

Comhairle Chontae Dhún na nGall
Donegal County Council



Annual Financial Statement
2022
(Audited)

**ANNUAL FINANCIAL
STATEMENT
(AUDITED)**

Donegal County Council

For year ending 31st December 2022

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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 2022.

Donegal County Council prepares accounts on an accrual 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 the financial year. 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.

The consequences of the global Covid-19 pandemic were still evident during 2022, with the war in Ukraine compounding the social and economic pressures being felt across the globe. Inflationary pressures started to become more acute during the year, at a time when the economy and society was still recovering from the effects of the pandemic. Rising costs in respect of labour, materials, and energy continue to present significant challenges. Appropriately, the Council will, like all other organisations in the public and private sectors, need to monitor these issues and adjust to them going forward.

Thankfully, the impact of central government supports to individuals, businesses, and local authorities has meant that we can look forward to playing a part in contributing to and benefitting from the post-pandemic recovery, notwithstanding the new challenges that are currently emerging.

The commitments given by central government in 2022, especially in terms of support for rising pay and energy costs, meant that local authorities were able to prepare budgets for 2023 that maintained the level and quality of service to its citizens. This was very welcome, and we are grateful for the certainty this provided.

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 31st December 2022 shows an overall surplus for the year of €1,197,011. It is important to note that this figure is inclusive of €572,727 in Covid-19 insurance rebates relating to prior accounting periods.

The surplus for 2022 has the effect of improving the accumulated revenue deficit (General Reserve) from €6,092,540 at the end of 2021 to €4,895,529 at the end of 2022.

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 2022 Revenue Statement of Comprehensive Income (Income & Expenditure). The AFS figures for 2021 are shown for comparative purposes. Standard rounding rules have been applied.

Table 1 – Revenue Statement of Comprehensive Income (Income & Expenditure): 2022 and 2021

	2022 €	2021 €
Income	182,514,098	180,943,125
Expenditure	181,317,087	180,153,026
Net Surplus/(Deficit)	1,197,011	790,099

Table 2 – Major Elements of Statement of Comprehensive Income (Income & Expenditure): 2022 and 2021

Major Elements of Income	2022 €	2021 €
Grants and Subsidies	63,025,076	68,128,089
Goods and Services (excluding NPPR)	49,443,578	47,458,397
Non Principal Private Residence Charges (NPPR)	1,071,235	1,585,260
Local Property Tax	26,809,500	26,797,753
Commercial Rates	37,293,095	36,270,187
Contributions from Other Local Authorities	259,476	227,460
Other transfers from Reserves	4,612,138	475,979
Total	182,514,098	180,943,125

Major Elements of Expenditure	2022 €	2021 €
Payroll and Pensions Expenses	69,027,871	65,683,020
Operational Expenses	82,109,390	88,198,315
Administration Expenses	5,901,286	5,182,706
Establishment Expenses	2,693,883	2,274,127
Loan Charges (Interest & Principal)	8,680,933	5,052,305
Other Financial Expenses (excluding loan interest payments)	8,146,558	5,379,660
Transfers from Revenue to Capital/Reserves (excluding loan principal repayments)	4,260,919	8,055,960
Miscellaneous Expenses	496,247	326,932
Total	181,317,087	180,153,026
Net of Income and Expenditure	1,197,011	790,099

Total revenue expenditure in 2022 of €181,317,087 represents an increase of €1,164,061 on the 2021 total Revenue Expenditure of €180,153,026.

There was a net increase of approximately €3.35m in Payroll and Pensions Expenses. Pension payments, including gratuities, increased by around €0.5m. Salary & Wages costs increased by approximately €2.8m. There were increases applied to basic rates of pay during 2022, under the terms of national pay agreements. There was a small net decrease in whole-time equivalent (WTE) staff numbers from 1,013.23 at the end of 2021 to 1,010.49 at the end of 2022.

Operational Expenses show a net decrease of approximately €6.01m to €82.109m. The decrease is primarily attributable to a reduction in the value of Commercial Rates Waivers, which were €1.7m in 2022 versus €12m in 2021. The cost of applying the waivers was fully funded by central government. Energy/Utilities costs increased by €0.8m year on year. Operational Expenses increased across several other sub-headings and were related to increased activity and cost increases in areas such as Contract Payments, and Purchase of Materials and Issues from Stores.

There was a year-on-year increase in Administration Expenses of approximately €0.72m (total: €5.901m). Establishment Expenses increased by approximately €0.42m to €2.694m. The increases were activity related and feature across many headings.

Financial Expenses increased by €2.8m year-on-year to €9.301m. The net increase is mainly attributable to bad debts written off (mainly irrecoverable Commercial Rates) and to movements in the provision for Bad & Doubtful Debts (again, primarily in respect of Commercial Rates).

Transfers from Revenue to Capital and Reserves were in the sum of €4.26m. 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: 2022 and 2021

	2022 €m	2021 €m
Capital Expenditure (including transfers to Revenue)	114.789	97.481
Total Outstanding on Mortgage Related Loans	12.475	13.207
Total Outstanding on Non-Mortgage Related Loans for Provision of Assets/Grants*	47.790	39.316
Development Levies Reserves – General & Specific (Credit)	13.896	12.977

*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 €114.789m in 2022 (including transfers to Revenue). This represents an increase of €17.308m on the 2021 figure. Most of the capital expenditure occurred in respect of Road Transportation & Safety (€55.735m), Housing & Building (€28.489m) and Recreation & Amenity (€11.545m).

Capital Expenditure in Programme Group 1 'Housing & Building' totalled €28.489m (an increase of €5.9m on the figure for 2021). €8.350m was spent in 2022 on house purchase/construction. A total of €3.616m was spent on Housing Assistance Grants in 2022 (an increase of €0.7m year-on-year). Expenditure of €5.609m was incurred in respect of grant payments under the Mica Redress Scheme.

Capital Expenditure in Programme Group 2 'Road Transportation & Safety' totalled €55.735m (an increase of almost €2.7m on the figure for 2021). €10.089 was spent on National Primary Routes, including the N56 Four Lane in Letterkenny, N15 Ballyshanon to Ardgillow, and N56 Crollly to Meenacung. €20.694m was spent on National Secondary Routes – primarily on the N56 Letterilly to Kilraine Junction and Dungloe to Cloghbolie routes. €2.387m was spent on Specific Improvements, including the North West Greenway Network. €4.553m was spent on NTA Active Travel

The Roads Management Office (RMO) accounted for €13.904m in expenditure on the capital account during 2022. €9.020m of this figure related to centralised billing for road opening licences operated on a shared service basis on behalf of the local authority sector (income collected and repaid to other local authorities). Expenditure incurred on the operation and development of the RMO is fully funded by the Department of Transport and by contributions from individual local authorities.

Capital expenditure in Programme Group 6 'Recreation & Amenity' totalled €11.545m in 2022 (+€1.3m year-on-year). This expenditure was incurred across a wide range of projects and programmes that included SICAP, LEADER, Town & Village, Swan Park (RRDF), the Peace IV Programme,

Outdoor Recreation Infrastructure Scheme (ORIS), and works to libraries, playgrounds and leisure centres.

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 because of prudent financial management. The Council has an approved overdraft facility, which was required on a small number of occasions for short periods during late 2022.

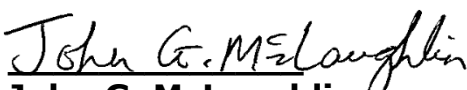
Gross Debtors increased from €36.565m at the end of 2021 to €39.176m at the end of 2022 – a net increase of approximately €2.6m. Year-on-year, Commercial Debtors increased by €2.433m (mainly attributable to the timing of amounts due and relating to the RMO and Uisce Éireann). Other Debtors increased by €1.983m (mainly attributable to the timing of amounts due and relating to the NRDO). Government Debtors decreased by almost €2.6m owing to a comparative improvement in grant recoupment turnaround times.

Commercial Rates debtors decreased year-on-year by almost €0.3m. There is still a significant level of uncertainty as to how businesses in the County will perform post-Covid-19 in a challenging inflationary environment. 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, to support the wider business sector in the County through the challenging economic environment.

The Council will work constructively and sympathetically with businesses and other customers with a view to maximising income across all headings, where possible, to best maintain the level and quality of local authority services and supports to the citizens of the County.

CONCLUSION

In conclusion, 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 €1,197,011 has been achieved for 2022. I am pleased to report that the accumulated revenue deficit (General Reserve) has improved from €6,092,540 at the end of 2021 to €4,895,529 at the end of 2022.


John G. McLaughlin
Chief Executive

FINANCIAL REVIEW

FINANCIAL REVIEW

**PREPARED BY RICHARD GIBSON FCCA
HEAD OF FINANCE**

INTRODUCTION

The 2022 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 2022 Statement of Comprehensive Income (Income and Expenditure Account) shows an improvement of €1,197,011 in the Council's Revenue Balance.

The Statement of Comprehensive Income may be summarised as follows:

Table 1 – Income & Expenditure Summary 2022 and 2021	2022 €	2021 €
Income	177,901,960	180,467,146
Expenditure	(169,529,675)	(168,150,426)
Net Transfers from/(to) Reserves	(7,175,274)	(11,526,621)
Surplus/(Deficit) for Year	1,197,011	790,099

The accumulated revenue deficit has improved from (€6,092,540) at the end of 2021 to (€4,895,529) at the end of 2022.

Table 2 – Movement in General Revenue Reserve 2022 and 2021	2022 €	2021 €
Opening Credit/(Debit) Balance	(6,092,540)	(6,882,639)
Overall Surplus/(Deficit) for year	1,197,011	790,099
Closing Credit/(Debit) Balance	(4,895,529)	(6,092,540)

For convenience, the primary contributors that have shaped the outturn position for 2022 are summarised on the following page.

Credits

- Insurance rebates (Covid-19 credits) relating to previous accounting periods amounted to **€0.573m**
- An additional sum of **€1.568m** was recouped from central government during 2022 in recognition of backdated increases to pay and pensions arising from national public sector pay agreements
- A once-off sum of **€0.566m** was recouped from central government in recognition of the loss of Commercial Rates income arising from appeals of global valuations by certain utility companies
- Additional income in the sum of **€0.571m** was realised from Non-Principal Private Residence (NPPR) Charges. The total amount collected for 2022 was €1.07m. The NPPR charge will be phased out by 2025
- Additional income in the sum of **€0.775m** was realised in respect of Irish Water's contribution to Central Management Charges
- There was net additional income under Commercial Rates and Property Entry Levies headings in the sum of **€0.563m**
- Savings on Pensions and Retirement Gratuities amounted to **€0.293m**
- Additional activity, primarily in Roads, contributed to a better than anticipated Machinery-Yard/Stores outturn for 2021 - **€0.328m** (excluding Energy/Utilities costs – see Debits below)
- There was a saving on loan charges in the sum of **€0.360m** owing to the timing of the drawdown of Tranche 1 of the Capital Co-Financing Loan approved in May 2022
- There were net savings under Salaries & Wages headings of approximately **€2.904m**. The savings arose for several reasons including shorter working-time arrangements, the timing of recruitments/assignments, and payroll transfers to the capital account

Debits

- Expenditure on Energy/Utilities costs exceeded the adopted budget by **€0.512m**
- Adjustments to provisions for Bad & Doubtful Debts in 2022 were made at a net cost of **€0.244m**
- Net Write-offs in respect of irrecoverable Bad Debts were **€0.372m** more than the figure included with the Adopted Budget for 2022
- **€0.300m** was transferred from Revenue to Capital in 2022 to create a reserve to co-fund energy efficiency works to Council buildings. Such works will be designed to leverage operational savings into the future
- **€0.500m** was transferred from Revenue to provide additional funding for the Countywide Footpath Programme (Insurance Risk Mitigation)
- **€1.000m** was transferred from Revenue to support the Public Lighting Programme
- A budget provision targeting income to be transferred from Reserves and Internal Capital Receipts of **€4.513m** was not required
- Several of the Council's associated companies ('Appendix 8 companies') required additional financial support during 2022 arising from increased operating costs (including energy). This additional support amounted to **€0.229m**
- Additional Costs associated with the operation and maintenance of landfills amounted to **€0.265m**

The comparison between the Budget as adopted for 2022 and the outturn for the year is as follows:

Table 3 - Adopted Budget v Outturn	Budget 2022 €	Outturn 2022 €	Difference €
Expenditure	162,303,721	181,317,087	19,013,366
Income	162,303,721	182,514,098	20,210,377
Surplus / (Deficit)	0	1,197,011	1,197,011

Revisions to the Adopted Budget occur during the year because 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 prepared for presentation to the Elected Members at the May Council Meeting.

CAPITAL ACCOUNT PERFORMANCE

As detailed in Table 4 below, gross expenditure of €114,789,446 and gross income of €110,005,344 in 2022 resulted in an overall decline of €4,784,102 in the Capital Account. The overall credit balance at 31st December 2022 is €44,326,430, compared with an overall credit balance of €49,110,532 at 31st December 2021.

Table 4 – Capital Account Performance

	2022 €	2021 €
Opening Credit Balance 1 st January	49,110,532	44,346,983
Expenditure (including Transfers)	114,789,446	97,481,202
Income (including Transfers)	110,005,344	102,244,752
Surplus (Deficit)	(4,784,102)	4,763,549
Closing Credit Balance 31st December	44,326,430	49,110,532

Standard rounding rules have been applied

Table 5 – Capital Account Performance per Division/Programme-Group for 2022

Division	Balance @ 01/01/2022 €	Expenditure 2022 €	Income 2022 €	Balance @ 31/12/2022 €	Net Movement €
Housing & Building	3,273,446	28,489,104	28,199,309	2,983,651	(289,795)
Road Transportation & Safety	2,908,981	55,734,783	54,993,780	2,167,978	(741,003)
Water Services	136,215	650,368	877,025	362,872	226,657
Development Management	18,616,457	4,627,311	4,352,619	18,341,764	(274,692)
Environmental Services	(459,599)	7,467,445	7,564,640	(362,404)	97,195
Recreation & Amenity	(103,349)	11,545,405	11,105,420	(543,334)	(439,985)
Agriculture, Education, Health & Welfare	753,449	781,461	890,453	862,441	108,992
Miscellaneous Services	23,984,933	5,493,569	2,022,096	20,513,461	(3,471,473)
Totals	49,110,532	114,789,446	110,005,344	44,326,430	(4,784,102)

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 2022 Annual Financial Statement is €3,455,058,036 (2021 - €3,450,450,358). 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 2022

Fixed Assets	Value €
Operational	791,497,908
Infrastructural	2,597,728,501
Community	8,529,375
Non-Operational	57,302,251
Total	3,455,058,036

Fixed Assets are further analysed in Note 1 of the Annual Financial Statement. The increase in the value of Fixed Assets is mainly attributable to transactions involving house purchases/completions/disposals in the net sum of €2.54m.

LOAN ACCOUNTS

Table 7a – Movements in Loans Payable (See Note 7)

The following table summarises the movements in loans payable from year-end 2021 to year-end 2022. The net increase in loans payable is €4,557,738.

Loan Category	Opening Balance	Borrowings	Repayments & Redemptions	Closing Balance
Mortgage Loans	13,207,250	801,290	1,533,208	12,475,332
Non-Mortgage Loans	75,277,269	16,000,000	10,710,344	80,566,925
Totals	88,484,519	16,801,290	12,251,552	93,042,257

Mortgage Related Loans (See Note 7)

At 31st December 2022, the capital outstanding on these loans was €12.475m (2021: €13.207m); this represents a net reduction of €0.732m.

In the financial year ending 31st December 2022, the following transactions summarise the movements in relation to mortgage related loans.

Table 7b – Mortgage Loans

Loan Category	Borrowings €	Repayments & Redemptions €	Net Reduction €
Mortgage Loans - Annuity (Standard/Reconstruction)	-	816,234	816,234
Mortgage Loans – Rebuilding Ireland Home Loans	801,290	95,691	(705,599)
Mortgage Loans - Annuity (Affordable)	-	342,998	342,998
Mortgage Loans - Shared Ownership (Standard)	-	278,286	278,286
Total	801,290	1,533,208	731,918

Non-Mortgage Loans (See Note 7)

At 31st December 2022, the capital outstanding on these loans was €80.567m (2021: €75.277m), representing a net increase of €5.29m.

In the financial year ended 31st December 2022, the following transactions summarise the movements in relation to non-mortgage loans.

Table 7c – Non-Mortgage Loans

Loan Category	Early Redemptions €	Borrowings €	Repayment Principal €	Net Movement €
Assets/Grants	(4,105,400)	16,000,000	(3,421,093)	8,473,507
Bridging Finance	(211,220)	-	-	(211,220)
Shared Ownership- Rented Equity	-	-	(596,454)	(596,454)
Voluntary Housing	-	-	(1,799,304)	(1,799,304)
Water Related Loans*	-	-	(576,874)	(576,874)
GRAND TOTAL	(4,316,620)	16,000,000	(6,393,724)	5,289,656

*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 2022.

Table 8 - Major Collection Accounts 2022

Income Department	Cash Collected 2022 €	Arrears c/f at 31/12/2022 €
Rates	28,778,211	14,317,092
Rents & Annuities	13,088,183	1,464,108
Housing Loans	1,626,644	1,109,963
Total	43,493,038	16,891,163

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

Cash collected from Commercial Rates increased year-on-year from €19.779m in 2021 to €28.778m in 2022 (an improvement of €8.999m), and there was an increase in the '% Collection' figure from 70% in 2021 to 78% in 2022. The reasons for the improvement are, for the most part, attributable to changes in Covid-19 supports from 2021 to 2022.

The Commercial Rates Waiver Scheme closed out in 2022, with the waiver granted to eligible businesses for only Quarter 1 of 2022. The value of waivers granted fell from €12m for 2021 (when a full 12-month waiver applied for many businesses) to €1.7m in 2022 (Q1 only) – a reduction of €10.3m.

The cost of applying Commercial Rates waivers was fully compensated by central government. The compensation was paid to Donegal County Council in the form of a grant. The grant income in respect of the Commercial Rates waivers does not appear within the calculations for collection performance on Commercial Rates for 2022. It appears elsewhere in the Annual Financial Statements (AFS).

For the purpose of making a year-on-year comparison, if the value of the grant was counted as Commercial Rates income, then the collection percentage for 2022 would be 79% (three percentage points higher than was reported in 2019 – prior to the Covid-19 pandemic).

It is recognised that businesses continue to operate in a challenging economic environment. Having emerged from the pandemic, inflationary pressures, particularly relating to energy costs, are causing concern and uncertainty. The positive and proactive engagement from most of our customers is acknowledged. It is only in exceptional circumstances that cases must be referred for enforcement or legal proceedings when there is insufficient or lack of engagement on outstanding arrears. The Council will continue to work proactively and sympathetically with businesses and other customers as we progress through 2023.

TRANSFERS TO CAPITAL & RESERVES

The following table summarises transfers from Revenue to Capital & Reserves during 2022.

Table 9 – Transfers from Revenue to Capital/Reserves 2021

Division	Description	Amount €
A	Housing and Building	€394,558
B	Roads Transportation and Safety	€691,147
C	Water Services	€35,670
D	Development Management	€913,597
E	Environmental Services	€156,914
F	Recreation and Amenity	€61,689
G	Agriculture, Education, Health and Welfare	€110,994
H	Miscellaneous Services	€1,896,350
	Total	4,260,919

Division A – Housing & Building

Payroll costs associated with the Housing Capital Programme are charged to the Capital Account. Certain payroll costs incurred in respect of approved housing capital projects that progress to construction stage are recoupable. For the sake of prudence, the sum of €210,000 was transferred to Reserves in order to make an appropriate provision in the event that some payroll costs cannot be recouped. This provision was included in the adopted budget for 2022 and is monitored annually on a rolling basis as costs are incurred and recouped over time.

The balance consists of budgeted transfers to the Long-Term Leasing sinking fund (€77,500), budgeted transfers to provide for miscellaneous unfunded capital balances (€66,000), miscellaneous transfers, and capital costs (Central Management Charges - CMC) transferred from Division J*.

**Note: Each Service Division incurs a share of central capital charges, which comprise expenditure on the purchase of reprographic equipment, IT equipment and energy-efficiency measures in Council buildings. Each Service Division that follows has taken a share of these costs for 2022.*

Division B – Road Transportation & Safety

€500,000 was transferred from Revenue to augment the Countywide Footpath Programme Reserve. This will extend the life of this programme, with funding being split equally across all five municipal districts. The other elements of this reserve are Town & Village Development Charge Contributions, IPB capital distribution monies, and previous transfers from Revenue. When combined, the total amount of funding set aside under this fund since it was created is €6.7m.

Other transfers consist primarily of monies transferred from Revenue to fund the purchase of capital equipment (e.g. mobile accommodation/storage), capitalised parking receipts, and transfers to fund a number of small capital balances together with capital costs (CMC) allocated from Division J.

Division C – Water Services

Transfers in the sum of €35,670 relate to capital costs (CMC) allocated from Division J.

Division D – Development Management

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

- The adopted budget provision of €259,000 in respect of the Public Lights & Minor Infrastructure Fund was unspent at year-end 2022. The full amount of €259,000 was transferred to Capital in order to retain the capacity to deliver this programme of work
- €250,000 was transferred from Revenue to augment reserves under the heading of Unfinished Housing Estates and Taking-in-Charge of Housing Estates.
- €27,935 was transferred from Revenue to fund capital works at Sliabh Liag
- €200,000 was transferred from Revenue to augment the Playground Replacement Reserve

The balance of transfers relates to miscellaneous transfers, monies transferred to fund/close capital balances, and capital costs (CMC) allocated from Division J.

Division E – Environmental Services

The adopted budget for 2022 included a provision in the sum of €100,000 in respect of the Pollinator Plan. The unspent balance in the sum of of €72,783 was transferred to Reserves to retain the capacity to deliver further works under this heading in 2023.

Other transfers primarily consist of miscellaneous transfers under the headings of Fire Service and Civil Defence equipment purchase together with capital costs (CMC) allocated from Division J.

Division F – Recreation and Amenity

Transfers primarily consist of monies transferred to fund minor infrastructure works at beaches and libraries, together with capital costs (CMC) allocated from Division J.

€30,000 was transferred from Revenue to Capital to provide for actions under the headings of Colmcille 1500.

Division G – Agriculture, Education, Health & Welfare

€100,000 was set aside in the Adopted Budget for 2022 to co-fund marine capital projects. As is the case each year, this provision was transferred to Capital in order to co-fund various marine capital projects undertaken during the year.

The balance relates to capital costs (CMC) allocated from Division J.

Division H – Miscellaneous Services

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


- €1,000,000 was transferred from Revenue to match fund the Public Lighting Programme. This is in addition to loan financing proposed to be drawn down in 2023
- €554,188 was transferred from Revenue to the Machinery Yard Plant Replacement Reserve (an annual action equivalent to the depreciation charge for the year).
- €300,000 was transferred from Revenue to Capital in 2022 to create a reserve to co-fund energy efficiency works to Council buildings. Such works will be designed to leverage operational savings into the future

The balance of transfers relates to miscellaneous transfers, monies transferred to fund small capital balances, and capital costs (CMC) allocated from Division J.

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 2022. 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.

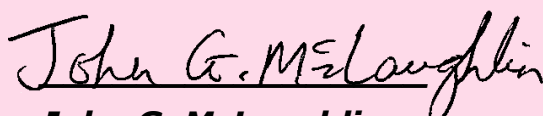
I also wish to thank the Elected Members of Donegal County Council for their help and consideration during the year.


Richard Gibson FCCA,
Head of Finance

Donegal County Council

Certificate of Chief Executive and Head of Finance for the year ended 31 December 2022

- 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 2022, as set out in the Statement of Accounting Policies, Financial Accounts, and Appendices, are in agreement with the books of account and have been prepared in accordance with the accounting requirements as directed by the Minister for Housing, Local Government & Heritage.



John G. McLaughlin
Chief Executive



Richard Gibson FCCA
Head of Finance

Dated: 3rd April 2023

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 2022 as set out on pages 17 to 35, which comprise the Statement of Accounting Policies, Statement of Comprehensive Income, Statement of Financial Position, Funds Flow Statement 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, Local Government and Heritage.

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 2022 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.



Seamus Leonard
Local Government Auditor
07 July 2023

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, Local Government and Heritage (DHLGH) at 31st December 2022. 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 DHLGH.

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 set out on the following page:

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, Local Government and Heritage 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 2022

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
		2022	2022	2022	2021
		€	€	€	€
Housing & Building		21,998,593	21,362,861	635,732	(862,228)
Roads Transportation & Safety		60,020,927	42,896,973	17,123,954	17,918,950
Water Services		19,682,334	19,007,230	675,104	506,800
Development Management		17,869,433	6,097,343	11,772,090	10,590,751
Environmental Services		14,499,026	2,080,798	12,418,228	11,244,339
Recreation & Amenity		9,233,836	1,076,019	8,157,817	7,193,378
Agriculture, Food and the Marine		2,197,817	604,850	1,592,967	1,752,669
Miscellaneous Services		24,027,709	20,673,291	3,354,418	2,406,561
Total Expenditure/Income	15	169,529,675	113,799,365		
Net cost of Divisions to be funded from Rates & Local Property Tax				55,730,310	50,751,220
Rates				37,293,095	36,270,187
Local Property Tax				26,809,500	26,797,753
Surplus/(Deficit) for Year before Transfers	16			8,372,285	12,316,720
Transfers from/(to) Reserves	14			(7,175,274)	(11,526,621)
Overall Surplus/(Deficit) for Year				1,197,011	790,099
General Reserve @ 1st January 2022				(6,092,540)	(6,882,639)
General Reserve @ 31st December 2022				(4,895,529)	(6,092,540)

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AT 31st DECEMBER 2022

	Notes	2022 €	2021 €
Fixed Assets	1		
Operational		791,497,908	788,353,217
Infrastructural		2,597,728,501	2,597,728,501
Community		8,529,375	7,020,086
Non-Operational		57,302,251	57,348,554
		3,455,058,036	3,450,450,358
Work in Progress and Preliminary Expenses	2	107,670,941	101,117,419
Long Term Debtors	3	45,736,002	49,157,867
Current Assets			
Stocks	4	1,075,956	1,082,135
Trade Debtors & Prepayments	5	22,968,921	20,713,555
Bank Investments		72,000,353	71,700,000
Cash at Bank		492,494	1,633,272
Cash in Transit		403,064	396,327
		96,940,788	95,525,289
Current Liabilities (Amounts falling due within one year)			
Bank Overdraft		-	-
Creditors & Accruals	6	50,215,068	45,550,818
Finance Leases		-	-
		50,215,068	45,550,818
Net Current Assets / (Liabilities)		46,725,720	49,974,470
Creditors (Amounts falling due after more than one year)			
Loans Payable	7	89,520,773	84,610,956
Finance Leases		-	-
Refundable deposits	8	10,646,295	10,504,329
Other		2,826,128	2,699,149
		102,993,196	97,814,434
Net Assets		3,552,197,503	3,552,885,680
Represented by			
Capitalisation Account	9	3,455,058,036	3,450,450,358
Income WIP	2	105,511,408	97,901,282
General Revenue Reserve		(4,895,529)	(6,092,540)
Other Specific Reserves		-	-
Other Balances	10	(3,476,413)	10,626,580
Total Reserves		3,552,197,503	3,552,885,680

**STATEMENT OF FUNDS FLOW (FUNDS FLOW STATEMENT)
AS AT 31ST DECEMBER 2022**

	Note	2022 €	2022 €
REVENUE ACTIVITIES			
Net Inflow/(outflow) from operating activities	17		3,612,074
CAPITAL ACTIVITIES			
Returns on Investment & Servicing of Finance			
Increase/(Decrease) in Fixed Asset Capitalisation Funding		4,607,678	
Increase/(Decrease) in WIP/Preliminary Funding		7,610,127	
Increase/(Decrease) in Reserves Balances	18	<u>(447,571)</u>	
Net Inflow/(Outflow) from Returns on Investment and Servicing of Finance			11,770,234
Capital Expenditure & Financial Investment			
(Increase)/Decrease in Fixed Assets		(4,607,678)	
(Increase)/Decrease in WIP/Preliminary Funding		(6,553,522)	
(Increase)/Decrease in Other Capital Balances	19	<u>(5,393,136)</u>	
Net Inflow/(Outflow) from Capital Expenditure and Financial Investment			(16,554,337)
Financing			
Increase/(Decrease) in Loan Financing	20	8,458,662	
(Increase)/Decrease in Reserve Financing	21	<u>(8,262,287)</u>	
Net Inflow/(Outflow) from Financing Activities			196,376
Third Party Holdings			
Increase/(Decrease) in Refundable Deposits			141,965
Net Increase/(Decrease) in Cash and Cash Equivalents	22		<u><u>(833,688)</u></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 @ 1/1/2022	78,500,454	6,724,979	582,845,058	188,276,524	19,025,693	4,322,032	1,764,319	2,597,728,501	-	3,479,187,560
Additions										
- Purchased	-	-	1,199,310	25,093	1,495,556	234,052	60,250	-	-	3,014,261
- Transfers WIP	-	1,479,260	2,370,309	-	-	-	-	-	-	3,849,570
Disposals\Statutory Transfers	(46,306)	-	(1,030,111)	(7,872)	(409,466)	(319,450)	-	-	-	(1,813,206)
Revaluations	-	-	-	-	-	-	-	-	-	-
Historical Cost Adjustments	3	3	-	-	-	-	-	-	-	6
Accumulated Costs @ 31/12/2022	78,454,151	8,204,242	585,384,566	188,293,745	20,111,783	4,236,634	1,824,569	2,597,728,501	-	3,484,238,191
Depreciation										
Depreciation @ 1/1/2022	7,710,798	1,793,872	-	-	15,640,586	3,591,946	-	-	-	28,737,202
Provision for Year	-	32,626	-	-	815,906	323,330	-	-	-	1,171,861
Disposals\Statutory Transfers	-	-	-	-	(409,458)	(319,450)	-	-	-	(728,909)
Accumulated Depreciation @ 31/12/2022	7,710,798	1,826,498	-	-	16,047,034	3,595,825	-	-	-	29,180,155
Net Book Value @ 31/12/2022	70,743,353	6,377,744	585,384,566	188,293,745	4,064,749	640,809	1,824,569	2,597,728,501	-	3,455,058,036
Net Book Value @ 31/12/2021	70,789,655	4,931,107	582,845,058	188,276,524	3,385,107	730,087	1,764,319	2,597,728,501	-	3,450,450,358
Net Book Value by Category										
Operational	12,991,101	112,937	585,384,566	188,293,745	4,064,749	640,809	10,000	-	-	791,497,908
Infrastructural	-	-	-	-	-	-	-	2,597,728,501	-	2,597,728,501
Community	450,000	6,264,807	-	-	-	-	1,814,569	-	-	8,529,375
Non-Operational	57,302,251	-	-	-	-	-	-	-	-	57,302,251
Net Book Value @ 31/12/2022	70,743,353	6,377,744	585,384,566	188,293,745	4,064,749	640,809	1,824,569	2,597,728,501	-	3,455,058,036

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 2022 €	Unfunded 2022 €	Total 2022 €	Total 2021 €
Expenditure				
Work in Progress	49,702,953	-	49,702,953	43,804,114
Preliminary Expenses	57,967,988	-	57,967,988	57,313,305
	107,670,941	-	107,670,941	101,117,419
Income				
Work in Progress	49,742,330	-	49,742,330	44,008,439
Preliminary Expenses	55,769,079	-	55,769,079	53,892,843
	105,511,408	-	105,511,408	97,901,282
Net Expended				
Work in Progress	(39,377)	-	(39,377)	(204,325)
Preliminary Expenses	2,198,909	-	2,198,909	3,420,462
Net Over/(Under) Expenditure	2,159,532	-	2,159,532	3,216,137

3. Long Term Debtors

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

	Balance @ 1/1/2022 €	Loans Issued €	Principal Repaid €	Early Redemptions €	Other Adjustments €	Balance @ 31/12/2022 €	Balance @ 31/12/2021 €
Long Term Mortgage Advances*	14,996,322	938,312	(1,255,735)	(204,746)	(116,943)	14,357,210	14,996,322
Tenant Purchases Advances	-	-	-	-	-	-	-
Shared Ownership Rented Equity	3,870,467	-	-	(364,047)	(174,177)	3,332,243	3,870,467
	18,866,789	938,312	(1,255,735)	(568,793)	(291,120)	17,689,454	18,866,789
Recoupable Loan Advances						26,469,916	28,846,093
Capital Advance Leasing Facility						2,826,128	2,699,149
Long-term Investments						-	-
Cash						-	-
Interest in associated companies						-	-
Other						6,603	6,603
						29,302,647	31,551,845
						46,992,100	50,418,634
Less: Amounts falling due within one year (Note 5)						(1,256,099)	(1,260,767)
Total Amounts falling due after more than one year						45,736,002	49,157,867

* Includes HFA Agency Loans

NOTES TO AND FORMING PART OF THE ACCOUNTS

4. Stocks

A summary of stock is as follows:

	2022 €	2021 €
Central Stores	511,624	639,814
Other Depots	564,332	442,321
Total	1,075,956	1,082,135

5. Trade Debtors & Prepayments

A breakdown of debtors and prepayments is as follows:

	2022 €	2021 €
Government Debtors	6,159,420	8,709,441
Commercial Debtors	20,821,134	18,387,811
Non-Commercial Debtors	2,633,024	2,227,532
Development Levy Debtors	356,561	338,034
Other Services	2,472,408	2,003,054
Other Local Authorities	1,382,592	1,526,013
Revenue Commissioners	-	-
Other	4,095,230	2,112,084
Add: Amounts falling due within one year (Note 3)	1,256,099	1,260,767
Total Gross Debtors	39,176,467	36,564,736
Less: Provision for Doubtful Debts	(16,553,769)	(16,309,480)
Total Trade Debtors	22,622,698	20,255,256
Prepayments	346,222	458,299
	22,968,921	20,713,555

NOTES TO AND FORMING PART OF THE ACCOUNTS

6. Creditors and Accruals

A breakdown of creditors and accruals is as follows:

	2022 €	2021 €
Trade creditors	4,033,907	4,159,724
Grants	279,266	477,027
Revenue Commissioners	5,213,801	4,308,826
Other Local Authorities	2,575,145	1,436,487
Other Creditors	482,864	514,878
	12,584,983	10,896,942
Accruals	12,004,010	12,388,941
Deferred Income	22,104,591	18,391,373
Add: Amounts falling due within one year (Note 7)	3,521,484	3,873,563
	50,215,068	45,550,818

7. Loans Payable

(a) Movement in Loans Payable

	HFA €	OPW €	Other €	Balance @ 31/12/2022 €	Balance @ 31/12/2021 €
Balance @ 1/1/2022	77,461,884	-	11,022,635	88,484,519	96,412,725
Borrowings	16,801,290	-	-	16,801,290	677,750
Repayment of Principal	(6,060,999)	-	(1,865,915)	(7,926,914)	(8,368,718)
Early Redemptions	(2,318,681)	-	(1,997,940)	(4,316,620)	(237,236)
Other Adjustments	(17)	-	-	(17)	(2)
Balance @ 31/12/2022	85,883,477	-	7,158,780	93,042,257	88,484,519
Less: Amounts falling due within one year (Note 6)				3,521,484	3,873,563
Total Amounts falling due after more than one year				89,520,773	84,610,956

(b) Application of Loans

An analysis of loans payable is as follows:

	HFA €	OPW €	Other €	Balance @ 31/12/2022 €	Balance @ 31/12/2021 €
Mortgage loans*	12,475,332	-	-	12,475,332	13,207,250
Non-Mortgage loans					
Asset/Grants	44,400,383	-	3,389,400	47,789,783	39,316,276
Revenue Funding	-	-	-	-	-
Bridging Finance	1,692,611	-	-	1,692,611	1,903,831
Recoupable	22,700,535	-	3,769,380	26,469,916	28,846,093
Shared Ownership – Rented Equity	4,614,616	-	-	4,614,616	5,211,068
	85,883,477	-	7,158,780	93,042,257	88,484,519
Less: Amounts falling due within one year (Note 6)				3,521,484	3,873,563
Total Amounts falling due after more than one year				89,520,773	84,610,956

* Includes HFA Agency Loans

NOTES TO AND FORMING PART OF THE ACCOUNTS

8. Refundable Deposits

The movement in refundable deposits is as follows:

	2022 €	2021 €
Opening Balance at 1 January	10,504,329	10,320,146
Deposits received	236,634	260,537
Deposits repaid	(94,669)	(76,354)
Closing Balance at 31 December	10,646,295	10,504,329

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 @ 1/1/2022 €	Purchased €	Transfers WIP €	Disposals/Statutory Transfers €	Revaluations €	Historical Cost Adj €	Balance @ 31/12/2022 €	Balance @ 31/12/2021 €
Grants	380,071,869	2,124,802	2,370,309	(344,740)	-	-	384,222,240	380,071,869
Loans	7,041,611	-	-	-	-	-	7,041,611	7,041,611
Revenue funded	17,709,054	106,612	-	(125,509)	-	-	17,690,158	17,709,054
Leases	43,000	-	-	-	-	-	43,000	43,000
Development Levies	1,786,270	-	-	-	-	-	1,786,270	1,786,270
Tenant Purchase Annuities	12,500	-	-	-	-	-	12,500	12,500
Unfunded	-	-	-	-	-	-	-	-
Historical	2,922,133,383	1	-	(906,306)	-	5	2,921,227,083	2,922,133,383
Other	150,389,872	782,846	1,479,260	(436,651)	-	1	152,215,329	150,389,872
Total Gross Funding	3,479,187,560	3,014,261	3,849,570	(1,813,206)	-	6	3,484,238,191	3,479,187,560
Less: Amortised							(29,180,155)	(28,737,202)
Total *							3,455,058,036	3,450,450,358

* 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 @ 1/1/2022	Capital re-classification *	Expenditure	Income	Net Transfers	Balance @ 31/12/2022	Balance @ 31/12/2021
		€	€	€	€	€	€	€
Development Levies balances	(i)	12,977,252	-	536,397	2,154,999	(700,116)	13,895,738	12,977,252
Capital account balances including asset formation and enhancement	(ii)	(188,088)	(92,715)	103,360,741	93,309,256	4,906,393	(5,425,894)	(188,088)
Voluntary & Affordable Housing Balances	(iii)							
- Voluntary Housing		(65,766)	-	571,056	674,953	(48,006)	(9,876)	(65,766)
- Affordable Housing		547,406	-	-	(211,220)	-	336,186	547,406
Reserves created for specific purposes	(iv)	39,055,865	-	(1,317,559)	1,578,222	(4,261,838)	37,689,808	39,055,865
A. Net Capital Balances		52,326,669	(92,715)	103,150,635	97,506,211	(103,568)	46,485,962	52,326,669
Balance Sheet accounts relating the loan principal outstanding (including Unrealised TP Annuities)	(v)						(49,962,375)	(41,700,089)
Interest in Associated Companies	(vi)						-	-
B. Non Capital Balances							(49,962,375)	(41,700,089)
Total Other Balances							(3,476,413)	10,626,580

*() 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:

	2022 €	2021 €
Net WIP & Preliminary Expenses (Note 2)	(2,159,532)	(3,216,137)
Net Capital Balances (Note 10)	46,485,962	52,326,669
Capital Balance Surplus/(Deficit) @ 31 December	44,326,430	49,110,532

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

	2022 €	2021 €
Opening Balance @ 1 January	49,110,532	44,346,983
Expenditure	110,177,308	97,005,223
Income		
- Grants	85,851,699	79,067,151
- Loans	(211,220)	(280,674)
- Other	20,103,946	15,402,314
Total Income	105,744,425	94,188,791
Net Revenue Transfers	(351,220)	7,579,982
Closing Balance @ 31 December	44,326,430	49,110,532

12. Mortgage Loan Funding Surplus/(Deficit)

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

	2022 Loan Annuity €	2022 Rented Equity €	2022 Total €	2021 Total €
Mortgage Loans/Equity Receivable (LT Mortgage Shared Own Note 3)	14,357,210	3,332,243	17,689,454	18,866,789
Mortgage Loans/Equity Payable (Mort Loans Shared Own Note 7)	(12,475,332)	(4,614,616)	(17,089,948)	(18,418,319)
Surplus/(Deficit) in Funding @ 31st December	1,881,878	(1,282,373)	599,506	448,471

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:

	2022 Plant & Machinery €	2022 Materials €	2022 Total €	2021 Total €
Expenditure	(6,119,323)	(160,783)	(6,280,107)	(5,887,110)
Charged to Jobs	5,387,510	413,827	5,801,337	5,618,389
	(731,814)	253,043	(478,770)	(268,721)
Transfers from/(to) Reserves	(552,238)	-	(552,238)	(496,055)
Surplus/(Deficit) for the Year	(1,284,051)	253,043	(1,031,008)	(764,776)

NOTES TO AND FORMING PART OF THE ACCOUNTS

14. Transfers from/(to) Reserves

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

	2022	2022	2022	2021
	Transfers from Reserves	Transfers to Reserves	€	€
	€	€	€	€
Principal Repayments of Non-Mortgage Loans (Own Asset)	-	(7,526,493)	(7,526,493)	(3,946,639)
Principal Repayments of Non-Mortgage Loans (Recoupable Non Asset)	-	-	-	-
Principal Repayments of Finance Leases	-	-	-	-
Transfers to Other Balance Sheet Reserves	2,230,848	(3,716,879)	(1,486,031)	(7,089,548)
Transfers to/from Capital Account	2,381,290	(544,040)	1,837,251	(490,434)
Surplus/(Deficit) for Year	4,612,138	(11,787,412)	(7,175,274)	(11,526,621)

15. Analysis of Revenue Income

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

	Appendix No	2022		2021	
		€	%	€	%
Grants & Subsidies	3	63,025,076	35%	68,128,089	38%
Contributions from other local authorities		259,476	0%	227,460	0%
Goods & Services	4	50,514,813	28%	49,043,657	27%
		113,799,365	64%	117,399,206	65%
Local Property Tax		26,809,500	15%	26,797,753	15%
Rates		37,293,095	21%	36,270,187	20%
Total Income		177,901,960	100%	180,467,146	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 outturn in respect of both expenditure and income:

	EXPENDITURE					INCOME					NET
	Excluding Transfers	Transfers	Including Transfers	Budget	(Over)/Under Budget	Excluding Transfers	Transfers	Including Transfers	Budget	Over/(Under) Budget	(Over)/Under Budget
	2022 €	2022 €	2022 €	2022 €	2022 €	2022 €	2022 €	2022 €	2022 €	2022 €	2022 €
Housing & Building	21,998,593	2,649,459	24,648,052	20,943,386	(3,704,666)	21,362,861	2,567,369	23,930,230	20,646,476	3,283,754	(420,912)
Roads Transportation & Safety	60,020,927	798,744	60,819,671	53,422,569	(7,397,102)	42,896,973	16,520	42,913,493	34,364,766	8,548,727	1,151,624
Water Services	19,682,334	35,670	19,718,004	18,669,793	(1,048,211)	19,007,230	-	19,007,230	17,258,995	1,748,235	700,024
Development Management	17,869,433	913,597	18,783,030	17,368,767	(1,414,263)	6,097,343	423,442	6,520,785	4,787,121	1,733,664	319,401
Environmental Services	14,499,026	1,173,563	15,672,590	15,286,582	(386,008)	2,080,798	-	2,080,798	1,489,823	590,975	204,967
Recreation & Amenity	9,233,836	2,526,023	11,759,859	9,902,920	(1,856,940)	1,076,019	1,611,251	2,687,271	761,341	1,925,930	68,990
Agriculture, Food and the Marine	2,197,817	512,239	2,710,056	2,869,203	159,148	604,850	-	604,850	658,093	(53,243)	105,905
Miscellaneous Services	24,027,709	3,178,117	27,205,826	23,840,501	(3,365,324)	20,673,291	(6,445)	20,666,846	18,475,230	2,191,617	(1,173,708)
Total Divisions	169,529,675	11,787,412	181,317,087	162,303,721	(19,013,367)	113,799,365	4,612,138	118,411,504	98,441,846	19,969,658	956,291
Local Property Tax	-	-	-	-	-	26,809,500	-	26,809,500	26,809,502	(2)	(2)
Rates	-	-	-	-	-	37,293,095	-	37,293,095	37,052,373	240,722	240,722
Dr/Cr Balance											-
(Deficit)/Surplus for Year	169,529,675	11,787,412	181,317,087	162,303,721	(19,013,367)	177,901,960	4,612,138	182,514,099	162,303,721	20,210,378	1,197,011

NOTES TO AND FORMING PART OF THE ACCOUNTS

2022
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17. Net Cash Inflow/(Outflow) from Operating Activities

Operating Surplus/(Deficit) for Year	1,197,011
(Increase)/Decrease in Stocks	6,179
(Increase)/Decrease in Trade Debtors	(2,255,366)
Increase/(Decrease) in Creditors Less than One Year	4,664,249
	3,612,074

18. Increase/(Decrease) in Reserve Balances

Increase/(Decrease) in Development Levies balances	918,486
Increase/(Decrease) in Reserves created for specific purposes	(1,366,057)
	(447,571)

19. (Increase)/Decrease in Other Capital Balances

(Increase)/Decrease in Capital account balances including asset formation and enhancement	(5,237,807)
(Increase)/Decrease in Voluntary Housing Balances	55,890
(Increase)/Decrease in Affordable Housing Balances	(211,220)
	(5,393,136)

20. Increase/(Decrease) in Loan Financing

(Increase)/Decrease in Long Term Debtors	3,421,865
Increase/(Decrease) in Mortgage Loans	(731,918)
Increase/(Decrease) in Asset/Grant Loans	8,473,507
Increase/(Decrease) in Revenue Funding Loans	-
Increase/(Decrease) in Bridging Finance Loans	(211,220)
Increase/(Decrease) in Recoupable Loans	(2,376,178)
Increase/(Decrease) in Shared Ownership Rented Equity Loans	(596,453)
Increase/(Decrease) in Finance Leasing	-
(Increase)/Decrease in Portion Transferred to Current Liabilities	352,080
Increase/(Decrease) in Other Creditors - Deferred Income	126,979
	8,458,662

NOTES TO AND FORMING PART OF THE ACCOUNTS

2022

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21. (Increase)/Decrease in Reserve Financing

(Increase)/Decrease in Other Specific Reserves	-
(Increase)/Decrease in Balance Sheet accounts relating the loan principal outstanding (including Unrealised TP Annuities)	(8,262,287)
(Increase)/Decrease in Reserves in Associated Companies	-
	<u>(8,262,287)</u>

22. Analysis of Changes in Cash & Cash Equivalents

Increase/(Decrease) in Bank Investments	300,353
Increase/(Decrease) in Cash at Bank/Overdraft	(1,140,778)
Increase/(Decrease) in Cash in Transit	6,737
	<u>(833,688)</u>

23. Accounting for the Rates Waiver/Credit in Lieu in relation to Commercial Rates

The Government continued its unprecedented support for the local government sector, with the provision of a targeted commercial rates waiver to cover the hospitality, arts, leisure and entertainment sectors, travel agency and airports sector, for Quarter 1 of 2022, at a cost of €62million.

The cost of this support is reported in Appendix 1 as a Payment of Subsidies and Grants under the Operational Expenses heading. The income appears in Appendix 3 under the Department of Housing, Local Government and Heritage under Miscellaneous. The credit in lieu is reported in Appendix 7 under Waivers/Credits. The full Rates Accrued Income for 2022 appears in the Income and Expenditure Account as normal.

24. Accounting for Climate Action

Expenditure in relation to Climate Change is accounted for in the area where the expenditure is incurred e.g. Housing, Roads, etc. This is in line with the Local Authorities costing system where the full cost of a service/sub-service must reflect all the costs associated with the service.

APPENDICES

APPENDIX 1
ANALYSIS OF EXPENDITURE
FOR YEAR ENDED 31st DECEMBER 2022

	2022 €	2021 €
Payroll Expenses		
Salary & Wages	53,209,488	50,405,955
Pensions (incl Gratuities)	9,324,693	8,858,976
Other costs	6,493,690	6,418,089
Total	69,027,871	65,683,020
Operational Expenses		
Purchase of Equipment	1,193,559	1,115,794
Repairs & Maintenance	1,456,425	1,432,196
Contract Payments	22,994,844	20,867,980
Agency services	2,725,026	2,592,586
Machinery Yard Charges incl Plant Hire	11,866,297	11,795,228
Purchase of Materials & Issues from Stores	15,318,923	14,042,658
Payment of Subsidies and Grants	9,684,921	21,194,696
Members Costs	398,774	329,737
Travelling & Subsistence Allowances	2,023,967	1,446,910
Consultancy & Professional Fees Payments	2,011,293	1,600,439
Energy / Utilities Costs	4,287,320	3,499,578
Other	8,148,042	8,280,512
Total	82,109,390	88,198,315
Administration Expenses		
Communication Expenses	1,021,805	1,007,571
Training	685,669	467,913
Printing & Stationery	450,463	355,847
Contributions to other Bodies	1,441,257	1,273,339
Other	2,302,091	2,078,038
Total	5,901,286	5,182,706
Establishment Expenses		
Rent & Rates	1,346,835	1,136,072
Other	1,347,048	1,138,055
Total	2,693,883	2,274,127
Financial Expenses	9,300,999	6,485,326
Miscellaneous Expenses	496,247	326,932
Total Expenditure	169,529,675	168,150,426

**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	8,543,096	1,024,494	592,311	-	1,616,805
A02	Housing Assessment, Allocation and Transfer	1,812,834	-	213,692	-	213,692
A03	Housing Rent and Tenant Purchase Administration	1,252,466	60,363	12,592,807	-	12,653,170
A04	Housing Community Development Support	234,994	-	6,099	-	6,099
A05	Administration of Homeless Service	726,628	488,480	3,798	-	492,278
A06	Support to Housing Capital & Affordable Prog.	1,642,422	822,329	39,168	-	861,498
A07	RAS Programme	5,178,400	4,227,556	967,955	-	5,195,512
A08	Housing Loans	3,140,709	61,851	2,638,675	-	2,700,526
A09	Housing Grants	1,664,694	-	16,622	-	16,622
A11	Agency & Recoupable Services	244,720	40,321	546	-	40,867
A12	HAP Programme	207,090	133,161	-	-	133,161
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		24,648,052	6,858,556	17,071,674	-	23,930,230
Less Transfers to/from Reserves		2,649,459		2,567,369		2,567,369
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		21,998,593		14,504,305		21,362,861

**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	1,374,236	949,407	21,448	-	970,855
B02	NS Road - Maintenance and Improvement	1,741,743	1,066,698	31,552	-	1,098,250
B03	Regional Road - Maintenance and Improvement	18,267,833	10,072,705	1,022,558	24,301	11,119,564
B04	Local Road - Maintenance and Improvement	33,531,795	26,733,691	528,442	-	27,262,133
B05	Public Lighting	2,275,431	74,812	118	-	74,930
B06	Traffic Management Improvement	136,480	1,954	1,545	-	3,499
B07	Road Safety Engineering Improvement	1,004,918	844,767	21,228	-	865,995
B08	Road Safety Promotion/Education	208,921	-	3,861	-	3,861
B09	Maintenance & Management of Car Parking	1,344,306	-	1,315,553	-	1,315,553
B10	Support to Roads Capital Prog.	768,848	-	90,814	-	90,814
B11	Agency & Recoupable Services	165,163	-	108,037	-	108,037
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		60,819,671	39,744,034	3,145,158	24,301	42,913,493
Less Transfers to/from Reserves		798,744		16,520		16,520
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		60,020,927		3,128,638		42,896,973

**APPENDIX 2
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	11,541,237	-	348,192	-	348,192
C02	Operation and Maintenance of Waste Water Treatment	2,789,113	-	79,735	-	79,735
C03	Collection of Water and Waste Water Charges	554,430	-	21,375	-	21,375
C04	Operation and Maintenance of Public Conveniences	405,519	(42,750)	8,276	-	(34,474)
C05	Admin of Group and Private Installations	294,356	223,582	4,791	-	228,373
C06	Support to Water Capital Programme	3,232,677	-	51,470	-	51,470
C07	Agency & Recoupable Services	633,456	-	49,289	-	49,289
C08	Local Authority Water and Sanitary Services	267,217	60,663	18,202,609	-	18,263,271
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		19,718,004	241,495	18,765,735	-	19,007,230
Less Transfers to/from Reserves		35,670		-		-
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		19,682,334		18,765,735		19,007,230

**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	1,054,094	6,587	23,753	-	30,339
D02	Development Management	3,025,951	30,000	901,183	-	931,183
D03	Enforcement	1,104,338	-	26,393	-	26,393
D04	Op & Mtce of Industrial Sites & Commercial Facilities	262	-	127	-	127
D05	Tourism Development and Promotion	1,227,403	32,927	23,748	-	56,675
D06	Community and Enterprise Function	5,721,982	1,306,497	401,921	66,475	1,774,893
D07	Unfinished Housing Estates	322,876	-	4,329	-	4,329
D08	Building Control	248,522	-	93,586	-	93,586
D09	Economic Development and Promotion	4,309,724	2,150,894	287,398	1,789	2,440,081
D10	Property Management	107,844	-	1,280	-	1,280
D11	Heritage and Conservation Services	1,375,608	974,859	132,781	-	1,107,640
D12	Agency & Recoupable Services	284,426	-	52,523	1,736	54,259
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		18,783,030	4,501,763	1,949,022	70,000	6,520,785
Less Transfers to/from Reserves		913,597		423,442		423,442
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		17,869,433		1,525,579		6,097,343

**APPENDIX 2
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	1,999,693	-	3,255	-	3,255
E02	Op & Mtce of Recovery & Recycling Facilities	1,015,673	27,718	10,918	-	38,636
E03	Op & Mtce of Waste to Energy Facilities	-	-	-	-	-
E04	Provision of Waste to Collection Services	45,809	-	-	-	-
E05	Litter Management	1,829,195	170,768	35,723	-	206,492
E06	Street Cleaning	460,615	-	1,521	-	1,521
E07	Waste Regulations, Monitoring and Enforcement	690,184	477,017	15,705	-	492,722
E08	Waste Management Planning	94,678	-	-	-	-
E09	Maintenance and Upkeep of Burial Grounds	33,090	-	523	-	523
E10	Safety of Structures and Places	824,447	125,012	10,027	-	135,039
E11	Operation of Fire Service	7,409,217	202,271	424,052	-	626,323
E12	Fire Prevention	148,958	-	280,588	-	280,588
E13	Water Quality, Air and Noise Pollution	803,888	103,602	43,601	-	147,203
E14	Agency & Recoupable Services	474	-	-	-	-
E15	Climate Change and Flooding	316,668	148,496	-	-	148,496
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		15,672,590	1,254,885	825,913	-	2,080,798
Less Transfers to/from Reserves		1,173,563		-		-
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		14,499,026		825,913		2,080,798

**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	2,961,369	-	1,471,017	-	1,471,017
F02	Operation of Library and Archival Service	4,530,476	385,328	108,272	41,901	535,501
F03	Op, Mtce & Imp of Outdoor Leisure Areas	1,991,122	-	65,366	-	65,366
F04	Community Sport and Recreational Development	179,984	76,123	-	-	76,123
F05	Operation of Arts Programme	2,096,908	475,479	63,784	-	539,264
F06	Agency & Recoupable Services	-	-	-	-	-
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		11,759,859	936,930	1,708,440	41,901	2,687,271
Less Transfers to/from Reserves		2,526,023		1,611,251		1,611,251
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		9,233,836		97,189		1,076,019

APPENDIX 2
SERVICE DIVISION G
AGRICULTURE, FOOD and THE MARINE

		EXPENDITURE	INCOME		
DIVISION	TOTAL	State Grants & Subsidies	Provision of Goods and Services	Contributions from other local authorities	TOTAL
		€	€	€	€
G01	Land Drainage Costs	59,584	49,161	174	49,335
G02	Operation and Maintenance of Piers and Harbours	1,800,472	2,640	170,842	173,482
G03	Coastal Protection	(15,612)	(45,597)	137	(45,460)
G04	Veterinary Service	702,900	257,559	165,716	423,275
G05	Educational Support Services	143,862	-	4,218	4,218
G06	Agency & Recoupable Services	18,850	-	-	-
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		2,710,056	263,763	341,087	604,850
Less Transfers to/from Reserves		512,239	-	-	-
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		2,197,817	341,087	341,087	604,850

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	6,736,568	-	5,418,010	5,418,010
H02	Profit/Loss Stores Account	160,783	-	413,827	413,827
H03	Administration of Rates	10,110,683	2,257,161	489,707	2,746,867
H04	Franchise Costs	222,760	-	5,095	5,095
H05	Operation of Morgue and Coroner Expenses	449,669	-	468	468
H06	Weighbridges	2,417	-	-	-
H07	Operation of Markets and Casual Trading	42,408	-	25,600	25,600
H08	Malicious Damage	-	-	-	-
H09	Local Representation/Civic Leadership	1,646,317	350,895	1,448	352,343
H10	Motor Taxation	1,387,186	25,329	54,555	79,884
H11	Agency & Recoupable Services	6,447,035	6,590,265	4,911,212	11,624,751
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		27,205,826	9,223,650	11,319,922	20,666,846
Less Transfers to/from Reserves		3,178,117	-	(6,445)	(6,445)
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		24,027,709	11,326,367	11,326,367	20,673,291
TOTAL ALL DIVISIONS		169,529,675	63,025,076	50,514,813	113,799,365

APPENDIX 3

ANALYSIS OF INCOME FROM GRANTS AND SUBSIDIES

	2022 €	2021 €
Department of Housing, Local Government and Heritage		
Housing and Building	6,847,974	6,592,085
Road Transport & Safety	60,000	-
Water Services	244,593	239,838
Development Management	561,836	396,022
Environmental Services	947,288	865,461
Recreation and Amenity	32,258	99,517
Agriculture, Food and the Marine	-	-
Miscellaneous Services	9,158,975	17,356,547
	17,852,924	25,549,470
Other Departments and Bodies		
TII Transport Infrastructure Ireland	35,769,285	33,790,489
Tourism, Culture, Arts, Gaeltacht, Sport and Media	259,536	137,193
National Transport Authority	-	-
Social Protection	-	-
Defence	125,012	72,183
Education	-	-
Library Council	45,600	44,160
Arts Council	284,800	265,750
Transport	-	-
Justice	9,403	19,100
Agriculture, Food and the Marine	-	-
Enterprise, Trade and Employment	1,921,221	3,639,434
Rural and Community Development	4,576,177	2,390,084
Environment, Climate and Communications	-	-
Food and Safety Authority of Ireland	257,559	220,266
Other	1,923,560	1,999,962
	45,172,152	42,578,620
Total	63,025,076	68,128,089

APPENDIX 4 ANALYSIS OF INCOME FROM GOODS AND SERVICES

	2022 €	2021 €
Rents from Houses	13,443,315	13,184,341
Housing Loans Interest & Charges	475,964	454,602
Domestic Water	-	-
Commercial Water	-	-
Irish Water	18,220,580	16,781,521
Domestic Refuse	-	-
Commercial Refuse	-	-
Domestic Sewerage	-	-
Commercial Sewerage	-	-
Planning Fees	739,551	649,751
Parking Fines/Charges	1,295,386	801,189
Recreation & Amenity Activities	22,946	5,029
Agency Services	172,912	473,052
Pension Contributions	2,011,371	2,050,009
Property Rental & Leasing of Land	996,867	918,618
Landfill Charges	-	-
Fire Charges	649,778	425,864
NPPR	1,071,235	1,585,260
Misc. (Detail)	11,414,908	11,714,421
	50,514,813	49,043,657

Misc now includes income previously shown separately as library fees/fines (photocopying/printing fees)

APPENDIX 5

SUMMARY OF CAPITAL EXPENDITURE AND INCOME

	2022	2021
	€	€
EXPENDITURE		
Payment to Contractors	47,592,278	45,492,215
Purchase of Land	2,290,232	911,169
Purchase of Other Assets/Equipment	3,986,544	4,003,321
Professional & Consultancy Fees	6,901,547	7,165,208
Other	49,406,708	39,433,310
Total Expenditure (Net of Internal Transfers)	110,177,308	97,005,223
Transfers to Revenue	4,612,138	475,979
Total Expenditure (Incl Transfers) *	114,789,446	97,481,202
INCOME		
Grants and LPT	85,851,699	79,067,151
Non - Mortgage Loans	(211,220)	(280,674)
Other Income		
(a) Development Contributions	2,143,503	1,515,954
(b) Property Disposals		
- Land	34,750	87,134
- LA Housing	542,190	1,138,894
- Other property	55,560	-
(c) Purchase Tenant Annuities	15,423	15,523
(d) Car Parking	-	-
(e) Other	17,312,520	12,644,810
Total Income (Net of Internal Transfers)	105,744,425	94,188,791
Transfers from Revenue	4,260,919	8,055,961
Total Income (Incl Transfers) *	110,005,344	102,244,751
Surplus\ (Deficit) for year	(4,784,102)	4,763,549
Balance (Debit)\Credit @ 1 January	49,110,532	44,346,983
Balance (Debit)\Credit @ 31 December	44,326,430	49,110,532

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

APPENDIX 6
ANALYSIS OF EXPENDITURE AND INCOME ON CAPITAL ACCOUNT

	BALANCE @	EXPENDITURE	INCOME				TRANSFERS			BALANCE @
	1/1/2022		Grants and LPT	Non-Mortgage Loans*	Other	Total Income	Transfer from Revenue	Transfer to Revenue	Internal Transfers	31/12/2022
	€	€	€	€	€	€	€	€	€	€
Housing & Building	3,273,446	26,266,292	27,176,254	(211,220)	875,216	27,840,250	359,059	2,222,812	-	2,983,651
Road Transportation & Safety	2,908,981	55,389,226	40,231,018	-	12,914,697	53,145,715	1,655,101	345,557	192,964	2,167,978
Water Services	136,215	650,368	618,778	-	12,950	631,728	45,141	-	200,156	362,872
Development Management	18,616,457	4,584,953	676,088	-	3,023,529	3,699,617	354,431	42,358	298,571	18,341,764
Environmental Services	(459,599)	7,473,890	7,395,898	-	60,831	7,456,728	101,796	(6,445)	6,116	(362,404)
Recreation & Amenity	(103,349)	11,386,927	8,476,247	-	1,330,483	9,806,730	538,335	158,478	760,355	(543,334)
Agriculture, Food and the Marine	753,449	781,461	790,453	-	-	790,453	100,000	-	-	862,441
Miscellaneous Services	23,984,933	3,644,191	486,964	-	1,886,240	2,373,204	1,107,054	1,849,377	(1,458,162)	20,513,461
TOTAL	49,110,532	110,177,308	85,851,699	(211,220)	20,103,946	105,744,425	4,260,919	4,612,138	-	44,326,430

Note: Mortgage-related transactions are excluded

APPENDIX 7

Summary of Major Revenue Collections for 2022

A Debtor type	B Incoming arrears @ 1/1/2022	C Accrued - current year debit (Gross)	D Vacant property adjustments	E Write offs	F Waivers and Credits	G Total for collection =(B+C-D-E-F)	H Amount collected	I Closing arrears @ 31/12/2022 = (G-H)	J Specific doubtful arrears*	K % Collected = (H)/(G-J)
	€	€	€	€	€	€	€	€	€	
Rates	14,607,087	37,293,095	4,692,807	2,125,121	1,986,950	43,095,303	28,778,211	14,317,092	6,043,768	78%
Rents & Annuities	1,174,097	13,454,125	-	75,931	-	14,552,291	13,088,183	1,464,108	-	90%
Housing Loans	999,415	1,830,559	-	93,367	-	2,736,607	1,626,644	1,109,963	-	59%

To alleviate the impact of Covid-19 on eligible businesses during 2022 the Government funded a 3 *month rates waiver scheme*. The amounts waived are shown in the Waived/Credits column in the table above and results in a corresponding reduction in the total for collection. This also has the effect of reducing the % collected in the final column.

Covid-19 Rates approved in the sum of €1,691,552. The balance of €295,398 related to other adjustments.

The Council received a grant equal to the amount waived and this is included in the grant income in Appendix 3. For prior year comparison purposes, if the income was included in the Amount Collected column rather than the Waived/Credits column the % collected would have been 79%.

*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	124,247	16,147	112,311	94,852	108,100	N	31/12/2021
Ballyshannon Leisure Centre Management Ltd	Ltd by Guarantee	Associate	104,874	104,874	669,620	669,620	0	N	31/12/2022
Bundoran Waterworld Ltd	Ltd by Guarantee	Associate	266,834	266,834	268,028	268,028	0	N	31/12/2021
Donegal Community & Cultural Development Company Ltd	Ltd by Guarantee	Associate	3,128,671	3,248,087	246,298	250,143	(119,416)	N	31/03/2022
Donegal Digital Innovation CLG	Ltd by Guarantee	Associate	3,238,847	3,239,515	115,612	114,804	-668	N	31/12/2022
County Donegal Tourism Ltd.	Ltd by Guarantee	Associate	152,887	127,419	142,287	136,212	25,468	N	31/12/2022
Earagail Arts festival Management Company Ltd	Ltd by Guarantee	Associate	204,970	137,664	447,529	443,198	67,306	N	31/12/2021
Ernact EEG	50.00%	EEIG	462,175	462,175	806,156	806,156	0	N	31/12/2022
Finn Valley Swimming Pool Ltd	Ltd by Guarantee	Associate	4,975,365	5,733,079	1,027,154	1,161,276	(757,714)	N	31/12/2022
Fort Dunree Military Museum Company Ltd	Ltd by Guarantee	Associate	928,985	594,496	232,872	257,599	334,489	N	31/12/2021
An Grainan Theatre Management Company Ltd	Ltd by Guarantee	Associate	313,768	265,508	1,395,518	1,363,523	48,260	N	31/12/2021
Letterkenny Sports Complex Development Ltd	Ltd by Guarantee	Associate	13,866,861	20,450,980	175,391	575,359	(6,584,119)	N	31/12/2021
Donegal 2040 Strategic Development Designated Activity Company	DAC	Associate	93,445	93,345	30,920	30,920	100	N	30/06/2022
Comhlacht Pobail Shliabh Liag CLG	Ltd by Guarantee	Associate	72239	73852	264808	264500	(1,613)	N	31/12/2021

Note: Not all of the above are audited but all have been signed off by their respective boards. Organisations can avail of audit exemptions.