

## **Appropriation Account 2020**

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### **Vote 3**

### **Office of the Attorney General**

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## Introduction

As Accounting Officer for Vote 3, 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 2020 for the salaries and expenses of the Office of the Attorney General, including a grant.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2020, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €1.04 million is liable for surrender to the Exchequer.

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, as set out by the Department of Public Expenditure and Reform in circular 22 of 2020, have been applied in the preparation of the account, save as outlined directly below.

### ***Valuation of capital assets***

As provided for in circular 21 of 2020 the Office has applied a threshold of €1,000 for the capitalisation of its capital assets.

## Statement on Internal Financial Control

### ***Responsibility for system of internal financial control***

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Office.

This responsibility is exercised in the context of the resources available to me and my other obligations as Director General/Head of Office. Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

### ***Shared services***

Payroll and human resource functions are provided on a shared service basis by the National Shared Services Office (Vote 18). The Accounting Officer of the National Shared Services Office is responsible for the operation of controls within the Shared Services Centres.

I have fulfilled my responsibilities in relation to the requirements of the service management agreement between this Office and the National Shared Services Office for the provision of human resources and payroll shared services.

I rely on a letter of assurance from the Accounting Officer of the National Shared Services Office that the appropriate controls are exercised in the provision of shared services to this Office.

The position in regard to the financial control environment, the framework of administrative procedures, management reporting and internal audit is as follows.

***Financial control environment***

I confirm that a control environment containing the following elements is in place.

- Financial responsibilities have been assigned at management level with corresponding accountability.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.
- Formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action.
- There is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system.
- Procedures for all key business processes have been documented.
- There are systems in place to safeguard the assets.

***Administrative controls and management reporting***

I confirm that a framework of administrative procedures and regular management reporting is in place, including segregation of duties and a system of delegation and accountability and, in particular, that

- there is an appropriate budgeting system with an annual budget which is kept under review by senior management
- there are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts
- a risk management system operates within the Office
- there are systems aimed at ensuring the security of the information and communications technology systems
- there are appropriate capital investment control guidelines and formal project management disciplines adhered to.

***Internal audit and Audit Committee***

I confirm that the Office retains an internal audit function through a contract agreement with a professional auditing company with appropriately trained personnel, which operates in accordance with a written charter which I have approved. Its work is informed by analysis of the financial risks to which the Office is exposed and its annual internal audit plans, approved by me, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. The internal audit function is reviewed periodically by me and by the Audit Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

An internal audit function for the Office was in place during 2020.

***Procurement compliance***

I confirm that the Office ensures that there is an appropriate focus on good practice in purchasing and that procedures are in place to ensure compliance with all relevant guidelines.

The Office complied with the guidelines with the exception of one contract (in excess of €25,000), totalling €152,589 (excluding VAT); details are set out below:

- One contract with a value of €152,589 for parliamentary drafting services was awarded without a competitive process and is included in the 40/02 return. It was deemed non-compliant, as the contract was not subjected to a competitive process in the year, because the Office is satisfied that the work cannot be procured any more economically due to the specialised nature of the work involved.

The Office has provided details of non-competitive contracts in the annual return in respect of Circular 40/2002 to the Comptroller and Auditor General and the Department of Public Expenditure and Reform.

***Risk and control framework***

The Office has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing the Office and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the Management Advisory Committee (MAC) on a quarterly basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff.

***Ongoing monitoring and review***

Formal procedures have been established for monitoring control processes and control deficiencies which are communicated to those responsible for taking corrective action, to management and the MAC, where relevant, in a timely way. I confirm that key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

***Review of effectiveness***

I confirm that the Office has procedures to monitor the effectiveness of its risk management and control procedures. The Office's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors and the senior management within the Office responsible for the development and maintenance of the internal financial control framework.

***Covid-19 pandemic***

The onset of the Covid-19 pandemic in early 2020 resulted in some changes to the working and control environment within the Office, with certain aspects of the control environment being adapted to mitigate risks arising from the workplace restrictions imposed as a result of the pandemic. This includes the facilitation of remote working, submission of electronic invoices and digital approval of payments.

The Office has identified additional costs of approximately €250,000 incurred in 2020 that were related to the Office's response to working in a Covid environment. The most material of these costs are highlighted in the variation explanation for subhead A(v) Office equipment and external IT services.

Under the risk and control framework, management carried out a risk assessment of the Covid-19 impact on the control environment. I confirm that the controls both existing and those introduced as a result of Covid-19 continue to be effective.

***Internal financial control issues***

No weaknesses in internal financial control were identified in relation to 2020 that require disclosure in the appropriation account.

**Damien Moloney**  
Accounting Officer  
Office of the Attorney General

23 March 2021

## **Comptroller and Auditor General**

### **Report for presentation to the Houses of the Oireachtas**

#### **Vote 3 Office of the Attorney General**

##### **Opinion on the appropriation account**

I have audited the appropriation account for Vote 3 Office of the Attorney General for the year ended 31 December 2020 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993.

In my opinion, the appropriation account

- properly presents the receipts and expenditure of Vote 3 Office of the Attorney General for the year ended 31 December 2020, and
- has been prepared in the form prescribed by the Minister for Public Expenditure and Reform.

##### ***Basis of opinion***

I conducted my audit of the appropriation account in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the *Preface to the Appropriation Accounts*. I am independent of the Office of the Attorney General and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### **Report on the statement on internal financial control, and on other matters**

The Accounting Officer has presented a statement on internal financial control together with the appropriation account. My responsibilities to report in relation to the information in the statement, and on certain other matters upon which I report by exception, are described in the *Preface to the Appropriation Accounts*.

I have nothing to report in that regard.

**Seamus McCarthy**  
Comptroller and Auditor General

12 July 2021

## Vote 3 Office of the Attorney General

### Appropriation Account 2020

	2020		2019
	Estimate provision	Outturn	Outturn
	€000	€000	€000
<b>Programme expenditure</b>			
A Delivery of professional legal services to Government, Departments and Offices.	16,885	15,682	15,153
<b>Gross Expenditure</b>	<b>16,885</b>	<b>15,682</b>	<b>15,153</b>
<i>Deduct</i>			
B Appropriations-in-aid	705	542	580
<b>Net Expenditure</b>	<b>16,180</b>	<b>15,140</b>	<b>14,573</b>

#### Surplus

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer.

	2020	2019
	€	€
<b>Surplus to be surrendered</b>	<b>1,039,697</b>	<b>1,019,223</b>

**Damien Moloney**  
Accounting Officer  
Office of the Attorney General

23 March 2021

## Notes to the Appropriation Account

### Note 1 Operating Cost Statement 2020

	2020	2019
	€000	€000
Programme cost	2,129	2,073
Pay	11,377	10,971
Non pay	2,176	2,109
<b>Gross expenditure</b>	<b>15,682</b>	<b>15,153</b>
<i>Deduct</i>		
<b>Appropriations-in-aid</b>	<b>542</b>	<b>580</b>
<b>Net expenditure</b>	<b>15,140</b>	<b>14,573</b>
<b>Changes in capital assets</b>		
Purchases cash	(368)	
Depreciation	204	(164)
		75
<b>Changes in net current assets</b>		
Decrease in closing accruals	(35)	
Increase in stock	(2)	(79)
<b>Direct expenditure</b>	<b>14,939</b>	<b>14,569</b>
<b>Expenditure borne elsewhere</b>		
Net allied services expenditure (note 1.1)	2,821	2,521
Notional rents	791	791
<b>Net programme cost</b>	<b>18,551</b>	<b>17,881</b>

#### 1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 3 borne elsewhere.

	2020	2019
	€000	€000
Vote 12 Superannuation and Retired Allowances	2,317	1,996
Vote 13 Office of Public Works	171	214
Vote 18 National Shared Services Office	15	13
Central Fund – pensions in respect of former Attorneys General	318	298
	<b>2,821</b>	<b>2,521</b>

## Note 2 Statement of Financial Position as at 31 December 2020

	Note	2020 €000	2019 €000
<b>Capital assets</b>	2.1	491	327
<b>Current assets</b>			
Bank and cash		212	(62)
Stocks	2.2	42	40
Prepayments		192	159
Other debit balances	2.3	59	84
Accrued income		1	3
Net Exchequer funding	2.5	67	21
<b>Total current assets</b>		<b>573</b>	<b>245</b>
<b>Less current liabilities</b>			
Accrued expenses		65	69
Other credit balances	2.4	338	43
<b>Total current liabilities</b>		<b>403</b>	<b>112</b>
<b>Net current assets</b>		<b>170</b>	<b>133</b>
<b>Net assets</b>		<b>661</b>	<b>460</b>
<b>Represented by:</b>			
<b>State funding account</b>	2.6	<b>661</b>	<b>460</b>

**2.1 Capital assets**

	<b>Furniture and fittings €000</b>	<b>Office equipment €000</b>	<b>Total €000</b>
<b>Gross assets</b>			
Cost or valuation at 1 January 2020	1,687	4,800	6,487
Additions	23	345	368
Disposals	(2)	—	(2)
Cost or valuation at 31 December 2020	1,708	5,145	6,853
<b>Accumulated depreciation</b>			
Opening balance at 1 January 2020	1,638	4,522	6,160
Depreciation for the year	21	183	204
Depreciation on disposals	(2)	—	(2)
Cumulative depreciation at 31 December 2020	1,657	4,705	6,362
<b>Net assets at 31 December 2020</b>	<b>51</b>	<b>440</b>	<b>491</b>
<b>Net assets at 31 December 2019</b>	<b>49</b>	<b>278</b>	<b>327</b>

**2.2 Stocks**

at 31 December	<b>2020 €000</b>	<b>2019 €000</b>
Stationery	19	15
IT consumables	23	25
	<b>42</b>	<b>40</b>

**2.3 Other debit balances**

at 31 December	<b>2020 €000</b>	<b>2019 €000</b>
Office of Public Works	38	38
Recoupable travel pass scheme	4	41
Other debit suspense items	17	5
	<b>59</b>	<b>84</b>

**2.4 Other credit balances**

at 31 December	<b>2020</b>	<b>2019</b>
	<b>€000</b>	<b>€000</b>
<b>Amounts due to the State</b>		
Income tax	177	—
Income levy	37	—
Pay related social insurance	106	—
Professional services withholding tax	16	8
Value added tax	—	31
Pension contributions	—	4
Other creditors	2	—
	<u><b>338</b></u>	<u><b>43</b></u>

**2.5 Net Exchequer funding**

at 31 December	<b>2020</b>	<b>2019</b>
	<b>€000</b>	<b>€000</b>
Surplus to be surrendered	1,040	1,019
Exchequer grant undrawn	<u>(1,107)</u>	<u>(1,040)</u>
<b>Net Exchequer funding</b>	<u><b>(67)</b></u>	<u><b>(21)</b></u>
<b>Represented by:</b>		
<b>Debtors</b>		
Debit balances: suspense	<u>59</u>	<u>84</u>
	<b>59</b>	<b>84</b>
<b>Creditors</b>		
Due to the State	(338)	(43)
Bank and cash	<u>212</u>	<u>(62)</u>
	<b>(126)</b>	<b>(105)</b>
	<u><b>(67)</b></u>	<u><b>(21)</b></u>

**2.6 State funding account**

	Note	<u>2020</u>	<u>2019</u>
		€000	€000
Balance at 1 January		460	456
Disbursements from the Vote			
Estimate provision	Account	16,180	
Surplus to be surrendered	Account	<u>(1,040)</u>	
Net vote		15,140	14,573
Expenditure (cash) borne elsewhere	1.1	2,821	2,521
Non cash expenditure – notional rent	1	791	791
Net programme cost	1	<u>(18,551)</u>	<u>(17,881)</u>
<b>Balance at 31 December</b>		<b><u>661</u></b>	<b><u>460</u></b>

**2.7 Commitments**

<b>Global commitments</b>		
	<b>2020</b>	<b>2019</b>
	<b>€000</b>	<b>€000</b>
at 31 December		
Procurement of goods and services	<u>570</u>	<u>559</u>

## Note 3 Vote Expenditure

### Analysis of administration expenditure

Administration expenditure set out below is included in Programme A to present complete programme costings.

	2020		2019
	Estimate provision	Outturn	Outturn
	€000	€000	€000
i Salaries, wages and allowances	12,107	11,377	10,971
ii Travel and subsistence	310	80	271
iii Training and development and incidental expenses	640	484	646
iv Postal and telecommunications services	63	75	68
v Office equipment and external IT services	665	1,026	705
vi Office premises expenses	160	103	82
vii Consultancy services and value for money and policy reviews	43	29	5
viii Contract legal expertise	280	240	180
	<b>14,268</b>	<b>13,414</b>	<b>12,928</b>

### Significant variations

The following outlines an analysis of the administration expenditure of the Vote and outlines the reasons for significant variations (+/- 25% and €100,000).

#### i Salaries, wages and allowances

*Estimate provision €12.107 million; outturn €11.377 million*

The savings of €730,000 arose due to all posts within the Office not being filled at all times during the year. During the early stages of the pandemic, the Office wasn't recruiting staff and only moved to fill existing and further vacancies arising during the second half of 2020.

#### ii Travel and subsistence

*Estimate provision €310,000; outturn €80,000*

The savings of €230,000 arose due to the restrictions on travel during the pandemic.

#### v Office equipment and external IT services

*Estimate provision €665,000; outturn €1.026 million*

An overspend of €361,000 arose under this subhead with almost €250,000 of this required to purchase IT equipment and supporting services to equip the Office to continue to work in the midst of the Covid-19 pandemic.

### Programme A Delivery of professional legal services to Government, Departments and Offices

		2020		2019
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A.1	Administration – pay	12,107	11,377	10,971
A.2	Administration - non pay	2,161	2,037	1,957
A.3	Contributions to international organisations	45	50	44
A.4	Law Reform Commission	2,439	2,129	2,073
A.5	General law expenses	133	89	108
		<b>16,885</b>	<b>15,682</b>	<b>15,153</b>

#### Significant variations

Overall, the expenditure in relation to Programme A was €1.203 million lower than provided. €854,000 of this related to administration expenditure and the balance of the variance of €349,000 was mainly due to the following:

#### A.4 Law Reform Commission

*Estimate provision €2.439 million; outturn €2.129 million*

The shortfall of €310,000 arose due to less than full staffing for the full year and lower than anticipated administration and office costs arising due to the impact of Covid-19.

## Note 4 Receipts

### 4.1 Appropriations-in-aid

	2020		2019
	Estimated €000	Realised €000	Realised €000
1 Receipts from additional superannuation contributions on public service remuneration	697	540	577
2 Miscellaneous	8	2	3
<b>Total</b>	<b>705</b>	<b>542</b>	<b>580</b>

#### Significant variations

The following outlines the reasons for significant variations in receipts (+/- 5% and €100,000). Overall, appropriations-in-aid were €163,000 less than forecast.

#### 1 Receipts from additional superannuation contributions on public service remuneration

*Estimate €697,000; realised €540,000*

The estimate provision figure for receipts from additional superannuation contributions on public service remuneration is prepared annually on behalf of the Office by the Department of Public Expenditure and Reform. The shortfall of €157,000 for 2020 arose because not all sanctioned posts, both in the Office and in the Law Reform Commission, were filed at all times during 2020. The resultant reduction in salaries paid and the rate of ASC applicable in respect of these positions led to a subsequent reduction in the actual ASC paid.

## Note 5 Staffing and Remuneration

### 5.1 Employee numbers

Full time equivalents at year end	2020	2019
Office of the Attorney General	138	137
Agencies	18	20
<b>Total</b>	<b>156</b>	<b>157</b>

### 5.2 Pay – Office of the Attorney General

	2020	2019
	€000	€000
Pay	10,356	9,967
Higher, special or additional duties allowances	63	90
Other allowances	14	14
Overtime	6	14
Employer's PRSI	938	886
<b>Total pay</b>	<b>11,377</b>	<b>10,971</b>

### 5.2 Pay – Agencies

	2020	2019
	€000	€000
Pay	1,202	1,128
Employer's PRSI	104	95
<b>Total pay<sup>a</sup></b>	<b>1,306</b>	<b>1,223</b>

Note <sup>a</sup> The Law Reform Commission received a grant of €2.129 million under subhead A.4 Law Reform Commission 2020 (€2.073 million in 2019). The pay figures reported above were provided by the Law Reform Commission.

### 5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2020	2019
			€	€
Higher, special or additional duties allowances	13	2	11,050	20,745
Other allowances	9	—	4,533	8,969
Overtime	4	—	5,781	9,391
Extra remuneration in more than one category	3	2	11,912	7,467

#### **5.4 Other remuneration arrangements**

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This account includes expenditure of €260,774 in respect of the salary costs of three officers who were serving outside the Office for all or part of 2020.

This account does not include expenditure in respect of 34 officers who were serving outside the Office for all or part of 2020 in other Government departments/offices and whose salaries were paid by the host department/office.

#### **5.5 Severance/redundancy**

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During 2020, three staff from the Attorney General's Private Office, whose employments were terminated following a change of government, received severance payments of €43,441. Two of these staff also received redundancy payments of €18,276. Total payments made during the year amounted to €61,717.

## **Appendix A    Accounts under the aegis of the Office of the Attorney General**

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The following table lists the bodies under the aegis of the Office of the Attorney General where the Office has an obligation to present financial statements. It indicates, (as at the account signing date), the period to which the last audited financial statements relate and the period in which they were presented to the Oireachtas.

<b>Body</b>	<b>Last accounting period</b>	<b>Date of audit report</b>	<b>Date received by Minister/ Department</b>	<b>Date presented to the Oireachtas</b>
Law Reform Commission	2019	4 Nov 2020	23 Nov 2020	3 Dec 2020