

Vote 29: International Co-Operation

Introduction

As Accounting Officer for Vote 29, 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 certain Official Development Assistance, including certain grants-in-aid, and for contributions to certain International Organisations involved in Development Assistance and for salaries and expenses in connection therewith.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

The Statement of Accounting Policies and Principles and notes 1 to 7 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:

Depreciation

Vehicles have been depreciated on a straight line basis at a rate of 20% per annum.

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 Foreign Affairs.

DAVID COONEY
Accounting Officer
Department of Foreign Affairs
3 March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 29: International Co-operation 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 Foreign Affairs in respect of the Vote for International Co-operation. 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.

Chapter 24 of my annual report refers 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.

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

JOHN BUCKLEY
Comptroller and Auditor General
17 June 2011

Vote 29 International Co-Operation Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	18,854	17,879	19,337
A.2. Travel and subsistence	2,961	2,085	2,269
A.3. Incidental expenses	3,277	2,092	2,250
A.4. Postal and telecommunications services	1,960	1,606	2,202
A.5. Office machinery and other office supplies and related services	1,648	1,413	1,432
A.6. Office premises expenses	4,603	4,267	3,507
A.7. Consultancy services	1,509	1,124	1,066
A.8. Value for money and policy reviews	420	—	127
Other services			
B. Payment to grant-in-aid fund for bilateral and other co-operation (grant-in-aid)	379,651	373,951	410,800
C. Emergency Humanitarian Assistance	54,000	52,501	56,000
D. Payments to international funds for the benefit of developing countries	28,000	28,000	28,000
E. Contributions to United Nations and other development agencies	39,500	39,500	40,500
Gross Expenditure	536,383	524,418	567,490
Deduct:			
F. Appropriations-in-aid	1,053	1,488	1,790
Net Expenditure	535,330	522,930	565,700
Surplus to be surrendered		€12,400,000	€4,502,996

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	2010	2009
€000	€000	€000
Expenditure on administration	30,466	32,190
Expenditure on services and programmes	493,952	535,300
Gross expenditure	<u>524,418</u>	<u>567,490</u>
Deduct		
Appropriations-in-aid	1,488	1,790
Net expenditure	<u>522,930</u>	<u>565,700</u>
Changes in capital assets		
Purchases cash	(1,262)	
Disposals cash	48	
Profit on disposals	(45)	
Depreciation	702	
	<u>(557)</u>	(358)
Changes in net current assets		
Increase in stock	(6)	3
Decrease in closing accruals	(1,883)	(534)
Total operating cost	<u><u>520,484</u></u>	<u><u>564,811</u></u>

Note: Net allied services expenditure and notional rents are borne on Vote 28 - Foreign Affairs.

2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
Capital Assets	2.1	9,902	8,805
Current Assets			
Bank and cash	2.2	5,591	2,474
Stocks	2.3	16	10
Prepayments		7,205	5,284
Other debit balances	2.4	74	63
Total Current Assets		12,886	7,831
Less Current Liabilities			
Accrued expenses		206	168
Other credit balances	2.5	146	173
Net Liability to the Exchequer	2.6	1,072	631
Bilateral and other co-operation fund (grant-in-aid)	7	4,447	1,733
Total Current Liabilities		5,871	2,705
Net Current Assets		7,015	5,126
Net Assets		16,917	13,931

2.1 Statement of Capital Assets

	Land and Buildings	Equipment	Office Equipment	Furniture and Fittings	Vehicles	Totals
	€000	€000	€000	€000	€000	€000
Gross assets						
Cost or valuation at 1 January 2010	7,308	989	687	1,593	2,223	12,800
Additions	969	30	9	68	240	1,316
Disposals	—	—	(17)	—	(224)	(241)
Cost or valuation at 31 December 2010	8,277	1,019	679	1,661	2,239	13,875
Accumulated Depreciation						
Opening balance at 1 January 2010	—	709	667	840	1,779	3,995
Prior year adjustment ¹	—	(103)	(140)	—	(297)	(540)
Depreciation for the year	—	147	61	166	328	702
Depreciation on disposals	—	—	(15)	—	(169)	(184)
Cumulative depreciation at 31 December 2010	—	753	573	1,006	1,641	3,973
Net Assets at 31 December 2010	8,277	266	106	655	598	9,902
Net Assets at 31 December 2009	7,308	280	20	753	444	8,805

¹The adjustment is due to over depreciation of some assets in previous years.

2.2 Bank and Cash

at 31 December

PMG balances and cash

Orders outstanding

2010**€000**

5,602

(11)

5,591

2009**€000**

2,474

—

2,474

2.3 Stocks

at 31 December

Stationery

2010**€000**

16

2009**€000**

10

2.4 Other Debit Balances

at 31 December

Sundry debtors

2010**€000**

74

2009**€000**

63

2.5 Other Credit Balances

at 31 December

2010**2009****€000****€000****Amounts due to the State**

Professional Services Withholding Tax

84

89

Value Added Tax

42

17

126

106

Other credit balances

20

67

146

173

2.6 Net Liability to the Exchequer

at 31 December

2010**2009****€000****€000**

Surplus to be surrendered

12,400

4,503

Exchequer grant undrawn

(11,328)

(3,872)

Net liability to the Exchequer

1,072

631

Represented by:**Debtors**

Bank and cash

5,591

2,474

Debit balances: suspense

74

63

5,665

2,537

Creditors

Due to the State

(126)

(106)

Other credit balances

(20)

(67)

Bilateral and other co-operation fund (grant-in-aid)

(4,447)

(1,733)

(4,593)

(1,906)

1,072

631

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).

Subhead	Less/(more) than provided €000	Explanation
A.2.	876	Savings were delivered through lower than anticipated air fare costs and a reduction in general travel costs.
A.3.	1,185	Savings were identified across all incidental costs associated with managing the aid programme delivered through programme country missions.
A.7.	385	Savings were achieved on this subhead through the continued tight control of technical consultancy services in 2010.
A.8.	420	Value for money reviews planned for 2010 were rescheduled to 2011.
B.	5,700	The savings delivered across the subhead were as a result of the overall reduction in the 2010 expenditure sanction provided to the Vote.
C.	1,499	The savings delivered across the subhead were as a result of the overall reduction in 2010 expenditure sanction provided to the Vote.

4 Receipts

Appropriations-in-aid	2010	2010	2009
	Estimated €000	Realised €000	Realised €000
1. Appropriations-in-aid	200	642	1,053
2. Receipts from pension-related deductions on public service remuneration	853	846	737
	<u>1,053</u>	<u>1,488</u>	<u>1,790</u>

Explanation of significant variations

An explanation is provided below in the case of each heading where the outturn varied from the amount estimated by more than €100,000, and by more than 5%.

Heading	Less/(more) than estimated €000	Explanation
1.	(442)	The surplus arose from higher than projected grant refunds under the Bilateral aid programme, VAT refunds originating in programme countries and proceeds from the sale of motor vehicles. Receipts under this subhead fluctuate from year to year and are difficult to estimate accurately.

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	209	197
	2010	2009
	€000	€000
Pay	14,947	16,162
Higher, special or additional duties allowances	45	41
Other allowances	103	303
Overtime	31	29
Employer's PRSI	833	1,107
Total pay	15,959	17,642

The total charge to A.1. includes certain non-pay elements which are not reflected in the above note.

5.1 Allowances and Overtime Payments

	Number Recipients of of €10,000 recipients or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	9	2	20,947
Other allowances	60	—	5,704
Overtime	20	—	9,281

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

5.2 Performance and Merit Payments

The Administrative Budget provides for the recognition of exceptional performance by staff. A total of €1,500 was paid in bonuses and merit pay awards in 2010, consisting of 3 individual awards.

6 Miscellaneous Items

Contributions to UN and other development agencies (subhead E.)	2010	2009
	€000	€000
United Nations Development Programme (UNDP)	8,700	8,700
United Nations Children's Fund (UNICEF)	8,000	8,000
United Nations High Commissioner for Refugees (UNHCR)	6,000	6,000
World Health Organisation (WHO) Programmes	1,200	1,500
United Nations Population Fund	3,000	3,000
Office of the United Nations High Commissioner for Human Rights	2,000	2,000
UNAIDS	3,000	3,000
United Nations Development Fund for Women (UNIFEM)	400	300
UN International Drugs Control Programme	100	250
UN Industrial Development Organisation	450	474
UN Relief and Works Agency for Palestine Refugees in the Near East (UNWRA)	3,800	3,800
UNEP Trust Fund	743	750
Others - various	2,107	2,726
	39,500	40,500

7 Miscellaneous Accounts

Bilateral and other co-operation fund (grant-in-aid) account (subhead B.)

Account of receipts and payments during year ended 31 December 2010

	2010	2009
	€000	€000
Balance on 1 January 2010	1,733	2,355
Grant-in-aid 2010	373,951	410,800
	375,684	413,155
Expenditure 2010	371,237	411,422
Balance on 31 December 2010	4,447	1,733

In addition, at 31 December 2010, unspent balances totalling €5,132,241 (2009 - €5,024,073) were held in bank accounts controlled by Irish Aid mission offices in eleven countries.

