Appropriation Account 2015

Vote 21

Prisons

Introduction

As Accounting Officer for Vote 21, 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 2015 for the salaries and expenses of the Prison Service, and other expenses in connection with prisons, including places of detention; for probation services; and for payment of certain grants.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2015, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €1.26 million is liable for surrender to the Exchequer.

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 except for the following:

Land and buildings

The Minister for Justice and Equality owns 14 prisons and places of detention, as well as property at Irish Prison Service College, Portlaoise and property adjacent to the Headquarters building in Longford, and also three sites in Dublin: one adjacent to Cloverhill Prison and others in Kilmainham and Thornton.

Land was valued at existing use value or market value (if not in use) by the Valuation Office during 2014. Land at Thornton continues to be valued at historic cost, including investment in infrastructure and services, on the basis that it is a strategic State asset with potential future use value. This position will be kept under review on an annual basis.

The basis for valuing prison buildings – average replacement cost per cell – remains unchanged.

Prisons land and buildings will be revalued every 5 years – the next planned revaluation is 2019. Buildings are not depreciated in the years between revaluations, on the basis that ongoing annual maintenance expenditure is sufficient to maintain their condition. With the exception of land and buildings, all other capital assets are depreciated on a straight line basis over their estimated useful life starting in the month placed in service.

Statement on Internal Financial Control

Responsibility for system of internal financial control

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Irish Prison Service.

This responsibility is exercised in the context of the resources available to me and my other obligations as Acting Secretary General. Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

Shared services

The Payroll Shared Services Centre (PSSC) provides payroll processing services to the Prison Service. The PSSC is a function managed by the National Shared Services Office in the Department of Public Expenditure and Reform.

I rely on a letter of assurance from the Accounting Officer of the Vote for Shared Services that the appropriate controls are exercised in the provision of shared services to the Irish Prison Service.

Financial control environment

I confirm that a control environment containing the following elements is in place

- financial responsibilities have been assigned at management level with corresponding accountability
- reporting arrangements have been established at all levels where responsibility for financial management has been assigned
- formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action
- there is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system.

Administrative controls and management reporting

I confirm that a framework of administrative procedures and regular management reporting is in place including segregation of duties and a system of delegation and accountability and, in particular, that

- There is an appropriate budgeting system with an annual budget which is kept under review by senior management.
- There are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts.
- A risk management system operates within the Prison Service.
- There are systems aimed at ensuring the security of the ICT systems.
- There are appropriate capital investment control guidelines and formal project management disciplines.
- The Prison Service ensures that there is an appropriate focus on good practice in purchasing and that procedures are in place to ensure compliance with all relevant guidelines.
- In total 38 supply arrangements were reported under Circular 40/02 in 2015 with a total value of €7,956,042. These are broken down as follows:

  (a) Two urgent purchases with a total value of €86,653,
  (b) Fourteen proprietary purchases accounted for a total of €2,435,188,
  (c) Six existing supply contracts were extended/rolled over with a value of €1,370,839,
  (d) Two situations arose where there was a single suitable supplier available and the value of these contracts were €121,526,
  (e) Seven local arrangements/tenders were entered in to with a value of €506,136,
  (f) Seven other procurement scenarios are reflected in the 40/02 return with a value of €3,435,700. These situations have mainly arisen while the finalisation of centralised tenders in the Office of Government Procurement and Office of the Government Chief Information Officer are awaited.

Tenders have since been concluded in respect of thirteen of the items reported above with a total value of €4,664,404. These include the six supply contracts which were extended/rolled over. In three other cases, the tender process is well advanced.

The Prison Service paid €520,250 in 2015 in final settlement of a claim for additional works and site access delays during the construction phase of a building project at Wheatfield Prison. The final payment was correctly sanctioned by senior management in the Prison Service. However, the negotiation of the claim and the sanctioning of the commitment was not communicated through the appropriate Director and Oversight Board. The Prison Service is putting an improved process in place to ensure that the communication and sanctioning of commitments for material capital expenditure is managed more effectively.

Internal Audit and Audit Committee

I confirm that the Department has an internal audit function with appropriately trained personnel, which operates in accordance with an approved written charter. Its work is informed by an analysis of the financial and management risks to which the Department is exposed. The annual internal audit plans are approved by the Audit Committee and take account of this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. The internal audit function is reviewed periodically by the Audit Committee. I am satisfied that there are procedures in place to ensure that the reports of the internal audit function are followed up.

Noel Waters
Accounting Officer
Department of Justice and Equality

31 March 2016

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 21 Prisons

I have audited the appropriation account for Vote 21 Prisons for the year ended 31 December 2015 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993. The account has been prepared in the form prescribed by the Minister for Public Expenditure and Reform, and in accordance with standard accounting policies and principles for appropriation accounts.

Responsibility of the Accounting Officer

In accordance with Section 22 of the Exchequer and Audit Departments Act 1866, the Accounting Officer is required to prepare the appropriation account. By law, the account must be submitted to me by 31 March following the end of the year of account.

The Accounting Officer is also responsible for the safeguarding of public funds and property under his control, for the efficiency and economy of administration in the Prison Service and for the regularity and propriety of all transactions in the appropriation account.

Responsibility of the Comptroller and Auditor General

I am required under Section 3 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the appropriation accounts of all Votes and to perform such tests as I consider appropriate for the purpose of the audit.

Upon completion of the audit of an appropriation account, I am obliged to provide a certificate stating whether, in my opinion, the account properly presents the receipts and expenditure related to the Vote. I am also required to refer to any material case in which

- a department or office has failed to apply expenditure recorded in the account for the purposes for which the appropriations made by the Oireachtas were intended, or
- transactions recorded in the account do not conform with the authority under which they purport to have been carried out.

Under Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993, I am required to prepare each year, a report on any matters that arise from the audits of the appropriation accounts or examinations of accounting controls.

Scope of audit

An audit includes examination, on a test basis, of evidence relevant to the amounts and regularity of financial transactions included in the account and an assessment of whether the accounting provisions of the Department of Public Expenditure and Reform's *Public Financial Procedures* have been complied with.

The audit involves obtaining sufficient evidence to give reasonable assurance that the appropriation account is free from material misstatement, whether caused by fraud or other irregularity or error. I also seek to obtain evidence about the regularity of financial transactions in the course of the audit. In forming the audit opinion, the overall adequacy of the presentation of the information in the appropriation account is evaluated.

Opinion on the appropriation account

In my opinion, the appropriation account properly presents the receipts and expenditure of Vote 21 Prisons for the year ended 31 December 2015.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, adequate accounting records have been kept by the Prison Service. The appropriation account is in agreement with the accounting records.

Non Compliance with Procurement Rules

The Accounting Officer has disclosed in the statement on internal financial control that material instances of non-compliance with national procurement rules occurred in respect of contracts that operated in 2015.

Seamus McCarthy

Comptroller and Auditor General

16 August 2016

Vote 21 Prisons

Appropriation Account 2015

				2015	2014
			Estimate provision	**Outturn**	**Outturn**
		€000	**€000**	**€000**	**€000**
Programme expenditure					
A	Administration and provision of safe, secure, humane and rehabilitative custody for people who are sent to prison				
	Original	325,977			
	Supplementary	6,205			
			332,182	331,203	335,341
	Gross expenditure				
	Original	325,977			
	Supplementary	6,205	**332,182**	**331,203**	**335,341**
	Deduct				
B	**Appropriations-in-aid**				
	Original	15,734			
	Supplementary	(92)			
			15,642	**15,922**	**16,351**
	Net expenditure				
	Original	310,243			
	Supplementary	6,297			
			316,540	**315,281**	**318,990**

Surplus for surrender

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer.

	2015	2014
	€	**€**
Surplus to be surrendered	1,259,379	1,204,687

Analysis of administration expenditure

					2015	2014
			Estimate provision		Outturn	Outturn
			€000	€000	€000	€000
i	Salaries, wages and allowances					
		Original	230,600			
		Supplementary	5,000	235,600	235,013	236,926
ii	Travel and subsistence			1,816	1,894	1,861
iii	Training and development and incidental expenses					
		Original	3,860			
		Supplementary	(521)	3,339	2,795	2,344
iv	Postal and telecommunications services			2,900	2,935	3,402
v	Office equipment and external IT services					
		Original	4,480			
		Supplementary	530	5,010	5,672	4,341
vi	Consultancy services and value for money and policy reviews					
		Original	100			
		Supplementary	(100)	—	—	—
				248,665	248,309	248,874

Notes to the Appropriation Account

1 Operating Cost Statement 2015

		2015	2014
	€000	€000	€000
Programme cost		82,894	86,467
Pay		235,013	236,926
Non pay		13,296	11,948
Gross expenditure		**331,203**	**335,341**
Deduct			
Appropriations-in-aid		**15,922**	**16,351**
Net expenditure		**315,281**	**318,990**
Changes in capital assets			
Purchases cash	(2,338)		
Depreciation	1,914		
Loss on disposal	5	(419)	(1,081)
Changes in assets under development			
Cash payments		(28,826)	(26,564)
Changes in net current assets			
Increase in closing accruals	1,503		
Decrease in stock	131	1,634	(2,897)
Direct expenditure		**287,670**	**288,448**
Expenditure borne elsewhere			
Net allied services expenditure (note 1.1)		44,387	41,523
Net programme cost		**332,057**	**329,971**

1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 21 borne elsewhere.

		2015	2014
		€000	**€000**
Vote 9 Office of the Revenue Commissioners	e	270	135
Vote 12 Superannuation and Retired Allowances [a]	e	43,088	40,037
Vote 13 Office of Public Works	e	203	216
Vote 18 Shared Services	e	219	568
Vote 24 Justice and Equality - Financial Shared Services Centre	e	607	567
		44,387	41,523

"e" indicates that the number is an estimated value or an apportioned cost.

[a] The 2014 figure in respect of Vote 12 Superannuation and Retired Allowances has been revised to reflect the updated methodology used by the Department of Public Expenditure and Reform in arriving at the estimated amount for 2015.

2 Balance Sheet as at 31 December 2015

	Note	2015 €000	2014 €000
Capital assets	2.2	889,370	887,331
Capital assets under development	2.3	55,667	28,461
		945,037	**915,792**
Current assets			
Bank and cash	2.4	7,933	8,270
Stocks	2.5	1,039	1,170
Prepayments		380	450
Accrued income		91	52
Other debit balances	2.6	469	603
Total current assets		**9,912**	**10,545**
Less current liabilities			
Net liability to the Exchequer	2.8	259	48
Accrued expenses		4,174	2,702
Other credit balances	2.7	8,143	8,825
Total current liabilities		**12,576**	**11,575**
Net current liabilities		**(2,664)**	**(1,030)**
Net assets		**942,373**	**914,762**
Represented by:			
State funding account	2.1	**942,373**	**914,762**

2.1 State Funding Account	**Note**		**2015**	**2014**
		€000	**€000**	**€000**
Balance at 1 January			914,762	834,286
Land and buildings revaluation			—	50,735
Disbursements from the Vote				
Estimate provision	Account	316,540		
Surplus to be surrendered	Account	(1,259)		
Net vote			315,281	318,990
Expenditure (cash) borne elsewhere	1		44,387	41,523
Transfer from Department of Justice and Equality	2.2		—	(801)
Net programme cost	1		(332,057)	(329,971)
Balance at 31 December			**942,373**	**914,762**

2.2 Capital Assets

	Land and buildings	Office equipment	Furniture and fittings	Motor vehicles	Total
	€000	€000	€000	€000	€000
Gross assets					
Cost or valuation at 1 January 2015	883,258	69,155	811	8,543	961,767
Additions	1,620	2,147	—	191	3,958
Disposals	—-	(136)	(1)	(35)	(172)
Cost or valuation at 31 December 2015	884,878	71,166	810	8,699	965,553
Accumulated depreciation					
Opening balance at 1 January 2015	—	65,979	678	7,779	74,436
Depreciation for the year	—	1,423	32	459	1,914
Depreciation on disposals	—	(136)	(1)	(30)	(167)
Cumulative depreciation at 31 December 2015	—	67,266	709	8,208	76,183
Net assets at 31 December 2015	**884,878**	**3,900**	**101**	**491**	**889,370**
Net assets at 31 December 2014	**883,258**	**3,176**	**133**	**764**	**887,331**

2.3 Capital Assets under Development

at 31 December	Construction Contracts	
	2015	**2014**
	€000	**€000**
Amounts brought forward at 1 January	28,461	3,956
Cash payments for the year	28,826	26,564
Transferred to asset register	(1,620)	(2,059)
	55,667	28,461

2.4 Bank and Cash	**2015**	**2014**
at 31 December	**€000**	**€000**
PMG balances and cash	7,821	8,011
Commercial bank accounts	112	259
	7,933	8,270

2.5 Stocks	**2015**	**2014**
at 31 December	**€000**	**€000**
Uniforms and clothing	916	1,035
Furniture and maintenance material	28	30
Miscellaneous	95	105
	1,039	1,170

2.6 Other Debit Balances	**2015**	**2014**
at 31 December	**€000**	**€000**
Imprests	150	120
Payroll suspense account (Paypath)	61	204
Other debit suspense items	258	279
	469	603

2.7 Other Credit Balances	**2015**	**2014**
at 31 December	**€000**	**€000**
Amounts due to the State		
Income Tax	4,420	4,460
Pay Related Social Insurance	1,877	1,836
Retention Tax	239	141
Value Added Tax	930	1,510
Construction Tax	—	13
Tax deducted from pension contribution refunds	—	1
	7,466	7,961
Payroll deductions held in suspense	675	626
Other credit suspense items	2	238
	8,143	8,825

2.8 Net Liability to the Exchequer	**2015**	**2014**
at 31 December	**€000**	**€000**
Surplus to be surrendered	1,259	1,205
Exchequer grant undrawn	(1,000)	(1,157)
Net liability to the Exchequer	259	48
Represented by:		
Debtors		
Bank and cash	7,933	8,270
Debit balances: suspense	469	603
	8,402	8,873
Creditors		
Due to State	(7,466)	(7,961)
Credit balances: suspense	(677)	(864)
	(8,143)	(8,825)
	259	48

2.9 Commitments	**2015**	**2014**
at 31 December	**€000**	**€000**

(a) Global Commitments

Total of legally enforceable commitments	4,657	2,187

(b) Multi-Annual Capital Commitments

	Cumulative expenditure to 31 December 2014	Expenditure in 2015	Project commitments in subsequent years	Expected total spend lifetime of project 2015	Expected total spend lifetime of project 2014
	€000	€000	€000	€000	€000
Cork Prison	22,262	22,241	782	45,285	42,431

The figure for subsequent years' expenditure represents commitments where formal contracts were entered into at 31 December 2015.

Significant variations

An explanation is provided below where multi-annual commitments increased by more than €500,000 from 2014 to 2015.

Description	Amount of increase €000	Explanation
Cork Prison	2,854	A number of change orders approved by the IPS Capital Projects Oversight Board during 2015 led to an increase in the total project cost.

2.10 Matured Liabilities

There were no matured liabilities undischarged at year end (2014: Nil).

3 Programme Expenditure by Subhead

				2015		2014
			Estimate provision		Outturn	Outturn
			€000	€000	€000	€000
A	**Administration and provision of safe, secure, humane and rehabilitative custody for people who are sent to prison.**					
A.1	Administration – pay					
		Original	230,600			
		Supplementary	5,000	235,600	235,013	236,926
A.2	Administration – non pay					
		Original	13,156			
		Supplementary	(91)	13,065	13,296	11,948
A.3	Buildings and equipment					
		Original	45,188			
		Supplementary	1,992	47,180	47,099	49,503
A.4	Prisoner services					
		Original	28,976			
		Supplementary	(2,362)	26,614	26,524	28,335
A.5	Operational services					
		Original	3,730			
		Supplementary	1,020	4,750	4,945	4,004
A.6	Educational services					
		Original	1,265			
		Supplementary	(165)	1,100	1,123	1,101
A.7	Compensation					
		Original	2,873			
		Supplementary	1,000	3,873	3,014	3,524
A.8	Social disadvantage measures (Dormant accounts funded)					
		Original	189			
		Supplementary	(189)	—	189	—
				332,182	331,203	335,341

Significant variations

Overall, the gross expenditure in relation to the Programme was €0.98 million lower than provided. The significant variations were as follows:

Description	Less/(more) than provided €000	Explanation
Administration - pay	587	While a saving of €587,000 arose, the original estimate was increased by €5 million in a supplementary estimate mainly because the number of serving personnel was greater than the number which had been projected under the Employment Control Framework (ECF). The estimated number serving under the ECF at the end of 2015 was 3,265 where as the actual serving number was 3,308. A further reason for the supplementary estimate included the payment of arrears relating to the reinstatement of a certain payroll environmental allowance following the outcome of an arbitration hearing. It has been possible to increase the budgetary allocation in this subhead for 2016.

Description	Less/(more) than provided €000	Explanation
Administration - non - pay	(231)	While there was an excess of €231,000, the original estimate was reduced by €91,000 as part of the supplementary estimate process. The subsequent excess was mainly due to increased ICT costs (€660,000) in relation to storage area network servers and pc's and travel and subsistence costs (€80,000). However, there were also offsetting savings which included the purchase of uniforms (€340,000) and other administrative costs (€169,000).
Buildings and equipment	81	While there was a saving of €81,000, the original estimate was increased by €1.992 million as part of the supplementary estimate. This was due to the requirement to carry out preliminary works in the Limerick Prison development project at an earlier date than originally planned. Also, it was necessary to provide funding for certain essential minor building maintenance works throughout the Prisons Estate which were carried out before the end of the year.
Prisoner services	90	While there was a saving of €90,000, the original estimate was reduced by €2.36 million as part of the supplementary estimate due to lower costs than expected in this subhead. The reduced requirement is directly related to a reduction in prisoner numbers – daily average number of prisoners in 2015 was 3,722 compared with 3,916 in 2014. There were also savings achieved in relation to cleaning supplies through the introduction of a new dispensing system.
Operational services	(195)	The original estimate was increased by €1.02 million as part of the supplementary estimate. The excess arose mainly due to increased expenditure on other operational services including certain legal costs (non-compensation related) falling due for payment.
Compensation	859	The original estimate was increased by €1 million as part of the supplementary estimate process to meet potential awards falling due for payment before the end of the year. The saving arose, as not all of the expected compensation awards were actually finalised before the end of the year. The precise timing and quantification of expenditure in relation to compensation payments can be difficult to predict.
Social disadvantage measures (Dormant Accounts Funded)	(189)	The original estimate was reduced in the supplementary estimate process as the expenditure from a project approved under the Dormant Accounts Scheme, had been initially brought to account in the Prisoner Services subhead (A.4). On subsequent review, it was determined that it was more appropriate to charge the expenditure under the Dormant Accounts heading and hence, the excess expenditure in this subhead. The project in question relates to a training programme for prisoners in respect of community based health and first aid which is run in conjunction with the Irish Red Cross.

4 Receipts

4.1 Appropriations-in-aid			2015		2014
			Estimated	Realised	Realised
		€000	€000	€000	€000
1. Miscellaneous					
	Original	405			
	Supplementary	(205)	200	203	313
2. Dormant account receipts					
	Original	189			
	Supplementary	(189)	—	189	—
3. Receipts from pension - related deduction on public service remuneration					
	Original	15,140			
	Supplementary	302	15,442	15,530	16,038
Total			15,642	15,922	16,351

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%

Description	Less/(more) than provided	Explanation
	€000	
Miscellaneous	(3)	The level of receipts under this heading can be difficult to predict (2014 - €313,000). The original estimate was adjusted as part of the supplementary estimate and the eventual receipts were broadly in line with the revised allocation.
Dormant account receipts	(189)	Receipts from the Dormant Accounts Fund are directly linked to expenditure under Subhead A.8. While the original estimate was reduced as part of the supplementary estimate, it subsequently transpired that there was expenditure under the Dormant Accounts Scheme arising in 2015. As a result, the corresponding receipts arose and gave rise to a surplus when compared with the revised allocation.

5 Employee Numbers and Pay

	2015	2014
Number of staff at year end (full time equivalents)	3,308	3,381

	2015 €000	2014 €000
Pay	139,840	142,050
Higher, special or additional duties allowance	279	290
Other allowances	48,316	47,968
Extra attendance and overtime	30,897	31,048
Employer's PRSI	15,681	15,570
Total Pay	**235,013**	**236,926**

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2015 €	Maximum individual payment 2014 €
Higher, special or additional duties	59	3	12,004	11,560
Extra attendance and overtime	3,013	1,778	26,028	22,884
Shift and roster allowances	2,862	695	16,130	18,388
Miscellaneous	3,174	319	23,903	31,252
Number of individuals who received extra remuneration in more than one category	3,092	2,997	52,549	50,574

5.2 Other Remuneration Arrangements

A total of €120,339 was paid to fourteen retired civil servants in receipt of civil service pensions, ranging from €590 to €25,637, who were re-employed on various duties during 2015. A total of €31,465 was paid to five retired members of An Garda Síochána, who were employed by the Prison Service on specific duties during 2015. Appropriate procedures were in place with regard to payments to retired staff in accordance with section 52 of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012

5.3 Payroll Overpayments

Overpayments at the year end were €625,952 (218 cases) (2014: €561,028, 186 cases). Of this, €460,979 (139 cases) have recovery plans in place, including 39 preserved pension cases.

6 Miscellaneous

6.1 Prison Population

The estimated daily average number of prisoners in 2015 was 3,722 (2014: 3,916)

6.2 Compensation and Legal Costs

The account includes expenditure in relation to compensation and legal costs made to prisoners, staff and members of the public. It also includes legal costs incurred by the Prison Service in relation to non-compensation cases. The table below shows a breakdown of these costs.

	Number of cases	Legal costs paid by the Prison Service	Compensation awarded	Legal costs awarded	2015 Total	2014 Total
		€000	€000	€000	€000	€000
Claims by prison staff						
Civil claims for injuries received while on duty and other issues involving prison staff	78	—	811	245	1,056	1,217
Claims through the Criminal Injuries Compensation Tribunal arising out of injuries received by prison staff	49	—	575	4	579	983
Claims by prisoners						
Claims arising out of injuries and other actions involving prisoners	200	—	468	661	1,129	1,084
Non-compensation related legal costs	32	564	—	—	564	478
Claims by members of the public	35	—	167	66	233	234
		564	2,021	976	3,561	3,996

At 31 December 2015, the State Claims Agency recorded 1,622 claims as outstanding. (2014: 1,201 cases)

6.3 Prisoner Funeral Expenses

Ex gratia payments totalling €17,340 were made towards the funeral expenses of nine prisoners who died in prison.

6.4 Fraud and Suspected Fraud	**2015**	**2014**
	€000	**€000**
Alleged misappropriation of stock/monies	1	10

There was one suspected fraud instance in 2015 (2014:2). The original sum of money misappropriated was €35,681, all but €1,000 has been returned.

6.5 Inventory Write-Off

A write-off of €93,154 in respect of obsolete clothing stock is included in the stock figure as at 31 December 2015.

6.6 Cash Losses

A cash bail of €10,000 was received in Limerick Prison but went missing prior to lodgement

The matter has been reported to An Garda Síochána. It appears that there is no prospect of recovering the money. Sanction has been received to reinstate the loss from the Prison Vote subject to controls being strengthened in this area to avoid similar cash losses in the future.

During a review of the cash records in Cork Prison shortfalls totalling €5,639 were identified. These dated back to the 2009/2010 period and were deemed non-recoverable. The appropriate sanction was obtained to write-off the amounts in question on the basis that new control procedures have been put in place to prevent similar losses in the future.

6.7 Contingent Liability

The Irish Prison Service is involved in a number of pending legal proceedings which may generate liabilities, depending on the outcome of the litigation. Any actual amount or timing of potential liabilities is uncertain.