

Comhairle Chontae Dhún na nGall
Donegal County Council



Annual Financial Statement
2018
(Audited)

**ANNUAL FINANCIAL STATEMENT
(AUDITED)**

Donegal County Council

For year ending 31st December 2018

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FOREWORD FROM CHIEF EXECUTIVE

INTRODUCTION

The Annual Financial Statement including the Financial Accounts and supporting schedules of Policies, Notes and Appendices represents the financial position and condition of Donegal County Council as at 31st December 2018.

Donegal County Council prepares accounts on an accruals basis for its Statement of Comprehensive Income (Income and Expenditure) and provides a Statement of Financial Position (Balance Sheet) of Assets and Liabilities as at the end of 2018. This enables performance and trends to be reviewed on a consistent basis over an extended timeframe.

The Council is committed to continuing to prioritise the delivery of Council services while addressing evolving opportunities and financial challenges emerging for the Council's Revenue and Capital Accounts. This is in keeping with the aim of maximising the Council's ability to continue to provide the range of services at the required level of quality to the citizens of the County.

I do not intend in this foreword to restate much of what is included subsequently in the various Schedules, Notes and Appendices. I will confine my comments to emphasise some important financial issues facing the Council at this time and to highlight some of the key financial information included in this Statement.

In this year's foreword, I have included retrospective financial analysis covering the period 2014 to 2018, reflecting the activity of the current Council over the past five financial years. This includes an examination of Revenue and Capital expenditure for the period 2014 to 2018, as well as an examination of collection performance on the major collection accounts over the same period.

REVENUE STATEMENT OF COMPREHENSIVE INCOME (INCOME & EXPENDITURE)

The Statement of Comprehensive Income for the year ending 31st December 2018 shows an overall surplus for the year of €566,521.

The surplus for 2018 has the effect of improving the accumulated revenue deficit (General Reserve) from €8,953,104 at the end of 2017 to €8,386,583 at the end of 2018.

Every effort has been made to maximise sources of mainstream and non-mainstream income to preserve the Council's capacity to provide a wide range

of services. The Council continues to be proactive in seeking additional and complementary sources of funding, for example from European Union funds or from specific central government provisions.

I am including, as in previous years, the following tabulation (Tables 1 and 2 below) which sets out some key cost and income drivers in the 2018 Revenue Statement of Comprehensive Income (Income & Expenditure). The AFS figures for 2017 are shown for comparative purposes. Standard rounding rules have been applied.

Table 1 – Revenue Statement of Comprehensive Income (Income & Expenditure): 2018 and 2017

	2018 €	2017 €
Income	162,693,289	146,879,132
Expenditure	162,126,768	146,115,096
Net Surplus/(Deficit)	566,521	764,035

Table 2 – Major Elements of Statement of Comprehensive Income (Income & Expenditure): 2018 and 2017

Major Elements of Income	2018 €	2017 €
Grants and Subsidies	50,144,456	39,637,699
Goods and Services (excluding NPPR)	49,884,492	47,946,332
Non Principal Private Residence Charges (NPPR)	2,487,140	1,674,487
Local Property Tax	25,119,850	25,119,850
Commercial Rates	33,360,538	30,400,611
Contributions from Other Local Authorities	104,827	97,840
Other transfers from Reserves	1,591,987	2,002,313
Total	162,693,289	146,879,132

Major Elements of Expenditure	2018 €	2017 €
Payroll and Pensions Expenses	61,304,769	58,994,436
Operational Expenses	75,880,207	64,122,878
Administration Expenses	4,366,595	4,342,606
Establishment Expenses	2,130,100	2,122,034
Loan Charges (Interest & Principal)	5,552,324	5,849,907
Other Financial Expenses (excluding loan interest payments)	7,291,526	7,327,637
Transfers from Revenue to Capital/Reserves (excluding loan principal repayments)	5,258,646	2,977,971
Miscellaneous Expenses	342,602	377,629
Total	162,126,768	146,115,096
Net of Income and Expenditure	566,521	764,035

Total revenue expenditure in 2018 of €162,126,768 represents an increase of €16,011,672 on the 2017 total Revenue Expenditure of €146,115,096.

There was a net increase of approximately €2.3m in Payroll and Pensions Expenses. Pension Gratuities decreased by approximately €1.1m year-on-year. Pension payments increased by around €0.2m. Salary & Wages costs increased by approximately €3.0m. There was a net increase in whole-time equivalent (WTE) staff numbers from 908.58 at the end of 2017 to 927.54 at the end of 2018. In addition, there were increases applied to basic rates of pay during 2018, as part of the continuing unwinding of the 'FEMPI' legislation.

Operational Expenses show a net increase of approximately €11.8m. €9.9m of this increase arose in Division B – Roads, Transportation and Safety. The increased expenditure on Roads arose primarily on '*Local Road – Maintenance and Improvement*' (+€8.2m), and '*Regional Road – Maintenance and Improvement*' (+€1.8m). There were also increases under this heading in Division D – Development Management (+€0.1m on Tourism supports, +€0.15m on Local Enterprise Office activities, +€0.27m on Social Inclusion activities, and +€0.64m on Economic Development and Promotion).

Administration Expenses and Establishment Expenses remained relatively static year-on-year, with only marginal increases arising under these headings.

Financial Expenses reduced by €0.3m. This is largely accounted for under the heading of Loan Interest Charges, which decreased by approximately €0.29m year-on-year. The net decrease arose primarily as a result of favourable interest rates.

Transfers from Revenue to Capital and Reserves increased year-on-year by €2.28m. A breakdown of these transfers by Service Division, along with relevant descriptions, is provided in the Financial Review that follows this foreword.

Table 3 - Revenue Account Performance 2014 to 2018

The table below summarises Revenue Income and Expenditure (including transfers) for the five-year period 2014 to 2018.

Year	Expenditure €	Income €	Surplus €
2014	143,067,526	143,853,070	785,544
2015	133,215,960	133,836,895	620,934
2016	142,010,769	146,639,283	*4,628,515
2017	146,115,096	146,879,132	764,035
2018	162,126,768	162,693,289	566,521
Totals	726,536,119	733,901,669	7,365,549

*2016 figures include the absorption of the Specific Revenue Reserve. The outturn for financial year 2016 was a surplus of €1,253,836. 2014 figures include expenditure and income for the former Town Councils.

Donegal County Council Revenue expenditure (including transfers) amounted to over €726.5m during the five-year period 2014 to 2018. During that time, the Accumulated Revenue Deficit was reduced by almost €7.4m, from €15.8m at the beginning of 2014 to €8.4m at the end of 2018.

Table 4 – Revenue Account Summary 2014 to 2018

*Opening Revenue a/c Deficit @ 01/01/2014	(€15,752,132)
Closing Revenue a/c Deficit @ 31/12/2018	(€8,386,583)
Improvement on Revenue a/c 2014 to 2018	€7,365,549

*The Opening Revenue a/c Deficit @ 01/01/2014 reflects the consolidated opening balances of the County Council and the former Town Councils.

Table 5 – Revenue Expenditure by Service Division 2014 to 2018

The following table provides information on the level of expenditure per Service Division for the period 2014 to 2018. The figures shown include transfers to Capital and Reserves.

Service Division	2014 €	2015 €	2016 €	2017 €	2018 €	Totals €
Housing & Building	14,996,785	15,799,123	16,942,760	19,329,173	19,514,426	86,582,267
Roads Transportation & Safety	43,216,984	39,793,044	46,583,150	47,383,025	58,485,463	235,461,667
Water Services	21,511,432	18,394,128	18,266,818	17,190,265	17,816,705	93,179,348
Development Management	11,241,640	10,600,756	10,382,263	11,674,535	13,464,789	57,363,983
Environmental Services	11,663,508	12,548,413	12,168,907	12,997,176	13,536,152	62,914,157
Recreation & Amenity	9,097,369	8,045,626	8,471,243	8,825,572	9,112,861	43,552,670
Agriculture, Education, Health & Welfare	5,621,076	3,537,894	2,858,904	2,517,346	2,901,557	17,436,777
Miscellaneous Services	25,718,733	24,496,977	26,336,724	26,198,004	27,294,817	130,045,255
Total	143,067,526	133,215,960	142,010,769	146,115,096	162,126,768	726,536,119

CAPITAL EXPENDITURE

Capital Expenditure is reflected in Table 6 below as well as in Appendix 5 and Appendix 6 of the AFS.

Table 6 – Capital Account Information: 2018 and 2017

	2018 €m	2017 €m
Capital Expenditure (including transfers to Revenue)	82.988	44.007
Total Outstanding on Mortgage Related Loans	15.962	17.035
Total Outstanding on Non-Mortgage Related Loans for Provision of Assets/Grants*	50.932	55.077
Development Levies Reserves – General & Specific (Credit)	9.099	9.486

*These are Non-Mortgage Loans which must be funded by the local authority – i.e. those without a matching funding source. Other Non-Mortgage Loans such as Voluntary Housing Loans for example are recoupable on a contra basis.

Capital expenditure was €82.988m in 2018 (including transfers to Revenue). This represents an increase of €38.982m on the 2017 figure. A significant portion of the increase in expenditure is attributable to activity on National Roads Projects (€40.280m in 2018 versus €16.045m in 2017 – an increase of €24.236m year-on-year).

There were increases in capital expenditure in Programme Group 1 'Housing & Building' (+€7.447m) and Programme Group 6 'Recreation & Amenity' (+€2.539m).

A total of €16.144m was spent in 2018 on house purchase/construction (an increase of €8.050m year-on-year). €1.254m was spent on Housing Assistance Grants in 2018 (an increase of €0.290m year-on-year).

Capital expenditure in Programme Group 6 'Recreation & Amenity' totalled €7.358m in 2018 (+€2.539m year-on-year). This expenditure occurred across a wide range of projects and programmes that included SICAP; LEADER; Peace IV; Sliabh Liag; REDZ; CLÁR; the Town & Village Renewal Programme; the ASCENT Project; and the Peace IV Programme.

The Roads Management Office (RMO) accounted for €2.334m in expenditure on the capital account during 2018. Expenditure incurred on the operation & development of the RMO is fully funded by the Department of Transport, Sport & Tourism and by contributions from individual local authorities.

A breakdown of capital expenditure per Programme Group is provided in the Financial Review that follows this foreword.

Table 7 - Capital Expenditure 2014 to 2018

The table below summarises Capital Expenditure for the five-year period 2014 to 2018.

Programme Group	2014 €	2015 €	2016 €	2017 €	2018 €	Totals €
Housing & Building	4,957,572	6,765,167	13,448,988	15,188,742	22,635,385	62,995,853
Road Transportation & Safety	9,900,288	17,244,148	27,809,784	19,684,065	45,536,378	120,174,663
Water Supply and Sewerage	2,310,558	1,089,361	484,177	418,990	267,250	4,570,336
Development Incentives & Control	468,706	676,591	7,868,190	909,586	2,966,018	12,889,091
Environmental Protection	415,791	(156,866)	852,714	1,308,492	1,845,966	4,266,097
Recreation & Amenity	5,917,473	6,849,481	3,322,180	4,819,171	7,358,488	28,266,793
Agriculture, Education, Health & Safety	1,180,916	762,117	1,064,250	565,612	577,593	4,150,488
Miscellaneous Services	2,135,468	1,831,314	1,547,540	1,111,989	1,801,113	8,427,424
Totals	27,286,771	35,061,313	56,397,824	44,006,647	82,988,191	245,740,745

Figures stated include Transfers to the Revenue Account. Standard rounding rules apply

Capital Expenditure (including transfers) amounted to over €245.74m over the period 2014 to 2018.

Table 8 – Loans Payable 2014 to 2018

Loan Type	Balance @ 31/12/2018 €	Balance @ 31/12/2013 €	Improvement 2014 – 2018 €
Mortgage Loans	15,961,564	23,295,591	7,334,027
Non-Mortgage Loans			
Assets/Grants	50,931,754	106,657,850	55,726,096
Bridging Finance (Recoupable)	1,903,831	2,453,188	549,357
Other Recoupable (Inc Irish Water and Voluntary Housing)	42,670,301	49,773,207	7,102,906
Totals	111,467,449	182,179,836	70,712,387

In total, the value of the principal repayable on loans reduced by over €70.7m over the period 2014 to 2018. €28.9m of this reduction relates to loans redeemed on the Council's loan book on foot of the transfer of functions to Irish Water.

Non-Mortgage Loans for Assets/Grants are loans which the local authority must fund from its own resources (i.e. loans that do not have a corresponding income source). At year-end 2018, this class of loan liability is significantly lower in absolute terms (at €50.9m), and represents around 46% of the Council's total loan book. At year-end 2013, it was 56% of the Council's total loan book.

CASH-FLOW & DEBTORS

I wish to draw your attention to the Statement of Funds Flow (Cash-Flow Statement), Note 5 and Appendix 7 of this Statement.

Donegal County Council's cash-flow remains positive as a result of prudent financial management. The Council's bank/cash balance remained positive throughout 2018.

Gross Debtors have increased from €31.031 at the end of 2017 to €37.109m at the end of 2018 – a net increase of €6.078m. Commercial Rates debtors increased year-on-year by €0.667m. However, the percentage of rates collected improved from 74% in 2017 to 76% in 2018. The balance of the net increase in debtors is primarily due to the timing of year-end recoupment claims submitted to government departments and other state bodies in respect of expenditure incurred on the Housing and Roads programmes. The increase in year-end debtors reflects the significantly increased level of activity on capital projects during 2018.

Table 9 – Major Collection Account Performance 2014 to 2018

The table below summarises the collection performance on major collection accounts for the period 2014 to 2018.

Major Revenue Collections %	2014	2015	2016	2017	2018
Commercial Rates	56%	63%	68%	74%	76%
Housing Rents	89%	90%	89%	89%	89%
Housing Loans	63%	63%	66%	68%	68%

Figures for the period 2015 – 2018 take into account 'Specific Doubtful Arrears'

Collection performance on Commercial Rates has improved significantly over the period 2014 to 2018, with the percentage collected rising from 56% in 2014 to 76% in 2018.

Commercial Rates arrears have reduced by €2.3m over the period 2014 to 2018. The annual amount of cash collected has increased by over €4m during the same period (see below).

Table 10 – Commercial Rates Arrears and Cash Collected


Commercial Rates 2014 - 2018	2014 €	2015 €	2016 €	2017 €	2018 €
Cash Collected	22,608,627	24,692,578	24,760,145	24,628,799	26,675,454
Arrears at Year-end	17,578,313	15,686,468	15,316,765	14,609,979	15,276,901

As has been stated in previous years, the Council continues to maintain positive engagements with its debtors, given the often symbiotic nature of our relationships, in order to support the wider business sector in the county through the challenging economic environment. Collection targets are becoming ever more challenging and, as economic conditions improve across many sectors of the economy, it is my intention to continue with a policy of proactive engagement with all our customers, whilst at the same time increasing enforcement actions where required. Maximising collection rates across all income headings and reducing the level of arrears are essential objectives if the level and quality of local authority services and supports are to be maintained.

I wish to acknowledge the assistance and support of the Elected Members, the Head of Finance, the Directors of Service and their staff where, despite the challenging economic environment, a positive outturn of €566,521 has been achieved for 2018. I am pleased to report that the accumulated revenue deficit (General Reserve) has improved from €8,953,104 at the end of 2017 to €8,386,583 at the end of 2018.

The analysis of financial performance over the five-year period 2014 to 2018, whilst reflecting the growing activity of the Council over the period, also reflects the prudence and discipline being applied in managing the Council's finances. Increased Revenue and Capital spending, the reduction in the

accumulated revenue deficit, the reduction in long-term liabilities, and improvements in income collection are all positive and encouraging indicators. Combined Revenue and Capital Expenditure (eliminating transfers) for the period 2014 to 2018 amounts to almost €926m, and represents a significant investment in services and infrastructure in County Donegal over the lifecycle of the current Council.



Seamus Neely
Chief Executive

12th April 2019

FINANCIAL REVIEW

FINANCIAL REVIEW

**PREPARED BY RICHARD GIBSON ACCA
A/HEAD OF FINANCE**

INTRODUCTION

The 2018 Annual Financial Statement is hereby presented in the prescribed format and in accordance with departmental guidelines. The AFS includes the Statement of Comprehensive Income (formerly Income & Expenditure Statement) and the Statement of Financial Position (formerly Balance Sheet), as well as notes and appendices supporting both statements. The accompanying notes, appendices and Accounting Policies serve to provide a more detailed analysis and explanation of the figures included in the statements.

REVENUE ACCOUNT PERFORMANCE

I am pleased to report that the 2018 Statement of Comprehensive Income (Income and Expenditure Account) shows an improvement of €566,521 in the Council's Revenue Balance.

The Statement of Comprehensive Income may be summarised as follows:

Table 1 – Income & Expenditure Summary 2018 and 2017	2018 €	2017 €
Income	161,101,302	144,876,819
Expenditure	(152,740,990)	(139,002,931)
Net Transfers from/(to) Reserves	(7,793,792)	(5,109,853)
Surplus/(Deficit) for Year	566,521	764,035

The accumulated revenue deficit has improved from (€8,953,104) at the end of 2017 to (€8,386,583) at the end of 2018.

Table 2 – Movement in General Revenue Reserve 2018 and 2017	2018 €	2017 €
Opening Credit/(Debit) Balance	(8,953,104)	(9,717,139)
Overall Surplus/(Deficit) for year	566,521	764,035
Closing Credit/(Debit) Balance	(8,386,583)	(8,953,104)

For convenience, the primary contributors that have shaped the outturn position for 2018 are summarised on the following page.

Credits

- Additional income in the sum of **€1.487m** was realised from Non-Principal Private Residence (NPPR) Charges
- Additional income in the sum of **€0.770m** was realised in respect of Irish Water's contribution to Central Management Charges
- Savings on budgeted Retirement Gratuities amounted to **€1.127m**
- Additional income from Housing Rents amounted to **€0.352m**
- Additional income was realised from Fees & Charges - including additional Planning Fees of **€0.141m**, and additional Fire Charges and Fire Safety Certificates of **€0.125m**
- Net Loan Repayments were **€0.298m** lower than anticipated, owing to favourable interest rates
- Additional activity, primarily in Roads, contributed to a better than anticipated Machinery-Yard/Stores outturn for 2018 - **€0.520m**
- There were net savings under payroll and pensions headings of approximately **€1.3m**. The savings arose due to shorter working-time arrangements, the timing of recruitments/assignments, and payroll transfers to the capital account

Debits

- There was net under-realisation of income under Commercial Rates and Property Entry Levies headings in the sum of **€0.451m**
- Provisions for Bad & Doubtful Debts were increased by **€0.198m**
- There was over-expenditure on Housing Maintenance in the sum of **€0.365m**
- The 'Playgrounds Capital Refurbishment/Replacement Reserve' was augmented by **€0.100m**
- The 'Leisure Centres Capital Replacement Fund Reserve' was augmented by **€0.300m**
- A total of **€0.292m** was transferred from Revenue to augment reserves under the headings of 'Unfinished Housing Estates' and 'Taking-in-Charge of Housing Estates'
- The 'Project Development Fund Reserve' was augmented by **€1.411m**
- The 'Environment – Capital Improvements Reserve' was augmented by **€0.200m**
- The 'Marine Capital Co-Funding Reserve' was augmented by **€0.200m**
- **€1.200m** was transferred from Revenue to provide co-funding for the Countywide Footpath Programme (Insurance Risk Mitigation).
- A budget provision targeting income to be transferred from reserves of **€3.512m** was not required

The comparison between the Budget as adopted for 2018 and the outturn for the year is as follows:

Table 3 - Adopted Budget v Outturn	Budget 2018 €	Outturn 2018 €	Difference €
Expenditure	148,795,554	162,126,768	13,331,214
Income	148,795,554	162,693,289	13,897,735
Surplus / (Deficit)	0	566,521	566,521

Revisions to the Adopted Budget occur during the year as a result of increased/decreased funding provisions and changes in allocations on a contra basis across Service Divisions as the year progresses (for example where new or additional grant allocations arise). A detailed report on the variations between expenditure and income at Service Division level is being submitted to Members.

CAPITAL ACCOUNT PERFORMANCE

As detailed in Table 4 below, gross expenditure of €82,988,190 and gross income of €87,932,107 in 2018 resulted in an overall improvement of €4,943,918 in the Capital Account. The overall credit balance at 31st December 2018 is €42,517,288, compared with an overall credit balance of €37,573,370 at 31st December 2017.

Table 4 – Capital Account Performance

	2018 €	2017 €
Opening Credit Balance at 1st January	37,573,370	37,951,553
Expenditure (including Transfers)	82,988,190	44,006,646
Income (including Transfers)	87,932,107	43,628,464
Surplus (Deficit)	4,943,918	(378,182)
Closing Credit Balance at 31st December	42,517,288	37,573,370

Standard rounding rules have been applied. The year-on-year increase in capital expenditure of €38,981,544 reflects mainly in net increases in *Payments to Contractors, Purchase of Other Assets/Equipment, and Professional & Consultancy Fees* headings (primarily relating to expenditure on National Roads and the Housing Capital Programme).

Table 5 – Capital Account Performance per Division/Programme-Group for 2017

Division	Balance @ 01/01/2018 €	Expenditure 2017 €	Income 2017 €	Balance @ 31/12/2017 €	Net Movement €
Housing & Building	3,931,141	22,635,385	21,621,467	2,917,223	(1,013,918)
Road Transportation & Safety	3,814,175	45,536,378	49,603,397	7,881,194	4,067,019
Water Services	73,187	267,250	222,295	28,232	(44,955)
Development Management	12,057,135	2,966,018	2,264,770	11,355,888	(701,248)
Environmental Services	(475,960)	1,845,966	1,999,171	(322,754)	153,205
Recreation & Amenity	1,548,796	7,358,488	7,904,628	2,094,936	546,140
Agriculture, Education, Health & Welfare	371,381	577,593	621,597	415,385	44,004
Miscellaneous Services	16,253,514	1,801,113	3,694,784	18,147,185	1,893,671
Totals	37,573,370	82,988,190	87,932,107	42,517,288	4,943,918

The figures in the above table include transfers between divisions and transfers to/from Revenue.

FIXED ASSET SUMMARY

The total value of fixed assets in the 2018 Annual Financial Statement is €3,405,785,615 (2017 - €3,388,790,032). Fixed Assets are subdivided on the face of the Statement of Financial Position (Balance Sheet) as per Table 6 below:

Table 6 – Fixed Asset Summary 2018

Fixed Assets	Value €
Operational	745,401,746
Infrastructural	2,597,728,501
Community	6,920,415
Non-Operational	55,734,953
Total	3,405,785,615

Fixed Assets are further analysed in Note 1 of the Annual Financial Statement.

The increase in Fixed Assets value is mainly attributable to house purchases/completions in the sum of €17.740m.

LOAN ACCOUNTS

Mortgage Related Loans (See Note 7)

As at 31st December 2018 the capital outstanding on these loans was €15.962 (2017: €17.035m); this represents a net reduction of €1.073m.

In the financial year ending 31st December 2018 the following transactions summarise the movements in relation to mortgage related loans.

Table 7a – Mortgage Loans

Loan Category	Borrowings €	Repayments & Redemptions €	Net Reduction €
Mortgage Loans - Annuity (Standard/Reconstruction)	133,814	806,964	466,278
Mortgage Loans - Annuity (Affordable)	-	338,431	338,431
Mortgage Loans - Shared Ownership (Standard)	-	268,638	268,638
Total	133,814	1,414,033	1,073,347

Non-Mortgage Loans (See Note 7)

As at 31st December 2018 the capital outstanding on these loans was €95.506m (2017: €102.412m), representing a reduction of €6.906m.

In the financial year ended 31st December 2018 the following transactions summarise the movements in relation to non-mortgage loans.

Table 7b – Non-Mortgage Loans

Loan Category	Early Redemptions €	Interest Capitalised €	Borrowings €	Repayment Principal €	Net Total €
Assets/Grants	-	-	-	4,145,150	4,145,150
Bridging Finance	-	-	-	-	-
Shared Ownership-Rented Equity	-	-	-	494,219	494,219
Voluntary Housing	-	-	-	1,701,656	1,701,656
Water Related Loans*	-	-	-	565,465	565,465
GRAND TOTAL	-	-	-	6,906,490	6,906,490

*Note: These are legacy loans relating to water services for which there is no net cost to the Council (recouped in full).

CASHFLOW AND DEBTORS

Table 8 sets out details of collections and arrears on the major collection accounts for 2018.

Table 8 - Major Collection Accounts 2018

Income Department	Cash Collected 2018	Arrears c/f at 31/12/2018
Rates	26,675,454	15,276,901
Rents & Annuities	12,172,991	1,468,135
Housing Loans	1,967,642	929,288
Total	40,816,087	17,674,324

More specific information in respect of collection performance on specific accounts can be obtained by viewing Appendix 7 of this AFS.

Cash collected from Commercial Rates increased year-on-year from €24.629m in 2017 to €26.675m in 2018 (an increase of €2.047m), and there was an increase in the ‘% Collection’ figure from 74% in 2017 to 76% in 2018 (an increase of 2%).

It is recognised that businesses continue to operate in a challenging economic environment in Donegal, and the positive and proactive engagement from the majority of our customers is acknowledged. It is only in exceptional circumstances that cases have to be referred for enforcement or legal proceedings, when there is insufficient or lack of engagement on outstanding monies. However, it is critical that income collection is maximised, as this supports the provision of the various services reflected in the Annual Budget plan. On this basis, the Income Collection Unit will continue to escalate enforcement actions against customers who do not meaningfully engage with income collection staff.

TRANSFERS TO CAPITAL & RESERVES

The following table summarises transfers from Revenue to Capital & Reserves during 2018.

Table 9 – Transfers from Revenue to Capital/Reserves 2017

Division	Description	Amount €
A	Housing and Building	428,399
B	Roads Transportation and Safety	291,876
C	Water Services	18,804
D	Development Management	492,546
E	Environmental Services	26,057
F	Recreation and Amenity	98,828
G	Agriculture, Education, Health and Welfare	304,673
H	Miscellaneous Services	3,597,463
	Total	5,258,647

Division A – Housing & Building

Transfers consist of Rental Accommodation Scheme (RAS) retained balances, and transfers to provide for unfunded capital balances.

Division B – Road Transportation & Safety

Transfers consist primarily of monies transferred from Car Parking Charges for infrastructure improvements in the towns where the Parking Charges were collected.

Division C – Water Services

Transfers relate to Central Management Charges allocated from Division J (Purchase of reprographic equipment, IT equipment and energy-efficiency measures in Council buildings).

Division D – Development Management

€100,000 was transferred from Revenue to augment the Playgrounds Capital Replacement/Refurbishment Reserve. A total of €291,570 was transferred from revenue to augment reserves under the headings of Unfinished Housing Estates and Taking-in-Charge of Housing Estates. Other transfers consist of monies transferred to co-fund the 'Hericoast', 'ASCENT', and 'Outdoor Recreational Infrastructure Scheme'.

Division E – Environmental Services

Transfers primarily consist of monies transferred to fund the purchase of fire-fighting equipment/capital.

Division F – Recreation and Amenity

Transfers primarily consist of monies transferred to co-fund IT upgrades in the Library Service, and the purchase of a library van.

Division G – Agriculture, Education, Health & Welfare

€100,000 was set aside in the Adopted Budget 2018 to co-fund marine capital projects. €98,531 of this budget provision was used to co-fund marine capital projects in 2018.

In addition, €200,000 was transferred from Revenue to augment the Marine capital reserve, in order to make provision for future co-funding requirements.

Division H – Miscellaneous Services

Transfers to Capital/Reserves in Division H primarily consisted of the following:

- €450,405 was transferred from Revenue to the Machinery Yard Plant Replacement Reserve
- €300,000 was transferred from Revenue to augment the Leisure Centres Capital Replacement/Refurbishment Reserve
- €1,410,577 was transferred from Revenue to augment the Project Development Fund Reserve
- €200,000 was transferred from Revenue to augment a reserve provision for capital remediation, access and improvement works associated with environmental services
- €1,200,000 was transferred from Revenue to provide co-funding for the Countywide Footpath Programme (Insurance Risk Mitigation). The other elements of this reserve are Town & Village (DCS) funds and IPB capital distribution monies, which brings the total funding being made available under this heading to €4.2m over a three-year period

CONCLUSION

In conclusion, I would like to acknowledge the contribution made by management and staff from all sections of Donegal County Council who have assisted in achieving a positive outturn on the Revenue Account for 2018. I would especially like to thank my colleagues in the Finance Section for their work throughout the year and for their assistance in producing the Annual Financial Statement.

I also wish to thank the Elected Members of Donegal County Council for their help and consideration during the year.


A handwritten signature in black ink, appearing to read 'R Gibson', written over a horizontal line.


**Richard Gibson ACCA,
A/Head of Finance**

Donegal County Council

Certificate of Chief Executive and Head of Finance for the year ended 31 December 2018

- 1.1 We the Chief Executive and Head of Finance are responsible for preparing an annual financial statement in accordance with the code of practice issued by the Minister under section 107 of the Local Government Act, 2001.
- 1.2 We are responsible for maintaining proper books of account that disclose with reasonable accuracy the financial position of the local authority and enable it to ensure that financial statements prepared comply with the statutory requirements.
- 1.3 We are responsible for the safeguarding of assets of the local authority and for taking reasonable steps for the prevention and detection of fraud and other irregularities.
- 1.4 When preparing financial statements we have:
- stated that the financial statements have been prepared in accordance with the Accounting Code of Practice and the accounting policies have been applied consistently; and,
 - made the judgements and estimates that are reasonable and prudent.
- 1.5 We certify that the financial statements of Donegal County Council for the year ended 31 December 2018, as set out on pages 19 to 48, are in agreement with the books of account and have been prepared in accordance with the accounting requirements as directed by the Minister for the Environment, Community and Local Government.


Seamus Neely
Chief Executive


Richard Gibson ACCA
A/Head of Finance

Dated: 12th April 2019

Independent Auditor's Opinion to the Members of Donegal County Council

I have audited the annual financial statement of Donegal County Council for the year ended 31 December 2018 as set out on pages 19 to 37, which comprises the Statement of Accounting Policies, Statement of Comprehensive Income, Statement of Financial Position, Statement of Funds Flow and Notes to and forming part of the Accounts. The financial reporting framework that has been applied in its preparation is the Code of Practice and Accounting Regulations as prescribed by the Minister for Housing, Planning, Community and Local Government.

Responsibilities of the Council and the Local Government Auditor

The Council, in accordance with Section 107 of the Local Government Act, 2001, is responsible for the maintenance of all accounting records including the preparation of the Annual Financial Statement. It is my responsibility, based on my audit, to form an independent opinion on the statement and to report my opinion to you.

Scope of the audit of the financial statement

I conducted my audit in accordance with the Code of Audit Practice, as prescribed under Section 117 of the Local Government Act, 2001. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the annual financial statement. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statement, and of whether the accounting policies are appropriate to the Council's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide sufficient evidence to give reasonable assurance that the annual financial statement is free from material misstatement, whether caused by fraud or error.

Opinion on the financial statement

In my opinion the annual financial statement, which has been prepared in accordance with the Code of Practice and Accounting Regulations for local authorities, presents fairly the financial position of Donegal County Council at 31 December 2018 and its income and expenditure for the year then ended.

Statutory Audit Report

I have also prepared an associated audit report as provided for in Section 120(1)(c) of the Local Government Act, 2001.



Raymond Lavin
Principal Auditor

Date: 23.07.2019

STATEMENT OF ACCOUNTING POLICIES

1. General

The accounts have been prepared in accordance with the Accounting Code of Practice (ACoP) on local authority accounting, as revised by the Department of Housing, Planning and Local Government (DHPLG) at 31st December 2018. Non-compliance with accounting policies as set out in the ACoP must be stated in the Policies and Notes to the Accounts.

2. Statement of Funds Flow (Funds Flow Statement)

A Statement of Funds Flow was introduced as part of AFS 2011. While the guidance of International Accounting Standard 7 Statement of Cash Flows has been followed, the business of local authorities is substantially different to most private sector organisations and therefore some minor changes to the format have been agreed to ensure the data displayed is meaningful and useful within the local government sector. For this reason, the statement is being referred to as a 'Statement of Funds Flow'. The financial accounts now include a Statement of Funds Flow shown after the Statement of Financial Position (Balance Sheet). Notes 17 – 22 relate to the Statement of Funds Flow and are shown in the Notes on and forming part of the Accounts section of the AFS. Note 19 details Project/Non Project/Affordable/Voluntary balances, which can be either a debit or a credit balance. The funds flow assumes that these are debit balances and bases the (Increase)/Decrease description on this.

3. Accruals

The revenue and capital accounts have been prepared on an accrual basis in accordance with the Code of Practice. The only exception is that not all income in respect of pre-2004 Development charges is accrued.

4. Interest Charges

Loans payable can be divided into the following two categories:

- Mortgage related loans
- Non-mortgage related loans

4.1 Mortgage Related Loans

Mortgage related loans have a corresponding stream of income from long-term advances (i.e. monies loaned by the local authority to borrowers), for the purchase of houses. Only the interest element is charged or credited to the Statement of Comprehensive Income (Income and Expenditure Statement).

4.2 Non-Mortgage Related Loans

Note 7 to the accounts sets out the types of borrowing under this heading. Loans relating to 'assets/grants' and to 'revenue-funding' will not have a corresponding stream of income. Bridging finance will eventually become part of permanent funding. Loans in respect of the other headings (e.g. 'recoupable') will have a corresponding value in Note 3 (Long-Term Debtors). The purpose of these loans is generally to acquire assets. The loan repayment cost of principal and interest is funded through the annual revenue budget process. At the end of the financial year, the funding element of the principal is transferred and offset against a loan repayment reserve. This transfer is included in the 'Income & Expenditure Account Statement' under the heading 'Transfers to/from Reserves'.

5. Pensions

Payments in respect of pensions and gratuities are charged to the revenue account in the accounting period in which the payments are made. The cost of salaries and wages in the accounts includes deductions in respect of pension contributions (including Widows and Orphans) benefits under the Local Government Superannuation Scheme and the Single Public Service Pension Scheme. The Single Public Service Pension Scheme ("Single Scheme") commenced with effect from 1 January 2013. Employee contributions for the Single Scheme continue to be deducted by local authorities, but are remitted centrally to DPER.

6. Agency and Other Services

Expenditure on services provided or carried out on behalf of other local authorities is recouped at cost, or in accordance with specific agreements.

7. Provision for Bad & Doubtful Debts

Provision has been made in the relevant accounts for bad & doubtful debts.

8. Fixed Assets

8.1 Classification of Assets

Fixed assets are classified into categories as set out in the Statement of Financial Position (Balance Sheet). A further breakdown by asset type is set out in Note 1 to the accounts.

8.2 Recognition

All expenditure on the acquisition or construction of fixed assets is capitalised on an accrual basis.

8.3 Measurement

A Statement of Financial Position (Balance Sheet) incorporating all of the assets of the local authority was included for the first time in the Annual Financial Statement for 2003. The assets were valued based on the 'Valuation Guideline' issued by the DHPLG. All assets purchased or constructed as from 1/1/2004 have been included at historical cost. Where historical cost information is not available, assets are capitalised at net realisable value. Accounting policies relating to leases are currently being developed and will be reflected in the financial statements at a future date.

8.4 Revaluation

As set out in a revision to the Accounting Code of Practice, it is policy to show fixed assets at cost. Maintenance and enhancement costs associated with Infrastructure assets are not currently included in fixed assets but will be reviewed at a future date. Due to their physical nature the vast majority of assets are unique to local authorities and are not subject to disposal. Any loss or gain associated with the net realisable value of the remaining general assets that are subject to disposal are accounted for at time of disposal.

8.5 Disposals

In respect of disposable assets, income is credited to a specific reserve and is generally applied in the purchase of new assets. Proceeds of the sale of local authority houses are to be applied as directed by the DHPLG.

8.6 Depreciation

Under the current method of accounting, the charge for depreciation is offset by the amortisation of the source of funding the asset. This method has a neutral impact on Income & Expenditure and consequently the charge for depreciation and the corresponding credit from amortisation are excluded from the Statement of Comprehensive Income (Income & Expenditure Statement).

The policies applied to assets subject to depreciation are as follows:

Asset Type	Basis	Depreciation Rate
Plant & Machinery		
- Long life	S/L	10%
- Short life	S/L	20%
Equipment	S/L	20%
Furniture	S/L	20%
Heritage Assets		Nil
Library Books		Nil
Playgrounds	S/L	20%
Parks	S/L	2%
Landfill sites (*See note)		
Water Assets		
- Water schemes	S/L	Asset life over 70 years
- Drainage schemes	S/L	Asset life over 50 years

The Council does not charge depreciation in the year of disposal. A full year's depreciation is charged in the year of acquisition.

* The value of landfill sites has been included in note 1 under land. Depreciation represents the depletion of the landfill asset.

9. Government Grants

Government grants are accounted for on an accrual basis. Grants received to cover day-to-day operations are credited to the Statement of Comprehensive Income (Income & Expenditure Statement). Grants received, relating to the construction of assets, are shown as part of the income of work-in-progress. On completion of the project the income is transferred to a capitalisation account.

10. Development Debtors & Income

Short term development levy debtors are included in note 5. Income from development contributions not due to be paid within the current year is deferred, and is not separately disclosed in the financial statements.

11. Debt Redemption

The proceeds from the early redemption of loans by borrowers are applied to the redemption of mortgage-related borrowings from the HFA and OPW.

12. Lease Schemes

Rental payments under operating leases are charged to the Statement of Comprehensive Income (Income & Expenditure Statement). Assets acquired under a finance lease are included in fixed assets. The amount due on outstanding balances is shown under current liabilities and long-term creditors.

13. Stock

Stocks are valued on an average cost basis.

14. Work-in-Progress & Preliminary Expenditure

Work-in progress and preliminary expenditure is the accumulated historical cost of various capital related projects. The income accrued in respect of these projects is shown in the Statement of Financial Position (Balance Sheet) as 'Income WIP'.

15. Interest in Local Authority Companies

The interest of Donegal County Council in companies is listed in Appendix 8.

16. Related Parties

A related party transaction is a transfer of resources, services or obligations between the local authority and a related party. The main related parties for a local authority include the following:

- i. Management and Personnel
- ii. Council Members
- iii. Government Departments
- iv. Local Authority Companies

Local Authority council members and key personnel are bound under the relevant sections of the Local Government Act 2001 and subsequent amending legislation to:

- a. furnish an annual declaration of 'declarable interests' set out in section 175 of the Act;
- b. disclose under sections 167, 178 and 179 any beneficial interests that they or a connected person has; and
- c. follow a code of conduct issued by the Minister for the Environment, Community and Local Government under section 169 of the Local Government Act 2001 in 2004.

'Declarable interests' cover both financial and certain other interests such as those relating to land etc.

Local authority management and personnel salary and remuneration is determined by the Department of Housing, Planning and Local Government in line with central government policy on rates of pay.

Local Authority interests in companies and joint ventures are disclosed in Appendix 8 to the Annual Financial Statements.

Local Authority transactions with government departments are governed by central government controls and procedures driven by government accounting rules.

FINANCIAL ACCOUNTS

STATEMENT OF COMPREHENSIVE INCOME (INCOME & EXPENDITURE ACCOUNT STATEMENT) FOR YEAR ENDING 31st DECEMBER 2018

The Income and Expenditure Account Statement brings together all the revenue related income and expenditure.

It shows the surplus/(deficit) for the year. Transfers to/from reserves are shown separately and not allocated by service division.

Note 16 allocates transfers by service division in the same format as Table A of the adopted Local Authority budget.

Expenditure by Division

	Notes	Gross Expenditure	Income	Net Expenditure	Net Expenditure
		2018	2018	2018	2017
		€	€	€	€
Housing & Building		18,425,963	19,436,103	(1,010,140)	(1,696,227)
Roads Transportation & Safety		58,133,163	41,541,285	16,591,878	14,594,688
Water Services		17,797,901	17,258,443	539,458	361,386
Development Management		12,972,243	4,162,838	8,809,405	8,151,216
Environmental Services		12,603,432	1,601,666	11,001,766	10,470,905
Recreation & Amenity		8,105,727	771,175	7,334,552	7,251,071
Agriculture, Education, Health & Welfare		2,231,947	763,485	1,468,462	1,491,274
Miscellaneous Services		22,470,614	17,085,920	5,384,694	9,022,261
Total Expenditure/Income	15	152,740,990	102,620,914		
Net cost of Divisions to be funded from Rates & Local Property Tax				50,120,075	49,646,573
Rates				33,360,538	30,400,611
Local Property Tax				25,119,850	25,119,850
Surplus/(Deficit) for Year before Transfers	16			8,360,313	5,873,888
Transfers from/(to) Reserves	14			(7,793,792)	(5,109,853)
Overall Surplus/(Deficit) for Year				566,521	764,035
General Reserve @ 1st January 2018				(8,953,104)	(9,717,139)
General Reserve @ 31st December 2018				(8,386,583)	(8,953,104)

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AT 31st DECEMBER 2018

	Notes	2018 €	2017 €
Fixed Assets	1		
Operational		745,401,746	728,582,040
Infrastructural		2,597,728,501	2,597,728,501
Community		6,920,415	6,744,538
Non-Operational		55,734,953	55,734,953
		3,405,785,615	3,388,790,032
Work in Progress and Preliminary Expenses	2	95,460,317	95,171,860
Long Term Debtors	3	59,488,857	62,513,693
Current Assets			
Stocks	4	872,832	920,907
Trade Debtors & Prepayments	5	23,752,252	17,844,490
Bank Investments		56,304,642	49,786,156
Cash at Bank		-	-
Cash in Transit		277,203	477,089
		81,206,929	69,028,642
Current Liabilities (Amounts falling due within one year)			
Bank Overdraft		437,333	1,037,618
Creditors & Accruals	6	43,442,220	37,257,766
Finance Leases		-	-
		43,879,552	38,295,385
Net Current Assets / (Liabilities)		37,327,377	30,733,257
Creditors (Amounts falling due after more than one year)			
Loans Payable	7	107,278,482	115,216,897
Finance Leases		-	-
Refundable deposits	8	6,897,090	6,606,978
Other		1,802,101	220,979
		115,977,673	122,044,854
Net Assets		3,482,084,494	3,455,163,988
Represented by			
Capitalisation Account	9	3,405,785,615	3,388,790,032
Income WIP	2	94,700,658	95,565,359
Specific Revenue Reserve		-	-
General Revenue Reserve		(8,386,583)	(8,953,104)
Other Balances	10	(10,015,197)	(20,238,300)
Total Reserves		3,482,084,494	3,455,163,988

**STATEMENT OF FUNDS FLOW (FUNDS FLOW STATEMENT)
AS AT 31ST DECEMBER 2018**

	Note	2018 €	2018 €
REVENUE ACTIVITIES			
Net Inflow/(outflow) from operating activities	17		891,287
CAPITAL ACTIVITIES			
Returns on Investment & Servicing of Finance			
Increase/(Decrease) in Fixed Asset Capitalisation Funding		16,995,583	
Increase/(Decrease) in WIP/Preliminary Funding		(864,701)	
Increase/(Decrease) in Reserves Balances	18	<u>5,716,675</u>	
Net Inflow/(Outflow) from Returns on Investment and Servicing of Finance			21,847,557
Capital Expenditure & Financial Investment			
(Increase)/Decrease in Fixed Assets		(16,995,583)	
(Increase)/Decrease in WIP/Preliminary Funding		(288,457)	
(Increase)/Decrease in Other Capital Balances	19	<u>380,401</u>	
Net Inflow/(Outflow) from Capital Expenditure and Financial Investment			(16,903,639)
Financing			
Increase/(Decrease) in Loan Financing	20	(3,332,458)	
(Increase)/Decrease in Reserve Financing	21	<u>4,126,027</u>	
Net Inflow/(Outflow) from Financing Activities			793,569
Third Party Holdings			
Increase/(Decrease) in Refundable Deposits			290,112
Net Increase/(Decrease) in Cash and Cash Equivalents	22		<u>6,918,886</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS

1. Fixed Assets

	Land	Parks	Housing	Buildings	Plant & Machinery (Long & Short Life)	Computers, Furniture & Equipment	Heritage	Roads & Infrastructure	Water & Sewerage Network	Total
	€	€	€	€	€	€	€	€	€	€
Costs										
Accumulated Costs @ 1/1/2018	78,382,310	6,572,950	525,588,355	185,142,310	15,863,610	3,794,970	1,500,256	2,597,728,501	-	3,414,573,261
Additions										
- Purchased	283,482	-	7,966,694	1,606,399	571,052	225,767	-	-	-	10,653,395
- Transfers WIP	255,952	-	9,773,741	339,436	-	43,197	-	-	-	10,412,325
Disposals\Statutory Transfers	(135,001)	-	(3,196,848)	(100,000)	-	(145,402)	-	-	-	(3,577,251)
Revaluations	-	-	-	-	-	-	-	-	-	-
Historical Cost Adjustments	1	-	-	-	-	(62,632)	185,000	-	-	122,369
Accumulated Costs @ 31/12/2018	78,786,744	6,572,950	540,131,942	186,988,145	16,434,661	3,855,900	1,685,256	2,597,728,501	-	3,432,184,099
Depreciation										
Depreciation @ 1/1/2018	7,710,798	1,781,946	-	-	12,746,123	3,544,363	-	-	-	25,783,230
Provision for Year	-	5,845	-	-	672,603	82,208	-	-	-	760,657
Disposals\Statutory Transfers	-	-	-	-	-	(145,402)	-	-	-	(145,402)
Accumulated Depreciation @ 31/12/2018	7,710,798	1,787,791	-	-	13,418,727	3,481,168	-	-	-	26,398,484
Net Book Value @ 31/12/2018	71,075,946	4,785,159	540,131,942	186,988,145	3,015,935	374,732	1,685,256	2,597,728,501	-	3,405,785,615
Net Book Value @ 31/12/2017	70,671,512	4,791,004	525,588,355	185,142,310	3,117,486	250,608	1,500,256	2,597,728,501	-	3,388,790,032
Net Book Value by Category										
Operational	14,890,993	-	540,131,942	186,988,145	3,015,935	374,732	-	-	-	745,401,746
Infrastructural	-	-	-	-	-	-	-	2,597,728,501	-	2,597,728,501
Community	450,000	4,785,159	-	-	-	-	1,685,256	-	-	6,920,415
Non-Operational	55,734,953	-	-	-	-	-	-	-	-	55,734,953
Net Book Value @ 31/12/2018	71,075,946	4,785,159	540,131,942	186,988,145	3,015,935	374,732	1,685,256	2,597,728,501	-	3,405,785,615

NOTES TO AND FORMING PART OF THE ACCOUNTS

2. Work in Progress and Preliminary Expenses

A summary of work in progress and preliminary expenditure by asset category is as follows:

	Funded 2018 €	Unfunded 2018 €	Total 2018 €	Total 2017 €
Expenditure				
Work in Progress	44,852,530	-	44,852,530	45,153,933
Preliminary Expenses	50,562,917	44,870	50,607,787	50,017,927
	95,415,447	44,870	95,460,317	95,171,860
Income				
Work in Progress	44,888,890	-	44,888,890	45,273,942
Preliminary Expenses	49,766,898	44,870	49,811,768	50,291,418
	94,655,788	44,870	94,700,658	95,565,359
Net Expended				
Work in Progress	(36,361)	-	(36,361)	(120,008)
Preliminary Expenses	796,019	-	796,019	(273,491)
Net Over/(Under) Expenditure	759,658	-	759,658	(393,499)

3. Long Term Debtors

A breakdown of the long-term debtors is as follows:

	Balance @ 1/1/2018 €	Loans Issued €	Principal Repaid €	Early Redemptions €	Other Adjustments €	Balance @ 31/12/2018 €	Balance @ 31/12/2017 €
Long Term Mortgage Advances*	17,677,590	381,250	(1,328,300)	(552,841)	(68,832)	16,108,866	17,677,590
Tenant Purchases Advances	28,748	-	(17,878)	-	-	10,870	28,748
Shared Ownership Rented Equity	7,625,016	-	-	(387,864)	(216,343)	7,020,809	7,625,016
	25,331,354	381,250	(1,346,178)	(940,705)	(285,175)	23,140,545	25,331,354
Recoupable Loan Advances						35,869,464	38,089,475
Capital Advance Leasing Facility						1,802,101	220,979
Long-term Investments						-	-
Cash						-	-
Interest in associated companies						-	-
Other						6,603	6,603
						37,678,167	38,317,057
						60,818,712	63,648,410
Less: Amounts falling due within one year (Note 5)						(1,329,855)	(1,134,717)
Total Amounts falling due after more than one year						59,488,857	62,513,693

* Includes HFA Agency Loans

NOTES TO AND FORMING PART OF THE ACCOUNTS

4. Stocks

A summary of stock is as follows:

	2018	2017
	€	€
Central Stores	461,665	523,223
Other Depots	411,167	397,684
Total	872,832	920,907

5. Trade Debtors & Prepayments

A breakdown of debtors and prepayments is as follows:

	2018	2017
	€	€
Government Debtors	6,160,809	5,108,176
Commercial Debtors	21,111,254	17,866,579
Non-Commercial Debtors	2,439,427	2,385,364
Development Levy Debtors	437,172	574,207
Other Services	1,588,587	1,525,629
Other Local Authorities	724,147	264,949
Revenue Commissioners	-	-
Other	3,317,824	2,171,834
Add: Amounts falling due within one year (Note 3)	1,329,855	1,134,717
Total Gross Debtors	37,109,076	31,031,456
Less: Provision for Doubtful Debts	(13,666,386)	(13,468,358)
Total Trade Debtors	23,442,690	17,563,098
Prepayments	309,562	281,392
	23,752,252	17,844,490

NOTES TO AND FORMING PART OF THE ACCOUNTS

6. Creditors and Accruals

A breakdown of creditors and accruals is as follows:

	2018 €	2017 €
Trade creditors	2,496,056	2,844,869
Grants	416,525	227,066
Revenue Commissioners	3,680,766	3,000,989
Other Local Authorities	25,563	8,000
Other Creditors	1,066,420	537,719
	7,685,330	6,618,643
Accruals	12,613,783	12,848,868
Deferred Income	18,954,139	13,559,866
Add: Amounts falling due within one year (Note 7)	4,188,967	4,230,389
	43,442,220	37,257,766

7. Loans Payable

(a) Movement in Loans Payable

	HFA	OPW	Other	Balance @ 31/12/2018	Balance @ 31/12/2017
	€	€	€	€	€
Balance @ 1/1/2018	99,373,707	-	20,073,578	119,447,286	127,102,237
Borrowings	340,686	-	-	340,686	633,814
Repayment of Principal	(6,126,769)	-	(2,193,695)	(8,320,463)	(8,288,678)
Early Redemptions	-	-	-	-	-
Other Adjustments	(60)	-	-	(60)	(87)
Balance @ 31/12/2018	93,587,565	-	17,879,884	111,467,449	119,447,286
Less: Amounts falling due within one year (Note 6)				4,188,967	4,230,389
Total Amounts falling due after more than one year				107,278,482	115,216,897

(b) Application of Loans

An analysis of loans payable is as follows:

	HFA	OPW	Other	Balance @ 31/12/2018	Balance @ 31/12/2017
	€	€	€	€	€
Mortgage loans*	15,961,564	-	-	15,961,564	17,034,911
Non-Mortgage loans					
Asset/Grants	39,111,562	-	11,820,192	50,931,754	55,076,904
Revenue Funding	-	-	-	-	-
Bridging Finance	1,903,831	-	-	1,903,831	1,903,831
Recoupable	29,762,662	-	6,059,692	35,822,354	38,089,475
Shared Ownership – Rented Equity	6,847,947	-	-	6,847,947	7,342,166
	93,587,565	-	17,879,884	111,467,449	119,447,286
Less: Amounts falling due within one year (Note 6)				4,188,967	4,230,389
Total Amounts falling due after more than one year				107,278,482	115,216,897

* Includes HFA Agency Loans

NOTES TO AND FORMING PART OF THE ACCOUNTS

8. Refundable Deposits

The movement in refundable deposits is as follows:

	2018 €	2017 €
Opening Balance at 1 January	6,606,978	6,937,623
Deposits received	418,380	(170,063)
Deposits repaid	(128,268)	(160,582)
Closing Balance at 31 December	6,897,090	6,606,978

Note: Short Term Refundable Deposits are included as part of Cash Investments on the Balance sheet

9. Capitalisation Account

The capitalisation account shows the funding of the assets as follows:

	Balance @ 1/1/2018 €	Purchased €	Transfers WIP €	Disposals/Statutory Transfers €	Revaluations €	Historical Cost Adj €	Balance @ 31/12/2018 €	Balance @ 31/12/2017 €
Grants	315,791,069	8,471,285	9,816,937	(1,814,760)	-	-	332,264,531	315,791,069
Loans	8,067,204	-	-	-	-	-	8,067,204	8,067,204
Revenue funded	15,243,862	657,801	255,952	(48,146)	-	5,220	16,114,689	15,243,862
Leases	43,000	-	-	-	-	-	43,000	43,000
Development Levies	1,786,270	-	-	-	-	-	1,786,270	1,786,270
Tenant Purchase Annuities Unfunded	12,500 -	-	-	-	-	-	12,500 -	12,500 -
Historical	2,926,794,221	-	-	(1,395,782)	-	191,827	2,925,590,266	2,926,794,221
Other	146,835,135	1,524,309	339,436	(318,563)	-	(74,678)	148,305,640	146,835,135
Total Gross Funding	3,414,573,261	10,653,395	10,412,325	(3,577,251)	-	122,369	3,432,184,099	3,414,573,261
Less: Amortised							(26,398,484)	(25,783,230)
Total *							3,405,785,615	3,388,790,032

* Must agree with note 1

NOTES TO AND FORMING PART OF THE ACCOUNTS

10. Other Balances

A breakdown of other balances is as follows:

		Balance @ 1/1/2018	Capital re-classification *	Expenditure	Income	Net Transfers	Balance @ 31/12/2018	Balance @ 31/12/2017
		€	€	€	€	€	€	€
Development Levies balances	(i)	9,485,764	-	1,607,564	2,587,512	(1,366,858)	9,098,855	9,485,764
Capital account balances including asset formation and enhancement	(ii)	7,726,637	(125,471)	73,551,279	71,054,212	3,005,275	8,109,373	7,726,637
Voluntary & Affordable Housing Balances	(iii)							
- Voluntary Housing		99,765	-	67,081	64,745	-	97,429	99,765
- Affordable Housing		336,186	-	-	-	-	336,186	336,186
Reserves created for specific purposes	(iv)	19,531,519	-	90,267	3,825,378	2,368,473	25,635,103	19,531,519
A. Net Capital Balances		37,179,871	(125,471)	75,316,190	77,531,847	4,006,890	43,276,947	37,179,871
Balance Sheet accounts relating the loan principal outstanding (including Unrealised TP Annuities)	(v)						(53,292,143)	(57,418,170)
Interest in Associated Companies	(vi)						-	-
B. Non Capital Balances							(53,292,143)	(57,418,170)
Total Other Balances							(10,015,197)	(20,238,300)

Total Other Balances

***(i) Denotes Debit Balances**

(i) This represents the cumulative balance of development levies i.e. income less expenditure and transfers to date.

(ii) This represents the cumulative position on funded and unfunded capital jobs consisting of project (completed assets) and non-project (enhancement of assets) balances. Debit balances will require sources of funding to clear.

(iii) This represents the cumulative position on voluntary and affordable housing projects.

(iv) Relates to reserves and advance funding for future Local Authority assets, insurance liabilities, other purposes and includes realised tenant purchase annuities.

(v) Loan related balances including outstanding principal on leases and non-mortgage loans remaining to be funded, historical mortgage funding gap, unrealised principal on tenant purchase annuities to be repaid in the future and shared ownership rented equity.

(vi) Represents the local authority's interest in associated companies.

NOTES TO AND FORMING PART OF THE ACCOUNTS

11. Capital Account Analysis

The capital account has been de-aggregated and is comprised of the following accounts in the balance sheet:

	2018 €	2017 €
Net WIP & Preliminary Expenses (Note 2)	(759,658)	393,499
Net Capital Balances (Note 10)	43,276,947	37,179,871
Capital Balance Surplus/(Deficit) @ 31 December	42,517,288	37,573,370

A summary of the changes in the Capital account (see Appendix 6) is as follows:

	2018 €	2017 €
Opening Balance @ 1 January	37,573,370	37,951,553
Expenditure	81,399,770	41,810,994
Income		
- Grants	69,371,683	34,210,001
- Loans	(106,206)	216,386
- Other	13,411,550	6,028,248
Total Income	82,677,027	40,454,636
Net Revenue Transfers	3,666,660	978,175
Closing Balance @ 31 December	42,517,288	37,573,370

12. Mortgage Loan Funding Surplus/(Deficit)

The mortgage loan funding position on the balance sheet is as follows:

	2018 Loan Annuity €	2018 Rented Equity €	2018 Total €	2017 Total €
Mortgage Loans/Equity Receivable (LT Mortgage Shared Own Note 3)	16,108,866	7,020,809	23,129,675	25,302,606
Mortgage Loans/Equity Payable (Mort Loans Shared Own Note 7)	(15,961,564)	(6,847,947)	(22,809,511)	(24,377,077)
Surplus/(Deficit) in Funding @ 31st December	147,303	172,862	320,164	925,529

NOTE: Cash on Hand relating to Redemptions and Relending

€

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13. Summary of Plant & Materials Account

A summary of the operations of the Plant & Machinery account is as follows:

	2018 Plant & Machinery €	2018 Materials €	2018 Total €	2017 Total €
Expenditure	(5,271,995)	(167,501)	(5,439,496)	(4,777,621)
Charged to Jobs	5,257,941	332,356	5,590,297	4,960,433
	(14,054)	164,855	150,801	182,812
Transfers from/(to) Reserves	(448,455)	-	(448,455)	(440,755)
Surplus/(Deficit) for the Year	(462,509)	164,855	(297,654)	(257,943)

NOTES TO AND FORMING PART OF THE ACCOUNTS

14. Transfers from/(to) Reserves

A summary of transfers to/from Reserves is as follows:

	2018 Transfers from Reserves €	2018 Transfers to Reserves €	2018 €	2017 €
Principal Repayments of Non-Mortgage Loans (Own Asset)	-	(4,127,132)	(4,127,132)	(4,134,195)
Principal Repayments of Non-Mortgage Loans (Recoupable Non Asset)	-	-	-	-
Principal Repayments of Finance Leases	-	-	-	-
Transfers to Other Balance Sheet Reserves	1,581,987	(4,542,463)	(2,960,476)	(187,506)
Transfers to/from Capital Account	10,000	(716,184)	(706,184)	(788,152)
Surplus/(Deficit) for Year	1,591,987	(9,385,778)	(7,793,792)	(5,109,853)

15. Analysis of Revenue Income

A summary of the major sources of revenue income is as follows:

	Appendix No	2018		2017	
		€	%	€	%
Grants & Subsidies	3	50,144,456	31%	39,637,699	27%
Contributions from other local authorities		104,827	0%	97,840	0%
Goods & Services	4	52,371,632	33%	49,620,819	34%
		102,620,914	64%	89,356,358	62%
Local Property Tax		25,119,850	16%	25,119,850	17%
Rates		33,360,538	21%	30,400,611	21%
Total Income		161,101,303	100%	144,876,819	100%

From 2017 onwards, local authorities will no longer retain PRD locally. Accordingly, an upward adjustment was made to the LPT baseline of each local authority, to include an additional amount equivalent to the PRD income retained by local authorities in 2014.

NOTES TO AND FORMING PART OF THE ACCOUNTS

16. Over/Under Expenditure

The following table shows the difference between the adopted estimates and the actual outcome in respect of both expenditure and income:

	EXPENDITURE				
	Excluding Transfers	Transfers	Including Transfers	Budget	(Over)/Under Budget
	2018 €	2018 €	2018 €	2018 €	2018 €
Housing & Building	18,425,963	1,088,463	19,514,426	18,486,067	(1,028,359)
Roads Transportation & Safety	58,133,163	352,300	58,485,463	51,361,957	(7,123,506)
Water Services	17,797,901	18,804	17,816,704	17,828,813	12,109
Development Management	12,972,243	492,546	13,464,790	12,715,745	(749,044)
Environmental Services	12,603,432	932,720	13,536,152	13,490,451	(45,701)
Recreation & Amenity	8,105,727	1,007,134	9,112,861	9,325,891	213,031
Agriculture, Education, Health & Welfare	2,231,947	669,610	2,901,557	2,670,585	(230,972)
Miscellaneous Services	22,470,614	4,824,203	27,294,817	22,916,045	(4,378,772)
Total Divisions	152,740,990	9,385,779	162,126,768	148,795,554	(13,331,214)
Local Property Tax	-	-	-	-	-
Rates	-	-	-	-	-
Dr/Cr Balance					
(Deficit)/Surplus for Year	152,740,990	9,385,779	162,126,768	148,795,554	(13,331,214)

	INCOME					NET
	Excluding Transfers	Transfers	Including Transfers	Budget	Over/(Under) Budget	(Over)/Under Budget
	2018 €	2018 €	2018 €	2018 €	2018 €	2018 €
	19,436,103	1,426,582	20,862,685	19,159,319	1,703,366	675,006
	41,541,285	10,000	41,551,285	34,510,054	7,041,230	(82,276)
	17,258,443	-	17,258,443	16,340,658	917,785	929,893
	4,162,838	155,405	4,318,243	2,388,809	1,929,433	1,180,389
	1,601,666	-	1,601,666	1,035,095	566,571	520,870
	771,175	-	771,175	665,404	105,771	318,802
	763,485	-	763,485	498,329	265,156	34,184
	17,085,920	-	17,085,920	15,982,631	1,103,289	(3,275,482)
	102,620,914	1,591,987	104,212,901	90,580,300	13,632,601	301,387
	25,119,850	-	25,119,850	25,119,850	-	-
	33,360,538	-	33,360,538	33,095,404	265,134	265,134
						-
	161,101,303	1,591,987	162,693,289	148,795,554	13,897,735	566,521

NOTES TO AND FORMING PART OF THE ACCOUNTS

2018

€

17. Net Cash Inflow/(Outflow) from Operating Activities

Operating Surplus/(Deficit) for Year	566,521
(Increase)/Decrease in Stocks	48,075
(Increase)/Decrease in Trade Debtors	(5,907,762)
Increase/(Decrease) in Creditors Less than One Year	6,184,454
	<u>891,287</u>

18. Increase/(Decrease) in Reserve Balances

Increase/(Decrease) in Development Levies balances	(386,909)
Increase/(Decrease) in Reserves created for specific purposes	6,103,584
	<u>5,716,675</u>

19. (Increase)/Decrease in Other Capital Balances

(Increase)/Decrease in Capital account balances including asset formation and enhancement	382,737
(Increase)/Decrease in Voluntary Housing Balances	(2,336)
(Increase)/Decrease in Affordable Housing Balances	-
	<u>380,401</u>

20. Increase/(Decrease) in Loan Financing

(Increase)/Decrease in Long Term Debtors	3,024,836
Increase/(Decrease) in Mortgage Loans	(1,073,347)
Increase/(Decrease) in Asset/Grant Loans	(4,145,150)
Increase/(Decrease) in Revenue Funding Loans	-
Increase/(Decrease) in Bridging Finance Loans	-
Increase/(Decrease) in Recoupable Loans	(2,267,121)
Increase/(Decrease) in Shared Ownership Rented Equity Loans	(494,219)
Increase/(Decrease) in Finance Leasing	-
(Increase)/Decrease in Portion Transferred to Current Liabilities	41,422
Increase/(Decrease) in Long Term Creditors - Deferred Income	1,581,122
	<u>(3,332,458)</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS

	2018
	€
21. (Increase)/Decrease in Reserve Financing	
(Increase)/Decrease in Specific Revenue Reserve	-
(Increase)/Decrease in Balance Sheet accounts relating the loan principal outstanding (including Unrealised TP Annuities)	4,126,027
(Increase)/Decrease in Reserves in Associated Companies	-
	<u>4,126,027</u>
22. Analysis of Changes in Cash & Cash Equivalents	
Increase/(Decrease) in Bank Investments	6,518,486
Increase/(Decrease) in Cash at Bank/Overdraft	600,286
Increase/(Decrease) in Cash in Transit	<u>(199,886)</u>
	<u>6,918,886</u>

APPENDICES

APPENDIX 1
ANALYSIS OF EXPENDITURE
FOR YEAR ENDED 31st DECEMBER 2018

	2018 €	2017 €
Payroll Expenses		
Salary & Wages	47,005,378	43,982,316
Pensions (incl Gratuities)	8,358,008	9,304,486
Other costs	5,941,383	5,707,635
Total	61,304,769	58,994,436
Operational Expenses		
Purchase of Equipment	907,356	954,113
Repairs & Maintenance	1,525,446	1,578,848
Contract Payments	20,576,378	15,699,504
Agency services	1,893,510	1,857,885
Machinery Yard Charges incl Plant Hire	14,146,066	12,618,402
Purchase of Materials & Issues from Stores	14,849,205	11,488,314
Payment of Grants	6,549,114	4,554,336
Members Costs	327,989	350,145
Travelling & Subsistence Allowances	2,235,330	2,103,261
Consultancy & Professional Fees Payments	1,570,644	2,131,817
Energy / Utilities Costs	3,333,692	2,917,617
Other	7,965,477	7,868,635
Total	75,880,207	64,122,878
Administration Expenses		
Communication Expenses	849,519	820,429
Training	518,243	476,417
Printing & Stationery	460,430	347,541
Contributions to other Bodies	845,539	1,016,422
Other	1,692,864	1,681,796
Total	4,366,595	4,342,606
Establishment Expenses		
Rent & Rates	1,109,810	1,063,805
Other	1,020,289	1,058,229
Total	2,130,100	2,122,034
Financial Expenses	8,716,717	9,043,349
Miscellaneous Expenses	342,602	377,629
Total Expenditure	152,740,990	139,002,931

**APPENDIX 2
SERVICE DIVISION A
HOUSING and BUILDING**

		EXPENDITURE	INCOME			
DIVISION	TOTAL	State Grants & Subsidies	Provision of Goods and Services	Contributions from other local authorities	TOTAL	
	€	€	€	€	€	
A01	Maintenance/Improvement of LA Housing	7,456,922	1,253,055	1,086,631	-	2,339,686
A02	Housing Assessment, Allocation and Transfer	1,362,532	-	144,461	-	144,461
A03	Housing Rent and Tenant Purchase Administration	1,044,469	144,216	11,396,032	-	11,540,248
A04	Housing Community Development Support	272,044	-	5,952	-	5,952
A05	Administration of Homeless Service	331,109	242,909	3,706	-	246,615
A06	Support to Housing Capital & Affordable Prog.	1,726,056	658,068	32,566	-	690,634
A07	RAS Programme	4,418,726	3,682,663	1,082,064	-	4,764,727
A08	Housing Loans	1,026,494	82,260	454,864	-	537,124
A09	Housing Grants	1,563,320	-	284,225	-	284,225
A11	Agency & Recoupable Services	25,509	21,235	533	-	21,769
A12	HAP Programme	287,243	73,600	213,643	-	287,243
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		19,514,426	6,158,006	14,704,679	-	20,862,685
Less Transfers to/from Reserves		1,088,463		1,426,582		1,426,582
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		18,425,963		13,278,097		19,436,103

**SERVICE DIVISION B
ROAD TRANSPORTATION and SAFETY**

		EXPENDITURE	INCOME			
DIVISION	TOTAL	State Grants & Subsidies	Provision of Goods and Services	Contributions from other local authorities	TOTAL	
	€	€	€	€	€	
B01	NP Road - Maintenance and Improvement	1,303,816	805,416	20,933	-	826,349
B02	NS Road - Maintenance and Improvement	1,830,363	1,173,060	30,794	-	1,203,854
B03	Regional Road - Maintenance and Improvement	15,630,475	7,999,531	1,038,753	-	9,038,284
B04	Local Road - Maintenance and Improvement	34,291,411	26,897,728	637,391	-	27,535,119
B05	Public Lighting	2,347,841	164,896	106,321	-	271,217
B06	Traffic Management Improvement	45,068	-	1,508	-	1,508
B07	Road Safety Engineering Improvement	753,451	569,131	17,442	-	586,572
B08	Road Safety Promotion/Education	240,942	-	3,768	-	3,768
B09	Maintenance & Management of Car Parking	1,306,442	-	1,179,214	-	1,179,214
B10	Support to Roads Capital Prog.	646,573	-	88,632	-	88,632
B11	Agency & Recoupable Services	89,080	-	816,768	-	816,768
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		58,485,463	37,609,762	3,941,523	-	41,551,285
Less Transfers to/from Reserves		352,300		10,000		10,000
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		58,133,163		3,931,523		41,541,285

**SERVICE DIVISION C
WATER SERVICES**

		EXPENDITURE	INCOME			
DIVISION		TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	TOTAL €
C01	Operation and Maintenance of Water Supply	10,851,783	-	374,945	-	374,945
C02	Operation and Maintenance of Waste Water Treatm	2,625,535	973	77,819	-	78,792
C03	Collection of Water and Waste Water Charges	497,082	-	20,862	-	20,862
C04	Operation and Maintenance of Public Conveniences	360,285	-	10,745	-	10,745
C05	Admin of Group and Private Installations	153,468	78,950	2,815	-	81,765
C06	Support to Water Capital Programme	2,568,507	-	50,233	-	50,233
C07	Agency & Recoupable Services	586,585	-	48,104	-	48,104
C08	Local Authority Water and Sanitary Services	173,458	32,420	16,560,577	-	16,592,997
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		17,816,704	112,344	17,146,099	-	17,258,443
Less Transfers to/from Reserves		18,804		-		-
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		17,797,901		17,146,099		17,258,443

**SERVICE DIVISION D
DEVELOPMENT MANAGEMENT**

		EXPENDITURE	INCOME			
DIVISION		TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	TOTAL €
D01	Forward Planning	998,809	-	23,430	-	23,430
D02	Development Management	2,591,644	-	803,685	-	803,685
D03	Enforcement	733,523	-	25,759	-	25,759
D04	Op & Mtce of Industrial Sites & Commercial Facilities	233	-	127	-	127
D05	Tourism Development and Promotion	1,142,110	48,421	30,810	-	79,231
D06	Community and Enterprise Function	4,239,113	520,236	242,709	-	762,945
D07	Unfinished Housing Estates	272,308	-	4,225	-	4,225
D08	Building Control	141,531	-	106,091	-	106,091
D09	Economic Development and Promotion	2,858,420	1,892,123	470,098	-	2,362,221
D10	Property Management	-	-	-	-	-
D11	Heritage and Conservation Services	215,721	99,000	3,098	-	102,098
D12	Agency & Recoupable Services	271,378	-	48,431	-	48,431
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		13,464,790	2,559,781	1,758,462	-	4,318,243
Less Transfers to/from Reserves		492,546		155,405		155,405
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		12,972,243		1,603,057		4,162,838

**SERVICE DIVISION E
ENVIRONMENTAL SERVICES**

		EXPENDITURE	INCOME			
DIVISION	TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	TOTAL €	
E01	Operation, Maintenance and Aftercare of Landfill	1,768,573	13,301	3,177	-	16,478
E02	Op & Mtce of Recovery & Recycling Facilities	643,896	28,215	90,289	-	118,504
E03	Op & Mtce of Waste to Energy Facilities	-	-	-	-	-
E04	Provision of Waste to Collection Services	31,392	-	-	-	-
E05	Litter Management	1,591,396	146,206	40,692	-	186,898
E06	Street Cleaning	385,966	-	1,484	-	1,484
E07	Waste Regulations, Monitoring and Enforcement	354,278	298,151	15,172	-	313,323
E08	Waste Management Planning	31,065	-	-	-	-
E09	Maintenance and Upkeep of Burial Grounds	51,070	1,650	511	-	2,161
E10	Safety of Structures and Places	700,208	104,787	13,623	-	118,410
E11	Operation of Fire Service	7,247,446	26,935	403,508	-	430,443
E12	Fire Prevention	127,155	-	272,168	-	272,168
E13	Water Quality, Air and Noise Pollution	596,327	81,988	47,212	-	129,200
E14	Agency & Recoupable Services	7,380	12,598	-	-	12,598
E15	Climate Change and Flooding	-	-	-	-	-
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		13,536,152	713,831	887,835	-	1,601,666
Less Transfers to/from Reserves		932,720		-		-
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		12,603,432		887,835		1,601,666

**SERVICE DIVISION F
RECREATION and AMENITY**

		EXPENDITURE	INCOME			
DIVISION	TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	TOTAL €	
F01	Operation and Maintenance of Leisure Facilities	1,372,055	-	129,521	-	129,521
F02	Operation of Library and Archival Service	3,926,062	145,217	173,562	-	318,779
F03	Op, Mtce & Imp of Outdoor Leisure Areas	1,731,923	9,224	43,799	-	53,023
F04	Community Sport and Recreational Development	859	-	-	-	-
F05	Operation of Arts Programme	2,080,291	263,927	51,975	-	315,902
F06	Agency & Recoupable Services	1,672	(46,051)	-	-	(46,051)
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		9,112,861	372,317	398,857	-	771,175
Less Transfers to/from Reserves		1,007,134		-		-
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		8,105,727		398,857		771,175

SERVICE DIVISION G
AGRICULTURE, EDUCATION, HEALTH and WELFARE

		EXPENDITURE	INCOME			
DIVISION	TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	TOTAL €	
G01 Land Drainage Costs	158,907	154,442	169	-	154,611	
G02 Operation and Maintenance of Piers and Harbours	1,853,225	(153)	70,468	-	70,315	
G03 Coastal Protection	85,522	47,940	134	-	48,073	
G04 Veterinary Service	656,680	4,375	467,274	-	471,649	
G05 Educational Support Services	147,223	14,709	4,127	-	18,836	
G06 Agency & Recoupable Services	-	-	-	-	-	
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES	2,901,557	221,313	542,172	-	763,485	
Less Transfers to/from Reserves	669,610		-		-	
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES	2,231,947		542,172		763,485	

SERVICE DIVISION H
MISCELLANEOUS SERVICES

		EXPENDITURE	INCOME			
DIVISION	TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	TOTAL €	
H01 Profit/Loss Machinery Account	7,421,048	700	6,921,082	-	6,921,782	
H02 Profit/Loss Stores Account	167,501	-	332,356	-	332,356	
H03 Administration of Rates	7,863,608	-	402,117	-	402,117	
H04 Franchise Costs	203,778	600	5,284	-	5,884	
H05 Operation of Morgue and Coroner Expenses	317,417	-	457	-	457	
H06 Weighbridges	2,269	-	-	-	-	
H07 Operation of Markets and Casual Trading	10,584	-	13,992	-	13,992	
H08 Malicious Damage	-	-	-	-	-	
H09 Local Representation/Civic Leadership	1,247,434	-	1,413	-	1,413	
H10 Motor Taxation	1,585,496	40,909	53,406	-	94,315	
H11 Agency & Recoupable Services	8,475,681	2,354,894	6,853,884	104,827	9,313,605	
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES	27,294,817	2,397,103	14,583,990	104,827	17,085,920	
Less Transfers to/from Reserves	4,824,203		-		-	
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES	22,470,614		14,583,990		17,085,920	
TOTAL ALL DIVISIONS	152,740,990	50,144,456	52,371,632	104,827	102,620,914	

APPENDIX 3

ANALYSIS OF INCOME FROM GRANTS AND SUBSIDIES

	2018 €	2017 €
Department of Housing, Planning, Community and Local Government		
Road Grants	141,532	0
Housing Grants & Subsidies	5,993,456	6,394,790
Library Services	-	0
Local Improvement Schemes	-	0
Urban and Village Renewal Schemes	-	0
Water Services Group Schemes	78,950	57,702
Environmental Protection/Conservation Grants	527,994	535,742
Miscellaneous	2,452,544	2,652,848
	9,194,476	9,641,082
Other Departments and Bodies		
Road Grants	37,622,672	27,913,440
Local Enterprise Office	1,444,048	1,321,020
Higher Education Grants	14,709	35,685
Community Employment Schemes	-	0
Department of Defence	104,787	92,718
Miscellaneous	1,763,763	633,754
	40,949,979	29,996,617
Total	50,144,456	39,637,699

APPENDIX 4

ANALYSIS OF INCOME FROM GOODS AND SERVICES

	2018	2017
	€	€
Rents from Houses	12,265,459	11,652,213
Housing Loans Interest & Charges	627,608	707,414
Domestic Water	-	-
Commercial Water	-	-
Irish Water	16,612,996	16,442,519
Domestic Refuse	-	-
Commercial Refuse	-	-
Domestic Sewerage	-	-
Commercial Sewerage	-	-
Planning Fees	650,613	513,496
Parking Fines/Charges	1,162,445	1,093,323
Recreation & Amenity Activities	15,243	12,749
Library Fees/Fines	47,985	60,008
Agency Services	863,712	425,373
Pension Contributions	1,963,041	2,012,624
Property Rental & Leasing of Land	815,502	908,982
Landfill Charges	-	-
Fire Charges	624,639	644,959
NPPR	2,487,140	1,674,487
Misc. (includes income from Machinery Yard, Overhead, Account, Property Entry Levies, Dog Licensing, PRTB Contributions and other miscellaneous headings)	14,235,247	13,472,671
	52,371,632	49,620,819

APPENDIX 5

SUMMARY OF CAPITAL EXPENDITURE AND INCOME

	2018	2017
	€	€
EXPENDITURE		
Payment to Contractors	39,929,887	15,587,359
Purchase of Land	1,399,865	1,627,761
Purchase of Other Assets/Equipment	14,123,421	6,546,833
Professional & Consultancy Fees	6,628,572	3,961,832
Other	19,318,025	14,087,207
Total Expenditure (Net of Internal Transfers)	81,399,770	41,810,994
Transfers to Revenue	1,588,420	2,195,652
Total Expenditure (Incl Transfers) *	82,988,190	44,006,646
INCOME		
Grants and LPT	69,371,683	34,210,001
Non - Mortgage Loans	(106,206)	216,386
Other Income		
(a) Development Contributions	2,576,045	1,304,931
(b) Property Disposals		
- Land	26,300	19,900
- LA Housing	916,345	758,089
- Other property	-	18,342
(c) Purchase Tenant Annuities	31,224	29,908
(d) Car Parking	-	0
(e) Other	9,861,636	3,897,079
Total Income (Net of Internal Transfers)	82,677,027	40,454,636
Transfers from Revenue	5,255,080	3,173,828
Total Income (Incl Transfers) *	87,932,108	43,628,464
Surplus(Deficit) for year	4,943,918	-378,182
Balance (Debit)\Credit @ 1 January	37,573,370	37,951,553
Balance (Debit)\Credit @ 31 December	42,517,288	37,573,370

* Excludes internal transfers, includes transfers to and from Revenue account

APPENDIX 6
ANALYSIS OF EXPENDITURE AND INCOME ON CAPITAL ACCOUNT

	BALANCE @ 1/1/2018	EXPENDITURE	INCOME				TRANSFERS			BALANCE @ 31/12/2018
			Grants and LPT	Non-Mortgage Loans*	Other	Total Income	Transfer from Revenue	Transfer to Revenue	Internal Transfers	
	€	€	€	€	€	€	€	€	€	€
Housing & Building	3,931,141	21,212,370	19,681,270	-	1,535,280	21,216,550	404,917	1,423,015	-	2,917,223
Road Transportation & Safety	3,814,175	45,536,378	40,448,731	(106,206)	4,353,418	44,695,943	1,482,497	-	3,424,957	7,881,194
Water Services	73,187	267,250	229,997	-	(7,702)	222,295	-	-	-	28,232
Development Management	12,057,135	2,966,018	225,963	-	3,005,612	3,231,574	300,054	-	(1,266,858)	11,355,888
Environmental Services	(475,960)	1,845,966	1,096,921	-	722,514	1,819,435	15,462	-	164,274	(322,754)
Recreation & Amenity	1,548,796	7,343,083	7,006,325	-	117,110	7,123,435	753,727	15,405	27,466	2,094,936
Agriculture, Education, Health & Welfare	371,381	577,593	323,066	-	-	323,066	298,531	-	-	415,385
Miscellaneous Services	16,253,514	1,651,113	359,411	-	3,685,318	4,044,730	1,999,892	150,000	(2,349,838)	18,147,185
TOTAL	37,573,370	81,399,770	69,371,683	(106,206)	13,411,550	82,677,027	5,255,080	1,588,420	-	42,517,288

Note: Mortgage-related transactions are excluded

APPENDIX 7
Summary of Major Revenue Collections for 2018

A Debtor type	B Incoming arrears @ 1/1/2018	C Accrued - current year debit (Gross)	D Vacant property adjustments	E Write offs	F Waivers	G Total for collection =(B+C-D-E-F)	H Amount collected	I Closing arrears @ 31/12/2018 = (G-H)	J Specific doubtful arrears*	K % Collected = (H)/(G-J)
	€	€	€	€	€	€	€	€	€	
Rates	14,609,979	33,360,538	4,398,783	1,619,379	-	41,952,355	26,675,454	15,276,901	6,664,395	76%
Rents & Annuities	1,411,009	12,295,894	-	65,777	-	13,641,126	12,172,991	1,468,135	-	89%
Housing Loans	930,196	2,017,851	-	51,117	-	2,896,930	1,967,642	929,288	-	68%

*Specific doubtful arrears = (i) Vacancy applications pending/criteria not met & (ii) Accounts in examinership/receivership/liquidation and no communication regarding likely outcome

APPENDIX 8

INTEREST OF LOCAL AUTHORITY IN COMPANIES AND JOINT VENTURES

Where a local authority as a corporate body or its members or officers, by virtue of their office, have an interest in a company (controlled, jointly controlled and associated), the following disclosures should be made for each entity:

Name of Company or Entity	Voting Power %	Classification: Subsidiary / Associate / Joint Venture	Total Assets	Total Liabilities	Revenue Income	Revenue Expenditure	Cumulative Surplus/ (Deficit)	Currently Consolidated Y / N	Date of Financial Statements
Abbey Centre Management Company CLG.	Ltd by Guarantee	Associate	207,972	23,501	240,102	109,497	184,471	N	31/12/2017
Ballyshannon Leisure Centre Management CLG.	Ltd by Guarantee	Associate	44,941	44,941	503,393	503,393		N	31/12/2018
Bundoran Waterworld CLG.	Ltd by Guarantee	Associate	114,055	114,055	582,211	582,211		N	31/12/2017
Donegal Community & Cultural Development Company CLG.	Ltd by Guarantee	Associate	3,446,471	3,550,496	246,298	250,146	(104,025)	N	31/03/2018
County Donegal Tourism CLG.	Ltd by Guarantee	Associate	134,346	119,550	385,572	381,893	14,796	N	31/12/2017
Earagail Arts festival Management Company CLG.	Ltd by Guarantee	Associate	115,978	40,612	442,857	444,956	75,366	N	31/12/2017
Ernact EEIG	50.00%	EEIG	307,649	307,649	464,907	464,907		N	31/12/2018
Finn Valley Swimming Pool CLG.	Ltd by Guarantee	Associate	5,418,641	6,039,054	783,952	829,401	(620,413)	N	31/12/2018
Fort Dunree Military Museum Company CLG.	Ltd by Guarantee	Associate	921,907	494,227	195,031	229,439	427,680	N	31/12/2018
An Grianán Theatre Management Company CLG.	Ltd by Guarantee	Associate	163,978	239,551	1,537,258	1,532,035	(75,573)	N	31/12/2017
Letterkenny Sports Complex Development CLG.	Ltd by Guarantee	Associate	15,520,874	20,285,900	12,953	526,905	(4,765,026)	N	31/12/2017