

Comhairle Chontae Dhún na nGall Donegal County Council



Annual Financial Statement **2017** *(Audited)*

**ANNUAL FINANCIAL
STATEMENT
(AUDITED)**

Donegal County Council

For year ending 31st December 2017

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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 31st December 2017.

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 2017. 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 31st December 2017 shows an overall surplus for the year of €764,035.

The surplus for 2017 has the effect of improving the accumulated revenue deficit (General Reserve) from €9,717,139 at the end of 2016 to €8,953,104 at the end of 2017.

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 2017 Revenue Statement of Comprehensive Income (Income & Expenditure). The AFS figures for 2016 are shown for comparative purposes. Standard rounding rules have been applied.

Table 1 – Revenue Statement of Comprehensive Income (Income & Expenditure): 2017 and 2016

	2017 €	2016 €
Income	146,879,132	146,639,283
Expenditure	146,115,096	142,010,769
Net Surplus/(Deficit)	764,035	4,628,515

Table 2 – Major Elements of Statement of Comprehensive Income (Income & Expenditure): 2017 and 2016

Major Elements of Income	2017 €	2016 €
Grants and Subsidies	39,637,699	38,790,310
Goods and Services	49,620,819	47,724,940
Local Property Tax	25,119,850	22,720,760
Commercial Rates	30,400,611	30,605,929
Contributions from Other Local Authorities	97,840	188,007
Pension Related Deduction	0	1,807,207
Write-back of Specific Revenue Reserve	0	3,374,679
Other transfers from Reserves	2,002,313	1,427,451
Total	146,879,132	146,639,283

Major Elements of Expenditure	2017 €	2016 €
Payroll and Pensions Expenses	58,994,436	56,402,438
Operational Expenses	64,122,878	59,814,777
Administration Expenses	4,342,606	4,557,137
Establishment Expenses	2,122,034	2,141,103
Loan Charges (Interest & Principal)	5,849,907	6,116,157
Other Financial Expenses (excluding loan interest payments)	7,327,637	7,898,504
Transfers from Revenue to Capital/Reserves (excluding loan principal repayments)	2,977,971	4,554,083
Miscellaneous Expenses	377,629	526,569
Total	146,115,096	142,010,769
Net of Income and Expenditure	764,035	4,628,515

Total revenue expenditure in 2017 of €146,115,096 represents an increase of €4,104,327 on the 2016 total Revenue Expenditure of €142,010,769.

There was a net increase of approximately €2.6m in Payroll and Pensions Expenses. Pension Gratuities increased by almost €1.4m year-on-year, although 2016 Gratuities were unusually low in comparative terms. Pension payments increased by around €0.2m.

Other Payroll Expenses increased by almost €1m. There was a net increase in whole-time equivalent (WTE) staff numbers from 893.11 at the end of 2016 to 908.58 at the end of 2017. In addition, there were increases applied to basic rates of pay during 2017, as part of the continuing unwinding of the 'FEMPI' legislation.

Operational Expenses show a net increase of approximately €4.3m. €2.3m of this increase arose in Division A – Housing and Building (primarily on works associated with the Maintenance and Improvement of Local Authority Housing - €1.9m). There were also increases under this heading in Division D – Development Management (€0.15m on Tourism supports, and €0.34m on Local Enterprise Office activity) and Division H –Miscellaneous Services (€0.31m on Machinery Yard Expenditure and €0.37m on insurance costs).

Loan Charges show a net decrease of approximately €0.27m. The net decrease arose primarily as a result of a favourable movement in interest rates.

Transfers from Revenue to Capital and Reserves show a decrease of €1.58m 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: 2017 and 2016

	2017 €m	2016 €m
Capital Expenditure including Transfers	44.007	56.398
Total Outstanding on Mortgage Related Loans	17.035	18.345
Total Outstanding on Non-Mortgage Related Loans for Provision of Assets/Grants*	55.077	58.712
Development Levies Reserves – General & Specific (Credit)	9.486	8.220

*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 €44.007m in 2017. This represents a decrease of €12.391m on the 2016 figure. The decrease in expenditure is primarily attributable to a reduction in expenditure on National Roads Projects year-on-year (€24.455m in 2016 versus €16.045m in 2017). In addition to this, 2016 capital expenditure included 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.

There were increases in capital expenditure in Programme Group 2 'Housing & Building' (+€1.74m) and Programme Group 6 'Recreation & Amenity' (+€1.497m).

A total of €8.094m was spent in 2017 on house purchase/construction. An additional €0.532m was transferred from capital to support the Housing Maintenance programme and Housing Assistance Grants in 2017. An additional €0.497m was spent on capital repair and improvement of the housing stock. An additional €0.618m was provided in 2017 towards Voluntary Housing. Housing Assistance Grants increased by €0.213m year-on-year.

The additional €1.497m capital expenditure in Programme Group 6 'Recreation & Amenity' occurred across a wide range of projects and programmes that included SICAP; LEADER; PeaceIV; Malin Head Phase II; REDZ; CLÁR; the ASCENT Project; Hiking Europe; and playgrounds in Donegal Town, Bunrana, Gweedore, Portnoo and Killygordon.

The Roads Management Office (RMO) accounted for €2.44m in expenditure on the capital account during 2017. 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.

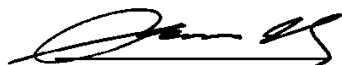
Donegal County Council's cash-flow remains positive as a result of prudent financial management. The Council's bank/cash balance remained positive throughout 2017.

Gross Debtors have decreased from €32.090 at the end of 2016 to €31.031 at the end of 2017 – a net decrease of €1.059m. Commercial Rates debtors fell by €0.707m year-on-year, with the

percentage of rates collected rising from 68% in 2016 to 74% in 2017. The balance of the net decrease is primarily due to the timing of year-end recoupment claims submitted to government departments in respect of expenditure incurred on the Housing and Roads programmes.

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 €764,035 has been achieved for 2017. I am happy to report that the accumulated revenue deficit (General Reserve) has improved from €9,717,139 at the end of 2016 to €8,953,104 at the end of 2017.



Seamus Neely
Chief Executive

23rd April 2018

FINANCIAL REVIEW

FINANCIAL REVIEW

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

INTRODUCTION

The 2017 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 2017 Statement of Comprehensive Income (Income and Expenditure Account) shows an improvement of €764,035 in the Council's Revenue Balance.

The Statement of Comprehensive Income may be summarised as follows:

Table 1 – Income & Expenditure Summary 2017 and 2016	2017 €	2016 €
Income (excluding Specific Revenue Reserve)	144,876,819	138,462,474
Expenditure	(139,002,931)	(133,354,231)
Net Transfers from/(to) Reserves	(5,109,853)	(3,854,407)
Surplus/(Deficit) for Year	764,035	1,253,836
Write-Back of Specific Revenue Reserve	0	3,374,679
Overall Surplus/(Deficit) for Year	764,035	4,628,515

The accumulated revenue deficit has improved from (€9,717,139) at the end of 2016 to (€8,953,104) at the end of 2017.

Table 2 – Movement in General Revenue Reserve 2017 and 2016	2017 €	2016 €
Opening Credit/(Debit) Balance	(9,717,139)	(14,345,654)
Overall Surplus/(Deficit) for year	764,035	4,628,515
Closing Credit/(Debit) Balance	(8,953,104)	(9,717,139)

For convenience, the primary contributors that have shaped the outturn position for 2017 are summarised below.

Credits

- Additional income in the sum of **€0.821** was realised in respect of Irish Water's contribution to Central Management Charges
- Additional income in the sum of **€0.674m** was realised from Non-Principal Private Residence (NPPR) Charges
- Additional income was realised from Fees & Charges - including additional Fire Charges and Fire Safety Certificates of **€0.215m**
- Additional net income from Housing Rents/Loan-Charges amounted to **€0.080m**
- Net Loan Repayments were **€0.163m** lower than anticipated, owing to more favourable interest rates
- Additional activity, primarily in Roads, contributed to a better than anticipated Machinery-Yard/Stores Outturn for 2017 - **€0.528m**
- There were net savings under payroll and pensions headings of approximately **€3.3m**. The savings arose due to shorter working-time arrangements, the timing of Workforce Plan implementation, payroll transfers to the capital account, and net movements in pension payments/gratuities.

Debits

- There was under-realisation of income under Rates and Property Entry Levies headings in the sum of **€0.281m**
- Provisions for Bad & Doubtful Debts were increased by **€0.317m**
- The 'Buildings/Property Capital Refurbishment Reserve' was augmented by **€0.175m**
- An 'Economic Development Reserve' was established in the sum of **€0.400m**
- A 'Playgrounds Capital Refurbishment/Replacement Reserve' was established in the sum of **€0.100m**
- The 'Leisure Centres Capital Replacement Fund Reserve' was augmented by **€0.225m**
- The 'Project Development Fund Reserve' was augmented by **€0.182m**
- An 'Environment - Capital Improvements Reserve' was established in the sum of **€0.175m**
- A budget provision targeting income to be transferred from reserves of **€4.893m** was not required

The comparison between the Budget as adopted for 2017 and the outturn for the year is as follows:

Table 3 - Adopted Budget v Outturn	Budget 2017 €	Outturn 2017 €	Difference €
Expenditure	135,063,846	146,115,096	11,051,250
Income	135,063,846	146,879,132	11,815,286
Surplus / (Deficit)	0	764,035	764,035

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 €44,006,646 and gross income of €43,628,464 in 2017 resulted in an overall decline of €378,182 in the Capital Account. The overall credit balance at 31st December 2017 is €37,573,370 compared with an overall credit balance of €37,951,553 at 31st December 2016.

Table 4 – Capital Account Performance

	2017 €	2016 €
Opening Credit Balance at 1st January	37,951,553	35,460,944
Expenditure (including Transfers)	44,006,646	56,397,824
Income (including Transfers)	43,628,464	58,888,432
Surplus (Deficit)	(378,182)	2,490,608
Closing Credit Balance at 31st December	37,573,370	37,951,553

Standard rounding rules have been applied. The year-on-year decrease in capital expenditure of €12,391,178 reflects mainly in net decreases in *Payments to Contractors* and *Purchase of Other Assets/Equipment* headings (primarily relating to expenditure on National Roads).

Also, 2016 capital expenditure included 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. 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 2017

Division	Balance @ 01/01/2017 €	Expenditure 2017 €	Income 2017 €	Balance @ 31/12/2017 €	Net Movement €
Housing & Building	5,216,864	15,188,742	13,903,019	3,931,141	(1,285,723)
Road Transportation & Safety	4,652,806	19,684,065	18,845,435	3,814,175	(838,630)
Water Services	319,594	418,990	172,583	73,187	(246,407)
Development Management	10,562,143	909,586	2,404,578	12,057,135	1,494,992
Environmental Services	148,842	1,308,492	683,689	(475,960)	(624,803)
Recreation & Amenity	1,055,232	4,819,171	5,312,735	1,548,796	493,564
Agriculture, Education, Health & Welfare	420,755	565,612	516,239	371,381	(49,373)
Miscellaneous Services	15,575,316	1,111,989	1,790,186	16,253,514	678,197
Totals	37,951,553	44,006,646	43,628,464	37,573,370	(378,182)

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 2017 Annual Financial Statement is €3,388,790,032 (2016 - €3,385,061,025). 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 2017

Fixed Assets	Value €
Operational	728,582,040
Infrastructural	2,597,728,501
Community	6,744,538
Non-Operational	55,734,953
Total	3,388,790,032

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

The increase in Fixed Assets value is mainly attributable to house purchases/completions in the sum of €7.126m, and net additions to Plant & Machinery in the sum of €0.320m.

LOAN ACCOUNTS

Mortgage Related Loans (See Note 7)

As at 31st December 2017 the capital outstanding on these loans was €17.035 (2016: €18.345m); this represents a reduction of €1.310m.

In the financial year ending 31st December 2017 the following transactions summarise the movements in relation to mortgage related loans.

Table 7a – Mortgage Loans

Loan Category	Borrowings €	Repayments & Redemptions €	Net Reduction €
Mortgage Loans - Annuity (Standard/Reconstruction)	133,814	842,693	708,879
Mortgage Loans - Annuity (Affordable)	-	335,019	335,019
Mortgage Loans - Shared Ownership (Standard)	-	265,937	265,937
Total	133,814	1,443,649	1,309,835

Non-Mortgage Loans (See Note 7)

As at 31st December 2017 the capital outstanding on these loans was €102.412m (2016: €108.757m); this represents a reduction of €6.345m.

In the financial year ended 31st December 2017 the following transactions summarise the movements in relation to non-mortgage loans.

Table 7b – Non-Mortgage Loans

Loan Category	Early Redemptions €	Interest Capitalised €	Borrowings €	Repayment Principal €	Net Total €
Assets/Grants	-	-	500,000	4,135,459	3,635,459
Bridging Finance	-	-	-	-	-
Shared Ownership-Rented Equity	-	-	-	470,875	470,875
Voluntary Housing	-	-	-	1,676,047	1,676,047
Water Related Loans*	-	-	-	562,648	562,648
GRAND TOTAL	-	-	500,000	6,845,029	6,345,029

*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 2017.

Table 8 - Major Collection Accounts 2017

Income Department	Cash Collected 2017	Arrears c/f at 31/12/2017
Rates	24,628,799	14,609,979
Rents & Annuities	11,598,306	1,411,009
Housing Loans	1,964,624	930,196
Total	38,191,729	16,951,184

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

Commercial Rates arrears carried forward at year-end 2017 have dropped from €15.317m to €14.610m year-on-year (a reduction of €0.707m), and there was an increase in the '% Collection' figure in 2017 from 68% to 74%.

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 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 2017.

Table 9 – Transfers from Revenue to Capital/Reserves 2017

Division	Description	Amount €
A	Housing and Building	584,989
B	Road Transportation and Safety	252,667
C	Water Supply and Sewerage	7,699
D	Development Incentives and Control	671,620
E	Environmental Protection	93,973
F	Recreation and Amenity	28,943
G	Agriculture, Education, Health and Safety	100,778
H	Miscellaneous Services	1,237,300
	Total	2,977,970

Division A – Housing & Building

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

Division B – Road Transportation & Safety

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

Division C – Water Supply and Sewerage

Transfers relate to central management charges allocated from Division J (Purchase of Reprographic Equipment).

Division D – Development Incentives and Control

€400,000 was transferred from revenue to create a reserve to provide for co-funding and animation of economic development projects, with a view to, amongst other things, taking advantage of opportunities presenting within the wider national development context. In addition, a sum of €100,000 was transferred from revenue to create a Playgrounds Capital Replacement/Refurbishment Reserve. Other transfers consist of monies transferred to co-fund the 'Hericoast', 'ASCENT', 'Hiking Europe', and 'Cool-Route' Projects - as well as small transfers to fund/balance sundry capital codes.

Division E – Environmental Protection

Transfers consist of monies transferred to fund the purchase of fire fighting equipment/capital, and to fund/close historic capital balances relating to landfill/waste projects.

Division F – Recreation and Amenity

Transfers consist of monies transferred to fund/close capital balances, and to fund the purchase of a replacement Museum Van.

Division G – Agriculture, Education, Health & Safety

€100,000 was set aside in the Adopted Budget 2017 to co-fund marine capital projects. This provision was used to co-fund various marine capital projects throughout the year.

Division H – Miscellaneous Services

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

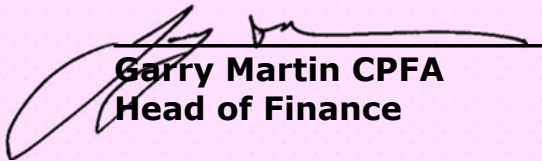
- €442,705 was transferred from Revenue to the Machinery Yard Plant Replacement Reserve
- €225,000 was transferred from Revenue to augment the Leisure Centres Capital Replacement/Refurbishment Reserve
- €181,587 was transferred from Revenue to augment the Project Development Fund Reserve
- €175,000 was transferred from Revenue to augment the buildings/property refurbishment capital reserve
- €175,000 was transferred from Revenue to create a reserve provision for capital remediation, access and improvement works associated with environmental services.

Other transfers consist of monies transferred to close old balances and to co-fund the 'IMPROVE' project.

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 2017. 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 2017

- 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 2017, 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: 23rd April 2018

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 2017 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 2017 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

Raymond Lavin

Principal Auditor

Date: 28.05.2018

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 2017. 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 2017

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
		2017 €	2017 €	2017 €	2016 €
Housing & Building		18,096,869	19,793,096	(1,696,227)	(2,010,454)
Roads Transportation & Safety		47,085,595	32,490,907	14,594,688	14,653,789
Water Services		17,182,566	16,821,180	361,386	411,977
Development Management		11,002,915	2,851,698	8,151,216	7,747,940
Environmental Services		12,011,450	1,540,546	10,470,905	9,421,113
Recreation & Amenity		7,864,823	613,752	7,251,071	6,910,356
Agriculture, Education, Health & Welfare		2,086,148	594,874	1,491,274	1,270,024
Miscellaneous Services		23,672,566	14,650,306	9,022,261	8,246,230
Total Expenditure/Income	15	139,002,931	89,356,358		
Net cost of Divisions to be funded from Rates & Local Property Tax				49,646,573	46,650,975
Rates				30,400,611	30,605,929
Local Property Tax				25,119,850	22,720,760
Pension Related Deduction				-	1,807,207
Surplus/(Deficit) for Year before Transfers	16			5,873,888	8,482,922
Transfers from/(to) Reserves	14			(5,109,853)	(3,854,407)
Overall Surplus/(Deficit) for Year				764,035	4,628,515
General Reserve @ 1st January 2017				(9,717,139)	(14,345,654)
General Reserve @ 31st December 2017				(8,953,104)	(9,717,139)

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AT 31st DECEMBER 2017

	Notes	2017 €	2016 €
Fixed Assets	1		
Operational		728,582,040	724,843,910
Infrastructural		2,597,728,501	2,597,728,501
Community		6,744,538	6,753,662
Non-Operational		55,734,953	55,734,952
		3,388,790,032	3,385,061,025
Work in Progress and Preliminary Expenses	2	95,171,860	92,762,694
Long Term Debtors	3	62,513,693	66,959,775
Current Assets			
Stocks	4	920,907	772,789
Trade Debtors & Prepayments	5	17,844,490	19,361,684
Bank Investments		49,786,156	40,390,555
Cash at Bank		-	-
Cash in Transit		477,089	716,239
		69,028,642	61,241,266
Current Liabilities (Amounts falling due within one year)			
Bank Overdraft		1,037,618	2,357,705
Creditors & Accruals	6	37,257,766	28,570,431
Finance Leases		-	-
		38,295,385	30,928,136
Net Current Assets / (Liabilities)		30,733,257	30,313,130
Creditors (Amounts falling due after more than one year)			
Loans Payable	7	115,216,897	122,997,563
Finance Leases		-	-
Refundable deposits	8	6,606,978	6,937,623
Other		220,979	136,105
		122,044,854	130,071,291
Net Assets		3,455,163,988	3,445,025,332
Represented by			
Capitalisation Account	9	3,388,790,032	3,385,061,025
Income WIP	2	95,565,359	92,497,131
Specific Revenue Reserve		-	-
General Revenue Reserve		(8,953,104)	(9,717,139)
Other Balances	10	(20,238,300)	(22,815,684)
Total Reserves		3,455,163,988	3,445,025,332

STATEMENT OF FUNDS FLOW (FUNDS FLOW STATEMENT)
AS AT 31ST DECEMBER 2017

	Note	2017 €	2017 €
REVENUE ACTIVITIES			
Net Inflow/(outflow) from operating activities	17		10,820,446
CAPITAL ACTIVITIES			
Returns on Investment & Servicing of Finance			
Increase/(Decrease) in Fixed Asset Capitalisation Funding		3,729,007	
Increase/(Decrease) in WIP/Preliminary Funding		3,068,228	
Increase/(Decrease) in Reserves Balances	18	<u>3,634,472</u>	
Net Inflow/(Outflow) from Returns on Investment and Servicing of Finance			10,431,706
Capital Expenditure & Financial Investment			
(Increase)/Decrease in Fixed Assets		(3,729,007)	
(Increase)/Decrease in WIP/Preliminary Funding		(2,409,166)	
(Increase)/Decrease in Other Capital Balances	19	<u>(4,671,716)</u>	
Net Inflow/(Outflow) from Capital Expenditure and Financial Investment			(10,809,889)
Financing			
Increase/(Decrease) in Loan Financing	20	(3,249,710)	
(Increase)/Decrease in Reserve Financing	21	<u>3,614,628</u>	
Net Inflow/(Outflow) from Financing Activities			364,918
Third Party Holdings			
Increase/(Decrease) in Refundable Deposits			(330,645)
Net Increase/(Decrease) in Cash and Cash Equivalents	22		<u><u>10,476,537</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 @ 1/1/2017	78,382,309	6,572,950	521,681,827	185,098,030	15,543,671	3,775,082	1,500,256	2,597,728,501	-	3,410,282,627
Additions										
- Purchased	-	-	440,000	44,280	604,993	76,756	-	-	-	1,166,029
- Transfers WIP	-	-	6,685,611	-	-	-	-	-	-	6,685,611
Disposals\Statutory Transfers	(15)	-	(3,219,084)	-	(285,054)	(56,868)	-	-	-	(3,561,021)
Revaluations	-	-	-	-	-	-	-	-	-	-
Historical Cost Adjustments	16	-	-	-	-	-	-	-	-	16
Accumulated Costs @ 31/12/2017	78,382,310	6,572,950	525,588,355	185,142,310	15,863,610	3,794,970	1,500,256	2,597,728,501	-	3,414,573,261
Depreciation										
Depreciation @ 1/1/2017	7,710,798	1,776,100	-	-	12,235,734	3,498,970	-	-	-	25,221,602
Provision for Year	-	5,846	-	-	771,822	102,261	-	-	-	879,928
Disposals\Statutory Transfers	-	-	-	-	(261,432)	(56,868)	-	-	-	(318,300)
Accumulated Depreciation @ 31/12/2017	7,710,798	1,781,946	-	-	12,746,123	3,544,363	-	-	-	25,783,230
Net Book Value @ 31/12/2017	70,671,512	4,791,004	525,588,355	185,142,310	3,117,486	250,608	1,500,256	2,597,728,501	-	3,388,790,032
Net Book Value @ 31/12/2016	70,671,511	4,796,850	521,681,827	185,098,030	3,307,938	276,113	1,500,256	2,597,728,501	-	3,385,061,025
Net Book Value by Category										
Operational	14,486,559	-	525,588,355	185,142,310	3,117,486	247,330	-	-	-	728,582,040
Infrastructural	-	-	-	-	-	-	-	2,597,728,501	-	2,597,728,501
Community	450,000	4,791,004	-	-	-	3,278	1,500,256	-	-	6,744,538
Non-Operational	55,734,953	-	-	-	-	-	-	-	-	55,734,953
Net Book Value @ 31/12/2017	70,671,512	4,791,004	525,588,355	185,142,310	3,117,486	250,608	1,500,256	2,597,728,501	-	3,388,790,032

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 2017 €	Unfunded 2017 €	Total 2017 €	Total 2016 €
Expenditure				
Work in Progress	45,153,933	-	45,153,933	44,799,314
Preliminary Expenses	49,973,057	44,870	50,017,927	47,963,380
	95,126,990	44,870	95,171,860	92,762,694
Income				
Work in Progress	45,273,942	-	45,273,942	45,093,194
Preliminary Expenses	50,246,548	44,870	50,291,418	47,403,937
	95,520,489	44,870	95,565,359	92,497,131
Net Expended				
Work in Progress	(120,008)	-	(120,008)	(293,880)
Preliminary Expenses	(273,491)	-	(273,491)	559,442
Net Over/(Under) Expenditure	(393,499)	-	(393,499)	265,562

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 @ 1/1/2017 €	Loans Issued €	Principal Repaid €	Early Redemptions €	Other Adjustments €	Balance @ 31/12/2017 €	Balance @ 31/12/2016 €
Long Term Mortgage Advances*	19,429,606	69,264	(1,245,939)	(611,954)	36,613	17,677,590	19,429,606
Tenant Purchases Advances	49,537	-	(17,506)	(3,283)	-	28,748	49,537
Shared Ownership Rented Equity	8,207,674	-		(395,395)	(187,263)	7,625,016	8,207,674
	27,686,817	69,264	(1,263,445)	(1,010,632)	(150,650)	25,331,354	27,686,817
Recoupable Loan Advances						38,089,475	40,328,170
Capital Advance Leasing Facility						220,979	136,105
Long-term Investments						-	-
Cash						-	-
Interest in associated companies						-	-
Other						6,603	6,603
						38,317,057	40,470,877
						63,648,410	68,157,694
Less: Amounts falling due within one year (Note 5)						(1,134,717)	(1,197,919)
Total Amounts falling due after more than one year						62,513,693	66,959,775

* Includes HFA Agency Loans

NOTES TO AND FORMING PART OF THE ACCOUNTS

4. Stocks

A summary of stock is as follows:

	2017 €	2016 €
Central Stores	523,223	471,767
Other Depots	397,684	301,022
Total	920,907	772,789

5. Trade Debtors & Prepayments

A breakdown of debtors and prepayments is as follows:

	2017 €	2016 €
Government Debtors	5,108,176	6,894,866
Commercial Debtors	17,866,579	18,412,712
Non-Commercial Debtors	2,385,364	2,458,527
Development Levy Debtors	574,207	549,468
Other Services	1,525,629	1,495,186
Other Local Authorities	264,949	368,284
Revenue Commissioners	-	-
Other	2,171,834	712,571
Add: Amounts falling due within one year (Note 3)	1,134,717	1,197,919
Total Gross Debtors	31,031,456	32,089,533
Less: Provision for Doubtful Debts	(13,468,358)	(13,151,772)
Total Trade Debtors	17,563,098	18,937,761
Prepayments	281,392	423,923
	17,844,490	19,361,684

NOTES TO AND FORMING PART OF THE ACCOUNTS

6. Creditors and Accruals

A breakdown of creditors and accruals is as follows:

	2017 €	2016 €
Trade creditors	2,844,869	7,284,282
Grants	227,066	175,575
Revenue Commissioners	3,000,989	2,736,902
Other Local Authorities	8,000	(0)
Other Creditors	537,719	644,784
	6,618,643	10,841,544
Accruals	12,848,868	5,071,058
Deferred Income	13,559,866	8,553,154
Add: Amounts falling due within one year (Note 7)	4,230,389	4,104,674
	37,257,766	28,570,431

7. Loans Payable

(a) Movement in Loans Payable

	HFA	OPW	Other	Balance @ 31/12/2017	Balance @ 31/12/2016
	€	€	€	€	€
Balance @ 1/1/2017	104,877,413	-	22,224,824	127,102,237	135,075,136
Borrowings	633,814	-	-	633,814	240,210
Repayment of Principal	(6,137,432)	-	(2,151,246)	(8,288,678)	(8,213,109)
Early Redemptions	-	-	-	-	-
Other Adjustments	(87)	-	-	(87)	-
Balance @ 31/12/2017	99,373,707	-	20,073,578	119,447,286	127,102,237
Less: Amounts falling due within one year (Note 6)				4,230,389	4,104,674
Total Amounts falling due after more than one year				115,216,897	122,997,563

(b) Application of Loans

An analysis of loans payable is as follows:

	HFA	OPW	Other	Balance @ 31/12/2017	Balance @ 31/12/2016
	€	€	€	€	€
Mortgage loans*	17,034,911	-	-	17,034,911	18,344,833
Non-Mortgage loans					
Asset/Grants	41,628,482	-	13,448,421	55,076,904	58,712,363
Revenue Funding	-	-	-	-	-
Bridging Finance	1,903,831	-	-	1,903,831	1,903,831
Recoupable	31,464,318	-	6,625,157	38,089,475	40,328,170
Shared Ownership – Rented Equity	7,342,166	-	-	7,342,166	7,813,041
	99,373,707	-	20,073,578	119,447,286	127,102,237
Less: Amounts falling due within one year (Note 6)				4,230,389	4,104,674
Total Amounts falling due after more than one year				115,216,897	122,997,563

* Includes HFA Agency Loans

NOTES TO AND FORMING PART OF THE ACCOUNTS

8. Refundable Deposits

The movement in refundable deposits is as follows:

	2017 €	2016 €
Opening Balance at 1 January	6,937,623	6,889,745
Deposits received	(170,063)	137,931
Deposits repaid	(160,582)	(90,053)
Closing Balance at 31 December	6,606,978	6,937,623

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 @ 1/1/2017 €	Purchased €	Transfers WIP €	Disposals\Statutory Transfers €	Revaluations €	Historical Cost Adj €	Balance @ 31/12/2017 €	Balance @ 31/12/2016 €
Grants	310,056,541	440,000	6,685,611	(1,391,084)	-	-	315,791,069	310,056,541
Loans	8,067,204	-	-	-	-	-	8,067,204	8,067,204
Revenue funded	14,653,032	726,029	-	(135,199)	-	-	15,243,862	14,653,032
Leases	188,601	-	-	(145,601)	-	-	43,000	188,601
Development Levies	1,786,270	-	-	-	-	-	1,786,270	1,786,270
Tenant Purchase Annuities	12,500	-	-	-	-	-	12,500	12,500
Unfunded	-	-	-	-	-	-	-	-
Historical	2,928,662,220	-	-	(1,868,015)	-	16	2,926,794,221	2,928,662,220
Other	146,856,258	-	-	(21,123)	-	-	146,835,135	146,856,258
Total Gross Funding	3,410,282,627	1,166,029	6,685,611	(3,561,021)	-	16	3,414,573,261	3,410,282,627
Less: Amortised							(25,783,230)	(25,221,602)
Total *							3,388,790,032	3,385,061,025

* 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 @ 1/1/2017	Capital re-classification *	Expenditure	Income	Net Transfers	Balance @ 31/12/2017	Balance @ 31/12/2016
		€	€	€	€	€	€	€
Development Levies balances	(i)	8,220,318	-	(43,355)	1,376,979	(154,888)	9,485,764	8,220,318
Capital account balances including asset formation and enhancement	(ii)	12,419,068	(530,059)	34,471,898	30,574,857	(265,331)	7,726,637	12,419,068
Voluntary & Affordable Housing Balances	(iii)							
- Voluntary Housing		79,049	-	542,639	563,355	-	99,765	79,049
- Affordable Housing		336,186	-	-	-	-	336,186	336,186
Reserves created for specific purposes	(iv)	17,162,494	-	14,241	956,945	1,426,321	19,531,519	17,162,494
A. Net Capital Balances		38,217,115	(530,059)	34,985,423	33,472,136	1,006,102	37,179,871	38,217,115
Balance Sheet accounts relating the loan principal outstanding (including Unrealised TP Annuities)	(v)						(57,418,170)	(61,032,799)
Interest in Associated Companies	(vi)						-	-
B. Non Capital Balances							(57,418,170)	(61,032,799)
Total Other Balances							(20,238,300)	(22,815,684)

*() 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:

	2017 €	2016 €
Net WIP & Preliminary Expenses (Note 2)	393,499	(265,562)
Net Capital Balances (Note 10)	37,179,871	38,217,115
Capital Balance Surplus/(Deficit) @ 31 December	37,573,370	37,951,553

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

	2017 €	2016 €
Opening Balance @ 1 January	37,951,553	35,460,944
Expenditure	41,810,994	54,970,372
Income		
- Grants	34,210,001	39,722,074
- Loans	216,386	(14,665)
- Other	6,028,248	14,629,459
Total Income	40,454,636	54,336,867
Net Revenue Transfers	978,175	3,124,113
Closing Balance @ 31 December	37,573,370	37,951,553

12. Mortgage Loan Funding Surplus/(Deficit)

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

	2017 Loan Annuity €	2017 Rented Equity €	2017 Total €	2016 Total €
Mortgage Loans/Equity Receivable (LT Mortgage Shared Own Note 3)	17,677,590	7,625,016	25,302,606	27,637,280
Mortgage Loans/Equity Payable (Mort Loans Shared Own Note 7)	(17,034,911)	(7,342,166)	(24,377,077)	(26,157,874)
Surplus/(Deficit) in Funding @ 31st December	642,679	282,849	925,529	1,479,406

NOTE: Cash on Hand relating to Redemptions and Relending € -

13. Summary of Plant & Materials Account

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

	2017 Plant & Machinery €	2017 Materials €	2017 Total €	2016 Total €
Expenditure	(4,641,157)	(136,464)	(4,777,621)	(4,482,841)
Charged to Jobs	4,695,757	264,676	4,960,433	4,953,383
	54,600	128,212	182,812	470,542
Transfers from/(to) Reserves	(440,755)	-	(440,755)	(457,790)
Surplus/(Deficit) for the Year	(386,155)	128,212	(257,943)	12,752

NOTES TO AND FORMING PART OF THE ACCOUNTS

14. Transfers from/(to) Reserves

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

	2017 Transfers from Reserves €	2017 Transfers to Reserves €	2017 €	2016 €
Principal Repayments of Non-Mortgage Loans (Own Asset)	-	(4,134,195)	(4,134,195)	-
Principal Repayments of Non-Mortgage Loans (Recoupable Non Asset)	-	-	-	-
Principal Repayments of Finance Leases	-	-	-	-
Transfers to Other Balance Sheet Reserves	1,958,388	(2,145,894)	(187,506)	-
Transfers to/from Capital Account	43,925	(832,077)	(788,152)	-
Surplus/(Deficit) for Year	2,002,313	(7,112,165)	(5,109,853)	-

15. Analysis of Revenue Income

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

	Appendix No	2017		2016	
		€	%	€	%
Grants & Subsidies	3	39,637,699	27%	38,790,310	27%
Contributions from other local authorities		97,840	0%	188,007	0%
Goods & Services	4	49,620,819	34%	47,724,940	34%
		89,356,358	62%	86,703,256	61%
Local Property Tax		25,119,850	17%	22,720,760	16%
Pension Related Deduction		-	0%	1,807,207	1%
Rates		30,400,611	21%	30,605,929	22%
Total Income		144,876,819	100%	141,837,153	100%

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

NOTES TO AND FORMING PART OF THE ACCOUNTS

16. Over/Under Expenditure

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

	EXPENDITURE						INCOME					NET (Over)/Under Budget 2017 €
	Excluding Transfers 2017 €	Transfers 2017 €	Including Transfers 2017 €	Budget 2017 €	(Over)/Under Budget 2017 €		Excluding Transfers 2017 €	Transfers 2017 €	Including Transfers 2017 €	Budget 2017 €	Over/(Under) Budget 2017 €	
	Housing & Building	18,096,869	1,232,304	19,329,173	17,220,316		(2,108,856)	19,793,096	1,944,515	21,737,610	18,801,809	
Roads Transportation & Safety	47,085,595	297,430	47,383,025	39,776,169	(7,606,856)	32,490,907	6,112	32,497,019	23,485,834	9,011,185	1,404,329	
Water Services	17,182,566	7,699	17,190,265	18,180,175	989,909	16,821,180	2,000	16,823,180	16,811,291	11,889	1,001,798	
Development Management	11,002,915	671,620	11,674,534	11,452,497	(222,038)	2,851,698	-	2,851,698	2,471,843	379,855	157,817	
Environmental Services	12,011,450	985,726	12,997,177	13,245,742	248,565	1,540,546	-	1,540,546	1,070,195	470,350	718,916	
Recreation & Amenity	7,864,823	960,749	8,825,572	8,873,441	47,869	613,752	34,260	648,012	583,060	64,953	112,822	
Agriculture, Education, Health & Welfare	2,086,148	431,198	2,517,346	2,590,096	72,751	594,874	3,552	598,426	486,329	112,097	184,848	
Miscellaneous Services	23,672,566	2,525,438	26,198,005	23,725,409	(2,472,595)	14,650,306	11,873	14,662,179	15,600,393	(938,214)	(3,410,810)	
Total Divisions	139,002,931	7,112,165	146,115,097	135,063,845	(11,051,251)	89,356,358	2,002,313	91,358,671	79,310,755	12,047,916	996,665	
Local Property Tax	-	-	-	-	-	25,119,850	-	25,119,850	25,119,850	(0)	(0)	
Pension Related Deduction	-	-	-	-	-	-	-	-	-	-	-	
Rates	-	-	-	-	-	30,400,611	-	30,400,611	30,633,240	(232,629)	(232,629)	
Dr/Cr Balance	-	-	-	-	-	-	-	-	-	-	-	
(Deficit)/Surplus for Year	139,002,931	7,112,165	146,115,097	135,063,845	(11,051,251)	144,876,819	2,002,313	146,879,132	135,063,845	11,815,287	764,036	

NOTES TO AND FORMING PART OF THE ACCOUNTS

	2017
	€
17. Net Cash Inflow/(Outflow) from Operating Activities	
Operating Surplus/(Deficit) for Year	764,035
(Increase)/Decrease in Stocks	(148,118)
(Increase)/Decrease in Trade Debtors	1,517,194
Increase/(Decrease) in Creditors Less than One Year	8,687,336
	<u>10,820,446</u>
18. Increase/(Decrease) in Reserve Balances	
Increase/(Decrease) in Development Levies balances	1,265,447
Increase/(Decrease) in Reserves created for specific purposes	2,369,025
	<u>3,634,472</u>
19. (Increase)/Decrease in Other Capital Balances	
(Increase)/Decrease in Capital account balances including asset formation and enhancement	(4,692,431)
(Increase)/Decrease in Voluntary Housing Balances	20,716
(Increase)/Decrease in Affordable Housing Balances	-
	<u>(4,671,716)</u>
20. Increase/(Decrease) in Loan Financing	
(Increase)/Decrease in Long Term Debtors	4,446,082
Increase/(Decrease) in Mortgage Loans	(1,309,923)
Increase/(Decrease) in Asset/Grant Loans	(3,635,459)
Increase/(Decrease) in Revenue Funding Loans	-
Increase/(Decrease) in Bridging Finance Loans	-
Increase/(Decrease) in Recoupable Loans	(2,238,695)
Increase/(Decrease) in Shared Ownership Rented Equity Loans	(470,875)
Increase/(Decrease) in Finance Leasing	-
(Increase)/Decrease in Portion Transferred to Current Liabilities	(125,715)
Increase/(Decrease) in Long Term Creditors - Deferred Income	84,874
	<u>(3,249,710)</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS

2017

€

21. (Increase)/Decrease in Reserve Financing

(Increase)/Decrease in Specific Revenue Reserve	-
(Increase)/Decrease in Balance Sheet accounts relating the loan principal outstanding (including Unrealised TP Annuities)	3,614,628
(Increase)/Decrease in Reserves in Associated Companies	-
	<u>3,614,628</u>

22. Analysis of Changes in Cash & Cash Equivalentents

Increase/(Decrease) in Bank Investments	9,395,601
Increase/(Decrease) in Cash at Bank/Overdraft	1,320,087
Increase/(Decrease) in Cash in Transit	(239,150)
	<u>10,476,538</u>

APPENDICES

APPENDIX 1
ANALYSIS OF EXPENDITURE
FOR YEAR ENDED 31st DECEMBER 2017

	2017 €	2016 €
Payroll Expenses		
Salary & Wages	43,982,316	43,060,572
Pensions (incl Gratuities)	9,304,486	7,694,926
Other costs	5,707,635	5,646,940
Total	58,994,436	56,402,438
Operational Expenses		
Purchase of Equipment	954,113	688,422
Repairs & Maintenance	1,578,848	1,659,856
Contract Payments	15,699,504	14,871,658
Agency services	1,857,885	1,060,322
Machinery Yard Charges incl Plant Hire	12,618,402	11,755,909
Purchase of Materials & Issues from Stores	11,488,314	11,326,957
Payment of Grants	4,554,336	4,046,005
Members Costs	350,145	362,413
Travelling & Subsistence Allowances	2,103,261	1,907,002
Consultancy & Professional Fees Payments	2,131,817	2,110,035
Energy / Utilities Costs	2,917,617	2,862,012
Other	7,868,635	7,164,186
Total	64,122,878	59,814,777
Administration Expenses		
Communication Expenses	820,429	840,383
Training	476,417	535,648
Printing & Stationery	347,541	325,016
Contributions to other Bodies	1,016,422	1,463,438
Other	1,681,796	1,392,652
Total	4,342,606	4,557,137
Establishment Expenses	-	
Rent & Rates	1,063,805	1,152,514
Other	1,058,229	988,589
Total	2,122,034	2,141,103
Financial Expenses	9,043,349	9,912,207
Miscellaneous Expenses	377,629	526,569
Total Expenditure	139,002,931	133,354,231

**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	8,301,184	2,325,145	1,630,556	-	3,955,701
A02	Housing Assessment, Allocation and Transfer	1,376,684	-	106,607	-	106,607
A03	Housing Rent and Tenant Purchase Administration	873,299	163,857	10,848,534	-	11,012,392
A04	Housing Community Development Support	187,658	-	6,103	-	6,103
A05	Administration of Homeless Service	289,655	66,541	3,800	-	70,341
A06	Support to Housing Capital & Affordable Prog.	1,147,240	658,704	33,036	-	691,740
A07	RAS Programme	4,432,174	3,659,052	1,043,190	-	4,702,243
A08	Housing Loans	880,701	84,262	512,629	-	596,891
A09	Housing Grants	1,519,942	-	278,847	-	278,847
A11	Agency & Recoupable Services	26,737	22,299	547	-	22,846
A12	HAP Programme	293,899	87,600	206,299	-	293,899
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		19,329,173	7,067,462	14,670,149	-	21,737,610
Less Transfers to/from Reserves		1,232,304		1,944,515		1,944,515
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		18,096,869		12,725,634		19,793,096

**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	1,741,478	1,272,716	22,370	-	1,295,085
B02	NS Road - Maintenance and Improvement	1,501,179	895,653	31,572	-	927,225
B03	Regional Road - Maintenance and Improvement	12,863,690	6,353,222	1,078,255	-	7,431,477
B04	Local Road - Maintenance and Improvement	25,539,545	19,248,736	767,160	-	20,015,896
B05	Public Lighting	2,724,969	178,032	298,399	-	476,431
B06	Traffic Management Improvement	82,908	30,168	1,546	-	31,714
B07	Road Safety Engineering Improvement	781,436	719,364	2,295	-	721,659
B08	Road Safety Promotion/Education	226,095	-	3,864	-	3,864
B09	Maintenance & Management of Car Parking	1,205,396	-	1,110,475	-	1,110,475
B10	Support to Roads Capital Prog.	655,837	-	90,871	-	90,871
B11	Agency & Recoupable Services	60,493	-	392,323	-	392,323
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		47,383,025	28,697,891	3,799,129	-	32,497,019
Less Transfers to/from Reserves		297,430		6,112		6,112
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		47,085,595		3,793,016		32,490,907

**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	10,622,080	-	326,190	-	326,190
C02	Operation and Maintenance of Waste Water Treatment	2,584,438	-	79,784	-	79,784
C03	Collection of Water and Waste Water Charges	508,358	-	21,389	-	21,389
C04	Operation and Maintenance of Public Conveniences	319,997	-	9,772	-	9,772
C05	Admin of Group and Private Installations	122,105	57,702	4,886	-	62,588
C06	Support to Water Capital Programme	2,216,403	-	51,502	-	51,502
C07	Agency & Recoupable Services	701,358	-	49,320	-	49,320
C08	Local Authority Water and Sanitary Services	115,528	35,237	16,187,400	-	16,222,637
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		17,190,265	92,939	16,730,242	-	16,823,180
Less Transfers to/from Reserves		7,699		2,000		2,000
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		17,182,566		16,728,242		16,821,180

**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	803,721	-	23,978	-	23,978
D02	Development Management	2,471,614	-	634,442	-	634,442
D03	Enforcement	682,776	-	26,409	-	26,409
D04	Op & Mtce of Industrial Sites & Commercial Facilities	288	-	127	-	127
D05	Tourism Development and Promotion	903,063	-	21,489	-	21,489
D06	Community and Enterprise Function	3,709,506	69,645	226,599	-	296,244
D07	Unfinished Housing Estates	143,773	-	4,332	-	4,332
D08	Building Control	128,972	-	98,220	-	98,220
D09	Economic Development and Promotion	2,307,330	1,348,449	244,638	-	1,593,088
D10	Property Management	125	-	-	-	-
D11	Heritage and Conservation Services	207,296	102,320	3,176	-	105,496
D12	Agency & Recoupable Services	316,072	-	47,874	-	47,874
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		11,674,534	1,520,414	1,331,284	-	2,851,698
Less Transfers to/from Reserves		671,620		-		-
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		11,002,915		1,331,284		2,851,698

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	1,839,993	100,065	3,257	-	103,322
E02	Op & Mtce of Recovery & Recycling Facilities	576,071	41,315	38,593	-	79,908
E03	Op & Mtce of Waste to Energy Facilities	-	-	-	-	-
E04	Provision of Waste to Collection Services	29,199	-	-	-	-
E05	Litter Management	1,513,853	141,505	35,948	-	177,453
E06	Street Cleaning	369,902	-	1,522	-	1,522
E07	Waste Regulations, Monitoring and Enforcement	237,861	221,151	16,024	-	237,174
E08	Waste Management Planning	43,183	-	-	-	-
E09	Maintenance and Upkeep of Burial Grounds	78,083	43,350	524	-	43,874
E10	Safety of Structures and Places	601,609	92,718	12,516	-	105,234
E11	Operation of Fire Service	6,986,943	40,518	393,661	-	434,179
E12	Fire Prevention	139,813	-	304,735	-	304,735
E13	Water Quality, Air and Noise Pollution	565,118	-	37,594	-	37,594
E14	Agency & Recoupable Services	15,550	15,550	-	-	15,550
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		12,997,177	696,172	844,374	-	1,540,546
Less Transfers to/from Reserves		985,726		-		-
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		12,011,450		844,374		1,540,546

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	1,295,781	-	18,081	-	18,081
F02	Operation of Library and Archival Service	3,896,478	101,941	165,138	-	267,079
F03	Op, Mtce & Imp of Outdoor Leisure Areas	1,689,516	7,449	44,208	-	51,656
F04	Community Sport and Recreational Development	829	-	-	-	-
F05	Operation of Arts Programme	1,944,489	240,546	87,917	-	328,463
F06	Agency & Recoupable Services	(1,521)	(17,267)	-	-	(17,267)
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		8,825,572	332,669	315,343	-	648,012
Less Transfers to/from Reserves		960,749		34,260		34,260
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		7,864,823		281,083		613,752

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	2,603	-	174	-	174
G02	Operation and Maintenance of Piers and Harbours	1,686,197	1,392	64,127	600	66,119
G03	Coastal Protection	53,240	13,319	3,604	-	16,923
G04	Veterinary Service	613,805	775	474,530	-	475,305
G05	Educational Support Services	161,500	35,685	4,220	-	39,905
G06	Agency & Recoupable Services	-	-	-	-	-
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		2,517,346	51,171	546,655	600	598,426
Less Transfers to/from Reserves		431,198		3,552		3,552
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		2,086,148		543,103		594,874

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	6,743,263	-	6,363,818	-	6,363,818
H02	Profit/Loss Stores Account	136,464	-	264,676	-	264,676
H03	Administration of Rates	7,951,730	-	629,019	-	629,019
H04	Franchise Costs	219,830	-	5,098	-	5,098
H05	Operation of Morgue and Coroner Expenses	329,257	-	469	-	469
H06	Weighbridges	2,065	-	25	-	25
H07	Operation of Markets and Casual Trading	9,265	-	17,796	-	17,796
H08	Malicious Damage	-	-	-	-	-
H09	Local Representation/Civic Leadership	1,324,084	-	1,449	-	1,449
H10	Motor Taxation	1,590,357	44,829	53,227	-	98,056
H11	Agency & Recoupable Services	7,891,688	1,134,154	6,050,378	97,240	7,281,772
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		26,198,005	1,178,983	13,385,956	97,240	14,662,179
Less Transfers to/from Reserves		2,525,438		11,873		11,873
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		23,672,566		13,374,083		14,650,306
TOTAL ALL DIVISIONS		139,002,931	39,637,699	49,620,819	97,840	89,356,358

APPENDIX 3

ANALYSIS OF INCOME FROM GRANTS AND SUBSIDIES

	2017 €	2016 €
Department of Housing, Planning, Community and Local Government		
Road Grants	-	406,683
Housing Grants & Subsidies	6,394,790	5,555,038
Library Services	-	0
Local Improvement Schemes	-	0
Urban and Village Renewal Schemes	-	0
Water Services Group Schemes	57,702	41,253
Environmental Protection/Conservation Grants	535,742	222,000
Miscellaneous	2,652,848	1,924,965
	9,641,082	8,149,938
Other Departments and Bodies		
Road Grants	27,913,440	28,451,706
Local Enterprise Office	1,321,020	850,635
Higher Education Grants	35,685	169,156
Community Employment Schemes	-	0
Civil Defence	92,718	136,608
Miscellaneous	633,754	1,032,266
	29,996,617	30,640,372
Total	39,637,699	38,790,310

APPENDIX 4

ANALYSIS OF INCOME FROM GOODS AND SERVICES

	2017 €	2016 €
Rents from Houses	11,652,213	11,417,667
Housing Loans Interest & Charges	707,414	737,601
Domestic Water	-	-
Commercial Water	-	-
Irish Water	16,442,519	17,148,851
Domestic Refuse	-	-
Commercial Refuse	-	-
Domestic Sewerage	-	-
Commercial Sewerage	-	-
Planning Fees	513,496	526,166
Parking Fines/Charges	1,093,323	973,919
Recreation & Amenity Activities	12,749	23,140
Library Fees/Fines	60,008	77,597
Agency Services	425,373	73,621
Pension Contributions	2,012,624	1,996,891
Property Rental & Leasing of Land	908,982	793,222
Landfill Charges	-	-
Fire Charges	644,959	550,871
NPPR	1,674,487	1,865,389
Misc. (includes income from Machinery Yard, Overhead Account, Property Entry Levies, Dog Licensing, PRTB Contributions and other miscellaneous headings)	13,472,671	11,540,004
	49,620,819	47,724,940

APPENDIX 5

SUMMARY OF CAPITAL EXPENDITURE AND INCOME

	2017	2016
	€	€
EXPENDITURE		
Payment to Contractors	15,587,359	21,827,834
Purchase of Land	1,627,761	1,234,341
Purchase of Other Assets/Equipment	6,546,833	10,069,980
Professional & Consultancy Fees	3,961,832	2,569,389
Other	14,087,207	19,268,829
Total Expenditure (Net of Internal Transfers)	41,810,994	54,970,372
Transfers to Revenue	2,195,652	1,427,452
Total Expenditure (Incl Transfers) *	44,006,646	56,397,824
INCOME		
Grants and LPT	34,210,001	39,722,074
Non - Mortgage Loans	216,386	-14,665
Other Income		
(a) Development Contributions	1,304,931	7,945,913
(b) Property Disposals		
- Land	19,900	105,770
- LA Housing	758,089	201,252
- Other property	18,342	124,141
(c) Purchase Tenant Annuities	29,908	30,848
(d) Car Parking	-	0
(e) Other	3,897,079	6,221,535
Total Income (Net of Internal Transfers)	40,454,636	54,336,867
Transfers from Revenue	3,173,828	4,551,565
Total Income (Incl Transfers) *	43,628,464	58,888,432
Surplus\Deficit) for year	(378,182)	2,490,608
Balance (Debit)\Credit @ 1 January	37,951,553	35,460,944
Balance (Debit)\Credit @ 31 December	37,573,370	37,951,553

* 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 @
	1/1/2017		Grants and LPT	Non-Mortgage Loans*	Other	Total Income	Transfer from Revenue	Transfer to Revenue	Internal Transfers	31/12/2017
	€	€	€	€	€	€	€	€	€	€
Housing & Building	5,216,864	13,054,772	11,448,030	-	1,690,424	13,138,455	764,564	2,133,970	-	3,931,141
Road Transportation & Safety	4,652,806	19,683,953	17,393,485	201,721	802,861	18,398,067	240,388	112	206,980	3,814,175
Water Services	319,594	416,990	412,251	(36,465)	(3,203)	372,583	-	2,000	(200,000)	73,187
Development Management	10,562,143	909,586	115,892	37,953	2,004,147	2,157,991	454,428	-	(207,841)	12,057,135
Environmental Services	148,842	1,301,140	384,766	-	-	384,766	98,923	7,352	200,000	(475,960)
Recreation & Amenity	1,055,232	4,767,038	3,997,734	129,826	547,623	4,675,183	636,691	52,133	861	1,548,796
Agriculture, Education, Health & Welfare	420,755	565,527	416,154	-	-	416,154	100,085	85	-	371,381
Miscellaneous Services	15,575,316	1,111,989	41,689	(116,648)	986,397	911,438	878,748	-	-	16,253,514
TOTAL	37,951,553	41,810,994	34,210,001	216,386	6,028,248	40,454,636	3,173,828	2,195,652	0	37,573,370

Note: Mortgage-related transactions are excluded

APPENDIX 7

Summary of Major Revenue Collections for 2017

A Debtor type	B Incoming arrears @ 1/1/2017	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 @ 31/12/2017 = (G-H)	J Specific doubtful arrears*	K % Collected = (H)/(G-J)
	€	€	€	€	€	€	€	€	€	
Rates	15,316,765	30,400,611	3,313,859	3,164,739	-	39,238,778	24,628,799	14,609,979	6,105,118	74%
Rents & Annuities	1,386,898	11,679,370	-	56,953	-	13,009,315	11,598,306	1,411,009	-	89%
Housing Loans	1,009,312	1,890,760	-	5,252	-	2,894,820	1,964,624	930,196	-	68%

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

APPENDIX 8

INTEREST OF LOCAL AUTHORITY IN COMPANIES AND JOINT VENTURES

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

Name of Company or Entity	Voting Power %	Classification: Subsidiary / Associate / Joint Venture	Total Assets	Total Liabilities	Revenue Income	Revenue Expenditure	Cumulative Surplus/ (Deficit)	Currently Consolidated Y / N	Date of Financial Statements
Abbey Centre Management Company Ltd	Ltd by Guarantee	Associate	80,093	25,713	109,730	103,391	54,380	N	31/12/2016
Ballyshannon Leisure Centre Management Ltd	Ltd by Guarantee	Associate	52,780	52,780	482,766	482,766		N	31/12/2016
Bundoran Waterworld Ltd	Ltd by Guarantee	Associate	132,958	132,958	603,501	603,501		N	31/12/2016
Donegal Community & Cultural Development Company Ltd	Ltd by Guarantee	Associate	3,533,544	3,633,721	246,188	249,705	(100,177)	N	31/03/2017
County Donegal Tourism Ltd.		Associate	155,018	143,901	292,616	290,812	11,117	N	31/12/2016
Eragail Arts festival Management Company Ltd	Ltd by Guarantee	Associate	116,867	33,667	552,383	527,421	83,200	N	31/12/2016
Ernact EEIG	50.00%	EEIG	395,511	395,511	537,487	537,487		N	31/12/2017
Finn Valley Swimming Pool Ltd	Ltd by Guarantee	Associate	5,587,973	6,162,937	777,579	868,908	(574,964)	N	31/12/2017
Fort Dunree Military Museum Company Ltd	Ltd by Guarantee	Associate	955,055	492,967	200,811	231,227	462,088	N	31/12/2017
An Grianan Theatre Management Company Ltd	Ltd by Guarantee	Associate	105,816	186,612	1,427,165	1,410,439	(80,796)	N	31/12/2016
Letterkenny Sports Complex Development Ltd	Ltd by Guarantee	Associate	16,019,346	20,270,420	13,947	488,376	(4,251,074)	N	31/12/2016