

## **Vote 35: Tourism, Culture and Sport**

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## Introduction

As Accounting Officer for Vote 35, I am required each year to prepare the Appropriation Account for the Vote, and to submit the Account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2010 for the salaries and expenses of the Office of the Minister for Tourism, Culture and Sport, including certain services administered by that Office, and for payment of certain subsidies, grants and grants-in-aid.

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

The Statement of Accounting Policies and Principles and notes 1 to 7 form part of the Account.

It should be noted that the responsibility for the Horse and Greyhound Racing fund along with associated expenditure transferred to the Department of Agriculture, Fisheries and Food from 1st May 2010 (S.I. 179/2010)

### Statement of Accounting Policies and Principles

The standard accounting policies and principles for the production of Appropriation Accounts have been applied in the preparation of the Account with the exception of the following:

#### Depreciation

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

### Statement on Internal Financial Control

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

**CON HAUGH**  
Accounting Officer  
Department of Tourism, Culture and Sport  
31 March 2011

## Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 35: Tourism, Culture and Sport for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

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

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

Chapters 30 and 31 of my annual report refer to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

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

**JOHN BUCKLEY**  
Comptroller and Auditor General  
22 July 2011

## Vote 35 Department of Tourism, Culture and Sport Appropriation Account 2010

Service	2010 Estimate	2010 Outturn	2009 Outturn
	€000	€000	€000
<b>Administration</b>			
A.1. Salaries, wages and allowances	9,396	9,347	10,062
A.2. Travel and subsistence	275	208	220
A.3. Incidental expenses	240	180	178
A.4. Postal and telecommunications services	300	257	256
A.5. Office machinery and other office supplies and related services	440	281	382
A.6. Office premises expenses	500	351	335
A.7. Consultancy services	80	64	77
A.8. Advertising and publicity	41	9	12
A.9. Value for money and policy reviews	10	4	10
<b>Tourism Services</b>			
B.1. Fáilte Ireland - (grant-in-aid)	68,299	67,016	76,694
B.2. Tourism Ireland Limited - grant for administration and general expenses	18,740	18,740	18,970
B.3. Shannon Free Airport Development Company Limited - (tourism development) (grant-in-aid)	831	831	832
B.4. Tourism marketing fund (grant-in-aid fund)	44,250	44,250	47,250
B.5. Tourism product development (grant-in-aid)	21,000	10,000	5,611
<b>Sports and Recreation Services</b>			
C.1. Grants for sporting bodies and the provision of sports and recreational facilities (part funded by National Lottery)	48,000	50,042	58,738
C.2. Grants for provision and renovation of swimming pools	7,500	3,122	11,670
C.3. Irish Sports Council (grant-in-aid) (part funded by National Lottery)	49,572	49,572	51,677
C.4. National Sports Campus	7,754	5,459	6,397
C.5. Lansdowne Road	4,500	4,451	1,500
C.6. Grant to support sport in disadvantaged areas (Dormant Accounts funding)	395	395	1,304

Service	2010 Estimate	2010 Outturn	2009 Outturn
	€000	€000	€000
<b>Arts and Culture</b>			
D.1. Payments to match resources generated by the National Archives	66	28	52
D.2. General expenses of the National Archives and National Archives Advisory Council	1,654	1,775	1,813
D.3. General expenses of the Irish Museum of Modern Art, Chester Beatty Library, National Concert Hall and the Crawford Gallery (grant-in-aid)	14,069	14,069	15,631
D.4. Cultural projects	4,420	4,418	5,317
D.5. Cultural development	16,491	15,463	17,842
D.6. Culture Ireland	4,083	5,070	4,550
D.7. An Chomhairle Ealaíon (part funded by National Lottery) (grant-in-aid)	68,649	68,649	73,350
D.8. General expenses of the National Museum of Ireland (grant-in-aid)	15,125	15,125	15,415
D.9. General expenses of the National Library of Ireland (grant-in-aid)	9,348	9,251	10,742
D.10. Irish Film Board (grant-in-aid)	19,272	19,272	21,840
<b>Horse and Greyhound Racing</b>			
E. Horse and Greyhound Racing Fund	32,788	32,788	68,128
<b>Gross Expenditure</b>	<b>468,088</b>	<b>450,487</b>	<b>526,855</b>
<b>Deduct</b>			
F. Appropriations-in-aid	3,179	4,628	4,810
<b>Net Expenditure</b>	<b>464,909</b>	<b>445,859</b>	<b>522,045</b>
<b>Surplus for the year</b>		<b>€19,050,334</b>	<b>€3,531,481</b>
<b>Deferred surrender</b>		<b>€5,000,000</b>	—
<b>Surplus to be surrendered</b>		<b>€14,050,334</b>	<b>€3,531,481</b>

## Notes to the Appropriation Account

### 1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			10,701	11,532
Expenditure on services and programmes			439,786	515,323
<b>Gross expenditure</b>			<u>450,487</u>	<u>526,855</u>
Deduct				
<b>Appropriations in aid</b>			<u>(4,628)</u>	<u>(4,810)</u>
<b>Net expenditure</b>			<u>445,859</u>	<u>522,045</u>
<b>Changes in capital assets</b>				
Purchases Cash		(450)		
Depreciation		502		
Loss on disposals		37	89	(61)
<b>Changes in net current assets</b>				
Increase in closing accruals		13		
Increase in Stock		(2)	11	(630)
<b>Direct expenditure</b>			<u>445,959</u>	<u>521,354</u>
Net allied services expenditure	1.1		10,678	13,638
Notional rents			5,663	6,979
<b>Total operating cost</b>			<u><b>462,300</b></u>	<u><b>541,971</b></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.

		2010 €000	2009 €000
<b>Vote :</b>			
7	Superannuation and Retired Allowances	5,514	6,400
10	Office of Public Works	4,476	6,579
19	Justice and Law Reform - Financial Shared Services Centre	386	388
20	Garda Síochána	202	171
	Central Fund - Ministerial etc. pensions (No. 38 of 1938, etc)	100	100
		<u><b>10,678</b></u>	<u><b>13,638</b></u>

## 2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
<b>Capital assets</b>	2.1	2,699	3,187
		<b>2,699</b>	<b>3,187</b>
<b>Current assets</b>			
Bank and cash	2.2	10,135	1,334
Stocks	2.3	40	38
Prepayments		41	79
Accrued income		261	244
Other debit balances	2.4	261	173
<b>Total current assets</b>		<b>10,738</b>	<b>1,868</b>
<b>Less current liabilities</b>			
Accrued expenses		231	239
Other credit balances	2.5	938	1,061
Net liability to the Exchequer	2.6	9,458	446
<b>Total current liabilities</b>		<b>10,627</b>	<b>1,746</b>
<b>Net current assets</b>		<b>111</b>	<b>122</b>
<b>Net assets</b>		<b>2,810</b>	<b>3,309</b>

**2.1 Capital assets**

	<b>Office Equipment €000</b>	<b>Furniture and Fittings €000</b>	<b>Totals €000</b>
<b>Gross assets</b>			
Cost or valuation at 1 January 2010	3,121	5,382	8,503
Prior year adjustment <sup>1</sup>	(232)	(1,896)	(2,128)
Additions	136	314	450
Disposals	—	(132)	(132)
Cost or valuation at 31 December 2010	<u>3,025</u>	<u>3,668</u>	<u>6,693</u>
<b>Accumulated depreciation</b>			
Opening balance at 1 January 2010	2,314	3,002	5,316
Prior year adjustment <sup>1</sup>	(231)	(1,498)	(1,729)
Depreciation for the year	316	186	502
Depreciation on disposals	—	(95)	(95)
Cumulative depreciation at 31 December 2010	<u>2,399</u>	<u>1,595</u>	<u>3,994</u>
<b>Net assets at 31 December 2010</b>	<b><u>626</u></b>	<b><u>2,073</u></b>	<b><u>2,699</u></b>
<b>Net assets at 31 December 2009</b>	<b><u>807</u></b>	<b><u>2,380</u></b>	<b><u>3,187</u></b>

<sup>1</sup> The Department made adjustments to the fixed asset register in respect of prior years totalling €2,128,208 in terms of cost and €1,728,555 and €399,653 in terms of accumulated depreciation and net assets respectively. Of the above, €16,074 of the net assets adjustment related to an adjustment in order to bring the Department into compliance with the Department of Finance Circular 02/04 on capitalisation limits of €1,000. Net assets of €383,452 were removed from the register as they related to archive boxes and folders which were more properly treated as consumables and €127 related to other assets.

**2.2 Bank and cash**

	<b>2010 €000</b>	<b>2009 €000</b>
at 31 December		
PMG balances and cash	12,327	1,433
Orders outstanding	(2,192)	(99)
	<u>10,135</u>	<u>1,334</u>

**2.3 Stocks**

	<b>2010 €000</b>	<b>2009 €000</b>
at 31 December		
Stationery	23	20
IT consumables	17	18
	<u>40</u>	<u>38</u>

<b>2.4 Other debit balances</b>	<b>2010</b>	<b>2009</b>
at 31 December	€000	€000
OPW	20	—
Other	241	173
	<u>261</u>	<u>173</u>

<b>2.5 Other credit balances</b>	<b>2010</b>	<b>2009</b>
at 31 December	€000	€000
<b>Amounts due to the State</b>		
Income Tax	142	177
Pay Related Social Insurance	75	82
Professional Services Withholding Tax	10	21
Value Added Tax	61	45
Pensions	32	10
	<u>320</u>	<u>335</u>
Crowley Bequest Fund	525	622
Other	93	104
	<u>938</u>	<u>1,061</u>

<b>2.6 Net Liability to the Exchequer</b>	<b>2010</b>	<b>2009</b>
at 31 December	€000	€000
Surplus to be surrendered	19,050	3,531
Exchequer grant undrawn	(9,592)	(3,085)
Net liability to the Exchequer	<u>9,458</u>	<u>446</u>

**Represented by:**

<b>Debtors</b>		
Bank and cash	10,135	1,334
Debit balances: suspense	261	173
	<u>10,396</u>	<u>1,507</u>
<b>Creditors</b>		
Due to State	(320)	(335)
Credit balances: suspense	(618)	(726)
	<u>(938)</u>	<u>(1,061)</u>
	<u>9,458</u>	<u>446</u>

## 2.7 Commitments

### (a) Global commitments

Contracted commitments at 31 December 2010 amounted to €4.9m (2009 - €7.1m)

	Expenditure 2002-2009	Expenditure 2010	Subsequent years	Total cost
	€000	€000	€000	€000
<b>(b) Multi-annual capital commitments</b>				
Sports & recreational facilities grants	502,559	50,042	77,528	630,129
Local Authority swimming pool programme	127,246	3,122	6,619	136,987
ACCESS (cultural development grants)	60,585	5,543	25,678	91,806
Other Arts capital projects	85,490	9,656	5,821	100,967
Lansdowne Road redevelopment	186,549	4,451	—	191,000

### 3 Variations in Expenditure

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

Sub-head	Less/(more) than provided €000	Explanation
A.5.	159	The underspend was due to reductions in external service contract costs and managed services costs and a reduced level of IT hardware upgrade and replacement.
A.6.	149	The underspend was due to ongoing reductions in underlying electricity and heating expenditure, partly arising from retendering of existing contracts, and further substantial reductions in staff and office relocation costs. While the underlying expenditure in electricity was reduced during 2010, retrospective reconciliation of charges for previous years to the Department of Enterprise, Trade & Innovation resulted in a once-off spike in total expenditure for 2010.
B.1.	1,283	The underspend of €1.283 million arose due to the non-replacement of staff on maternity, parental and shorter working year leave together with the non-payment of lump sum gratuities due to the postponement until 2011 by five staff of proposed early retirements.
B.5.	11,000	The underspend was due to slower than anticipated drawdown due to difficulties including the availability of matched funding, planning and other related delays.
C.1.	(2,042)	Expenditure on this subhead is demand led. The overspend was due to Sports Capital projects progressing more quickly than was originally anticipated and due to a number of special allocations being made, and paid, in 2010. This overspend was met from savings elsewhere in the Vote.
C.2.	4,378	The Local Authority swimming pool programme is demand led and dependent on Local Authorities progressing with the actual building of the pools. The spend is profiled in the Department's estimates in line with the expenditure projections received from the Local Authorities. In 2010 the actual spend was less than that projected due to buildings progressing less quickly than originally expected by the Authorities.
C.4.	2,295	Most of the 2010 capital allocation (€3m) was provided to meet the costs associated with the refurbishment of the former Marine Institute building at Abbotstown as new office accommodation for the National Governing Bodies of Sport in Ireland. However, it did not prove possible to make progress on this refurbishment in 2010, thus resulting in savings on this provision.
D.2	(121)	The overspend arose from the urgent need to improve the storage facilities and storage density for the National Archives, both at Bishops Street and the Four Courts. The project was jointly managed with the OPW.
D.5.	1,028	This is a demand led subhead which depends on adequate progress being made with the projects funded under the subhead. The main reasons for the underspend were difficulties sourcing matching funding, planning permission issues and delays in obtaining the required legal agreements.
D.6.	(987)	Additional funding was allocated to Culture Ireland in November 2010 to be spent on the Imagine Ireland USA 2011 programme.

## Appropriation in Aid

4.1 Appropriations-in-aid	2010	2010	2009
	Estimated	Realised	Realised
	€000	€000	€000
1. National Archives	66	29	63
2. Miscellaneous receipts	90	206	165
3. Dormant Accounts	395	395	1,304
4. Tourism Ireland Ltd. pension receipts	153	440	484
5. Irish Sports Council pension receipts	—	57	—
6. Irish Film Board pension receipts	—	36	—
7. Receipts from pension - related deduction on public service	2,475	3,465	2,794
<b>Total</b>	<b>3,179</b>	<b>4,628</b>	<b>4,810</b>

### Explanation of significant variations

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

Heading	Less/(more) than estimated €000	Explanation
2	(116)	The variance is largely explained by the return by grantees of monies, awarded and paid in respect of the Sports Capital Programme
4	(287)	The variance is explained by once-off receipts in respect of the State's share of transfer values
7	(990)	The variance is mainly due to the underestimation of pension levy receipts as this was the first full year of receipts

### 4.2 Extra receipts payable to the Exchequer

The Department paid over in 2010 exchequer extra receipts of €305,007 in respect of prior year Irish Film Board pension contributions, €33,883 in respect of the closure of the Music Board suspense account which had been held in the context of the 2004 EU Presidency Cultural Programme and €5,065 in respect of the closure of the EU Lund Programme suspense account.

## 5 Employee Numbers and Pay

	2010	2009
Average number of staff (full time equivalents)	153	159
	€000	€000
Pay	8,694	9,360
Higher, special or additional duties allowances	46	58
Other allowances	60	70
Overtime	131	125
Employer's PRSI	416	449
<b>Total pay</b>	<b>9,347</b>	<b>10,062</b>

### 5.1 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010	Maximum individual payment 2009
			€	€
Higher, special or additional duties	6	1	13,644	18,902
Other allowances	30	2	15,121	11,488
Overtime	34	4	12,812	12,782

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

## 6 Miscellaneous Items

### 6.1 National Lottery funding

Under subheads C.1, C.3 and D.7, total expenditure of €168.263 million was part-funded by the National Lottery. A full list of grantees under subhead C.1. is available on the Department's website ([www.tcs.gov.ie](http://www.tcs.gov.ie))

### 6.2 Other

The account includes expenditure in 2010 totalling €275,929 on Public Private Partnership projects for the redevelopment of the National Concert Hall (NCH) on its existing site and the development of a new Abbey Theatre at George's Dock. Since 2007 cumulative expenditure by the Department and State agencies, including the National Development Finance Agency and the Office of Public Works, on the projects amounted to €2,890,514 and a balance of approximately €63,750 in respect of the NCH remains to be paid.

It was decided in 2010 not to proceed with these projects.

## 7 Miscellaneous Accounts

### 7.1 Payments towards general expenses of the Irish Museum of Modern Art, Chester Beatty Library, National Concert Hall and the Crawford Gallery (Subhead D.3)

	2010	2009
	€000	€000
<b>Payments</b>		
Irish Museum of Modern Art	6,671	7,317
Chester Beatty Library	2,714	3,083
National Concert Hall	3,105	3,478
Crawford Gallery, Cork	1,579	1,753
	<u>14,069</u>	<u>15,631</u>

### 7.2 Horse and Greyhound Racing Fund

#### Account of Receipts and Payments for the year ended 31 December 2010

Balance on 1 January 2010	—	—
Receipts (Subhead E)	32,788	68,128
Payments		
Horse Racing Ireland	(22,000)	(54,502)
Bord na gCon	(10,788)	(13,626)
Balance at 31 December 2010	<u>—</u>	<u>—</u>

It should be noted that the responsibility for the Horse and Greyhound Racing Fund transferred to the Department of Agriculture, Fisheries and Food from 1st May 2010 (S.I. 179/2010)

### 7.3 The Crowley Bequest Fund

#### Account of receipts and payments for the year ended 31 December 2010

Balance on 1 January 2010	622	727
Payments	(97)	(105)
Balance at 31 December 2010	<u>525</u>	<u>622</u>