

## **Vote 34: Enterprise, Trade and Innovation**

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## Introduction

As Accounting Officer for Vote 34, 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 Enterprise, Trade and Innovation, including certain services administered by that Office, for payment of certain subsidies, grants and a grant-in-aid, and for the payment of certain grants under the cash-limited schemes.

The expenditure outturn is compared with the sums

- (a) 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, and
- (b) provided for capital supply services in 2010 out of unspent 2009 appropriations, under the deferred surrender arrangements established by section 91 of the Finance Act 2004.

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 Enterprise, Trade and Innovation.

**SEÁN GORMAN**

Accounting Officer

Department of Enterprise, Trade and Innovation

28 March 2011

## Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 34: Enterprise, Trade and Innovation 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 Enterprise, Trade and Innovation. 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 28 and 29 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.



**JOHN BUCKLEY**

Comptroller and Auditor General

26 August 2011

## Vote 34 Department of Enterprise, Trade and Innovation Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
<b>Administration</b>			
A.1. Salaries, wages and allowances	33,027	31,268	36,581
A.2. Travel and subsistence	1,102	860	1,201
A.3. Incidental expenses	1,113	635	838
A.4. Postal and telecommunications	840	914	969
A.5. Office machinery and other office supplies and related services	4,599	4,429	4,682
A.6. Office premises expenses	1,400	1,035	1,243
A.7. Consultancy services	139	158	58
A.8. Advertising and publicity	314	143	199
A.9. Office of the Director of Corporate Enforcement	6,086	3,674	5,605
A.10. Labour Court	2,208	2,412	2,726
A.11. National Employment Rights Authority	7,824	6,935	7,936
A.12. Value for money and policy reviews	89	5	18
<b>Enterprise Development, Science and Technology</b>			
B.1. Forfás - Grant for administration and general expenses	35,231	35,505	36,527
B.2. Forfás - Pension payments arising from the financial measures (miscellaneous provisions) act	7,720	9,046	—
B.3. Intertrade Ireland	7,848	7,848	8,100
C.1. IDA Ireland - Grant for administration and general expenses	39,240	39,240	41,877
C.2. IDA Ireland - Grants to Industry			
<i>Current year provision</i>	85,000		
<i>Deferred surrender</i>	5,000		
	90,000	90,460	65,364
C.3. IDA Ireland - Grant for building operations	1,000	1,000	3,230
D.1. Enterprise Ireland - Grant for administration and general expenses	86,531	84,420	93,056
D.2. Enterprise Ireland - Grant to Industry	83,423	80,123	111,646
D.3. Enterprise Ireland - Grant for capital expenditure	1,500	850	2,400
E.1. Shannon Free Airport Development Company Limited - Grant for administration and general expenses	2	—	—
E.2. Shannon Free Airport Development Company Limited - Grants to Industry			
<i>Current year provision</i>	3,600		
<i>Deferred surrender</i>	1,400		
	5,000	5,272	700

	2010 Estimate	2010 Outturn	2009 Outturn
€000	€000	€000	€000
E.3. Shannon Free Airport Development Company Limited - Pension Payments arising from the financial measures (miscellaneous provisions) act	2,930	2,834	—
F.1. Science Technology and Innovation Programmes	293,318	292,132	323,554
F.2. Dublin- City of Science	538	370	—
F.3. Research and Development Activities <sup>1</sup>	27,500	27,500	—
F.4. An tUdarás Um Ard-Oideachas-Building Grants and Capital Costs for Universities and Colleges, Institutes of Technology, designated Institutions of Higher Education and Research and Development (Grant-in-Aid) <sup>1</sup>	13,700	13,700	—
G. County Enterprise Development	28,310	31,091	34,028
H.1. Monitoring and evaluation of EU Programmes	89	—	19
H.2. Interreg Enterprise Development	2,152	1,379	507
I. National Standards Authority of Ireland - Grant for administration and general expenses			
<i>Current year provision</i>	7,432		
<i>Deferred surrender</i>	<u>40</u>	7,472	7,338
			8,547
<b>Labour Force Development</b>			
K.1. FÁS Administration and general expenses <sup>2</sup>	44,310	44,310	150,111
K.2. FÁS Training and integration	22,184	22,184	83,130
K.3. FÁS Employment Programmes <sup>2</sup>	127,831	127,831	424,669
K.4. FÁS Capital <sup>2</sup>	2,029	2,029	10,000
K.5. FÁS- Pension payments arising from the financial measures (miscellaneous provisions) act <sup>2</sup>	8,151	8,151	—
L.1. Grant to Irish National Organisation for the Unemployed <sup>3</sup>	52	52	52
L.2. Enterprise Ireland - Temporary Employment Subsidy Scheme -	114,500	93,353	18,200
L.3. European Globalisation Fund <sup>2</sup>	—	—	—
M.1. Operational Programme for Human Resources Development - Technical Assistance <sup>2</sup>	340	362	874
M.2. Leonardo Programme <sub>2</sub>	—	—	140
M.3. ESF- Community Initiatives fund			
<i>Original</i>	—		
<i>Supplementary</i>	<u>5,846</u>	5,846	5,845
			—

	2010 Estimate	2010 Outturn	2009 Outturn
€000	€000	€000	€000
<b>Employment Rights and Industrial Relations</b>			
N. Labour Relations Commission - Grant for administration and general	5,641	5,108	5,657
O.1. Grants for Trade Union Education and Advisory Services	1,073	805	1,200
O.2. Workplace Innovation Fund Promotion of Partnership	720	307	357
P. Trade Union Amalgamations	45	15	—
<b>Commerce, Consumers and Competition</b>			
Q. Grant to the Competition Authority	4,734	4,551	5,381
R.1. National Consumer Agency - Grant for administration and general expenses	7,232	5,578	6,105
R.2. Consumer Support	61	29	68
S.1. Companies Registration Office and Registry of Friendly Societies - Grant for administration and general expenses	7,995	7,897	8,728
S.2. Irish Auditing and Accounting Supervisory Authority (Grant-in-Aid)	1,345	1,282	1,355
S.3. Personal Injuries Assessment Board	60	57	—
<b>Health and Safety</b>			
T. Health and Safety Authority - Grant for administration and general expenses	21,959	20,059	22,361
<b>Other Services</b>			
U. Research including manpower	210	25	98
V. National Framework Committee for Work/Life Balance Policies	156	54	83
W. Subscriptions to International Organisations, etc.	17,401	17,457	17,317
X.1. Commissions, Committees and Special Inquiries	541	299	389
X.2. Miscellaneous payments	2,533	356	1,545
X.3. Superannuation and Pensions for Members of the Labour Court, the Restrictive Practices Commission and the Competition Authority	679	561	611
X.4. Export Credit Insurance - Refund to the Exchequer	33	32	16

		2010	2010	2009
		Estimate provision	Outturn	Outturn
	€000	€000	€000	€000
<b>Gross Expenditure</b>				
	<i>Original</i>	1,177,620		
	<i>Supplementary</i>	5,846		
	<i>Deferred surrender</i>	<u>6,440</u>	1,189,906	1,151,165
				1,550,058
<b>Deduct</b>				
Y. <b>Appropriations-in-Aid</b>				
	<i>Original</i>	72,796		
	<i>Supplementary</i>	<u>5,845</u>	78,641	81,724
				73,253
<b>Net Expenditure</b>				
	<i>Original</i>	1,104,824		
	<i>Supplementary</i>	1		
	<i>Deferred surrender</i>	<u>6,440</u>		
			<u>1,111,265</u>	<u>1,069,441</u>
				<u>1,476,805</u>
<b>Surplus for the year</b>			€ 41,824,150	€ 18,909,020
<b>Deferred surrender</b>			—	€ 6,440,000
<b>Surplus to be surrendered</b>			<u>€ 41,824,150</u>	<u>€ 12,469,020</u>

<sup>1</sup> Service transferred from the Department of Education and Skills with effect from 1 May 2010. Expenditure incurred prior to that date is shown in Vote 26.

<sup>2</sup> Service transferred to the Department of Education and Skills with effect from 1 May 2010. Expenditure incurred since that date is shown in Vote 26.

<sup>3</sup> Service transferred to the Department of Education and Skills with effect from 1 May 2010, however, the full 2010 allocation was spent by the Department of Enterprise, Trade and Innovation prior to the transfer of functions.

## Notes to the Appropriation Account

### 1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			52,468	62,056
Expenditure on services and programmes			1,098,697	1,488,002
<b>Gross expenditure</b>			<b>1,151,165</b>	<b>1,550,058</b>
Deduct				
<b>Appropriations-in-aid</b>			<b>81,724</b>	<b>73,253</b>
<b>Net expenditure</b>			<b>1,069,441</b>	<b>1,476,805</b>
<b>Changes in capital assets</b>				
Purchases cash		(872)		
Depreciation		2,721		
Transfers Cash		4		
Loss on disposals / transfers		33	1,886	1,573
<b>Changes in assets under development</b>				
Cash payments		(1,156)		
Adjustment to Capital Projects		39	(1,117)	(1,323)
<b>Changes in net current assets</b>				
Decrease in closing accruals		(1,181)		
Increase in stock		(24)		
			(1,205)	(2,968)
<b>Direct expenditure</b>			<b>1,069,005</b>	<b>1,474,087</b>
Net allied services expenditure	1.1		22,483	26,798
Notional rents			2,447	2,996
<b>Total operating cost</b>			<b>1,093,935</b>	<b>1,503,881</b>

#### 1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 34 borne elsewhere

Vote	2010 €000	2009 €000
7 Superannuation and Retired Allowances	14,791	17,351
9 Office of the Revenue Commissioners	269	292
10 Office of Public Works	6,956	8,515
20 Garda Síochána	211	185
Central Fund - Ministerial etc. pensions	256	455
	<b>22,483</b>	<b>26,798</b>

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

		<b>2010</b>	<b>2009</b>
	<b>Note</b>	<b>€000</b>	<b>€000</b>
<b>Capital Assets</b>	2.1	8,882	8,029
<b>Capital Assets under Development</b>	2.2	546	2,168
		<b>9,428</b>	<b>10,197</b>
<b>Current Assets</b>			
Bank and cash	2.3	3,827	14,056
Stocks	2.4	375	351
Prepayments		439	360
Accrued income		779	2,632
Other debit balances	2.5	1,752	1,899
<b>Total Current Assets</b>		<b>7,172</b>	<b>19,298</b>
<b>Less Current Liabilities</b>			
Accrued expenses		405	855
Deferred income		1,243	3,748
Other credit balances	2.6	3,804	6,668
Net Liability to the Exchequer	2.7	1,775	9,287
<b>Total Current Liabilities</b>		<b>7,227</b>	<b>20,558</b>
<b>Net Current Liabilities</b>		<b>(55)</b>	<b>(1,260)</b>
<b>Net Assets</b>		<b>9,373</b>	<b>8,937</b>

## 2.1 Capital Assets

	Motor Vehicles €000	Office & IT Equipment €000	Furniture and Fittings €000	Total €000
<b>Gross assets</b>				
Cost or valuation at 1 January 2010	14	31,007	7,900	38,921
Additions	—	3,590	21	3,611
Transfers <sup>1</sup>	—	—	(7)	(7)
Disposals	—	(680)	(1,167)	(1,847)
Cost or valuation at 31 December 2010	14	33,917	6,747	40,678
<b>Accumulated Depreciation</b>				
Opening balance at 1 January 2010	6	23,916	6,970	30,892
Depreciation for the year	3	2,391	327	2,721
Depreciation on transfers <sup>1</sup>	—	—	(2)	(2)
Depreciation on disposals	—	(680)	(1,135)	(1,815)
Cumulative depreciation at 31 December 2010	9	25,627	6,160	31,796
<b>Net Assets at 31 December 2010</b>	<b>5</b>	<b>8,290</b>	<b>587</b>	<b>8,882</b>
<b>Net Assets at 31 December 2009</b>	<b>8</b>	<b>7,091</b>	<b>930</b>	<b>8,029</b>

<sup>1</sup> Assets with a cost of €7,262 and cumulative depreciation of €2,075 were transferred from the Department to the Department of Education and Skills.

## 2.2 Capital Assets under Development

	In-House Computer Applications €000
Amounts brought forward at 1 January 2010	2,168
Cash payments for the year	1,156
Amount written off during 2010	(39)
Brought into use in year	(2,739)
Amounts carried forward at 31 December 2010	546

<b>2.3 Bank and Cash</b>	<b>2010</b>	<b>2009</b>
at 31 December	€000	€000
PMG balances and cash	4,824	15,090
Orders outstanding	(997)	(1,034)
	<u>3,827</u>	<u>14,056</u>
	<u><u>3,827</u></u>	<u><u>14,056</u></u>
<b>2.4 Stocks</b>	<b>2010</b>	<b>2009</b>
at 31 December	€000	€000
Stationery	286	267
IT Supplies	66	65
Materials	23	19
	<u>375</u>	<u>351</u>
	<u><u>375</u></u>	<u><u>351</u></u>
<b>2.5 Other Debit Balances</b>	<b>2010</b>	<b>2009</b>
at 31 December	€000	€000
Imprests advanced	20	21
Department of Justice and Law Reform	35	35
Department of Arts, Sport and Tourism	7	7
OPW Advances	25	—
Miscellaneous debit balances	487	522
Recoupable expenditure	1,178	1,314
	<u>1,752</u>	<u>1,899</u>
	<u><u>1,752</u></u>	<u><u>1,899</u></u>
<b>2.6 Other Credit Balances</b>	<b>2010</b>	<b>2009</b>
at 31 December	€000	€000
<b>Amounts due to the State</b>		
Income Tax	101	120
Superannuation contributions	564	616
Pay Related Social Insurance	(64)	(101)
Income Levy	(1)	(58)
Professional Services Withholding Tax	137	177
VAT on Intra EU Acquisitions	67	31
	<u>804</u>	<u>785</u>
European Union funds	—	3,257
Miscellaneous credit balances	3,000	2,626
	<u>3,804</u>	<u>6,668</u>
	<u><u>3,804</u></u>	<u><u>6,668</u></u>

**2.7 Net Liability to the Exchequer**

at 31 December

	<b>2010</b>	<b>2009</b>
	<b>€000</b>	<b>€000</b>
Surplus to be surrendered	41,824	18,909
Exchequer grant undrawn	(40,049)	(9,622)
Net liability to the Exchequer	<u>1,775</u>	<u>9,287</u>
<b>Represented by:</b>		
<b>Debtors</b>		
Bank and cash	3,827	14,056
Debit balances: suspense	1,752	1,899
	<u>5,579</u>	<u>15,955</u>
<b>Creditors</b>		
Due to State	(804)	(785)
Credit balances: suspense	(3,000)	(5,883)
	<u>(3,804)</u>	<u>(6,668)</u>
	<u>1,775</u>	<u>9,287</u>

## 2.8 Commitments

at 31 December

<b>Global Commitments</b>		<b>2010</b>	<b>2009</b>
		<b>€000</b>	<b>€000</b>
<b>(A)</b>	<b>Procurement</b>	734	239
<b>(B)</b>	<b>Grants*</b>	1,421,238	1,448,960

\*includes expenditure from own resource income.

### Multi Annual Capital Commitments over €6.35m <sup>1</sup>

	<b>Cumulative Expenditure to 31 December 2009</b>	<b>Expenditure in 2010</b>	<b>Subsequent Years</b>
	<b>€000</b>	<b>€000</b>	<b>€000</b>
IDA Ireland	78,100	110,300	111,000
Enterprise Ireland	20,749	12,372	106,379
Shannon Development <sup>2</sup>	4,254	4,158	15,009
Science Foundation Ireland <sup>2</sup>	35,188	33,586	104,017
Programme for Research in Third Level Institutions (PRLTI)	—	4,192	171,923
	<b>138,291</b>	<b>164,608</b>	<b>508,328</b>

<sup>1</sup> This relates to individual contracts with a value over €6.35m.

<sup>2</sup> Cumulative expenditure to 31 December 2009 was adjusted to account for expenditure on 2 projects omitted from 2009 Appropriation Account.

## 2.9 Matured Liabilities

Estimated matured liabilities undischarged at the year-end were € 89,827.

### 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.3.	478	Savings were made through (i) the reduced use of external trainers (ii) Irish and Foreign Translation costs (iii) health and safety costs and (iv) legal fees. The Ministerial Allowance was discontinued early in the year.
A.6.	365	Due to the ongoing economic downturn the Department did not carry out any major refurbishment or renovation projects in 2010 and its purchase of new furniture and fittings were minimal. During the year also, the cost of certain services and supplies decreased due to increased competitiveness.
A.8.	171	Savings are primarily due to reduced spending levels in the newspaper/advertising element of the sub-head which is largely dependant on the number of statutory instruments being made in any particular financial year.
A.9.	2,412	The savings arose in the non-pay side of the ODCE budget. This was principally due to legal costs being significantly less than anticipated because expected Supreme Court and High Court judgements did not materialise.
A.11.	889	Pay under-spend of €159,805 resulted from a reduction in staff numbers and the consequent non filling of vacancies. Non-Pay underspend €729,496 arose due to savings in (i) travel and subsistence, (ii) the Information Communications Technologies area and (iii) across a range of administration headings arising from reduced costs and efficiencies.
B.2.	(1,326)	This subhead was established to provide funding to meet the pension liability on two Forfas pension schemes that were funded schemes up to 31 December 2009 when the funds were transferred to the National Pension Reserve Fund. The allocation provided was insufficient to meet the actual liability arising under the funded pensions in 2010.
C.2.	(460)	With the approval of the Department of Finance the sum of €460,000 was vired from subhead H2 to subhead C2 in December 2010 as grant claims for the year exceeded the original Exchequer funding allocation.
D.3.	650	This saving is due to the cancellation of proposed moves for the Athlone and Waterford regional offices of Enterprise Ireland and due to delays to work on the new entrance to the Glasnevin site.
E.2.	(272)	Original E2 allocation of €3,600,000 plus Capital Carryover of €1,400,000 was insufficient, due to increased grant demand from companies in the Shannon Free Zone. An approved virement amount from H2 was used to cover the balance of expenditure. This virement amounted to €272,256.
F.2.	168	The savings arose due to the late appointment of a Project Manager for the Dublin City of Science Event over the period 2009 to 2012.

G	(2,781)	An additional €3.3m Capital was provided from savings elsewhere in the Department, bringing the total allocation for 2010 to €31.6. The request to vire the additional funds was made to promote business start ups and to develop existing businesses to support job retention and creation in line with government policy.
H.2.	773	Delays in the approval of projects, and subsequent delayed and reduced expenditure by projects, resulted in a significant underspend by Interreg's Managing Authority - SEUPB (Special EU Programmes Body).
L.2.	21,147	The underspend arises because of approved enterprises not being able to maintain the required number of committed full and part time jobs as defined for the purposes of the scheme for a given claim period.
N	533	The saving in Pay of €53,000 was due to staff vacancies not being filled. The saving in Non-Pay of €480,000 was due to savings in (i) Travel and Subsistence, (ii) IT projects and (iii) expenditure on Assessors and Legal Costs being less than anticipated.
O.1.	268	The grant is payable in 4 instalments during the year to the Irish Congress of Trade Unions (ICTU), on the basis of requests from the ICTU for payment. The ICTU did not draw down the fourth instalment in 2010.
O.2.	413	The drawdown by Enterprise Ireland was less than anticipated as a number of the companies which had been approved for funding deferred plans to undertake project activity in 2010 as a consequence of the uncertainty resulting from the economic downturn.
R.1.	1,654	The Pay budget was provided to support the Agency recruiting additional staff during 2010 but under the Employment Control Framework no staff were recruited. Savings in Non Pay resulted from reductions in financial outlays on a range of administration and financial services. Savings were also achieved in travel and subsistence.
T	1,900	Savings were achieved by: (i) A strong efficiency drive by H.S.A. management (assisted by a new IT system), (ii) a lower level of legal cases than anticipated, (iii) the absence of major and complex accidents requiring outside forensic expertise, (iv) the deferral of expenditure on some major new projects to 2011, and (v) a tight management by DETI of cash drawdowns by the Authority.
U	185	Savings arose as a research project costing a potential €100,000 that was to be undertaken in 2010 did not proceed.
V	102	The underspend was due to the lower than expected level of companies applying for assistance from the Panel of Consultants Scheme. In 2010 a decision was made to wind up the Panel of Consultants Scheme, to disband the National Committee on Work Life Balance and to move the contents of the Work Life Balance website into DETI website, with the result that no expenditure was sanctioned in the later part of 2010.
X.1.	242	It is difficult to accurately predict the expenditure which might occur under this heading during the year. Cost reduction and cost containment measures resulted in savings on all nominals under this subhead.
X.2.	2,177	The estimate under this Subhead is to cover contingencies which might arise in cases of legal and other costs. Savings arose primarily due to legal costs not arising as anticipated. Some administrative savings were also achieved.
X.3.	118	This Subhead includes a contingency provision to cover death in service and ill-health retirements. It is necessary to have a contingency provision given their unforeseen nature.

## 4 Receipts

### 4.1 Appropriations-in-aid

	2010	2010	2009
	Estimated	Realised	Realised
€000	€000	€000	€000
1. Receipts from the Social Insurance Fund under Section 56 of the Redundancy Payments Act, 1967 (Employment Appeals Tribunal).	2,929	4,486	3,413
2. Work Permit Fees	5,000	3,816	4,601
3. Employment Agency licences	215	223	213
4. Companies Registration Office & Registry of Friendly Societies	18,000	20,254	22,648
5. Receipts under the Trade Marks Act, 1963 and Patents Act, 1964	8,600	8,978	8,878
6. Occasional Trading Licences (Competition Authority)	8	3	10
7. National Consumer Agency	440	370	439
8. Merger notifications	256	384	208
9. FÁS Pensions <sup>1</sup>	1,226	1,226	3,953
10. FÁS Pensions - Pension receipts arising from the Financial Measures (Miscellaneous Provisions) Act <sup>1</sup>	1,223	1,223	—
11. Receipts from IDA Ireland	13,836	13,836	—
12. European Social Fund			
Original Estimate	107		
Supplementary	5,845		
	5,952	5,952	8,332
13. ODCE legal	100	22	17
14. County Enterprise Development	618	332	99
15. Competition Authority - Receipts	—	1	95
16. Enterprise Policy (InterTrade Ireland)	50	37	77
17. IAASA pay refund	134	313	261
18. PIAB Pay and superannuation	1,719	1,233	1,404
19. HSA superannuation	675	522	509
20. IDA Ireland - Pension receipts arising from the Financial Measures (Miscellaneous Provisions) Act	2,580	2,586	—
21. SFADCo - Pension receipts arising from the Financial Measures (Miscellaneous Provisions) Act	1,270	1,143	—
22. Receipts from Pension - related deduction on Public Service Remuneration	13,710	13,555	16,890
23. Miscellaneous	100	1,229	1,206
<b>Total</b>	<b>78,641</b>	<b>81,724</b>	<b>73,253</b>

<sup>1</sup> Service transferred to the Department of Education and Skills with effect from 1 May 2010. Receipts received since that date have been brought to account in Vote 26.

**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%.

<b>Heading</b>	<b>Less/ (more) than estimated €000</b>	<b>Explanation</b>
1.	(1,557)	The administrative costs of Redundancy, Insolvency and Finance Units are difficult to predict with overtime and annual increments to take into account and it is, therefore, difficult to give an exact estimate. The excess over the estimate for 2010 can be accounted for by the increase in staff numbers and also there was an extra reliance on overtime.
2.	1,184	The reduction in fee receipts can be attributed to (i) a drop in the number of new fee bearing applications received due to more restrictive policies introduced for first time permits from 1st June 2009, (ii) a new policy decision whereby non-EEA nationals who held an employment permit for a consecutive five year period no longer require one to work in the State, and (iii) continued downturn in the economy leading to a decrease in demand for permits.
4.	(2,254)	Receipts in the CRO are made up mainly of late filing penalties and filing fees. It is difficult to accurately forecast the number of companies who will file late and thereby incur late penalties, or who will file electronically and avail of lower filing fees. The estimate of €18m was based on a trend of diminishing receipts in previous years, but in any event, the receipts were more than anticipated.
8.	(128)	The Competition Authority estimated the number of notifications for 2010 at 32 based on the number of mergers and acquisitions notified to them in previous years. However, merger activity in 2010 was stronger than in previous years and 46 mergers were notified to the Competition Authority.
14.	286	The estimate of €618k was based on staff numbers at the time of the 2010 REV. The variation from the Estimate reflects the departure of staff and the subsequent vacancies arising from non replacement of staff, thus reduced outgoing pay costs and reduced incoming pension contributions.
17.	(179)	The Department's liability to IASSA is calculated at 40% of funding in respect of the Companies Act and 100% of expenditure in respect of the Transparency Directive. The Department runs the payroll for IASSA. Where the total amount of the payroll exceeds the Department's funding liability to IASSA the excess is refunded as A in A. In 2010, due to reduction in overall costs of IASSA the refund due from the Department's running of the payroll was greater than estimated.
18.	486	The 2010 estimate was overstated. The decrease in pension contributions for the staff of the Personal Injury Assessment Board is directly related to the pay cuts that took effect from January 2010.
19.	153	The item relates to the pension contributions for the staff of the Health & Safety Authority. The 2010 forecast of receipts was understated.
21.	127	The estimate of €1,270k was based on pay levels at the time of the 2010 REV, prior to the announcement of pay cuts that took effect from 1 Jan 2010. As a result of the pay cuts, both employee and employer pension contributions were decreased.
23.	(1,129)	By its nature it is difficult to predict what level of receipts will be received under this category. The majority of the excess, approximately €971k, relates to unused funds returned by CEBs in 2010. Also, an amount of €103k was received in respect of refunds of Employers PRSI.

## 4.2 Extra receipts payable to the Exchequer

	<b>Estimated</b>	<b>Realised</b>
	€	€
Export Credit - Recoveries from Iraq	200,000	—
IDA Ireland - Interconnectivity Project receipts	—	74,910
Enterprise Ireland - Surplus own resource income - Current (D1, D2, F)	20,000	494,000
Enterprise Ireland - Surplus own resource income - Capital (D2, D3, G)	10,000	9,714,024
Enterprise Ireland - Grant refunds - Capital (F)	251,000	271,332
Forfas - Current	—	799,000
FÁS - Sale of Assets	7,000	7,750
Shannon Development - Grant Refunds - Capital	—	490,477
Information Society - Refund in respect of PRISM 111 projects	21,000	10,723
Miscellaneous	—	717,595
	<u>509,000</u>	<u>12,579,811</u>

## 5 Employee Numbers and Pay

	2010	2009
<b>Number of staff at year end</b> (full time equivalents)	861	912
	<b>€000</b>	<b>€000</b>
Pay	41,197	47,741
Higher, special or additional duties allowances	763	899
Other allowances	382	410
Overtime	722	793
Employer's PRSI	2,215	2,633
<b>Total pay</b>	<b>45,279</b>	<b>52,476</b>

**Note:** The total pay of €45.279m is charged to subheads A.1, A.9, A.10, A.11, A.12, M.1 and S.1.

### 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	114	7	24,026	21,699
Other allowances	207	6	56,316	46,458
Overtime	258	17	19,266	26,908

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

### 5.2 Performance and Merit Payments

No performance or merit awards were paid in 2010.

## 6 Miscellaneous Items

### 6.1 EU Funding

The amount of €5,951,912.27 received from the European Social Fund and shown as appropriations-in-aid was included in the recorded expenditure for subhead M.3 and M.5 (M.5 - Equal community initiative development partnerships - subhead retired in 2009). Some €5,845,060.30 of this was in respect of the Employment and Human Resources Operational Programme 2000 - 2006.

In addition to the grants from the Vote, the following bodies under the aegis of the Department received EU aid directly in 2010 as shown below:

Subhead	Description	2010	2009
		Total	Total
		€	€
E.2.	SFADCo	206,857	111,101
F	Science Foundation	—	109,173
K.1.	FÁS	—	867,638
M.2.	Leonardo Programme	—	1,008,785
		<u>206,857</u>	<u>2,096,697</u>

### 6.2 Commissions and Inquiries

	Year of appointment	2010	2009
		€	€
National Framework Committee for Work/Life Balance P	2004	53,706	83,048
Joint Labour Committees	1946	18,036	76,167
Company Law Inquiries	1994	15,246	72,642
Company Law Review Group	2000	23,780	24,919
Business Regulation Group	2006	36,970	7,918
Workplace Safety	2002	200,000	200,000
Departmental Audit Committee	2004	498	2,049
Sales Law Review Group	2009	4,197	5,157
Total		<u>352,433</u>	<u>471,900</u>

### 6.3 Miscellaneous

A sum of €5.845m was written off in respect of advance payments made to projects over the period 1995 - 2000 under the ADAPT and Employment Community Initiatives. It was expected that the amount in question would be recouped from the European Commission, but it was subsequently withheld due to the manner in which the Department presented European Social Fund Claims. The amount in question is deemed to be non-recoverable from the projects and the charge of €5.845m is reflected in Subhead M.3. having initially been charged to a suspense account.

Two amounts of €19,246 and €19,561 which were charged to Subhead A.5. in previous years in respect of two IT capital projects, were written off as the projects subsequently did not proceed.

Expenditure under Subhead X.2. Includes legal costs of €65,000 arising from costs in relation to legal actions of a constitutional nature to certain provisions of the Personal Injuries Assessment Board Act 2003, as amended.

## 6.4 Miscellaneous Payments

**Employment and Training Levy - Statement of Payments made in accordance with Section 25(1) of the Labour Services Act, 1987**

	Total for the year ended 31 December 2010	Cumulative to 31 December 2010	Total for the year ended 31 December 2009
	€	€	€
Received by Minister for Enterprise, Trade and Innovation	544,455	2,890,402,253	1,344,089
Paid by Minister for Enterprise, Trade and Innovation into the Exchequer	544,455	2,890,402,284	1,309,374

