

Chapter 8

An Roinn Gnóthaí Pobail, Tuaithe agus Gaeltachta

8.1 Financing of Rural Social Scheme

€10 million was paid from the Dormant Accounts Fund into a suspense account operated by An Roinn Gnóthaí Pobail, Tuaithe agus Gaeltachta to meet the expenses of a Rural Social Scheme announced by the Minister for Finance in his Budget Speech 2004. During 2004, almost €3.4 million was paid to scheme beneficiaries from the suspense account with the balance paid in 2005. A further €12 million was provided in the Vote for 2005 for on-going funding of this scheme.

Strictly speaking, the legally correct way of channelling the money to the beneficiaries would have been to pay the €10 million into the Central Fund as Exchequer Extra Receipts, take a Supplementary Estimate for Vote 27 in an appropriate amount for Subhead Q.3. and account for the moneys paid out under the scheme in the normal way as subhead expenditure in the Appropriation Account.

The Department of Finance had directed An Roinn to use the suspense account mechanism. However, following my enquiries, the Accounting Officer for the Department of Finance conceded that on reflection it would have been better to have channelled the funding through the Vote. The recently enacted Dormant Accounts (Amendment) Act 2005 provides that future disbursements from the Dormant Accounts Fund will be through moneys provided by the Oireachtas, *i.e.* through a Vote.

I have qualified my audit certificate on the Appropriation Account for Vote 27 accordingly.