



Appropriation Account 2013

Vote 17

Public Appointments Service

Introduction

As Accounting Officer for Vote 17, 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 2013 for the salaries and expenses of the Public Appointments Service.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2013, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €269,359 is liable for surrender to the Exchequer.

The Statement of Accounting Policies and Principles and notes 1 to 5 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

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 Public Appointments Service.

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

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 Public Appointments 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 Public Appointments 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 guideline.

Internal Audit and Audit Committee

I confirm that the Public Appointments Service has an internal audit function with appropriately trained personnel, which operates in accordance with a written charter which I have approved. Its work is informed by analysis of the financial risks to which the Public Appointments Service is exposed and its annual internal audit plans, approved by me, 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.

Fiona Tierney
Accounting Officer
Public Appointments Service

19 March 2014

Comptroller and Auditor General Report for presentation to the Houses of the Oireachtas

Vote 17 Public Appointments Service

I have audited the appropriation account for Vote 17 Public Appointments Service for the year ended 31 December 2013 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 her control, for the efficiency and economy of administration by the Public Appointments 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 17 Public Appointments Service for the year ended 31 December 2013.

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 Public Appointments Service. The appropriation account is in agreement with the books of account.

Seamus McCarthy
Comptroller and Auditor General

25 July 2014

Vote 17 Public Appointments Service

Appropriation Account 2013

		2013		2012
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Programme expenditure				
A	Civil and Public Service - Redeployment/Recruitment/Selection	6,531	6,283	6,699
Gross expenditure		6,531	6,283	6,699
<i>Deduct</i>				
B	Appropriations-in-aid	248	269	370
Net expenditure		6,283	6,014	6,329

Surplus for surrender

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

	2013	2012
	€	€
Surplus to be surrendered	269,359	296,869

Analysis of administration expenditure

		2013		2012
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances	4,319	4,283	4,415
ii	Travel and subsistence	58	45	63
iii	Training and development and incidental expenses	112	140	114
iv	Postal and telecommunications services	121	103	130
v	Office equipment and external IT services	858	746	878
vi	Office premises expenses	245	214	354
vii	Recruitment costs – research and corporate governance	14	24	14
viii	Recruitment costs – advertising and testing	415	386	362
ix	Recruitment costs – interview boards	389	342	369
		6,531	6,283	6,699

Notes to the Appropriation Account

1 Operating Cost Statement 2013

	2013	2012
	€000	€000
Pay	4,283	4,415
Non pay	2,000	2,284
Gross expenditure	6,283	6,699
<i>Deduct</i>		
Appropriations-in-aid	269	370
Net expenditure	6,014	6,329
Changes in capital assets		
Purchases cash	(21)	
Depreciation	488	
	467	451
Changes in net current assets		
Increase in closing accruals	71	
Decrease in stock	835	
	906	96
Direct expenditure	7,387	6,876
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	3,048	3,000
Net programme cost	10,435	9,876

1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 17 borne elsewhere.

	2013	2012
	€000	€000
Vote 7 Finance	e 27	27
Vote 9 Office of the Revenue Commissioners ¹	e 45	45
Vote 12 Superannuation and Retired Allowances	e 918	903
Vote 13 Office of Public Works	e 2,058	2,025
	<u>3,048</u>	<u>3,000</u>

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

¹ For comparison purposes, the prior year values have been adjusted for services first allocated in 2013 to the Vote by the Revenue Commissioners.

2 Balance Sheet as at 31 December 2013

	Note	2013 €000	2012 €000
Capital assets	2.2	1,873	2,255
Current assets			
Bank and cash		126	(353)
Stocks	2.3	150	985
Prepayments		335	312
Accrued income		63	20
Other debit balances		107	72
Total current assets		781	1,036
Less current liabilities			
Accrued expenses		222	85
Other credit balances	2.5	156	129
Net liability to the Exchequer	2.4	77	(410)
Total current liabilities		455	(196)
Net current assets		326	1,232
Net assets		2,199	3,487
Represented by:			
State funding account	2.1	2,199	3,487

2.1 State Funding Account	Note	2013 €000	2012 €000
Balance at 1 January		3,487	3,940
Disbursements from the Vote			
Estimate provision	Account	6,283	
Surplus to be surrendered	Account	(269)	
Net vote		6,014	6,329
Expenditure (cash) borne elsewhere	1.1	990	975
Non cash expenditure – notional rent	1.1	2,058	2,025
Fixed asset adjustment		85	94
Net programme cost	1	(10,435)	(9,876)
Balance at 31 December		2,199	3,487

2.2 Capital Assets

	Office and IT equipment	Furniture and fittings	Building Improvement	Total
	€000	€000	€000	€000
Gross assets				
Cost or valuation at 1 January 2013	8,571	659	692	9,922
Adjustment ¹	104	—	—	104
Additions ²	52	4	—	56
Disposals	(101)	—	—	(101)
Cost or valuation at 31 December 2013	8,626	663	692	9,981
Accumulated depreciation				
Opening balance at 1 January 2013	6,381	595	691	7,667
Adjustment ¹	54	—	—	54
Depreciation for the year	473	14	1	488
Depreciation on disposals	(101)	—	—	(101)
Cumulative depreciation at 31 December 2013	6,807	609	692	8,108
Net assets at 31 December 2013	1,819	54	—	1,873
Net assets at 31 December 2012	2,190	64	1	2,255

¹ PAS carries out audits of its capital assets annually on a rolling basis. During 2013, assets were identified which were not on the register. These were placed on the register in 2013 and depreciated from the date of acquisition.

² This figure includes €35,000 of permanent test booklets transferred from stock (see note 2.3).

2.3 Stocks

	2013	2012
at 31 December	€000	€000
Test materials ¹	127	961
IT consumables/stationery	23	24
	150	985

¹ A review of the stock of test booklets and answer sheets after the move to on-line-testing resulted in a write off to a value of €835,000. The review also identified test booklets that are of permanent use and these were transferred to fixed assets at a value of €35,000.

2.4 Net Liability from the Exchequer

	2013	2012
at 31 December	€000	€000
Surplus to be surrendered	269	297
Exchequer grant undrawn	(192)	(707)
Net liability from the Exchequer	<u>77</u>	<u>(410)</u>

Represented by:**Debtors**

Bank and cash	126	(353)
Debit balances - suspense	107	72
	<u>233</u>	<u>(281)</u>

Creditors

Due to State	(116)	(129)
Credit balances suspense	(40)	—
	<u>77</u>	<u>(410)</u>

2.5 Other Credit Balances

	2013	2012
at 31 December	€000	€000
Amounts due to the State		
Income Tax	76	76
Pay Related Social Insurance	33	30
Professional Services Withholding Tax	2	5
Value Added Tax	5	18
	<u>116</u>	<u>129</u>
Credit balances - suspense	40	—
	<u>156</u>	<u>129</u>

2.6 Commitments

	2013	2012
at 31 December	€000	€000
Total of legally enforceable commitments	40	15 ¹

¹ Comparative figure has been revised due to an increase in the threshold of commitments to be disclosed.

3 Programme Expenditure by Subhead

		2013		2012
		Estimate	Outturn	Outturn
		provision		
		€000	€000	€000
A	Civil and Public Service- Redeployment/Recruitment/Selection			
A.1	Administration - pay	4,319	4,283	4,415
A.2	Administration - non pay	2,212	2,000	2,284
		<u>6,531</u>	<u>6,283</u>	<u>6,699</u>

Explanation of significant variations

Overall, the expenditure in relation to Programme A was €248,000 lower than provided. This was mainly due to the following:

Description	Less/(more) than estimated €000	Explanation
Administration - non pay	212	Significant savings were realised by the retendering of large maintenance contracts in relation to core operational software and, due to the mix of competitions undertaken in 2013, recruitment costs were less than anticipated.

4 Receipts

4.1 Appropriations-in-aid	2013		2012
	Estimated	Realised	Realised
	€000	€000	€000
1. Miscellaneous	25	38	122
2. Receipts from pension-related deductions on public service remuneration	223	231	248
	<u>248</u>	<u>269</u>	<u>370</u>

Explanation of significant variations

An explanation is provided in the case of each heading where the outturn varied from the amount estimated by more than €100,000, and by more than 5%. However, no outturn on this Vote met these criteria in 2013.

5 Employee Numbers and Pay

	2013	2012
Number of staff at year end (full time equivalents)	86	86
	2013	2012
	€000	€000
Pay	3,945	4,078
Higher, special or additional duties allowance	52	44
Other allowances	—	—
Overtime	22	22
Employer's PRSI	264	271
Total Pay	4,283	4,415

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2013 €	Maximum individual payment 2012 €
Higher, special or additional duties	23	—	8,398	8,101
Overtime and extra attendance	40	2	10,446	12,063

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

5.2 Other Remuneration Arrangements

A total of €35,055 was paid as fees to four members of the Board of PAS in 2013 (2012: €36,978).