

Vote 28: Foreign Affairs

Introduction

As Accounting Officer for Vote 28, 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 Office of the Minister for Foreign Affairs, and for certain services administered by that Office, including grants-in-aid and contributions to International Organisations.

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 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.

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
31 March 2010

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of the Vote for Foreign Affairs 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 Department of Foreign Affairs. 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 long horizontal stroke extending to the right.

JOHN BUCKLEY
Comptroller and Auditor General
7 September 2010

Vote 28 Foreign Affairs Appropriation Account 2009

Service	2009 Estimate provision	2009 Outturn	2008 Outturn
	€000	€000	€000
Administration			
A.1. Salaries, wages and allowances	102,909	97,891	98,599
A.2. Travel and subsistence	7,000	5,056	7,324
A.3. Incidental expenses	5,159	4,709	6,507
A.4. Postal and telecommunications services	9,432	8,390	10,238
A.5. Office machinery and other office supplies and related services	25,321	21,118	25,739
A.6. Office premises expenses	27,964	31,323	34,555
A.7. Consultancy services	92	59	244
A.8. Value for money and policy reviews	20	-	36
Other Services			
B. Repatriation and maintenance of distressed Irish persons abroad	79	48	36
C. Support for Irish emigrant services	15,183	15,132	15,183
D. Information services	1,283	1,232	648
E. Contributions to bodies in Ireland for the furtherance of international relations (grant-in-aid)	310	310	320
F.1. North-South and Anglo-Irish co-operation	3,000	3,000	9,084
F.2. International Fund for Ireland	195	195	195
G. Cultural relations with other countries (grant-in-aid)	891	891	891
H. Irish-American economic advisory board	28	14	13
I. Contributions to international organisations	42,240	37,246	38,103
J. Actions consequent on Title V of the Treaty on European Union	582	551	582
K. Assistance to EU and other Eastern European states	1,010	789	1,193
L. Atlantic Corridor Project	250	250	250
M. Asia Strategy	200	183	182
N. Referendum on EU Reform Treaty	4,000	3,786	5,738
Gross Expenditure	247,148	232,173	255,660
Deduct			
O. Appropriations-in-aid	40,386	40,481	38,165
Net Expenditure	206,762	191,692	217,495
Surplus to be surrendered		€15,069,961	€15,942,701

Notes to the Appropriation Account

1 Operating Cost Statement 2009

	Note	€000	2009 €000	2008 €000
Expenditure on administration			168,546	183,242
Expenditure on services and programmes			63,627	72,418
Gross expenditure			<u>232,173</u>	<u>255,660</u>
Deduct				
Appropriations-in-aid			40,481	38,165
Net expenditure			<u>191,692</u>	<u>217,495</u>
Changes in capital assets				
Purchases cash		(11,451)		
Disposals cash		120		
Depreciation		8,356		
Profit on disposals		(102)	(3,077)	213
Changes in net current assets				
Increase in closing accruals		5,825		
Decrease in stock		86		
			<u>5,911</u>	<u>(6,357)</u>
Direct expenditure			<u>194,526</u>	<u>211,351</u>
Net allied services expenditure	1.1		20,998	16,983
Notional rents			1,425	1,463
Total operating cost			<u><u>216,949</u></u>	<u><u>229,797</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 28 borne elsewhere

Vote		2009 €000	2008 €000
7	Superannuation and Retired Allowances	11,610	8,342
9	Office of the Revenue Commissioners	154	158
10	Office of Public Works	8,621	7,791
20	Garda Síochána	172	255
	Central Fund - Ministerial etc. pensions	441	437
		<u><u>20,998</u></u>	<u><u>16,983</u></u>

2 Statement of Assets and Liabilities as at 31 December 2009

	Note	2009 €000	2008 €000
Capital Assets	2.1	175,148	164,971
Current Assets			
Stocks	2.2	6,775	6,861
Prepayments		5,205	12,761
Other debit balances	2.3	13,057	10,622
Total Current Assets		25,037	30,244
Less Current Liabilities			
PMG balance and cash	2.4	9,966	(31)
Accrued expenses		432	1,214
Contributions to Bodies in Ireland (grant-in-aid)	7.2	90	48
Cultural Relations with Other Countries Fund (grant-in-aid)	7.3	146	42
Other credit balances	2.5	2,747	6,259
Net Liability to the Exchequer	2.6	108	4,304
Total Current Liabilities		13,489	11,836
Net Current Assets		11,548	18,408
Net Assets		186,696	183,379

2.1 Statement of Capital Assets

	Land and Buildings	Motor Vehicles	Furniture and Fittings	Office Equipment	Total
	€000	€000	€000	€000	€000
Gross assets					
Cost or valuation at 1 January 2009	145,837	3,747	44,585	72,483	266,652
Prior year adjustment *	—	—	—	(3,674)	(3,674)
Additions	7,094	338	2,500	2,468	12,400
Disposals	—	(287)	—	(109)	(396)
Cost or valuation at 31 December 2009	152,931	3,798	47,085	71,168	274,982
Accumulated Depreciation					
Opening balance at 1 January 2009	—	2,537	30,630	68,514	101,681
Prior year adjustment *	—	—	—	(9,825)	(9,825)
Depreciation for the year	—	647	3,117	4,592	8,356
Depreciation on disposals	—	(269)	—	(109)	(378)
Cumulative depreciation at 31 December 2009	—	2,915	33,747	63,172	99,834
Net Assets at 31 December 2009	152,931	883	13,338	7,996	175,148
Net Assets at 31 December 2008	145,837	1,210	13,955	3,969	164,971

Note: Fixed Assets included under Land and Buildings represent properties owned outside the State. In addition, the Department occupies eleven buildings within the State, of which one is State-owned and ten are leased.

*A prior year adjustment was required to reduce asset cost and accumulated depreciation balances that were previously overstated.

2.2 Stocks	2009	2008
at 31 December	€000	€000
Passport booklets	6,558	2,499
Prior year adjustment*	—	4,107
Protocol stocks	124	150
Stationery	49	45
Prepaid postage	13	13
IT consumables	31	47
	<u>6,775</u>	<u>6,861</u>

*A prior year adjustment was required to passport stocks in 2008 as the unit costs did not include datapages.

2.3 Other Debit Balances	2009	2008
at 31 December	€000	€000
Mission and Headquarter accounts	8,925	5,438
Inter Government Department accounts	1,677	2,336
Imprest and Personal Suspense accounts	899	939
Foreign Salary Advance accounts	80	236
Miscellaneous	1,476	1,673
	<u>13,057</u>	<u>10,622</u>

2.4 Bank and Cash	2009	2008
at 31 December	€000	€000
PMG balances and cash	(9,934)	49
Orders outstanding	(32)	(18)
	<u>(9,966)</u>	<u>31</u>

2.5 Other Credit Balances	2009	2008
at 31 December	€000	€000
Amounts due to the state		
Income Tax	1,047	1,146
Pay Related Social Insurance	626	502
Pension contributions	23	174
Voluntary Surrender of Pay	—	12
VAT	696	529
Withholding Tax	86	112
	<u>2,478</u>	<u>2,475</u>
Miscellaneous	269	3,784
	<u>2,747</u>	<u>6,259</u>

2.6 Net Liability to the Exchequer

at 31 December 2009

	2009	2008
	€000	€000
Surplus to be surrendered	15,070	15,943
Exchequer grant undrawn	(14,962)	(11,639)
Net liability to the Exchequer	<u>108</u>	<u>4,304</u>
Represented by:		
Debtors		
Debit balances: suspense	13,057	10,622
	<u>13,057</u>	<u>10,622</u>
Creditors		
Net PMG position and cash	(9,966)	31
Due to State	(2,478)	(2,475)
Credit balances: suspense	(269)	(3,784)
Credit balances: other	(236)	(90)
	<u>(12,949)</u>	<u>(6,318)</u>
	<u>108</u>	<u>4,304</u>

2.7 Commitments

at 31 December

2009	2008
€000	€000
20,715	20,100

The estimated total figure for commitments at 31 December 2009 and likely to materialise in the following year is €20.715m relating to property rental payments abroad and a contract for the printing of passport booklets.

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.2.	1,944	Savings were as a result of efforts to limit expenditure to essential travel only and were helped by the lower cost of air fares.
I.	4,994	Savings arose as a result of the inherent unpredictability of the amounts to be paid in respect of UN peacekeeping operations. The overall budget is extremely difficult to forecast due to the possibility of new, expanded or delayed peacekeeping operations. A total of €22m was budgeted for but the amount required was finally settled for €16.2m. Furthermore peacekeeping contributions are paid in USD\$ and the Euro€/USD\$ exchange rate was favourable in 2009, which also contributed to a lower outturn.
K.	221	As part of the Department's efforts to reduce expenditure, participating institutions under the EU Assistance grant scheme were asked to offer savings. Savings of €200k were achieved.
N.	214	Expenditure by the Referendum Commission on information campaigns and materials was lower than anticipated.

4 Receipts

4.1 Appropriations-in-aid

	2009 Estimated €000	2009 Realised €000	2008 Realised €000
1. Passport, Visa and other Consular Services	35,063	35,194	35,886
2. Repayment of Repatriation and Maintenance Advances	30	6	7
3. VAT refunds to Diplomatic Missions	1,200	1,488	1,658
4. Miscellaneous	707	455	614
5. Receipts from Pension-related Deduction on Public Service Remuneration	3,386	3,338	—
Total	40,386	40,481	38,165

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.	(288)	It is difficult to predict the level of VAT refunds to Diplomatic Missions.
4.	252	It is difficult to predict the level of miscellaneous receipts from year to year, as it includes bank interest and refunds of prior years expenditure, both of which can fluctuate.

5 Employee Numbers and Pay

	2009	2008
Number of staff at year end (full time equivalents)	1,326	1,377
	2009	2008
	€000	€000
Pay	78,670	78,335
Higher, special or additional duties allowances	387	399
Other allowances	288	484
Overtime	1,725	1,498
Employer's PRSI	3,249	3,355
Total pay	84,319	84,071

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	95	5	29,224	24,313
Other allowances	202	1	11,317	12,000
Overtime	409	38	40,575	35,104

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

5.2 Performance and Merit Payments

A total of €1,750 was paid to 7 staff members in recognition of long service (25 years) with the Department.

Retirement gifts amounting to €16,500 in total were given to 33 staff members.

Merit awards totalling €1,600 were paid to 13 staff for attendance on bank holidays to issue urgent passports.

5.3 Other Remuneration Arrangements

A total of €13,389 was paid in ex-gratia payments to staff.

A payment of €4,542 was made to a retired civil servant in receipt of civil service pension whose service was employed on specialised tasks.

6 Miscellaneous Items

Legal Costs and Compensation

Payments totalling €59,107 were made to the State Claims Agency in relation to three personal injury claims.

7 Miscellaneous Accounts

7.1 Repatriation Advances

Account of receipts and payments during year ended 31 December 2009

	2009	2008
	€000	€000
Balance Outstanding at 1 January 2009	18	158
Add Advances/expenditure 2009 (Subhead B.)	48	36
	<u>66</u>	<u>194</u>
Less Amounts written off	(53)	(169)
Amounts Recovered (Subhead O.)	(6)	(7)
Balance Outstanding 31 December 2009	<u>7</u>	<u>18</u>

7.2 Contributions to Bodies in Ireland for the furtherance of International Relations (Grant-in-Aid)

Account of receipts and payments during year ended 31 December 2009

	2009	2008
	€000	€000
Balance at 1 January 2009	48	35
Grant-in-Aid 2009 (Subhead E.)	310	320
	<u>358</u>	<u>355</u>
Expenditure 2009	268	307
Balance at 31 December 2009	<u>90</u>	<u>48</u>

7.3 Cultural Relations with Other Countries (Grant-in-Aid)

Account of receipts and payments during year ended 31 December 2009

	2009	2008
	€000	€000
Balance at 1 January 2009	42	4
Grant-in-Aid 2009 (Subhead G.)	891	891
	<u>933</u>	<u>895</u>
Expenditure 2009	787	853
Balance at 31 December 2009	<u>146</u>	<u>42</u>