

Vote 15: Valuation Office

Introduction

As Accounting Officer for Vote 15, 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 2009 for the salaries and expenses of the Valuation Office and certain minor services.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2009, 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 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

A Statement on Internal Financial Control for the year ended 31 December 2009 has been submitted with this account to the Comptroller and Auditor General. This conforms to the standard format except that the the Internal Audit function and the Audit Committee were not operational until September 2009, when a reconstituted Audit Committee was put in place.

AIDAN MURRAY
Accounting Officer
Valuation Office
31 March 2010

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of the Vote for the Valuation Office for 2009 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 Valuation Office. 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 2009.

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

JOHN BUCKLEY

Comptroller and Auditor General

8 September 2010

Vote 15 Valuation Office Appropriation Account 2009

| Service | 2009 Estimate provision | 2009 Outturn | 2008 Outturn |
|--|-------------------------------|-------------------|-------------------|
| | €000 | €000 | €000 |
| Administration | | | |
| A.1. Salaries, wages and allowances | 9,924 | 9,081 | 9,178 |
| A.2. Travel and subsistence | 698 | 262 | 414 |
| A.3. Incidental expenses | 422 | 180 | 390 |
| A.4. Postal and telecommunications services | 186 | 124 | 163 |
| A.5. Office machinery and other office supplies and related services | 916 | 741 | 1,072 |
| A.6. Office premises expenses | 195 | 180 | 208 |
| A.7. Consultancy services | 31 | 152 | 43 |
| A.8. Value for money and policy reviews | 64 | 29 | 30 |
| Other Services | | | |
| B. Valuation Tribunal | 213 | 284 | 332 |
| C. Fees to counsel and other legal expenses | 933 | 1,060 | 140 |
| Gross Expenditure | 13,582 | 12,093 | 11,970 |
| Deduct | | | |
| D. Appropriations-in-aid | 2,238 | 2,788 | 2,572 |
| Net Expenditure | 11,344 | 9,305 | 9,398 |
| Surplus to be surrendered | | €2,039,009 | €2,697,762 |

Notes to the Appropriation Account

1 Operating Cost Statement 2009

| | Note | €000 | 2009 €000 | 2008 €000 |
|--|------|--------------|----------------------|----------------------|
| Expenditure on administration | | | 10,749 | 11,498 |
| Expenditure on services and programmes | | | 1,344 | 472 |
| Gross expenditure | | | <u>12,093</u> | <u>11,970</u> |
| Deduct | | | | |
| Appropriations in aid | | | <u>2,788</u> | <u>2,572</u> |
| Net expenditure | | | <u>9,305</u> | <u>9,398</u> |
| Changes in capital assets | | | | |
| Purchases cash | | (24) | | |
| Depreciation | | 138 | | |
| Loss on disposals | | 7 | | |
| | | <u>7</u> | 121 | (21) |
| Changes in assets under development | | | | |
| Cash payments | | | (156) | (158) |
| Changes in net current assets | | | | |
| Decrease in closing accruals | | (701) | | |
| Increase in stock | | (6) | | |
| | | <u>(707)</u> | (707) | 851 |
| Direct expenditure | | | <u>8,563</u> | <u>10,070</u> |
| Net allied services expenditure | 1.1 | | 6,518 | 5,835 |
| Total operating cost | | | <u><u>15,081</u></u> | <u><u>15,905</u></u> |

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 15 borne elsewhere

| Vote | | 2009 €000 | 2008 €000 |
|------|-------------------------------------|--------------|--------------|
| 7 | Superannuation & Retired Allowances | 4,297 | 4,105 |
| 10 | Office of Public Works | 2,221 | 1,730 |
| | | <u>6,518</u> | <u>5,835</u> |

2 Statement of Assets and Liabilities as at 31 December 2009

| | Note | 2009 €000 | 2008 €000 |
|---|------|--------------|--------------|
| Capital Assets | 2.1 | 289 | 410 |
| Capital Assets under Development | 2.2 | 945 | 789 |
| | | 1,234 | 1,199 |
| Current Assets | | | |
| Bank and cash | 2.3 | 1,261 | 1,352 |
| Stocks | 2.4 | 29 | 23 |
| Prepayments | | 122 | 81 |
| Accrued income | | 396 | 428 |
| Other debit balances | 2.5 | 47 | 66 |
| Total Current Assets | | 1,855 | 1,950 |
| Less Current Liabilities | | | |
| Accrued expenses | | 71 | 773 |
| Deferred Income | | 84 | 74 |
| Other credit balances | 2.6 | (57) | 274 |
| Net Liability to the Exchequer | 2.7 | 1,365 | 1,144 |
| Total Current Liabilities | | 1,463 | 2,265 |
| Net Current Assets | | 392 | (315) |
| Net Assets | | 1,626 | 884 |

2.1. Capital Assets

| | Office Equipment €000 | Furniture and Fittings €000 | Total €000 |
|---|--------------------------------------|--|-----------------------|
| Gross assets | | | |
| Cost or valuation at 1 January 2009 | 3,109 | 1,458 | 4,567 |
| Additions | 22 | 2 | 24 |
| Disposals | (396) | — | (396) |
| Cost or valuation at 31 December 2009 | <u>2,735</u> | <u>1,460</u> | <u>4,195</u> |
| Accumulated Depreciation | | | |
| Opening balance at 1 January 2009 | 2,905 | 1,252 | 4,157 |
| Depreciation for the year | 119 | 19 | 138 |
| Depreciation on disposals | (389) | — | (389) |
| Cumulative depreciation at 31 December 2009 | <u>2,635</u> | <u>1,271</u> | <u>3,906</u> |
| Net Assets at 31 December 2009 | <u>100</u> | <u>189</u> | <u>289</u> |
| Net Assets at 31 December 2008 | <u>204</u> | <u>206</u> | <u>410</u> |

2.2 Capital Assets under Development

| | In-House Computer Applications €000 |
|---|--|
| Amounts brought forward at 1 January 2009 | 789 |
| Cash payments for the year | 156 |
| Amounts carried forward at 31 December 2009 | <u>945</u> |

2.3 Bank and Cash

| | 2009 €000 | 2008 €000 |
|-----------------------|----------------------|----------------------|
| at 31 December | | |
| PMG balances and cash | 1,351 | 1,386 |
| Orders outstanding | (90) | (34) |
| | <u>1,261</u> | <u>1,352</u> |

2.4 Stocks

| | 2009 €000 | 2008 €000 |
|--------------------------------------|----------------------|----------------------|
| at 31 December | | |
| Valuation Office consumable stocks | 23 | 16 |
| Valuation Tribunal consumable stocks | 6 | 7 |
| | <u>29</u> | <u>23</u> |

| 2.5 Other Debit Balances | 2009 | 2008 |
|---|-------------|-------------|
| at 31 December | €000 | €000 |
| Debit suspense items | 47 | 66 |
| | <hr/> | <hr/> |
| 2.6 Other Credit Balances | 2009 | 2008 |
| at 31 December | €000 | €000 |
| Amounts due to the State | | |
| Income Tax | (32) | 118 |
| Pay Related Social Insurance | (32) | 55 |
| Professional Services Withholding Tax | — | 37 |
| Pensions | 1 | 12 |
| | <hr/> | <hr/> |
| | (63) | 222 |
| Payroll deductions held in suspense | 6 | 45 |
| Other credit suspense items | — | 7 |
| | <hr/> | <hr/> |
| | (57) | 274 |
| | <hr/> | <hr/> |
| 2.7 Net Liability to the Exchequer | 2009 | 2008 |
| at 31 December | €000 | €000 |
| Surplus to be surrendered | 2,039 | 2,698 |
| Exchequer grant undrawn | (674) | (1,554) |
| Net liability to the Exchequer | <hr/> | <hr/> |
| | 1,365 | 1,144 |
| | <hr/> | <hr/> |
| Represented by: | | |
| Debtors | | |
| Bank and cash | 1,261 | 1,352 |
| Debit balances: suspense | 47 | 66 |
| | <hr/> | <hr/> |
| | 1,308 | 1,418 |
| Creditors | | |
| Due to State | 63 | (222) |
| Credit balances: suspense | (6) | (52) |
| | <hr/> | <hr/> |
| | 57 | (274) |
| | <hr/> | <hr/> |
| | 1,365 | 1,144 |
| | <hr/> | <hr/> |
| 2.8 Commitments | 2009 | 2008 |
| at 31 December | €000 | €000 |
| Total of legally enforceable commitments | 7 | 198 |
| | <hr/> | <hr/> |

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. | 436 | A revaluation programme was put in place to revalue all commercial property within the State. It commenced with properties near to HQ which resulted in a significant reduction in travel and subsistence costs. |
| A.3. | 242 | Fewer training events were organised which resulted in savings and fewer staff required refunds of educational fees. |
| A.7. | (121) | Continued development of the Office's revaluation systems resulted in additional consultancy services. |
| C. | (127) | It is difficult to predict when and for how much cases will be settled. In 2009 one case was settled for €800,000. |

4 Receipts

| 4.1 Appropriations-in-aid | | 2009 Estimated €000 | 2009 Realised €000 | 2008 Realised €000 |
|---------------------------|--|---------------------------|--------------------------|--------------------------|
| 1. | Valuation Tribunal appeal fees | 40 | 38 | 84 |
| 2. | Valuation certificates | 145 | 161 | 186 |
| 3. | Valuation revision fees | 1,233 | 1,956 | 2,008 |
| 4. | Fees from appeals to the Commissioner | 125 | 98 | 94 |
| 5. | Miscellaneous receipts | 95 | 84 | 200 |
| 6. | Pension-related deduction on public service remuneration | 600 | 451 | — |
| Total | | 2,238 | 2,788 | 2,572 |

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 |
|---------|--|--|
| 3. | (723) | Inspections resulted in a greater number of valuations being required and hence fees received. In addition there was a concentrated effort to recoup outstanding fees owed by local Authorities. |
| 6. | 149 | Staffing levels decreased during the year due in part to early retirement. This meant that there was a lower than expected amount of pension levy deductions. |

5 Employee Numbers and Pay

| | | |
|--|-------------|-------------|
| | 2009 | 2008 |
| Average number of staff (full time equivalents) | 152 | 163 |

| | | |
|---|--------------|--------------|
| | 2009 | 2008 |
| | €000 | €000 |
| Pay | 8,330 | 8,414 |
| Higher, special or additional duties allowances | 275 | 292 |
| Other allowances | — | — |
| Overtime | 36 | 40 |
| Employer's PRSI | 440 | 432 |
| Total pay | 9,081 | 9,178 |

5.1 Allowances and Overtime Payments

| | Number of recipients | Recipients of €10,000 or more | Maximum individual payment 2009 € | Maximum individual payment 2008 € |
|--------------------------------------|-------------------------|-------------------------------------|---|---|
| Higher, special or additional duties | 47 | 12 | 17,922 | 15,772 |
| Overtime and extra attendance | 6 | 1 | 10,976 | 11,251 |

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

5.2 Other Remuneration Arrangements

Payments totaling €6,709 were made to 3 retired civil servants whose services were employed on specialised tasks.

Retirement gifts totalling €6,000 were paid to 12 members of staff.