

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 2010 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 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 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.

Kevin Cardiff
Accounting Officer
Department of Finance
31 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 6: Office of the Minister for Finance 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 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 2010.

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

JOHN BUCKLEY

Comptroller and Auditor General

19 July 2011

Vote 6 Office of the Minister for Finance Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	36,211	34,441	39,693
A.2. Travel and subsistence	450	341	363
A.3. Incidental expenses	1,100	903	1,007
A.4. Postal and telecommunications services	1,017	756	966
A.5. Office machinery and other office supplies and related services	1,800	1,885	1,661
A.6. Office premises expenses	850	649	811
A.7. Consultancy services	5	—	—
A.8. Value for money and policy reviews	750	567	817
Other Services			
B. Economic and Social Research Institute - administration and general expenses (grant-in-aid)	3,075	3,075	3,300
C. Institute of Public Administration (grant-in-aid)	3,400	3,400	3,700
D. Gaeleagras na Seirbhíse Poiblí	300	233	413
E. Civil service arbitration and appeals procedures	70	32	67
F.1. Review Body on Higher Remuneration in the Public Service	60	48	269
F.2. Public Service Benchmarking Body	1	—	33
F.3. Committee for performance awards	1	—	46
G. Centre for Management and Organisation Development	2,035	1,123	1,656
H.1. Structural funds technical assistance and other costs	1,195	892	968
H.2. Technical assistance costs of Regional Assemblies (grant-in-aid)	930	670	1,022
I.1. Committees and commissions	405	316	975
I.2. Commissions and special inquires	2,000	933	—
J. Payments to the promoters of certain charitable lotteries (National Lottery funded)	8,618	8,618	8,618
K. Change management fund	1,500	323	401

	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
L.1. Peace Programme/Northern Ireland INTERREG	4,395	3,581	1,452
L.2. Special EU programmes body	1,195	1,122	1,200
M. Ireland/Wales and Transnational INTERREG	500	436	508
N. Civil service childcare initiative	25	45	13
O. Procurement management reform	350	—	209
P. Consultancy and other services	4,742	5,031	6,092
	76,980	69,420	76,260
Gross Expenditure			
Deduct			
Q. Appropriations-in-aid	6,822	7,545	11,086
	70,158	61,875	65,174
Net Expenditure			
		€3,283,204	€3,180,980
Surplus to be surrendered			

Notes to the Appropriation Account

1 Operating Cost Statement 2010

		2010	2009
	Note	€000	€000
Expenditure on administration		39,542	45,318
Expenditure on services and programmes		29,878	30,942
Gross expenditure		<u>69,420</u>	<u>76,260</u>
Deduct			
Appropriations in aid		<u>7,545</u>	<u>11,086</u>
Net expenditure		61,875	65,174
Changes in capital assets			
Purchases cash		(403)	
Depreciation		1,192	
Loss on disposals		<u>1</u>	3,108
Changes in assets under development			
Cash payments		(170)	(268)
Changes in net current assets			
Movement in closing accruals		(6)	
Increase in stock		<u>(2)</u>	71
Direct expenditure		62,487	68,085
Net allied services expenditure	1.1	14,480	20,107
Notional rents		4,378	5,390
		<u>81,345</u>	<u>93,582</u>

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	2010	2009
	€000	€000
7 Superannuation and Retired Allowances	11,785	15,859
10 Office of Public Works	2,296	3,823
20 Garda Síochána	199	171
Central Fund - Ministerial etc. pensions	200	254
	<u>14,480</u>	<u>20,107</u>

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	5,336	5,898
Capital Assets under Development	2.2	186	244
		5,522	6,142
Current Assets			
Bank and cash	2.3	1,226	1,597
Stocks	2.4	55	53
Prepayments		757	749
Accrued income		—	18
Other debit balances	2.5	213	319
Total Current Assets		2,251	2,736
Less Current Liabilities			
Accrued expenses		323	339
Other credit balances	2.6	1,416	1,944
Net Liability to the Exchequer	2.7	23	(28)
Total Current Liabilities		1,762	2,255
Net Current Assets		489	481
Net Assets		6,011	6,623

2.1 Capital Assets

	IT Equipment €000	Furniture and Fittings €000	Office Equipment €000	Total €000
Gross assets				
Cost or valuation at 1 January 2010	23,770	5,247	2,224	31,241
Additions	575	—	56	631
Disposals	(2)	—	—	(2)
Cost or valuation at 31 December 2010	<u>24,343</u>	<u>5,247</u>	<u>2,280</u>	<u>31,870</u>
Accumulated Depreciation				
Opening balance at 1 January 2010	19,535	3,725	2,083	25,343
Depreciation for the year	855	248	89	1,192
Depreciation on disposals	(1)	—	—	(1)
Cumulative depreciation at 31 December 2010	<u>20,389</u>	<u>3,973</u>	<u>2,172</u>	<u>26,534</u>
Net Assets at 31 December 2010	<u>3,954</u>	<u>1,274</u>	<u>108</u>	<u>5,336</u>
Net Assets at 31 December 2009	<u>4,235</u>	<u>1,522</u>	<u>141</u>	<u>5,898</u>

2.2 Capital Assets under Development

	In-House Computer Applications €000
Amounts brought forward at 1 January 2010	244
Cash payments for the year	170
Transferred to asset register	(228)
Amounts carried forward at 31 December 2010	<u>186</u>

2.3 Bank and Cash

at 31 December	2010 €000	2009 €000
PMG balances and cash	1,230	1,604
Orders outstanding	(4)	(7)
	<u>1,226</u>	<u>1,597</u>

2.4 Stocks

at 31 December	2010 €000	2009 €000
Stationery	22	19
IT consumables	33	34
	<u>55</u>	<u>53</u>

2.5 Other Debit Balances	2010	2009
at 31 December	€000	€000
Advances to OPW	—	16
Recoupable salaries	43	94
Recoupable travel expenditure	21	26
Recoupable travel pass scheme expenditure	135	118
Other debit suspense items	14	65
	<u>213</u>	<u>319</u>

2.6 Other Credit Balances	2010	2009
at 31 December	€000	€000
Amounts due to the State		
Income Tax	572	585
Pay Related Social Insurance	298	282
Professional Services Withholding Tax	174	605
Value Added Tax	30	118
Pension Contributions	61	3
Income Levy	60	50
	<u>1,195</u>	<u>1,643</u>
Payroll deductions held in suspense	178	284
Other credit suspense items	43	17
	<u>1,416</u>	<u>1,944</u>

2.7 Net Liability to the Exchequer	2010	2009
at 31 December	€000	€000
Surplus to be surrendered	8,283	3,181
Exchequer grant undrawn	(8,260)	(3,209)
Net liability to the Exchequer	<u>23</u>	<u>(28)</u>

Represented by:**Debtors**

Bank and cash	1,226	1,597
Debit balances: suspense	213	319
	<u>1,439</u>	<u>1,916</u>

Creditors

Due to State	(1,195)	(1,643)
Credit balances: suspense	(221)	(301)
	<u>(1,416)</u>	<u>(1,944)</u>
	<u>23</u>	<u>(28)</u>

2.8 Commitments	2010	2009
at 31 December	€000	€000
Total of legally enforceable commitments	480	498

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.4.	261	Savings arose due to the reconfiguration of, and reduction in, the number of telephone lines as well as the reduction in costs following a procurement exercise.
G.	912	Savings arose due to planned projects not proceeding and certain cost cutting exercises undertaken by the Department .
H.1.	303	Savings arose mainly as a result of the closure of the NDP Information Office in August 2010.
H.2.	260	Costs were less than anticipated due to a delay in submission of claims by Regional Assemblies.
I.2.	1,067	Costs associated with the Commission of Investigation into the Banking Sector were less than anticipated due mainly to the investigation commencing later than anticipated and the renegotiation of legal fees. In any event, the nature of the investigation meant that any estimate of costs was necessarily conjectural.
K.	1,177	The drawdown of funds by Departments was less than anticipated.
L.1.	814	Savings arose as a result of delayed spending on projects.
O.	350	The saving arose as planned work was delayed.
P.	(289)	The excess was due to additional legal advice in relation to Credit Institutions (Stabilisation) Act, 2010.

4 Receipts

4.1 Appropriations-in-aid	2010	2010	2009
	Estimated	Realised	Realised
	€000	€000	€000
1. Receipts from computer services rendered by the Centre for Management and Organisation Development.	—	3	72
2. Receipts from Departments in respect of foreign language classes	65	39	12
3. EU Programmes	1,860	1,258	5,471
4. Recoupment of certain expenses under the Bank Guarantee Scheme	1,300	2,335	2,496
5. Receipts from pension-related deductions on public service remuneration	3,412	3,237	2,820
6. Miscellaneous	185	673	215
Total	6,822	7,545	11,086

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	602	The variance is linked to the cyclical nature of the funding of programmes.
4	(1,035)	The costs recoupable under the scheme are difficult to predict accurately.
6	(488)	The Financial Measures (Miscellaneous Provisions) Act, 2009 provided for the transfer of responsibility for the IPA and ESRI pension schemes to the Minister for Finance. As a consequence, pension payments made under those schemes are now paid from the contributions collected and any remaining balance is remitted to the Department and accounted for as appropriations-in-aid. No provision was made in the 2010 Estimate as the accounting arrangements had not been finalised at that stage.

4.2 Extra Receipts payable to the Exchequer

Other receipts totalling €9,887 were transferred to the Exchequer during the year in respect of monies received in December 2002 and March 2010 which were not proper to the Vote

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents) ¹	600	627
	2010	2009
	€000	€000
Pay ²	34,526	40,094
Higher, special or additional duties allowances	252	306
Other allowances	369	288
Overtime	344	414
Employer's PRSI	1,482	1,663
Total pay	36,973	42,765

¹ The above numbers include staff in the Special EU Programme Body whose salary is co-financed by the Department of Finance and the Department of Finance and Personnel, Northern Ireland. The salary costs in question are included under subhead L.2 of the Vote. The figure for 2009 has been amended to include this.

² The total pay figure is inclusive of pay in subheads A.1, A.8, D, E, F.1, H.1, I.1, I.2, K, L.2 and P.

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2010	2009
			€	€
Higher, special or additional duties	51	13	19,551	19,149
Other allowances	95	7	26,637	32,752
Overtime	168	1	30,647	29,626

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 €78,403.

This account includes expenditure of €587,756 in respect of fourteen officers who were serving outside the Department for all or part of 2010 and whose salaries were paid by the Department.

€224,459 was paid to 98 staff under the terms of the AHCPs 1% PCW restructuring agreement.

6 Miscellaneous Items

6.1 National Lottery Funding

	2010 Estimate €000	2010 Outturn €000	2009 Outturn €000
Subhead			
J. Payments to promoters of certain charitable lotteries	8,618	8,618	8,618
Details are available on the Department of Finance website " www.finance.gov.ie "			

6.2 EU Funding

The outturn shown in Subheads H.1. and H.2 includes payments in respect of activities which are co-financed by the EU (e.g. ERDF, Interreg etc.). Estimates of expenditure and actual outturns were as follows:

Subhead Description	2010 Estimate €000	2010 Outturn €000	2009 Outturn €000
H.1. Structural funds technical assistance and other costs	913	766	768
H.2. Technical assistance costs of Regional Assemblies (grant-in-aid)	930	670	1,022
L.1. Peace Programme/Northern Ireland INTERREG	4,395	3,581	—
	<u>6,238</u>	<u>5,017</u>	<u>1,790</u>

6.3 Commissions and Inquiries

	Year of appointment	2010 €000	2009 €000
Civil Service Arbitration Board	1950/51	32	50
Credit Union Advisory Committee	1967	1	30
Review Body on Higher Remuneration in the Public Service	1969/70	48	269
Disabled Drivers Appeals Board	1989	312	371
Civil Service Appeals Board	1993	—	17
Public Service Benchmarking Body	2000	—	33
Commission on Taxation	2008	—	520
Independent Review Panel on the Department of Finance	2010	211	—
Commission of Investigation into the banking sector in Ireland	2010	722	—
		<u>1,326</u>	<u>1,290</u>

6.4 Write Offs

Sanction was obtained in 2010 to write off a balance of €20,828 owed by former staff members in respect of advances made under the travel pass scheme.

