

## **Vote 15: Valuation Office**

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## 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 2010 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 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 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 2010 has been submitted with this account to the Comptroller and Auditor General. The following actions have since been taken or put in train to improve the control environment.

Following a review, specific internal audit functions have been outsourced to a firm of accountants who will report to the head of internal audit. A comprehensive review of internal financial controls has commenced under this arrangement.

The Audit Committee has been reconstituted to include two external members and with a more specific charter.

An inventory of all assets has been undertaken and the results have been incorporated into a new asset register. An instruction has issued that disposals are to be documented and approved in advance by the Finance Officer.

A revised procedure for regular reconciliation of funds requested from the PMG, paid through the payroll software and attributed to general ledger bank account codes is being put in place.

Arrangements to ensure that public procurement requirements and guidelines are fully complied with have been strengthened.

There will be regular discussion of financial and risk matters at the Management Committee.

**DERMOT B. QUIGLEY**  
Accounting Officer  
Valuation Office  
8 August 2011

## Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 15: Valuation Office 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 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 2010.

Chapter 20 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

6 September 2011

## Vote 15 Valuation Office Appropriation Account 2010

Service	2010 Estimate provision	2010 Outturn	2009 Outturn
	€000	€000	€000
<b>Administration</b>			
A.1. Salaries, wages and allowances	8,657	8,242	9,081
A.2. Travel and subsistence	631	258	262
A.3. Incidental expenses	367	173	180
A.4. Postal and telecommunications services	173	89	124
A.5. Office machinery and other office supplies and related services	1,097	823	741
A.6. Office premises expenses	180	185	180
A.7. Consultancy services	31	23	152
A.8. Value for money and policy reviews	34	19	29
<b>Other Services</b>			
B. Valuation Tribunal	300	228	284
C. Fees to counsel and other legal expenses	73	191	1,060
<b>Gross Expenditure</b>	<b>11,543</b>	<b>10,231</b>	<b>12,093</b>
<b>Deduct</b>			
D. Appropriations-in-aid	<b>2,198</b>	<b>2,699</b>	<b>2,788</b>
<b>Net Expenditure</b>	<b>9,345</b>	<b>7,532</b>	<b>9,305</b>
<b>Surplus to be surrendered</b>		<b>€1,812,528</b>	<b>€2,039,009</b>

## Notes to the Appropriation Account

### 1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			9,812	10,749
Expenditure on services and programmes			419	1,344
<b>Gross expenditure</b>			<u>10,231</u>	<u>12,093</u>
Deduct				
<b>Appropriations-in-aid</b>			<u>2,699</u>	<u>2,788</u>
<b>Net expenditure</b>			<u>7,532</u>	<u>9,305</u>
<b>Changes in capital assets</b>				
Purchases cash		(129)		
Depreciation		260		
Loss on disposals		15	146	121
<b>Changes in assets under development</b>				
Cash payments			(93)	(156)
<b>Changes in net current assets</b>				
Decrease in closing accruals		(390)		
Increase in stock		(7)	(397)	(707)
<b>Direct expenditure</b>			<u>7,188</u>	<u>8,563</u>
Net allied services expenditure	1.1		5,919	6,518
<b>Total operating cost</b>			<u><u>13,107</u></u>	<u><u>15,081</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		2010 €000	2009 €000
7	Superannuation & Retired Allowances	4,183	4,297
10	Office of Public Works	1,736	2,221
		<u>5,919</u>	<u>6,518</u>

## 2 Statement of Assets and Liabilities as at 31 December 2010

	Note	2010 €000	2009 €000
<b>Capital Assets</b>	2.1	451	289
<b>Capital Assets under Development</b>	2.2	93	945
		<b>544</b>	<b>1,234</b>
<b>Current Assets</b>			
Bank and cash	2.3	1,046	1,261
Stocks	2.4	36	29
Prepayments		422	122
Accrued income		410	396
Other debit balances	2.5	57	47
<b>Total Current Assets</b>		<b>1,971</b>	<b>1,855</b>
<b>Less Current Liabilities</b>			
Accrued expenses		2	71
Deferred Income		77	84
Other credit balances	2.6	398	(57)
Net Liability to the Exchequer	2.7	705	1,365
<b>Total Current Liabilities</b>		<b>1,182</b>	<b>1,463</b>
<b>Net Current Assets</b>		<b>789</b>	<b>392</b>
<b>Net Assets</b>		<b>1,333</b>	<b>1,626</b>

## 2.1. Capital Assets

	Office Equipment €000	Furniture and Fittings €000	Total €000
<b>Gross assets</b>			
Cost or valuation at 1 January 2010	2,735	1,460	4,195
Prior year adjustment <sup>1</sup>	925	—	925
Additions	98	31	129
Disposals	(1,899)	(83)	(1,982)
Cost or valuation at 31 December 2010	1,859	1,408	3,267
<b>Accumulated Depreciation</b>			
Opening balance at 1 January 2010	2,635	1,271	3,906
Prior year adjustment <sup>1</sup>	617	—	617
Depreciation for the year	237	23	260
Depreciation on disposals	(1,899)	(68)	(1,967)
Cumulative depreciation at 31 December 2010	1,590	1,226	2,816
<b>Net Assets at 31 December 2010</b>	269	182	451
<b>Net Assets at 31 December 2009</b>	100	189	289

<sup>1</sup> The prior year adjustment reflects capitalisation of expenditures on in-house IT systems previously categorised as capital assets under development.

## 2.2 Capital Assets under Development

	In-House Computer Applications €000
Amounts brought forward at 1 January 2010	945
Prior year adjustments <sup>1</sup>	
system maintenance costs	(20)
transferred to capital assets	(925)
Cash payments for the year	93
Amounts carried forward at 31 December 2010	93

<sup>1</sup> The prior year adjustments reflect system maintenance costs previously categorised as capital assets under development, and the capitalisation of expenditures on in-house IT systems referred to in note 2.1 above.

<b>2.3 Bank and Cash</b>	<b>2010</b>	<b>2009</b>
at 31 December	€000	€000
PMG balances and cash	1,074	1,351
Orders outstanding	(28)	(90)
	<u>1,046</u>	<u>1,261</u>
	<u><u>1,046</u></u>	<u><u>1,261</u></u>
<b>2.4 Stocks</b>	<b>2010</b>	<b>2009</b>
at 31 December	€000	€000
Valuation Office consumable stocks	30	23
Valuation Tribunal consumable stocks	6	6
	<u>36</u>	<u>29</u>
	<u><u>36</u></u>	<u><u>29</u></u>
<b>2.5 Other Debit Balances</b>	<b>2010</b>	<b>2009</b>
at 31 December	€000	€000
Debit suspense items	57	47
	<u>57</u>	<u>47</u>
	<u><u>57</u></u>	<u><u>47</u></u>
<b>2.6 Other Credit Balances</b>	<b>2010</b>	<b>2009</b>
at 31 December	€000	€000
<b>Amounts due to the State</b>		
Income Tax	218	(32)
Pay Related Social Insurance	60	(32)
Professional Services Withholding Tax	16	—
Pensions	—	1
	<u>294</u>	<u>(63)</u>
Payroll deductions held in suspense	72	6
Other credit suspense items	32	—
	<u>398</u>	<u>(57)</u>
	<u><u>398</u></u>	<u><u>(57)</u></u>

**2.7 Net Liability to the Exchequer**

at 31 December

	<b>2010</b>	<b>2009</b>
	<b>€000</b>	<b>€000</b>
Surplus to be surrendered	1,813	2,039
Exchequer grant undrawn	(1,108)	(674)
Net liability to the Exchequer	<u>705</u>	<u>1,365</u>

**Represented by:****Debtors**

Bank and cash	1,046	1,261
Debit balances: suspense	57	47
	<u>1,103</u>	<u>1,308</u>

**Creditors**

Due to State	(294)	63
Credit balances: suspense	(104)	(6)
	<u>(398)</u>	<u>57</u>
	<u>705</u>	<u>1,365</u>

**2.8 Commitments**

at 31 December

	<b>2010</b>	<b>2009</b>
	<b>€000</b>	<b>€000</b>
Total of legally enforceable commitments	<u>—</u>	<u>7</u>

### 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.	373	A lower volume of requests and subsequent inspection trips, coupled with the concentration of the revaluation programme within the Dublin area, brought reductions in travel and subsistence costs.
A.3.	194	Reductions in general incidental expenses, the concentration of training on a smaller number of crucial events and fewer requests for refunds of academic fees resulted in savings.
A.5.	274	Reduced spending on computer hardware for new projects and on an integrated database system development project.
C.	(118)	It remains difficult to predict when and for how much fees will be determined. In 2010 two cases were settled for €79,000 and €53,000 respectively.

### 4 Receipts

4.1 Appropriations-in-aid		2010 Estimated €000	2010 Realised €000	2009 Realised €000
1.	Valuation Tribunal appeal fees	40	49	38
2.	Valuation certificates	150	132	161
3.	Valuation revision fees	1,233	1,672	1,956
4.	Fees from appeals to the Commissioner	120	187	98
5.	Miscellaneous receipts	95	155	84
6.	Pension-related deduction on public service remuneration	560	504	451
<b>Total</b>		<b>2,198</b>	<b>2,699</b>	<b>2,788</b>

#### 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.	(439)	Inspections produced a greater number of valuation outputs, leading to an increase in fees received. Efforts are continuing to recoup outstanding fees from local authorities.

## 5 Employee Numbers and Pay

	<b>2010</b>	<b>2009</b>
Average number of staff at year end (full time equivalents)	149	152

	<b>2010</b>	<b>2009</b>
	<b>€000</b>	<b>€000</b>
Pay	7,656	8,330
Higher, special or additional duties allowances	130	275
Other allowances	—	—
Overtime	35	36
Employer's PRSI	421	440
<b>Total pay</b>	<b>8,242</b>	<b>9,081</b>

### 5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2010 €	Maximum individual payment 2009 €
Higher, special or additional duties	29	—	7,355	17,922
Overtime and extra attendance	7	1	10,418	10,976

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

### 5.2 Other Remuneration Arrangements

Retirement gifts totalling €2,200 were paid to six members of staff.

Payments totalling €24,605 were made to two retired civil servants who were employed on contract on specialised tasks.

