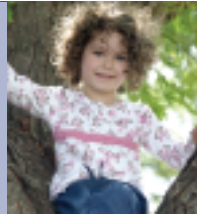


Financial Statement

Over the last two years Donegal County Council, like all other Authorities, progressed towards the completion of the Financial Management Project which commenced in the late 90's.



1.

1. Mary Coughlan TD Minister for Social and Family Affairs officially opening the Donegal Town Public Service Centre

Over the last two years Donegal County Council, like all other Authorities, progressed towards the completion of the Financial Management Project which commenced in the late 90's. This included the identification of Historical Fixed Assets and their classification formally within the Annual Accounts. It is expected that this may take a number of years to complete. There are linked issues as between Fixed Assets and the Council's Capital Account which historically recorded accounting transactions in the completion / purchase of such assets but did not provide a mechanism for recording of the Assets themselves. This is now being addressed and in 2004 further substantial progress was made. The question of unfunded Capital Balances at €8.3m (2004) linked to assets in use (if any) remains to be resolved.

Figures quoted in the Annual Financial Statements are on an accrual basis, with the exception of some Development Levies, and when coupled with inclusion of Fixed Assets valued in accordance with National Policies, the accounts of Donegal County Council are progressively indicating a clearer picture of its financial condition.

Further details in regard to the Council's finances are included in the published Annual Financial Statements for each year.

The total Expenditure in 2003 was €199.1m made up as follows:

- Revenue €115.8m
- Capital €83.3m

The total Income in 2003 was €211.5m made up as follows:

- Revenue €116.0m
- Capital €95.5m

The total Expenditure in 2004 was €221.8m made up as follows:

- Revenue €125.3m
- Capital €96.5m

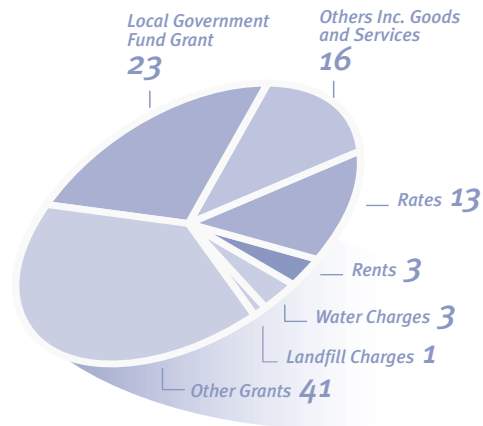
The total Income in 2004 was €230.6m made up as follows:

- Revenue €131.2m
- Capital €99.4m

The Expenditure and Income details for both years are shown below in tabular and graphical form.

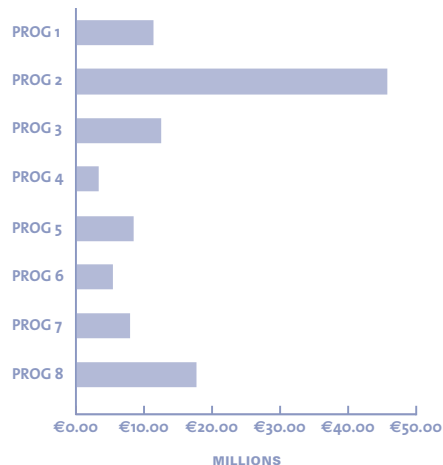
Revenue Income by Source 2003

	m	%
Other Grants	47.30	41
Local Government Fund Grant	26.16	23
Others Inc. Goods and Services	18.93	16
Rates	14.64	13
Rents	3.84	3
Water Charges	3.19	3
Landfill Charges	1.90	1
Total Income	115.96	100



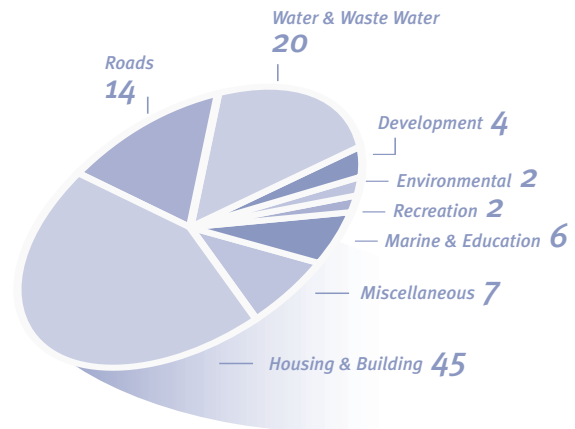
Revenue Expenditure by Programme Group 2003

Programme	m	%
1. Housing & Building	10.52	9
2. Roads	47.23	41
3. Water & Waste Water	14.81	13
4. Development	4.96	4
5. Environmental	8.22	7
6. Recreation	5.75	5
7. Marine & Education	8.59	7
8. Miscellaneous	15.76	14
Total Expenditure	115.84	100



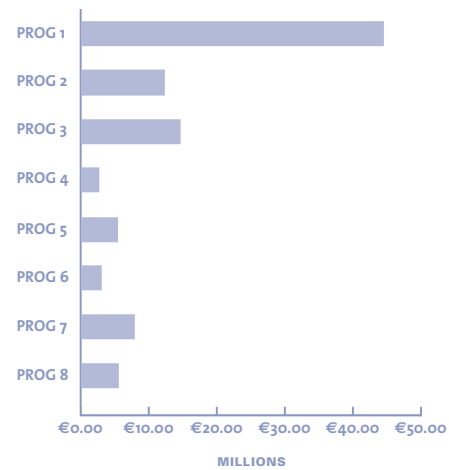
Capital Income by Source 2003

Programme	m	%
Housing & Building	43.39	45
Roads	12.98	14
Water & Waste Water	18.82	20
Development	3.80	4
Environmental	1.99	2
Recreation	1.96	2
Marine & Education	6.10	6
Miscellaneous	6.46	7
Total Expenditure	95.50	100



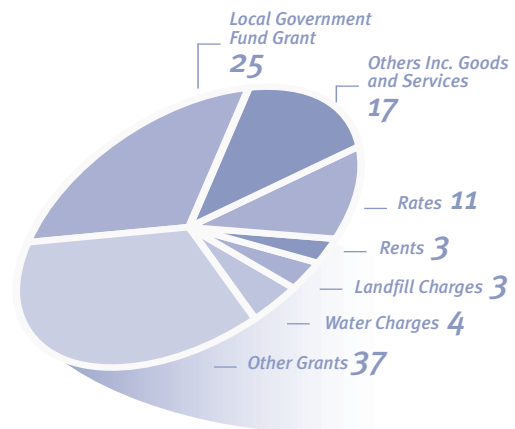
Capital Expenditure by Programme Group 2003

Programme	m	%
1. Housing & Building	42.98	52
2. Roads	12.50	15
3. Water & Sewerage	13.61	16
4. Development	1.91	2
5. Environmental	2.31	3
6. Recreation	1.82	2
7. Education, Health & Welfare	4.67	6
8. Miscellaneous	3.51	4
Total Expenditure	83.31	100



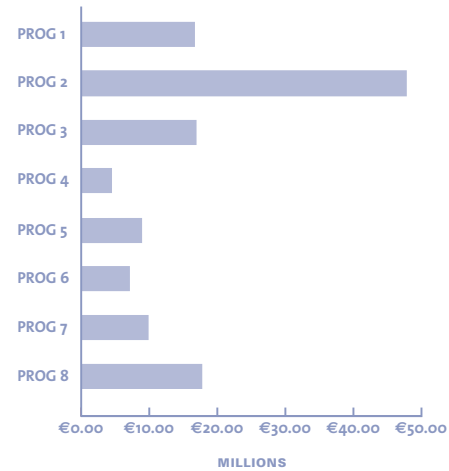
Revenue Income by Source 2004

	m	%
Other Grants	48.81	37
Local Government Fund Grant	32.36	25
Others Inc. Goods and Services	22.90	17
Rates	15.08	11
Rents	4.26	3
Landfill Charges	4.04	3
Water Charges	3.71	4
Total Income	131.16	100



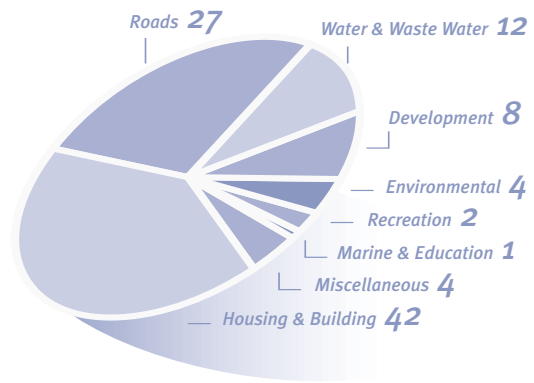
Revenue Expenditure by Programme Group 2004

Programme	m	%
1. Housing & Building	11.58	9
2. Roads	47.95	38
3. Water & Waste Water	15.59	12
4. Development	5.74	5
5. Environmental	9.79	8
6. Recreation	6.31	5
7. Marine & Education	9.83	8
8. Miscellaneous	18.51	15
Total Expenditure	125.30	100



Capital Income by Source 2004

Programme	m	%
Housing & Building	42.11	42
Roads	26.76	27
Water & Waste Water	11.77	12
Development	7.94	8
Environmental	3.76	4
Recreation	2.17	2
Marine & Education	1.42	1
Miscellaneous	3.42	4
Total Expenditure	99.35	100



Capital Expenditure by Programme Group 2004

Programme	m	%
1. Housing & Building	39.98	41
2. Roads	28.74	30
3. Water & Sewerage	14.64	15
4. Development	0.77	1
5. Environmental	2.64	3
6. Recreation	1.49	2
7. Education, Health & Welfare	1.46	2
8. Miscellaneous	6.78	6
Total Expenditure	96.50	100

