



**Oifig an Ard Rúnaí**  
Office of the Secretary General

**An Roinn Cosanta**  
Department of Defence

PAC-R-132

**Correspondence 3.5**  
**Meeting – 10/11/2011**

November 2011



Ms. Eimear Lavelle,  
Committee Secretariat,  
Committee of Public Accounts,  
Leinster House,  
Dublin 2.

Dear Ms. Lavelle,

I refer to your letter of 19 October 2011 arising from my appearance before the Committee of Public Accounts on 13 October 2011. I undertook to supply further information to the Committee in regard to the following issues.

**Irish Red Cross Society:**

During questions on matters relating to the chapter in the Comptroller and Auditor General's recent report that deals with Financial Control in Irish Red Cross Society, I was asked if the Department had been made aware of allegations relating to misallocation of funds received by the Irish Red Cross for overseas appeals. Particular reference was made to funds received at the time of last year's Haiti appeal.

I am now in a position to clarify that the Department of Defence was made aware of these allegations. Amongst large volumes of correspondence received from Mr. Noel Wardick, a letter dated 30 November 2010 to the then Minister referred to enclosed copies of letters that Mr. Wardick had, some weeks earlier, sent to the Chairman of the Society and to its external auditors, in which he outlined the substance of his allegations.

The Department has received assurances from the Society that the manner in which it allocates unspecified donations is in conformity with standard practice by Red Cross societies across Europe. The Department is satisfied that no issues arise in relation to the manner in which the Irish Red Cross handles the allocation of donations. The Department is aware that the Chairman of the Society has strongly refuted the allegations and that the Society's external auditors found the allegations to be groundless. In these circumstances, there was no necessity for the Department's representative on the Executive Committee of the Society to raise the matter.

I would also like to confirm the accuracy of the reply I gave to Deputy Murphy with regard to the requirement for a break in service, for one full three year term, for Executive Committee members. The requirement for a break in service after two three year terms will apply to any position on the Executive Committee and, therefore, it will not be possible to serve two terms in one position and then a further term immediately afterwards in another position on the Committee.

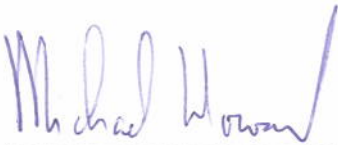
Finally, in relation to a reply that I gave to a question raised by Deputy Murphy concerning the length of time that the Treasurer of the Society has served, I now wish to clarify that whilst the person in question has been elected to the Society's Executive Committee for the past ten years, he was first elected as Treasurer in 2009 and, earlier this year, was re-elected for a third term in this position.

**Expenditure on Subhead U – military expenditure on international meetings, ceremonies, etc:**

In response to the query raised by Deputy Deasy regarding a breakdown of 'military expenditure on international meetings, ceremonies etc' in 2010, the position is that the expenditure in question relates to entertainment expenses incurred in the hosting of official military events and visits (€59,134) and national events and ceremonies at home and abroad (€30,255). Events throughout the year would have included: visits by foreign military personnel, St Patrick's Day, officers' commissioning ceremony and a reception for the Congo memorial. Expenditure of €89,389 (rounded to €90,000 on the advance briefing document) was incurred rather than the figure of €130,000 referenced in the query.

I trust this will be of assistance to Committee members. If any further information is required, I will be pleased to provide it.

Yours sincerely,



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**MICHAEL HOWARD**  
**SECRETARY GENERAL**