

EDP Consolidated Inventory of sources and methods

Ireland

April 2013

1. Delimitation of General Government

Year n-1

With effect from 2013, the Central Statistics Office compiles preliminary EDP statistics in April (n) for the year n-1 for all sub-sectors of General Government. These accounts are published also in the CSO's National Income and Expenditure in June of year n. In October (n) the CSO produce revised EDP statistics for the year n-1 for all sub-sectors of General Government.

For years prior to 2013, in April (n), the Ministry of Finance compiled preliminary EDP statistics for the year n-1 in collaboration with the Central Statistics Office (CSO). The Ministry of Finance was primarily responsible for compiling the accounts for Central Government (S.1311) and Social Security (S. 1314) while the CSO estimated the net lending borrowing of Local Government (S.1313) based on balance sheet data compiled by the Department of Environment, Community & Local Government.

From 2010, in June (n), the CSO prepared preliminary accounts for the year n-1, as well as final accounts for the year n-2, which were available in their publication National Income and Expenditure. These accounts were reflected in the EDP statistics produced by the Ministry of Finance in October (n).

For years prior to 2010, the October (n) EDP statistics for year n-1 were compiled by the Ministry of Finance.

The non-market agencies included within the General Government Sector are identified by the CSO. Such agencies are grant-aided by Departments of State and details of the grants payable are given in the Book of Estimates .This is an annual publication produced by the Department of Public Expenditure and Reform¹ which provides detailed information on the incomes and expenditures of all Government Departments (see Annex 2 Note 1). New agencies are therefore readily identifiable and their classification as market or non-market is decided by the CSO and involves, if necessary, parent Departments. To further improve the process of identifying the relevant bodies, in Q1 2013, the CSO surveyed all Government Departments to review the existing list of bodies under the aegis of each Department. Preliminary results of this exercise are shown in Annex 1 and will be published nationally also. This exercise will be repeated at least annually from 2013.

The listing of Extra Budgetary Funds is verified each year with the personnel in the budget control section of the Department of Public Expenditure and Reform that monitors the budget allocations of the individual Departments.

Year n-2

From 2013, the April (n) and October (n) EDP statistics for years n-2 and earlier are produced by the CSO.

¹ In 2011, the functions of the Department of Finance were split into two, with some remaining with the Department of Finance and others being moved to a new state department, the Department of Public Expenditure and Reform (PER). The publication of the Revised Estimates of Expenditure moved to PER

Between 2010 and 2012 the April (n) EDP statistics for year n-2 produced by the Ministry of Finance reflected the preliminary CSO accounts published in year n-1.

For previous years, in April (n) the Ministry of Finance compiled revised preliminary estimates for the year n-2, again in consultation with the CSO.

For all years prior to 2013, in October (n), the EDP statistics for year n-2 produced by the Ministry of Finance reflected the final accounts for that year compiled by the CSO.

Annex 1 contains a list of units classified to the General Government sector as at end March 2013.

2. Central Government data

This section describes the availability and use of main data sources for the Central Government sub-sector (S.1311) by type of unit and the adjustments made in order to reach ESA95 definitions. It also covers the treatment for half finalised, finalised and current data, and the process of revision of data.

Central Government is defined to include all bodies established through political processes and for whose activities a Minister of Government or other responsible person is accountable to the people through the Oireachtas (National Parliament). This responsibility extends to the presentation of detailed audited annual accounts to the Oireachtas. Central Government includes legislative, judicial and executive bodies established in this manner. The sector does not include public corporations or enterprises engaged in the production of market services or goods.

The three main classes of Central Government entity are:

- *Government Departments (Ministries) and other Offices of State, funded by the Exchequer (see Annex 1 [a]);*
- *Non-market agencies. These are controlled and funded almost entirely from the Exchequer and may be regarded as extensions of Government departments (see Annex 1 [b]); and*
- *Various extra-budgetary funds for which separate accounts are maintained and which are directly administered by Departments (or in some cases by the National Treasury Management Agency (NTMA), for example the National Pensions Reserve Fund (NPRF) (for listing, see Annex 1[c]).*

(1) The Exchequer

Article 11 of the Constitution of Ireland (Bunreacht na hÉireann) provides that “all revenues of the State from whatever source arising shall, subject to such exception as may be provided by law, form one fund and shall be appropriated for the purposes and in the manner and subject to the charges and liabilities determined and imposed by law.” This fund, known as the Central Fund, is the amount standing to the credit of the Exchequer Account at the Central Bank. The banking transactions of the Fund are effected through the Exchequer Account. The Exchequer Balance is a cash flow measurement which identifies the difference

between receipts physically paid in to and expenditures paid out of the Exchequer Account in each calendar year. These revenues and expenditures are assigned under Ireland's budgetary conventions between the Current Budget and the Capital Budget. Fully audited details of the Exchequer receipts and expenditure outturn are given in the Finance Accounts and Appropriation Accounts (see Annex 2, notes 6 and 5 respectively). Forecast data are given in the White Paper on Receipts and Expenditure (see Annex 2, note 2) and in the Budget Book (see Annex 2, note 3). These publications are issued annually by the Department of Finance and the Department of Public Expenditure and Reform.

(2) Non-Commercial Semi-State Bodies (Non-market agencies)

The non-commercial semi-state bodies classified in the Central Government sub-sector include Foras Áiseanna Saothair (FÁS - the State Training and Employment Authority), Enterprise Ireland, the Industrial Development Authority (IDA Ireland), Teagasc (the Irish Agriculture and Food Development Authority), Voluntary hospitals, Voluntary schools, Irish Rail (the state owned rail transport company) and the Housing Finance Agency (which raises money for on-lending by Local Authorities) (for full list see Annex 1). Sales revenues of these agencies account for less than 50% of their costs. Commercial semi-state companies, though publicly controlled, are not classified in the General Government sector because they are market entities. Audited accounts are available for each semi-state body.

(3) Extra-Budgetary Funds

A Government Department, or in some cases the NTMA, manages the extra-budgetary funds (see full list of funds attached at Annex 1 [C]). Budgetary data in respect of these funds are given in either the Appropriation Accounts, the audited accounts of the fund in question or the NTMA Annual Report (for years before 2003, the NTMA Annual Report and Financial Statements). The main extra-budgetary funds in Central Government are the National Pensions Reserve Fund (NPRF) and the Dormant Accounts Fund. The NPRF is controlled and managed by the National Pensions Reserve Fund Commission, which has discretionary authority to determine and implement an investment strategy for the Fund based on commercial principles and subject to prudent risk management. The NTMA was appointed as manager of the Fund to act as agent of the Commission. Data relating to the Fund are published in an annual report and financial statements (see <http://www.nprf.ie/Publications/annualReports.htm>; a summary quarterly performance statement is also issued (see quarterly press releases <http://www.nprf.ie/Publications/pressReleases.htm>).




2.1 Availability and use of data sources

2.1.1 Data sources for Central Government main unit: "The State"

1a) Information available/used for this sub-sector in the current year n-1 and year n-2 notified in April (n) and October (n):

Table 1 – Source Data Accounting ²

² A/U (available/used), A/NU (available/not used), NA/NU (not available/not used)
C (Cash), A (Accrual), M (Mixed Cash-Accrual)

Accounting Rules(C/A/M)	Source Data Accounting	April (n)		October (n)	
		Year n-1	Year n-2	Year n-1	Year n-2
	 Budget Reporting				
	• Summary				
C	(1) Current revenue and expenditure	A/U	A/U	A/U	A/U
C	(2) Current and capital revenue and expenditure	A/U	A/U	A/U	A/U
C	(3) Current and capital revenue and expenditure and financial transactions	A/U	A/U	A/U	A/U
	(4) Balance sheets	NA/NU	NA/NU	NA/NU	NA/NU
	• Detailed				
C	(5) Current revenue and expenditure	A/U	A/U	A/U	A/U
C	(6) Current and capital revenue and expenditure	A/U	A/U	A/U	A/U
C	(7) Current and capital revenue and expenditure and financial transactions	A/U	A/U	A/U	A/U
	(8) Balance sheets	NA/NU	NA/NU	NA/NU	NA/NU
	 Financial Statements				
	(9) Profit and loss accounts	NA/NU	NA/NU	NA/NU	NA/NU
	(10) Balance sheets	NA/NU	NA/NU	NA/NU	NA/NU
	 Other Reporting				
	(11) Statistical surveys	NA/NU	NA/NU	NA/NU	NA/NU
	(12) Other:(please specify)	NA/NU	NA/NU	NA/NU	NA/NU

The public accounts sources used for Exchequer transactions are the following:

- *Revised Estimates for Public Services (also known as the Revised Estimates Volume): Detailed unaudited figures for expenditure and receipts of Government Departments. Estimated outturns are available by March (n) for year (n-1) (see Annex 2, note 4)*
- *End-year Exchequer returns (Exchequer Statement): Unaudited details of all inflows and outflows to the Exchequer account. Data are available by March (n) for year (n-1) (see Annex 2, note 7)*
- *Appropriation accounts: Audited figures for expenditure and receipts of Government Departments. Details are available by March (n) for year (n-2) (see Annex 2, note 5)*
- *Finance accounts: Audited figures of inflows and outflows to the Exchequer account. Data are available by March (n) for year (n-2) (see Annex 2, note 6)*

1b) Reasons for not using the available accounting reports and criteria for choosing only one of them (consistency with data sources used in other sub-sectors, accrual basis, etc) if two different accounting reports are available for the same unit.

Different reports are used for preliminary and final data. For example, the ‘Appropriation Accounts’ provide audited final figures for items for which preliminary unaudited results

were initially taken from the publication 'Revised Estimates for Public Services' (also known as the Revised Estimates Volume). The level of detail provided in these reports is almost identical. The valuation rules, consistency with other sources, etc. are in general the same for all sources.

1c) Complementary codification at data source, by counterpart sector

Data on transfers between the different sub-sectors of General Government are usually available in the public accounts and are used to check the consistency of data in primary and counterpart sources.

1d) Complementary information of other units/departments that are not reflected in the Budget Reporting, when compiling ESA95 accounts.

A small amount of additional information is required to compile the ESA95 accounts.

- The National Treasury Management Agency (NTMA) produces details of the national debt interest on an ESA95 basis. This is not available in the main Exchequer accounts, which are all on a cash basis.
- The Central Bank provides details of the capital gains and losses contained in the surplus income paid over to the State.
- Initial estimates of taxation receipts are normally taken from the (monthly) Exchequer returns (also known as Exchequer Statements). However, these are updated following the publication of the Revenue Commissioners Annual Statistical Report see <http://www.revenue.ie/index.htm?/publications/corppubs/statreport2006.htm>. The Central Statistics Office (CSO) has always taken the data in the Revenue Commissioners Report as more definitive. Usually, the two sets of figures are in close agreement.
- Annual accounts of the Health Service Executive (HSE), which are made available in May following the reference year. Initial estimates of the revenues and expenditures of the HSE, on a cash basis, are sourced from the Revised Estimates Volume. The data in the annual account of the HSE is prepared on an accruals basis and is used to replace the cash based data when the annual account becomes available.

In recent years the CSO also calculates VAT, Excise, and Pay As You Earn (PAYE) tax receipts on an accrual basis, by adjusting the cash amounts to reflect the usual time gap between the accrual of tax and the cash payment. These data are used in place of the cash amounts recorded in the public accounts.

1e) Consistency of classifications used in the Budget Reporting of “the State” and in the Budget Reporting of other General Government entities.

The valuations used in Budget reporting of ‘the State’ are generally on a cash basis. However, the format, classifications and level of detail provided for sub-sectors in different reports may not be comparable on a line by line basis.

1f) Source (direct or indirect) of basic data requested by the National Statistical Institutes

The basic data are published in reports such as the Revised Estimates Volume, Finance Accounts and Appropriation Accounts etc. (see Annex 2). The Ministry of Finance maintains

an internal database, which is a detailed national accounts classification of the receipts and expenditures of government departments mappable to the Department by Department Vote classifications contained in the Revised Estimates Volume. This database is available to the CSO. Its contents are independently verified by the CSO. The Ministry of Finance makes any necessary changes to its database on foot of any corrections and reclassifications notified by the CSO. The CSO uses the figures in the database to compile its initial estimates of the accounts of Central Government. The values are subsequently updated by the CSO to incorporate the more final audited results provided in the Appropriation Accounts.

1g) Nature of the data sources – cash, accrual or mixed

See Table 1

All accounts of the State – Revised Estimates Volume; Finance Accounts; Appropriation Accounts are produced on a cash basis. Some limited adjustments are made to time adjust the data to an accruals basis. (See Section 2.2.1 (b) below)

1h) Circumstances in which data available from basic sources is consolidated.

Transactions reported in the basic sources are unconsolidated and record gross flows between units classified within Central Government and between these units and entities classified in other sub-sectors of General Government. For example, the accounts of the State include grants made to other areas of general government e.g. to the local government sector. These are consolidated out in the compilation of the EDP statistics for General Government. Full details of such grants are set out in the Revised Estimate Volume and in the internal database of the Ministry of Finance.

1i) Changes in the accounting rules foreseen in the near future (if any).

At central government level there is a reform agenda to move departments from cash accounting to accruals based accounting. This was considered previously under the Strategic Management Initiative which was about modernization and change initiatives in the civil service. In 2002 the Accounting Working Group accepted that the cash reporting system was insufficient for assessing departmental performance. The working group also accepted that the Department of Public Enterprise pilot project in 1995 to 1997 to produce accruals based financial statements is suitable model on which to develop financial reporting for central government. It also accepted that the Management Information Framework project commenced in 1999 to develop a single financial management and control framework (capable of producing accruals information) for each department, this presented an opportunity to produce the accruals information. By the end of 2005, all departments had installed new (separate) information systems. The time frame for the move to accruals based reporting has not been agreed but in 2011 appropriation account will include balance sheet. It is not clear whether local GAAP or IPSAS will be the basis for reporting.




2.1.2 Data sources for Central Government: Other entities / other central government bodies (please detail)

The main central government bodies other than the Exchequer are:

- *Non-market agencies. These are controlled and funded almost entirely from the Exchequer and may be regarded as extensions of Government departments (for list see Annex 1 [b]); and*
- *Various extra-budgetary funds for which separate accounts are maintained and which are directly administered by Departments (or in some cases by the National Treasury Management Agency (NTMA), for example the National Pensions Reserve Fund (NPRF)) (see list of funds attached at Annex 1 [C]).*

2a) Information available/used for this sub-sector in the current year n-1 and year n-2 notified in April (n) and October (n):

Table 2 – Source Data Accounting

Accounting Rules(C/A/M)	Source Data Accounting	April (n)		October (n)	
		Year n-1	Year n-2	Year n-1	Year n-2
	 Budget Reporting				
	• Summary				
M	(1) Current revenue and expenditure	A/U	A/U	A/U	A/U
M	(2) Current and capital revenue and expenditure	A/U	A/U	A/U	A/U
M	(3) Current and capital revenue and expenditure and financial transactions	A/U	A/U	A/U	A/U
	(4) Balance sheets	NA/NU	NA/NU	NA/NU	NA/NU
	• Detailed				
M	(5) Current revenue and expenditure	A/U	A/U	A/U	A/U
M	(6) Current and capital revenue and expenditure	A/U	A/U	A/U	A/U
M	(7) Current and capital revenue and expenditure and financial transactions	A/U	A/U	A/U	A/U
	(8) Balance sheets	NA/NU	NA/NU	NA/NU	NA/NU
	 Financial Statements³				
A	(9) Profit and loss accounts	NA/NU	A/U	A ⁴ /U	A/U
A	(10) Balance sheets	NA/NU	A/U	A ² /U	A/U
	 Other Reporting				
	(11) Statistical surveys	NA/NU	NA/NU	NA/NU	NA/NU
C	(12) Other: (please specify) Administrative returns from supervising line Departments to the Ministry of Finance	A/U	A/U	A/U	A/U

³ Available for non-market agencies only

⁴ Only some will be available

Non-market agencies:

Final data for these agencies are derived from their published audited accounts. Most of these accounts are usually available by March (n) for year (n-2). Estimates for the most recent year are based on the provisional income and expenditure statements for these agencies contained in the Revised Estimates Volume. These statements are compiled from estimates provided by each agency to its parent Department.

Extra budgetary funds:

Audited accounts for year (n-1) are usually available by September (n). Estimates provided by the supervising Departments are used until the audited accounts become available.

2b) Reasons for not using the available accounting reports and criteria for choosing only one of them (consistency with data sources used in other sub-sectors, accrual basis, etc) if two different accounting reports are available for the same unit.

The accounting reports are used.

2c) Complementary codification at data source, by counterpart sector

The basic source data usually provide information on the gross flows between the different sub-sectors of General Government. This information is used to check the consistency of primary and counterpart data.

2d) Complementary information which is not in the financial statements, when compiling ESA95 accounts.

No additional information is collected.

2e) Consistency of classifications used in this sub-sector and in the Budget Reporting of units in other sub-sectors of General Government.

The audited accounts of non-market agencies in central government are compiled on an accruals basis but the layout and the detail provided in the accounts is specific to each agency. The audited accounts of most extra-budgetary funds are compiled on a cash basis and again the level of detail provided can differ.

2f) Source (direct or indirect) of basic data requested by the National Statistical Institutes

The basic data for the non-market agencies and for most of the extra budgetary funds are generally sourced independently by the CSO from published reports or from the National Treasury Management Agency (NTMA). Data for the remaining extra budgetary funds are requested from the supervising Department through the Ministry of Finance.

2g) Nature of the data sources – cash, accrual or mixed

The accounts of non-market agencies in central government, which are published in their annual reports, are compiled on an accruals basis. The information used for preliminary

estimates, which is sourced from the public accounts, is generally reported on a cash basis. Both the preliminary and final accounts of the extra-budgetary funds are generally compiled on a cash basis.

2h) Circumstances in which data available from basic sources is consolidated.

Accounts of the non-market agencies and extra budgetary funds are individually examined and in the basic data there is no consolidation of transactions with other units.

2i) Changes in the accounting rules foreseen in the near future (if any).

CSO is not aware of any proposals to change the accounting standards of these units.

2.1.3 Data for the current year (n-1) notified in April (n) - detailed explanation

i) Common data sources used for finalised and half-finalised data for the current year in the first notification.

Generally, the same sources are used. However, the Finance Accounts, the Appropriation Accounts, the Statistical Report of the Revenue Commissioners and audited accounts of the non-commercial semi-state bodies and the extra-budgetary funds are not available in time for use in the first notification.

ii) Data sources specifically used in the context of the first notification

The Revised Estimates Volume, the Budget Book and unpublished data from the Department of Finance, the Department of Public Expenditure and Reform, other relevant Government Departments and the NTMA

iii) Estimation methods that may be used in the context of the first notification and their importance in the central budget and for other units included in central government.

For central budget

For year (n-1), provisional outturn data are given in the monthly Exchequer returns (Exchequer Statements are available at <http://www.finance.gov.ie/ViewDoc.asp?DocId=-1&CatID=5&m=f>). This accounts for most of Central Government. The experience has been that final data differ only marginally from the provisional outturns.

For other units included in central government

The Revised Estimates Volume, usually published in time for the end-March EDP return, gives outturn information for year n-1 for the non-commercial semi-state bodies. Where the Revised Estimates are published after the March EDP notification, outturn information on non-commercial semi-state bodies is provided by the sponsoring Department. Information in relation to the NPRF is provided by the NTMA.

2.1.4 Auditing Process

I) Working balances of Central Government that were submitted to an auditing process.

The starting working balances for the Central Government sector of EDP notification Table 2 at end-March (n) for the years n-4, n-3 and n-2 will have been subject to an auditing process. The starting working balance for the years n and n-1 will be audited in due course. However, it should be noted that historically there is minimal difference between the provisional outturn and the audited outturn for this sector.

II) Incorporation of the findings of the auditing process in the national accounts.

The main findings of the auditing process in relation to Central Government – the Appropriation Accounts and the Finance Accounts – are generally available at end-September (n) for the year (n-1). However, minimal adjustment to the national accounts is required on foot of these reports. Preliminary information for the year (n-1) is readily available from the Exchequer Statements produced by the Ministry of Finance in January (n) and in the Revised Estimates Volume produced by the Ministry of Finance by March (n). The detail contained in the Appropriation Accounts usually varies very little from the preliminary information available in the earlier Revised Estimates Volume. See Annex 2 for further details of these and other publications produced by the Ministry of Finance.

2.2 Data treatment

2.2.1 Half finalised and finalised data

a) Financial transactions that may be included in the public accounts of central government and are excluded in table 2.

The main financial transactions contained in the Irish accounts are detailed below.

FEOGA (Fonds européen d'orientation et de garantie agricole) payments

This item refers to advance payments from the Exchequer to final recipients (farmers, enterprises etc) of agricultural subsidies due from the European Union under the Guarantee section of the European Agricultural Guidance and Guarantee Fund (EAGGF or FEOGA). In Ireland's National Accounts, FEOGA subsidies are recorded on an accrual basis. The amounts included for a given calendar year are the reimbursements claimed by the Department of Agriculture, Fisheries and Food from the EU in respect of expenditures actually incurred in the calendar year. These can differ significantly from the actual reimbursements by the EU in the year, which can be received up to three months after the Irish Exchequer pays the subsidies. Such advance payments to recipients by the Exchequer of EU FEOGA subsidies are treated in the National Accounts as the acquisition of a financial claim on the EU, with no impact on the GGB, and are classified as 'Loans granted' in Table 2 of the Excessive Deficit Procedure (EDP) return. The corresponding payments when received from the EU are classified in Table 2 as 'Loans, repayments'.

Other loans

The FEOGA advances described above account for about 95% of the amounts recorded as loans granted and repaid in Table 2 of Ireland's EDP return for Central Government. The remaining values are accounted for by small amounts of loan transactions between the Exchequer and various commercial semi-state companies.

Sales of state assets

Sales of state assets such as commercial state-owned companies are treated as financial transactions. Examples are the sale of the Industrial Credit Corporation in 2001, the sale of the Agricultural Credit Corporation in 2002 and the sale of a 60% stake in Aer Lingus in 2006. Reference to such transactions is normally made in the Budget Book in the Table “Explanation of the net difference between the Exchequer Balance and General Government Balance” (Table 2 of the ‘Budget Statistics and Tables’ section of the Budget Book from Budget 2003 onwards, Table 6 in prior years. For Table 2 in 2007 Budget Book see <http://www.budget.gov.ie/2009/downloads/BudgetaryTables2009.pdf>). These transactions are recorded as sales of equity in Table 2 of the EDP return.

Other sales/acquisitions of equities

Apart from the sale of state companies, the other amounts shown in EDP Table 2 in recent years under the financial transactions heading are small and relate to small acquisitions and disposals of share capital in a variety of companies.

Gains arising from the Euro changeover

In accordance with a Eurostat decision (Eurostat news release number 88/2002 of 22 July 2002), neither Central Bank profits arising from the write-off of its Irish note issuance liability nor Central Government profits from seignior age on legacy Irish coins are treated as income in compiling Ireland’s GGB. Transfers to the Exchequer of proceeds from these transactions are classified as ‘Other financial transactions’ in Table 2 of the EDP return.

b) Information and method (s) used for the adjustment cash/accrual for items other than interest.

Taxes

Taxes are reported on a cash basis, with the exception of Value Added Tax (VAT), Excise duties and PAYE Income taxes, which are reported on a time-adjusted cash basis. For the April (n) reporting of year n-1 data, these tax receipts are on an Exchequer cash basis, while for subsequent EDP transmissions, Revenue Net Receipts figures are used.⁵

⁵ The Exchequer Account is a cash account into which all receipts due to the State are paid (unless there is specific legislation to the contrary). Tax receipts into the Exchequer are thus accounted for as cash on receipt.

The “net receipts” reported by the Revenue Commissioners represent matured tax liabilities and this reporting arrangement is more of an accounting concept. As a result, tax receipts reported on an Exchequer basis can differ from Revenue’s “net receipts” at any given time for accounting and timing reasons.

For the most part, tax revenues received by the Revenue Commissioners are paid into the Exchequer and brought to account as “net receipts” at roughly the same time. However, there are a number of specific instances that lead to the above mentioned accounting and timing differences:

- Levies, most particularly the Health Tobacco Levy of €14 million every month which is recorded as a Revenue Net Receipt but not an Exchequer Receipt as it is paid directly to the Department of Health (€168 million per annum);
- Pre-paid deposits, mainly relating to Excise Duty and Stamp Duty, which are made available to the Exchequer as they arise but which Revenue only record as Net Receipts when the full payment due date arrives;

VAT is time-adjusted by two months.

For excise duties, the time adjustment involved depends on the type of goods involved, reflecting differences in the grace period for payment of the duty:

- *Cigarettes*
For cigarettes, the accrual period is two months except for December payments. This is because the grace period at the end of the year is shortened, with November receipts and much of December receipts falling due in December, in addition to the standard October receipts.
- *Vehicle Registration Tax*
For Vehicle Registration Tax (VRT), a one-month accrual period applies.
- *Hydrocarbon oils*
Hydrocarbon oils have no time lag as all excise duties must be paid in the month in which they are incurred.
- *Other goods*
For other excise, a one-month accrual period has applied since December 2001. Until then, slightly different rules applied to end of year returns for alcohol.

Pay As You Earn (PAYE) income taxes on wages, which are deducted by employers, are time adjusted assuming an average one month delay between the accrual of the taxes and their payment to the tax authorities.

Appropriation Accounts

In recent years, the Appropriation Accounts publication, which is cash based, has also provided aggregated information on the end-year values of certain receivables and payables of each Government Department. This information is also used in order to convert the basic cash information to an accruals basis.

The audited accounts of semi-state bodies presented in their annual reports record revenue and expenditure on an accrual basis. These accounts are used by the CSO in the compilation of National Income and Expenditure and are reflected in the data underlying the EDP return.

EU transfers payable to Central government are initially reported on a cash basis in the source data. Using direct information obtained from the units managing the various EU funded investment programs, the amounts received from the EU are allocated to the period in which the relevant expenditure actually took place before being included in the National Accounts. The expenditure and subsequent grant receipt from the EU therefore has no impact on General government Net lending/Borrowing.

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- Monies in transit, where the normal delay between receiving payment and lodgement to the Exchequer account causes the Exchequer Receipts lodgement to fall into a different month from the Net Receipts lodgement;
 - Unallocated Tax Deposits, whereby unidentified receipts are lodged to the Exchequer account while they are only recorded as Net Receipts once Revenue have apportioned them to the correct tax-head and brought them to account.

UMTS licence receipts *These receipts are recorded in the Irish accounts in accordance with the Eurostat decision of July 2000 (Eurostat News Release No 81/2000 of 14 July 2000). The full net present value (NPV) of the three licences sold in 2002 is included in the calculation of the GGB for that year. Only €102 million of the €208 million NPV sales proceeds was actually received in 2002 and included as revenue in calculating the ‘Exchequer Balance’ at the top of Table 2 of the EDP return. The outstanding €106 million has been accrued and entered as part of ‘Other adjustments’ in that year. Receipt of the outstanding amount when it occurs, will give rise to negative adjustments in Table 2.*

Net Revenue Receipts

Initial estimates of taxation receipts are normally taken from the (monthly) Exchequer returns and updated following the publication of the Revenue Commissioners Annual Report. CSO has always taken the data in the Revenue Commissioners Report as definitive. Usually, the two figures match quite closely. The difference is included as an adjustment in EDP Table 2.

Impact of balances and other accruals

This item represents “Departmental Balances”. Monies issued from the Exchequer to a Department may not be fully spent by the Department in the same year. This adjustment, which is calculated as the change in Departmental Balances between the start and end of the year, ensures that actual spending by Departments and their agencies is recorded in the calculation of the GGB rather than the Exchequer issues.

c) Sources and methods used for the calculation of interest on an accrual basis.

Interest on the national debt is calculated on an accrual basis by adjusting the value of cash payments of interest by the change in the value of the stock of accrued but unpaid interest recorded at the start and end of each year. The NTMA provides this information each year.

d) Information on other accounts receivable/payable that may be provided in public accounts data.

The public accounts in Ireland provide an incomplete picture on accounts receivable and payable, and only limited adjustments are included in Table 2 of the EDP return.

e) Sources and method (s) for the adjustment related to units classified within or outside central government.

The non-commercial semi-state bodies (i.e. non-market agencies) classified within the Central Government sub-sector are largely funded by Exchequer or EU grants and only a small proportion of their spending is financed from own resources or through borrowing. Information on their net borrowing, for EDP Table 2, is obtained either from the audited accounts or, before these become available, from the agency statements contained in the Revised Estimates Volume (for details of the Revised Estimates Volume, see Annex 2 Note 4).

f) Other adjustments regularly implemented.

Payments in respect of prefunding of future pension liabilities

This adjustment represents the annual payments from the Exchequer into the NPRF, together with the amounts of investment income (less costs) earned by the Fund. The NPRF is a long-term pension reserve established by Government to meet part of the State's future pension liabilities from the year 2025 onwards. The Fund is treated as an extra-budgetary fund and is classified within the Central Government sub-sector. Annual payments into the NPRF from the Exchequer amounted to 1% of GNP. However such payments have ceased since 2009. In addition, in the early years of its existence (this also applied to its precursor, the Temporary Holding Fund for Superannuation Liabilities), proceeds from the sale of state-owned companies were allocated to the Fund.

Other Extra-Budgetary Funds

Details of the receipts and expenditure of these funds are given in the Appropriation Accounts, the audited accounts of the fund in question or the NTMA Annual Report and Accounts. Forecast information is provided by the sponsoring government departments. The Table 2 adjustment represents the difference between the amounts transferred from the Exchequer to the funds and the expenditure incurred by the funds.

Debt Assumption

Debt assumption by Government from public enterprises is a capital transfer from Government to the enterprise, with an adverse impact on the GGB. For example, the assumption by the Minister for Finance in 2001 and 2002 of the debt of Nitrigin Éireann Teoranta (NÉT), a public corporation, reduced the GGB in the two years (and increased the General Government Debt) by €241m and €10m respectively. The Minister for Finance delegated to the NTMA the function of discharging NÉT's borrowings. The Agency discharged the borrowings during 2001 and 2002, the full amounts assumed in each year.

g) Sources of information used for transactions which need specific attention (in cases where they are not directly identifiable in public accounts): debt assumption, debt cancellation, privatisation, securitisations, capital injection into public corporations, payments from the central bank.

Details of the transactions mentioned would usually be available in published sources either in the Finance Accounts, Appropriation Accounts, Revised Estimates Volume, Budget Book or in the audited accounts of the non-commercial semi-state bodies. Where additional information is required it is sourced from the Department of Public Expenditure and Reform or the relevant government department. Further details of several of these items are given in parts (a) to (f) above. The only securitisation of public revenues to date relates to the securitisation in 1995 and 1996 of approximately €240 million of local authority house mortgage receivables. Full information was provided by the NTMA, which managed the company concerned (Ulysses Securitisation plc). The securitisation effectively concluded in August 2006 with the redemption of the long-term asset backed bond issued by Ulysses, but the Ulysses entity remained in existence for some time afterwards.

2.2.2 Revision process

Steps in the revision process of data, for the State and for other units included in central government, after the first notification

For central budget

For year (n-1) more definitive outturn information may be available from the Appropriation Accounts and the Finance Accounts in time for the September year (n) notification. However in some years this information becomes available too late and is reflected only in subsequent returns.

For other units included in central government

For the year (n-1), more definitive information becomes available in the Appropriation Accounts, the audited accounts of non-commercial semi-state bodies (i.e. non-market agencies) and the NTMA Annual Report and Accounts.

3. State Government

Not applicable for Ireland

4. Local Government

This section describes the availability and use of main data sources for the Local Government sub-sector (S.1313) by type of unit and the adjustments made in order to reach ESA95 definitions. It also covers the treatment for half finalised, finalised and current data, and the process of revision of data.

The Local Government sub-sector consists of all bodies established for the purpose of local administration: Local Authorities, Health Boards (up until their abolition at 31.12.2004) and Vocational Education Committees (VECs). The sub-sector is funded primarily by grants from Central Government. (Note: The 11 Regional Health Boards were abolished with effect from 1st January, 2005 and have been replaced by a single body, the Health Service Executive (HSE), which is responsible for the delivery of health services nationwide. The HSE is considered a unit of Central Government and its activities are included in the accounts of S.1311 Central Government)

1. Local Authorities

Local Authorities are monitored and controlled by the Department of Environment, Community and Local Government. Local Government revenues consist essentially of three sources:

- *grant allocations from Central Government*
- *charges for services (such as public utilities)*
- *local property taxes (“rates”) on commercial properties.*

Under the Local Government Act 2001, local authorities are required to adopt a balanced current budget. Rates must be struck annually at a level sufficient to make up any deficiency in the budget of a local authority (i.e. the revenue generated by rates when taken together with revenue from other sources, such as local service charges, should be sufficient to meet the budgeted expenditure level). The 2001 Act also provides that a local authority may borrow money in a manner that it considers suitable for the effective performance of its functions. Such borrowing is, however, subject to the consent of the appropriate Minister. As a general rule, each request for borrowing is assessed on the local authority’s capacity to make repayments. Most of the borrowing of local authorities is for capital purposes (mainly housing). Each year the Department of the Environment, Community and Local Government publishes the Local Authority Budgets (The latest published budgets available are for 2013, see

<http://www.environ.ie/en/Publications/LocalGovernment/Administration/FileDownload,32678,en.pdf> This publication contains aggregate details of the estimates of receipts and expenditure on revenue account adopted by local authorities.

2. Health Boards

Health Boards, abolished with effect from 1 January 2005 were responsible for the administration of health services in local areas. They were monitored and controlled by the Department of Health and Children, and were mainly financed by grants from the Exchequer. Under Section 8 of the Health (Amendment) No 3 Act, 1996 (<http://www.irishstatutebook.ie/ZZA32Y1996S8.html>) the Minister for Health and Children specified the ceiling for the expenditure that could be incurred by a health board and specified the maximum amount of debt which the board could incur. The purpose of allowing health boards to borrow was mainly to allow them some liquidity in the management of

expenditure. With effect from 1 January 2005 a single body, known as the Health Service Executive, took over the functions of the existing health boards.

3. Vocational Educational Committees (VECs)

VECs are statutory committees of Local Authorities, although they have their own corporate status under the Vocational Education Act, 1930

<http://www.irishstatutebook.ie/ZZA29Y1930.html> VECs are monitored and controlled by the Department of Education and Skills. They are responsible for managing vocational schools (second level) in local areas and are financed partly from local rates (property tax on commercial property) and partly from Exchequer grants. Under the 1930 Act, a vocational education committee may, with the consent of the Minister for Education and Skills, borrow by means of bank overdraft or otherwise for the purposes of the vocational education fund which it maintains. VECs are a relatively small element of the Local Government sub-sector.




4.1 Availability and use of data sources

4.1.1 Data sources for Local Government main units: municipalities, localities

This section describes the compilation process for Local Authorities. These comprise County Councils, City Councils and Town Councils.

1a) Information available/used for this sub-sector in the current year n-1 and year n-2 notified in April (n) and October (n):

Table 3 – Source Data Accounting *

Accounting Rules(C/A/M)	Source Data Accounting	April (n)		October (n)	
		Year n-1	Year n-2	Year n-1	Year n-2
	 Budget Reporting				
	• Summary				
C	(1) Current revenue and expenditure	A/U	A/NU	A/U	A/NU
C	(2) Current and capital revenue and expenditure	A/U	A/NU	A/U	A/NU
	(3) Current and capital revenue and expenditure and financial transactions	NA/NU	NA/NU	NA/NU	NA/NU
	(4) Balance sheets	NA/NU	NA/NU	NA/NU	NA/NU
	• Detailed				
A	(5) Current revenue and expenditure	NA/NU	NA/U	NA/NU	NA/U
A	(6) Current and capital revenue and expenditure	NA/NU	NA/U	NA/NU	NA/U
A	(7) Current and capital revenue and expenditure and financial transactions	NA/NU	NA/U	NA/NU	NA/U
	(8) Balance sheets	NA/NU	NA/U	NA/NU	NA/U
	 Financial Statements				
	(9) Profit and loss accounts	NA/NU	A/U	NA/NU	A/U
	(10) Balance sheets	NA/NU	A/U	NA/NU	A/U
	 Other Reporting				
A	(11) Statistical survey *	A/U	A/U	A/U	A/U
	(12) Other: (please specify)	NA/NU	NA/NU	NA/NU	NA/NU
	* Special quarterly questionnaire issued to Local Authorities by the Department of Environment, Community and Local Government to collect details of the value of end year stocks of financial assets and liabilities and data on income and expenditure by programme.				

Traditionally there were significant delays in collecting and collating detailed income and expenditure information from Local Authorities. This has improved since the introduction of the Local Authority Financial Management System (FMS). This new accrual based accounting system has been used by all Local Authorities since 2004 and is now used to produce the definitive annual ESA based accounts for Local Authorities. In advance of this FMS data coming on-stream, the Department of Environment, Community and Local Government (DoECLG) conducted and continues to conduct a special inquiry, , which collects information on the end year stock values of the different financial assets and liabilities of Local Authorities along with high level data on income and expenditure (both

revenue and capital) by Programme (e.g. housing, water supply, etc). This is the 'Statistical survey' referred to in line (11) of Table 3. The survey is undertaken every quarter, for IMF programme monitoring purposes. The information is used to estimate the net lending/borrowing(B.9nf and B.9f).

The CSO provides Eurostat with Table 0200 of the ESA95 transmission programme, which gives a detailed breakdown of the Income and Expenditure of General Government, including Local Authorities, at an interval of T+3 months. However, the data for Local Authorities in this table are based on the quarterly returns for the most recent year and are not detailed enough to provide all the necessary information on non-financial transaction The estimated income and expenditure figures are adjusted to be consistent with the net lending/borrowing figures calculated in the quarterly financial return. 3.

CSO compiles the final results for Local Authorities using detailed information obtained from the Department of Environment, Community and Local Government. This information is compiled from the audited FMS based annual accounts that each individual Local Authority is required to provide to the Department. This finalised detailed information only becomes available many months (T+18months approx) after the end of the reference year. The accounts are accrual based but they are compiled in a specific format which follows a Code of Practice in accordance with Section 12 of the Local Government Act 2001 and which differs from the standard company accounts. These are the source data referred to in lines (5) to (7) of Table 3 above. As reported in table 3, the annual results are presently only available in time to be used in the April (n-2) EDP report.

When the detailed FMS based accounts become available, the information in the balance sheet replaces the information obtained earlier in the statistical survey of end year stocks of financial assets and liabilities. This provides a revised estimate of net lending/borrowing (B.9f), which is used by CSO as the definitive estimate for EDP reporting.

The detailed FMS results also enable the CSO to make an independent estimate of the net lending/borrowing position of Local Authorities, based on the non-financial transactions. For most years this has compared reasonably well with the estimates derived from the financial balance sheets. However, some differences remain and the CSO is continuing to work with the Department in order to fully reconcile the two estimates. In the interim, the CSO accepts the net lending/borrowing figure obtained from the financial balance sheets to be more correct and adjusts the capital account flows obtained from the FMS based annual accounts in order to balance the two estimates.

1b) Reasons for not using the available accounting reports and criteria for choosing only one of them (consistency with data sources used in other sub-sectors, accrual basis, etc) if two different accounting reports are available for the same unit.

As explained above, the alternative net lending/borrowing estimates derived from the FMS based annual accounts have not yet been fully reconciled. For the moment the traditional estimate based on the financial balance sheet is preferred to the alternative estimate calculated as the balance of non-financial transactions. This is because the detail of income and expenditure available in the FMS system and especially in the capital account, are still not detailed enough to be able to always identify the precise nature of the transactions. Pending further clarification of the content of the capital account, the CSO continues to use the traditional estimate based on changes in the stock of financial assets and liabilities.

1c) Complementary codification at data source, by counterpart sector

Complementary codification is not available for the local government sector.

1d) Complementary information which is not in the financial statements, when compiling ESA95 accounts.

Prior to the introduction of the FMS, the accounting system used by Local Authorities traditionally included in what they label the 'capital account', indistinguishably from items that were properly classified as capital under ESA95, certain transactions in financial assets and liabilities. The amounts involved were not explicitly reported in the annual audited accounts, which did not include balance sheets. In order to compile the non-financial accounts for Local Authorities the transactions in financial assets and liabilities were excluded using information that is contained in other reports largely obtained by the DoECLG from the Local Authorities.

1e) Consistency of classifications used in this sub-sector and in the Budget Reporting of other General Government units.

Local Authorities have their own unique budget reporting system.

1f) Source (direct or indirect) of basic data requested by the National Statistical Institutes

The basic data for the Local Authorities sector is obtained independently by the CSO from the DoECLG,.

1g) Nature of the data sources – cash, accrual or mixed

The information collected in the quarterly financial return includes data on the value of end of year payables and receivables. The information collected in the quarterly non-financial return includes data on current and capital income and expenditure by programme (e.g. housing, water supply, etc). The FMS based annual accounts of Local Authorities is accrual based.

1h) Circumstances in which data available from basic sources is consolidated.

Data reported for the local government sector is separate and is not consolidated with other areas of central government or the social security fund sub-sector.

1i) Changes in the accounting rules foreseen in the near future (if any).




It is still not possible to fully reconcile the financial and non-financial based estimates of net lending/borrowing obtained from the FMS based accounts of Local Authorities. The inclusion of funds flow statements from 2011 onwards is a welcome development in this regard. The reform of local government is also expected to lead to improved timeliness of financial statements from the year 2014 onward.

4.1.2 Data sources for Local Government: Local Government bodies / non-profit institutions

This section describes the compilation process for Health Boards (HBs) (abolished on 1st January 2005 and replaced by the Health Services Executive, a unit classified to Central Government) and Vocational Education Committees (VECs). The Health Boards, which included the Eastern Regional Health Authority, were established to administer the health services in their own local areas and were responsible to the Minister for Health and Children. VECs manage second and third level regional colleges in their local areas.

2a) Information available/used for this sub-sector in the current year n-1 and year n-2 notified in April (n) and October (n):

Table 4 – Source Data Accounting

Accounting Rules(C/A/M)	Source Data Accounting	April (n)		October (n)	
		Year n-1	Year n-2	Year n-1	Year n-2
	 Budget Reporting				
	• Summary				
C	(1) Current revenue and expenditure	A/U	A/U	A/U	A/U
C	(2) Current and capital revenue and expenditure	A/U	A/U	A/U	A/U
	(3) Current and capital revenue and expenditure and financial transactions	NA/NU	NA/NU	NA/NU	NA/NU
	(4) Balance sheets	NA/NU	NA/NU	NA/NU	NA/NU
	• Detailed				
C	(5) Current revenue and expenditure	NA/NU	NA/NU	NA/NU	A/U
C	(6) Current and capital revenue and expenditure	NA/NU	NA/NU	NA/NU	A/U
	(7) Current and capital revenue and expenditure and financial transactions	NA/NU	NA/NU	NA/NU	NA/NU
	(8) Balance sheets	NA/NU	NA/NU	NA/NU	NA/NU
	 Financial Statements				
	(9) Profit and loss accounts	NA/NU	NA/NU	NA/NU	NA/NU
A	(10) Balance sheets	NA/NU	NA/NU	NA/NU	A#/NU
	 Other Reporting				
A	(11) Statistical surveys *	A/U	A/U	A/U	A/U
	(12) Other: (please specify)	NA/NU	NA/NU	NA/NU	NA/NU
	* Special questionnaire issued to Health Boards (prior to their abolition on 1 January 2005) and Vocational Education Committees by their supervising Departments to collect details of the value of end year stocks of financial assets and liabilities				

Refers to Health Boards only. Balance sheet information not available for Vocational Education Committees

As in the case of Local Authorities, there have traditionally been delays in collecting and collating detailed income and expenditure information for Health Boards (HBs) and Vocational Education Committees (VECs). The result was that detailed national accounts for these bodies could not be produced until several months after the end of the reference year.

This was not adequate for EDP purposes, so some years ago their supervising Departments put in place a similar financial reporting system as is used to collect information for Local Authorities. Questionnaires are issued twice-yearly asking for details of their end-year stocks of financial assets and liabilities. This is the 'Statistical survey' referred to in line (11) of Table 4. The information provided is used to estimate the value of transactions in financial assets and liabilities and the resulting net lending/borrowing for year (n-1) and earlier years, which is reported in the EDP return.

Non-financial accounts of HBs and VECs are also estimated by the CSO for Table 0200 of the ESA95 transmission programme, which provides a detailed breakdown of the Income and Expenditure of General Government, including these units, at an interval of T+3 months. However, the data for HBs and VECs in this table are very estimated and are calculated by projecting forward detailed results for an earlier year using aggregate information on trends in overall revenue and expenditure. The results are not robust enough to be used for EDP purposes so the estimated income and expenditure figures are adjusted to be consistent with the net lending/borrowing figures calculated in the twice-yearly financial return. The aggregate trend information used to compile Table 0200 includes details of the current and capital grants paid to these bodies from the Central Exchequer and some unpublished information provided by their supervising Departments. These are the source data that are referred to in lines 1 and 2 of Table 4.

To compile more final results for HBs and VECs, the CSO subsequently obtains additional information from their supervising Departments. This information is compiled from returns provided by each Health Board and VEC to their supervising Department. This more detailed information only becomes available about 18 months after the end of the reference year and is the data source referred to in lines (5) and (6) of Table 4. This information enables the CSO to make an alternative estimate of the net lending/borrowing position of HBs and VECs for year (n-2) in September (n), but this estimate is considered to be inferior to the estimate derived using the twice-yearly special financial questionnaire.

2b) Reasons for not using the available accounting reports and criteria for choosing only one of them (consistency with data sources used in other sub-sectors, accrual basis, etc) if two different accounting reports are available for the same unit.

Prior to their abolition, the CSO started to obtain income and expenditure statements and balance sheets directly from Health Boards. These are prepared in a standardised format and form the basis of the income and expenditure information traditionally obtained via their supervising Department. However, the information provided in the published balance sheets has not up to now being used in the compilation of the ESA95 accounts or EDP returns for the Health Boards.

As in the case of Local Authorities, the estimate of net lending/borrowing obtained using the twice-yearly financial return is considered more reliable than the alternative estimate based on the income and expenditure details provided by the supervising Departments.

2c) Complementary codification at data source, by counterpart sector.

None is available.

2d) Complementary information which is not in the financial statements, when compiling ESA95 accounts.

No extra data are used.

2e) Consistency of classifications used in this sub-sector and in the Budget Reporting of units in other sub-sectors of General Government.

The format and detail of the available information for Health Boards is unique, as are the data available for VECs.

2f) Source (direct or indirect) of basic data requested by the National Statistical Institutes

The twice-yearly financial return for HBs and VECs is transmitted to the CSO via the Department of Public Expenditure and Reform. The supervising Departments provide other details, including income and expenditure statements, directly to the CSO.

2g) Nature of the data sources – cash, accrual or mixed

See table 4 above.

2h) Circumstances in which data available from basic sources is consolidated.

All data are reported unconsolidated.

2i) Changes in the accounting rules foreseen in the near future (if any).

Health Boards were abolished with effect from 1st January, 2005 and have been replaced by a single body the Health Service Executive (HSE), which is responsible for the delivery of health services nationwide. The HSE is considered a unit of Central Government and its activities is included in the accounts for S.1311. For accounting purposes, the new Agency has been designated as a stand-alone Vote in the Book of Estimates and Appropriation Accounts and produces its own Revenue Income & Expenditure Account, Capital Income & Expenditure Account and Balance Sheet. This means that from 2005 onwards, while the accounting information available for the new Agency will be similar to that which already exists for other Central Government Departments, it will also be presented on an accruals basis.

4.1.3 Data for the current year (n-1) notified in April (n) - detailed explanation

i) Common data sources used for finalised and half-finalised data for the current year in the first notification.

In respect of year (n-1), sources of data include the Revised Estimates Volume and the special survey of end-year stocks of financial assets and liabilities undertaken by supervising departments. The survey is undertaken twice-yearly and the information provided is used to estimate the value of transactions in financial assets and liabilities and the resulting net lending/borrowing for year (n-1) and earlier years, which is reported in the EDP return.

Non-financial accounts of Local authorities and VECs are also estimated by the CSO for Table 0200 of the ESA95 transmission programme, which provides a detailed breakdown of the Income and Expenditure of General Government, including these units, at an interval of T+3 months. The data for year (n-1) reported in this table during year n are early estimates and are calculated by projecting forward detailed results for an earlier year using aggregate information on trends in overall revenue and expenditure. The results are not robust enough to be used for EDP purposes so the estimated income and expenditure figures are adjusted to be consistent with the net lending/borrowing figures calculated in the twice-yearly financial return. The aggregate trend information used to compile Table 0200 includes details of current and capital grants paid to Local Authorities and VECs by the Central Exchequer.

In order to improve the short term information on revenues and expenditures of Local Authorities, the Department of Environment, Community and Local Government commenced a new quarterly survey of the individual local authorities in the latter half of 2010. Results of this survey are still being processed and will be used by the CSO when they become available.

ii) Data sources specifically used in the context of the first notification.

See section 4.1.3 part (i)

iii) Estimation methods that may be used in the context of the first notification

Estimates are made of outturns based on known information at the time. As explained above, there are delays in gathering the final data in relation to the income and expenditure of local government units and the exact nature of the revenues/expenditure can only be confirmed when the more detailed information becomes available.

4.1.4 Auditing Process

I) Working balances of Local Government that were submitted to an auditing process.

In the Local Government Sub-sector (S.1313), an independent working balance is available only for the Local Authorities. This is published in audited accounts but with varying delays, depending on the local authority in question.

II) Incorporation of the findings of the auditing process in the national accounts.

Revisions arising from the audit of Local Authorities are also automatically included in the EDP reports when the final audited accounts are published. This can give rise to revisions in historical data.

4.2 Data treatment

4.2.1 Half finalised and finalised data

a) Original source of data used as a starting step

For years (n-4) and (n-3) and the October year (n) notification for n-2, the primary source is the National Income and Expenditure, published by the CSO in the previous June. This is compiled from detailed information provided by the government departments that supervise the Local Authorities and VECs respectively (also Health Boards to end-2004).

For the April year (n) notification of year (n-2) results, the detailed annual accounts of Local Authorities are also available and these are used. The sources of data for the October year (n) notification of results for year (n-1) are presently the same as described in Section 4.1.3 (i) above.

b) Financial transactions that may be included in the public accounts of local Government and are excluded in table 2.

The working balance in the FMS based accounts of Local Authorities (LAs) includes certain financial transactions. For example, income recorded in the Capital Account includes all non-mortgage borrowing by the LAs. This includes the draw down of loans for the 'Capital loan and subsidy scheme' and for 'Affordable housing', both of which are mentioned below. In addition, the FMS includes in Capital Account income direct borrowing by the LAs for the provision of fixed assets. The total amount of loan draw downs for all three categories combined is reported in the FMS and removed in Table 2 of the EDP report.

Expenditure in the FMS system also includes the value of loans that Local Authorities issue under the 'Capital loan and subsidy' and 'Affordable housing' schemes. The first scheme relates to accommodation provided by Voluntary Housing Associations, which are classified outside General Government. Under certain conditions, LAs advance 100% of the capital cost of housing provided by these Associations in the legal form of repayable mortgages. The value of such loans included in expenditure can be estimated directly from the FMS accounts.

The Affordable Housing Scheme was an arrangement whereby Local Authorities temporarily fund the building of affordable houses by private builders, generally using short-term bridging loans. These were repaid when the houses are sold on to eligible purchasers. The value of these loans which is included in expenditure in the FMS based accounts cannot be directly identified and has to be estimated using information provided separately by the Department of Environment, Community and Local Government. Due to changes in the economic circumstances and a drop in house prices since 2008, the demand for this scheme dropped. During 2011, the DoECLG reviewed the accounting treatment of this scheme and moved the assets in relation to this scheme from loan assets to fixed assets and revised back their accounts.

For the EDP reporting years (2008-2011), this change in accounting treatment has been reflected in the following manner:

- The assets have been reduced by stock position of the Affordable Housing Account at the end of each accounting period.*
- The net capital formation (i.e., income from sales of affordable houses less capital expenditure on affordable houses) in relation to affordable housing has been included in capital formation.*

c) Information and the method (s) used for the adjustment cash/accrual for items other than interest.

Information on incomes and expenditures is now available on an accrual basis from the FMS based annual accounts for Local Authorities.

d) Sources and methods used for the calculation of interest on an accrual basis.

Data in the new FMS system are accrual based.

e) Information on other accounts receivable/payable that may be provided in the data sources.

Data on AF.7 Accounts receivable/payable are available from the new FMS system.

f) Sources and method (s) for the adjustment related to units classified within or outside local Government.

Not applicable.

g) Other adjustments regularly implemented.

None

h) Sources of information used for transactions which need specific attention (in cases where they are not directly identifiable in public accounts): debt assumption, debt cancellation, privatisation, securitisations and capital injection into public corporations owned by local Government.

Local government in Ireland does not carry out such transactions.

4.2.2 Revision process

Steps in the revision process of data, after the first notification.

Data may be revised if updated outturn figures become available from the sources described at 4.1.3 (i).

5. Social Security Funds

This section describes the availability and use of main data sources for the Social Security Funds Government sub-sector (S.1314) by type of unit and the adjustments made in order to reach ESA95 definitions. It also covers the treatment for half finalised, finalised and current data, and the process of revision of data.

The only social security scheme recognised in the Irish National Accounts is the social insurance scheme administered through the Social Insurance Fund. This scheme is unfunded. Contributions received in one period are used to meet expenditures in the same period and the Government makes up any shortfall in the Fund. Membership of the Social Insurance scheme is compulsory for most employees and self-employed. They must pay social contributions that entitle them to receive social benefits. Government sets the contribution and benefit rates as part of the annual budgetary process. The amounts of the social benefits payable are not directly linked to either the level of earnings or to the value of the contributions paid. However, a member must satisfy certain contribution criteria in order to receive benefits.

Data for the SIF are provided by the Department of Social Protection (DSP) in its role as manager of the Fund's current account, and by the NTMA as manager on behalf of the Minister for Finance of the accumulated surplus in the Fund.

Until 1996, an Exchequer contribution has normally been required to meet the shortfall on the SIF. However, no Exchequer contribution has been required since 1997 as the SIF has consistently been in surplus, but this surplus has been run down from a high of €4.3bn at end 2007 to a figure of €0.88bn at the end of 2011 due to the deterioration in the Irish economy and as a consequence the Irish labour market.

Preliminary details of the previous year's outturn and the forecast for the current year of the receipts and expenditures of the SIF are published each year in the Revised Estimates Volume under the Vote for the DSP. Audited accounts of the SIF are subsequently prepared by the DSP.




5.1 Availability and use of data sources

5.1.1 Data sources available: Social Security Funds

The Social Security Funds sub-sector in Ireland consists solely of the Social Insurance Fund (SIF).

1a) Information available/used for this sub-sector in the current year n-1 and year n-2 notified in April (n) and October (n):

Table 5 – Source Data Accounting ⁶

Accounting Rules(C/A/M)	Source Data Accounting	April (n)		October (n)	
		Year n-1	Year n-2	Year n-1	Year n-2
	 Budget Reporting				
	• Summary				
C	(1) Current revenue and expenditure	A/U	A/U	A/U	A/U
C	(2) Current and capital revenue and expenditure	A/U	A/U	A/U	A/U
	(3) Current and capital revenue and expenditure and financial transactions	NA/NU	NA/NU	NA/NU	NA/NU
	(4) Balance sheets	NA/NU	NA/NU	NA/NU	NA/NU
	• Detailed				
C	(5) Current revenue and expenditure	A/U	A/U	A/U	A/U
C	(6) Current and capital revenue and expenditure	A/U	A/U	A/U	A/U
	(7) Current and capital revenue and expenditure and financial transactions	NA/NU	NA/NU	NA/NU	NA/NU
	(8) Balance sheets	NA/NU	NA/NU	NA/NU	NA/NU
	 Financial Statements				
	(9) Profit and loss accounts	NA/NU	NA/NU	NA/NU	NA/NU
A	(10) Balance sheets	A/U	A/U	A/U	A/U
	 Other Reporting				
	(11) Statistical surveys	NA/NU	NA/NU	NA/NU	NA/NU
	(12) Other: (please specify)	NA/NU	NA/NU	NA/NU	NA/NU

1b) Reasons for not using the available accounting reports and criteria for choosing only one of them (consistency with data sources used in other sub-sectors, accrual basis, etc) if two different accounting reports are available for the same unit.

The available reports are used.

Information collected directly from the Social Insurance Fund (SIF) and the statement of receipts and expenditures for the Social Insurance Fund contained in the Revised Estimates Volume are used until the audited accounts of the Fund become available. There is usual

⁶ A/U (available/used), A/NU (available/not used), NA/NU (not available/not used)
C (Cash), A (Accrual), M (Mixed Cash-Accrual)

minimal difference between the provisional outturn contained in the Revised Estimates Volume and the final audited version.

1c) Complementary codification at data source, by counterpart sector

No complementary codification is available. Transactions between the Fund and the Exchequer are reported in the accounts of the two entities and can be checked for consistency.

1d) Complementary information which is not in the financial statements, when compiling ESA95 accounts.

Additional information is not required for the compilation of EDP statistics for this sector-sufficient detail is available in the published accounts.

1e) Consistency of classifications used in this sub-sector and in the Budget Reporting of other General Government units.

The format and detail provided in the accounts of the Social Insurance Fund are unique to the Fund.

1f) Source (direct or indirect) of basic data requested by the National Statistical Institutes

The basis data for the Social Security Sector is requested independently from the responsible entity for the accounting statements (i.e. the Department of Social Protection).

1g) Nature of the data sources – cash, accrual or mixed

Accounts of the Social Security Sector are mixed. Receipts of the fund are recognised on a cash basis. Payments are recognised on the basis of cheques and payable orders issued during a year, personalised payable orders, post drafts and vouchers cashed at Post Offices, and moneys issued by way of electronic fund transfer. Balance Sheet is on an accruals basis.

1h) Circumstances in which data available from basic sources is consolidated.

There are separate accounts for the Social Security sub-sector which are not consolidated with other areas of general government.

1i) Changes in the accounting rules foreseen in the near future (if any).

No changes to the accounting rules for the social security sector are foreseen at the present time.

5.1.2 Data for the current year (n-1) notified in April (n) - detailed explanation

i) Common data sources used for finalised and half-finalised data for the current year in the first notification.

Where audited accounts are not available for year (n-1), the DSP provides data that are consistent with the outturn for the SIF contained in the Revised Estimates Volume.

ii) Data sources specifically used in the context of the first notification.

See section 5.1.2 part i)

iii) Estimation methods that may be used in the context of the first notification

As outturn figures are available for the first notification, no estimation is required.

5.1.3 Auditing Process

I) Working balances of each of the sub-sectors that were submitted to an auditing process.

The starting working balances for the Social Security sector of EDP notification Table 2 at end-March (n) for the years n-4, n-3 and n-2 were subject to an auditing process. The starting working balance for the years n and n-1 will be audited in due course. However, it should be noted that historically there is minimal difference between the provisional outturn and the audited outturn for this sector.

II) Incorporation of the findings of the auditing process in the national accounts.

Audited accounts of the Social Insurance Fund were available in mid-December 2007 in relation to the year 2006. However, preliminary details of this account for the year 2005 were available in the Revised Estimates Volume produced by the Ministry of Finance in February 2008. There is very little difference between the preliminary accounts and the eventual final audited version for any given year. Therefore, there are minimal revisions to the national accounts on foot of the publication of audited accounts of the social security sector.

5.2 Data treatment

5.2.1 Half finalised and finalised data

a) Original source of data used as a starting step

Audited accounts provided by the DSP.

b) Adjustments for financial transactions in units' data sources used for units classified in the Social Security Funds sub-sector.

No adjustment is needed.

c) Information and the method (s) used for the adjustment cash/accrual (excluding interest) for social contributions and social benefits.

Social contributions and social benefits are reported on a cash basis, but, since the October 2006 EDP report, timing adjustments have been made in order to convert social contributions paid on earnings liable to PAYE income tax to an accrual basis using the simple time adjusted methods.

d) Sources and method used for the calculation of interest on an accrual basis where units' data sources provide only information on a cash basis.

Not available but debt liabilities are negligible.

e) Information on other accounts receivable/payable that may be provided in units' data sources.

Information on accounts receivable/payable is available from the Balance Sheet of the Fund's accounts. This data has been incorporated in the notifications since the end-September 2006 notification.

f) Other adjustments regularly implemented.

Annual adjustments are made in respect of the expenses of administering the SIF which are recovered from the Fund each year and credited to the Departmental Vote to which the expenses are attributable. Adjustments are also made for exceptional items, for example in 2000 in respect of a once-off transfer to the National Training Fund and in 2002 in respect of a once-off transfer to the Exchequer. Details of any such adjustments are contained each year in the Revised Estimates Volume.

5.2.2 Revision process

Steps in the revision process of data, after the first notification.

Data may be revised

- (1) if the outturn figures for year (n-1) are revised by the DSP or*
- (2) when audited outturn figures become available.*

6. Actual data on government debt

6.1 Half finalised and finalised data

In addition to the main published sources referred to in Section 1.1 (1) and 1.1.1 (e) above (White Paper on Receipts and Expenditure, Budget Book, Revised Estimates Volume, Appropriation Accounts, Finance Accounts – for explanations of each of these publications, see Annex 2 below), the Department of Public Expenditure and Reform requests specific data from supervisory Government Departments in relation to the liabilities and certain financial assets of local authorities, health boards (up until their abolition on 1 January 2005 when a single body, the Health Services Executive, took over their functions), other local agencies, non-commercial state bodies and other relevant state bodies. The data collected consists of:

- *gross liabilities to Central Government, to the rest of General Government and to the private sector. Private sector debt is broken down into: bonds; other debt with original maturity less than one year; and other debt with original maturity of greater than one year.*
- *gross debts guaranteed by Central Government*
- *deposits with Central Government, with the rest of General Government and with the private sector.*

a) Adjustments to the data sources that may be needed in order to value debt according to the specific EDP rules for each government sub-sector.

The vast majority of data required for the compilation of the gross debt (stock) of each sub-sector and of the contribution which the debt of each sub-sector makes to General Government Gross Debt (and hence GGGD itself) are directly available at nominal value, and no adjustments are necessary. A very high proportion is directly reported by the NTMA (approximately 94.8% of GGGD in 2000, 89.4% in 2006, 87.5% for 2007 and 92.4% in 2009) with the vast majority of this data being reported at nominal value. For the small remainder, the Agency supplies the information necessary to adjust the data to nominal value.

Central Government (S.1311)

For Central Government deposit liabilities (which in Ireland consist of the so-called “small savings” - Savings Certificates, Prize Bonds, National Instalment Savings and Savings Bonds), the nominal value of the liability includes the accrued interest when it is actually credited to the instrument holder. This is in accordance with ESA95 Manual on Government Deficit and Debt, Part V.1 b, Bullet point 1.

Debt denominated in foreign currency is valued in accordance with the ESA95 Manual on Government Deficit and Debt, Part V.2. The necessary information is provided by the NTMA.

Liabilities of non-commercial semi-state bodies (Non-market agencies) are reported at book value, which for EDP purposes is taken as being equivalent to the nominal value. All such liabilities are in national currency.

Local Government (S.1313) and Social Security Funds (S.1314)

Liabilities of S.1313 and (when relevant) S.1314 are directly reported at nominal value. S.1314 does not incur any EDP-relevant liabilities other than loans (some insignificant short-

term bank overdraft liabilities), some minor balances due to Central Government institutional units and some small amounts of sundry creditors. In the 1990s, S.1313 issued small quantities of long-term securities other than shares (maximum €0.2 million) but since year 2000 has not incurred any liabilities contributing to the GGD other than bank overdrafts and long-term loans (2009: Total €1,018.8m, some 1.0% of the GGGD). This is a significant decline in previous years (e.g. the figure in 2006 was some €3,876m or 8.9% of GGGD). The reason for the reduction is that since the HFA has been re-classified inside the Central Government sub-sector (since March 2007), the Local Government proportion has fallen, with a corresponding increase in Central Government's share of percentage of the GGD. The overall net effect on the GGD figure has been minimal.


b) Sources of information used for the consolidation of debt and the valuation of holdings at the level of each government sub-sector (intra-flows and positions) and at the level of general government sector (inter-flows and positions).

- At the level of each government sub-sector (intra-flows and positions)

Central Government (S.1311)

Consolidating intra sub-sector flows and positions for Central Government involves three elements.

1. A small proportion of Irish Gilts (i.e. long-term government bonds issued by Central Government) is held by the Post Office Savings Bank Fund (POSBF), an extra-budgetary fund classified within the Central Government sub-sector. The NTMA, which administers the Fund, provides the data needed for consolidation. (To elaborate, deposits by households placed with the Post Office Savings Bank (POSB), a separate and distinct institutional unit classified outside General Government, are on-lent to the POSBF. The Minister for Finance guarantees the repayment and servicing of the deposits. A portion of the amounts received from the Post Office Savings Bank via the POSBF Fund is invested in long-term securities other than shares (Irish Government Bonds/Gilts). All data required for this operation are available at nominal value.)
2. The Housing Finance Agency (HFA), the Local Government Fund and the Private Residential Tenancies Board (PRTB) (all units classified to Central Government; the HFA was reclassified to the Central Government sub-sector for the March 2007 EDP notification on recommendation of Eurostat, see * below) each hold a portion of the short-term Exchequer Note securities in issue.

 (The HFA had been established in 1982 by legal act for the purpose of providing loans for the acquisition or construction of houses. Initially, the Agency raised funds on the bond market by way of index-linked bonds and on-lent these funds to individual borrowers. Changes to the founding act governing the Agency in 1986, 1992 and 2002 altered its role by broadening the purpose of the loans but basically restricting the circle of borrowers to local authorities which could then on-lend to individuals. By 2006, only 1% of the HFA loan book was vis-à-vis individual borrowers. Because of the limited nature of HFA activity and the fact that in most instances it cannot refuse to provide loans when requested by local authorities and approved by its parent Department, the Department of the Environment, Community & Local Government, CSO concluded and proposed that the entity should be reclassified to Central Government and Eurostat agreed with this conclusion in its advice of early March 2007.

- ✚ The Local Government Fund was established by the Local Government Act 1998 (<http://www.irishstatutebook.ie/1998/en/act/pub/0016/index.html>). The Fund was established with effect from 1 January, 1999. The proceeds of motor tax (net of refunds) and an Exchequer contribution are paid into the Fund.
For 2010 Fund accounts, please see

<http://www.environ.ie/en/Publications/LocalGovernment/Administration/FileDownloadLocal28833.en.pdf>

The PRTB was established in September 2004 to resolve disputes between landlords and tenants, operate a national tenancy registration system and provide information and policy advice on the private rented sector. The PRTB dispute resolution service replaces the courts in relation to the majority of landlord and tenant disputes. (PRTB website is accessible at <http://www.prtb.ie/>)

3. *Information on short-term borrowings by the Exchequer from certain funds under the control of the Minister for Finance (“Ways and Means” funding, in national terminology) is readily available and consolidation is straightforward.*

Local Government (S.1313)

Most transactions of Local Government units are with Central Government or sectors outside General Government. Financial transactions in EDP-relevant instruments between units within the sub-sector happen only rarely and usually for small amounts (21m at end-2009). Consolidation is therefore not a significant problem.

Social Security Funds (S.1314)

Since this consists of a single entity, the Social Insurance Fund, intra sub-sectoral flows and positions do not arise.

- At the level of general government sector (inter-flows and positions)

Central Government (S.1311)

Information on EDP-relevant liabilities of S.1311 to S.1313 and S.1314 is provided by the NTMA. (In recent years, such liability holdings have consisted entirely of short-term debt securities.) Since March 2007 notification, the Housing Finance Agency has been reclassified to Central Government and its principal asset, namely loans to local authorities, are consolidated from the asset side of the consolidated General Government balance sheet. Non-market agencies or extra-budgetary funds within S.1311 generally do not have claims on or liabilities to S.1313 or S.1314.

Local Government (S.1313)

Information on liabilities of S.1313 to S.1311 is collected directly from the sponsoring government departments by the Department of Public Expenditure and Reform and also from the Housing Finance Agency (Local authorities borrow from HFA which since the March 2007 notification has been reclassified to Central Government). S.1313 has no relevant liabilities to or claims on S.1314.

Social Security Funds (S.1314)

Liabilities of S.1314 to S.1311 consist of

-) AF.7 accounts payable – short-term amounts owed by the Fund to certain government departments. AF.7 is outside the scope of GGGD.

c) Use of financial accounts for the implementation of table 3, concerning assets and other liabilities.

At end-September 2006, a set of financial accounts and balance sheets for the General Government sector was transmitted by CSO to Eurostat and a summary sub-set of the data were published nationally for the first time in March 2007 in CSO's Institutional Sector Accounts publication

<http://www.cso.ie/releasespublications/documents/economy/current/institutionalacc.pdf> and http://www.cso.ie/releasespublications/documents/economy/current/Financial_tables_2_and_3.xls . Subsequent reports have been published on a bi-annual basis since then (at end March and end September).

These data are not yet fully integrated with the EDP compilation system maintained by the Department of Finance. However data consistency checks are being carried out between the two databases for ongoing reconciliation purposes. While the CSO compilation system for Annual Government Financial Accounts is not yet fully integrated with the EDP compilation system maintained by the Department of Finance, the two agencies work closely together in an attempt to ensure that there is consistency in treatment of methodological and compilation issues under the two reporting frameworks. In addition to the annual government financial accounts data, the following quarterly data have been transmitted to Eurostat and ECB by CSO under Regulation (EC) No 501/2004 of the European Parliament and of the Council of 10 March 2004 on quarterly financial accounts for general government (QFAGG):

	<i>Asset Positions</i>	<i>Liability Positions</i>	<i>Asset Transactions</i>	<i>Liability Transactions</i>
<i>ESA95 Sub-sectors</i>				
<i>S.1311 Central Government (consolidated)</i>	<i>Yes *</i>	<i>Yes *</i>	<i>Yes *</i>	<i>Yes *</i>
<i>S.1313 Local Government (consolidated)</i>	<i>Yes***</i>	<i>Yes **</i>	<i>Yes***</i>	<i>Yes **</i>
<i>S.1314 Social Security Fund (consolidated)</i>	<i>Yes **</i>	<i>Yes **</i>	<i>Yes **</i>	<i>Yes **</i>
<i>S.13 General Government (consolidated)</i>	<u><i>Yes***</i></u>	<u><i>Yes***</i></u>	<u><i>Yes***</i></u>	<u><i>Yes***</i></u>
<i>S.13 General Government (non-consolidated)</i>	<i>Yes****</i>	<i>Yes****</i>	<i>Yes****</i>	<i>Yes****</i>

** Test transmissions have been made since 2002 in advance of Regulation No. 501/2004 of 10 March 2004 coming into force*

*** First transmission made June 2004, the first time these data were statutorily required under the regulation.*

**** First transmission made June 2005, the first time these data were statutorily required under the regulation.*

***** First transmission made 9 March 2006, t + 8 months after the data were statutorily required under the regulation, the delay was caused by difficulties experienced in the compilation of the data*

Certain counterpart data relating to sectors S.1311 (Central Government) and S.1314 (Social Security Funds) are also required Regulation (EC) No 501/2004 and these are now being transmitted to Eurostat and ECB. Ireland had requested and was granted derogation for 12 months (i.e. until June 2005) for these items. They were first transmitted for the first time in early March 2006 due to difficulties experienced in the compilation of the data.

QFAGG statistics differ from those covered by EDP notifications in that they are required to be at market value, to be inclusive of accrued interest and to cover the complete set of ESA95 financial asset and liability categories including liability instruments not included in the EDP definition of GGGD.

Under a long-standing arrangement, reporting for EDP has been the responsibility of the Department of Finance. While the CSO compilation system for QFAGG is not yet fully integrated with the EDP compilation system, the two agencies work closely together in an attempt to ensure that there is maximum amount of consistency in treatment of methodological and compilation issues under the two reporting frameworks.

However, the process of moving responsibility for the EDP return over to the CSO has begun with a joint transmission anticipated for the September 2012 EDP return and the CSO taking sole responsibility for transmitting the EDP return with effect from March 2013. The Department of Finance will supply all relevant data such as the forecast year to the CSO for inclusion in subsequent EDP returns.

d) Sources of information for the adjustments relating to transactions in debt instruments that are not valued at the nominal (face) value of the instrument, for each government sub-sector.

Since all data for the three sub-sectors of General Government needed to compile the EDP return are available at nominal value, no adjustments are necessary.

e) Sources of information used for the adjustments relating to a change in nominal debt that does not result from a transaction (other change in volume), for each government sub-sector.

There have been no such occurrences in recent years.

6.2 Data for the current year notified in April

a) Data sources that may be used specifically in the context of the first notification

Complete but unaudited accounts in respect of borrowings on behalf of Departmental Central Government and accounts of extra-budgetary funds are normally available from the NTMA in time for the first notification. Data for the remainder of S.1311 (for example for non-commercial semi-state bodies) and for S.1313 and S.1314 are obtained from the supervisory Government departments or in the case of the HFA, directly from the entity itself; these are preliminary outturn figures for the current year ($n - 1$) at the time of the first notification.

b) Estimation methods that may be used in the context of the first notification.

As noted in 6.2(a) above, complete but unaudited accounts in respect of borrowing on behalf of Departmental Central Government are normally available for the first notification.

For the rest of General Government (including non-commercial semi-state bodies), the available data are preliminary and not quite comprehensive. Missing data are estimated on the basis of historical figures and current year outturns in the rest of the sector.

c) Steps in the revision process of data, after the first notification.

As indicated above, almost final data for the most significant units of Central Government are available for the first notification. Before the second notification, supervisory Government departments are asked to supply updated data in respect of the rest of Central Government (mainly the non-commercial semi-state bodies) and for Local Government.

7. Specific issues

7.1 Long-Term Contracts between Government and Private Entities

7.1.1 Identification and data sources of long-term contracts between Government and Private Entities (PPPs).

All expenditure of State owned agencies has to be reported in the public accounts. However there are additional rules for reporting on PPP long-term contracts. Prior to undertaking such projects, State authorities are required to notify and consult with the National Development Finance Agency (NDFA). This Government Agency advises state authorities on the optimal means of financing public investment projects in order to achieve value for money and also provides advice on the financing, refinancing and insurance of public investment projects to be undertaken by means of PPP arrangement or within the public sector.

The legal acts establishing the Agency (National Development Finance Agency Act, 2002) <http://www.irishstatutebook.ie/ZZA29Y2002.html> as amended in 2007 http://www.ndfa.ie/Publications/2007/NDFA_Amendment_Act_2007.pdf) requires that all State Authorities undertaking public investment projects, including PPPs, must seek the advice of and consult with the Agency in the following circumstances:

- For major projects and grouped projects costing in excess of €20 million; and*
- For projects costing less than €20 million, where State Authorities require financial, risk and/or insurance advice.*

State Authorities are defined in the Act and include all major components of the Central and Local Government Sectors.

New public budgetary procedures, which were introduced in Budget 2004, also require Departments of State to separately identify and report on PPP contracts. These procedures, known as 5-year multi-annual capital envelopes, determine the amounts available to Departments for investment on capital projects. The envelopes distinguish and make separate allocations for (1) traditional procurement projects financed directly from the Exchequer and (2) PPP projects financed by the private sector or the NDFA. In the case of PPP projects, the full capital cost is charged against the Capital Investment Envelopes up front even though the projects will be funded by unitary payments from the Exchequer over the period of the contract. PPP projects which are fully funded by user charges are additional to the Envelope.

Local government projects which are funded from local government own resources are currently also outside the Envelope.

Guidelines, outlining the treatment of PPP projects for national accounting purposes, have been finalised and issued to Government Departments <http://www.ppp.gov.ie/key-documents/guidance/other-guidance/> In order to be recorded correctly in the national accounts, Section 5.9 of the Guidance Note explains that Departments must ‘supply to their PPP Unit details of the construction cost (including VAT and capitalised interest), unitary payment split between interest, capital repayment and service costs of each PPP project. PPP Units will be asked to submit this information to the Department of Finance/PER at regular intervals

7.1.2 Alternative data sources in cases of lack of comprehensiveness or reliability.

The CSO has ongoing contact with the Department of Finance, the Department of Public Expenditure and Reform and the National Development Finance Agency (NDFA) and the existing information sources are considered adequate.

7.1.3 Terminology used for PPPs in the national language(s) and correspondence in English.

The term PPP is commonly used. The legal Act enabling State Authorities to participate in such contracts is entitled 'State Authorities (Public Private Partnership Arrangements) Act, 2002.' [<http://www.irishstatutebook.ie/ZZA01Y2002.html>] However, the contracts described in Section 3 of the Act are wider than the scope of the Eurostat Decision of 11th February 2004 and include

- the design and construction of an asset, together with the operation of services relating to it and the provision of finance, if required, for such design, construction and operation*
- the construction of an asset, together with the operation of services relating to it and the provision of finance, if required, for such construction and operation*
- the design and construction of an asset, together with the provision of finance for such design and construction*
- the provision of services relating to an asset for not less than 5 years and the provision of finance, if required, for such services*

The Guidance Note referred to in the previous section also clarifies the term PPP (see Glossary of terms, page 25) and the scope of the Eurostat Decision (See Appendix 1).

7.1.4 Agency, organization, or association dealing specifically with PPPs.

In the private sector no such agency exists. In the public sector, as explained earlier, PPP arrangements are monitored and co-ordinated by the NDFA and the Central PPP unit located within the Department of Finance/PER?. All State agencies must notify and consult with the NDFA in advance of undertaking projects above a certain size. In addition a Central PPP Unit located in the Department of Finance/PER? provides guidance on best practice in the appraisal and procurement of PPP projects with a particular focus on establishing and providing value for money. State Departments involved in PPP contracts also have their own PPP units and must report information on these projects to the central PPP unit in the Department of Finance/PER?. Financial information on these projects is available to the CSO on request.

7.1.5 Legal instruments, including laws, regulations, or decrees, governing or regulating PPPs.

The following legal Acts have already been referred to:

- 1. The State Authorities (Public Private Partnership Arrangements) Act, 2002.*

2. National Development Finance Agency Act, 2002

In Ireland, the general policy is not to issue guarantees or to provide letters of comfort. The Department of Finance publication 'Public Financial Procedures'

<http://www.irlgov.ie/govacc/> or

<http://www.finance.gov.ie/ViewDoc.asp?fn=/documents/PublicFinancialProcedures/default.htm&CatID=15&m=f> sets out the accounting principles and procedures to be applied by

Government Departments and stipulates that "a guarantee may only be issued where there is specific statutory authority to issue such a guarantee."

7.2 Long-term contracts for military equipment

7.2.1 Contracts used by military forces for the procurement of equipment:

Most contracts for large equipment, such as aeroplanes, include prepayments. On delivery some payments may be withheld pending confirmation that the equipment functions correctly.

7.2.2 Borderline cases regarding the classification of some goods as military goods or as other equipment used by military forces.

Ships acquired by the Irish Defence contain relatively small amounts of weaponry and are often used for purposes such as fisheries protection, which in some countries are undertaken by coastguard services. In the Irish National accounts these items were initially capitalised and not treated as military equipment. However, following discussions with Eurostat it was agreed to reclassify these items as military equipment on the basis that the ships are owned by the military and carry mountings for weapons.

7.2.3 Recording of the impact on government expenditure from the above-mentioned contracts.

The impact is recorded on an accruals basis.

7.2.4 Available information for the treatment of the above-mentioned contracts in national accounts.

Data sources allow a recording of military equipment purchases on an accruals basis.

7.3 Pension Schemes

7.3.1 Definition of pensions

In Ireland, the term pensions is generally understood to mean the lump sum or recurrent payments due to people on retirement as a result of old-age or incapacity on health grounds.

7.3.2 Classification of pension schemes

Pension schemes are classified according to their nature distinguishing between social insurance and social assistance schemes. The State administered social insurance and assistance schemes are both classified within the General government sector, as is the

unfunded occupational pension scheme applying to most public sector workers. Until recently, workers in a small number of non-market agencies, which are classified within the General Government sector, belonged to funded occupational pension schemes. These schemes, along with the funded pension schemes in commercial state owned corporations, were classified in the Insurance sub-sector and not in General Government. However, in 2009 the Irish Government announced that it would assume the assets and liabilities of these schemes and the pension schemes of five universities that were classified outside of the General Government Sector. At the end of 2008, these schemes were estimated to have total liabilities of €3 billion and total assets of €1.7 billion. The assets were to be transferred from the pension funds directly to the National Pensions Reserve Fund (NPRF), and the pension payment obligations of the funds were to be assumed by the Exchequer on a pay-as-you-go basis.

The assets were transferred during 2009 and 2010 and resulted in an improvement to the GGB of €629m in 2009 and €1.07 bn in 2010. In accordance with the ESA95 Manual on General Government Debt and Deficit, the assets transferred were recorded as Capital Transfers receivable by Central Government (B.9) and the counterpart liabilities were not recorded in the accounts.

The National Pension Reserve Fund (NPRF) is a long-term pension reserve established by Government to meet part of the State's future pension liabilities. From the year 2025 onwards, monies can be withdrawn from the Fund and used to meet part of the costs of the State's unfunded occupational and social welfare pension liabilities. Annual payments into the NPRF from the Exchequer amount to 1% of GNP. The Fund is treated as an extra-budgetary fund and is classified within the Central Government sub-sector.

7.3.3 Classification of social insurance pension schemes

Social welfare pensions in Ireland are paid by the State under two main schemes. One is a social security scheme whereby most employees and self-employed in the State are required to pay social contributions to a Social Insurance Fund and, as a consequence, are entitled to receive social benefit payments. These are considered social insurance pensions.

The other scheme administered by the State is a social assistance arrangement. This provides means-tested benefits to low income households or individuals. Beneficiaries are not required to pay social contributions and the scheme is not considered social insurance.

The State also operates an unfunded occupational pension scheme for its employees and this is also considered a social insurance pension scheme.

7.3.4 Definition of social security schemes

The only social security scheme recognised in the Irish National Accounts is the social insurance scheme administered through the Social Insurance Fund. This scheme is unfunded. Contributions received in one period are used to meet expenditures in the same period and the Government makes up any shortfall in the Fund. Membership of the Social Insurance scheme is compulsory for most employees and self-employed. They must pay social contributions that entitle them to receive social benefits. Government sets the contribution

and benefit rates as part of the annual budgetary process. The amounts of the social benefits payable are not directly linked to either the level of earnings or to the value of the contributions paid. However, a member must satisfy certain contribution criteria in order to receive benefits.

The scheme therefore satisfies the criteria for classification as a social security scheme. It is imposed by law and is controlled and managed by government. Membership is also compulsory for most employees and self-employed. Finally, government is, at least in part, responsible for financing the scheme insofar as it must make up any funding shortfalls in the scheme.

7.3.5 Classification of institutional units supporting pension schemes. Borderline cases

In the Irish Accounts, the State's social insurance scheme, administered through the Social Insurance Fund (SIF), is separated from Central Government and classified in the Social Security Funds sub-sector (S. 1314), even though the SIF appears not to fully satisfy the ESA95 definition of an institutional unit. For instance it may be considered not to have autonomy of decision in respect of its principal function because the investment policies for its reserves are set out in legislation and the Fund is prevented from investing in other than a fairly restricted set of financial instruments.

The day to day management of the social insurance scheme is also undertaken by staff of the Department of Social Protection and not by a stand-alone entity. However, the Department charges the SIF an administration fee, which is calculated to recover the full costs of the staff employed in administering the scheme.

Classification of the SIF in the Social Security sub-sector is based on the SNA93. This manual recognises that in some jurisdictions the operations of the social security schemes may be so closely integrated with other activities of government that it may be difficult to distinguish them separately. However it proposes that in the core national accounts 'so long as they remain separately constituted funds they must be treated as separate institutional units in the System'.

7.4 Guarantees

7.4.1 Treatment of new guarantees provided

These are treated as contingent liabilities and therefore not recorded in the national accounts.

7.4.1.1 Bank Guarantee Scheme

The Covered Institutions (Financial Support) Scheme 2008 (CIFS) came into effect on 30 September 2008 and expired on 29 September 2010. It was a blanket two year guarantee. This scheme was introduced following the collapse of Lehmann Brothers and the following liquidity crisis of September 2008.

The Scheme (i) provided a guarantee over specified liabilities of the covered institutions, thus facilitating access to funding; (ii) imposed restrictions on behaviour, designed to reduce risk, and prevent distortion of competition; (iii) imposed a charge for the guarantee intended to recoup the cost of the guarantee to the Exchequer and (iv) imposed certain other conditions intended to benefit customers and the public generally.

It provided a temporary (two-year) State guarantee in respect of all deposits with the covered institutions (to the extent that they are not covered by existing deposit guarantee schemes) and for certain other liabilities of the institutions. Apart from deposits, the scheme guaranteed the repayment of the covered institutions' senior unsecured debt, asset-covered securities liabilities and dated subordinated debt.

Under the ELG (Eligible Liabilities Guarantee) Scheme, a guarantee is available for both short term and long term bank liabilities including on-demand and term deposits. The ELG Scheme is not a blanket guarantee but instead guarantees specific issuances of eligible liabilities of up to five years placed during the relevant issuance window. The issuance window is the period during which a guaranteed deposit can be made or guaranteed debt issued and it currently expires on 31 December 2010. EU Commission state aid approval was granted for an extension of the issuance period to 30 June 2011.

7.4.2 Treatment of Guarantees called (and not repaid within the same year by the original debtor)

There are very few cases of called guarantees, but cash payments relating to the call are treated as capital transfers in the national accounts in the year of payment. An example would be the calling of the Nitrigin Éireann Teoranta debt guarantee in 2001 and 2002, see Section 2.2.1 (f) above, section on debt assumptions.

7.4.3 Treatment of repayments related to guarantees called

This has not occurred in Ireland in recent years.

7.4.4 Treatment of write-offs by government, if any, of government assets that arose from calls

This has not occurred in Ireland in recent years.

ANNEX 1

List of the units included in each of the sub-sectors of general government.

The Structure of Central and Local Government

Central Government

Central Government is defined to include all bodies established through political processes and for whose activities a Minister of Government or other responsible person is accountable to the people through the Oireachtas (National Parliament). This responsibility extends to the presentation of detailed audited annual accounts to the Oireachtas. Central Government includes legislative, judicial and executive bodies established in this manner. The sector does not include public corporations or enterprises engaged in the production of market services or goods. The three main classes of Central Government bodies are:

- a) Departments of State*
- b) Bodies which are not Departments but which are funded almost entirely from the Exchequer, are subject to controls and may be regarded as extensions of Government Departments and*
- c) Various Extra-Budgetary Funds for which separate accounts are maintained and which are directly administered by Departments.*

(a) Departments of State

There are currently 16 Departments of State. These are financed by appropriations from the Exchequer Account that are voted each year by the national Parliament. Some Departments have a number of votes, which provide separate appropriations for sub-offices and activities. For instance, the Central Statistics Office (CSO) is part of the Department of Taoiseach but has its own separate Vote. The full list of Departments and extra Votes is as follows:

Departments

Department of Agriculture, Food and Marine

Department of Arts, Heritage and the Gaeltacht

Department of Children & Youth Affairs

Department of Communications, Energy and Natural Resources

Department of Defence

Department of Education and Skills

Department of the Environment, Community and Local Government

Department of Finance

Department of Foreign Affairs and Trade (Current Minister is also Tánaiste – Deputy Prime Minister)

Department of Health

Department of Jobs, Enterprise and Innovation

Department of Justice and Equality

Department of Public Expenditure and Reform

Department of Social Protection

Department of the Taoiseach (Prime Minister)

Department of Transport, Tourism & Sport

Additional Votes*The President's Establishment**Office of the Attorney General**Central Statistics Office**Office of the Comptroller and Auditor General**Office of the Appeals Commissioners (for the purposes of the Income Tax Acts)**Office of the Revenue Commissioners (Taxation and Customs)**Office of Public Works**State Laboratory**Secret Service**Chief State Solicitor's Office (a component part of the Office of the Attorney General)**Office of the Director of Public Prosecutions**Valuation Office**Public Appointments Service**Office of the Commission for Public Service Appointments**Office of the Ombudsman**National Gallery**Garda Síochána (National Police Service)**Irish Prison Service**Courts Service**Property Registration Authority**Commissioners of Charitable Donations and Bequests for Ireland**International Co-operation (Official Development Assistance, accounted for by the Office of the Minister for Foreign Affairs)**Health Services Executive**Army Pensions**Superannuation and Retired Allowances****(b) Other Non-market Agencies included in Central Government Sector******Govt Dept******Agency****Agriculture, Food and the Marine**Bord Bia (Irish Food Board)**Bord Iascaigh Mhara (Irish Sea Fisheries Board)**Farm Electrification Grants Scheme**FEOGA (Agricultural Payments + Disbursements)**Marine Institute (Foras na Mara)**Moorepark Technology Ltd**National Fisheries Board**National Salmon Commission**Teagasc -Agriculture and Food Development Authority**Arts, Heritage and the Gaeltacht**Arts Council/An Chomhairle Ealaíon**Bord na Gaeilge**Chester Beatty Library**CLAR (Ceantair Laga Ard-Riachtanais)**Crawford Gallery, Cork**Culture Ireland**Discovery Programme Ltd**Foras Teanga (The Language Body) - NS.BODY**Heritage Council (Cohmairle Oidhreachta)**Irish Film Board (Bord Scannan na hEireann)**Irish Genealogy*

Govt Dept

Agency

Irish Heritage Trust

Irish Manuscripts Commission

Irish Museum of Modern Art

Language Commissioner (Coimisinéir Teanga)

LEADER

National Archives ,Ireland

National Archives Advisory Council

National Library of Ireland

National Museum of Ireland

Placenames Commission -An Choimisiúin Logainmneacha

RAPID Program

Scéim Aoisliúntas Fhoireann (Udarás na Gaeltachta/ Bhord na Gaeilge)

The Abbey Theatre Ltd

Udarás na Gaeltachta

Udaras Saoi Teoranta

Ulster Scots Agency

Waterways Ireland - NS.BODY

Western Investment Fund

Children and Youth Affairs

Adoption Authority of Ireland

Children Detention Schools

Family Support Agency

Gaisce (President's National Challenge Award)

Communications, Energy and Natural Resources

Central and Regional Fisheries Board (Central, Eastern, North-Western, Shannon, South-Western, Southern, Western)

Coast Protection +Management

Inland Fisheries Ireland

Irish National Petroleum Corporation

National Oil Reserves Agency (NORA)

Sustainable Energy Ireland

Teilifís na Gaeilge/TG4

The Loughs Agency (Foyle, Carlingford +Irish Lights Commission subsidiary)

Defence

Civil Defence Board (Bord Cosanta Sibhialta)

Defence Forces (Oglaigh na hEireann)

Office of Ombudsman for the Defence Forces

Sea Fisheries Protection Authority

Education and Skills

Chomhairle um Oideachais Gaeltachta agus Gaelscolaíochta (Speisialta)

Commission to Inquire into Child Abuse

Dublin Institute for Advanced Studies

Education Finance Board

Exchange Bureau (Léargas)

Further Education and Training Awards Council

Grangegorman Development Agency

Higher Education and Training Awards Council

Govt Dept

Agency

	<i>Higher Education Authority -Udaras an Ard Oideachas</i>
	<i>Inspectorate of Education</i>
	<i>Irish Research Council for Science, Engineering and Technology</i>
	<i>Irish Research Council for the Humanities and Social Science</i>
	<i>National Centre for Guidance in Education</i>
	<i>National Centre for Technology in Education</i>
	<i>National Council for Curriculum & Assessment</i>
	<i>National Council for Special Education</i>
	<i>National Education Welfare Board</i>
	<i>National Educational Psychological Service Agency</i>
	<i>Solas (ex FAS-Foras Aiseanna Saothair)</i>
	<i>Schools: Voluntary secondary, voluntary primary and community schools</i>
<i>Environment, Community and Local Government</i>	<i>Bord Pleanála (Planning Board)</i>
	<i>Environmental Protection Agency</i>
	<i>Housing Finance Agency</i>
	<i>Irish Water Safety</i>
	<i>Local Government Computer Services Board</i>
	<i>Local Government Management Services Board</i>
	<i>National Consumer Agency</i>
	<i>Pobal</i>
	<i>Radiological Protection Institute of Ireland</i>
	<i>Western Development Commission</i>
<i>Finance</i>	<i>Irish Financial Services Appeals Tribunal</i>
	<i>NAMA-National Asset Management Agency</i>
	<i>National Economic and Social Council (see NESDO)</i>
<i>Health</i>	<i>Voluntary hospitals and hospices</i>
	<i>Disability Service Providers</i>
	<i>Drug Treatment Centre Board</i>
	<i>Food Safety Authority of Ireland</i>
	<i>Food Safety Promotion Board (SAFEFOOD) - NS.BODY</i>
	<i>Health and Social Care Professionals Council</i>
	<i>Health Information and Quality Authority</i>
	<i>Health Research Board (Bord Taighde Sláinte)</i>
	<i>Health Service National Partnership Forum</i>
	<i>Mental Health Commission</i>
	<i>National Cancer Registry Board</i>
	<i>National Treatment Purchase Fund Board</i>
	<i>Pre-Hospital Emergency Care Council</i>
	<i>Health Service Executive</i>
<i>Jobs, Enterprise and Innovation</i>	<i>City and County Enterprise Boards</i>
	<i>Competition Authority</i>
	<i>Enterprise Ireland</i>
	<i>Forfás</i>

Govt Dept**Agency**

	<i>Health and Safety Authority</i>
	<i>IDA Ireland</i>
	<i>Labour Relations Commission</i>
	<i>National Standards Authority of Ireland</i>
	<i>Science Foundation Ireland</i>
	<i>Trade and Business Development Body (INTERTRADE Irl.)</i>
	<i>NS.BODY</i>
<i>Justice and Equality</i>	<i>An Garda Síochána</i>
	<i>Charities Regulatory Authority (New: Charities Act 2009)</i>
	<i>Commissioners (Office of) of Charitable Donations and Bequests</i>
	<i>Equality Authority</i>
	<i>Irish Prison Service</i>
	<i>Judicial Council</i>
	<i>Labour Court (Chúirt Oibreachais)</i>
	<i>Legal Aid Board</i>
	<i>Personal Debt Agency</i>
<i>Social Protection</i>	<i>Pensions Board - Bord Pinsean</i>
	<i>Social Insurance Fund a/c (EBF)</i>
	<i>NESDO/Comhar National Economic and Social Development Office</i>
<i>Taoiseach</i>	
<i>Transport, Tourism and Sport</i>	<i>Fáilte Ireland</i>
	<i>Horse Sport Ireland</i>
	<i>HRI Racecourses Ltd</i>
	<i>Irish Rail (Iarnród Éireann) -CIE subsidiary</i>
	<i>Irish Sports Council</i>
	<i>National Roads Authority</i>
	<i>National Sports Campus Development Authority</i>
	<i>National Transport Authority</i>
	<i>Railway Procurement Agency</i>
	<i>Tourism Ireland - NS.BODY</i>

(C) Extra Budgetary Funds included in Central Government Sector

Adult Education Organisations Fund
Bank Guarantee Scheme Fund
Bilateral And Other Aid Fund
Capital Service Redemption Account (Csra)
Ciste Na Gaeilge
Carbon Fund
Department Of Education Scholarship Fund
Dormant Accounts Fund
Fishery Harbour Centres Fund
Food Aid Convention Fund - Food Aid Donations
Fund For Cultural, Scientific Etc. Organisations
Fund For Orgs Promoting Ireland As An Educational Centre
Garda Síochána Reward Fund

Horse And Greyhound Racing Fund
Intestate Estates Fund Deposit Account
Local Authority Library And Archive Service
Local Government (Equalisation) Fund
Local Loans Fund

National Lottery Suspense Account
National Pensions Reserve Fund
National Training Fund
Plastic Bag/Ground Fill Levy Fund
Post Office Savings Bank Fund
Programme For Peace And Reconciliation
Provision And Renovation Of Swimming Pools
Rent & Interest Account No. 3
Restricted Licences Conversion Fund
Residential Institutions Redress Scheme
Residential Institutions Education Fund
Scientific And Technological Education (Investment) Fund
Small Savings Reserve Fund (Ssrf)
Social Insurance Fund
Special Account For Compensation Of Hep C
Sundry Monies Deposit Account

Voluntary Housing Scheme
Western Investment Fund
World Food Programme

Local Government

Local Government incorporates all bodies established for the purpose of local administration. The principal bodies included are (a) Local Authorities, (b) Health Boards (which existed up to the end of 2004) and (c) Vocational Education Committees.

(a) Local Authorities

Local authorities operate under the supervision of the Minister for the Environment, Community and Local Government and consist of 5 City Councils, 29 County Councils, 5 Borough Councils and 75 Town Councils as well as 8 Regional Authorities and 2 Regional Assemblies. Detailed lists of the individual Councils are as follows:

The 5 City Councils:

Cork City Council

Dublin City Council

Galway City Council

Limerick City Council

Waterford City Council

The 29 County Councils:

Carlow County Council

Cavan County Council

Clare County Council

Cork County Council

Donegal County Council

Dun Laoghaire/Rathdown County Council

Fingal County Council

Galway County Council

Kerry County Council

Kildare County Council

Kilkenny County Council

Laois County Council

Leitrim County Council

Limerick County Council

Longford County Council

Louth County Council

Mayo County Council

Meath County Council

Monaghan County Council

North Tipperary County Council

Offaly County Council

Roscommon County Council

Sligo County Council

South Dublin County Council

South Tipperary County Council

Waterford County Council

Westmeath County Council

Wexford County Council

Wicklow County Council

The 5 Borough Councils:

Clonmel Borough Council
Drogheda Borough Council
Kilkenny Borough Council
Sligo Borough Council
Wexford Borough Council

The 75 Town Councils:

Ardee Town Council
Arklow Town Council
Athlone Town Council
Athy Town Council
Balbriggan Town Council
Ballina Town Council
Ballinasloe Town Council
Ballybay Town Council
Ballyshannon Town Council
Bandon Town Council.
Bantry Town Council
Belturbet Town Council
Birr Town Council
Boyle Town Council
Bray Town Council
Buncrana Town Council
Bundoran Town Council
Carlow Town Council
Carrickmacross Town Council
Carrick-on-Suir Town Council
Cashel Town Council
Castlebar Town Council
Castleblayney Town Council
Cavan Town Council
Clonakilty Town Council
Clones Town Council
Cobh Town Council
Cootehill Town Council
Droichead Nua Town Council
Dundalk Town Council
Dungarvan Town Council
Edenderry Town Council
Ennis Town Council
Enniscorthy Town Council
Fermoy Town Council
Gorey Town Council
Granard Town Council
Greystones Town Council
Kells Town Council
Kilkee Town Council
Killarney Town Council
Kilrush Town Council

Kinsale Town Council
Leixlip Town Council
Letterkenny Town Council
Lismore Town Council
Listowel Town Council
Longford Town Council
Loughrea Town Council
Macroom Town Council
Mallow Town Council
Middleton Town Council
Monaghan Town Council
Mountmellick Town Council
Muinebheag Town Council
Mullingar Town Council
Naas Town Council
Navan Town Council
Nenagh Town Council
New Ross Town Council
Passage West Town Council
Portlaoise Town Council
Shannon Town Council
Skibbereen Town Council
Templemore Town Council
Thurles Town Council
Tipperary Town Council
Tralee Town Council
Tramore Town Council
Trim Town Council
Tuam Town Council
Tullamore Town Council
Westport Town Council
Wicklow Town Council
Youghal Town Council

(b) Health Boards

The Health Act, 1970 provided for the establishment of eight regional health boards which were responsible for the administration of health services in their local areas from 1971 to 2004. The eight health boards were as follows:

Eastern Health Board
Midland Health Board
Mid-Western Health Board
North Eastern Health Board
North Western Health Board
South Eastern Health Board
Southern Health Board
Western Health Board.

In March 2000, the Eastern Regional Health Authority was established to co-ordinate the provision of healthcare services in Dublin and the surrounding counties. Three Area Health Boards were also established – the South Western Area Health Board, the Northern Area Health Board and the East

Coast Area Health Board. They were responsible for delivering in their own areas the services previously provided by the Eastern Health Board, which was ceased.

These 11 Health Boards were abolished with effect from 1st January, 2005 and have been replaced by a single body the Health Service Executive (HSE), which is responsible for the delivery of health services nationwide. The HSE is considered a unit of Central Government and its activities will be included in the accounts for S.1311. For accounting purposes, the new Agency has been designated as a stand-alone Vote in the Book of Estimates and Appropriation Accounts (for details of these Government accounting publications see Annex 2). This means that from 2005 onwards, the accounting information available for the new Agency will be similar to that which already exists for other Central Government Departments.

(c) Vocational Education Committees (VECs)

The Vocational Education Committees, although statutory committees of Local Authorities, have their own corporate status and do not come within the system of city and county management. There are 33 VECs operating in respect of 27 county council areas, 5 city council areas and one in the former borough area of Dun Laoighaire. They provide and manage second level Vocational Schools and Community colleges in their own local areas, employ administrative and teaching staff and provide education and ancillary services for their administrative areas. They are financed partly from local rates and partly from Exchequer grants.

*VEC Dun Laoighaire
VEC City of Cork
VEC City of Dublin
VEC City of Galway
VEC City of Limerick
VEC City of Waterford
VEC County of Carlow
VEC County of Cavan
VEC County of Clare
VEC County of Cork
VEC County of Donegal
VEC County of Dublin
VEC County of Galway
VEC County of Kerry (Kerry Education Service)
VEC County of Kildare
VEC County of Kilkenny
VEC County of Laois
VEC County of Leitrim
VEC County of Limerick
VEC County of Longford
VEC County of Louth
VEC County of Mayo
VEC County of Meath
VEC County of Monaghan
VEC County of Offaly
VEC County of Roscommon
VEC County of Sligo
VEC County of Tipperary North
VEC County of Tipperary South
VEC County of Waterford
VEC County of Westmeath*

VEC County of Wexford
VEC County of Wicklow

The VEC sub-sector also includes third level Institutes of Technology. These were originally an integral part of the VECs, with no independent legal status. In 1992 they were established as independent colleges but they continue to operate under the aegis of the VECs. They include

- *14 Institutes of Technology,*

Athlone Institute of Technology,
Institute of Technology Blanchardstown,
Institute of Technology Carlow,
Cork Institute of Technology,
Dublin Institute of Technology
Dundalk Institute of Technology,
Dun Laoghaire Institute of Art, Design and Technology,
Galway-Mayo Institute of Technology,
Letterkenny Institute of Technology,
Limerick Institute of Technology,
Institute of Technology Sligo,
Institute of Technology Tallaght,
Institute of Technology Tralee,
Waterford Institute of Technology.
- *Tipperary Rural and Business Development Institute and*
- *Tourism College, Killybegs.*

ANNEX 2

Annual publications issued by the Department of Finance and the Department of Public Expenditure and Reform

1. Estimates for Public Services and Summary Public Capital Programme

Each year, the Government prepares the *Estimates of Public Service* in the autumn/early winter for the coming year. (Since 1975 the accounting year for government is the calendar year. However the tax year has been aligned with the calendar year only since 2002. Before that, it ended on 5 April.) Until 2007 these Estimates (abridged version) were published as separate volume. In October 2007, in the context of the move to a Unified Budget, the *Pre-Budget Estimates for Public Services* was included in the expanded Pre-Budget Outlook (PBO) – which was first published in October 2006 to set out the medium-term economic and fiscal context for the December Budget. The *Pre-Budget Estimates for Public Services* shows the estimated cost of maintaining the existing level of public services in the year ahead, and in this way facilitates transparency regarding the actual resource allocation decisions made in the Budget. The Pre-Budget Outlook was not published in October 2008 as Budget Day was brought forward to October in 2008.

With the move to the Unified Budget, the Budget since December 2007 (Budget 2008) includes the detailed Budget Estimates showing the full allocations for the year ahead. The *Estimates for Public Services* and the *Summary Public Capital Programme* are published on Budget Day as part of the Budget Book. The *Estimates for Public Services* gives an outline of the receipts and expenditures (capital and current) of each Department and Office of State for the coming year. It also gives the estimated outturn for the current year at an aggregate level. Before 2007 it was published at least seven days before the annual Budget (in recent years it had been published in mid to late November, around three weeks before Budget Day which, since 1997, has usually been in early December of the year prior to the year to which the Budget relates). A *Summary Public Capital Programme* (PCP) (i.e. a planned investment programme) was published at the same time.

2. White Paper on Receipts & Expenditure

A *White Paper on Receipts & Expenditure*, setting out estimates of the receipts and expenditure of the State for the current and coming financial years, is traditionally published on the Friday before the Budget. It sets out the pre-Budget opening position as follows: the projected outturn for the current year and, in relation to the new year, estimated receipts from taxation at pre-budget rates, estimated Central Government expenditure, both voted and non-voted, the estimated Exchequer Borrowing Requirement (EBR) and the estimated GGB. The estimates are in highly aggregated form. The Estimates for individual Departments and Offices of State are updated as part of the Budget and each one is presented in the Revised Estimates for Public Services and subsequently debated and adopted in Dáil Éireann (the Parliament) in June or July. (see also “*Revised Estimates for Public Services*” below).

For the 2011 *White Paper on Receipts & Expenditure* for the year ending 31 December 2009, see Department of Finance webpage

<http://www.finance.gov.ie/documents/pressreleases/2010/bl159.pdf>

3. The Budget

The Budget is usually presented in late November/early December of the year prior to the year to which the Budget relates. Budget 2012 was presented on the 5 & 6 of December 2011. It sets out the Government's overall budgetary targets (current budget, capital budget, overall borrowing, GGB, GGGD) for the following three years, outlines taxation policy and makes adjustments to the already published *Pre-Budget Estimates*. The Budget statement sets out the latest available estimates of revenue and expenditure outturn of the current year, the projected expenditure for the coming year and details of the revenue from taxation and other resources that would be needed to meet that expenditure, and announces proposed changes to expenditure and taxation. The Budget aggregates and financial envelopes for each Ministerial Vote Group for the two years following the new Budgetary year are also published. As stated above the *Estimates for Public Services* and the *Summary Public Capital Programme* are now published on Budget Day as part of the Budget Book.

Certain Budget measures are given immediate legal effect by financial resolutions of Dáil Éireann (the Parliament) on the evening of the Budget speech. The annual *Finance Bill* gives legislative effect to the tax changes proposed in the Budget statement and to other detailed taxation measures deemed necessary. The Second Stage of the Bill must be passed by Dáil Éireann (the Parliament) within 84 days of Budget Day and the Bill, having been passed by both Houses, must be signed by the President of Ireland within four months of Budget Day.

The Budgetary papers ("*Budget Book*") published as a compendium on the Departments of Finance and Public Expenditure and Reform website contain the following documents:

- Financial Statement - the Minister's speech to Dáil Éireann (the Parliament) on Budget day
- Budget Measures - detailed list of changes announced in the Budget together with the estimated cost or yield
- Budget Statistics and Tables - gives detailed budgetary projections for the next three years
- Financial Resolutions - temporary legislative backing for immediate budgetary changes (website only in 2008)
- Stability Programme Update - the economic background to the Budget, and the Government's economic strategy over the following three years. It is produced in compliance with the EU Stability and Growth Pact
- Estimates for Public Services (since 2007)
- Summary Public Capital Programme (since 2007)

See Departments of Finance and Public Expenditure and Reform webpage <http://www.budget.gov.ie/> for links to the current and previous Budgets.

4. Revised Estimates for Public Services (also known as the Revised Estimates Volume or Revised Book of Estimates) and Public Capital Programme

A Revised Estimates Volume is published some months after the Budget (usually in February/March). It reflects expenditure changes announced in the Budget statement and other minor adjustments to expenditure since Budget Day. The Revised Estimates Volume contains additional information to that published in the Budget Estimates, providing a more detailed breakdown of subheads for each Vote, alternative breakdowns of spending (e.g. Expenditure part financed by funding from the National Lottery), provisional outturn figures for the current year and agency statements. The estimates are debated and approved by the Dáil Éireann (the Parliament) and its committees.

The *Appropriation Act*, which is passed in December, gives statutory authority for the amounts voted by the Dáil during the year in original or supplementary estimates. The Bill also provides for the definitive capital carryover into the following year. (In this context, “to appropriate” means to assign stated amounts for specific purposes; the *Appropriation Act* is the statutory authority that authorises issues from the Central Fund for Supply Services and appropriates all money granted by Dáil Éireann (the Parliament) to some distinct use.)

The full *Public Capital Programme* (PCP), which sets out in detail the planned investment programme of the public sector and its financing, is published at the same time as the *Revised Estimates Volume*.

See the following Department of Public Expenditure and Reform webpage for *Revised Estimates Volume 2012 (Revised Estimates for Public Services)*:

<http://per.gov.ie/estpubexp2012/>

For the 2012 *Public Capital Programme*, see

<http://per.gov.ie/wp-content/uploads/CER-Estimates-Final2.pdf>

5. Appropriation Accounts

Article 33 of the Constitution of Ireland states that a Comptroller and Auditor General (C&AG) must be appointed to control on behalf of the State all disbursements and to audit all accounts of moneys administered by or under the authority of the Oireachtas (both the Seanad and Dáil, upper and lower Houses of Parliament respectively). The main function of the C&AG, who is appointed by the President on the nomination of Dáil Éireann (the Parliament), is to carry out an annual audit of the Irish Government’s accounts (the *Appropriation Accounts*) and to submit an annual report of the audit to Dáil Éireann (the Parliament). The *Appropriation Accounts* are an end of year statement of the spending by Departments and Offices of State of the moneys voted by Dáil Éireann (the Parliament). It compares the voted Supply Estimate for the individual categories of expenditure, separately identified within the financial allocation of a Department or Office of State under the *Appropriation Act*, with the actual payments made and receipts brought to account, and explains any substantial differences. The Annual Report of the Comptroller and Auditor

General and the Audited Appropriation Accounts are usually published in the last week of September.

For the *Annual Report of the Comptroller and Auditor General and the Audited Appropriation Accounts* for the year ended 31 December 2007 see

<http://audgen.gov.ie/viewdoc.asp?DocID=1327&CatID=3&StartDate=1+January+2012>

[http://www.audgen.gov.ie/documents/annualreports/2010/2010_Appropriation_Account_EN\(1.01\).pdf](http://www.audgen.gov.ie/documents/annualreports/2010/2010_Appropriation_Account_EN(1.01).pdf)

6. Finance Accounts

The Department of Finance each year prepares detailed accounts of the Central Fund for the previous year, known as the *Finance Accounts*. (The Central Fund is the destination of all State revenues and the source of all Government spending, except where provided otherwise by law.). The *Finance Accounts* is the most comprehensive, but not the most detailed, set of accounts published by the Government. It includes, in summary form, information on almost every aspect of the Government's financial operations. Part One contains particulars of receipts and issues from the Central Fund under a number of headings such as Tax Revenue, Non-Tax Revenue, Capital Investments and Capital Receipts, also gives details of loans guaranteed by government. Salaries, pensions and allowances paid directly from the Central Fund are detailed in Schedule 1 of the publication. Details relating to the National Debt are in Part Two, and are provided by the NTMA. The *Finance Accounts* are audited by the Comptroller and Auditor General and presented by the Minister for Finance to Dáil Éireann. The Finance Accounts are usually published in the last week of September.

See Department of Finance webpage

<http://www.finance.gov.ie/viewdoc.asp?DocID=-1&CatID=10&UserLang=EN&m=19>

<http://www.finance.gov.ie/>

for links to the 2010 and previous *Finance Accounts*.

7. Monthly Exchequer Returns (Exchequer Statements)

An account of the receipts into and issues from the Exchequer Account (on a cumulative basis from 1 January), called the Exchequer Statement, is published in the first week of every month in “*Iris Oifigiúil*” (the official Irish State gazette).

(see <http://www.irisoifigiuil.ie/currentissues/> for current issues,

<http://www.irisoifigiuil.ie/archive/> for archive).

Details of the current and previous Exchequer Statements are also available on Department of Finance webpage

<http://www.finance.gov.ie/ViewDoc.asp?DocId=-1&CatID=5&m=f>