

Appropriation Account 2025

Vote 28

Foreign Affairs and Trade

Introduction

As Accounting Officer for Vote 28, I am required each year to prepare the appropriation account for the Vote and 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 2025 for the salaries and expenses of the Office of the Minister for Foreign Affairs and Trade, and for certain services administered by that Office, including grants and contributions to international organisations.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2025, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €9.12 million is liable for surrender to the Exchequer.

Transfer of functions

The Revised Estimates take account of the transfer of certain administration and ministerial functions from the Department of Enterprise, Tourism and Employment to the Department of Foreign Affairs and Trade. A transfer of functions order was not deemed necessary in light of the non-statutory nature of the functions being transferred. Instead, a memorandum of understanding was signed by the two Departments on 31 July 2025. Sixteen posts were transferred.

In line with the accounting arrangements set out by the Government Accounting Section of the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, the Revised Estimates for 2025 reflect the transferred functions on a full year basis. The appropriation account, which must follow the form and format of the estimate, also reflects the transfers of functions on a full year basis. The full year estimate of gross pay and non-pay allocations associated with the functions transferred from the Department of Enterprise, Tourism and Employment was €6.5 million.

The statement of accounting policies, 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, as set out by the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation in circular 25 of 2025 have been applied in the preparation of the account. This includes the application of a number of Central Government Accounting Standards (CGAS) brought into effect for periods of account commencing from 1 January 2025.

To facilitate the transition of the appropriation account to the CGAS, the Department of Foreign Affairs and Trade has received derogations in respect of CGAS 17, Property, Plant and Equipment as follows.

Buildings have not been depreciated in 2024 or 2025. The revaluation surplus at 31 December 2024 and 31 December 2025 has not been disclosed. In accordance with CGAS 17, depreciation will be applied on the revalued amounts of buildings from 1 January 2026, and the revaluation surplus at 31 December 2026 will be disclosed separately in the 2026 appropriation account.

Land and buildings

The carrying value of land and buildings included in capital assets is based on a valuation exercise carried out every seven years, with subsequent additions and improvements to land and buildings carried at cost. The revaluation method used is the current market value based on local market conditions. There is no depreciation on land or buildings.

Depreciation of other capital assets

Depreciation of plant and equipment and amortisation of intangible assets are calculated and charged in accordance with CGAS 17 and CGAS 31, respectively.

The useful lives and associated rates of major classes of capital assets are as follows.

<i>Asset class</i>	<i>Useful life</i>	<i>Rate of depreciation</i>
Vehicles	5 years	20%
Office and IT equipment	5 -10 years	10 - 20%
Fixtures and fittings	10 years	10%

Foreign exchange transactions

Transactions arising in foreign currencies are translated into euro at the rate of exchange prevailing at the date of settlement. At Mission level, transactions arising in foreign currencies are translated into euro at the market rate of exchange prevailing at the beginning of that month. Unrealised exchange differences arising from the revaluation of year end foreign currency balances are recognised in the State Funding Account in the year.

Transactions at diplomatic missions

Accrued expenses, prepayments, inventories and commitments do not include amounts in respect of the Department's diplomatic missions other than those relating to property leases.

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 Department.

This responsibility is exercised in the context of the resources available to me and my other obligations as 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 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.

Assurance on shared services

Payroll, expenses, and human resource functions are provided on a shared services basis by the National Shared Services Office (Vote 18). The Accounting Officer of the National Shared Services Office is responsible for the operation of controls within the Shared Service Centres.

The Accounting Officer for the National Shared Services Office has provided me with a letter of assurance on the internal control and audit arrangements and reports on the audits of the operation of controls at the Office during 2025.

I take assurance from the system of control within shared services as reported to me by the Accounting Officer for the National Shared Services Office.

Financial control environment

A control environment comprising 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.
- Procedures for key business processes have been documented.
- There are systems in place to safeguard the assets.

Administrative controls and management reporting

A framework of administrative procedures and regular management reporting is in place, including segregation of duties and a system of delegation and accountability, and specifically

- there is an appropriate budgeting system with an annual budget, which is kept under review by senior management.
- there is segregation of duties and system of delegation and accountability.
- 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 Department.
- there are systems aimed at ensuring the security of the ICT systems.
- there are appropriate capital investment control guidelines and formal project management disciplines.
- there is in place a counter-fraud policy, which supports combatting, reporting of and responding to incidences of suspected fraud that may occur in the Department or grant recipients.

Internal Audit and Audit Committee

The Department has an internal audit function with appropriately qualified and trained personnel, which operates in accordance with a written charter which I have approved. Its work is informed by analysis of the risks to which the Department is exposed. Its rolling and annual internal audit plans, approved by me and agreed by the Audit Committee, are based on 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 me and by the Audit Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

Procurement

The Department 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. Expenditure on goods, services, professional and other contracted services, amounted to a total of €151 million in 2025.

The Department has provided details of 51 non-competitively procured contracts in excess of €25,000 in the annual return in respect of circular 40/2002 to the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

Non-compliance with procurement rules

The Department complied with the guidelines with the exception of three contracts in excess of €25,000 (exclusive of VAT) totalling €93,362 (exclusive of VAT).

- Two contracts totalling €57,943 which had previously been awarded under a competitive tender process were extended beyond the original contract date without a competitive process. These contracts are currently under review by the Department, and a new procurement process will be initiated.
- One contract amounting to €35,419 was incorrectly awarded through a framework due to an administrative error. A tender will issue for these services will issue in 2026.

The above contracts have been included in the 40/2002 annual return.

Mission tax compliance

It is the Department's policy to comply with local tax and social insurance obligations where Ireland's diplomatic missions are located. Compliance with the tax obligations of host countries is reviewed on an ongoing basis by both Finance Unit and Human Resources Division, through desktop reviews by teams at headquarters and by regular mission visits. In addition, the Department's Internal Audit function includes a review of compliance with local taxes in each audit of missions. The Department also provides guidance on local tax rules as part of its training programme for staff in advance of overseas postings.

Risk and control framework

The Department has implemented a risk management system which identifies and reports key risks, their ownership and grading, the internal controls in place, and the management actions to be taken mitigate those risks. These risks are reviewed by the Risk Management Committee and the Management Board and updated on a regular basis.

The high-level, business unit, mission and major project risk registers detail the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff.

Ongoing monitoring and review

Formal procedures have been established for monitoring control processes and control deficiencies. I confirm that key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

Review of effectiveness

The Department has procedures to monitor the effectiveness of its risk management and control procedures. The Department's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors, and the senior management within the Department responsible for the development and maintenance of the internal financial control framework.

Internal financial control issues***Passport recall***

On 7 January 2026, the Passport Service became aware of a problem with passports issued between 23 December 2025 and 6 January 2026.

On 22 December 2025, the Passport Service implemented a change to the data page of the passport in order to comply with International Civil Aviation Organisation (ICAO) requirements. When the change was made, an error occurred on the machine-readable zone section of the data page with the result that passports issued after the change were not compliant with ICAO standards and could cause issues for Irish citizens using these books at gates and border control posts. The Department took immediate steps with the supplier to rectify the software. The error was rectified and passports issued from 7 January 2026 are fully compliant with international travel document standards.

The problem affected a total of 12,097 passport books dispatched between 23 December 2025 and 6 January 2026. The Passport Service notified all affected customers and advised them to return their passport books and cards so that replacement passports could be issued. A dedicated customer service team was set up to provide assistance and support to affected customers.

To date, 96% of the affected passports have been returned and new passports issued to customers. The Passport Service will continue to engage with customers who have not yet returned their passports to ensure that they do so. The Department estimates that the cost of the recall was €327,000. The supplier has agreed to provide compensation to the Department of €224,000, which represents over two-thirds of the estimate costs incurred.

Tax compliance

The Department made an unprompted voluntary disclosure to the Revenue Commissioners in 2025 regarding an underpayment of benefit-in-kind (BIK) charge for taxi journeys.

Taxi journeys are required for a small cohort of staff for operational and health and safety reasons relating to the opening and closing of buildings outside of core hours. A measure was implemented by Revenue during the Covid-19 pandemic that ceased the requirement to pay BIK on these taxi journeys. However, when this Revenue exemption expired, the Department did not reinstate the BIK payment practice.

The Department made a payment of €32,809 to Revenue which included interest on late payment of €4,191 and reinstated the BIK payment practice in 2025. Revenue subsequently refunded the Department €3,104, bringing the final liability to €29,705. We are awaiting final closure of the matter from Revenue and continue to engage with Revenue on this matter.

No other weaknesses in internal financial control were identified in relation to 2025 that require disclosure in the appropriation account.

Joe Hackett
Accounting Officer
Foreign Affairs and Trade

3 September 2026

Comptroller and Auditor General Report for presentation to Dáil Éireann

Vote 28 Foreign Affairs and Trade Opinion on the appropriation account

I have audited the appropriation account for Vote 28 Foreign Affairs and Trade for the year ended 31 December 2025 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993.

In my opinion, the appropriation account

- properly presents the receipts and expenditure of Vote 28 Foreign Affairs and Trade for the year ended 31 December 2025, and
- has been prepared in the form prescribed by the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

Basis of opinion

I conducted my audit of the appropriation account in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Department of Foreign Affairs and Trade and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on the statement on internal financial control, and on other matters

The Accounting Officer has presented a statement on internal financial control together with the appropriation account. My responsibilities to report in relation to the information in the statement, and on certain other matters upon which I report by exception, are described in the appendix to this report.

Passport recall

In the statement on internal financial control, the Accounting Officer discloses the circumstances in which the Vote incurred costs totalling €327,000 due to a recall of passports arising from a supplier error. The Accounting Officer also discloses that the supplier has agreed to provide compensation of €224,000 to the Department in respect of this issue.

Seamus McCarthy

Comptroller and Auditor General

7 September 2026

Appendix to the report of the Comptroller and Auditor General

Responsibilities of the Accounting Officer

The Accounting Officer is responsible for

- the preparation of the appropriation account in accordance with section 22 of the Exchequer and Audit Departments Act 1866
- ensuring the appropriation account complies with the requirements of the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation's *Public Financial Procedures*, and with other directions of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.
- ensuring the regularity of transactions, and
- implementing such internal control as the Accounting Officer determines is necessary to enable the preparation of the appropriation account free from material misstatement, whether due to fraud or error.

Responsibilities 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 account and to report thereon to Dáil Éireann stating whether, in my opinion, the account properly presents the receipts and expenditure related to the vote.

My objective in carrying out the audit is to obtain reasonable assurance about whether the appropriation account is free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the appropriation account.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the appropriation account whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I assess whether the accounting provisions of the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation's *Public Financial Procedures* have been complied with.

I communicate with the Accounting Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the appropriation account to be readily and properly audited, or
- the appropriation account is not in agreement with the accounting records.

Appendix to the report of the Comptroller and Auditor General (continued)**Reporting on the statement on internal financial control**

My opinion on the appropriation account does not cover the Accounting Officer's statement on internal financial control, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the appropriation account, I am required under the ISAs to read the statement on internal financial control and, in doing so, consider whether the information contained therein is materially inconsistent with the appropriation account or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement, I am required to report that fact.

Reporting on other matters

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I am required to report under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I am also required under the 1993 Act to prepare, in each year, a report on such matters arising from my audits of the appropriation accounts as I consider appropriate. In such cases, the audit reports on the relevant appropriation accounts refer to the relevant chapter(s) in my annual *Report on the Accounts of the Public Services*.

Vote 28 Foreign Affairs and Trade

Appropriation Account 2025

		2025		2024
		Estimate provision		Outturn
		€000	€000	€000
Programme expenditure				
A	Advancing Ireland's foreign policy goals			
	<i>Original</i>	442,447		
	<i>Supplementary</i>	145,000		
			587,447	580,231
B	Passport service			375,564
	<i>Original</i>	61,470		
	<i>Supplementary</i>	10,000		
			71,470	72,336
				54,016
Gross expenditure				
	<i>Original</i>	503,917		
	<i>Supplementary</i>	155,000		
			658,917	652,567
				429,580
<i>Deduct</i>				
C	Appropriations-in-aid			
	<i>Original</i>	65,000		
	<i>Supplementary</i>	10,000		
			75,000	77,770
				85,219
Net expenditure				
	<i>Original</i>	438,917		
	<i>Supplementary</i>	145,000		
			583,917	574,797
				344,361

Surplus

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

	2025	2024
	€	€
Surplus to be surrendered	9,119,622	16,729,989

Joe Hackett
Accounting Officer
Foreign Affairs and Trade
3 September 2026

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2025

	2025	2024
	€000	€000
Programme cost	329,729	150,234
Pay	155,651	143,168
Non pay	167,187	136,178
Gross expenditure	652,567	429,580
<i>Deduct</i>		
Appropriations-in-aid	77,770	85,219
Net expenditure	574,797	344,361
Changes in capital assets		
<i>Property, plant, and equipment</i>		
<i>(note 2.1)</i>		
Purchases	(19,935)	
Depreciation	1,792	
Disposals cash	821	
Loss on disposals	655	
<i>Intangible assets (note 2.2)</i>		
Purchases	(8,677)	
	(25,344)	(7,420)
Changes in net current assets		
Decrease in inventories	3,943	
Decrease in prepayments	22,795	
Increase in accrued expenses	794	
Loss on exchange differences ^a	2,536	
	30,068	(19,157)
Direct voted expenditure	579,521	317,784
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	36,430	33,295
Notional rent	2,833	2,992
Net programme cost	618,784	354,071

Note ^a From 2025, as per CGAS 4, unrealised exchange differences are treated as a movement on the State funding account.

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 28 borne elsewhere.

		2025	2024
		€000	€000
Vote 9	Office of the Revenue Commissioners	82	82
Vote 12	Superannuation and Retired Allowances	26,665	26,345
Vote 13	Office of Public Works	8,347	6,033
Vote 18	National Shared Services Office	382	206
Vote 20	Garda Síochána	112	89
Vote 43	Office of the Government Chief Information Officer	490	206
	Central Fund – ministerial pensions	400	410
	Costs of shared services provided to Vote 1 (President's Establishment)	(48)	(76)
		36,430	33,295

Note 2 Statement of Financial Position as at 31 December 2025

	Note	2025 €000	2024 €000
Fixed assets			
Property, plant and equipment	2.1	232,544	224,875
Intangible assets	2.2	11,670	2,993
		244,214	227,868
Current assets			
Inventories	2.4	3,873	7,816
Prepayments	2.5	16,572	39,367
Other debit balances	2.6	16,664	13,515
		37,109	60,698
<i>Less</i>			
Current liabilities			
Bank and cash	2.3	10,564	7,781
Accrued expenses	2.7	9,268	8,474
Other credit balances	2.8	5,089	4,358
Net Exchequer funding	2.9	3,547	1,376
		28,468	21,989
Net current assets		8,641	38,709
Net assets		252,855	266,577
Represented by:			
State funding account	2.10	252,855	266,577

2.1 Property, plant and equipment

	Buildings	Vehicles	Office and IT equipment	Furniture and fittings	Assets under development	Total
	€000	€000	€000	€000	€000	€000
Cost or valuation						
At 1 January 2025	199,985	3,588	30,927	2,169	20,732	257,401
Additions	—	1,056	852	175	17,852	19,935
Adjustment ^a	—	—	(1,715)	—	—	(1,715)
Disposals	(1,460)	(564)	(618)	(117)	—	(2,759)
Brought into use	22,748	—	123	113	(22,984)	—
Transfer ^b	—	—	—	—	(8,998)	(8,998)
At 31 December 2025	221,273	4,080	29,569	2,340	6,602	263,864
Accumulated depreciation						
At 1 January 2025	—	2,590	28,591	1,345	—	32,526
Adjustment ^b	—	—	(1,715)	—	—	(1,715)
Depreciation for the year	—	403	1,346	43	—	1,792
Depreciation on disposals	—	(552)	(618)	(113)	—	(1,283)
At 31 December 2025	—	2,441	27,604	1,275	—	31,320
Net assets						
At 31 December 2025	221,273	1,639	1,965	1,065	6,602	232,544
At 31 December 2024	199,985	998	2,336	824	20,732	224,875

Note ^a Passport project payments totalling €1,715,000 incorrectly capitalised in prior year were identified and removed from the fixed asset register.

^b The cost of construction of the new chancery in Abuja, Nigeria totalling €8,998,000 was transferred to Vote 27 International Co-operation on completion of the building.

2.2 Intangible assets

	Acquired and developed software €000	Assets under development €000	Total €000
Cost or valuation			
At 1 January 2025	31,516	2,993	34,509
Additions	1,485	7,192	8,677
At 31 December 2025	33,001	10,185	43,186
Accumulated amortisation			
At 1 January 2025	31,516	—	31,516
Amortisation for the year	—	—	—
At 31 December 2025	31,516	—	31,516
Net assets			
At 31 December 2025	1,485	10,185	11,670
At 31 December 2024	—	2,993	2,993

2.3 Bank and cash

at 31 December	2025 €000	2024 €000
PMG balances	(53,194)	(40,816)
Commercial bank account balances	7,460	4,309
Mission bank balances and cash	35,170	28,726
	(10,564)	(7,781)

2.4 Inventories

at 31 December	2025 €000	2024 €000
Passport books and cards	3,834	7,778
Protocol stocks	39	38
	3,873	7,816

2.5 Prepayments

at 31 December	2025	2024
	€000	€000
Mission leases	2,764	2,574
Contributions to international organisations	6,576	33,182
Other prepayments	7,232	3,611
	16,572	39,367

2.6 Other debit balances

at 31 December	2025	2024
	€000	€000
Departmental and agency accounts	8,017	5,585
Imprest and personal suspense accounts	1,842	1,816
Repatriations	117	120
Payroll control accounts	4,546	4,102
Honorary consulate debtors	17	(86)
Other balances	2,125	1,978
	16,664	13,515

2.7 Accrued expenses

at 31 December	2025	2024
	€000	€000
Administration accruals	1,926	2,268
Payroll accruals	7,084	5,770
Programme accruals	192	380
Travel and subsistence accruals	66	56
	9,268	8,474

2.8 Other credit balances

at 31 December	2025	2024
	€000	€000
Amounts due to the State		
Income tax	1,711	1,586
Pay related social insurance	1,504	1,299
Universal social charge	324	332
Local property tax	6	7
Value added tax	107	49
Professional services withholding tax	208	161
	<u>3,860</u>	<u>3,434</u>
Unrealised exchange rate differences	—	(169)
Sundry creditors	1,229	1,093
	<u>1,229</u>	<u>924</u>
	<u>5,089</u>	<u>4,358</u>

2.9 Net Exchequer funding

at 31 December	2025	2024
	€000	€000
Surplus to be surrendered	9,120	16,730
Exchequer grant undrawn	(5,573)	(15,354)
Net Exchequer funding	<u>3,547</u>	<u>1,376</u>
Represented by:		
Debtors		
Other debit balances	16,664	13,515
Unrealised exchange rate differences	2,536	—
	<u>19,200</u>	<u>13,515</u>
Creditors		
Bank and cash	(10,564)	(7,781)
Due to the state	(3,860)	(3,434)
Other credit balances	(1,229)	(924)
	<u>(15,653)</u>	<u>(12,139)</u>
	<u>3,547</u>	<u>1,376</u>

2.10 State funding account

	Note	2025	2024
		€000	€000
Balance at 1 January		266,577	239,209
Disbursements from the Vote			
Estimate provision	Account	583,917	
Surplus to be surrendered	Account	(9,120)	
Net vote		574,797	344,361
Expenditure borne elsewhere	1.1	36,430	33,295
Non-cash items			
Capital asset transferred to Vote 27	2.1	(8,998)	791
Notional rent	1	2,833	2,992
Net programme cost	1	(618,784)	(354,071)
Balance at 31 December		252,855	266,577

2.11 Commitments

Global commitments	2025	2024
at 31 December	€000	€000
Lease commitments	63,526	66,167
Procurement of goods and services	34,949	—
Capital commitments ^a	19,916	—
Total	118,391	66,167

Note ^a Total expenditure of €35.196 million was incurred in 2025 for capital projects with commitments at year end.

2.12 Operating leases

at 31 December	2025	2024
	€000	€000
Property lease expense ^a	23,669	23,440

Note ^a These figures represent the total cost of operating leases for the Department's global network of chanceries, consulates and official accommodations.

2.13 Contingent liabilities

While the Department is party to a number of legal cases, the financial impact of the cases is unlikely to be material and cannot be reliably estimated until they are concluded.

2.14 Impact of accounting policy changes

Commencing from 1 January 2024, central government accounting standards (CGAS) are being implemented on a phased basis. The implementation had the following impact on the State funding balance in the year of account.

	2025	2024
	€000	€000
Unrealised exchange rate differences ^a	—	169
Holiday accrual ^b	—	(2,411)
Payroll accrual ^b	—	(3,359)
	—	(5,601)

Note ^a CGAS 4 The Effects of Changes in Foreign Exchange Rates

^b CGAS 39A Employee Benefits Part A

Note 3 Vote Expenditure

Analysis of administration expenditure

Administration expenditure set out below has been apportioned across the programmes, to present complete programme costings.

		2025		2024
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages, and allowances	154,348	155,651	143,168
ii	Travel and subsistence	9,313	8,741	8,691
iii	Training and development	1,257	1,354	1,342
iv	Operational services, supplies, and sundry equipment			
	<i>Original</i>	14,018		
	<i>Supplementary</i>	10,000		
		24,018	24,299	18,054
v	Digital capital investment and IT expenses	34,953	38,208	21,574
vi	Premises expenses	75,850	65,918	67,715
vii	Policy reviews, consultancy services and research	100	75	81
viii	Posting supports	18,208	18,608	18,721
ix	EU Presidency 2026	10,000	9,985	—
		328,047	322,839	279,346

Significant variations

The following notes outline the reasons for significant variations (at least +/- 25% and €100,000) in administration expenditure.

iv Operational services, supplies, and sundry equipment

Estimate provision €14.018 million; outturn €24.299 million

The increase in expenditure in this subhead was driven mainly by the need to purchase new passport books and cards to facilitate the launch of a new passport book and card in June 2026.

Programme A Advancing Ireland's foreign policy goals

		2025		2024
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A.1	Administration – pay	128,382	129,031	119,979
A.2	Administration – non pay	138,195	129,675	115,038
A.3	Reconciliation and North-South cooperation	9,045	8,152	12,939
A.4	International Fund For Ireland	4,150	4,830	4,150
A.5	Support for the diaspora	16,495	19,871	17,515
A.6	Contributions to multilateral organisations			
	<i>Original</i>	22,616		
	<i>Supplementary</i>	45,000		
		67,616	67,585	88,062
A.7	Measures in support of the EU common foreign and security policy	418	363	414
A.8	Measures in support of EU enlargement and fundamental rights in Europe	1,000	978	960
A.9	EU engagement	2,215	1,979	1,996
A.10	Irish personnel in EU and international institutions	4,000	4,107	3,743
A.11	Promoting Ireland	13,046	10,734	8,172
A.12	Communications	2,402	2,290	2,165
A.13	Fulbright Commission	404	404	404
A.14	Emergency consular assistance	79	232	27
A.15	Ukraine assistance			
	<i>Original</i>	100,000		
	<i>Supplementary</i>	100,000		
		200,000	200,000	—
		587,447	580,231	375,564

Significant variations

The following notes outline the reasons for significant variations in non-administration programme expenditures (at least +/- 5% and €100,000).

A.3 Reconciliation and North-South Cooperation

Estimate provision €9.045 million; outturn €8.152 million

During the year, it became apparent that some grants wouldn't be paid due to delays on completion of the grant application process. It was decided to use this underspend to fund an increase in the International Fund for Ireland (Programme A.4).

A.4 International Fund for Ireland

Estimate provision €4.150 million; outturn €4.830 million

The additional spend in this subhead resulted from a decision to increase funding for the International Fund for Ireland (IFI) in 2025. This requirement was met by reallocating an underspend from Programme A.3 Reconciliation and North-South cooperation.

A.5 Support for the diaspora

Estimate provision €16.495 million; outturn €19.871 million

An opportunity arose to support the redevelopment of the London Irish Centre through a capital grant of €3.4m. The Centre continues to provide vital support services to people in Camden and across London and also supports the work of 79 other organisations in the area. Virement sanction was provided to allow this grant to be funded through savings in other subheads.

A.6 Contributions to multilateral organisations

Estimate provision €22.616 million; outturn €67.585 million

Ireland's international contributions are difficult to estimate due to different budgetary years, changes to funding contributions methodologies and changes to the baseline activities. The excess of €44.3 million over the amount originally provided was primarily due to increased assessed mandatory contributions to the United Nations and UN Peacekeeping missions, combined with an overall increase in all Ireland's international contributions.

A.9 EU engagement

Estimate provision €2.215 million; outturn €1.979 million

This subhead saw a marginal underspend of €236,000. The underspend resulted from delayed funding applications, which prevented the full allocation of the provision within the reporting period.

A.11 Promoting Ireland

Estimate provision €13.046 million; outturn €10.734 million

The largest expenditure in this subhead related to Expo Osaka 2025 which was a multi-annual initiative. The phased nature of the project's delivery led to an underspend within this subhead.

A.14 Emergency consular assistance

Estimate provision €79,000; outturn €232,000

This subhead recorded an overspend of €153,000. The variance was driven by an increased requirement for emergency assistance to Irish citizens impacted by ongoing conflict situations and crises worldwide.

A.15 Ukraine assistance

Estimate provision €100 million; outturn €200 million

The €100 million increased spend arose from a government commitment to provide additional non-lethal assistance to Ukraine.

Programme B Passport Service ^a

		2025		2024
		Estimate provision		Outturn
		€000	€000	Outturn
			€000	€000
B.1	Administration – pay		25,966	26,620
B.2	Administration – non pay			23,189
	<i>Original</i>	25,504		
	<i>Supplementary</i>	10,000		
			35,504	37,512
B.4	Passport contingency ^b		10,000	8,204
			71,470	72,336
				54,016

Note ^a This programme reflects the direct costs associated with passport office operations, including postage, utilities, and general overheads. It excludes indirect costs or overhead allocations from central functions such as ICT, Human Resources, Finance, and Corporate Services, etc.

^b This subhead was established as a dedicated contingency to manage the surge in passport applications since 2020. Funding was primarily allocated to scale up seasonal staffing and increase processing capacity during peak demand periods.

Significant variations

The following notes outline the reasons for significant variations in non-administration programme expenditures (at least +/- 5% and €100,000).

B.4 Passport contingency

Estimate provision €10 million; outturn €8.204 million

This subhead recorded an underspend of €1.796 million. The variance arose primarily from the timing of staff appointments within the Passport Service, where recruitment schedules shifted later into the year than originally projected.

Note 4 Receipts and Revenue

4.1 Appropriations-in-aid

		2025		2024
		Estimate provision	Realised	Realised
		€000	€000	€000
1	Passport, visa, and other consular services			
	<i>Original</i>	61,570		
	<i>Supplementary</i>	10,000		
		71,570	71,088	72,071
2	Repayment of repatriation and maintenance advances	30	4	2
3	VAT refunds to diplomatic missions	700	1,933	1,725
4	Additional superannuation contributions	2,200	2,999	3,489
5	Miscellaneous	500	1,746	7,932
		75,000	77,770	85,219

Significant variations

The following notes outline the reasons for significant variations in appropriations-in-aid (at least +/- 5% and €100,000).

1 Passport, visa, and other consular services

Estimate provision €61.570 million; realised €71.088 million

The surplus of €9.518 million resulted from a higher-than-anticipated volume of passport and visa applications.

3 VAT refunds to diplomatic missions

Estimate provision €700,000; realised €1.933 million

Realised receipts exceeded the estimate by €1.233 million. The surplus is attributable to the unpredictable nature of diplomatic VAT claim cycles, as the timing and volume of submissions from missions are inherently difficult to forecast during the budgetary process.

4 Additional superannuation contributions

Estimate provision €2.2 million; realised €2.999 million

A surplus of €799,000 resulted from higher-than-expected receipts, driven by increased payroll costs.

5 Miscellaneous

Estimate provision €500,000; realised €1.746 million

This category outperformed the estimate by €1.246 million, largely due to the disposal of a property in Buenos Aires and the recovery of unspent grant funding.

4.2 Revenue of the Vote

Appropriations-in-aid represent cash amounts received in the year. Revenue of the Vote represents income related to the activity of the year, based on the accrual principle.

	2025
	€000
Non-exchange transaction revenue	
Central Fund grant	574,797
VAT refunds	1,933
Miscellaneous income	1,722
Additional superannuation contributions	2,999
 Exchange transaction revenue	
Visa and consular fees	71,088
Interest income	24
Other revenue	4
Total revenue	652,567
 Represented by	
Total appropriations-in-aid (note 4.1)	77,770
Central Fund grant	574,797
	652,567

Note 5 Staffing and Remuneration

5.1 Employee numbers (full time equivalents)

At 31 December	2025	2024
Number of staff at year end	<u>2,702</u>	<u>2,480</u>

5.2 Pay

Remuneration of all staff		
	2025	2024
	€000	€000
Pay	135,135	120,736
Higher, special, or additional duties allowances	366	254
Other allowances	18,578	16,338
Overtime	1,360	1,853
Employer's PRSI	10,890	9,553
Foreign social security/health insurance (missions)	4,874	4,121
	<u>171,203</u>	<u>152,855</u>

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2025 €	2024 €
Higher, special, or additional duties allowances	74	12	30,636	25,687
Other allowances	692	518	123,715	117,127
Overtime	478	31	43,359	48,343
Extra remuneration in more than one category	100	56	65,721	55,663

5.4 Department employee pay bands

The number of Department employees whose total employee benefits (including basic pay, allowances, overtime; excluding employer PRSI, employer pension costs) for the financial year fell between €20,000 and €59,999 and within each band of €10,000 from €60,000 upwards are as follows.

Pay bands (€)		Number of employees	
From	To	2025	2024
20,000	59,999	1,331	1,232
60,000	69,999	122	116
70,000	79,999	105	93
80,000	89,999	107	86
90,000	99,999	72	67
100,000	109,999	55	53
110,000	119,999	45	39
120,000	129,999	52	44
130,000	139,999	38	34
140,000	149,999	32	31
150,000	159,999	24	21
160,000	169,999	20	13
170,000	179,999	12	18
180,000	189,999	14	5
190,000	199,999	9	4
200,000	209,999	7	9
210,000	219,999	7	3
220,000	229,999	1	3
230,000	239,999	5	6
240,000	249,999	5	1
250,000	259,999	1	1
260,000	269,999	1	1
270,000	279,999	1	1
280,000	289,999	2	—
290,000	299,999	—	2
300,000	309,999	2	1
310,000	319,999	1	—

5.5 Remuneration and benefits of Accounting Officer

	2025	2024
	€000	€000
Basic pay	245	238

The value of retirement benefits earned in the period is not included above. The Accounting Officer is a member of the pre-1995 pension scheme and his entitlements in that regard do not extend beyond the standard terms of that scheme.

5.6 Other remuneration arrangements

Three retired civil servants in receipt of civil service pensions were re-engaged on a fee basis at a total cost of €24,107. The payments made were consistent with the principles of the Public Service (Single Scheme and other provisions) Act 2012.

5.7 Payroll overpayments

at 31 December	Number of recipients	2025 €	2024 €
Overpayments	201	385,817	434,510
Recovery plans in place	21	58,660	145,451

5.8 Severance

During 2025, three staff members whose employment was terminated, were paid redundancy payments totalling €73,415 (2024: one staff member was paid €5,100).

Two staff members were paid severance payments totalling €14,323 (2024: two staff members were paid €14,015).

Note 6 Miscellaneous

6.1 Compensation and legal costs

Payments/costs paid by the Department/Office in the year

	Claims by		Total	Total
	Employees	Others	2025	2024
Number of cases	5	—	5	8
	€000	€000	€000	€000
Department's own legal costs	43	—	43	58
Payments by/on behalf of Department				
Compensation	98	—	98	71
Legal costs	—	—	—	97
Other costs	6	—	6	52
2025 Total	147	—	147	278
2024 Total	163	115	278	

Note ^a At 31 December 2025, 20 general litigation cases were outstanding.

6.2 Late payment penalties

	2025	2024
	€	€
Interest and compensation	8,511	13,791

6.3 Write offs

The following sums were written off in the year.

	2025	2024
	€	€
Khartoum Honorary Consul ^a	13,983	—

Note ^a Official sanction (DFAT/005/2025) was granted by DPER to finalise the write-off of outstanding balances in Khartoum, following a business case regarding unrecovered funds during the recent period of instability in Sudan.