

## **Vote 5: Office of the Comptroller and Auditor General**

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## 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 2009 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 2009, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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

### **Statement of Accounting Policies and Principles**

The standard accounting policies and principles for the production of Appropriation Accounts have been applied in the preparation of the Account.

### **Statement on Internal Financial Control**

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

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

**GERARD SMYTH**

Accounting Officer  
Office of the Comptroller and Auditor General  
31 March 2010

## Certificate of the Comptroller and Auditor General

The Appropriation Account of the Vote for the Office of the Comptroller and Auditor General for 2009 has been audited on my behalf by Mr Tommy Doherty of Mazars, Chartered Accountants and Registered Auditors. On the basis of his audit and report, which I attach, it is my opinion that the account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2009.

A handwritten signature in black ink, appearing to read 'John Buckley', with a long, sweeping tail extending to the right.

**JOHN BUCKLEY**

Comptroller and Auditor General

21 June 2010

## **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 2009.

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

### **Respective responsibilities of the Accounting Officer and the Auditor**

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

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

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

### **Basis of Opinion**

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

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

**Opinion**

In my opinion the Appropriation Account of the Vote for the Office of the Comptroller and Auditor General properly presents the receipts and expenditure of the Vote for the year ended 31 December 2009 and there are no matters on which I need to report, pursuant to Section 3(10) of the Comptroller and Auditor General (Amendment) Act 1993.

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

**T DOHERTY**

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

17 June 2010

## Vote 5 Office of the Comptroller and Auditor General Appropriation Account 2009

Service	2009 Estimate provision	2009 Outturn	2008 Outturn
	€000	€000	€000
<b>Administration</b>			
A.1. Salaries, wages and allowances	11,399	10,473	10,713
A.2. Travel and subsistence	654	550	799
A.3. Incidental expenses	304	240	358
A.4. Postal and telecommunications services	210	189	199
A.5. Office machinery and other office supplies and related services	393	388	432
A.6. Office premises expenses	180	165	208
A.7. Consultancy services	133	128	316
A.8. Legal fees	30	17	13
	<hr/>	<hr/>	<hr/>
<b>Gross Expenditure</b>	<b>13,303</b>	<b>12,150</b>	<b>13,038</b>
<b>Deduct :</b>			
A.9. Appropriations-in-aid	5,032	5,508	5,207
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<b>Net Expenditure</b>	<b>8,271</b>	<b>6,642</b>	<b>7,831</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Surplus to be surrendered</b>		<b>€1,628,650</b>	<b>€2,333,233</b>
		<hr/> <hr/>	<hr/> <hr/>

## Notes to the Appropriation Account

### 1 Operating Cost Statement 2009

	Notes	€000	2009 €000	2008 €000
Expenditure on administration			12,150	13,038
Expenditure on services and programmes			—	—
<b>Gross expenditure</b>			<u>12,150</u>	<u>13,038</u>
Deduct				
<b>Appropriations in aid</b>			<u>5,508</u>	<u>5,207</u>
<b>Net expenditure</b>			<u>6,642</u>	<u>7,831</u>
<b>Changes in capital assets</b>				
Purchases cash		(111)		
Depreciation		<u>275</u>	164	139
<b>Changes in assets under development</b>				
Cash payments			—	—
<b>Changes in net current assets</b>				
Decrease in closing accruals		(943)		
Decrease in stock		<u>4</u>		
			<u>(939)</u>	<u>531</u>
<b>Direct expenditure</b>			<u>5,867</u>	<u>8,501</u>
<b>Movement in Work-in-Progress</b>			336	(408)
Net allied services expenditure	1.1		2,592	2,280
Notional rents			379	390
<b>Total operating cost</b>			<u><u>9,174</u></u>	<u><u>10,763</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 5 borne elsewhere

Vote		2009 €000	2008 €000
7	Superannuation and Retired Allowances	1,257	814
10	Office of Public Works	826	609
	Central Fund - Comptroller and Auditor General's salary and pensions in respect of former holders of the Office	509	857
		<u><u>2,592</u></u>	<u><u>2,280</u></u>

## 2 Statement of Assets and Liabilities as at 31 December 2009

	Note	2009 €000	2008 €000
<b>Capital Assets</b>	2.1	543	707
<b>Work-in-Progress</b>	2.2	724	1,060
		<b>1,267</b>	<b>1,767</b>
<b>Current Assets</b>			
Bank and cash	2.3	(27)	580
Stocks	2.4	39	43
Prepaid Expenses		110	128
Audit Fee Debtors		222	312
Accrued audit fee income	2.5	1,146	217
Other debit balances	2.6	144	179
<b>Total Current Assets</b>		<b>1,634</b>	<b>1,459</b>
<b>Less Current Liabilities</b>			
Accrued expenses		30	151
Other credit balances	2.7	219	310
Net Liability to the Exchequer	2.8	(102)	449
<b>Total Current Liabilities</b>		<b>147</b>	<b>910</b>
<b>Net Current Assets</b>		<b>1,487</b>	<b>549</b>
<b>Net Assets</b>		<b>2,754</b>	<b>2,316</b>

## 2.1 Statement of Capital Assets

	Office Equipment €000	Furniture and Fittings €000	Total €000
<b>Gross assets</b>			
Cost or valuation at 1 January 2009	2,065	831	2,896
Additions	103	8	111
Disposals	(61)	(7)	(68)
Cost or valuation at 31 December 2009	2,107	832	2,939
<b>Accumulated Depreciation</b>			
Opening balance at 1 January 2009	1,688	501	2,189
Depreciation for the year	219	56	275
Depreciation on disposals	(61)	(7)	(68)
Cumulative depreciation at 31 December 2009	1,846	550	2,396
<b>Net Assets at 31 December 2009</b>	261	282	543
<b>Net Assets at 31 December 2008</b>	377	330	707

## 2.2 Work in Progress

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

<b>Status of Audit</b>	<b>Percentage of Audit Fee included in</b>	<b>2009</b>	<b>2008</b>
	<b>Work-in-Progress</b>	<b>€000</b>	<b>€000</b>
Cleared for Certification	90%	49	223
Audit Review Stage	75%	150	438
Fieldwork Complete	60%	309	197
Final Audit in Progress	30%	29	29
Interim Audit Completed	15%	176	114
Interim Audit in Progress	10%	11	59
		724	1,060

## 2.3 Bank and Cash

at 31 December	<b>2009</b>	<b>2008</b>
	<b>€000</b>	<b>€000</b>
PMG balances and cash	(7)	759
Orders outstanding	(20)	(179)
	(27)	580

<b>2.4 Stocks</b>	<b>2009</b>	<b>2008</b>
at 31 December	<b>€000</b>	<b>€000</b>
Stationery	32	20
IT Consumables etc.	7	23
	<u>39</u>	<u>43</u>

### 2.5 Accrued Audit Fee Income

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

<b>2.6 Other Debit Balances</b>	<b>2009</b>	<b>2008</b>
at 31 December	<b>€000</b>	<b>€000</b>
Advances to OPW	10	—
Recoupment of travel expenditure	5	6
Recoupment of travel pass scheme	36	46
Recoupable expenditure from co-tenants	93	76
Other debit suspense items	—	51
	<u>144</u>	<u>179</u>

<b>2.7 Other Credit Balances</b>	<b>2009</b>	<b>2008</b>
at 31 December	<b>€000</b>	<b>€000</b>
<b>Amounts due to the State</b>		
Income Tax	100	155
Pay Related Social Insurance	78	74
Income Levy	13	—
Professional Services Withholding Tax	12	38
Value Added Tax	15	43
	<u>218</u>	<u>310</u>
Payroll deductions held in suspense	—	—
Other credit suspense items	1	—
	<u>219</u>	<u>310</u>

**2.8 Net Liability to the Exchequer**

at 31 December	2009 €000	2008 €000
Surplus to be surrendered	1,629	2,333
Exchequer grant undrawn	(1,731)	(1,884)
Net liability of the Exchequer	<u>(102)</u>	<u>449</u>

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

Bank and cash	(27)	580
Debit balances: suspense	144	179
	<u>117</u>	<u>759</u>

**Creditors**

Due to the State	(218)	(310)
Credit balances: suspense	(1)	—
	<u>(219)</u>	<u>(310)</u>

	<u>(102)</u>	<u>449</u>
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**2.9 Commitments**

at 31 December	2009 €000	2008 €000
Total of legally enforceable commitments*	<u>19</u>	<u>566</u>

\*Contracted commitments amount to €19,216 of which €7,600 is in respect of consultancy services for a value for money examination and €11,616 is in respect of information technology storage. At the end of 2008 contracted commitments amounted to €566,199. Of this amount €105,721 was in respect of consultancy services for value for money examinations. €460,478 arose out of contractual obligations the Office had entered into with firms of accountants to provide audit services, similar contracts were not in place at the end of 2009.

### 3 Variations in Expenditure

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

Sub-head	Less/(more) than provided €000	Explanation
A.1	926	The saving was due mainly to the non filling of staff vacancies under the moratorium on staff recruitment in the public sector.
A.2	104	The amount of official travel undertaken was less than anticipated.

### 4 Receipts

#### 4.1 Appropriations-in-aid

	2009 Estimated €000	2009 Realised €000	2008 Realised €000
1. Receipt of fees	4,500	4,993	5,207
2. Receipts from Pension-related Deduction on Public Service Remuneration	532	515	
<b>Total</b>	<b>5,032</b>	<b>5,508</b>	<b>5,207</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
1	(493)	The surplus is due to the timing of the completion of the Office's programme of audits.

### 5 Employee Numbers and Pay

	2009	2008
<b>Number of staff at year end</b> (full time equivalents)	145	158
	<b>2009 €000</b>	<b>2008 €000</b>
Pay	9,264	9,465
Higher, special or additional duties allowances	22	27
Other allowances	2	1
Overtime	3	5
Contract Work etc.	573	636
Employer's PRSI	609	579
<b>Total pay</b>	<b>10,473</b>	<b>10,713</b>

**5.1 Allowances and Overtime Payments**

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2009 €	Maximum individual payment 2008 €
Higher, special or additional duties	4	1	10,486	11,246
Overtime and extra attendance	1	—	3,233	5,175

**5.2 Other Remuneration Arrangements**

As part of their pay structure, Trainee Auditors received additional remuneration totalling €8,901 (€20,089 in 2008), following their qualification as accountants and their assumption of the responsibilities attaching to the Auditor grade, this is included in the pay figure above.

**6 Miscellaneous Items**

**6.1** Audit Committee costs amounted to €4,690 (€6,030 in 2008).

