

Comhairle Chontae Dhún na nGall  
Donegal County Council



*Annual Financial Statement*  
**2016**  
*(Audited)*

**ANNUAL FINANCIAL STATEMENT  
(AUDITED)**

**Donegal County Council**

**For year ending 31<sup>st</sup> December 2016**

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# **FOREWORD FROM THE DONEGAL COUNTY COUNCIL 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 31<sup>st</sup> December 2016.

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 2016. 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.

## **REVENUE STATEMENT OF COMPREHENSIVE INCOME (INCOME & EXPENDITURE)**

The Statement of Comprehensive Income for the year ending 31<sup>st</sup> December 2016 shows an overall surplus for the year of €4,628,515.

The surplus for 2016 is comprised of the following:

Improvement on the Revenue Account for 2016:	€1,253,836
Absorption (write-back) of Specific Revenue Reserve:	€3,374,679
Total	€4,628,515

The surplus for 2016 has the effect of improving the accumulated revenue deficit (General Reserve) from €14,345,654 at the end of 2015 to €9,717,139 at the end of 2016.

The Specific Revenue Reserve in local authority accounts was a mechanism put in place to facilitate the changeover in accounting treatment when local authorities moved from accounting on a cash basis to an accruals basis. Approval was granted during 2016 to wind down this entry in the accounts. The terms of the said entry were such that same could not be used to increase General Revenue Reserves or to facilitate additional expenditure. In line with the approved approach, the Specific Revenue Reserve has been used to write down the General Revenue Reserve deficit in 2016.

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 2016 Revenue Statement of Comprehensive Income (Income & Expenditure). The AFS figures for 2015 are shown for comparative purposes. Standard rounding rules have been applied.

**Table 1 – Revenue Statement of Comprehensive Income (Income & Expenditure): 2016 and 2015**

	<b>2016</b> €	<b>2015</b> €
Income	146,639,283	133,836,895
Expenditure	142,010,769	133,215,960
<b>Net Surplus/(Deficit)</b>	<b>4,628,515</b>	<b>620,934</b>

**Table 2 – Major Elements of Statement of Comprehensive Income (Income & Expenditure): 2016 and 2015**

<b>Major Elements of Income</b>	<b>2016</b> €	<b>2015</b> €
Grants and Subsidies	38,790,310	31,235,334
Goods and Services	47,724,940	45,977,656
Local Property Tax	22,720,760	22,720,760
Commercial Rates	30,605,929	31,022,480
Contributions from Other Local Authorities	188,007	127,652
Pension Related Deduction	1,807,207	2,390,307
Write-back of Specific Revenue Reserve	3,374,679	0
Other transfers from Reserves	1,427,451	362,706
<b>Total</b>	<b>146,639,283</b>	<b>133,836,895</b>

<b>Major Elements of Expenditure</b>	<b>2016 €</b>	<b>2015 €</b>
Payroll Expenses	56,402,438	57,149,731
Operational Expenses	59,814,777	52,789,768
Administration Expenses	4,557,137	4,490,533
Establishment Expenses	2,141,103	2,241,523
Loan Charges (Interest & Principal)	6,116,157	5,324,338
Other Financial Expenses (excluding loan interest payments)	7,898,504	8,166,525
Transfers from Revenue to Capital/Reserves (excluding loan principal repayments)	4,554,083	2,650,864
Miscellaneous Expenses	526,569	402,679
<b>Total</b>	<b>142,010,769</b>	<b>133,215,960</b>
<b>Net of Income and Expenditure</b>	<b>4,628,515</b>	<b>620,934</b>

Total revenue expenditure in 2016 of €142,010,769 represents an increase of €8,794,809 on the 2015 total Revenue Expenditure of €133,215,960.

Payroll Expenses show a net decrease of approximately €0.747m. The primary contributor to the decrease is a reduction in Gratuity payments from €2.236m in 2015 to €1.158m in 2016. There was a net increase in whole-time equivalent (WTE) staff numbers from 851.91 at the end of 2015 to 893.11 at the end of 2016.

Operational Expenses show a net increase of approximately €7.025m. This is largely due to increased activity in Division B - Roads & Transportation, under the headings of contract expenditure, plant and materials.

Loan Charges show a net increase of €0.792m. The net increase is primarily as a result of the Council reverting to the repayment of principal and interest on non-mortgage loans during 2016.

Transfers from Revenue to Capital and Reserves show an increase of €1.903m year-on-year. A breakdown of these transfers by Service Division, along with relevant descriptions, is provided in the Financial Review that follows this foreword.

## **CAPITAL EXPENDITURE**

Capital Expenditure is reflected in Table 3 below as well as in Appendix 5 and Appendix 6 of the AFS.

**Table 3 – Capital Account Information: 2016 and 2015**

	<b>2016 €m</b>	<b>2015 €m</b>
Capital Expenditure including Transfers	56.398	35.061
Total Outstanding on Mortgage Related Loans	18.345	19.596
Total Outstanding on Non-Mortgage Related Loans for Provision of Assets/Grants*	58.712	62.815
Development Levies Reserves – General & Specific (Credit)	8.220	7.410

\*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 €56.398m in 2016. This represents an increase of €21.337m on the 2015 figure. The increase in expenditure is primarily attributable to increased activity on the Housing Capital Programme (+€6.4m – mainly arising due to house purchases) and on Road Improvements (+€8.3m – with expenditure arising on projects such as N56 Dungloe to Glenties, N56 Boyoughter to Kilkenny and N15 Blackburn Bridge Realignment). 2016 capital expenditure also includes a once-off amount of €5.524m relating to the effect of a change in accounting treatment for development contribution scheme debtors as required by Circular Fin 11/2016.

The Roads Management Office (RMO) accounted for €2.7m in expenditure on the capital account during 2016. 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.

## **CASH-FLOW & DEBTORS**

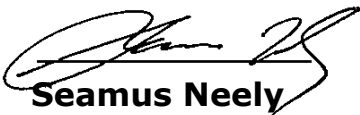
I wish to draw your attention to the Statement of Funds Flow (Cash-Flow Statement), Note 5 and Appendix 7 of this Statement.

Donegal County Council's cash-flow remains positive as a result of prudent financial management. The Council's bank/cash balance remained positive throughout 2016.

Gross Debtors have increased from €29.744m at the end of 2015 to €33.475m at the end of 2016 – a net increase of €3.731m. The increase is primarily due to the timing of year-end recoupment claims submitted to the Department of the Environment (Government Debtors) in respect of expenditure incurred on the housing capital programme. Amounts outstanding at year-end have been recouped in early 2017.

Excluding Government Debtors, Gross Debtors fell year-on-year by a net €0.408m. 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 €1,253,836 has been achieved for 2016. I am happy to report that, when combined with the write-back of the Specific Revenue Reserve in the sum of €3,374,679, the accumulated revenue deficit (General Reserve) has improved from €14,345,654 at the end of 2015 to €9,717,139 at the end of 2016.



**Seamus Neely**

**Chief Executive**

**13<sup>th</sup> April 2017**



# **Financial Review**

## **FINANCIAL REVIEW**

**PREPARED BY GARRY MARTIN CPFA  
HEAD OF FINANCE**

### **INTRODUCTION**

The 2016 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 2016 Statement of Comprehensive Income (Income and Expenditure Account) shows an improvement of €4,628,515 in the Council's Revenue Balance.

The overall surplus for 2016 in the sum of €4,628,515 includes the write-back of the Specific Revenue Reserve in the sum of €3,374,679. The surplus for 2016, excluding the Specific Revenue Reserve, is €1,253,836.

The Statement of Comprehensive Income may be summarised as follows:

<b>Table 1 – Income &amp; Expenditure Summary 2016 and 2015</b>	<b>2016 €</b>	<b>2015 €</b>
Income (excluding Specific Revenue Reserve)	138,462,474	133,474,189
Expenditure	(133,354,231)	(127,910,785)
Net Transfers from/(to) Reserves	(3,854,407)	(4,942,469)
<b>Surplus/(Deficit) for Year</b>	<b>1,253,836</b>	<b>620,934</b>
Write-Back of Specific Revenue Reserve	3,374,679	0
<b>Overall Surplus/(Deficit) for Year</b>	<b>4,628,515</b>	<b>620,934</b>

The accumulated revenue deficit has improved from (€14,345,654) at the end of 2015 to (€9,717,139) at the end of 2016.

<b>Table 2 – Movement in General Revenue Reserve 2016 and 2015</b>	<b>2016 €</b>	<b>2015 €</b>
Opening Credit/(Debit) Balance	(14,345,654)	(14,966,588)
Overall Surplus/(Deficit) for year	4,628,515	620,934
<b>Closing Credit/(Debit) Balance</b>	<b>(9,717,139)</b>	<b>(14,345,654)</b>

For convenience, the primary contributors that have shaped the outturn position for 2016 are summarised below.

### Credits

- The write-Back of the Specific Revenue Reserve contributed **€3.375m** to the surplus for 2016
- Savings on budgeted Retirement Gratuities amounted to **€1.204m**
- Additional income in the sum of **€0.570** was realised in respect of Irish Water's contribution to Central Management Charges
- Additional income was realised from Fees & Charges - including additional Fire Safety Certificates, Licence Fees & Charges of **€0.212m**
- Additional income from Housing Rents amounted to **€0.730m**
- Net Loan Repayments were **€0.311m** lower than anticipated
- Additional activity, primarily in Roads, contributed to a better than anticipated Machinery-Yard/Stores Outturn for 2016 - **€0.836m**
- There were savings in the sum of **€1.256m** under Service Support Costs (Division J Central Management Charges – excluding Loan Charges and Gratuities charged to Division J)

### Debits

- There was under-realisation of income from Non-Principal Private Residence (NPPR) Charges in the sum of **€0.435m**
- A budget provision targeting income to be transferred from reserves of **€2.135m** was not required
- There was under-realisation of income under Rates and Property Entry Levies headings in the sum of **€0.528m**
- Provisions for Bad & Doubtful Debts were increased by **€1.020m**
- The 'County House Phase II Reserve' was augmented by **€1.250m**
- The 'Buildings/Property Capital Refurbishment Reserve' was augmented by **€0.350m**
- The 'Marine Capital Co-Financing Reserve' was augmented by **€0.205m**
- The 'Leisure Centres Capital Replacement Fund Reserve' was augmented by **€0.350m**
- The 'Project Development Fund Reserve' was augmented by **€0.250m**

The comparison between the Budget for 2016 as adopted and the outturn for the year is as follows:

<b>Table 3 - Adopted Budget v Outturn</b>	<b>Budget 2016 €</b>	<b>Outturn 2016 €</b>	<b>Difference €</b>
Expenditure	132,833,778	142,010,769	9,176,991
Income	132,833,778	146,639,283	13,805,505
Surplus / (Deficit)	0	4,628,515	4,628,515

Standard rounding rules apply

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 €56,397,824 and gross income of €58,888,432 in 2016 resulted in an overall improvement of €2,490,608 in the Capital Account. The overall credit balance at 31<sup>st</sup> December 2016 is €37,951,553 compared to an overall credit balance of €35,460,944 at 31<sup>st</sup> December 2015.

**Table 4 – Capital Account Performance**

	<b>2016 €</b>	<b>2015 €</b>
Opening Credit Balance at 1st January	35,460,944	38,847,462
Expenditure (including Transfers)	56,397,824	35,061,313
Income (including Transfers)	58,888,432	31,674,795
<b>Surplus (Deficit)</b>	<b>2,490,608</b>	<b>(3,386,518)</b>
<b>Closing Credit Balance at 31st December</b>	<b>37,951,553</b>	<b>35,460,944</b>

Standard rounding rules have been applied. The year-on-year increase in capital expenditure of €21,336,511 reflects mainly in net increased *Payments to Contractors* (primarily due to road improvements); *Purchase of Other Assets/Equipment* (primarily purchase of houses); and *Other* capital expenditure (primarily other costs relating to the housing capital programme and a once-off amount of €5.524m relating to a change in accounting treatment for development contribution debtors as required by Circular Fin 11/2016). Additional information relating to the capital account is available at Appendix 5 and Appendix 6 of this AFS.

**Table 5 – Capital Account Performance per Division/Programme-Group for 2016**

<b>Division</b>	<b>Balance @ 01/01/2016 €</b>	<b>Expenditure 2016 €</b>	<b>Income 2016 €</b>	<b>Balance @ 31/12/2016 €</b>	<b>Net Movement €</b>
<b>Housing &amp; Building</b>	8,286,286	13,448,988	10,379,566	5,216,864	(3,069,422)
<b>Road Transportation &amp; Safety</b>	4,335,860	27,809,784	28,126,730	4,652,806	316,946
<b>Water Services</b>	(321,336)	484,177	1,125,108	319,594	640,930
<b>Development Management</b>	9,520,737	7,868,190	8,909,595	10,562,143	1,041,406
<b>Environmental Services</b>	661,712	852,714	339,844	148,842	(512,870)
<b>Recreation &amp; Amenity</b>	(802,643)	3,322,180	5,180,056	1,055,232	1,857,875
<b>Agriculture, Education, Health &amp; Welfare</b>	215,755	1,064,250	1,269,250	420,755	205,000
<b>Miscellaneous Services</b>	13,564,573	1,547,540	3,558,284	15,575,316	2,010,743
<b>Totals</b>	<b>35,460,944</b>	<b>56,397,824</b>	<b>58,888,432</b>	<b>37,951,553</b>	<b>2,490,608</b>

The figures shown on the previous page include transfers between divisions and transfers to/from Revenue.

### **FIXED ASSET SUMMARY**

The total value of fixed assets in the 2016 Annual Financial Statement is €3,385,061,025 (2015 - €3,381,445,170). 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 2016**

<b>Fixed Assets</b>	<b>Value €</b>
Operational	724,843,910
Infrastructural	2,597,728,501
Community	6,753,662
Non-Operational	55,734,952
<b>Total</b>	<b>3,385,061,025</b>

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 (€2.912m), net adjustments to Buildings (€0.601m) and net additions to Plant & Machinery (€0.312m).

### **LOAN ACCOUNTS**

#### **Mortgage Related Loans (See Note 7)**

As at 31<sup>st</sup> December 2016 the capital outstanding on these loans was €18.345m (2015: €19.596); this represents a reduction of €1.251m.

In the financial year ending 31<sup>st</sup> December 2016 the following transactions summarise the movements in relation to mortgage related loans.

**Table 7a – Mortgage Loans**

<b>Loan Category</b>	<b>Borrowings €</b>	<b>Repayments &amp; Redemptions €</b>	<b>Net Reduction €</b>
<b>Mortgage Loans - Annuity (Standard)</b>	240,210	903,065	662,855
<b>Mortgage Loans - Annuity (Affordable)</b>	-	328,088	328,088
<b>Mortgage Loans - Shared Ownership (Standard)</b>	-	260,017	260,017
<b>Total</b>	<b>240,210</b>	<b>1,491,170</b>	<b>1,250,960</b>

## **Non-Mortgage Loans (See Note 7)**

As at 31<sup>st</sup> December 2016 the capital outstanding on these loans was €108.757m (2015: €115.479m); this represents a reduction of €6.722m.

In the financial year ended 31<sup>st</sup> December 2016 the following transactions summarise the movements in relation to non-mortgage loans.

**Table 7b – Non-Mortgage Loans**

<b>Loan Category</b>	<b>Early Redemptions €</b>	<b>Interest Capitalised €</b>	<b>Borrowings €</b>	<b>Repayment Principal €</b>	<b>Total €</b>
<b>Assets/Grants</b>	-	-	-	4,102,455	4,102,455
<b>Bridging Finance</b>	-	-	-	-	-
<b>Shared Ownership- Rented Equity</b>	-	-	-	439,629	439,629
<b>Voluntary Housing</b>	-	-	-	1,620,953	1,620,953
<b>Water Related Loans*</b>	-	-	-	558,902	558,902
<b>GRAND TOTAL</b>	-	-	-	<b>6,721,939</b>	<b>6,721,939</b>

\*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 2016.

**Table 8 - Major Collection Accounts 2016**

<b>Income Department</b>	<b>Cash Collected 2016</b>	<b>Arrears c/f at 31/12/2016</b>
Rates	24,760,145	15,316,765
Rents & Annuities	11,132,127	1,386,898
Refuse (Commercial)	9,925	414,702
Housing Loans	1,968,057	1,009,312
<b>Total</b>	<b>37,870,254</b>	<b>18,127,677</b>

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

There was a slight increase (€67,567) in Rates income collected in 2016 as compared with 2015. Arrears carried forward at year-end have

dropped from €15.686m to €15.317m year-on-year and there was an increase in the '% Collection' figure in 2016 from 63% to 68%.

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 we do collect all monies budgeted for as this facilitates our continuing to provide the various services reflected in our Annual Budget plan. On this basis we will continue to escalate our actions during this year against customers who do not meaningfully engage with our collection staff.

### **TRANSFERS TO CAPITAL & RESERVES**

The following table summarises transfers from Revenue to Capital & Reserves during 2016.

**Table 9 – Transfers from Revenue to Capital/Reserves 2016**

<b>Division</b>	<b>Description</b>	<b>Amount €</b>
A	Housing and Building	261,943
B	Road Transportation and Safety	264,860
C	Water Supply and Sewerage	-
D	Development Incentives and Control	143,077
E	Environmental Protection	228,880
F	Recreation and Amenity	495,167
G	Agriculture, Education, Health and Safety	508,250
H	Miscellaneous Services	2,651,906
	<b>Total</b>	<b>4,554,083</b>

#### 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

A Project-Development/Contingency reserve in the sum of €110,000 was created. Other transfers consist primarily of monies transferred from Car Parking Charges to create a reserve for infrastructure improvements in the towns where the Parking Charges were collected.

#### Division D – Development Incentives and Control

A Take-Over of Housing Estates reserve in the sum of €100,000 was created. Other transfers consist of monies transferred to co-fund the Hericoast Project and transfers to fund/balance capital codes.

#### Division E – Environmental Protection

The Fire Service capital replacement reserve was increased by €100,000 in order to make provision for small scale equipment and facilities improvements as may be required into the future. Other transfers consist of monies transferred to fund the purchase of fire fighting and Civil Defence equipment, and to fund/close old capital balances.

#### Division F – Recreation and Amenity

The Leisure Centres capital replacement reserve was increased by €350,000. Other transfers consist of monies transferred to fund/close capital balances, co-fund the Ascent Project, fund the 1916 Commemorative Monument in Lifford, and to purchase sundry capital equipment.

#### Division G – Agriculture, Education, Health & Safety

€100,000 was set aside in the Adopted Budget 2016 to co-fund marine capital projects. An additional transfer in the sum of €203,250 from other analogous budget headings was applied to co-fund marine capital projects grant-aided by the Department of Agriculture, Food and the Marine. Income from the Department amounted to €0.761m in 2016.

Additionally, the Marine capital reserve was increased by €205,000 in order make a provision for future co-funding requirements.

#### Division H – Miscellaneous Services

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

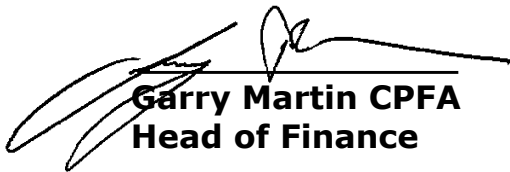
- €1,250,000 was transferred from Revenue to augment the County House Phase II reserve
- €457,790 was transferred from Revenue to the Machinery Yard Plant Replacement Reserve
- €350,000 was transferred from Revenue to augment the buildings/property refurbishment capital reserve
- €250,000 was transferred from Revenue to augment the Project Development Fund Reserve
- €250,000 was transferred from Revenue to make provision for technical development and upgrading in Information Systems (IS), including Milestone 4.



## **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 2016. 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.

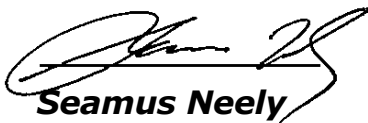


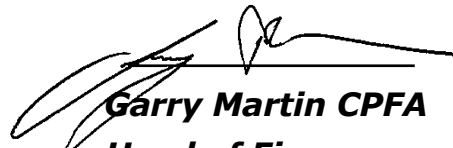
**Garry Martin CPFA**  
**Head of Finance**

# **Donegal County Council**

## **Certificate of Chief Executive & Head of Finance for the year ended 31 December 2016**

- 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 2016, as set out on pages 16 to 45, 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**

  
**Garry Martin CPFA**  
**Head of Finance**

**Dated: 13<sup>th</sup> April 2017**

## **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 2016 as set out on pages 16 to 34, 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.

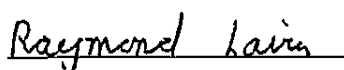
I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide sufficient evidence to give reasonable assurance that the annual financial statement is free from material misstatement, whether caused by fraud or error.

### **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 2016 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 Local Government Auditor  
Date: 16 June 2017

## **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, Community and Local Government (DHPCLG) at 31st December 2016. Non-compliance with accounting policies as set out in 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 are 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 lent by the local authorities 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, 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 will have a corresponding value in Note 3. The purpose of these loans is generally to acquire assets. The loan repayment cost of principal and interest is funded through the annual 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 DHPCLG. All assets purchased or constructed as from 1/1/2004 have been included at historical cost. 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 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 DHPCLG.

### 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 is excluded from the Statement of Comprehensive Income (Income & Expenditure Statement).

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

Asset Type	Bases	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 and will charge a full year's depreciation 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 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 land etc.

Local authority management and personnel salary and remuneration is determined by the Department of Housing, Planning, Community 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 2016

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
		2016 €	2016 €	2016 €	2015 €
Housing & Building		16,014,491	18,024,945	(2,010,454)	(2,137,349)
Roads Transportation & Safety		46,333,554	31,679,765	14,653,789	14,667,658
Water Services		18,235,285	17,823,308	411,977	484,722
Development Management		10,132,838	2,384,898	7,747,940	8,184,733
Environmental Services		11,054,495	1,633,382	9,421,113	10,226,994
Recreation & Amenity		7,495,312	584,956	6,910,356	6,361,139
Agriculture, Education, Health & Welfare		2,011,606	741,581	1,270,024	1,440,389
Miscellaneous Services		22,076,650	13,830,420	8,246,230	11,341,857
<b>Total Expenditure/Income</b>	15	<b>133,354,231</b>	<b>86,703,256</b>		
<b>Net cost of Divisions to be funded from Rates &amp; Local Property Tax</b>				<b>46,650,975</b>	50,570,143
Rates				30,605,929	31,022,480
Local Property Tax				22,720,760	22,720,760
Pension Related Deduction				1,807,207	2,390,307
<b>Surplus/(Deficit) for Year before Transfers</b>	16			<b>8,482,922</b>	5,563,404
<b>Transfers from/(to) Reserves</b>	14			<b>(3,854,407)</b>	(4,942,469)
<b>Overall Surplus/(Deficit) for Year</b>				<b>4,628,515</b>	620,934
<b>General Reserve @ 1st January 2016</b>				(14,345,654)	(14,966,588)
<b>General Reserve @ 31st December 2016</b>				<b>(9,717,139)</b>	(14,345,654)

## STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AT 31st DECEMBER 2016

	Notes	2016 €	2015 €
<b>Fixed Assets</b>	1		
Operational		724,843,910	721,024,798
Infrastructural		2,597,728,501	2,597,728,501
Community		6,753,662	7,027,284
Non-Operational		55,734,952	55,664,587
		<b>3,385,061,025</b>	3,381,445,170
<b>Work in Progress and Preliminary Expenses</b>	2	92,762,694	87,716,484
<b>Long Term Debtors</b>	3	66,959,775	76,726,118
<b>Current Assets</b>			
Stocks	4	772,789	638,529
Trade Debtors & Prepayments	5	20,746,642	17,868,131
Bank Investments		40,390,555	47,315,535
Cash at Bank		-	-
Cash in Transit		716,239	416,335
		<b>62,626,223</b>	66,238,530
<b>Current Liabilities (Amounts falling due within one year)</b>			
Bank Overdraft		2,357,705	1,932,986
Creditors & Accruals	6	28,570,431	36,647,255
Finance Leases		-	-
		<b>30,928,136</b>	38,580,242
<b>Net Current Assets / (Liabilities)</b>		<b>31,698,087</b>	27,658,289
<b>Creditors (Amounts falling due after more than one year)</b>			
Loans Payable	7	122,997,563	130,733,747
Finance Leases		-	-
Refundable deposits	8	6,937,623	6,889,745
Other		136,105	5,505,676
		<b>130,071,291</b>	143,129,168
<b>Net Assets</b>		<b>3,446,410,290</b>	3,430,416,893
<b>Represented by</b>			
Capitalisation Account	9	3,385,061,025	3,381,445,170
Income WIP	2	92,497,130	87,308,980
Specific Revenue Reserve		-	3,374,679
General Revenue Reserve		(9,717,139)	(14,345,654)
Other Balances	10	(21,430,726)	(27,366,282)
<b>Total Reserves</b>		<b>3,446,410,290</b>	3,430,416,893

**STATEMENT OF FUNDS FLOW (FUNDS FLOW STATEMENT)  
AS AT 31ST DECEMBER 2016**

	Note	2016 €	2016 €
<b>REVENUE ACTIVITIES</b>			
Net Inflow/(outflow) from operating activities	17		(6,945,328)
<b>CAPITAL ACTIVITIES</b>			
<b>Returns on Investment &amp; Servicing of Finance</b>			
Increase/(Decrease) in Fixed Asset Capitalisation Funding		3,615,855	
Increase/(Decrease) in WIP/Preliminary Funding		5,188,150	
Increase/(Decrease) in Reserves Balances	18	<u>2,873,554</u>	
<b>Net Inflow/(Outflow) from Returns on Investment and Servicing of Finance</b>			<b>11,677,559</b>
<b>Capital Expenditure &amp; Financial Investment</b>			
(Increase)/Decrease in Fixed Assets		(3,615,855)	
(Increase)/Decrease in WIP/Preliminary Funding		(5,046,210)	
(Increase)/Decrease in Agent Works Recoupable		484,249	
(Increase)/Decrease in Other Capital Balances	19	<u>(1,009,135)</u>	
<b>Net Inflow/(Outflow) from Capital Expenditure and Financial Investment</b>			<b>(9,186,951)</b>
<b>Financing</b>			
Increase/(Decrease) in Loan Financing	20	(3,339,412)	
(Increase)/Decrease in Reserve Financing	21	<u>696,458</u>	
<b>Net Inflow/(Outflow) from Financing Activities</b>			<b>(2,642,953)</b>
<b>Third Party Holdings</b>			
Increase/(Decrease) in Refundable Deposits			47,878
Net Increase/(Decrease) in Cash and Cash Equivalents	22		<u>(7,049,795)</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
	€	€	€	€	€	€	€	€	€	€
<b>Costs</b>										
Accumulated Costs @ 1/1/2016	78,311,944	6,572,950	518,723,518	184,496,571	15,231,276	3,818,366	1,753,554	2,597,728,501	-	3,406,636,680
<b>Additions</b>										
- Purchased	-	-	568,310	61,460	803,540	210,682	-	-	-	1,643,992
- Transfers WIP	-	-	2,343,799	-	-	-	-	-	-	2,343,799
Disposals\Statutory Transfers	(169,635)	-	(310,000)	(260,000)	(491,145)	(291,774)	(253,299)	-	-	(1,775,852)
Revaluations	-	-	-	-	-	-	-	-	-	-
Historical Cost Adjustments	240,000	-	356,200	800,000	-	37,808	-	-	-	1,434,008
<b>Accumulated Costs @ 31/12/2016</b>	<b>78,382,309</b>	<b>6,572,950</b>	<b>521,681,827</b>	<b>185,098,030</b>	<b>15,543,671</b>	<b>3,775,082</b>	<b>1,500,256</b>	<b>2,597,728,501</b>	<b>-</b>	<b>3,410,282,627</b>
<b>Depreciation</b>										
Depreciation @ 1/1/2016	7,710,798	1,759,055	-	-	12,045,168	3,676,488	-	-	-	25,191,510
Provision for Year	-	17,045	-	-	674,694	114,255	-	-	-	805,994
Disposals\Statutory Transfers	-	-	-	-	(484,129)	(291,774)	-	-	-	(775,903)
<b>Accumulated Depreciation @ 31/12/2016</b>	<b>7,710,798</b>	<b>1,776,100</b>	<b>-</b>	<b>-</b>	<b>12,235,734</b>	<b>3,498,970</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,221,602</b>
<b>Net Book Value @ 31/12/2016</b>	<b>70,671,511</b>	<b>4,796,850</b>	<b>521,681,827</b>	<b>185,098,030</b>	<b>3,307,938</b>	<b>276,113</b>	<b>1,500,256</b>	<b>2,597,728,501</b>	<b>-</b>	<b>3,385,061,025</b>
Net Book Value @ 31/12/2015	70,601,146	4,813,895	518,723,518	184,496,571	3,186,107	141,878	1,753,554	2,597,728,501	-	3,381,445,170
<b>Net Book Value by Category</b>										
Operational	14,486,559	-	521,681,827	185,098,030	3,307,938	269,556	-	-	-	724,843,910
Infrastructural	-	-	-	-	-	-	-	2,597,728,501	-	2,597,728,501
Community	450,000	4,796,850	-	-	-	6,556	1,500,256	-	-	6,753,662
Non-Operational	55,734,952	-	-	-	-	-	-	-	-	55,734,952
<b>Net Book Value @ 31/12/2016</b>	<b>70,671,511</b>	<b>4,796,850</b>	<b>521,681,827</b>	<b>185,098,030</b>	<b>3,307,938</b>	<b>276,113</b>	<b>1,500,256</b>	<b>2,597,728,501</b>	<b>-</b>	<b>3,385,061,025</b>

#### Sub Note

The fixed assets included relate to assets purchased since 1/1/2001 and historical assets.

All historical assets as at 31/12/2016 are included as far as is possible in the Annual Financial Statement for 2016.

Possible exceptions are small portions of land but these are not expected to be material in the overall context of the Balance Sheet.

Work continues in identifying all such assets for inclusion in future years statements.

Where movements have occurred from WIP (Work in Progress) to Fixed Assets completed during 2016 all efforts have been made in conjunction with Directorates to ensure that these amounts have been accrued where the final accounts from suppliers/contractors were not to hand.

## 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 2016 €	Unfunded 2016 €	Total 2016 €	Total 2015 €
<b>Expenditure</b>				
Work in Progress	44,799,314	-	44,799,314	40,045,705
Preliminary Expenses	47,918,510	44,870	47,963,380	47,670,779
	<b>92,717,824</b>	<b>44,870</b>	<b>92,762,694</b>	87,716,484
<b>Income</b>				
Work in Progress	45,093,194	-	45,093,194	40,523,606
Preliminary Expenses	47,359,067	44,870	47,403,937	46,785,375
	<b>92,452,261</b>	<b>44,870</b>	<b>92,497,131</b>	87,308,981
<b>Net Expended</b>				
Work in Progress	(293,880)	-	(293,880)	(477,901)
Preliminary Expenses	559,442	-	559,442	885,404
	<b>265,562</b>	<b>-</b>	<b>265,562</b>	407,503

Every effort was made to correctly analyse capital jobs between (i) preliminary expenses (ii) work in progress and (iii) completed jobs in the capital account. However, due to the nature and volume of work involved, a best estimate of stage of completion was used in some cases. Every effort has been made with Directorates to ensure that all accruals of income and expenditure have been completed.

### 3. Long Term Debtors

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

	Balance @ 1/1/2016 €	Loans Issued €	Principal Repaid €	Early Redemptions €	Other Adjustments €	Balance @ 31/12/2016 €	Balance @ 31/12/2015 €
Long Term Mortgage Advances*	21,051,884	240,210	(1,198,809)	(631,585)	(32,094)	19,429,606	21,051,884
Tenant Purchases Advances	71,469	-	(21,003)	(2,922)	1,992	49,537	71,469
Shared Ownership Rented Equity	8,758,270	-	-	(357,960)	(192,636)	8,207,674	8,758,270
	<b>29,881,622</b>	<b>240,210</b>	<b>(1,219,811)</b>	<b>(992,466)</b>	<b>(222,738)</b>	<b>27,686,817</b>	29,881,622
Voluntary Housing & Water Loans recoupable						40,328,170	42,508,025
Capital Advance Leasing Facility						136,105	34,659
Development Levy Debtors (Sub Note 1)						-	5,471,017
Inter Local Authority Loans						-	-
Long-term Investments						-	-
Cash						-	-
Interest in associated companies						-	-
Other						6,603	6,603
						<b>40,470,877</b>	48,020,304
						<b>68,157,694</b>	77,901,926
Less: Amounts falling due within one year (Note 5)						(1,197,919)	(1,175,808)
Total Amounts falling due after more than one year						<b>66,959,775</b>	76,726,118

\* Includes HFA Agency Loans

Sub Note 1

Circular Fin 11/2016 changed the accounting treatment of Development Levy Charges. See Accounting Policy 10

# NOTES TO AND FORMING PART OF THE ACCOUNTS

## 4. Stocks

A summary of stock is as follows:

	2016 €	2015 €
Central Stores	471,767	411,101
Other Depots	301,022	227,428
<b>Total</b>	<b>772,789</b>	<b>638,529</b>

## 5. Trade Debtors & Prepayments

A breakdown of debtors and prepayments is as follows:

	2016 €	2015 €
Government Debtors	6,894,866	2,756,753
Commercial Debtors	18,412,712	18,524,194
Non-Commercial Debtors	2,458,527	2,420,019
Development Levy Debtors	549,468	765,193
Other Services	1,495,186	1,528,553
Other Local Authorities	368,284	319,860
Agent Works Recoupable	1,384,958	1,869,206
Revenue Commissioners	-	-
Other	712,571	384,331
Add: Amounts falling due within one year (Note 3)	1,197,919	1,175,808
<b>Total Gross Debtors</b>	<b>33,474,490</b>	<b>29,743,918</b>
Less: Provision for Doubtful Debts	(13,151,772)	(12,132,117)
<b>Total Trade Debtors</b>	<b>20,322,719</b>	<b>17,611,800</b>
Prepayments	423,923	256,331
	<b>20,746,642</b>	<b>17,868,131</b>

## NOTES TO AND FORMING PART OF THE ACCOUNTS

### 6. Creditors and Accruals

A breakdown of creditors and accruals is as follows:

	2016 €	2015 €
Trade creditors	7,284,282	5,503,555
Grants	175,575	228,911
Revenue Commissioners	2,736,902	2,624,485
Other Local Authorities	(0)	8,356
Other Creditors	644,784	966,455
	<b>10,841,544</b>	<b>9,331,762</b>
Accruals	5,071,058	4,832,506
Deferred Income (Sub Note 1)	8,553,154	18,141,598
Add: Amounts falling due within one year (Note 7)	4,104,674	4,341,389
	<b>28,570,431</b>	<b>36,647,255</b>

Sub Note 1

€5.5 million relates to a change in accounting treatment in relation to Development Levy Charges . See Accounting Policy 10

### 7. Loans Payable

#### (a) Movement in Loans Payable

	HFA €	OPW €	Other €	Balance @ 31/12/2016 €	Balance @ 31/12/2015 €
<b>Balance @ 1/1/2016</b>	110,645,922	-	24,429,215	135,075,136	171,016,202
Borrowings	240,210	-	-	240,210	-
Repayment of Principal	(6,008,719)	-	(2,204,390)	(8,213,109)	(7,971,275)
Early Redemptions	-	-	-	-	(27,556,227)
Other Adjustments	-	-	-	-	(413,563)
<b>Balance @ 31/12/2016</b>	<b>104,877,413</b>	<b>-</b>	<b>22,224,824</b>	<b>127,102,237</b>	<b>135,075,136</b>
Less: Amounts falling due within one year (Note 6)				4,104,674	<b>4,341,389</b>
<b>Total Amounts falling due after more than one year</b>				<b>122,997,563</b>	<b>130,733,747</b>

#### (b) Application of Loans

An analysis of loans payable is as follows:

	HFA €	OPW €	Other €	Balance @ 31/12/2016 €	Balance @ 31/12/2015 €
<b>Mortgage loans*</b>	18,344,833	-	-	18,344,833	19,595,793
<b>Non-Mortgage loans</b>					
Asset/Grants	43,675,344	-	15,037,019	58,712,363	62,814,818
Revenue Funding	-	-	-	-	-
Bridging Finance	1,903,831	-	-	1,903,831	1,903,831
Recoupable	-	-	-	-	-
Shared Ownership – Rented Equity	7,813,041	-	-	7,813,041	8,252,670
Inter-Local Authority	-	-	-	-	-
Voluntary Housing & Water Loans recoupable	33,140,364	-	7,187,805	40,328,170	42,508,025
	<b>104,877,413</b>	<b>-</b>	<b>22,224,824</b>	<b>127,102,237</b>	<b>135,075,136</b>
Less: Amounts falling due within one year (Note 6)				4,104,674	4,341,389
<b>Total Amounts falling due after more than one year</b>				<b>122,997,563</b>	<b>130,733,747</b>

\* Includes HFA Agency Loans



## NOTES TO AND FORMING PART OF THE ACCOUNTS

### 8. Refundable Deposits

The movement in refundable deposits is as follows:

	2016 €	2015 €
Opening Balance at 1 January	6,889,745	5,948,785
Deposits received	137,931	1,003,915
Deposits repaid	(90,053)	(62,955)
<b>Closing Balance at 31 December</b>	<b>6,937,623</b>	<b>6,889,745</b>

**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 @ 1/1/2016 €	Purchased €	Transfers WIP €	Disposals\Statutory Transfers €	Revaluations €	Historical Cost Adj €	Balance @ 31/12/2016 €	Balance @ 31/12/2015 €
Grants	306,001,531	568,310	2,343,799	(253,299)	-	1,396,200	310,056,541	306,001,531
Loans	8,067,204	-	-	-	-	-	8,067,204	8,067,204
Revenue funded	14,543,892	213,460	-	(142,128)	-	37,808	14,653,032	14,543,892
Leases	188,601	-	-	-	-	-	188,601	188,601
Development Levies	1,786,270	-	-	-	-	-	1,786,270	1,786,270
Tenant Purchase Annuities	12,500	-	-	-	-	-	12,500	12,500
Unfunded	-	-	-	-	-	-	-	-
Historical	2,929,393,330	-	-	(731,109)	-	-	2,928,662,220	2,929,393,330
Other	146,643,352	862,222	-	(649,316)	-	-	146,856,258	146,643,352
<b>Total Gross Funding</b>	<b>3,406,636,680</b>	<b>1,643,992</b>	<b>2,343,799</b>	<b>(1,775,852)</b>	<b>-</b>	<b>1,434,008</b>	<b>3,410,282,627</b>	<b>3,406,636,680</b>
<b>Less: Amortised</b>							(25,221,602)	(25,191,510)
<b>Total *</b>							<b>3,385,061,025</b>	<b>3,381,445,170</b>

\* 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 @ 1/1/2016	Capital re-classification *	Expenditure	Income	Net Transfers	Balance @ 31/12/2016	Balance @ 31/12/2015
		€	€	€	€	€	€	€
<b>Development Levies balances</b>	<b>(a)</b>	7,410,099	-	6,905,053	8,066,614	(351,342)	8,220,318	7,410,099
<b>Capital account balances including asset formation and enhancement</b>	<b>(b)</b>	14,813,441	(248,925)	32,953,525	30,792,037	1,400,998	13,804,026	14,813,441
<b>Voluntary &amp; Affordable Housing Balances</b>	<b>(c)</b>							
- Voluntary Housing		78,770	0	46,870	47,150	-	79,049	78,770
- Affordable Housing		336,186	-	-	-	-	336,186	336,186
<b>Reserves created for specific purposes</b>	<b>(d)</b>	15,099,159	252,395	15,981	681,651	1,145,270	17,162,494	15,099,159
<b>A. Net Capital Balances</b>		<b>37,737,654</b>	<b>3,470</b>	<b>39,921,428</b>	<b>39,587,451</b>	<b>2,194,926</b>	<b>39,602,073</b>	<b>37,737,654</b>
<b>Balance Sheet accounts relating the loan principal outstanding (including Unrealised TP Annuities)</b>	<b>(e)</b>						(61,032,799)	(65,103,936)
Interest in Associated Companies	<b>(f)</b>						-	-
<b>B. Non Capital Balances</b>							<b>(61,032,799)</b>	<b>(65,103,936)</b>
<b>Total Other Balances</b>							<b>(21,430,726)</b>	<b>(27,366,282)</b>

**\*() Denotes Debit Balances**

- (a) This represents the cumulative balance of development levies i.e. income less expenditure and transfers to date. The significant movement reported during the year is mostly attributable to a change in accounting policy.
- (b) 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.
- (c) This represents the cumulative position on voluntary and affordable housing projects.
- (d) Relates to reserves and advance funding for future Local Authority assets, insurance liabilities, other purposes and includes realised tenant purchase annuities.
- (e) 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.
- (f) 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:

	2016 €	2015 €
Net WIP & Preliminary Expenses (Note 2)	(265,562)	(407,503)
Net Capital Balances (Note 10)	39,602,073	37,737,654
Agent Works Recoupable (Note 5)	(1,384,958)	(1,869,206)
<b>Capital Balance Surplus/(Deficit) @ 31 December</b>	<b>37,951,553</b>	<b>35,460,944</b>

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

	2016 €	2015 €
<b>Opening Balance @ 1 January</b>	35,460,944	38,847,462
<b>Expenditure</b>	54,970,372	34,115,911
<b>Income</b>		
- Grants	39,722,074	23,589,107
- Loans	(14,665)	(0)
- Other	14,629,459	5,396,453
<b>Total Income</b>	<b>54,336,867</b>	<b>28,985,560</b>
Net Revenue Transfers	3,124,113	1,743,834
<b>Closing Balance @ 31 December</b>	<b>37,951,553</b>	<b>35,460,944</b>

## 12. Mortgage Loan Funding Surplus/(Deficit)

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

	2016 Loan Annuity €	2016 Rented Equity €	2016 Total €	2015 Total €
Mortgage Loans/Equity Receivable (LT Mortgage Shared Own Note 3)	19,429,606	8,207,674	27,637,280	29,810,154
Mortgage Loans/Equity Payable (Mort Loans Shared Own Note 7)	(18,344,833)	(7,813,041)	(26,157,874)	(27,848,463)
<b>Surplus/(Deficit) in Funding @ 31st December</b>	<b>1,084,773</b>	<b>394,633</b>	<b>1,479,406</b>	<b>1,961,691</b>

## 13. Summary of Plant & Materials Account

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

	2016 Plant & Machinery €	2016 Materials €	2016 Total €	2015 Total €
Expenditure	(4,326,670)	(156,170)	(4,482,841)	(4,407,761)
Charged to Jobs	4,685,272	268,111	4,953,383	4,084,966
	<b>358,601</b>	<b>111,941</b>	<b>470,542</b>	<b>(322,795)</b>
Transfers from/(to) Reserves	(457,790)	-	(457,790)	(443,290)
<b>Surplus/(Deficit) for the Year</b>	<b>(99,189)</b>	<b>111,941</b>	<b>12,752</b>	<b>(766,085)</b>

## NOTES TO AND FORMING PART OF THE ACCOUNTS

### 14. Transfers from/(to) Reserves

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

	2016 Transfers from Reserves €	2016 Transfers to Reserves €	2016 Net €	2015 €
Loan Repayment Reserve	-	(4,102,455)	(4,102,455)	(2,654,311)
Lease Repayment Reserve	-	-	-	-
Historical Mortgage Funding / Specific Reserve Write off	3,374,679	-	3,374,679	-
Development Levies	-	-	-	-
Other	1,427,452	(4,554,083)	(3,126,631)	(2,288,158)
<b>Surplus/(Deficit) for Year</b>	<b>4,802,130</b>	<b>(8,656,537)</b>	<b>(3,854,407)</b>	<b>(4,942,469)</b>

### 15. Analysis of Revenue Income

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

	Appendix No	2016		2015	
		€	%	€	%
Grants & Subsidies	3	38,790,310	27%	31,235,334	23%
Contributions from other local authorities		188,007	0%	127,652	0%
Goods & Services	4	47,724,940	34%	45,977,656	34%
		<b>86,703,256</b>	<b>61%</b>	77,340,642	58%
Local Property Tax		22,720,760	16%	22,720,760	17%
Pension Related Deduction		1,807,207	1%	2,390,307	2%
Rates		30,605,929	22%	31,022,480	23%
<b>Total Income</b>		<b>141,837,153</b>	<b>100%</b>	133,474,189	100%

## 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 outturn in respect of both expenditure and income:

	EXPENDITURE				
	Excluding Transfers	Transfers	Including Transfers	Budget	(Over)/Under Budget
	2016 €	2016 €	2016 €	2016 €	2016 €
Housing & Building	16,014,491	928,269	16,942,760	17,059,713	116,953
Roads Transportation & Safety	46,333,554	249,596	46,583,150	38,105,159	(8,477,990)
Water Services	18,235,285	31,533	18,266,818	18,458,027	191,209
Development Management	10,132,838	249,425	10,382,263	11,382,977	1,000,713
Environmental Services	11,054,495	1,114,412	12,168,907	12,674,642	505,735
Recreation & Amenity	7,495,312	975,931	8,471,242	8,758,596	287,354
Agriculture, Education, Health & Welfare	2,011,606	847,298	2,858,904	3,102,082	243,178
Miscellaneous Services	22,076,650	4,260,074	26,336,724	23,292,582	(3,044,142)
<b>Total Divisions</b>	<b>133,354,231</b>	<b>8,656,538</b>	<b>142,010,769</b>	<b>132,833,778</b>	<b>(9,176,991)</b>
Local Property Tax	-	-	-	-	-
Pension Related Deduction	-	-	-	-	-
Rates	-	-	-	-	-
Dr/Cr Balance	-	-	-	-	-
<b>(Deficit)/Surplus for Year</b>	<b>133,354,231</b>	<b>8,656,538</b>	<b>142,010,769</b>	<b>132,833,778</b>	<b>(9,176,991)</b>

	INCOME					NET
	Excluding Transfers	Transfers	Including Transfers	Budget	Over/(Under) Budget	(Over)/Under Budget
	2016 €	2016 €	2016 €	2016 €	2016 €	2016 €
	18,024,945	1,205,951	19,230,896	18,052,570	1,178,326	1,295,279
	31,679,765	73	31,679,838	23,171,728	8,508,110	30,120
	17,823,308	-	17,823,308	16,918,583	904,725	1,095,934
	2,384,898	20,000	2,404,898	2,139,254	265,644	1,266,357
	1,633,382	-	1,633,382	1,015,861	617,521	1,123,256
	584,956	180,894	765,850	901,754	(135,904)	151,450
	741,581	20,533	762,114	1,021,231	(259,117)	(15,939)
	13,830,420	3,374,679	17,205,099	13,833,655	3,371,444	327,302
	<b>86,703,256</b>	<b>4,802,130</b>	<b>91,505,387</b>	<b>77,054,637</b>	<b>14,450,750</b>	<b>5,273,759</b>
	22,720,760	-	22,720,760	22,720,760	(0)	(0)
	1,807,207	-	1,807,207	2,350,000	(542,793)	(542,793)
	30,605,929	-	30,605,929	30,708,381	(102,452)	(102,452)
						-
	<b>141,837,153</b>	<b>4,802,130</b>	<b>146,639,283</b>	<b>132,833,778</b>	<b>13,805,505</b>	<b>4,628,515</b>

# NOTES TO AND FORMING PART OF THE ACCOUNTS

2016

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

Operating Surplus/(Deficit) for Year	4,628,515
(Increase)/Decrease in Stocks	(134,259)
(Increase)/Decrease in Trade Debtors	(2,878,510)
Non operating activity in Trade Debtors (Agent Works)	(484,249)
Increase/(Decrease) in Creditors Less than One Year	(8,076,825)
	<u>(6,945,328)</u>

## 18. Increase/(Decrease) in Reserve Balances

Increase/(Decrease) in Development Levies balances	810,219
Increase/(Decrease) in Reserves created for specific purposes	2,063,335
	<u>2,873,554</u>

## 19. (Increase)/Decrease in Other Capital Balances

(Increase)/Decrease in Capital account balances including asset formation and enhancement	(1,009,415)
(Increase)/Decrease in Voluntary Housing Balances	279
(Increase)/Decrease in Affordable Housing Balances	-
	<u>(1,009,135)</u>

## 20. Increase/(Decrease) in Loan Financing

(Increase)/Decrease in Long Term Debtors	9,766,343
Increase/(Decrease) in Mortgage Loans	(1,250,960)
Increase/(Decrease) in Asset/Grant Loans	(4,102,455)
Increase/(Decrease) in Revenue Funding Loans	-
Increase/(Decrease) in Bridging Finance Loans	-
Increase/(Decrease) in Recoupable Loans	-
Increase/(Decrease) in Shared Ownership Rented Equity Loans	(439,629)
Increase/(Decrease) in Inter-Local Authority Loans	-
Increase/(Decrease) in Voluntary Housing Loans	(2,179,856)
Increase/(Decrease) in Finance Leasing	-
(Increase)/Decrease in Portion Transferred to Current Liabilities	236,715
Increase/(Decrease) in Long Term Creditors - Deferred Income	(5,369,571)
	<u>(3,339,412)</u>

## NOTES TO AND FORMING PART OF THE ACCOUNTS

2016

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### 21. (Increase)/Decrease in Reserve Financing

(Increase)/Decrease in Specific Revenue Reserve	(3,374,679)
(Increase)/Decrease in Balance Sheet accounts relating the loan principal outstanding (including Unrealised TP Annuities)	4,071,137
(Increase)/Decrease in Reserves in Associated Companies	-
	<u>696,458</u>

### 22. Analysis of Changes in Cash & Cash Equivalents

Increase/(Decrease) in Bank Investments	(6,924,980)
Increase/(Decrease) in Cash at Bank/Overdraft	(424,719)
Increase/(Decrease) in Cash in Transit	299,904
	<u>(7,049,795)</u>

# **APPENDICES**



**APPENDIX 1**  
**ANALYSIS OF EXPENDITURE**  
**FOR YEAR ENDED 31st DECEMBER 2016**

	<b>2016</b>	<b>2015</b>
	<b>€</b>	<b>€</b>
<b>Payroll Expenses</b>		
Salary & Wages	43,060,572	43,187,690
Pensions (incl Gratuities)	7,694,926	8,534,633
Other costs	5,646,940	5,427,407
<b>Total</b>	<b>56,402,438</b>	<b>57,149,731</b>
<b>Operational Expenses</b>		
Purchase of Equipment	688,422	1,084,987
Repairs & Maintenance	1,659,856	1,664,058
Contract Payments	14,871,658	11,143,232
Agency services	1,060,322	1,524,203
Machinery Yard Charges incl Plant Hire	11,755,909	10,075,050
Purchase of Materials & Issues from Stores	11,326,957	9,078,772
Payment of Grants	4,046,005	4,287,094
Members Costs	362,413	342,141
Travelling & Subsistence Allowances	1,907,002	1,784,283
Consultancy & Professional Fees Payments	2,110,035	1,907,200
Energy / Utilities Costs	2,862,012	3,024,603
Other	7,164,186	6,874,145
<b>Total</b>	<b>59,814,777</b>	<b>52,789,768</b>
<b>Administration Expenses</b>		
Communication Expenses	840,383	873,643
Training	535,648	471,520
Printing & Stationery	325,016	295,154
Contributions to other Bodies	1,463,438	1,424,481
Other	1,392,652	1,425,734
<b>Total</b>	<b>4,557,137</b>	<b>4,490,533</b>
<b>Establishment Expenses</b>	-	
Rent & Rates	1,152,514	1,220,193
Other	988,589	1,021,330
<b>Total</b>	<b>2,141,103</b>	<b>2,241,523</b>
<b>Financial Expenses</b>	9,912,207	10,836,552
<b>Miscellaneous Expenses</b>	526,569	402,679
<b>Total Expenditure</b>	<b>133,354,231</b>	<b>127,910,785</b>

**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	5,958,066	864,230	1,117,846	-	1,982,076
A02	Housing Assessment, Allocation and Transfer	1,420,876	138,150	94,318	-	232,468
A03	Housing Rent and Tenant Purchase Administration	1,153,188	190,432	10,590,540	-	10,780,972
A04	Housing Community Development Support	206,322	-	6,055	-	6,055
A05	Administration of Homeless Service	272,520	118,799	3,770	-	122,570
A06	Support to Housing Capital & Affordable Prog.	1,139,604	747,940	30,850	-	778,789
A07	RAS Programme	4,087,855	3,395,755	1,044,659	-	4,440,414
A08	Housing Loans	1,279,087	99,731	564,563	-	664,294
A09	Housing Grants	1,398,543	-	200,007	-	200,007
A11	Agency & Recoupable Services	26,698	22,708	543	-	23,251
A12	HAP Programme	-	-	-	-	-
<b>SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>16,942,760</b>	<b>5,577,746</b>	<b>13,653,150</b>	<b>-</b>	<b>19,230,896</b>
Less Transfers to/from Reserves		928,269		1,205,951		1,205,951
<b>SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>16,014,491</b>		<b>12,447,199</b>		<b>18,024,945</b>

**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	1,526,367	998,809	15,868	-	1,014,677
B02	NS Road - Maintenance and Improvement	1,454,694	800,519	33,482	-	834,001
B03	Regional Road - Maintenance and Improvement	12,235,532	5,624,964	978,665	-	6,603,630
B04	Local Road - Maintenance and Improvement	26,881,853	20,833,637	605,817	77,886	21,517,341
B05	Public Lighting	1,955,151	234,903	117	-	235,020
B06	Traffic Management Improvement	51,778	-	1,534	-	1,534
B07	Road Safety Engineering Improvement	378,841	325,313	2,277	-	327,590
B08	Road Safety Promotion/Education	233,852	3,911	9,335	-	13,246
B09	Maintenance & Management of Car Parking	1,186,996	-	990,976	-	990,976
B10	Support to Roads Capital Prog.	595,304	-	90,161	-	90,161
B11	Agency & Recoupable Services	82,782	-	51,662	-	51,662
<b>SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>46,583,150</b>	<b>28,822,057</b>	<b>2,779,895</b>	<b>77,886</b>	<b>31,679,838</b>
Less Transfers to/from Reserves		249,596		73		73
<b>SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>46,333,554</b>		<b>2,779,822</b>		<b>31,679,765</b>

**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	10,709,654	-	326,009	326,009
C02	Operation and Maintenance of Waste Water Treatment	2,486,877	-	78,435	78,435
C03	Collection of Water and Waste Water Charges	973,337	-	21,221	21,221
C04	Operation and Maintenance of Public Conveniences	291,043	-	10,139	10,139
C05	Admin of Group and Private Installations	186,762	41,253	2,863	44,116
C06	Support to Water Capital Programme	2,094,046	-	51,099	51,099
C07	Agency & Recoupable Services	890,178	-	48,934	48,934
C08	Local Authority Water and Sanitary Services	634,921	73,545	17,169,811	17,243,355
<b>SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>18,266,818</b>	<b>114,797</b>	<b>17,708,511</b>	<b>17,823,308</b>
Less Transfers to/from Reserves		31,533		-	-
<b>SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>18,235,285</b>		<b>17,708,511</b>	<b>17,823,308</b>

**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	672,193	-	23,488	23,488
D02	Development Management	2,286,669	-	667,154	667,154
D03	Enforcement	675,047	-	26,203	26,203
D04	Op & Mtce of Industrial Sites & Commercial Facilities	1,150	-	-	-
D05	Tourism Development and Promotion	793,490	91,441	15,769	107,210
D06	Community and Enterprise Function	3,195,579	-	199,994	199,994
D07	Unfinished Housing Estates	234,021	-	4,298	4,298
D08	Building Control	121,367	-	60,775	60,775
D09	Economic Development and Promotion	1,842,518	920,530	252,937	1,173,467
D10	Property Management	-	-	-	-
D11	Heritage and Conservation Services	193,343	92,186	3,151	95,337
D12	Agency & Recoupable Services	366,886	-	46,971	46,971
<b>SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>10,382,263</b>	<b>1,104,157</b>	<b>1,300,741</b>	<b>2,404,898</b>
Less Transfers to/from Reserves		249,425		20,000	20,000
<b>SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>10,132,838</b>		<b>1,280,741</b>	<b>2,384,898</b>

**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	1,889,862	-	42,307	42,307
E02	Op & Mtce of Recovery & Recycling Facilities	514,059	-	29,088	29,088
E03	Op & Mtce of Waste to Energy Facilities	-	-	-	-
E04	Provision of Waste to Collection Services	41,305	-	-	-
E05	Litter Management	1,317,496	38,224	41,742	79,966
E06	Street Cleaning	404,966	-	1,510	1,510
E07	Waste Regulations, Monitoring and Enforcement	238,315	202,000	34,675	236,675
E08	Waste Management Planning	39,086	-	-	-
E09	Maintenance and Upkeep of Burial Grounds	35,987	-	520	520
E10	Safety of Structures and Places	654,094	136,608	14,755	151,363
E11	Operation of Fire Service	6,360,605	438,248	323,961	762,210
E12	Fire Prevention	121,151	-	286,873	286,873
E13	Water Quality, Air and Noise Pollution	551,981	-	42,871	42,871
E14	Agency & Recoupable Services	-	-	-	-
<b>SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>12,168,907</b>	<b>815,080</b>	<b>818,302</b>	<b>1,633,382</b>
Less Transfers to/from Reserves		1,114,412		-	-
<b>SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>11,054,495</b>		<b>818,302</b>	<b>1,633,382</b>

**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	1,145,458	-	(10,394)	(10,394)
F02	Operation of Library and Archival Service	3,704,624	31,150	175,835	206,985
F03	Op, Mtce & Imp of Outdoor Leisure Areas	1,634,312	-	141,782	141,782
F04	Community Sport and Recreational Development	670	-	-	-
F05	Operation of Arts Programme	1,922,860	300,922	63,238	364,160
F06	Agency & Recoupable Services	63,318	63,318	-	63,318
<b>SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>8,471,242</b>	<b>395,390</b>	<b>370,460</b>	<b>765,850</b>
Less Transfers to/from Reserves		975,931		180,894	180,894
<b>SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>7,495,312</b>		<b>189,566</b>	<b>584,956</b>

**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	3,471	1,443	172	-	1,615
G02	Operation and Maintenance of Piers and Harbours	1,803,340	-	74,436	-	74,436
G03	Coastal Protection	158,993	93,208	20,669	-	113,877
G04	Veterinary Service	595,949	5,100	393,743	-	398,843
G05	Educational Support Services	297,151	169,156	4,187	-	173,344
G06	Agency & Recoupable Services	-	-	-	-	-
<b>SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>2,858,904</b>	<b>268,907</b>	<b>493,207</b>	<b>-</b>	<b>762,114</b>
Less Transfers to/from Reserves		847,298		20,533		20,533
<b>SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>2,011,606</b>		<b>472,674</b>		<b>741,581</b>

**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	6,359,564	78,976	6,163,060	-	6,242,036
H02	Profit/Loss Stores Account	156,170	-	268,111	-	268,111
H03	Administration of Rates	8,022,289	1,840	140,193	-	142,033
H04	Franchise Costs	212,187	1,126	5,059	-	6,185
H05	Operation of Morgue and Coroner Expenses	389,797	-	465	-	465
H06	Weighbridges	1,560	-	85	-	85
H07	Operation of Markets and Casual Trading	9,322	-	17,242	-	17,242
H08	Malicious Damage	-	-	-	-	-
H09	Local Representation/Civic Leadership	1,153,218	-	1,438	-	1,438
H10	Motor Taxation	1,702,079	48,920	54,529	-	103,449
H11	Agency & Recoupable Services	8,330,539	1,561,312	8,752,623	110,120	10,424,056
<b>SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>26,336,724</b>	<b>1,692,175</b>	<b>15,402,804</b>	<b>110,120</b>	<b>17,205,099</b>
Less Transfers to/from Reserves		4,260,074		3,374,679		3,374,679
<b>SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>22,076,650</b>		<b>12,028,125</b>		<b>13,830,420</b>
<b>TOTAL ALL DIVISIONS</b>		<b>133,354,231</b>	<b>38,790,310</b>	<b>47,724,940</b>	<b>188,007</b>	<b>86,703,256</b>

## APPENDIX 3

### ANALYSIS OF INCOME FROM GRANTS AND SUBSIDIES

	2016 €	2015 €
<b>Department of Housing, Planning, Community and Local Government</b>		
Road Grants	406,683	186,720
Housing Grants & Subsidies	5,555,038	5,631,608
Library Services	-	0
Local Improvement Schemes	-	0
Urban and Village Renewal Schemes	-	0
Water Services Group Schemes	41,253	41,253
Environmental Protection/Conservation Grants	222,000	323,150
Miscellaneous	1,924,965	396,453
LPT Self Funding	-	0
	8,149,938	6,579,184
<b>Other Departments and Bodies</b>		
Road Grants	28,451,706	22,312,919
Local Enterprise Office	850,635	794,801
Higher Education Grants	169,156	864,118
Community Employment Schemes	-	0
Civil Defence	136,608	131,021
Miscellaneous	1,032,266	553,291
	30,640,372	24,656,151
<b>Total</b>	<b>38,790,310</b>	<b>31,235,334</b>

## APPENDIX 4

### ANALYSIS OF INCOME FROM GOODS AND SERVICES

	2016	2015
	€	€
Rents from Houses	11,417,667	10,781,198
Housing Loans Interest & Charges	737,601	855,068
Domestic Water	-	-
Commercial Water	-	-
Irish Water	17,148,851	16,985,021
Domestic Refuse	-	-
Commercial Refuse	-	-
Domestic Sewerage	-	-
Commercial Sewerage	-	-
Planning Fees	526,166	441,768
Parking Fines/Charges	973,919	878,161
Recreation & Amenity Activities	23,140	1,921
Library Fees/Fines	77,597	87,762
Agency Services	73,621	14,831
Pension Contributions	1,996,891	2,030,363
Property Rental & Leasing of Land	793,222	851,296
Landfill Charges	-	-
Fire Charges	550,871	570,934
NPPR	1,865,389	1,910,940
Misc.	11,540,004	10,568,394
	<b>47,724,940</b>	<b>45,977,656</b>

## APPENDIX 5

### SUMMARY OF CAPITAL EXPENDITURE AND INCOME

	2016	2015
	€	€
<b>EXPENDITURE</b>		
Payment to Contractors	21,827,834	13,509,861
Purchase of Land	1,234,341	2,232,757
Purchase of Other Assets/Equipment	10,069,980	4,643,242
Professional & Consultancy Fees	2,569,389	2,577,752
Other	19,268,829	11,152,299
<b>Total Expenditure (Net of Internal Transfers)</b>	<b>54,970,372</b>	<b>34,115,911</b>
Transfers to Revenue	1,427,452	945,402
<b>Total Expenditure (Incl Transfers) *</b>	<b>56,397,824</b>	<b>35,061,313</b>
<b>INCOME</b>		
<b>Grants and LPT</b>	39,722,074	23,589,107
<b>Non - Mortgage Loans</b> **	(14,665)	0
<b>Other Income</b>		
(a) Development Contributions	7,945,913	849,741
(b) Property Disposals		
- Land	105,770	150,122
- LA Housing	201,252	17,000
- Other property	124,141	98,100
(c) Purchase Tenant Annuities	30,848	11,982
(d) Car Parking	-	0
(e) Other	6,221,535	4,269,508
<b>Total Income (Net of Internal Transfers)</b>	<b>54,336,867</b>	<b>28,985,560</b>
Transfers from Revenue	4,551,565	2,689,235
<b>Total Income (Incl Transfers) *</b>	<b>58,888,432</b>	<b>31,674,795</b>
<b>Surplus\Deficit for year</b>	<b>2,490,608</b>	<b>-3,386,518</b>
<b>Balance (Debit)\Credit @ 1 January</b>	<b>35,460,944</b>	38,847,462
<b>Balance (Debit)\Credit @ 31 December</b>	<b>37,951,553</b>	<b>35,460,944</b>

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



**APPENDIX 6**  
**ANALYSIS OF EXPENDITURE AND INCOME ON CAPITAL ACCOUNT**

	BALANCE @ 1/1/2016	EXPENDITURE	INCOME				TRANSFERS			BALANCE @ 31/12/2016
			Grants and LPT	Non-Mortgage Loans*	Other	Total Income	Transfer from Revenue	Transfer to Revenue	Internal Transfers	
	€	€	€	€	€	€	€	€	€	€
Housing & Building	8,286,286	12,243,037	8,672,207	(32,937)	1,478,354	10,117,623	261,943	1,205,951	-	5,216,864
Road Transportation & Safety	4,335,860	27,809,711	25,567,556	-	1,959,976	27,527,532	264,860	73	334,338	4,652,806
Water Services	(321,336)	484,177	925,108	-	200,000	1,125,108	-	-	-	319,594
Development Management	9,520,737	7,706,515	780,904	-	8,563,997	9,344,901	143,077	161,675	(578,383)	10,562,143
Environmental Services	661,712	832,181	104,277	3,768	2,918	110,964	228,880	20,533	-	148,842
Recreation & Amenity	(802,643)	3,302,961	2,900,626	(25,737)	1,568,472	4,443,362	492,649	19,219	244,045	1,055,232
Agriculture, Education, Health & Welfare	215,755	1,064,250	761,000	-	-	761,000	508,250	-	-	420,755
Miscellaneous Services	13,564,573	1,527,540	10,396	40,241	855,741	906,378	2,651,906	20,000	-	15,575,316
<b>TOTAL</b>	<b>35,460,944</b>	<b>54,970,372</b>	<b>39,722,074</b>	<b>(14,665)</b>	<b>14,629,459</b>	<b>54,336,867</b>	<b>4,551,565</b>	<b>1,427,452</b>	<b>(0)</b>	<b>37,951,553</b>

Note: Mortgage-related transactions are excluded

## APPENDIX 7

### Summary of Major Revenue Collections for 2016

A Debtor type	B Incoming arrears @ 1/1/2016	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 @ 31/12/2016 = (G-H)	J Specific doubtful arrears*	K % Collected = (H)/(G-J)
	€	€	€	€	€	€	€	€	€	
Rates	15,686,468	30,605,929	3,652,473	2,563,014	-	40,076,910	24,760,145	15,316,765	3,774,177	68%
Rents & Annuities	1,231,924	11,435,155	-	148,054	-	12,519,025	11,132,127	1,386,898	-	89%
Housing Loans	1,151,851	1,857,338	-	31,819	-	2,977,370	1,968,057	1,009,312	-	66%
Domestic Refuse	-	-	-	-	-	-	-	-	-	0%
Commercial Refuse	424,627	-	-	-	-	424,627	9,925	414,702	-	2%

\*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 Ltd	Ltd by Guarantee	Associate	66,446	18,405	91,625	98,518	48,041	N	31/12/2015
Ballyshannon Leisure Centre Management Ltd	Ltd by Guarantee	Associate	55,207	55,207	466,827	466,827		N	31/12/2015
Bundoran Waterworld Ltd	Ltd by Guarantee	Associate	109,949	109,949	571,691	571,691		N	31/12/2015
Donegal Community & Cultural Development Company Ltd	Ltd by Guarantee	Associate	3,622,963	3,719,623	245,858	249,707	(96,660)	N	31/03/2016
County Donegal Tourism Ltd.		Associate	291,990	282,677	231,909	230,168	9,313	N	31/12/2015
Earagail Arts festival Management Company Ltd	Ltd by Guarantee	Associate	80,776	18,185	433,722	453,086	62,591	N	31/12/2015
Ernact EEIG	50.00%	EEIG	382,666	382,666	437,374	437,374		N	31/12/2016
Finn Valley Swimming Pool Ltd	Ltd by Guarantee	Associate	5,756,835	6,240,470	1,087,284	864,321	(483,635)	N	31/12/2016
Fort Dunree Military Museum Company Ltd	Ltd by Guarantee	Associate	938,237	445,733	201,808	228,031	492,504	N	31/12/2016
Letterkenny Theatre Management Company Ltd	Ltd by Guarantee	Associate	133,973	231,495	1,409,012	1,400,163	(97,522)	N	31/12/2015
Letterkenny Sports Complex Development Ltd	Ltd by Guarantee	Associate	16,223,130	19,999,775	14,997	449,995	(3,776,645)	N	31/12/2015