chaplains and officiating clergymen: pay and allowances	1,225	1,172	1,175
F. Civilians attached to units: pay, etc.	35,746	32,779	34,457
G. Defensive equipment	32,000	36,617	37,412
H. Air Corps: equipment and expenses	16,400	15,488	16,800
I. Military transport	15,000	14,372	15,812
J. Naval Service: equipment and expenses	21,400	30,542	37,087
K. Barrack expenses and engineering equipment	15,028	15,119	15,896
L. Buildings			
	<i>Current year provision</i> 17,000		
	<i>Deferred Surrender</i> <u>1,500</u>		
	18,500	16,943	17,875
M. Ordnance, clothing and catering	21,000	19,823	19,627
N. Communications and information technology	7,640	7,683	10,205
O. Military training	2,400	2,390	3,716
P. Travel and freight services	5,200	2,600	10,489
Q. Medical expenses	3,000	2,896	3,019
R. Lands	1,049	1,179	1,037
S. Equitation	900	898	868
T. Compensation and associated costs	6,000	4,884	4,135
U. Miscellaneous expenditure	3,495	2,722	4,054

Service			2011	2011	2010
			Estimate provision	Outturn	Outturn
	€000	€000	€000	€000	€000
V. Costs arising directly from Ireland's participation in the EU's Common Security and Defence Policy		900		583	600
W. Civil Defence Board (grant-in-aid)		5,585		5,585	6,061
X. Irish Red Cross Society (grant-in-aid)		951		951	951
Gross expenditure					
<i>Current year provision</i>	725,479				
<i>Deferred surrender</i>	<u>1,500</u>	726,979	703,451	743,880	
Deduct					
Y. Appropriations-in-aid		46,749	42,509	50,149	
Net expenditure					
<i>Current year provision</i>	678,730				
<i>Deferred surrender</i>	<u>1,500</u>				
		680,230	660,942	693,731	
Surplus for the year			€19,288,433	€12,793,851	
Deferred surrender			€500,000	€1,500,000	
Surplus to be surrendered			€18,788,433	€11,293,851	

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			20,716	21,211
Expenditure on services and programmes			682,735	722,669
Gross expenditure			703,451	743,880
Deduct				
Appropriations-in-aid			42,509	50,149
Net expenditure			660,942	693,731
Changes in capital assets				
Purchases cash		(21,017)		
Depreciation		39,171		
Loss on disposals		2,076	20,230	2,801
Changes in assets under development				
Cash payments			(9,752)	(10,829)
Changes in net current assets				
Decrease in closing accruals		(18,446)		
Increase in stock		(24,206)		
			(42,652)	(32,128)
Direct expenditure			628,768	653,575
Net allied services expenditure	1.1		8,081	7,941
Notional rents			1,951	4,579
Total operating cost			638,800	666,095

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 and amounts borne on the vote in respect of other services:

Vote		2011 €000	2010 €000
1	President's Establishment	(413)	(411)
2	Department of the Taoiseach	(75)	(75)
7	Superannuation and Retired Allowances	9,020	9,009
10	Office of Public Works	766	667
20	Garda Síochána	58	207
37	Army Pensions	(1,726)	(1,734)
	Central Fund - Ministerial etc. pensions	451	278
		8,081	7,941

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	363,474	383,946
Capital assets under development	2.2	3,570	4,062
		367,044	388,008
Current assets			
Bank and cash	2.3	1,419	16,103
Stocks	2.4	269,617	245,411
Prepayments	2.5	49,076	32,098
Accrued income		1,967	550
Other debit balances	2.6	2,524	1,838
Total current assets		324,603	296,000
Less current liabilities			
Accrued expenses		2,319	2,640
Deferred income		44	16
Other credit balances	2.7	254	14,646
Net liability to the Exchequer	2.8	3,689	3,295
Total current liabilities		6,306	20,597
Net current assets		318,297	275,403
Net assets		685,341	663,411
Represented by :			
State funding account		685,341	663,411

2.1 Capital Assets

	Military equipment	Office/IT equipment	Furniture and fittings	Totals
	€000	€000	€000	€000
Gross assets				
Cost or valuation at 1 January 2011	853,394	42,313	3,400	899,107
Additions	18,826	1,751	198	20,775
Disposals	(9,335)	(1,600)	(35)	(10,970)
Cost or valuation at 31 December 2011	862,885	42,464	3,563	908,912
Accumulated depreciation				
Opening balance at 1 January 2011	477,782	35,722	1,657	515,161
Depreciation for the year	36,766	2,183	222	39,171
Depreciation on disposals	(7,359)	(1,507)	(28)	(8,894)
Cumulative depreciation at 31 December 2011	507,189	36,398	1,851	545,438
Net assets at 31 December 2011	355,696	6,066	1,712	363,474
Net assets at 31 December 2010	375,612	6,591	1,743	383,946

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
at 31 December	
Amounts brought forward at 1 January 2011	4,062
Cash payments for the year	9,752
Transferred to asset register ¹	(10,244)
Amounts carried forward at 31 December 2011	3,570

¹Notional transfer to asset register. Land and buildings are not shown in Capital Assets.

2.3 Bank and Cash

	2011	2010
	€000	€000
at 31 December		
PMG balances, bank and cash	4,783	17,098
Orders outstanding	(3,364)	(995)
	1,419	16,103

2.4 Stocks

at 31 December

	2011	2010
	€000	€000
Military stocks	269,550	245,342
Stationery, etc.	24	25
IT consumables, etc.	43	44
	<u>269,617</u>	<u>245,411</u>

2.5 Prepayments

at 31 December

	2011	2010
	€000	€000
Naval vessels construction	38,720	22,000
Other	10,356	10,098
	<u>49,076</u>	<u>32,098</u>

2.6 Other Debit Balances

at 31 December

	2011	2010
	€000	€000
Suspense	2,524	1,838
	<u>2,524</u>	<u>1,838</u>

2.7 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Pay Related Social Insurance	(13)	6,303
Income Tax	64	4,083
Value Added Tax	(23)	3,240
Income Levy	—	743
Relevant Contracts Tax	—	97
Professional Services Withholding Tax	148	96
Pension contributions	13	20
	<u>189</u>	<u>14,582</u>
Payroll deductions	6	32
Suspense	59	32
	<u>254</u>	<u>14,646</u>

2.8 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	18,788	11,294
Deferred surrender	500	1,500
Exchequer grant undrawn	(15,599)	(9,499)
Net liability to the Exchequer	<u>3,689</u>	<u>3,295</u>

Represented by:**Debtors**

Bank and cash	1,419	16,103
Other debit balances	2,524	1,838
	<u>3,943</u>	<u>17,941</u>

Creditors

Due to State	(189)	(14,582)
Other credit balances	(65)	(64)
	<u>(254)</u>	<u>(14,646)</u>
	<u>3,689</u>	<u>3,295</u>

2.9 Commitments

at 31 December

	2011	2010
	€000	€000
Total of legally enforceable commitments	128,727	133,150

(A) Global Commitments

The total of legally enforceable commitments at 31 December 2011 is estimated to be €129m. This includes €89m for the naval vessel replacement programme; €35m for the purchase of defensive equipment and vehicles and €4m for a number of building projects.

(B) Multi-annual capital commitments

Expenditure in 2011 and commitments to be met in subsequent years on foot of projects, to be funded from subheads containing voted capital provisions, where legally enforceable contracts were in place at 31 December :

	2011	2010
	€000	€000
Expenditure	9,752	10,829
Commitments to be met in subsequent years	2,865	5,324

2.10 Matured Liabilities

Matured liabilities outstanding at year end amounted to €808,898.

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.6	454	The saving is mainly due to delays with certain procurement contracts and lower than anticipated heat, fuel and maintenance costs.
D.	451	The saving is due mainly to lower levels of training activity and the use of more centralised training facilities.
F.	2,967	The saving is due mainly to a reduction in the number of civilian employees.
G.	(4,617)	The excess is due to the requirement to purchase additional essential defensive equipment for operational use by the Defence Forces.
H.	912	The saving is due mainly to a lower than anticipated requirement for air transport services and deferred specialised training costs.
J.	(9,142)	The excess is due mainly to the requirement to make VAT payments relating to the new naval ships contract, which were not provided for in the Estimate for 2011, and additional fuel costs.
L.	1,557	The saving is mainly due to slower than anticipated progress on some projects.
M.	1,177	The saving is due mainly to delays on certain clothing orders and reduced catering costs, and is partly offset by a requirement for additional ordnance equipment.
P.	2,600	The saving is mainly due to lower than estimated travel and freight costs associated with overseas commitments.
R.	(130)	The excess is mainly due to the requirement for additional safety and security work and other necessary procurement.
T.	1,116	Expenditure under this subhead is subject to a number of unpredictable variables, including the number, value and timing of awards and settlements.
U.	773	The saving is due to a number of variables including costs associated with interview boards, court martials, overseas mission support, and deferred military archive costs.
V.	317	The saving is due to lower than anticipated common costs relating to EU missions and European Defence Agency costs.

4 Receipts

4.1 Appropriations-in-aid

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Receipts from United Nations in respect of overseas allowances, etc.	6,000	3,662	7,108
2. Receipts from EU in respect of fishery protection costs	50	1,073	325
3. Receipts from banks and other organisations	8,500	8,913	8,839
4. Receipts from occupation of official quarters	165	196	166
5. Receipts from rations on repayment	500	966	582
6. Receipts from other issues on repayment	60	54	65
7. Receipts for aviation fuel	70	71	70
8. Receipts on discharge by purchase	50	47	41
9. Lands and premises :-			
(a) Rents, etc.	350	567	423
(b) Sales	6,000	50	4,140
10. Sale of surplus stores	200	105	388
11. Refunds in respect of services of seconded personnel	80	35	82
12. Miscellaneous	400	267	593
13. Receipts from pension-related deduction on public service remuneration	24,324	26,503	27,327
Total	46,749	42,509	50,149

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.	2,338	Deployment to Lebanon took place later than had been planned resulting in fewer reimbursable months than had been anticipated.
2.	(1,023)	The surplus is due to receipts from the European Commission in 2011 which were not expected until 2012.
5.	(466)	The surplus is due to higher than projected numbers of personnel availing of rations during 2011.
9.b	5,950	The shortfall in sales receipts is due to a number of property sales not progressing as expected.
12.	133	Receipts under this heading are difficult to forecast because there are a number of variable factors involved.
13.	(2,179)	Receipts under this heading are difficult to forecast accurately due to a number of factors including variable allowances paid to military personnel.

5 Employee Numbers and Pay

Overall Totals

	2011	2010
Numbers at year end (full time equivalents)	10,448	10,634
	2011	2010
	€000	€000
Pay	427,732	441,041
Higher, special or additional duties allowances	181	173
Overtime	579	736
Shift and roster allowance	143	156
Military allowances	32,864	35,025
Employer's PRSI	38,422	38,943
Total pay	499,921	516,074

The overall totals do not include the Civil Defence Board and the Office of the Ombudsman for the Defence Forces which account for personnel numbers of 28 and total pay and allowances of €1.5m. Each of these bodies produces its own accounts.

The total pay figures above exclude non-pay expenditure charged to some pay subheads.

5.1 Civil Servants

	2011	2010
Numbers at year end (full time equivalents)	320	324
	2011	2010
	€000	€000
Pay	15,341	15,740
Higher, special or additional duties allowances	116	102
Overtime	71	103
Shift and roster allowance	—	2
Employer's PRSI	537	534
Total pay	16,065	16,481

Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties allowances	31	4	19,585	19,605
Overtime	80	—	5,369	6,085
Shift and roster allowance	—	—	—	1,590

Some individuals received both allowances and overtime payments.

5.2 Civilian Employees

	2011	2010
Numbers at year end (full time equivalents)	660	728
	2011	2010
	€000	€000
Pay	25,180	26,575
Higher, special or additional duties allowances	65	71
Overtime	508	633
Shift and roster allowance	143	154
Employer's PRSI	2,617	2,748
Total pay	28,513	30,181

Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2011	2010
			€	€
Higher, special or additional duties allowances	30	—	7,461	7,951
Overtime	239	5	21,143	13,912
Shift and roster allowance	23	5	16,903	16,804

Some individuals received payments under more than one heading.

5.3 Permanent Defence Force (incl. Army Nursing Service and Chaplaincy)

	2011	2010
Numbers at year end	9,468	9,582
	2011	2010
	€000	€000
Pay and military service allowance	387,211	398,726
Overseas allowances	10,915	12,727
Security duty allowances	12,072	11,691
Border duty allowance	4,468	4,941
Patrol duty allowance	3,403	3,510
Miscellaneous allowances	2,006	2,156
Employer's PRSI	35,268	35,661
Total pay	455,343	469,412

Allowances

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2011	2010
			€	€
Overseas allowances	1,223	565	38,325	38,790
Security duty allowances	8,180	40	19,441	19,449
Border duty allowance	1,043	—	7,891	10,011
Patrol duty allowance	794	4	11,126	11,839
Miscellaneous allowances	1,064	11	20,086	21,456

Certain individuals received allowances in more than one category.

The security duty and miscellaneous headings 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:

	2011 €000	2010 €000
UN and EU Missions:		
UNIFIL (Lebanon)	19,982	—
MINURCAT (Chad - 15 March 2009 to 20 May 2010)	—	21,217
KFOR (Kosovo)	1,285	7,794
EUFOR (Bosnia Herzegovina)	2,720	3,968
Other UN and EU Missions	2,893	3,710
	26,880	36,689
Other:		
Military representatives and advisors	1,813	1,978
Nordic Battle Group	953	1,392
Organisation for Security and Co-operation in Europe	433	533
Total	30,079	40,592

Of the sum of €27m for UN and EU missions, €7m relates to missions the full costs of which are borne by the State. The remaining €20m relates to UNIFIL 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 2011 was €3.66m (Note 4.1), of which €2.16m related to personnel costs, and €1.5m to equipment costs. The amount outstanding at year end was €1.7m (€0.4m personnel costs and €1.3m equipment costs).

A claim was submitted to the UN relating to costs associated with the withdrawal from MINURCAT. This is still under negotiation.

6.2 Support for Representative Associations

This account includes a total of €461,788 in respect of the remuneration of military personnel seconded to representative associations and certain related administrative costs.

6.3 Seconded Staff

This account includes a total of €121,540 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

Two hundred and fifteen cases of irrecoverable debts resulted in the sum of €179,601 being written off.

Loss of or damage to stores, equipment or property for which negligence could not be attributed to any person resulted in the sum of €16,812 being written off.

Twelve cases of damage to military vehicles resulted in the sum of €15,023 being written off.

6.6 Carryover to 2012

Under the provisions of section 91 of the Finance Act 2004, €500,000 of unspent allocation in respect of the capital element of Subhead L was carried forward to 2012.

6.7 Claims

At 31 December 2011, there were 462 personal injury and employment case claims on hand, of which 319 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 €1,073,430 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.

6.10 Special Payments

Payments totalling €1,461,965 were made to the Office of the Revenue Commissioners in 2011 in settlement of the liability which arose in respect of the taxation of the Reserve Defence Force cadre daily allowance for the period January 2007 to February 2011.

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 2011 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 2011, 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
27 February 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 37: Army Pensions for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
20 July 2012

Vote 37 Army Pensions Appropriation Account 2011

Service		2011 Estimate provision	2011 Outturn	2010 Outturn
		€000	€000	€000
Army Pensions Board				
A. Salaries, wages and allowances		103	100	99
Pensions, allowances, etc.				
B. Defence Forces (Pensions) Schemes and payments in respect of transferred service				
	<i>Original</i>	197,835		
	<i>Supplementary</i>	15,800	213,635	213,681
C. Wound and disability pensions, allowances and gratuities to or in respect of former members of the Defence Forces				207,897
	<i>Original</i>	8,500		
	<i>Supplementary</i>	(40)	8,460	8,420
D. Payments in respect of Veterans of the War of Independence				8,716
	<i>Original</i>	1,400		
	<i>Supplementary</i>	(270)	1,130	1,124
E. Compensation payments				1,430
	<i>Original</i>	200		
	<i>Supplementary</i>	(180)	20	18
F. Medical appliances and travelling and incidental expenses				18
	<i>Original</i>	50		
	<i>Supplementary</i>	(10)	40	36
Gross expenditure				
	<i>Original</i>	208,088		
	<i>Supplementary</i>	15,300	223,388	223,379
				218,202
Deduct				
G. Appropriations-in-aid				
	<i>Original</i>	6,221		
	<i>Supplementary</i>	(300)	5,921	6,125
				6,230
Net expenditure				
	<i>Original</i>	201,867		
	<i>Supplementary</i>	15,600	217,467	217,254
				211,972
Surplus to be surrendered			€212,526	€21,227

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	2011 €000	2010 €000
Expenditure on administration		100	99
Expenditure on services and programmes		223,279	218,103
Gross expenditure		223,379	218,202
Deduct			
Appropriations-in-aid		6,125	6,230
Direct expenditure		217,254	211,972
Expenditure borne elsewhere			
Net allied services expenditure	1.1	1,726	1,734
Total operating cost		218,980	213,706

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		2011 €000	2010 €000
36	Defence	1,726	1,734
		1,726	1,734

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Current assets			
Bank and cash	2.1	216	1,229
Other debit balances	2.2	1	9
Total current assets		217	1,238
Less current liabilities			
Credit balances	2.3	5	1,218
Net liability to the Exchequer	2.4	212	20
Total current liabilities		217	1,238
Net current assets		—	—
Represented by:			
State funding account		—	—
2.1 Bank and Cash			
at 31 December		€000	€000
PMG balances and cash		664	2,477
Orders outstanding		(448)	(1,248)
		216	1,229
2.2 Other Debit Balances			
at 31 December		€000	€000
Suspense and payroll deductions		1	9
		1	9
2.3 Credit Balances			
at 31 December		€000	€000
Amounts due to the State			
Income Tax		3	946
Income Levy		—	156
Pay Related Social Insurance		—	100
Professional Services Withholding Tax		—	1
		3	1,203
Suspense and payroll deductions		2	15
		5	1,218

2.4 Net Liability to the Exchequer

at 31 December

	2011 €000	2010 €000
Surplus to be surrendered	213	21
Exchequer grant undrawn	(1)	(1)
Net liability to the Exchequer	<u>212</u>	<u>20</u>

Represented by:

Debtors

Bank and cash	216	1,229
Debit balances: suspense	1	9
	<u>217</u>	<u>1,238</u>

Creditors

Amounts due to the State	(3)	(1,203)
Credit Balances: Suspense and payroll deductions	(2)	(15)
	<u>(5)</u>	<u>(1,218)</u>

	<u>212</u>	<u>20</u>
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3 Variations in Expenditure

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

4 Receipts

4.1 Appropriations-in-aid

	€000	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Contributions to Defence Forces Spouses' and Children's Pension Schemes				
<i>Original</i>	4,721			
<i>Supplementary</i>	(300)	4,421	4,677	4,847
2. Contributions to Defence Forces Contributory (Main) Pensions Schemes		1,400	1,291	1,294
3. Recoveries of overpayments		30	96	31
4. Payments received in respect of transferred service		30	29	27
5. Miscellaneous		35	27	26
6. Receipts from pension-related deductions on public service remuneration		5	5	5
		5,921	6,125	6,230

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.	(256)	A higher than anticipated number of personnel retired from the Defence Forces in 2011 and contributions deducted from their gratuities under this scheme were higher than expected.
2.	109	The anticipated receipts for 2011 were overestimated. It is difficult to accurately predict receipts as the numbers paying contributions vary during the year.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	2	2
	2011	2010
	€000	€000
Pay	94	93
Higher, special or additional duties allowances	—	—
Other allowances	—	—
Overtime	—	—
Employer's PRSI	2	2
Total pay	96	95

The two staff members are administrative support to the Army Pensions Board. In addition to these payroll costs approximately €3,724 was paid in respect of travel and subsistence in 2011.

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

6.1 Write-offs

During the year an amount of €5,262 was written off in respect of 43 cases of overpayment of pensions and allowances. The gross overpayments were €6,211 of which €949 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 2011 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 2011, 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.

Transfer of Functions

The Community Welfare Service comprising 1,100 staff formally transferred to this Department from the Health Service Executive in 2011. Related expenditure for the full year is reflected in these accounts.

Funding responsibility for FÁS employment programmes and associated administration costs transferred to this Department from the Department of Education and Skills from 1 January 2011. Approximately 750 staff transferred into this Department from 1 January 2012.

Functions relating to the Social Inclusion Division transferred to this Department from the Department of Community Equality and Gaeltacht Affairs from 1 May 2011.

Functions relating to the Family Support Agency transferred to the Department of Community, Equality and Gaeltacht Affairs from the Department of Social Protection on 1 May 2010. On the abolition of the Department of Community, Equality and Gaeltacht Affairs, the Family Support Agency transferred to the Department of Children and Youth Affairs on 1 May 2011.

New Employment Schemes

Employment Support Services include two new schemes established in 2011. Tús was introduced following the announcement of the 2011 budget, and the National Internship Scheme was introduced from 1 July 2011 as part of the Jobs Initiative.

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
3 August 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 38: Social Protection for 2011 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 2011.

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 case in which transactions recorded in the account do not conform to the authority under which they purport to have been carried out. Chapter 22 of my report on the accounts of the public services for 2011 relates to welfare payments in excess of entitlement included in the 2011 Account for Vote 38.

Chapters 21, 23 and 24 of the report refer to certain other matters relating to Vote 38 on which I considered it appropriate to report in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993.

Seamus McCarthy
Comptroller and Auditor General
24 August 2012

Vote 38 Social Protection Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	235,279	247,664	230,451
A.2. Travel and subsistence	3,208	3,110	3,108
A.3. Training and development and incidental expenses	11,131	6,907	7,571
A.4. Postal and telecommunications services	21,080	19,393	18,340
A.5. Office equipment and external IT services	27,061	26,423	27,326
A.6. Office premises expenses	11,981	10,979	12,055
A.7. Consultancy services and value for money and policy reviews ¹	1,360	893	597
A.8. Payments for agency services	61,527	65,656	63,398
A.9. eGovernment related projects	7,500	1,342	1,876
Value for money and policy reviews ¹	—	—	287
Social Assistance			
B. State Pension (Non-Contributory)	951,150	971,769	977,293
C. Blind Pension	15,360	15,624	16,032
D. Child Benefit	2,066,780	2,076,338	2,213,429
E. Jobseeker's Allowance	2,644,620	2,974,987	2,809,381
F. Farm Assist scheme	122,620	113,724	110,931
G. Employment Support Services	355,430	342,876	278,092
H. Pre-retirement Allowance	62,350	59,942	77,850
I. One-parent Family Payment	1,111,710	1,088,897	1,110,328
J. Widows'/ Widowers'/Surviving Civil Partner's and Guardian's Related Payments (Non-Contributory)	25,730	23,583	23,949
K. Deserted Wife's Allowance	4,470	4,211	5,020
L. Family Income Supplement	199,260	204,543	185,998
M. Carer's Allowance	499,020	507,193	501,789
N. Supplementary Welfare Allowances	951,333	961,523	1,009,190
O. Disability Allowance	1,066,220	1,089,178	1,109,505
P. Respite Care Grant	131,160	130,392	128,097
Q. Free Schemes (Assistance)	395,028	399,437	381,808
R. School Meals Schemes	35,000	34,975	34,939
S. Grant to the Citizens Information Board	46,640	45,114	44,986
T. Domiciliary Care Allowance	104,235	99,924	95,710

Social Assistance - continued		2011 Estimate provision	2011 Outturn	2010 Outturn
		€000	€000	€000
U.	Rural Social Scheme	46,140	46,835	13,872
V.	Community Services Programme	47,415	45,452	8,198
W.	FÁS employment programmes, integration support programmes, associated administration expenses	477,497	468,095	—
X.	Miscellaneous services	3,651	3,016	3,857
	<i>Grant to Family Support Agency</i>	—	—	9,909
Social Insurance				
Y.	Payment to the Social Insurance Fund under section 9(9)(a) of the Social Welfare Consolidation Act 2005	1,906,168	1,460,362	1,862,286
Gross expenditure		13,649,114	13,550,357	13,377,458
Deduct				
Z.	Appropriations-in-aid	221,702	232,753	218,132
Net expenditure		13,427,412	13,317,604	13,159,326
Surplus to be surrendered			€109,807,760	€110,842,156

¹ To provide improved clarity in relation to administration, the costs associated with the former Value for Money and Policy Review Initiative subhead have been redistributed to the relevant pay and non-pay expenditure headings.

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			382,367	365,009
Expenditure on services and programmes			13,167,990	13,012,449
Gross expenditure			13,550,357	13,377,458
Deduct				
Appropriations-in-aid			232,753	218,132
Net expenditure			13,317,604	13,159,326
Changes in capital assets				
Purchases cash		(14,403)		
Depreciation		20,414		
Loss on disposals		13	6,024	13,241
Changes in assets under development				
Cash payments			(5,925)	(3,815)
Changes in net current assets				
Decrease in closing accruals		(694)		
Increase in stock		(132)		
			(826)	1,462
Direct expenditure			13,316,877	13,170,214
Net allied services expenditure	1.1		39,402	31,173
Notional rents			10,393	14,588
Total operating cost			13,366,672	13,215,975

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.

Vote		2011 €000	2010 €000
7	Superannuation and Retired Allowances	23,645	22,411
10	Office of Public Works	15,501	8,495
20	Garda Síochána	66	209
	Central Fund - Ministerial etc. pensions	190	58
		39,402	31,173

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	49,466	52,425
Capital assets under development	2.2	19,880	16,648
		<u>69,346</u>	<u>69,073</u>
Current assets			
Stocks	2.4	709	577
Prepayments		2,119	2,321
Other debit balances	2.5	329,173	215,202
Total current assets		<u>332,001</u>	<u>218,100</u>
Less current liabilities			
Bank and cash	2.3	293,390	155,378
Accrued expenses		15,216	16,076
Other credit balances	2.6	22,048	35,451
Net liability to the Exchequer	2.7	13,735	24,373
Total current liabilities		<u>344,389</u>	<u>231,278</u>
Net current liabilities		<u>(12,388)</u>	<u>(13,178)</u>
Net assets		<u>56,958</u>	<u>55,895</u>
Represented by:			
State funding account		<u>56,958</u>	<u>55,895</u>

2.1 Capital Assets

	Office equipment €000	Furniture and fittings €000	Totals €000
Gross assets			
Cost or valuation at 1 January 2011	249,260	30,720	279,980
Assets transferred from the Department of Community, Equality and Gaeltacht Affairs ¹	12	—	12
Assets transferred from the Department of Jobs, Enterprise and Innovation ²	1,356	144	1,500
Additions	16,158	974	17,132
Disposals	(191)	(8)	(199)
Cost or valuation at 31 December 2011	266,595	31,830	298,425
Accumulated depreciation			
Opening balance at 1 January 2011	204,179	23,376	227,555
Assets transferred from the Department of Community, Equality and Gaeltacht Affairs	4	—	4
Assets transferred from the Department of Jobs, Enterprise and Innovation	1,037	135	1,172
Depreciation for the year	18,817	1,597	20,414
Depreciation on disposals	(180)	(6)	(186)
Cumulative depreciation at 31 December 2011	223,857	25,102	248,959
Net assets at 31 December 2011	42,738	6,728	49,466
Net assets at 31 December 2010	45,081	7,344	52,425

¹ ICT assets with a net book value of €8,257 were transferred from the Department of Community, Equality and Gaeltacht Affairs arising from the transfer of certain functions to this Department with effect from 1 May 2011.

² ICT assets and furniture and fittings with a net book value of €328,196 were transferred from the Department of Jobs, Enterprise and Innovation arising from the transfer of certain functions to the Social Insurance Fund with effect from 1 January 2011. These assets are held by this Department on behalf of the Social Insurance Fund.

2.2 Capital Assets under Development

at 31 December 2011	In-house computer applications €000
Amounts brought forward at 1 January 2011	16,648
Cash payments for the year	5,925
Transferred to asset register	(2,693)
Amounts carried forward at 31 December 2011	19,880

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

at 31 December	2011 €000	2010 €000
An Post balance	10,918	151,688
PMG balance	(424,308)	(422,332)
Other bank and cash	120,719	117,429
Orders outstanding	(719)	(2,163)
	<u>(293,390)</u>	<u>(155,378)</u>

2.4 Stocks

at 31 December	2011 €000	2010 €000
Stationery	703	570
IT consumables	6	7
	<u>709</u>	<u>577</u>

2.5 Other Debit Balances

at 31 December	2011 €000	2010 €000
Advances to An Post for postage expenditure	1,026	1,020
Advances to OPW for office furniture and electrical work	887	778
Social Insurance Fund suspense account ¹	308,800	209,162
Payment and Agency Reconciliation Platform suspense	57	57
Other debit suspense items ²	18,403	4,185
	<u>329,173</u>	<u>215,202</u>

¹ Represents advances from Vote 38 to the Social Insurance Fund subvention suspense account which were not expended by year end.

² Includes prepayments of Vote schemes via An Post amounting to €11.6 million.

2.6 Other Credit Balances

at 31 December	2011 €000	2010 €000
Amounts due to the State		
Income Tax	2,667	1,754
Superannuation Contributions	567	364
Pay Related Social Insurance	1,637	1,703
Interstat Value Added Tax	31	78
Withholding Tax	507	387
Extra exchequer receipts	54	—
	<u>5,463</u>	<u>4,286</u>
Payroll Deductions	2,857	1,963
Due to Social Insurance Fund in respect of Jobseeker's and Free Scheme Payments	12,591	28,860
Other credit suspense items	1,137	342
	<u>22,048</u>	<u>35,451</u>

2.7 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	109,808	110,842
Exchequer grant undrawn	(96,073)	(86,469)
Net liability to the Exchequer	<u>13,735</u>	<u>24,373</u>

Represented by:**Debtors**

Debit balances: suspense	329,173	215,202
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Creditors

Bank and cash	(293,390)	(155,378)
Due to State	(5,463)	(4,286)
Credit balances: suspense	(16,585)	(31,165)
	<u>(315,438)</u>	<u>(190,829)</u>

13,735	24,373
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2.8 Commitments

at 31 December

	2011	2010
	€000	€000
Total of legally enforceable commitments	30,504	39,405

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.	4,224	This subhead includes the departmental contingency fund which was unspent and amounted to €2.3m. In addition there were significant underspends on staff training of €0.5m and advertising of €0.17m as well as additional savings for example on cleaning of €0.5m and waste disposal of €0.15m.
A.7.	467	Some expenditure profiled did not arise in 2011 leading to the underspend.
A.9.	6,158	There were delays in entering into contracts and purchasing the hardware and software systems necessary for the production of the Public Services Card which led to this underspend.
E.	(330,367)	Higher average number of recipients, due to higher Live Register outturn than provided for in the estimate and a higher ratio of Jobseeker's Allowance recipients v Jobseeker's Benefit recipients ratio. This was offset by an underspend on Jobseeker's Benefit on the Social Insurance Fund Account.
F.	8,896	2011 outturn expenditure on Farm Assist Scheme was €8.9m below profile, of which €6.2m was due to lower number of recipients, €2.9m due to lower average payment values, offset by higher inter-scheme adjustments of €0.2m
J.	2,147	Lower than expected average payment values on Widows'/ Widowers' / Surviving Civil Partner's (Non-Contributory) Pension.
K.	259	Lower than expected average number of recipients of Deserted Wife's Allowance.
X.	635	The cumulative under-spend of €635,000 was incurred on each of the eleven expenditure items making up Miscellaneous Services.
Y.	445,806	Lower exchequer subvention to the Social Insurance Fund was due to higher than expected income from PRSI contributions and lower expenditure on schemes.

3.1 Total Scheme Outturn for 2011

As described in the introduction to the account, certain functions transferred to this Department in the year. The expenditure on these functions was previously accounted for in other votes. The table below details the expenditure incurred by each vote and the year on year comparison.

				2011	2010
		This	Former	Total	Outturn
		Vote	Vote		
		€000	€000	€000	€000
FÁS					
W.1.	Employment programmes	397,286	—	397,286	414,338
W.2.	Integration support programmes	27,448	40,267	67,715	45,537
W.3.	Administration expenses	43,361	85,491	128,852	133,169
Social Inclusion					
X.9.	EU Year for Combating Poverty and Social Exclusion 2010	5	2	7	366
X.10.	EU Community Action Programme for Employment and Social Solidarity (Progress) 2007-2013	—	—	—	40
X.11.	Social Inclusion Initiatives	54	11	65	70
Gross expenditure		468,154	125,771	593,925	593,520

4 Receipts

4.1 Appropriations-in-aid	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Recovery of administration expenses from the Social Insurance Fund	177,280	177,080	178,207
2. Recoveries of Social Assistance overpaid	13,000	23,320	12,314
3. Repayment from the Social Insurance Fund of amounts paid initially as Social Assistance	9,500	11,829	8,551
4. Receipts under "Liability to Maintain Family" provisions in Part XII of the Social Welfare Consolidation Act, 2005	850	524	657
5. Receipts from the General Register Office	700	610	671
6. Dormant Accounts Receipts	466	274	1,014
7. Receipts from European Social Fund for activation and participation of people with disabilities	185	160	179
8. Receipts from pension-related deduction on public service remuneration	11,786	12,508	4,769
9. Receipts from EU for the year of Combat Poverty and Social Inclusion	35	—	—
10. Miscellaneous	7,900	6,448	11,770
Total	221,702	232,753	218,132

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	(10,320)	Higher than expected recovery of overpayments from a range of 26 Social Assistance schemes.
3	(2,329)	These represent arrears of inter-scheme adjustments which were recovered from the Social Insurance Fund after the close of a year in which such interim payments are made. The amounts recovered are brought to credit as appropriations-in-aid. It is difficult to predict arrears of inter-scheme adjustments.
4	326	The variance occurred due to existing liable relatives commencing receipt of social welfare payments and cannot be pursued for payment, while others have opted to pay the lone parent directly. In addition, an increasing number of liable relatives are now living outside the jurisdiction.
6	192	The lower draw-down occurred as there were delays with the rollout of some of the training programmes funded by dormant account receipts.
8	(722)	Receipts were higher than estimated due to the incorporation of former HSE employees into the Department, in October 2011.
10	1,452	This covers twenty-one miscellaneous receipts in 2011, the biggest of which was the return of cancelled cheques by recipients of social assistance schemes.

4.2 Extra receipts payable to the Exchequer

	2011 €000	2010 €000
Conscience money	14	42
Witness expenses	6	10
Pension Board fines	34	—
	<u>54</u>	<u>52</u>

Receipts payable to the exchequer were not paid over until 2012.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	6,174	4,812
	2011 €000	2010 €000
Pay	229,238	212,691
Higher, special or additional duties allowances	619	573
Other allowances	499	469
Overtime	5,538	6,100
Employer's PRSI	11,770	10,618
Total pay	<u>247,664</u>	<u>230,451</u>

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	353	12	19,585	19,605
Other allowances	198	16	13,806	13,824
Overtime	2,361	70	29,327	21,486

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

5.2 Performance and Merit Payments

A total of €71,248 was awarded to Departmental staff for merit awards as allowed for under the Administrative Budget Scheme, comprising awards to ten individuals ranging from €250 to €650 per individual and eight teams ranging from €100 to €500 per team member.

5.3 Other Remuneration Arrangements

Redundancy payments of €55,957 were paid to 18 staff under the Redundancy Payments Acts, 1967 – 2007.

6 Miscellaneous

6.1 Recovery of overpayments

The summary position on assistance overpayments at 31 December 2011 was as follows:

	2011 Outturn €000	2010 Outturn €000
Overpayments outstanding at 1 January	231,503	205,472
Net overpayments recorded	61,984	54,441
	<u>293,487</u>	<u>259,913</u>
Less:		
Amounts recovered ¹	37,609	23,203
Amounts written off as irrecoverable	3,071	5,207
	<u>40,680</u>	<u>28,410</u>
Overpayments outstanding at 31 December	<u>252,807</u>	<u>231,503</u>

¹ The amount recovered includes

€23,320,000 in cash receipts which arise as a result of cash recoveries from assistance claimants and amounts paid from the Social Insurance Fund to Vote 38 in respect of overpayments recovered by withholding benefit payments. These amounts are accounted for under Subhead Z.

€14,289,000 withheld from assistance entitlements which is accounted for as a reduction in scheme expenditure.

6.2 Compensation and Legal Costs

Compensation and associated legal and miscellaneous costs totalling €35,099 and ranging from €340 to €27,085 were paid in five cases of personal injury claims and other settlements in respect of employees.

Payments totalling €39,406 and ranging from €252 to €26,625 in respect of legal expenses, damages and costs in six instances were made in relation to personal injuries sustained on Departmental property and other cases.

Total payments of €1,086,735 were paid in legal costs ranging from €20 to €750,923 in respect of eight cases taken against the Department.

Ex gratia payments, loss of purchasing power payments and legal costs totalling €85,446 and ranging from €49 to €29,695 were made in respect of Carer's Allowance, Child Benefit, One Parent Family Payment, Disability Allowance, State Pension (Non-Contributory) and Job Seekers Allowance.

6.3 Administrative Budget Carry Forward

As agreed with the Department of Public Expenditure and Reform under the Administrative Budget scheme, a carry forward from 2011 of savings to the value of €2,073,000 is included in the Estimates for 2012.

6.4 EU Funds

An amount of €160,407 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.

6.5 Write Offs

Sanction was obtained from the Department of Public Expenditure and Reform in 2011 to write off a gross amount of €32,035 in respect of certain salary overpayments that occurred during the period 2000 to 2011.

6.6 Possible Misappropriation

There were eight cases of possible misappropriation of public monies by employees of an approximate total value of €45,229. Amounts in some cases have not yet been determined.

Vote 39 Health

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 2011 for the salaries and expenses of the Office of the Minister for Health and certain other services administered by that Office, including miscellaneous grants.

The Appropriation Account incorporates the following transfers of functions as provided for in the Revised Estimates for 2011.

Functions transferred to the Department

The Drugs Initiative (Subhead B3) transferred from the former Department of Community Equality and Gaeltacht Affairs (Vote 27) with effect from 1 May 2011.

Functions transferred from the Department

The full year provision in respect of the following functions transferred to the new Department of Children and Youth Affairs on its establishment on 2 June 2011:

- the pay and non-pay costs of staff working in the Office of the Minister for Children and Youth Affairs
- additional funding to cover in-part the pay and non-pay costs of the corporate functions of the new Department
- National Lottery grants and legal fees in respect of child welfare and protection matters
- Allocations for the Adoption Authority of Ireland, the Office of the Ombudsman for Children and the Children's Acts Advisory Board.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2011, 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

A Statement on Internal Financial Controls in the standard format for the year ended 31 December 2011 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.

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 2011, a total of ten audit reports were finalised and issued. Nine of these reports were from the 2010 programme with one report finalised and issued from the 2011 programme. Audit work in respect of an additional seven reports from the 2011 programme and one report from the 2010 programme were completed in 2011. Six of these final reports were agreed by the Audit Committee in March 2012. Both the Audit Committee and the Internal Audit Unit operate under a written Charter.

Administrative and Financial Controls

The work of the Management Advisory Committee Sub-Committee on Internal Financial Controls includes the 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.

In 2011, the Committee finalised reviews relating to administrative budgets, programme budgets and tax compliance. This has led to the further enhancement of controls in the areas reviewed. A review of procurement was also carried out and was submitted to the Committee at its first meeting in 2012.

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. In 2011 further process improvements were made to monitoring and reporting systems including the development of standardised reports for the Management Advisory Committee.

Information Technology

In 2011, the Department's ICT Unit extended its shared service to the new Department of Children and Youth Affairs in addition to the other supported sites - Adoption Authority of Ireland, Ombudsman for Children and the Office of the Disability Appeals Officer. A full time suite of ICT services are being provided and a memorandum of understanding has been agreed with the Department of Children and Youth Affairs. The Department's Financial Management System (FMS) has been rolled out to users in the Department of Children and Youth Affairs. Further refinements will be required to the service in 2012. A new ICT security tender was awarded in March 2012.

Asset Register

In relation to the Department's asset register, the Department is using the FMS asset register module for all ICT assets in its Appropriation Account 2011 and is working towards fully using the module for other office equipment and furniture. Following the commencement of shared ICT services with the Department of Children and Youth Affairs, ICT assets have been transferred to that Department which is now responsible for the tracking and maintenance of its own asset register.

Staff Training

The Department continues to identify staff training needs through the Performance Management and Development System. In 2011, training was provided, inter alia, in the areas of financial management and procurement.

Michael Scanlan

Department of Health

Accounting Officer

31 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 39: Health for 2011 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. 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 2011.

Seamus McCarthy
Comptroller and Auditor General
6 September 2012

Vote 39 Health

Appropriation Account 2011

Service	2011 Estimate provision €000	2011 Outturn €000	2010 Outturn €000
Administration			
A.1. Salaries, wages and allowances	25,581	22,884	29,140
A.2. Travel and subsistence	654	306	421
A.3. Training and development and incidental expenses	868	676	864
A.4. Postal and telecommunications services	778	526	548
A.5. Office equipment and external IT services	1,574	1,310	1,464
A.6. Office premises expenses	925	829	717
A.7. Consultancy services and value for money and policy reviews	2,194	831	735
Grants			
B.1. Grants to research bodies and other research grants	36,797	34,430	35,879
B.2. Grants to health agencies and other similar organisations (part funded by National Lottery)	3,286	3,286	3,786
B.3. Drugs Initiative	18,361	17,571	—
Other services			
C. Expenses in connection with the World Health Organisation and other International bodies	2,600	2,580	2,460
D. Statutory and non-statutory inquiries and miscellaneous legal fees and settlements	22,593	15,464	19,410
E.1. Developmental, consultative, supervisory, regulatory and advisory bodies	61,569	49,721	66,828
E.2. The Food Safety Promotion Board	5,950	5,950	6,665
E.3. The National Treatment Purchase Fund Board and Special Delivery Unit	85,587	85,587	90,092
E.4. Ireland / Northern Ireland Interreg	2,190	2,003	837
F.1. Payments in respect of disablement caused by thalidomide	745	374	374
F.2. Payments in respect of persons claiming to have been damaged by vaccination	1	—	—

	2011 Estimate provision	2011 Outturn	2010 Outturn
Other services (continued)	€000	€000	€000
F.3. Payments to a special account established under section 10 of the Hepatitis C Compensation Tribunal Acts 1997 and 2002	50,786	28,600	42,000
F.4. Payments to a reparation fund established under section 11 of the Hepatitis C Compensation Tribunal Acts 1997 and 2002	8,849	3,600	6,400
G. Dissemination of information, conferences and publications in respect of health and health services	813	254	629
<i>Office of the Ombudsman for Children</i>	—	—	2,070
Capital services			
H. Grants in respect of building and equipping (including ICT) of agencies funded by the Department	15,000	7,939	10,778
Gross expenditure	347,701	284,721	322,097
Deduct			
I. Appropriations-in-aid	3,916	4,971	5,926
Net expenditure	343,785	279,750	316,171
Surplus for the year		€64,035,391	€60,246,281
Deferred surrender		€1,500,000	—
Surplus to be surrendered		€62,535,391	€ 60,246,281

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			27,362	33,889
Expenditure on services and programmes			257,359	288,208
Gross expenditure			<u>284,721</u>	<u>322,097</u>
Deduct				
Appropriations in aid			<u>(4,971)</u>	<u>(5,926)</u>
Net expenditure			<u>279,750</u>	<u>316,171</u>
Changes in capital assets				
Purchases cash		(101)		
Depreciation		257		
Loss on disposals		<u>2</u>		
			158	473
Changes in net current assets				
Decrease in closing accruals		(1,643)		
Increase in stock		<u>(8)</u>		
			<u>(1,651)</u>	<u>(1,964)</u>
Direct expenditure			<u>278,257</u>	<u>314,680</u>
Net allied services expenditure	1.1		16,134	17,831
Notional rents			<u>2,352</u>	<u>3,480</u>
Total operating cost			<u><u>296,743</u></u>	<u><u>335,991</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 39 borne elsewhere.

Vote		2011 €000	2010 €000
7	Superannuation and Retired Allowances	8,140	8,305
9	Office of the Revenue Commissioners	5,037	5,174
10	Office of Public Works	2,481	3,708
20	Garda Síochána	60	412
	Central Fund - Ministerial etc. pensions	<u>416</u>	<u>232</u>
		<u><u>16,134</u></u>	<u><u>17,831</u></u>

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	812	1,010
		<u>812</u>	<u>1,010</u>
Current assets			
Stocks	2.3	85	77
Prepayments		192	308
Accrued income		5,550	3,822
Other debit balances	2.4	3,531	4,543
Total current assets		<u>9,358</u>	<u>8,750</u>
Less current liabilities			
Accrued expenses		250	281
Other credit balances	2.5	437	1,111
Bank and cash	2.2	2,578	3,833
Net liability to/(from) the Exchequer	2.6	516	(401)
Total current liabilities		<u>3,781</u>	<u>4,824</u>
Net current assets		<u>5,577</u>	<u>3,926</u>
Net Assets		<u>6,389</u>	<u>4,936</u>
Represented by:			
State funding account		<u>6,389</u>	<u>4,936</u>

2.1 Statement of Capital Assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2011	2,530	2,169	4,699
Additions	92	6	98
Transfers from other Departments	24	—	24
Transfers to other Departments	(92)	(73)	(165)
Disposals	(27)	(71)	(98)
Cost or valuation at 31 December 2011	<u>2,527</u>	<u>2,031</u>	<u>4,558</u>
Accumulated depreciation			
Opening balance at 1 January 2011	1,859	1,830	3,689
Adjustment for assets transferred from other Departments	16	—	16
Depreciation for the year	176	81	257
Adjustment for assets transferred to other Departments	(75)	(45)	(120)
Depreciation on disposals	(25)	(71)	(96)
Cumulative depreciation at 31 December 2011	<u>1,951</u>	<u>1,795</u>	<u>3,746</u>
Net assets at 31 December 2011	<u>576</u>	<u>236</u>	<u>812</u>
Net assets at 31 December 2010	<u>671</u>	<u>339</u>	<u>1,010</u>

Following the transfer of certain functions from the former Department of Community, Equality and Gaeltacht Affairs, fixed assets with a value at cost of €23,916 transferred to the Department during 2011. Assets with a value of €165,245 transferred during 2011 to the Department of Children and Youth Affairs.

2.2 Bank and Cash

	2011 €000	2010 €000
at 31 December		
PMG balances and cash	(300)	2,495
Orders outstanding	(2,278)	(6,328)
	<u>(2,578)</u>	<u>(3,833)</u>

2.3 Stocks

	2011 €000	2010 €000
at 31 December		
Stationery	27	30
IT consumables	58	47
	<u>85</u>	<u>77</u>

2.4 Other Debit Balances

at 31 December

	2011 €000	2010 €000
Advances to OPW	44	291
Recoupable salaries	476	319
Recoupment of travel expenditure	12	24
Recoupment of travel pass scheme	110	136
Hepatitis C Compensation Tribunal	2,880	3,764
Other debit suspense items	9	9
	<u>3,531</u>	<u>4,543</u>

2.5 Other Credit Balances

at 31 December

	2011 €000	2010 €000
Amounts due to the state		
Income Tax and Universal Social Charge	20	413
Pay Related Social Insurance	(3)	206
Professional Services Withholding Tax	95	35
Value Added Tax	52	2
Pensions	11	90
Exchequer Extra Receipts	8	—
	<u>183</u>	<u>746</u>
Payroll deductions held in suspense	—	48
Other credit suspense items	254	317
	<u>437</u>	<u>1,111</u>

2.6 Net Liability to/(from) the Exchequer

at 31 December

	2011 €000	2010 €000
Surplus to be surrendered	62,535	60,246
Deferred surrender	1,500	—
Exchequer grant undrawn	(63,519)	(60,647)
Net liability to/(from) the Exchequer	<u>516</u>	<u>(401)</u>

Represented by:**Debtors**

Debit balances: suspense

	3,531	4,543
	<u>3,531</u>	<u>4,543</u>

Creditors

Due to State

Bank and cash

Credit balances: suspense

	(183)	(746)
	(2,578)	(3,833)
	(254)	(365)
	<u>(3,015)</u>	<u>(4,944)</u>
	<u>516</u>	<u>(401)</u>

2.7 Commitments

2011	2010
€000	€000

at 31 December

(A) Global Commitments

Non capital commitments likely to arise in subsequent years:

Procurement subheads	30,597	90
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(B) Multi-Annual Capital Commitments**1. Legally enforceable capital commitments**

Expenditure in year	7,939	10,778
Commitments to be met in subsequent years	19,179	27,780

2. Capital Projects over €6.3 million

	Cumulative spend to 31 December 2010 €000	Paid in 2011 €000	To be paid in subsequent years €000	Total €000
Health Research Board (Clinical Research Facility St James's Hospital and Dublin Clinical Research Network)	2,483	1,329	7,700	11,512
Health Research Board (Clinical Research Facility at University College Hospital, Galway)	—	—	7,500	7,500
Total	2,483	1,329	15,200	19,012

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.	348	The saving arose due to less travel than anticipated being undertaken during the year.
A.4.	252	The cost of replacing the PBX phone system was less than originally anticipated as Government Networks, a division within the Department of Public Expenditure and Reform, provided PBX telephone equipment free of charge. The equipment was surplus to requirements in other departments/buildings.
A.7.	1,363	The saving arose as (i) projects on the Review of the Nursing Degree Programme and A Model of Demand for the Supply of GP and Practice Nurse Services commenced in 2011 but did not incur costs that year; (ii) stage 1 only of the project on the VHI was approved for 2011 and (iii) a number of proposed consultancies did not proceed during the year.
B.1.	2,367	The saving arose due to spending by the Health Research Board being less than anticipated.
D.	7,129	It is difficult to predict the amount which will be paid from this subhead each year as the majority of the costs relate to legal settlements and their associated legal fees and these are based on the outcome of legal proceedings. Therefore, there was a surplus on the subhead.
E.1.	11,848	Spending on health agencies, including the Mental Health Commission and the Health and Information Quality Authority, was less than anticipated. The Department monitors the amounts required by each agency under the system of cash management and expenditure control. The reported actual expenditure by agencies to end November 2011, together with the projected expenditure for December 2011 showed that they would not require the full allocation for the year. Therefore, in accordance with the policies of the Department regarding payments to agencies, they were paid the lesser amount of their allocation or net expenditure.
E.4.	187	The saving arose from spending being less than anticipated.
F.1.	371	The proposed increase in payments to victims of thalidomide was not agreed during the year.
F.3.	22,186	The number of awards approved by the Hepatitis C Compensation Tribunal were less than originally estimated.
F.4.	5,249	The number of awards approved by the Hepatitis C Compensation Tribunal were less than originally estimated.
G.	559	The saving arose from spending being less than anticipated.
H.	7,061	Savings arose due to delays in the construction of the Clinical Research Facility at University College Hospital Galway as the main contractor went into receivership in 2010 and a challenge to the award of the contract following the retendering exercise. Also, progress on approving an ICT project was slower than anticipated primarily due to the complexity of the project.

4 Receipts

4.1 Appropriations-in-aid

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Miscellaneous	1	208	267
2. Receipts from pension related deduction on public service remuneration.	3,915	4,763	5,659
Total	3,916	4,971	5,926

Heading	Less/(more) than estimated €000	Explanation
1.	(207)	The variance was due in part to the receipt of licence fees under the Misuse of Drugs Act, the refund of unspent Drugs Initiative funding and pension scheme remittances.
2.	(848)	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 €8,462, in respect of the voluntary surrender of salary under Section 483 of the Taxes Consolidation Act, 1997 were received during the year and paid over in 2012.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	366	430
	€000	€000
Pay	21,517	27,565
Higher, special or additional duties allowances	189	242
Other allowances	5	7
Overtime	209	202
Employer's PRSI	964	1,124
Total pay	22,884	29,140

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	65	7	20,614	20,575
Other allowances	32	—	343	450
Overtime	58	5	19,276	19,121

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

6 Miscellaneous

6.1 National Lottery Funding

Subhead	Description	2011 Estimate €000	2011 Outturn €000	2010 Outturn €000
B.2.	Grants to health agencies and other similar organisations (part funded by National Lottery)	3,286	3,286	3,786
		3,286	3,286	3,786

Under subhead B.2, a total of €3.286 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 2011 €000	2011 €000	2010 €000
Commission on Patient Safety and Quality Assurance	2007	302	—	8
Commission of Investigation to examine matters relating to the management, operation and supervision of Lea's Cross Nursing Home.	2007	2,105	—	289
		2,407	—	297

6.3 Deferred Surrender

Under the provisions of section 91 of the Finance Act 2004, €1,500,000 of unspent allocation in respect of Subhead H was carried forward to 2012.

6.4 Special Obstetrics Scheme

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.

6.5 Contingent Liabilities

The Department is involved in a number of claims involving legal proceedings which may generate liabilities, depending on the outcome of the litigation.

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 2011 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 2011, 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.

Transfer of Functions

The transfer of the Community Welfare Service from the HSE to the Department of Social Protection was completed on 1st October 2011 with the transfer of 1,020 staff.

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:

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. 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 1.1 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 includes apportionments.

Expenditure on Long Term Residential Care

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 had 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 area based subheads on an estimated basis.

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 2012 which fell due for payment before 31 December 2011.

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.

Tony O'Brien
Accounting Officer
Health Service Executive
13 September 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 40: Health Service Executive for 2011 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 2011.

Seamus McCarthy
Comptroller and Auditor General
13 September 2012

Vote 40 Health Service Executive Appropriation Account 2011

Service		2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000	€000
HSE Administration				
A.1 Salaries, wages and allowances and other administration expenses of Corporate HSE		63,993	64,088	71,700
A.2 Value for money and policy reviews		389	389	400
HSE Regions and Other Health Agencies				
B.1 HSE - Dublin Mid Leinster Region				
	<i>Original</i> 1,505,727			
	<i>Supplementary</i> 13,000	1,518,727	1,480,275	1,478,521
B.2 HSE - Dublin North East Region				
	<i>Original</i> 1,366,763			
	<i>Supplementary</i> 14,000	1,380,763	1,374,969	1,400,962
B.3 HSE - South Region				
	<i>Original</i> 2,137,534			
	<i>Supplementary</i> 11,000	2,148,534	2,046,367	2,148,796
B.4 HSE - West Region				
	<i>Original</i> 2,352,724			
	<i>Supplementary</i> 10,000	2,362,724	2,466,424	2,483,008
B.5 Grants in respect of certain other health bodies including voluntary and joint board hospitals		2,240,587	2,240,038	2,567,531
Other Services				
B.6 HSE - medical card services and community schemes				
	<i>Original</i> 2,419,539			
	<i>Supplementary</i> 100,000	2,519,539	2,583,029	2,728,989
B.7 Health agencies and other similar organisations (part funded by National Lottery)		7,513	3,623	4,797

		2011 Estimate provision	2011 Outturn	2010 Outturn
Other Services (continued)	€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		14,458	14,461	15,182
B.9 Economic and Social Disadvantaged and Disability (Dormant Accounts Funded)		1,500	1,242	6,119
B.10 Payment to a special account established under Section 13 of the Health (Repayment Scheme) Act 2006		12,000	10,500	20,000
B.11 Payment to a special account established under Section 4 of the Hepatitis C Compensation Tribunal (Amendment) Act 2006 - Insurance Scheme		1,500	1,310	856
B.12 Long term residential care		1,026,000	1,055,429	959,024
B.13 Service developments and innovative service delivery projects		71,010	60,810	57,679
B.14 Payments to the State Claims Agency		96,000	81,204	79,300
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		334,711	298,397	321,094
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		125,000	101,545	106,689
C.4 Building and equipping mental health and other health facilities (funded from the disposal of surplus assets)		15,000	16,191	24,735

		2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000	€000
Gross expenditure				
	<i>Original</i> 13,794,487			
	<i>Supplementary</i> <u>148,000</u>	13,942,487	13,902,830	14,477,921
Deduct:				
D. Appropriations-in-aid		<u>1,482,047</u>	<u>1,458,171</u>	<u>3,523,317</u>
Net expenditure				
	<i>Original</i> 12,312,440			
	<i>Supplementary</i> <u>148,000</u>	<u>12,460,440</u>	<u>12,444,659</u>	<u>10,954,604</u>
Surplus to be surrendered			<u>€15,780,712</u>	<u>€168,977,062</u>

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	2011	2010
€000	€000	€000
Expenditure on HSE corporate administration	64,477	72,100
Expenditure on services and programmes	13,838,353	14,405,821
Gross expenditure	13,902,830	14,477,921
Deduct		
Appropriations-in-aid	1,458,171	3,523,317
Net expenditure	12,444,659	10,954,604
 Changes in capital assets		
Purchases cash	(176,129)	
Depreciation	170,690	
Disposals cash	6,857	
Gain on disposals	(1,027)	(131,289)
 Changes in net current assets		
Decrease in closing accruals	(139,595)	(144,811)
Decrease in stock	6,566	18,520
Direct expenditure	12,312,021	10,697,024

1.1 Reconciliation of operating cost to expenditure recognised in the Annual Financial**Statements**

Operating cost	12,312,021	10,697,024
Expenditure met from other income	1,587,385	3,615,806
Capital expenditure charged to income and expenditure account	176,129	338,666
Depreciation	(170,690)	(195,067)
(Loss) / gain on disposals	1,027	(8,794)
Expenditure per Income and Expenditure Accounts	13,905,872	14,447,635
Revenue expenditure per revenue income and expenditure account	13,588,194	14,077,269
Capital expenditure per capital income and expenditure account	317,678	370,366
Expenditure per Income and Expenditure Accounts	13,905,872	14,447,635

Analysed as follows:

Revenue pay and pensions

Clinical	2,891,917	2,891,568
Non-clinical	937,604	984,792
Other client/patient services	655,083	650,878
Superannuation	567,184	617,563
Sub-total pay and pensions	5,051,788	5,144,801

Revenue non-pay

Clinical	829,711	904,442
Patient transport and ambulance services	56,033	56,662
Primary care and medical card schemes	2,831,471	2,980,609
Other client/patient services	65,357	75,639
Grants to outside agencies	3,449,704	3,647,081
Housekeeping	227,815	227,190
Office and administration expenses	378,441	415,783
Long stay charges repaid to patients	9,397	20,962
Hepatitis C insurance scheme	980	560
Other operating expenses	45,679	44,543
Payments to State Claims Agency under the clinical indemnity scheme	81,204	79,283
Nursing home support scheme (Fair Deal)	560,614	479,714
Sub-total non pay	8,536,406	8,932,468

Capital expenditure

Capital grants to outside agencies	132,755	130,164
Capital expenditure on HSE projects	184,923	240,202
Sub-total capital	317,678	370,366

Total expenditure per income and expenditure accounts

13,905,872	14,447,635
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2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital Assets	2.1	5,266,194	5,274,663
Financial assets		3	3
		<u>5,266,197</u>	<u>5,274,666</u>
Current Assets			
Bank and cash	2.2	28,350	21,451
PMG balance		103,513	105,668
Stocks	2.3	121,521	128,087
Debtors and prepayments		229,792	169,996
Cash advance to Adelaide and Meath Hospital		23,760	—
Other debit balances	2.4	55,788	67,775
Total Current Assets		<u>562,724</u>	<u>492,977</u>
Less Current Liabilities			
Creditors		150,448	164,670
Accrued expenses		1,250,602	1,289,321
Deferred income		9,634	6,253
Other credit balances	2.5	171,919	176,917
Net liability to the Exchequer	2.6	15,731	17,977
Total Current Liabilities		<u>1,598,334</u>	<u>1,655,138</u>
Net Current Assets		<u>(1,035,610)</u>	<u>(1,162,161)</u>
Net Assets		<u>4,230,587</u>	<u>4,112,505</u>
Represented by:			
State funding account		<u>4,230,587</u>	<u>4,112,505</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 2011	2,028,693	3,217,958	399,120	1,147,811	93,589	6,887,171
Transfers	10	240,713	(260,954)	13,538	6,693	—
Additions	1,318	12,305	116,385	45,105	1,016	176,129
Disposals	(8,188)	(2,362)	(678)	(19,259)	(10,340)	(40,827)
Cost or valuation at 31 December 2011	2,021,833	3,468,614	253,873	1,187,195	90,958	7,022,473
Accumulated depreciation						
Opening balance at 1 January 2011	—	685,750	—	848,151	78,607	1,612,508
Depreciation for the year	—	88,821	—	74,261	7,608	170,690
Depreciation on disposals	—	(572)	—	(17,813)	(8,534)	(26,919)
Cumulative depreciation at 31 December 2011	—	773,999	—	904,599	77,681	1,756,279
Net assets at 31 December 2011	2,021,833	2,694,615	253,873	282,596	13,277	5,266,194
Net assets at 31 December 2010	2,028,693	2,532,208	399,120	299,660	14,982	5,274,663

2.2 Bank and Cash

	2011	2010
at 31 December	€000	€000
Officers imprest/petty cash	652	570
Commercial bank account balances	27,698	20,881
	28,350	21,451

2.3 Stocks

	2011	2010
at 31 December	€000	€000
Medical, dental and surgical supplies	32,610	34,050
Laboratory supplies	6,193	6,478
Pharmacy supplies	17,974	19,361
High tech pharmacy stocks	32,403	30,926
Pharmacy dispensing stocks	1,716	2,001
Blood and blood products	1,300	1,408
Vaccine stocks	17,601	21,655
Household services	8,881	9,217
Stationery and office supplies	2,275	2,387
Sundries	568	604
	121,521	128,087

2.4 Other Debit Balances

	2011	2010
at 31 December	€000	€000
Payroll Overpayments	4,441	4,855
Advances to Pharmacists	470	11,926
Secondments	2,902	2,692
Payroll Technical Adjustment	33,720	36,092
National Treatment Purchase Fund	1,565	1,309
Local Authorities	4,582	4,935
SWA debtors	—	(1)
Prepayments suspense	—	15
Other debtors suspense	8,108	5,952
	<u>55,788</u>	<u>67,775</u>

2.5 Other Credit Balances

	2011	2010
at 31 December	€000	€000
Amounts due to the state		
Income Tax	70,838	57,967
Pay Related Social Insurance	43,081	49,913
Professional Services Withholding Tax	19,671	20,746
Value Added Tax	4,600	4,788
Payroll deductions and other credit balances	18,500	31,467
Special income and expenditure balances	15,229	11,849
Advance from VHI	—	187
	<u>171,919</u>	<u>176,917</u>

2.6 Net Liability to the Exchequer

	2011	2010
at 31 December	€000	€000
Surplus appropriations to be surrendered	15,781	168,977
Exchequer grant undrawn	(50)	(151,000)
Net liability to the Exchequer	<u>15,731</u>	<u>17,977</u>

Represented by:**Debtors**

Net PMG position and cash	131,862	127,119
Other debtors suspense	55,788	67,775
	<u>187,650</u>	<u>194,894</u>

Creditors

Due to State	(138,190)	(133,414)
Special income and expenditure balances	(15,229)	(11,849)
Payroll deductions and other balances	(18,500)	(31,654)
	<u>(171,919)</u>	<u>(176,917)</u>
	<u>15,731</u>	<u>17,977</u>

2.7 Commitments

at 31 December

2011**2010****€000****€000****Global commitments**

Commitments likely to arise in subsequent years for:

Procurement subheads	205,204	238,346
Operating leases	38,012	32,573
Finance leases	37,993	40,310

Legally enforceable capital commitments

	Cumulative spend to 31 December 2011 €m	To be paid in subsequent years €m	Total €m
Hospital Services			
Mater Campus Development	144.36	43.00	187.36
Mid West Regional Hospital - Critical Care Block	17.60	14.00	31.60
Ennis General Hospital - Phase 1	6.40	0.78	7.18
Letterkenny General Hospital - Medical Ward Block	18.44	2.82	21.26
CUH - Cardiac Renal	62.89	4.75	67.64
Integrated Patient Management System (IPMS)	28.57	0.19	28.76
National Paediatric Hospital Development Board	28.77	10.50	39.27
St. Vincent's University Hospital	2.63	27.11	29.74
National Integrated Medical Imaging System (NIMIS)	12.92	16.50	29.42
National Cancer Control - Project technical support for National Plan for Radiation Oncology (NPRO) Phase 2, Phase 1 facilities at St. James's & Beaumont hospitals	71.65	1.00	72.65
Waterford Regional Hospital	5.55	8.59	14.14
Connolly Hospital, Blanchardstown - Surgical Block	18.62	0.25	18.87
Our Lady of Lourdes Hospital, Drogheda - Extension & Refurbishment of A & E	30.85	0.17	31.02
Total	449.25	129.66	578.91

Legally Enforceable Capital Commitments	Cumulative spend to 31 December 2011 €m	To be paid in subsequent years €m	Total €m
Community Services			
Cashel, Phase 2	12.76	0.31	13.07
Clonmel Mental Health Unit	6.60	1.00	7.60
Grangegorman Development	4.37	16.90	21.27
Community Health Unit, Navan	11.98	0.39	12.37
Cherry Orchard	7.32	1.00	8.32
Mental Health Services & Primary Care Centre - Ballyfermot	10.43	1.17	11.60
St. Loman's Hospital - Community Redevelopment	11.12	0.25	11.37
Inchicore Primary Care Centre	20.57	0.15	20.72
St. Mary's Hospital, Mullingar - CNU	12.48	1.89	14.37
St Anne's Child & Adolescent Psychiatric Unit	7.53	0.13	7.66
Total	105.16	23.19	128.35

2.8 Matured Liabilities

The total amount of matured liabilities undischarged at 31 December 2011 was €25.3m.

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	Explanation
	€000	
B.7.	3,890	National Lottery grants are not paid until the conditions of the grant are fulfilled. Approved grants unpaid at 31 December 2011 amounted to €1m.
B.9.	258	Expenditure is dependent on the timing of claims received from Pobal and on the level of grant decommitments. No further payments to Pobal are anticipated.
B.10	1,500	Repayments to applicants were less than anticipated.
B.11	190	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.	10,200	Expenditure on some service developments (National Cancer Control Programme, Children and Family Services) did not commence until the second half of 2011.
B.14.	14,796	Expenditure is dependent on the timing and value of claims received from the State Claims Agency.
C.1.	36,314	Capital expenditure on construction projects was tightly managed in the latter half of 2011 in order to ensure that the HSE achieved a breakeven position. A number of major construction projects were cashed less than projected including the National Paediatric Hospital, the Mater Adult Hospital, NIMIS and the Critical Care Block, Limerick. Construction allocations were managed in a consolidated manner to ensure that construction subhead expenditure was within the overall allocation available.
C.3.	23,455	The surplus under this subhead resulted from delays in progressing projects due to shortfall in the business capacity to resource project implementation together with public procurement process requirements which can result in a time lag between approval and commencement of implementation.
C.4.	(1,191)	Capital expenditure on mental health projects exceeded the allocation by €1.19m, however this was compensated for by an underspend in C.1/C.2. Construction allocations were managed in a consolidated manner to ensure that construction subhead expenditure was within the overall allocation available.

4 Receipts

4.1 Appropriations-in-aid		2011	2011	2010
		Estimated	Realised	Realised
		€000	€000	€000
1.	Receipts from health contributions	—	—	2,017,657
2.	Recovery of cost of health services provided under regulations of the European Community	220,000	270,000	320,000
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	1,300	3,788
5.	Recoupment of certain Dental Treatment Services Scheme costs from the Social Insurance Fund	8,000	1,300	9,194
6.	Statutory charges in public hospitals, long-stay charges and charges for maintenance in private and semi-private accommodation in public hospitals	376,000	331,501	312,601
7.	Economic and social disadvantaged and disability (Dormant Accounts Funded)	1,500	1,242	6,119
8.	Superannuation	199,986	197,874	203,279
9.	Miscellaneous receipts	151,800	119,694	115,961
10.	Receipts from the disposal of mental health and other health facilities.	15,000	6,812	3,586
11.	Receipts from pension-related deduction on public service remuneration	337,156	360,843	363,527
Total		1,482,047	1,458,171	3,523,317

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.	(50,000)	The timing of receipts is based on the progress of discussions between the Department of Health and the UK Department of Health.
4.	3,700	Changes in the scheme relating to the extent of treatments covered by the scheme has resulted in lower receipts from the Social Insurance Fund.
5.	6,700	Changes in the scheme relating to the extent of treatments covered by the scheme has resulted in lower receipts from the Social Insurance Fund.
6.	44,499	The accelerated cash receipt target set out in the estimate provision was not achieved.
7.	258	Dormant Accounts scheme is winding down. No further funds are expected to be paid to Pobal.
9.	32,106	Miscellaneous receipts were less than anticipated.
10.	8,188	Sales in the sum of €12m were agreed in 2011. The HSE received €6.8m from the agreed sales and the balance will be realised in 2012. The shortfall in sales had an impact on capacity to spend the full C.1/C.2 and C.4 allocation.
11.	(23,687)	Receipts from the pension related deduction were higher than estimated.

4.2 Reconciliation of Annual Financial Statements' Income to Appropriations-in-aid

	Revenue €000	Capital €000	Total €000
Total per annual financial statements	13,686,620	345,424	14,032,044
Less Exchequer grants	(12,111,829)	(332,830)	(12,444,659)
Total Other Income per Annual Financial Statements	1,574,791	12,594	1,587,385

Less income credited to suspense

Department of Health	(21,592)
Department of Children and Youth Affairs	(1,205)
Health Research Board	(1,333)
Other State sources	(523)
Agency services	(8,545)
Other payroll deductions	(9,626)
NTPF receipts / non cash receipts	(7,945)
Capital receipts from other State sources	(5,658)

Less movements in working capital

Difference between patient cash receipts and maintenance income	(33,819)
Movement in other non-Vote debtors	(38,968)
Appropriations-in-aid	1,458,171

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (whole time equivalents)	67,722	70,789

	2011 €000	2010 €000
Summary analysis of pay and pension costs		
Basic pay	3,550,680	3,574,545
Allowances	122,392	124,009
Overtime	169,857	177,079
Night duty	74,181	73,054
Weekends	182,372	189,795
On-call	49,873	55,353
Arrears	15,430	21,629
Employer PRSI	319,819	311,773
Superannuation	567,184	617,564
Total pay	5,051,788	5,144,801

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 Payments¹

	Number of recipients ²	Recipients of €10,000 or more	Maximum individual payment ³ 2011 €	Maximum individual payment 2010 €
Allowances	41,834	1,130	143,238	186,004
Overtime	24,183	5,153	153,250	135,100
Night duty	33,800	181	20,025	19,763
Weekends	51,503	695	16,819	30,684
On-call	7,228	1,512	110,624	111,675
Other ⁴	12,080	110	89,770	104,460

¹ Payments relate to HSE employees only.

² Certain individuals received extra remuneration in more than one category.

³ The maximum individual allowance and overtime payments may include amounts paid in 2011 in respect of previous years.

⁴ Other includes sessional payments accounted for as payroll costs.

5.2 Performance and Merit Payments

Arrears of performance related pay paid in 2011 was €2,008.

Gratuities (excluding pension lump sums) paid in 2011 amounted to €4.9m (€1.8m in 2010).

5.3 Other Remuneration Arrangements

Payments to retired staff for services in 2011 amounted to €11.6m (€14.6m in 2010) and relates to salary and interviewer payments to retired HSE staff (excludes payments to agency staff).

Payments of €0.6m were made in 2011 arising from Labour Relations Commission/Rights Commissioners awards.

The cost of severance awards paid in 2011 totalled €0.1m.

6 Miscellaneous

6.1 National Lottery Funding

A total of €3.623m 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).

	2011	2010
	€000	€000
Block allocations to HSE Regions		
Dublin Mid Leinster Region	929	1,497
Dublin North East Region	580	1,176
South Region	1,044	1,045
West Region	1,070	1,079
Total	3,623	4,797

6.2 Write-offs

During 2011, the HSE wrote off bad debts amounting to €12.1m and increased the provision for bad debts by €1.5m as follows:

	Debts Movement in	
	Written Off	Provision
	€m	€m
Private charges	4.7	4.3
In-patient charges	2.1	(0.2)
Emergency department charges	2.2	(0.8)
Road traffic accidents	2.0	(3.3)
Long-stay	0.3	1.4
Non-patient related debts	0.8	0.1
Total	12.1	1.5

The HSE wrote off stock amounting to €7.9m for out of date vaccines (Pandemrix), originally purchased for use against the H1N1 virus.

6.3 Legal Fees and Compensation

There were a total of 917 outstanding claims against the HSE with HSE Insurers at the end of 2011.

There were a total of 2,691 outstanding claims against the HSE with the State Claims Agency at 31 December 2011.

The HSE paid a further €0.9m in respect of various claims brought against it and settled in 2011 which were not covered under insurance.

The HSE had 39 outstanding claims for compensation at 31 December 2011 which are not covered by the HSE insurance policy.

Other ex-gratia payments made during 2011 amounted to €0.06m and other miscellaneous payments amounted to €0.9m.

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 2011 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 €2,394,662 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 2011, the estimated liability incurred to that date under the Clinical Indemnity Scheme and State indemnity was €866m.

6.4 Prompt Payment of Account Interest

Prompt Payment Interest paid by the HSE in 2011 was €0.3m (€0.3m in 2010).

6.5 Contingent Liabilities

Pharmacists 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 (IPU) 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 matter of universal entitlement to a medical card for persons aged 70 years and over was removed by the Minister for Health in 2009. The Department of Health have confirmed that the HSE has applied the policy as set out and intended over the period during which automatic eligibility was in place for persons aged 70 years and over.

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.

6.6 Other

The HSE paid €5.2m in respect of insurance premia in 2011 (€7.4m 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 under Vote 41 in the year ended 31 December 2011 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 2011, including the amount that could be used as appropriations-in-aid of expenditure for the year.

The functions of the Vote for the Office of the Minister for Children and Youth Affairs were transferred to the Department of Children and Youth Affairs from 4th June 2011 and this Vote was retired.

The outturn figures represent expenditure to 2 June 2011.

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 Minister for Children and Youth Affairs.

Michael Scanlan

Accounting Officer

Office of the Minister for Children and Youth Affairs

31 March 2012

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 2011 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 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 2011.

Seamus McCarthy
Comptroller and Auditor General
7 September 2012

Vote 41 Office of the Minister for Children and Youth Affairs Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Childcare payments			
A. Early Childcare Payment	—	—	10,950
Childcare programmes			
B. National Childcare Investment Programme	57,024	57,024	97,369
C. Early Intervention Programme for Children (part funded by the dormant accounts fund)	749	749	2,966
D. ECCE pre-school year scheme	85,920	85,920	153,542
National Children's Strategy (NCS)			
E. NCS - National Longitudinal Study and other programmes	9,353	9,353	23,783
Youth Affairs			
F. Grant-in-aid fund for general expenses of youth organisations and other expenditure in relation to youth activities	4,303	4,303	8,000
G. Grant-in-aid fund for general expenses of youth organisations and other expenditure in relation to youth activities (part-funded by National Lottery)	16,494	16,493	38,599
Other Services			
H. Cost in connection with the holding of a constitutional referendum on children's rights	—	—	—
Gross expenditure	173,843	173,842	335,209
Deduct :			
I. Appropriations-in-aid	—	—	2,966
Net expenditure	173,843	173,842	332,243
Surplus to be surrendered		€846	€19,025,384

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	€000	2011 €000	2010 €000
Expenditure on administration ¹		—	—
Expenditure on services and programmes		173,842	335,209
Gross expenditure		<u>173,842</u>	<u>335,209</u>
Deduct			
Appropriations-in-aid		—	2,966
Net expenditure		<u>173,842</u>	<u>332,243</u>
Changes in capital assets			
Purchases cash	—		
Depreciation	—		
	<u>—</u>		
Changes in net current assets			
Increase in closing accruals	503		
Increase in stock	—		
	<u>503</u>		
		503	(6,398)
Direct expenditure		<u>174,345</u>	<u>325,845</u>
Total operating cost		<u><u>174,345</u></u>	<u><u>325,845</u></u>

Note: ¹Administration costs of this Office, including accommodation costs, are met from the Votes of the Department of Health and the Department of Children and Youth Affairs in 2011.

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets		—	—
Current assets			
Bank and cash	2.2	111	27
Prepayments		—	483
Other debit balances	2.3	—	157
Total current assets		111	667
Less current liabilities			
Accrued expenses		—	135
Other credit balances	2.4	—	20
Net liability to the Exchequer	2.5	111	9
Total current liabilities		111	164
Net current assets / (liabilities)		—	503
Net assets / (liabilities)		—	503
Represented by:			
State funding account		—	503

2.1 Statement of Capital Assets

Capital assets are reflected in the Appropriation Account of the Department of Children and Youth Affairs.

2.2 Bank and Cash	2011	2010
at 31 December	€000	€000
PMG balances and cash	111	57
Orders outstanding	—	(30)
	111	27
2.3 Other Debit Balances	2011	2010
at 31 December	€000	€000
Other debit suspense items	—	2
Overpayments on ECCE pre school scheme	—	155
	—	157

2.4 Other Credit Balances

at 31 December

	2011	2010
	€000	€000
Amounts due to the State		
Income Tax	—	—
Pay Related Social Insurance	—	—
Professional Services Withholding Tax	—	17
Value Added Tax	—	3
Pensions	—	—
	<u>—</u>	<u>20</u>

2.5 Net Liability to the Exchequer

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	1	19,025
Exchequer grant overdrawn	110	(19,016)
Net liability to the Exchequer	<u>111</u>	<u>9</u>

Represented by:**Debtors**

Debit balances: suspense	—	2
Bank and cash	111	27
	<u>111</u>	<u>29</u>

Creditors

Due to State	—	(20)
	<u>—</u>	<u>(20)</u>
	<u>111</u>	<u>9</u>

2.6 Global Commitments

at 31 December

	2011	2010
	€000	€000
Commitments likely to arise in subsequent years for:		
Procurement subheads	—	29,333
Grant subheads	—	19,797
Total commitments	<u>—</u>	<u>49,130</u>

3 Variations in Expenditure

An explanation is 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 5%. No outturn on this Vote met these criteria in 2011.

4 Receipts

4.1 Appropriations-in-aid

1. EU Receipts
2. Dormant Account Funding
- Total**

2011 Estimated €000	2011 Realised €000	2010 Realised €000
—	—	—
—	—	2,966
—	—	2,966

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 43 Children and Youth Affairs

6 Miscellaneous

6.1 National Lottery Funding

Subhead Description	2011 Estimate €000	2011 Outturn €000	2010 Outturn €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)	16,494	16,493	38,599

A list of the recipients of the funding, and the amounts paid is given on the Office's website. 'www.dcyu.gov.ie'.

6.2 Agency services

Agency services are provided to this Office by Pobal in respect of services charged to Subheads B and D.

**Vote 42 Office of the
Minister for Public Expenditure and Reform**

Introduction

As Accounting Officer for Vote 42, 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 2011 for the salaries and expenses of the Office of the Minister for Public Expenditure and Reform, 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 2011, 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 Minister for Public Expenditure and Reform. The Statement of Internal Financial Control for the Department of Finance is also relevant given that the Department of Finance provides certain services on a shared basis to Vote 42.

Transfer of Functions

The Department of Public Expenditure and Reform was established on 5 July 2011. Prior to the decision to separate the functions of the Department of Finance into two departments, it operated under four Divisional areas. Two expenditure programmes transferred to the Department of Public Expenditure and Reform:

- Public Expenditure and Sectoral Policy
- Public Services Management Policy

Two programmes remained in the Department of Finance:

- Budget Taxation and Economic Policy
- Financial Services Policy.

A new programme, the Shared Services function was created to capture the costs associated with the management of a common pool of staff and facilities between both Departments.

While the Department was not established until July, the estimates for the Department of Public Expenditure and Reform were for the full year 2011 and the account is presented on that basis in accordance with Section 24 of the Exchequer and Audit Department Act 1866.

Fixed assets have been split between the two Departments. IT equipment is shown in the account of the Office of the Minister for Public Expenditure and Reform. Other fixed assets (including furniture and fittings and office equipment) have been retained in the accounts of the Office of the Minister for Finance. Depreciation costs of fixed assets are split between the two Departments on the basis of staff numbers.

Robert Watt

Accounting Officer

Department of Public Expenditure and Reform

28 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 42: Office of the Minister for Public Expenditure and Reform for 2011 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 Public Expenditure and 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 2011.

Seamus McCarthy
Comptroller and Auditor General
11 September 2012

Vote 42 Office of the Minister for Public Expenditure and Reform Appropriation Account 2011

Service		2011 Estimate provision	2011 Outturn	2010 Outturn ¹
		€000	€000	€000
Programme Expenditure				
A	Public expenditure and sectoral policy	17,835	17,079	17,981
B	Public service management policy			
	Original	22,644		
	Supplementary	1	22,645	18,019
				17,334
Gross expenditure				
	Original	40,479		
	Supplementary	1	40,480	35,098
				35,315
Deduct				
C	Appropriations-in-aid	5,639	5,047	4,034
Net expenditure				
	Original	34,840		
	Supplementary	1	34,841	30,051
				31,281
Surplus to be surrendered			€4,790,181	

		2011 Estimate provision	2011 Outturn	2010 Outturn ¹
		€000	€000	€000
Administration				
(i)	Salaries, wages and allowances	21,573	19,544	18,455
(ii)	Travel and subsistence	262	119	116
(iii)	Training and development and incidental expenses	152	217	219
(iv)	Postal and telecommunications services	75	70	66
(v)	Office equipment and external IT equipment	555	613	886
(vi)	Office premises expenses	—	7	—
(vii)	Consultancy and other services	7	4	—
		22,624	20,574	19,742

¹ The outturn for 2010 represents costs associated with the programmes which transferred from the Office of the Minister for Finance (Vote 6) in 2011.

Notes to the Appropriation Account

1 Operating Cost Statement 2011

		2011	2010 ¹
	Note	€000	€000
Programme cost		13,062	13,231
Pay		21,006	20,782
Non pay		1,030	1,302
Gross expenditure		35,098	35,315
Deduct			
Appropriations in aid		5,047	4,034
Net expenditure		30,051	31,281
Changes in capital assets			
Purchases cash		(150)	
Depreciation		1,236	427
Changes in assets under development			
Cash payments		(43)	(170)
Changes in net current assets			
Increase in closing accruals		(336)	
Increase in stock		(25)	
		(361)	(77)
Direct expenditure		30,733	31,461
Net allied services expenditure	1.1	784	215
Notional rents		1,513	2,364
		33,030	34,040

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 42 borne elsewhere.

		2011	2010
	Vote	€000	€000
6	Finance	143	—
7	Superannuation and Retired Allowances	450	—
20	Garda Síochána	29	107
	Central Fund - Ministerial etc. pensions	162	108
		784	215

¹ The outturn for 2010 represents costs associated with the programmes which transferred from the Office of the Minister for Finance (Vote 6) in 2011.

2 Balance Sheet as at 31 December 2011 ¹

	Note	2011 €000	2010 €000
Capital assets	2.1	2,110	—
Capital assets under development	2.2	132	—
		2,242	—
Current assets			
Bank and cash	2.3	717	—
Stocks	2.4	25	—
Prepayments		355	—
Other debit balances	2.5	125	—
Total current assets		1,222	—
Less current liabilities			
Accrued expenses		19	—
Other credit balances	2.6	716	—
Net liability to the Exchequer	2.7	126	—
Total current liabilities		861	—
Net current assets		361	—
Net assets		2,603	—
Represented by:			
State funding account		2,603	—

¹ The 2011 balances reflect the transfer of certain functions from the Office of the Minister for Finance (Vote 6) in 2011. The 2010 balances in respect of these functions are included under Vote 6.

2.1 Capital Assets

	IT equipment €000	Office equipment €000	Total €000
Gross assets			
Cost or valuation at 1 January 2011	—	—	—
Transfers from Department of Finance	24,343	—	24,343
Additions	275	2	277
Cost or valuation at 31 December 2011	24,618	2	24,620
Accumulated depreciation			
Opening balance at 1 January 2011	—	—	—
Depreciation on transfers from Department of Finance	20,389	—	20,389
Depreciation for the year	2,121	—	2,121
Cumulative depreciation at 31 December 2011	22,510	—	22,510
Net assets at 31 December 2011	2,108	2	2,110

Up to 31 December 2010, all capital assets were recorded on the asset register of the Department of Finance. The asset register does not record the location of the business unit using the asset. As a result, it was not possible to split the assets between those units remaining in the Department of Finance and those transferring to the Department of Public Expenditure and Reform. In general, furniture and fittings and office equipment assets are now recorded on the asset register of the Department of Finance and IT equipment assets are recorded on the asset register of the Department of Public Expenditure and Reform. Depreciation on assets is charged to each Department on the basis of staff numbers.

2.2 Capital Assets under Development

as at 31 December 2011

	In-house computer applications €000
Balance brought forward at 1 January 2011	—
Amount transferred from Department of Finance	186
Cash payments for the year	43
Transferred to asset register	(97)
Amounts carried forward at 31 December 2011	132

2.3 Bank and Cash

at 31 December

	2011 €000	2010 €000
PMG balances and cash	718	—
Orders outstanding	(1)	—
	<u>717</u>	<u>—</u>

2.4 Stocks

at 31 December

	2011 €000	2010 €000
Stationery	18	—
IT consumables	7	—
	<u>25</u>	<u>—</u>

The Department of Finance (Vote 6) and the Department of Public Expenditure and Reform (Vote 42) share stocks. For efficiency and convenience reasons, spend on stationery and stocks is recorded under Vote 6 and spend on IT consumable stocks is recorded under Vote 42. However, as the stocks are deemed to be shared, they are included in the notes to the Accounts of Vote 6 and Vote 42 and are allocated on the basis of staff numbers in the respective Departments.

2.5 Other Debit Balances

at 31 December

	2011 €000	2010 €000
Recoupable travel expenditure	4	—
Recoupable travel pass scheme expenditure	77	—
Other debit suspense items	44	—
	<u>125</u>	<u>—</u>

2.6 Other Credit Balances

at 31 December

	2011 €000	2010 €000
Amounts due to the State		
Income Tax	295	—
Pay Related Social Insurance	98	—
Professional Services Withholding Tax	16	—
Value Added Tax	2	—
Pension contributions	26	—
Universal Social Charge	87	—
	<u>524</u>	<u>—</u>
Recoupable salaries	42	—
Payroll deductions held in suspense	91	—
Other credit suspense items	59	—
	<u>716</u>	<u>—</u>

2.7 Net Liability to the Exchequer

at 31 December

	2011 €000	2010 €000
Surplus to be surrendered	4,790	—
Exchequer grant undrawn	(4,664)	—
Net liability to the Exchequer	126	—

Represented by:**Debtors**

Bank and cash	717	—
Debit balances: suspense	125	—
	842	—

Creditors

Due to State	(524)	—
Credit balances: suspense	(192)	—
	(716)	—

	126	—
--	-----	---

2.8 Commitments

at 31 December

	2011 €000	2010 €000
Total of legally enforceable commitments	401	—

3 Programme Expenditure

		2011 Estimate provision €000	2011 Outturn €000	2010 Outturn €000
A	Public Expenditure and Sectoral Policy			
A.1	Administration - pay	7,550	7,637	8,110
A.2	Administration - non pay	112	155	79
A.3	Economic and Social Research Institute- administration and general expenses (grant-in-aid)	2,700	2,700	3,075
A.4	Structural funds technical assistance and other costs	905	791	892
A.5	Technical assistance costs of Regional Assemblies (grant-in-aid)	740	657	670
A.6	Peace Programme/ Northern Ireland INTERREG	4,040	3,573	3,581
A.7	Special EU Programmes Body	1,247	1,168	1,122
A.8	Ireland/ Wales and transnational INTERREG	385	384	436
A.9	Procurement management reform	140	—	—
A.10	Consultancy and other services	16	14	16
		17,835	17,079	17,981
		2011 Estimate Provision €000	2011 Outturn €000	2010 Outturn €000
B	Public Service Management Policy			
B.1	Administration - pay	14,023	11,907	10,845
B.2	Administration - non pay	939	875	1,222
B.3	Institute of Public Administration (grant-in- aid)	3,000	3,000	3,400
B.4	Gaeleagras na Serbhíse Poiblí	120	40	234
B.5	Civil service arbitration and appeals procedure	65	35	32
B.6	Review Body of Higher Remuneration in the Public Service	1	—	48
B.7	Public service benchmarking body	1	—	—
B.8	Committee for performance awards	1	—	—
B.9	Centre for Management and Organisation Development	1,530	1,090	1,123
B.10	Change management fund			
	<i>Current year provision</i>	2,780		
	<i>Supplementary</i>	(1,499)		
B.11	Civil service childcare initiative	25	8	45
B.12	Consultancy and other services	159	41	61
B.13	Referendum Commission (Public Inquiries)			
	<i>Current year provision</i>	—		
	<i>Supplementary</i>	1,500		
		22,645	18,019	17,334

Explanation of significant variations

An explanation is provided below in the case of each heading 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 €000	Explanation
A.4	114	The savings arose from less than anticipated travel costs.
A.6	467	Variances arise as start dates and drawdown demands for the projects are difficult to estimate with accuracy.
A.9	140	The savings arose because a training programme did not proceed.
B.9	440	The savings arose from some planned procurements being deferred and from reductions achieved in contract renegotiations.
B.10	927	The savings arose because the reform agenda was delayed as a result of the later than anticipated transfer of functions and delays in start dates for several key projects.
B.12	118	The estimate represented a general provision intended to cover any consultancy expenditure that might be required. Less expenditure was incurred than was anticipated.
B.13	831	The savings arose because of the use of joint information campaigns and material covering both the Referendum on Oireachtas Inquiries and the Referendum on Judges' Remuneration.

4 Receipts

4.1 Appropriations-in-aid	2011 Estimated €000	2011 Realised €000	2010 Realised €000
1. Receipts from computer services rendered by the Centre for Management and Organisation Development	—	—	3
2. Receipts from departments in respect of foreign language classes	—	19	39
3. EU Programmes	2,890	2,229	1,258
4. Pension cashflow surpluses	884	613	—
5. Receipts from pension-related deduction on public service remuneration	1,859	2,155	2,155
6. Miscellaneous	6	31	579
Total	5,639	5,047	4,034

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.	661	The amount was less than projected due to some delays in expenditure on projects and consequent later reimbursements from the EU Commission.
4.	271	Receipts were less than anticipated due to a high level of retirements.
5.	(296)	It is not possible to estimate accurately the level of receipts as they vary depending on the number of staff employed and the percentage deduction varies depending on the salary level of the individual employees.

4.2 Extra Receipts payable to the Exchequer

€697,894 was transferred to the Exchequer during the year. This is in respect of an amount received from the SIPTU National Trustee sub committee which was not proper to the Vote.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	281	324
	2011	2010
	€000	€000
Pay ¹	19,938	19,774
Higher, special or additional duties allowances	131	67
Other allowances	92	155
Overtime	46	42
Employer's PRSI	799	744
Total pay	21,006	20,782

¹ The total pay figure is inclusive of pay in headings A.1, A.4, A.7, A.10, B.1, B.4, B.5.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2011 €	2010 €
Higher, special or additional duties	21	5	19,877	18,166
Other allowances	57	—	3,975	7,249
Overtime	28	1	12,393	6,739

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

5.2 Other Remuneration Arrangements

This account includes expenditure of €36,536 in respect of one officer who was serving outside the Department for all of 2011 and whose salary was paid by the Department.

Under the terms of the AHCPs 1% PCW restructuring agreement, 29 officers received a total of €64,032 in respect of seniority allowances.

Four retired civil servants in receipt of civil service pensions were re-engaged on a fee basis at a total cost of €4,459.

6 Miscellaneous

6.1 EU Funding

The outturn shown in headings A.4., A.5. and A.6. includes payments in respect of activities which are co-financed by the EU (e.g. ERDF, Interreg etc.).

Heading	Description	2011 Estimate €000	2011 Outturn €000	2010 Outturn €000
A.4	Structural funds technical assistance and other costs	905	791	766
A.5	Technical assistance costs of Regional Assemblies (grant-in-aid)	740	657	670
A.6	Peace Programme/Northern Ireland Interreg	4,040	3,573	3,581
		5,685	5,021	5,017

6.2. Committees and Commissions

	Year of appointment	2011 €000	2010 €000
Civil Service Arbitration Board	1950/51	35	32
Review Body on Higher Remuneration in the Public Service	1969/70	—	48
		35	80

Vote 43 Children and Youth Affairs

Introduction

As Accounting Officer for Vote 43, 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 under Vote 43 in the year ended 31 December 2011 for the salaries and expenses of the Office of the Minister for Children and Youth 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 2011, including the amount that could be used as appropriations-in-aid of expenditure for the year.

As a result of changes by the Government in 2011 to the titles and responsibilities of Ministers and Government Departments, the Department of Children and Youth Affairs was established on 2nd June 2011 by the Community, Equality and Gaeltacht Affairs (Alteration of Name of Department and Title of Minister) Order 2011. (S.I. No. 214/2011). Arising from this and through the transfer of certain other functions to the Minister, Vote 43 for the Office of the Minister for Children and Youth Affairs was established which brought together functions and related funding from four Votes. These included -

From Vote 39 of the Department of Health, the full year allocation in respect of the provision for:

- * the pay and non-pay costs of staff in what had been the Office of the Minister for Children and Youth Affairs (OMCYA),
- * national lottery grants and legal fees; and
- * operating costs for the Adoption Authority of Ireland, the Office of the Ombudsman for Children and the Children's Acts Advisory Board.

From Vote 41 (relating to the former Office of the Minister for Children and Youth Affairs), the unspent balances at the point of transfer relating to the various programmes implemented by the OMCYA.

From Vote 26 of the Department of Education and Skills (DES), the full year provision in respect of the National Education Welfare Board, the Visiting Teacher's Service for Travellers and the School Completion Programme, as well as the pay and non-pay costs of DES staff transferring to the Department.

Votes 27 Community, Equality and Gaeltacht Affairs and 41 Office of the Minister for Children and Youth Affairs were thereafter retired.

A range of capital assets were transferred in to Vote 43 in 2011 from a number of Departments who were being dissolved. These assets were transferred in to the accounts of the Vote at their net book value.

In addition to this, the functions of the Family Support Agency in relation to the provision of Family Mediation Services, together with the relevant staff engaged in the provision of the service were subsequently transferred to the Legal Aid Board with effect from 1 November 2011 under the Civil Law (Miscellaneous Provisions) Act 2011 (Commencement) (No. 2) Order 2011. (S.I. No. 539/2011).

Direct comparisons between the expenditure outlays in the 2011 Appropriation Account for Vote 43, and the outturns for the programmes and services delivered under Votes 26, 27, 39 and 41 in 2010 are therefore complex. The 2010 outturn figures are, however, contained in the respective accounts for those Votes.

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 B.1 relates to payments to the Department of Social Protection in respect of the Early Childcare Payment Scheme. The amount charged to the subhead is the amount paid to that Department in 2011.

Statement on Internal Financial Control

Along with the Account, I have supplied a Statement on Internal Financial Control in the standard format. The context for this statement is the establishment of the Department of Children and Youth Affairs (DCYA) in June 2011 i.e., mid way through the period under audit. The corporate functions of the Department were established ab initio and were not inherited from an existing Department. The approach taken during 2011 was to transition from the existing processing and control systems of Departments from which responsibilities were being transferred to either a shared service platform or a Department of Children and Youth Affairs specific arrangement. Thus payroll, accounts and ICT continue to be delivered by the Department of Health on behalf of the DCYA under a shared service arrangement. Internal audit and risk management, as referred to in the Statement on Internal Financial Control, are also being transitioned. The Department of Health's Audit Committee and its Internal Audit function provided oversight for the bulk of DCYA expenditure up until December 2011.

Responsibility for the Children's Detention Centres transferred to the Department on 1 January 2012 from the Department of Justice and Equality (DJE). Again on a transitional basis the DJE internal audit function continues to oversee the Children's Detention Centres for an interim period while DCYA puts arrangements in place. The DCYA has recently established its own dedicated Audit and Risk Committee. Having examined shared service options for our internal audit function we are now, having identified suitably trained staff, putting in place a dedicated internal audit function. The approach to risk management is integrated with business planning and existing risks were reviewed in this context during 2011 as well as in the context of the development of the Department's strategy statement.

Jim Breslin

Accounting Officer

Department of Children and Youth Affairs

30 March 2012

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 43: Children and Youth Affairs for 2011 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 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 2011.

Seamus McCarthy
Comptroller and Auditor General
7 September 2012

Vote 43 Children and Youth Affairs

Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Administration			
A.1 Salaries,wages and allowances	6,505	6,342	—
A.2 Travel and subsistence	137	66	—
A.3 Training and development and incidental expenses	235	75	—
A.4 Postal and telecommunications services	100	62	—
A.5 Office equipment and external IT services	120	66	—
A.6 Office premises	200	211	—
A.7 Consultancy services and value for money and policy reviews	118	3	—
Childcare Payments and Programmes			
B.1 Early childcare payment	1,000	1,000	—
B.2 National childcare investment programme	29,254	28,754	—
B.3 Early intervention programme for children (part funded by the dormant accounts fund)	3,625	3,625	—
B.4 ECCE preschool year programme	80,080	77,110	—
National Childrens Strategy (NCS)			
C. NCS - National Longitudunal study and other programmes	18,091	14,948	—
Youth Services			
D. Grant-in-aid fund for general expenses of youth organisations and other expenditure in relation to youth activities (part funded by the national lottery)	23,795	23,790	—
Other services			
E. School completion programme	30,256	28,951	—
F. Visiting teacher service for travellers	207	199	—
G. Grants to community organisations (part funded by the national lottery)	500	500	—
H. Statutory and non-statutory inquiries and miscellaneous legal fees	1,000	255	—
I. Developmental, consultative supervisory, regulatory and advisory bodies	31,468	28,365	—
J. Cost in connection with the holding of a constitutional referendum on children's rights	3,000	—	—

	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Gross expenditure	229,691	214,322	—
Deduct :			
K. Appropriations-in-aid	7,828	4,254	—
Net expenditure	<u>221,863</u>	<u>210,068</u>	<u>—</u>
Surplus to be surrendered		<u>€11,795,426</u>	<u>—</u>

Notes to the Appropriation Account

1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			6,825	—
Expenditure on services and programmes			207,497	—
Gross expenditure			<u>214,322</u>	—
Deduct				
Appropriations-in-aid			4,254	—
Net expenditure			<u>210,068</u>	—
Changes in capital assets				
Purchases cash		(12)		
Depreciation		84	72	—
			<u></u>	
Changes in net current assets				
Decrease in closing accruals		(11,275)		—
Increase in stock		(26)		
			<u>(11,301)</u>	—
Direct expenditure			<u>198,839</u>	—
Net allied services expenditure	1.1		1,804	—
Total operating cost			<u><u>200,643</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 43 borne elsewhere

Vote		2011 €000
7	Superannuation and Retired Allowances	105
10	Office of Public Works	1,638
20	Garda Síochána	61
		<u>1,804</u>

2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
Capital assets	2.1	296	—
		<u>296</u>	<u>—</u>
Current assets			
Stocks	2.3	26	—
Prepayments		1,481	—
Accrued income		9,951	—
Other debit balances	2.4	134	—
Net liability to the Exchequer	2.6	1,794	—
Total current assets		<u>13,386</u>	<u>—</u>
Less current liabilities			
Accrued expenses		157	—
Other credit balances	2.5	225	—
Bank and cash	2.2	1,703	—
Total current liabilities		<u>2,085</u>	<u>—</u>
Net current assets		<u>11,301</u>	<u>—</u>
Net assets		<u>11,597</u>	<u>—</u>
Represented by:			
State funding account		<u>11,597</u>	<u>—</u>

2.1 Statement of Capital Assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2011	—	—	—
Adjustment for assets transferred ¹	575	553	1,128
Additions	13	—	13
Cost or valuation at 31 December 2011	588	553	1,141
Accumulated depreciation			
Opening balance at 1 January 2011	—	—	—
Adjustment for assets transferred	440	321	761
Depreciation for the year	36	48	84
Cumulative depreciation at 31 December 2011	476	369	845
Net assets at 31 December 2011	112	184	296
Net assets at 31 December 2010	—	—	—

¹From the Department of Health, Department of Community, Equality and Gaeltacht Affairs and the Children's Acts Advisory Board.

2.2 Bank and Cash

	2011 €000	2010 €000
at 31 December		
PMG balances and cash	(1,613)	—
Orders outstanding	(90)	—
	(1,703)	—

2.3 Stocks

	2011 €000	2010 €000
at 31 December		
Stationery	11	—
IT consumables	15	—
	26	—

2.4 Other Debit Balances

at 31 December

	2011 €000	2010 €000
Advances to OPW	40	—
Recoupable salaries	—	—
Recoupment of travel expenditure	—	—
Recoupment of travel pass scheme	89	—
Other debit suspense items	5	—
	<u>134</u>	<u>—</u>

2.5 Other Credit Balances

at 31 December

	2011 €000	2010 €000
Amounts due to the State		
Income Tax	(4)	—
Pay Related Social Insurance	—	—
Professional Services Withholding Tax	14	—
Relevant Contractors Tax	14	—
Value Added Tax	14	—
Pensions	86	—
	<u>124</u>	<u>—</u>
Payroll deductions held in suspense	—	—
Other credit suspense items	101	—
	<u>225</u>	<u>—</u>

2.6 Net Liability to the Exchequer

at 31 December

	2011 €000	2010 €000
Surplus to be surrendered	11,795	—
Exchequer grant undrawn	(13,589)	—
Net liability to the Exchequer	<u>(1,794)</u>	<u>—</u>
Represented by:		
Debtors		
Debit balances: suspense	134	—
	<u>134</u>	<u>—</u>
Creditors		
Due to State	(124)	—
Bank and cash	(1,703)	—
Credit balances: suspense	(101)	—
	<u>(1,928)</u>	<u>—</u>
	<u>(1,794)</u>	<u>—</u>

2.7 Global Commitments

at 31 December

	2011	2010
	€000	€000
Commitments likely to arise in subsequent years for:		
Procurement subheads	5,895	—
Grant subheads	5,035	—
Total commitments	10,930	—

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.	160	The variance arose due to lower than anticipated expenditure on staff training and development in the period immediately following the Department's establishment.
A.7.	115	Savings arose because the level of engagement of external consultants was lower than expected in the period immediately following the Department's establishment.
C.	3,143	Savings relate to a number of programmes including (i) National Longitudinal Study as a result of reduced pay costs and the rescheduling of fieldwork and (ii) the development of the new National Children's Strategy where the expected costs associated with the public consultation/analysis and design and publication did not materialise.
H.	745	Spending under this Subhead is difficult to predict as it is dependent on the completion of court proceedings and the timing of the determination of legal costs.
I.	3,103	The variance is attributable to the agencies and bodies under the remit of the Department and relates to lower than expected expenditure outlays on salaries and other non-pay operational activities such as research and IT.
J.	3,000	The savings arose because the Constitutional Referendum on Children did not take place during 2011.

4 Receipts

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
4.1 Appropriations-in-aid			
1. EU Receipts - Equal opportunities childcare programme	3,699	—	—
2. Dormant Account Funding	3,000	3,000	—
3. Superannuation scheme - National Education Welfare Board	350	299	—
4. EU Receipts - School completion programme	1	—	—
5. Miscellaneous	—	11	—
6. Receipts from pension related deduction on public service remuneration	778	944	—
Total	7,828	4,254	—

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	3,699	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 Department and is dependent on the proper certification, through a number of authorities to the EU Commission, of expenditure under schemes operated by the Department or its predecessors and those of other Departments in receipt of relevant EU funding.
6	(166)	The receipts in respect of pension related deductions being higher than expected.

5 Employee Numbers and Pay

	2011	2010
Number of staff at year end (full time equivalents)	114	—
	2011	2010
	€000	€000
Pay	5,987	—
Higher, special or additional duties allowances	60	—
Other allowances	1	—
Overtime	23	—
Employer's PRSI	271	—
Total pay	6,342	—

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	11	2	13,478	—
Other allowances	7	—	337	—
Overtime	10	—	3,979	—

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

6 Miscellaneous

6.1 National Lottery Funding

Subhead Description	2011 Outturn €000	2010 Outturn €000
D Grant-in-aid fund for general expenses of youth organisations and other expenditure in relation to youth activities (part funded by the National Lottery)	23,790	—
G Grants to community organisations (part funded by the National Lottery)	500	—
	24,290	—

A list of the recipients of the funding, and the amounts paid is available on the Department's website www.dcy.a.ie.

6.2 Agency services

Agency services are provided to the Department by the Department of Social Protection in respect of costs charged to Subhead B.1 and by Pobal in respect of services charged to Subheads B2, B4 and in relation to the Comhairle na nÓg Development Fund under Subhead C. A sum of €1,000,000 was paid to the Department of Social Protection in 2011 towards the Early Childcare Payment and €36,721,000 to Pobal, representing the overall sum charged to Subheads B.2, B.4 and B.6 for programmed activities.

The Family Support Agency continued to administer the costs associated with the Family Mediation Service under Subhead I on an interim basis following the transfer of the services to the Legal Aid Board with effect from 1 November 2011.

7 Miscellaneous Accounts

Grant-in-Aid Funds

Subhead Description		2011 Outturn €000	2010 Outturn €000
D.	Grant-in-aid fund for general expenses of youth organisations and other expenditure in relation to youth activities (part funded by the National Lottery)	23,790	—
		<hr/> 23,790 <hr/>	<hr/> — <hr/>

Contingency Fund 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 Public Expenditure and Reform, with the prior agreement of the Minister for Public Expenditure and Reform. 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 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 2011

The account of the receipts and payments in relation to the Fund in the year ended 31 December 2011 is shown below. There were no transactions on the Fund in 2011.

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.

Robert Watt

Accounting Officer

Department of Public Expenditure and Reform

27 April 2012

Certificate of the Comptroller and Auditor General

I certify that I have examined this account and it is correct.

Seamus McCarthy
Comptroller and Auditor General
26 July 2012

Contingency Fund Deposit Account
Receipts and Payments in the Year Ended 31 December 2011

	2011 €000	2010 €000
Balance at 1 January	1,200	1,200
Receipts	—	—
Payments	—	—
Balance at 31 December	1,200	1,200