

COMMUNICATIONS, ENERGY AND NATURAL RESOURCES

Account of the sum expended, in the year ending 31 December 2008, compared with the sum granted and of the sum which may be applied as appropriations-in-aid in addition thereto:

- 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.

- for deferred surrender of unspent appropriations for capital supply services under Section 91 of the Finance Act 2004.

Service	Estimate Provision €000	Outturn €000	Closing Accruals €000
ADMINISTRATION			
A.1. SALARIES, WAGES AND ALLOWANCES	17,621	18,335	—
A.2. TRAVEL AND SUBSISTENCE	1,238	892	2
A.3. INCIDENTAL EXPENSES	1,767	1,546	(1)
A.4. POSTAL AND TELECOM SERVICES	1,017	518	9
A.5. OFFICE MACHINERY AND OTHER OFFICE SUPPLIES AND RELATED SERVICES	7,717	5,834	(412)
A.6. OFFICE PREMISES EXPENSES	1,637	1,925	(333)
A.7. CONSULTANCY SERVICES	2,606	2,249	11
A.8. EQUIPMENT, STORES AND MAINTENANCE	227	316	2
A.9. VALUE FOR MONEY AND POLICY REVIEWS	204	3	—
COMMUNICATIONS			
B.1. INFORMATION AND COMMUNICATIONS TECHNOLOGY PROGRAMME	53,634	49,031	16
B.2. MULTIMEDIA DEVELOPMENTS	7,223	4,572	—
B.3. RAPID PROGRAMME (DORMANT ACCOUNTS ALLOCATION)	1,147	517	—
B.4. INFORMATION SOCIETY AND eINCLUSION(b)	2,934	1,767	19
BROADCASTING			
C.1. GRANT TO RADIO TELEFÍS ÉIREANN FOR BROADCASTING LICENCE FEES (GRANT-IN-AID)	208,940	201,067	—
C.2. PAYMENT TO AN POST FOR COLLECTION OF BROADCASTING LICENCE FEES	12,718	12,630	—
C.3. BROADCASTING COMMISSION OF IRELAND (GRANT-IN-AID)	6,442	5,000	—
C.4. DEONTAS I LEITH THEILIFÍS NA GAEILGE (DEONTAS-I-gCABHAIR)	36,580	36,390	—
C.5. BROADCASTING FUND	10,997	10,478	—
C.6. GRANTS FOR DIGITAL TERRESTRIAL TELEVISION	2,000	1,514	—
ENERGY			
D.1. ENERGY CONSERVATION (GRANT-IN-AID)	70,570	62,430	—
D.2. GAS SERVICES	36	36	—
D.3. ENERGY RESEARCH, TECHNOLOGY, DEVELOPMENT, DEMONSTRATION AND INNOVATION PROGRAMME	13,159	2,642	—
D.4. ENERGY EFFICIENCY INITIATIVES	2,500	2,500	—
D.5. STRATEGIC ENERGY INFRASTRUCTURE	1	—	—

Communications, Energy and Natural Resources – Vote 30

Service		Estimate Provision	Outturn	Closing Accruals
	€000	€000	€000	€000
NATURAL RESOURCES				
E.1. PETROLEUM SERVICES		532	631	1
E.2. MINING SERVICES				
	<i>Current Year Provision</i>	5,731		
	<i>Deferred Surrender</i>	1,447	4,737	1
E.3. GSI SERVICES		754	383	—
E.4. GEOSCIENCE INITIATIVES				
	<i>Current Year Provision</i>	2,700		
	<i>Deferred Surrender</i>	200	2,883	—
E.5. NATIONAL SEABED SURVEY		4,000	3,937	14
E.6. ORDNANCE SURVEY IRELAND (GRANT-IN-AID)		6,000	5,970	—
FISHERIES				
F.1. INLAND FISHERIES				
	<i>Current Year Provision</i>	35,737		
	<i>Deferred Surrender</i>	400	34,110	1
F.2. SALMON CONSERVATION		16,000	12,710	—
MISCELLANEOUS				
G.1. SUBSCRIPTIONS TO INTERNATIONAL ORGANISATIONS		986	300	—
G.2. CHANGE MANAGEMENT FUND FOR NON-COMMERCIAL BODIES FUNDED BY THE DEPARTMENT		250	—	—
G.3. OTHER SERVICES		456	—	—
	Gross Total			
	<i>Current Year Provision</i>	536,061		
	<i>Deferred Surrender</i>	2,047	487,853	(670)
Deduct				
H. APPROPRIATIONS-IN-AID		247,024	237,245	361
	Net Total			
	<i>Current Year Provision</i>	289,037		
	<i>Deferred Surrender</i>	2,047	250,608	(1,031)
Surplus for the year			€40,476,130	
Deferred surrender under Section 91 of the Finance Act 2004			€15,500,000	
Surplus to be surrendered			€24,976,130	

The Statement of Accounting Policies and Principles and Notes 1 to 18 form part of this Account.

NOTES

1 OPERATING COST STATEMENT FOR 2008

	€000	€000	€000
Net Outturn			250,608
Changes in Capital Assets			
Purchases Cash	(1,152)		
Proceeds of Disposals	8		
Depreciation	2,912		
Loss on Disposals	184	1,952	
			<hr/>
Assets under Development			
Cash Payments		(65)	
Changes in Net Current Assets			
Decrease in Closing Accruals	(1,403)		
Increase in Stock	(94)	(1,497)	390
			<hr/>
Direct Expenditure			250,998
Expenditure Borne Elsewhere			
Net Allied Services Expenditure	24,003		
Notional Rents	3,621		27,624
			<hr/>
Operating Cost			<u><u>278,622</u></u>

2 STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2008

	€000	€000	€000
Capital Assets (Note 3)			9,677
Assets under Development (Note 4)			<hr/> 1,026
			10,703
Current Assets			
Stocks (Note 15)		871	
Prepayments		830	
Accrued Income		361	
Other Debit Balances:			
PMG Balance and Cash	19,041		
Orders Outstanding	(754)	18,287	
Suspense		798	
			<hr/>
Total Current Assets		21,147	
Less Current Liabilities			
Accrued Expenses		160	
Other Credit Balances:			
Suspense	949		
Due to the State (Note 16)	769	1,718	
			<hr/>
Net Liability to the Exchequer (Note 5)		17,367	
Total Current Liabilities		<hr/> 19,245	
Net Current Assets			<hr/> 1,902
Net Assets			<u><u>12,605</u></u>

3 STATEMENT OF CAPITAL ASSETS AS AT 31 DECEMBER 2008

	Land and Buildings €000	Office Furniture €000	Office/IT Equipment €000	Specialist Equipment €000	Totals €000
Cost or Valuation at 1 January 2008	859	1,722	20,110	2,088	24,779
Additions	—	27	1,276	208	1,511
Disposals	—	(75)	(763)	(94)	(932)
Gross Assets at 31 December 2008	859	1,674	20,623	2,202	25,358
Accumulated Depreciation:					
Opening Balance at 1 January 2008	—	1,270	11,211	1,028	13,509
Depreciation for the year	—	105	2,373	434	2,912
Depreciation on Disposals	—	(47)	(599)	(94)	(740)
Cumulative Depreciation at 31 December	—	1,328	12,985	1,368	15,681
Net Assets at 31 December 2008	859	346	7,638	834	9,677

Notes:

(a) The following fisheries are owned by the Minister but are managed by the Central Fisheries Board or a Regional Fisheries Board:

- (i) Galway
- (ii) Owenea/Owentocker

(b) Land and Buildings relates to the GPO Henry Street Arcade

4 STATEMENT OF CAPITAL ASSETS UNDER DEVELOPMENT AS AT 31 DECEMBER 2008

	Computer Applications and Research €000
Amounts brought forward at 1 January 2008	1,320
Cash Payments for the Year	65
Transferred to Asset Register	(359)
Amounts carried forward at 31 December 2008	1,026

5 NET LIABILITY TO THE EXCHEQUER

Reconciliation of Surplus to be Surrendered at year end to Debtor and Creditor Balances held at 31 December 2008

	€000	€000
Surplus for the year		
Surplus to be surrendered	24,976	
Deferred Surrender	15,500	40,476
Exchequer Grant Undrawn		(23,109)
Net Liability to the Exchequer		17,367
Represented by:		
Debtors		
Net PMG position and cash	18,287	
Debit Balances: Suspense	798	19,085
Creditors		
Due to State	(769)	
Credit Balances: Suspense	(949)	(1,718)
		17,367

6 EXTRA RECEIPTS PAYABLE TO THE EXCHEQUER

	€000
1. Sale of Digital Terrestrial Television test equipment	1,004
2. Voluntary surrender of pay	11
	1,015

7 EXPLANATION OF THE CAUSES OF VARIATION BETWEEN OUTTURN AND ESTIMATE PROVISION

Sub-head	Less/(More) than provided €000	Explanation
A.2.	346	Savings arose due to lower than anticipated levels of official travel in 2008.
A.4.	499	Savings achieved due to the introduction of cost saving measures.
A.8.	(89)	The overspend arose due to the necessity to purchase a specialised truck for the GSI.
A.9.	201	The savings arose due to the completion of value for money and policy reviews ahead of schedule.
B.1.	4,603	Savings arose due to delays in the submission of MANS 2 claims by Local Authorities.
B.2.	2,651	Savings arose due to the delay in the commencement of some projects.
B.3.	630	Savings due to the delay in the commencement of a number of projects.
B.4.	1,167	Savings arose due to the delay in the launch of the eInclusion grant scheme.
C.3.	1,442	Savings arose due to the deferral of certain projects due to the transfer of staff to Digital Terrestrial Television (DTT) work and lower than anticipated legal fees.
C.6.	486	Savings arose due to lower than anticipated costs for DTT trial work.
D.1.	8,140	Savings due to lower demand than anticipated.
D.3.	10,517	Savings due to various SEI applied research programmes being at a relatively early stage of development and the later than anticipated consultation process on the IERC's Energy Research Strategy.
E.1.	(99)	Excess as costs relating to the 2007 Irish Offshore Strategic Environmental Assessment fell due for payment in 2008.
E.2.	2,441	Savings arose due to some projects contingent on other activities not proceeding and provision being made for mining compensation cases not heard in 2008.
E.3.	371	Savings arose due to delays in both the development of and payment for projects.
F.1.	2,027	Savings arose due to less capital expenditure than anticipated by the Loughs Agency and the favourable euro /sterling exchange rate.
F.2.	3,290	Savings arose due to the timing of grant claims.
G.1.	686	Savings arose due to (1) a change in the method of funding of some bodies and (2) a reduction in the number of bodies funded by the Department.
G.2.	250	No applications for funding were processed in 2008.
G.3.	456	Savings arose because the capital contingency funds were not required during 2008.

8 APPROPRIATIONS-IN-AID

	Estimated €	Realised €
1. Proceeds of fines and forfeitures in respect of fishery offences	50,000	24,589
2 Receipts under the Minerals Development Act, 1940 and the Petroleum and other Minerals Act, 1960	9,759,000	10,147,610
3 Petroleum Infrastructure Support Group	216,000	233,408
4 Broadcasting licence fees	232,655,000	224,174,314
5 Geological Survey receipts	96,000	49,930
6 Rent on properties in GPO	228,000	224,519
7 Geological Survey Contract Income	754,000	510,462
8 Rapid Programme (Dormant Accounts Allocation)	1,147,000	517,259
9 NORA Pensions	119,000	—
10 Miscellaneous	2,000,000	1,362,609
Total	247,024,000	237,244,700

Explanation of Variation

1	Fines imposed were less than had been estimated.	
2	Surplus due to higher than anticipated sales of data relating to petroleum exploration plus extra application and rental fees from new licences.	
3	Surplus due to an increase in the number of exploration companies in the Irish offshore.	
5	Shortfall due to a policy change regarding distribution of GSI data.	
7	Shortfall due to slower than anticipated progress on some projects during the year.	
8	Shortfall due to delays in the commencement of some of the projects funded under the scheme.	
9	Shortfall due to delays in the commencement of revised pension payment procedures.	
10	The receipts comprise:	€
	Pension contribution from Sustainable Energy Ireland	248,369
	Pension contribution from Broadcasting Commission of Ireland	413,848
	Pension contribution from Digital Hub Development Agency	347,522
	Costs recovered from other bodies	157,912
	Corrib Verification Process	120,956
	Royalties in respect of Metropolitan Area Networks	48,789
	Other	25,213
		<u>1,362,609</u>

9 COMMITMENTS

(A) Global Commitments

The figure for commitments likely to materialise in subsequent years is €82,651,000.

10 DETAILS OF EXTRA REMUNERATION

	Amount paid €	Number of recipients	Recipients of €10,00 or more	Max. individual payment of €10,000 or more €
Higher, Special or Additional Duties	147,115	85	3	21,247
Overtime and Extra Attendance	113,075	87	1	32,352
Miscellaneous	61,916	5	4	14,500
Total extra remuneration	<u>322,106</u>			

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

11 MISCELLANEOUS ITEMS

The Net Allied Services Expenditure figure of €24,003,000 referred to in Note 1 is comprised of the following: Superannuation and Retired Allowance €20,032,000, Office of the Public Works €3,352,000, Garda Síochána €267,000; Central Fund - Ministerial Pensions etc €352,000.

Under the provisions of Section 91 of the Finance Act, 2004, €15,500,000 in respect of the capital elements of Subheads B.1., B.2., D.2. and D.3. was carried over to 2009.

€275,982 was paid in respect of various expenses arising out of the Department's involvement in the Moriarty Tribunal.

€74,318 was written off in respect of a company that went into liquidation.

€29,562 was paid to a retired civil servant in receipt of a civil service pension who was re-engaged on a fee basis.

€3,910 was issued in respect of merit awards in 2008 comprising 43 gift vouchers ranging in value from €65 to €250 and 1 donation of €20 to charity.

12 EU FUNDING

The outturn shown for Subhead B.1. for 2008 includes expenditure which was co-financed from the European Regional Development Fund.

The Northern Regional Fisheries Board received €191,000 from the EU in 2008 in respect of INTERREG IIIA.

13 COMMISSIONS AND INQUIRIES, ETC.

The National Salmon Commission was established in 2000. Expenditure on the Commission's activities in 2008 was €16,291, bringing the total expenditure to 31 December 2008 to €427,019.

14 PETROLEUM INFRASTRUCTURE PROGRAMME FUND

Statement of Receipts and Payments by the Department of Communications, Energy and Natural Resources on the Petroleum Infrastructure Programme Fund in the year ended 31 December 2008

	€
Balance at 1 January 2008	1,142,790
Payments 2008	(5,770)
Balance at 31 December 2008	<u>1,137,020</u>

15 STOCKS

	€000
Stocks at 31 December 2008 comprised:	
IT equipment	25
Geological Survey of Ireland	826
Stationery	20
	<u>871</u>

16 DUE TO THE STATE

The amount due to the State at 31 December 2008 consisted of:	€000
Withholding Tax	635
Value Added Tax	123
Voluntary Surrender of Pay	11
	<hr style="border-top: 1px solid black;"/>
	769 <hr style="border-top: 3px double black;"/>

17 CONTINGENT LIABILITY

There is potential for financial liabilities to arise in 2009 and forward years depending on the outcomes of current, pending and possible future EU and other legal actions. The amounts involved cannot be determined at this point.

18 ENHANCING INTERNAL CONTROLS

A statement on internal financial controls in the standard format for the year ended 31 December 2008 has accompanied the submission of this account to the Comptroller and Auditor General. The steps that have been taken, or are planned, to enhance the Department's system of internal financial controls include the following:

Financial Skills Training

In 2008, the Department continued to focus on building financial management and reporting competence. This more focused approach has contributed to further strengthening of the business planning and financial reporting processes. It has also served to embed the Public Financial Procedures as well as furthering organisational effectiveness and evidence based policy making decisions. Enhanced monthly reports to the Management Committee, combining key financial and non-financial performance information, has been put in place. This enables increased performance analysis capability to measure outputs, efficiency and value for money, through proper development of the Department's resources. The Department has an established Senior Financial Management and Control Group, whose ambit is to promote and review the continued implementation of the recommendations of the Mullarkey Report within the Department and across the agencies within its remit.

Risk Management

The Department operates a Risk Management System which is part of the business planning process for all Divisions. The purpose of the programme 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 Committee monitors the operation of the Department's Risk Management Programme. The Programme is reviewed on an ongoing basis.

AIDAN DUNNING

Accounting Officer
 Department of Communications, Energy and Natural Resources
 31 March 2009

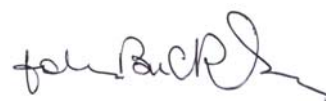
Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of the Vote for Communications, Energy and Natural Resources for 2008 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 2008.

Chapter 23 of my annual report refers to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.



JOHN BUCKLEY
Comptroller and Auditor General
4 September 2009