

# Chapter 1

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## General Matters

## 1.1 Central Government Financial Outturn

The net central government income was €48.9 billion in 2007. The bulk of this was tax revenue of €47.3 billion<sup>1</sup>. The overall outturn on receipts and expenditure on core central government activities is set out in Table 1.

**Table 1 Exchequer Receipts and Expenditure**

|   | 2007        | 2007        | 2007          | 2006         |
|---|-------------|-------------|---------------|--------------|
|   | €bn         | €bn         | Total<br>€bn  | Total<br>€bn |
| <b>Receipts</b>                                       |             |             |               |              |
| Tax Receipts (Table 7)                                |             | 47.33       |               |              |
| Other Receipts  |             |             |               |              |
| Non-Tax Revenue                                       | 0.64        |             |               |              |
| Loan Repayments                                       | 0.75        |             |               |              |
| Capital Receipts                                      | <u>0.19</u> | <u>1.58</u> | 48.91         | 47.38        |
| <b>Expenditure</b>                                    |             |             |               |              |
| Net Voted Expenditure (Table 4)                       |             | 44.69       |               |              |
| Other Expenditure                                     |             |             |               |              |
| Service of National Debt                              | 1.68        |             |               |              |
| National Pensions Reserve Fund                        | 1.61        |             |               |              |
| Payments to the EU                                    | 1.57        |             |               |              |
| Loans Issued  | 0.74        |             |               |              |
| Other   | <u>0.23</u> | <u>5.83</u> | 50.52         | 45.33        |
| <b>Surplus/(Deficit) of Receipts over Expenditure</b> |             |             | <b>(1.61)</b> | <b>2.05</b>  |

The cashflow movements associated with the central government financial outturn are set out in Table 2.

**Table 2 Cashflow Movements**

|   | 2007           | 2007           | 2007            | 2006            |
|---|----------------|----------------|-----------------|-----------------|
|   | Opening<br>€bn | Closing<br>€bn | Movement<br>€bn | Movement<br>€bn |
| Exchequer Account                                   | 3.59           | 4.00           | 0.41            | 1.41            |
| Commercial Deposit Activity                         | –              | 0.49           | 0.49            | –               |
| Voted Amounts Due (to)/from Departments and Offices | 0.31           | 0.23           | (0.08)          | (0.05)          |
| Revenue Balances                                    | (0.42)         | (0.33)         | 0.09            | (0.17)          |
| (Proceeds)/Repayments of Borrowing                  |                |                | (2.52)          | 0.86            |
| <b>Total</b>  |                |                | <b>(1.61)</b>   | <b>2.05</b>     |

<sup>1</sup> Detailed in Table 7 of Chapter 3.1.

## Comparison of Voted Outturn against Provision

€45.3 billion was appropriated by Dáil Éireann in 2007 to fund expenditure on voted services. Table 3 summarises the 2007 provision for voted services, as confirmed by Dáil Éireann in the Appropriation Act, 2007.

**Table 3 Provision for the Year**

|                                  | 2007<br>€bn   | 2007<br>Total<br>€bn | 2006<br>Total<br>€bn |
|----------------------------------|---------------|----------------------|----------------------|
| Estimates for Supply Services    |               |                      |                      |
| Original Provision               | 49.05         |                      |                      |
| Supplementary Estimates          | 0.25          |                      |                      |
| Deferred Surrender 2006          | <u>0.16</u>   | 49.46                | 44.50                |
| <i>Less: -</i>                   |               |                      |                      |
| Appropriations-in-Aid            |               |                      |                      |
| Original Provision               | 4.18          |                      |                      |
| Supplementary Estimates          | <u>(0.03)</u> | 4.15                 | 4.02                 |
| <b>Estimated Net Expenditure</b> |               | <b>45.31</b>         | <b>40.48</b>         |

The net expenditure met from these appropriations amounted to €44.7 billion. As a result, a surplus of €620m occurred of which €126m falls to be rolled forward to 2008 under statutory rules governing the deferred surrender of certain capital allocations.

**Table 4 Comparison Between Provision and Outturn**

|                                     | 2007<br>€bn   | 2007<br>Total<br>€bn | 2006<br>Total<br>€bn |
|-------------------------------------|---------------|----------------------|----------------------|
| Estimated Net Expenditure (Table 3) |               | 45.31                | 40.48                |
| Actual Gross Expenditure            | 48.93         |                      |                      |
| Actual Appropriations in Aid        | <u>(4.24)</u> |                      |                      |
| Net Expenditure                     |               | <u>44.69</u>         | <u>39.44</u>         |
| Surplus for the Year                |               | 0.62                 | 1.04                 |
| Deferred Surrender 2007             |               | 0.13                 | 0.16                 |
| <b>Amount to be Surrendered</b>     |               | <b>0.49</b>          | <b>0.88</b>          |

The surplus to be surrendered represents 1.08% of Estimated Net Expenditure. Under a separate administrative budget arrangement a further €36.5m of the surrender was carried forward to 2008.

## Extra Exchequer Receipts

Extra Receipts payable to the Exchequer as recorded in the Appropriation Accounts amounted to €188.99m.

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### **Surrender of Balances of 2006 Votes**

The balances due to be surrendered out of Votes for Public Services for the year ended 31 December 2006 amounted to €878m. I hereby certify that these balances have been duly surrendered.

### **Stock and Store Accounts**

The stock and store accounts of the Departments have been examined with generally satisfactory results.