



COMHAIRLE CONTAE AN CHLÁIR
CLARE COUNTY COUNCIL



CLARE COUNTY COUNCIL ANNUAL FINANCIAL STATEMENT UNAUDITED

For the year ended 31st December 2019



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1. Introduction

This Annual Financial Statement (AFS) for the year ended 31st December 2019 has been prepared in accordance with the Local Authority Code of Practice (ACOP) and Accounting Regulations for Local Authorities in Ireland, and the directions of the Minister for Housing, Planning, and Local Government.

The Local Government Auditor will audit the accounts in due course and a copy of this Auditor's report will be circulated to Members of the Council when it is completed.

The Annual Financial Statement gives an overview of the financial position of Clare County Council at 31st December 2019. During 2019, a combined total of €175m was spent in the revenue and capital account of Clare County Council in delivering services and achieving a number of significant and important developments in the areas of transport, housing, community and enterprise. The council has recorded a positive financial result for the year, while at the same time the AFS contains funding for projects which yield significant positive benefits for the county across a variety of services.

At the time of completion of the 2019 AFS the World Health Organisation has declared a pandemic (COVID-19) which has resulted in unprecedented restrictions on travel and movement, internationally, nationally and here locally in Clare. This health crisis has in addition to us as a council responding to the challenges presented, has more prominently in a short space of time significantly impacted on the economic activity within the county for the vast majority of businesses, and brings with it financial uncertainty. An estimate of such costs in terms of dealing with the crisis and the direct impact on income and expenditure will be presented to the council at the June council meeting.

2. Income and Expenditure Account

The Income and Expenditure account on page 21 outlines the result for the year by Division. Overall expenditure in 2019 (including transfers) amounted to €130.3m while total income was €130.8m (including transfers) as set out in note 16 to the accounts.

The result for the year on the Councils Income and Expenditure Account before the amortization of the corporate loan is a surplus of €0.08m compared to the adopted budget. When the amortisation of the corporate loan of €0.45m is included, the result is €0.54m positive for the year. This continues the trend of recent years with a closing cumulative positive position of €2.5m.

Clare County Council billed a total of €43.01m in commercial rates in 2019. Property Entry Levy income was also generated during the year, predominantly from the windfarm sector, €0.4m greater than budget. Rates collections of 87% was achieved however this income source will face significant challenges in 2020 due to Covid-19 impacts.

Net income from the Non Principal Private Residence charge (NPPR) was €0.7m greater than budget for the year. It should be noted that of the NPPR collected in 2019, approximately 30% relates to one housing development. This source of income is declining on that of previous years, a trend highlighted nationally.

The financial statements provide funding for additional expenditure above that budgeted. The specifics of this additional expenditure is outlined in detail in the variance analysis by division below. Expenditure also includes the funding of projects that are ongoing or at an advanced stage of planning.

Table 1								
Funding Provision Summary	Total		Division					
	€k	A	B	D	E	F	H	J
Roads Funding, Storm Damage, Public Lighting & Parking Infrastructure, Flood Response, Road Plant Upgrade	1,393		1,053				340	
Housing - Part funding of vacant housing stock & refurbishment	400	400						
Taking In Charge of Estates	100			100				
URDF & RRDF Match Funding	550			550				
Economic Development & Property Management	860			500				360
Extension of existing Burial Ground	100				100			
Rural Development -including Digital Hubs & Rural Transport	151			151				
County Library - Book Stock	100					100		
Projects completed in 2019/In Progress 2020	3,654	400	1,053	1,301	100	100	340	360

Variances by Division

The following paragraphs explain the main points arising in each of the Divisions. Expenditure on Service Support costs (Division J) are allocated back to Divisions A to H.

➤ **Division A - Housing and Building.**

Total expenditure was €2.67m greater than budget, with income €2.58m above that budget, a net impact of €0.1m. The additional expenditure over budget arose in a number of areas but primarily:

- Homeless Services €0.9m, part matched by additional income. During 2019 the council opened the homeless family hub in Cusack Lodge and also took over the administration of the emergency homeless accommodation administration from the Department of Social Protection. There was an increase in individuals presenting as homeless in 2019 following this takeover which contributed to the additional expenditure.
- Traveller Accommodation, maintenance and management, had €0.3m expenditure greater than budget driven by increased cost from the council including legal defence costs addressing unauthorised sites and also from the need to provide additional facilities on some sites.
- Housing Adaption and Mobility aid grants were €0.9m over that budgeted matched in part by grant income of €0.7m and the balance funded by the council of €0.2m.
- Expenditure was also greater than budget on RAS and Leasing services (€0.5m matched by increased income).
- Additional expenditure on house maintenance, energy efficiency works and vacant stock refurbishment of €0.4m was partially offset by the planned maintenance loan not drawn down in 2019.

Additional income above that budgeted was received in the year in the following areas, rental income, housing grant recoupment, leasing income and homeless recoupment.

➤ **Division B - Transportation and Infrastructure.**

Total Expenditure on roads for 2019 at €35.6m was €4.9m in excess of budget with income of €25.3m ahead of budget by €3.7m resulting in a

net expenditure versus budget of €1.3m. Increased expenditure on Public Lighting consumption costs as well as maintenance and repairs costs account for approximately €0.3m of the increased net expenditure. Own Resources expenditure on our local and regional roads was over budget, however this was offset by increased income from Road opening Licence fees. Expenditure also includes provisions of €1.1m for the funding of a number of projects that are completed or planned. These include, the Public Lighting retrofit project scheduled to commence in 2020, parking system enhancement and the funding of storm relief works completed in 2016 and 2017, Flood Response in Springfield Clonlara, West Clare and Ennis town in the spring of 2020 and also the funding of other minor roads capital projects.

➤ **Division C - Water and Waste Water Services.**

Net expenditure and income in this division was broadly in line with budget. There was expenditure over that budgeted of €173k, matched by income from Irish Water.

➤ **Division D - Development Management.**

Total expenditure in this division was €5.3m greater than budget while income was €4.3m greater than budget, resulting in a net expenditure of €1m over budget. The main variances in both expenditure and income are driven by the increasing visitor numbers at the Cliffs of Moher visitor centre. Cliffs of Moher income at €10.9m was €3.8m over budget, matched by increased expenditure for the provision and improvement of facilities at the site. Increased expenditure on Clare tourism promotion (€0.15m) and the Rural Clare Local Lift scheme as well as provisions, outlined in Table 1 above, to match fund Ennis town Centre Vision 2022 Public Realm at Parnell Street (€0.4m), Ennistymon Hub (€0.1m), EPlanning systems, Ennis 2040 and various town plans and development plans required under statute for review.

➤ **Division E - Environmental Services.**

Expenditure in this division was €0.4m ahead of budget with income ahead of budget by the same value. The additional expenditure arose mainly in the area of Fire Services where there was an increase in both Pay and training costs. Provision was also made, as per Table 1 above, of €100k for the Shannon burial grounds extension.

➤ **Division F – Recreation and Amenity**

Net expenditure and income in this division was broadly in line with budget. Additional expenditure arose in relation to the operation of the Active Ennis Leisure facilities and the councils programme of events and works for Lahinch Irish Open 2019. This was offset by savings in the library pay budget and also savings on loan costs as a result of the loan not drawn down, as construction commenced later in the year.

➤ **Division G – Agriculture, Education, Health and Welfare.**

Both income and expenditure in this division was broadly in line with budget.

➤ **Division H - Miscellaneous Services.**

Expenditure at €11.5m was less than budget by €0.9m as result of significant positive progress being made in the rates collection area again in 2019. Income in this division also showed a positive variance at €1.96m over budget. The main reasons for this are the amortization of the Corporate Loan, increased Property Entry Level tax and NPPR income as referred to above. This increased income was offset by a reduced dividend from Irish Public Bodies. Provision was made in this division to fund a Velocity Patcher and an Iveco Tipping Lorry for the roadworks programme. The administration of local elections is dealt within the budgets and financial statements of the council over the five-year term of the council.

➤ **Division J – Service Support costs.**

Overall expenditure in this division was broadly in line with the budget. The costs of this division are allocated back to the other divisions A to H in line with budget cost allocations. Provision has been made for the refurbishment of council facilities where necessary repair works have been identified in both outdoor facilities and a number of area locations.

In accordance with Section 104 of the Local Government Act 2001, the approval of Council is sought for additional expenditure by Division set out in the table below. Additional expenditure variances are outlined in the paragraphs above by division.

Table 2	
Division	€
Housing and Building	417,424
Road Transportation and Safety	2,092,973
Development Incentives and Controls	1,986,023
Environmental Protection	300,323

The following table shows the Transfers to Reserves, which include payment of loan principal on long term loans and the funding of projects on the capital account. The council's approval of these transfers totaling €12.2m is requested. €10.2m of the transfers was provided as part of the 2019 budget process or matched by additional income generated in the year.

Table 3					
Transfers to and (from) Reserves 2019					
		Total	Loans & Leases	Capital Project Funding	RAS / HAP/Leasing
		€'000	€'000	€'000	€'000
A	Housing & Building	1,013	565	400	48
B	Transportation and Infrastructure	1,405	353	1,053	
C	Water Supply & Sewerage	261	261	0	
D	Development Incentives & Controls	6,278	843	5,435	
E	Environmental Protection	979	841	138	
F	Recreation & Amenity	575	593	(18)	
G	Agriculture, Education, Health & Welfare	0	0	0	
H	Miscellaneous Services	(197)	0	(197)	
J	Support Services	1,911	1,551	360	
		12,225	5,005	7,171	48

- The sum of €5m in Column 2 is in respect of the principal element of non-mortgage loan repayments.

- The sum of €7.2m in Column 3 relates to the funding of projects on the capital account namely vacant housing stock refurbishment, storm damage to infrastructure, parking and public light infrastructure, flood response, plant upgrade, burial grounds, RRDF and URDF matching funding, Rural development and the digital hubs, property refurbishment, economic development, Municipal District commitments and county library development.
- The sum of €0.05m in Division A (Column 4) represents the ring-fencing to the capital account of the positive result on the Rental Accommodation Scheme (RAS) as is required under the scheme and the transfers required under HAP funding from RAS and leasing.

3. Balance Sheet

The Balance Sheet is a statement of the Council's financial position at 31st December 2019.

Fixed Assets

The total net book value of Fixed Assets in the 2019 Annual Financial Statement is €2.8 billion as outlined in Note 1 to the AFS. This includes Roads and Infrastructure assets of €2.3 billion that account for 82% of the total value. The increase in FA during 2019 is mainly attributed to the increase in Local Authority housing units reflecting house purchases in the year and the purchase and refurbishment of the Ennistymon Multi Service Centre and Bindon Court.

Work in Progress (WIP)

Work in progress and preliminary expenses is presented in the balance sheet as cumulative expenditure to date of €36.9m on projects and schemes in progress, with the corresponding cumulative income of €37m. The level of WIP expenditure includes housing of €13.1m, roads and other amenity projects of €23.8m.

Treasury Management and Debt Collection

The Council's loans payable at 31st December 2019 amounted to €84m, an increase of €3m on the previous year balance (€81m). An additional €9.5m was drawn down in 2019. This related to various projects such as, housing planned maintenance, Ennistymon Multi Services Centre, Bindon Court, Land Purchased

for house building and the rebuilding Ireland home Loans which are fully recoupable when work commences.

The Loans total of €84m is set out in Note 7 to the Annual Financial Statement and comprises of mortgage secured housing loans; €14.2m, loans to Voluntary Housing organizations and Water and Waste Water infrastructure loans €8.4m, these loan types have related income from the housing loan customers or through the recovery of loan charges as set out in Note 3 to the AFS. The balance of €61m relates to the funding of various infrastructure developments in the county.

Appendix 7 to the Annual Financial Statement provides analysis on the customer payment performance on the key income streams for 2019, namely Commercial Rates (87%), Housing Loans (74%) and Housing Rents (85%).

The table below shows the performance since 2014.

Table 4						
Income Department	2014	2015	2016	2017	2018	2019
Commercial Rates	75%	82%	84%	86%	87%	87%
Housing Rents	86%	87%	86%	84%	85%	85%
Housing Loans	62%	58%	60%	66%	69%	74%

- The collection percentage for rates for 2019 stands at 87%. In reviewing 2019, it is positive to note that 6 out of every 10 customers have zero balances being fully compliant at year end 2019. €8.9 million outstanding arrears at March 2020, 71% or €6.3m, can be attributed to 199 or 6% of customer accounts. However due to COVID-19 cash collection has been severely impacted. We see a €0.9m reduction in cash flow when comparing April 2019 year to date to same period in 2020. This will contribute to our rates outstanding balances going forward. Clare County Council is dealing with the impacts posed by COVID-19 to ensure that the impacts on communities, businesses and other stakeholders in our county are minimised. The council will be implementing the National Policy of deferring rates payments due from the most immediately impacted businesses for four months and have postponed all legal cases from a rates perspective. In addition to this the council will be implementing the National Policy of a three-month waiver for closed businesses. We are currently waiting for clarification on the administration of this policy.
- The collection percentage for Housing Rents is 85% in 2019. The Council continues to make every effort in dealing with housing rent arrears cases, including regular meetings with tenants, facilitating payment through

a range of options, making agreements for the payment of arrears and the close monitoring of all accounts where rent arrears have arisen.

- Arrears on housing loan repayments stands at €0.36m, a reduction of €63k on the previous year, a 5% improvement in the key performance indicator KPI to 74%. The reduction in arrears year on year is as a result of the ongoing implementation of alternative options for borrowers as part of the Mortgage Arrears Resolution Process (MARP). This involved meeting with borrowers in difficulty, securing payment plan agreements, monitoring agreements and exploring alternative options.
- €3.1m was received in respect of Development Contributions in the year. The Council continues to collect contributions levied for water and waste water on permissions granted prior to January 1st 2014 which it pays to Irish Water. €0.17m of the €3.1m received in 2019 relates to water and waste water contributions.

4. Capital Account

Activity on the Capital account for 2019 is detailed in Appendix 5 and 6 attached. This expenditure is also identified within Fixed Assets and Work in progress in the balance sheet and includes grant funding owed to Clare County Council at 31st December 2019.

As outlined in Appendix 6, expenditure for the year amounted to €55.8m of which housing and roads accounted for over 77%. Total income was €63.2m, made up of grant income, loan income, transfers from the Revenue Account and other income.

The table below gives an overview of the level of activity on the capital account in the last four years. It reflects an 89% increase on activity levels since 2016, from €29.5m to €55.8m. Increases in housing provision, roads expenditure, due mainly to the Ennis South Flood Relief Scheme and the Shannon Bridge Crossing and the purchase and construction of the Ennistymon Multi Service Centre along with Bindon Court and the ongoing construction work in the Quin Road Business Park.

Report on Annual Financial Statement 2019

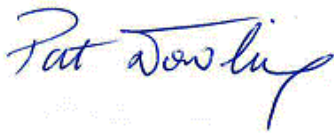
Table 5				
Division	Actual Capital Expenditure 2016	Actual Capital Expenditure 2017	Actual Capital Expenditure 2018	Actual Capital Expenditure 2019
Housing and Building	11,838	20,498	26,376	27,572
Road Transportation and Safety	10,614	8,292	8,546	15,459
Water Supply and Sewerage	537	643	945	293
Development Incentives and Controls	3,413	2,746	2,625	3,594
Environmental Protection	339	1,285	1,456	634
Recreation and Amenity	1,188	1,420	2,269	2,413
Agriculture, Education, Health, Welfare	32	47	131	237
Miscellaneous Services	1,613	1,143	1,370	5,640
	29,574	36,073	43,718	55,842

Acknowledgements

I wish to acknowledge the support and assistance of the elected members of Clare County Council during 2019.

I would like to take this opportunity to thank the management and staff of all directorates of this council for their co-operation and engagement, in particular the staff of the finance department for their work in the production of the 2019 Annual Financial Statement.

As referred to in the opening paragraphs of this report the World Health Organization has declared a pandemic which has resulted in huge financial uncertainty which will have a significant impact on our 2020 financial results. We are engaging at a national level on this and will be reporting to members at the June Council meeting.



Chief Executive

19th May 2020

Date

Schedule of Uncollected Rates for 2019

In accordance with Article 26 (2) of the Local Government (Financial and Audit Procedures) Regulations 2014, the following sets out the summary of the Schedule of uncollected rates for the year ended 31st December 2019.

Opening Arrears at 1st January 2019	€ 10,464,737
Rates bills issued for 2019	€ 43,008,950
Amounts collected, vacant or written off	€ 48,752,248
Uncollected rates at 31st December 2019	€ 10,043,132

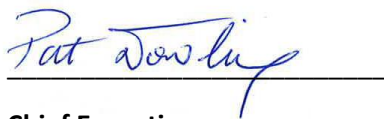
The following should be noted:

- There is €1.1m in the year end uncollected balance that refers to accounts that are vacant or in liquidation/receivership.
- €1m has been received in respect of uncollected prior years' rates between January and April 2020. Conversely cash flow in respect of the entire rate book continues to be adversely impacted due to COVID-19. When compared to April 2019, April 2020 year to date collections saw 300 less rate payers contribute and cash flow reduce by €0.9m.
- 60% of rate customers have zero balances and are fully compliant at year end 2019. However the majority of our rate payers, 78%, have rate demands with a value of less than €5,000. Compliance rates will be impacted in 2020 due to COVID-19.
- The Council is acutely aware of the severe challenges facing business as we experience the unprecedented challenges brought on by COVID-19. The council has implemented the national policy of deferring rates payments due from the most immediately impacted businesses until the end-May 2020 and we will continue to implement policy in line with government advice post May 2020.
- In the current year there is significant risk to the Council's rates income with the collection of the €17.9m from our global and utility sectors being critical.

Clare County Council

Certificate of Chief Executive & Head of Finance for the year ended 31st December 2019

- 1.1 We the Chief Executive and Head of Finance are responsible for preparing an annual financial statement in accordance with the accounting 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 judgments and estimates that are reasonable and prudent;
- 1.5 We certify that the financial statements of Clare County Council for the year ending 31st December 2019, as set out in pages 21 - 50, 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, Planning and Local Government.



Chief Executive

19th May 2020

Date



Head of Finance

19th May 2020

Date

Clare County Council

Audit Opinion to be prepared separately and inserted

STATEMENT OF ACCOUNTING POLICIES

1. General

The accounts have been prepared in accordance with the Accounting Code of Practice ACoP on local authority accounting, as revised by the Department of Housing, Planning and Local Government (DHPLG) at 31st December 2019. 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 Accounting Code of Practice.

At the close of the financial year, debtors represent income due but not yet received. Fire charges income, miscellaneous income are recognised in the accounts based on amounts received during the period.

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). Loans in respect of this heading will have a corresponding value in Note 3 Long Term Debtors.

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.

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 remitted centrally to DPER. The requirements of current accounting standards relating to pensions and employee benefits and their application to local authority accounting remains under consideration.

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 and Doubtful Debts

Provision has been made in the relevant accounts for bad and 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. Assets were similarly valued in the takeover of Shannon Town. All assets purchased or constructed as from 1/1/2004 have been included at historical cost. Expenditure incurred on asset maintenance programmes such as on housing stock or surface dressing and overlays in the case of roads, do not give rise to fixed asset additions. 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 DHPLG.

8.6 Depreciation

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

The Council does not charge depreciation in the year of disposal and charges a full year's depreciation in the year of acquisition.

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 Contribution Debtors and Income

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

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 the council in companies is listed in Appendix 8 and the carrying value of the shareholding has been incorporated into Note 3 of the Annual Financial Statement.

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 Housing, Planning 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 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.

17. Contingencies

There are a number of unfinished housing estates in the county that may be taken in charge by the council in due course. There are potential costs arising from the take over that may fall to the council to discharge in the event that there is not any other party available to fund the necessary works.

The council is involved in environmental investigations at present relating to unauthorised disposal of waste materials. Provision has been made in the accounts for costs incurred to date in this regard with allowance for future costs to be incurred. The nature of any actions to be taken arising from investigations undertaken have not been agreed. Depending on the actions required further provisions for future costs may be required in due course.

The council is in the process of defending a number of legal actions. The cost of defending these actions are accrued to reflect the progress to date in proceedings. If the council is unsuccessful in its defence of any of these actions additional costs may arise depending on the courts decision in each particular case.

FINANCIAL ACCOUNTS

STATEMENT OF COMPREHENSIVE INCOME (INCOME & EXPENDITURE ACCOUNT STATEMENT)

FOR YEAR ENDED 31ST DECEMBER 2019

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

It shows the surplus/(deficit) for the year.

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

Expenditure By Division	Note	Gross Expenditure 2019 €	Income 2019 €	Net Expenditure 2019 €	Net Expenditure 2018 €
Housing and Building		19,630,185	19,532,202	97,984	29,286
Roads, Transportation & Safety		33,893,320	25,278,590	8,614,730	8,689,557
Water Services		12,162,823	12,228,987	(66,164)	(126,839)
Development Management		16,253,653	14,318,245	1,935,407	3,212,612
Environmental Services		13,769,766	2,551,495	11,218,271	11,356,249
Recreation & Amenity		9,786,736	1,277,726	8,509,009	8,242,337
Agriculture, Education, Health & Welfare		764,784	372,557	392,227	456,131
Miscellaneous Services		10,495,545	4,494,399	6,001,146	6,153,212
Total Expenditure/Income	15	116,756,812	80,054,201		
Net Cost of Division to be funded from Rates and Local Property Tax				36,702,610	38,012,545
Rates				43,009,611	42,766,699
Local Property Tax				6,453,400	6,451,268
Surplus/(Deficit) for Year before Transfer				12,760,400	11,205,422
Transfers from/(to) Reserves	14			(12,224,676)	(10,511,690)
Overall Surplus/(Deficit) for Year	16			535,724	693,732
General Reserve at 1st January				1,937,004	1,243,272
General Reserve at 31st December				2,472,728	1,937,004

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AS AT 31st DECEMBER 2019

	Notes	2019	2018
		€	€
Fixed Assets	1		
Operational		464,092,196	447,984,998
Infrastructural		2,259,403,773	2,259,403,773
Community		1,065,201	1,065,201
Non-Operational		46,326,608	46,086,608
		2,770,887,779	2,754,540,580
Work-in-Progress and Preliminary Expenses	2	36,992,592	27,609,785
Long Term Debtors	3	20,953,740	19,148,937
Current Assets			
Stock	4	41,946	52,144
Trade Debtors & Prepayments	5	21,221,505	20,814,675
Bank Investments		30,575,625	34,968,641
Cash at Bank		14,311,235	4,237,149
Cash in Transit		29,481	29,811
		66,179,792	60,102,419
Current Liabilities			
Bank Overdraft		-	-
Creditors & Accruals	6	35,343,813	37,349,799
Finance Leases		-	-
		35,343,813	37,349,799
Net Current Assets / (Liabilities)		30,835,979	22,752,621
Creditors (Amounts greater than one year)			
Loans Payable	7	77,725,276	74,889,071
Finance Leases		-	-
Refundable Deposits	8	5,160,412	4,579,990
Other		-	-
		82,885,688	79,469,061
Net Assets / (Liabilities)		2,776,784,403	2,744,582,862
Represented By			
Capitalisation	9	2,770,887,779	2,754,540,580
Income WIP	2	37,006,916	24,311,262
Specific Revenue Reserve		-	-
General Revenue Reserve		2,472,728	1,937,004
Other Balances	10	(33,583,020)	(36,205,984)
Total Reserves		2,776,784,403	2,744,582,862

STATEMENT OF FUNDS FLOW (FUNDS FLOW STATEMENT)

AS AT 31ST DECEMBER 2019

		2019	2019
	Note	€	€
REVENUE ACTIVITIES			
Net Inflow/(outflow) from Operating Activities	17		(1,866,895)
CAPITAL ACTIVITIES			
Returns on Investment and Servicing of Finance			
Increase/(Decrease) in Fixed Asset Capitalisation Funding		16,347,198	
Increase/(Decrease) in WIP/Preliminary Funding		12,695,654	
Increase/(Decrease) in Reserves Balances	18	1,473,189	
Net Inflow/(Outflow) from Returns on Investment and Servicing of Finance			30,516,041
Capital Expenditure & Financial Investment			
(Increase)/Decrease in Fixed Assets		(16,347,198)	
(Increase)/Decrease in WIP/Preliminary Funding		(9,382,808)	
(Increase)/Decrease in Other Capital Balances	19	2,594,208	
Net Inflow/(Outflow) from Capital Expenditure and Financial Investment			(23,135,798)
Financing			
Increase/(Decrease) in Loan & Lease Financing	20	1,031,401	
(Increase)/Decrease in Reserve Financing	21	(1,444,434)	
Net Inflow/(Outflow) from Financing Activities			(413,032)
Third Party Holdings			
Increase/(Decrease) in Refundable Deposits			580,422
Net Increase/(Decrease) in Cash and Cash Equivalents	22		5,680,739

1. Fixed Assets

	Land	Parks	Housing	Buildings	Plant & Machinery (Long and Short Life)	Computers, Furniture and Equipment	Heritage	Roads and Infrastructure	Water and Sewerage Network	Total
	€									
Costs										
Accumulated Costs at 1st Jan	57,376,719	7,243,282	298,204,159	137,222,303	13,399,819	3,320,068	902,201	2,254,828,947	-	2,772,497,498
Additions - Purchased	-	-	6,790,000	4,555,640	663,933	-	-	-	-	12,009,573
Additions - Transfer WIP	-	-	5,663,530	784,282	-	-	-	-	-	6,447,812
Disposals\Statutory Transfers	(66,885)	-	(1,300,000)	-	-	-	-	-	-	(1,366,885)
Revaluation	-	-	-	-	-	-	-	-	-	-
Historical Costs Adjustments	-	-	-	-	-	-	-	-	-	-
Accumulated Costs 31/12/2019	57,309,834	7,243,282	309,357,689	142,562,225	14,063,752	3,320,068	902,201	2,254,828,947	-	2,789,587,998
Depreciation										
Accumulated Depreciation at 1st Jan	-	2,993,457	-	-	11,703,808	3,259,653	-	-	-	17,956,917
Provision for year	-	227,727	-	-	491,665	23,909	-	-	-	743,302
Disposals\Statutory Transfers	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation 31/12/2019	-	3,221,184	-	-	12,195,473	3,283,562	-	-	-	18,700,219
Net Book Value at 31/12/2019	57,309,834	4,022,098	309,357,689	142,562,225	1,868,279	36,506	902,201	2,254,828,947	-	2,770,887,779
Net Book Value at 31/12/2018	57,376,719	4,249,825	298,204,159	137,222,303	1,696,012	60,415	902,201	2,254,828,947	-	2,754,540,580
Net Book Value by Category										
Operational	6,607,900	4,022,098	309,357,689	142,199,725	1,868,279	36,506	-	-	-	464,092,196
Infrastructural	4,574,826	-	-	-	-	-	-	2,254,828,947	-	2,259,403,773
Community	163,000	-	-	-	-	-	902,201	-	-	1,065,201
Non-Operational	45,964,108	-	-	362,500	-	-	-	-	-	46,326,608
Net Book Value at 31/12/2019	57,309,834	4,022,098	309,357,689	142,562,225	1,868,279	36,506	902,201	2,254,828,947	-	2,770,887,779

2. Work in Progress and Preliminary Expenses

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

	Funded	Unfunded	Total	Total
	2019	2019	2019	2018
	€	€	€	€
<u>Expenditure</u>				
Preliminary Expenses	23,416,999	3,631,369	27,048,368	21,805,197
Work in Progress	9,944,225	-	9,944,225	5,804,588
Total Expenditure	33,361,224	3,631,369	36,992,592	27,609,785
<u>Income</u>				
Preliminary Expenses	26,037,662	629,175	26,666,837	18,506,674
Work in Progress	10,340,079	-	10,340,079	5,804,588
Total Income	36,377,741	629,175	37,006,916	24,311,262
<u>Net Expended</u>				
Work in Progress	(395,855)	-	(395,855)	-
Preliminary Expenses	(2,620,662)	3,002,193	381,531	3,298,523
Net Over/(Under) Expenditure	(3,016,517)	3,002,193	(14,324)	3,298,523

3. Long Term Debtors

A breakdown of long term debtors is as follows:

	2019	2019	2019	2019	2019	2019	2018
	Balance @ 01/01/2019	Loans Issued	Instalments	Early Redemptions	Other Adjustments	Balance @ 31/12/2019	Balance @ 31/12/2018
	€	€	€	€	€	€	€
Long Term Mortgage Advances *	8,682,505	3,595,892	(791,444)	(132,845)	13,920	11,368,028	8,682,505
Tenant Purchase Advances	1,239	-	(1,066)	(173)	-	-	1,239
Shared Ownership Rented Equity	3,398,244	-	-	(415,704)	(33,195)	2,949,345	3,398,244
	12,081,988	3,595,892	(792,510)	(548,721)	(19,275)	14,317,373	12,081,988
Recoupable Loan Advances						8,352,960	9,102,592
Capital Advance Leasing Facility						-	-
Long Term Investments - Cash						-	-
Long Term Investments - Associated Companies						3,202	2,282
Other						128	128
						22,673,663	21,186,990
Less: Current Portion of Long Term Debtors (Note 5)						(1,719,923)	(2,038,053)
Total amounts falling due after one year						20,953,740	19,148,937

* Includes HFA agency loans

4. Stocks

A summary of stock is as follows:

	2019	2018
	€	€
Central Stores	-	-
Other Depots	41,946	52,144
Total	41,946	52,144

5. Trade Debtors and Prepayments

A breakdown of debtors and prepayments is as follows:

	2019	2018
	€	€
Government Debtors	13,721,396	12,362,961
Commercial Debtors	12,061,233	12,295,500
Non-Commercial Debtors	1,808,579	1,837,610
Development Contribution Debtors	3,407,330	3,804,637
Other Services	1,433,134	562,820
Other Local Authorities	25,868	129,666
Revenue Commissioners	-	-
Other	471,008	222,937
Current Portion of Long Term Debtors (Note 3)	1,719,923	2,038,053
Total Gross Debtors	34,648,471	33,254,183
Less: Provision for Doubtful Debts	(14,577,635)	(14,112,809)
Total Trade Debtors	20,070,836	19,141,375
Prepayments	1,150,669	1,673,300
Total	21,221,505	20,814,675

6. Creditors and Accruals

A breakdown of creditors and accruals is as follows:

	2019	2018
	€	€
Trade Creditors	1,701,423	2,438,240
Grants	139,095	104,684
Revenue Commissioners	2,881,502	2,252,984
Other Local Authorities	1,581,375	1,627,678
Other Creditors	521,899	694,817
	6,825,294	7,118,404
Accruals	9,971,160	11,311,042
Deferred Income	12,284,369	12,756,552
Add: Current Portion of Loans Payable (Note 7)	6,262,990	6,163,801
Total	35,343,813	37,349,799

7. Loans Payable

(a) Movement in Loans Payable	2019	2019	2019	2019	2018
	HFA	OPW	Other	Total	Total
	€	€	€	€	€
Opening Balance	41,608,408	-	39,444,464	81,052,872	85,010,533
Borrowings	9,512,862	-	-	9,512,862	2,333,857
Repayment of Principal	(2,298,444)	-	(3,728,753)	(6,027,196)	(6,291,519)
Early Redemptions	(553,251)	-	-	(553,251)	-
Other Adjustments	2,979	-	-	2,979	-
	48,272,555	-	35,715,711	83,988,266	81,052,872
Less: Current Portion of Loans Payable (Note 6)				6,262,990	6,163,801
Total amounts falling due after one year				77,725,276	74,889,071

(b) Application of Loans

An analysis of loans payable is as follows:

<u>Mortgage</u>					
Mortgage Loans *	10,800,725	-	-	10,800,725	8,427,933
<u>Non Mortgage</u>					
Assets/Grants	26,466,073	-	33,184,853	59,650,926	57,752,226
Revenue Funding	-	-	1,804,520	1,804,520	2,259,105
Bridging Finance	-	-	-	-	-
Recoupable	7,626,622	-	726,338	8,352,960	9,102,591
Shared Ownership Rented Equity	3,379,135	-	-	3,379,135	3,511,016
Balance at 31st December	48,272,555	-	35,715,711	83,988,266	81,052,872
Less: Current Portion of Loans Payable				6,262,990	6,163,801
Total Amounts Due after one year				77,725,276	74,889,071

* Includes HFA Agency Loans

8. Refundable Deposits

The movement in refundable deposits is as follows:

	2019	2018
	€	€
Opening Balance at 1st January	4,579,990	4,325,722
Deposits received	1,247,713	786,057
Deposits repaid	(667,291)	(531,789)
Closing Balance at 31st December	5,160,412	4,579,990

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:

	2019 Balance @ 01/01/2019 €	2019 Purchased €	2019 Transfers WIP €	2019 Disposals/ Statutory T/F's €	2019 Revaluation €	2019 Historical Cost Adjustments €	2019 Balance @ 31/12/2019 €	2018 Balance @ 31/12/2018 €
Grants	399,251,215	8,378,299	6,095,658	(685,000)	-	-	413,040,172	399,251,215
Loans	59,215,561	2,419,640	-	-	-	-	61,635,201	59,215,561
Revenue Funded	15,520,789	971,634	352,154	-	-	-	16,844,577	15,520,789
Leases	996,365	-	-	-	-	-	996,365	996,365
Development Contributions	5,841,750	-	-	-	-	-	5,841,750	5,841,750
Tenant Purchase Annuities	425,053	-	-	-	-	-	425,053	425,053
Unfunded	6,524,637	-	-	-	-	-	6,524,637	6,524,637
Historical	2,232,354,117	240,000	-	(681,885)	-	-	2,231,912,232	2,232,354,117
Other	52,368,010	-	-	-	-	-	52,368,010	52,368,010
Total Gross Funding	2,772,497,498	12,009,573	6,447,812	(1,366,885)	-	-	2,789,587,998	2,772,497,498
Less: Amortised							(18,700,219)	(17,956,917)
Total *							2,770,887,779	2,754,540,580

* As per note 1

10. Other Balances

A breakdown of other balances is as follows:

	Note	2019 Balance @ 01/01/2019 €	2019 * Capital Reclassification €	2019 Expenditure €	2019 Income €	2019 Net Transfers €	2019 Balance @ 31/12/2019 €	2018 Balance @ 31/12/2018 €
Development Contributions Balances	(i)	7,244,762	-	(240,646)	2,291,328	(1,043,568)	8,733,167	7,244,762
Capital Account Balances including Asset Formation and Enhancement	(ii)	6,141,275	423,909	41,467,545	36,280,778	7,376,177	8,754,593	6,141,275
Voluntary & Affordable Housing Balances								
- Voluntary Housing	(iii)	29,015	-	3,828,214	3,797,268	11,837	9,905	29,015
- Affordable Housing	(iii)	-	-	-	-	-	-	-
Reserves Created for Specific Purposes	(iv)	10,386,775	(562,860)	23,873	729,181	(157,664)	10,371,559	10,386,775
Net Capital Balances		23,801,826	(138,951)	45,078,988	43,098,555	6,186,781	27,869,224	23,801,826
Balance Sheet Accounts relating to Loan Principal outstanding (including Unrealised TP Annuities)	(v)						(61,455,446)	(60,010,093)
Interest in Associated Companies	(vi)						3,202	2,282
Total Other Balances							(33,583,020)	(36,205,984)

* Capital re-classification represents the change in status and/or funding of opening capital balances.

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

Note (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.

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

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

Note (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.

Note (vi) Represents the Local Authority's interest in associated companies.

11. Capital Account Analysis

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

	2019	2018
	€	€
Net WIP and Preliminary Expenses (Note 2)	14,324	(3,298,523)
Capital Balances (Note 10)	27,869,224	23,801,826
Capital Balance Surplus/(Deficit) at 31st December	27,883,547	20,503,304

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

Opening Balance at 1st January	20,503,303	20,555,777
Expenditure	54,533,842	42,850,125
<u>Income</u>		
- Grants	43,400,442	32,300,354
- Loans	6,250,000	61,942
- Other	5,044,214	5,232,092
Total Income	54,694,656	37,594,388
Net Revenue Transfers	7,219,430	5,203,264
Closing Balance	27,883,547	20,503,303

12. Mortgage Loan Funding Position

The mortgage loan funding position on the balance sheet at year-end is as follows:

	2019	2019	2019	2018
	€	€	€	€
	Loan Annuity	Rented Equity	Total	Total
Mortgage Loans/Equity Receivable (Note 3)	11,368,028	2,949,345	14,317,373	12,080,749
Mortgage Loans/Equity Payable (Note 7)	(10,800,725)	(3,379,135)	(14,179,860)	(11,938,949)
Surplus/(Deficit) in Funding @ 31st of Decembe	567,303	(429,790)	137,513	141,800

NOTE: Cash on Hand relating to Redemptions and Relending

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13. Summary of Plant and Materials Account

A summary of the operations of the Plant and Materials account is as follows:

	Plant	Materials	Total	Total
	2019	2019	2019	2018
	€	€	€	€
Expenditure	(2,338,276)	-	(2,338,276)	(2,313,156)
Charged to Jobs	1,995,026	-	1,995,026	1,942,319
Surplus/(Deficit) for Year	(343,250)	-	(343,250)	(370,837)
Transfers from/(to) Reserves	(340,000)	-	(340,000)	-
Surplus/(Deficit) before Transfers	(683,250)	-	(683,250)	(370,837)

14. Analysis of Transfers to/from Reserves

A summary of the transfers to/from reserves is as follows:

	2019	2019	2019	2018
	Transfer	Transfer	Net	Net
	From	To	Reserves	Reserves
	Reserves	Reserves	€	€
	€	€	€	€
Principal Repaid - Non Mortgage Loans (Own Asset)	-	(4,255,615)	(4,255,615)	(4,302,542)
Principal Repaid - Non Mortgage Loans (Recoupable)	-	(749,631)	(749,631)	(1,005,884)
Principal Repaid - Finance Leases	-	-	-	-
Transfers - Other Balance Sheet Reserves	-	-	-	-
Transfers - Capital Account	1,307,778	(8,527,208)	(7,219,430)	(5,203,264)
Surplus/(Deficit) for Year	1,307,778	(13,532,454)	(12,224,676)	(10,511,690)

15. Analysis of Revenue Income

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

		2019		2018	
	Appendix No	€		€	
State Grants & Subsidies	3	41,818,640	32.3%	38,809,915	31.2%
Contributions from other Local Authorities		101,121	0.1%	103,803	0.1%
Goods and Services	4	38,134,440	29.4%	36,391,889	29.2%
		80,054,201	61.8%	75,305,606	60.5%
Local Property Tax		6,453,400	5.0%	6,451,268	5.2%
Rates		43,009,611	33.2%	42,766,699	34.3%
Total Income		129,517,212	100.0%	124,523,573	100.0%

16. Over/Under Expenditure

The difference between the adopted budget and the actual outturn in respect of both expenditure and income is as follows:

	EXPENDITURE					INCOME					NET
	Excluding		Including		(Over)/Under	Excluding		Including		Over/(Under)	(Over)/Under
	Transfers	Transfers	Transfers	Budget	Budget	Transfers	Transfers	Transfers	Budget	Budget	Budget
	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019
€	€	€	€	€	€	€	€	€	€	€	
Housing & Building	19,630,185	1,615,709	21,245,894	18,567,083	(2,678,811)	19,532,202	305,922	19,838,124	17,260,203	2,577,921	(100,890)
Roads Transportation & Safety	33,893,320	1,753,451	35,646,771	30,659,829	(4,986,942)	25,278,590	-	25,278,590	21,623,241	3,655,348	(1,331,594)
Water Services	12,162,823	526,093	12,688,916	12,515,553	(173,363)	12,228,987	-	12,228,987	12,012,106	216,881	43,518
Development Management	16,253,653	6,638,605	22,892,258	17,613,429	(5,278,829)	14,318,245	-	14,318,245	9,993,082	4,325,164	(953,665)
Environmental Services	13,769,766	1,246,370	15,016,136	14,599,423	(416,713)	2,551,495	-	2,551,495	2,147,891	403,604	(13,109)
Recreation & Amenity	9,786,736	779,874	10,566,610	10,481,626	(84,984)	1,277,726	121,870	1,399,596	1,284,578	115,018	30,034
Agriculture, Education, Health & Welfare	764,784	8,007	772,792	787,967	15,175	372,557	-	372,557	410,386	(37,829)	(22,653)
Miscellaneous Services	10,495,545	964,346	11,459,891	12,373,233	913,343	4,494,399	879,986	5,374,385	3,409,310	1,965,075	2,878,418
Total Divisions	116,756,812	13,532,454	130,289,266	117,598,142	(12,691,123)	80,054,201	1,307,778	81,361,979	68,140,796	13,221,183	530,059
Local Property Tax	-	-	-	-	-	6,453,400	-	6,453,400	6,453,399	1	1
Rates	-	-	-	-	-	43,009,611	-	43,009,611	43,003,946	5,665	5,665
Dr/Cr Balance	-	-	-	-	-	-	-	-	-	-	-
Total Divisions	-	-	-	-	-	49,463,011	-	49,463,011	49,457,345	5,666	5,666
Surplus/(Deficit) for Year	116,756,812	13,532,454	130,289,266	117,598,142	(12,691,123)	129,517,212	1,307,778	130,824,990	117,598,142	13,226,849	535,725

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

	2019
	€
Operating Surplus/(Deficit) for Year	535,724
(Increase)/Decrease in Stocks	10,198
(Increase)/Decrease in Trade Debtors	(406,831)
Increase/(Decrease) in Creditors Less than One Year	(2,005,986)
	<u>(1,866,895)</u>
	<u><u>(1,866,895)</u></u>

18. Increase/(Decrease) in Reserve Balances

Increase/(Decrease) in Development Contributions	1,488,405
Increase/(Decrease) in Reserves created for specific purposes	(15,216)
	<u>1,473,189</u>
	<u><u>1,473,189</u></u>

19. (Increase)/Decrease in Other Capital Balances

(Increase)/Decrease in Voluntary Housing Balances	(19,110)
(Increase)/Decrease in Affordable Housing Balances	-
(Increase)/Decrease in Capital account balances including asset formation/enhancement	2,613,318
	<u>2,594,208</u>
	<u><u>2,594,208</u></u>

20. Increase/(Decrease) in Loan & Lease Financing

(Increase)/Decrease in Long Term Debtors	(1,804,804)
Increase/(Decrease) in Mortgage Loans	2,372,793
Increase/(Decrease) in Asset/Grant Loans	1,898,699
Increase/(Decrease) in Revenue Funding Loans	(454,585)
Increase/(Decrease) in Bridging Finance Loans	-
Increase/(Decrease) in Recoupable Loans	(749,631)
Increase/(Decrease) in Shared Ownership Rented Equity Loans	(131,882)
Increase/(Decrease) in Finance Leasing	-
(Increase)/Decrease in Portion Transferred to Current Liabilities	(99,189)
Increase/(Decrease) in Long Term Creditors - Deferred Income	-
	<u>1,031,401</u>
	<u><u>1,031,401</u></u>

21. Increase/(Decrease) in Reserve Financing

	2019
	€
(Increase)/Decrease in Specific Revenue Reserve	-
(Increase)/Decrease in Balance Sheet accounts relating to loan principal & Unrealised TP Annuities	(1,445,354)
(Increase)/Decrease in Reserves in Associated Companies	920
	<u>(1,444,434)</u>

22. Analysis of Changes in Cash & Cash Equivalents

Increase/(Decrease) in Bank Investments	(4,393,017)
Increase/(Decrease) in Cash at Bank/Overdraft	10,074,086
Increase/(Decrease) in Cash in Transit	(330)
	<u>5,680,739</u>

23. Post Balance Sheet (Non Adjusting) Event

At the financial year end on 31/12/2019 initial reports were emerging from China about Covid-19. In the interim the WHO has declared it a pandemic which has resulted in unprecedented restrictions on travel and movement. This health crisis has, in a short space of time, resulted in effectively locking down economic activity within the county and country for the vast majority of businesses, and brings with it financial uncertainty and consequences that will be of proportions impossible to estimate effectively at this time. The global economic shock created by the COVID 19 pandemic has been faster and more severe than the 2008 financial crash. It is clear, however, even at this point of the crisis that the financial impact will be significant but an estimate of such costs both in terms of dealing with the crisis and the direct impact on other Income and Expenditure for the local authority cannot be estimated at this time as the crisis is ongoing.

APPENDICES

APPENDIX 1
ANALYSIS OF EXPENDITURE
FOR PERIOD ENDED 31ST DECEMBER 2019

	2019	2018
	€	€
<u>Payroll</u>		
- Salary & Wages	37,849,166	36,306,913
- Pensions (Incl. Gratuities)	7,806,821	7,540,266
- Other Costs	3,533,848	3,309,753
Total	49,189,836	47,156,932
<u>Operational Expenses</u>		
- Purchase of Equipment	1,367,173	1,574,298
- Repairs & Maintenance	1,738,620	1,464,252
- Contract Payments	13,654,884	12,651,674
- Agency Services	4,450,752	4,665,203
- Machinery Yard Charges (Incl Plant Hire)	2,753,935	2,884,948
- Purchase of Materials & Issues from Stores	8,397,228	8,796,209
- Payments of Grants	7,057,662	6,781,261
- Members Costs	119,515	140,268
- Travelling & Subsistence	1,706,190	1,597,102
- Consultancy & Professional Fees Payments	1,675,139	2,191,976
- Energy Costs	2,423,021	2,241,229
- Other	9,717,038	9,110,710
Total	55,061,156	54,099,130
<u>Administration Expenses</u>		
- Communication Expenses	662,025	735,435
- Training	696,569	509,553
- Printing & Stationery	568,008	476,112
- Contributions to Other Bodies	1,183,561	1,237,902
- Other	1,830,272	1,464,422
Total	4,940,434	4,423,425
<u>Establishment Expenses</u>		
- Rent & Rates	665,133	692,410
- Other	1,118,097	1,036,737
Total	1,783,230	1,729,147
Financial Expenses	2,381,740	1,741,055
Miscellaneous Expenses	3,400,416	4,168,462
Total Expenditure	116,756,812	113,318,151

Appendix 2

SERVICE DIVISION A

Housing and Building

	EXPENDITURE	INCOME			
	TOTAL	State Grants and Subsidies	Provision of Goods and Services	Contributions from other Local Authorities	TOTAL
Service					
A01 Maintenance/Improvement of LA Housing	3,600,879	149,730	6,656,868	-	6,806,598
A02 Housing Assessment, Allocation and Transfer	740,199	-	15,071	-	15,071
A03 Housing Rent and Tenant Purchase Administration	809,206	-	14,791	-	14,791
A04 Housing Community Development Support	765,112	-	16,007	-	16,007
A05 Administration of Homeless Service	2,491,960	1,880,067	8,787	-	1,888,854
A06 Support to Housing Capital & Affordable Prog.	1,834,807	658,950	31,455	-	690,405
A07 RAS Programme	6,814,224	5,604,980	1,566,716	-	7,171,696
A08 Housing Loans	707,924	24,733	419,044	-	443,777
A09 Housing Grants	3,171,339	2,406,253	167,283	-	2,573,536
A11 Agency & Recoupable Services	-	-	-	-	-
A12 Housing Assistance Programme	310,244	68,340	149,049	-	217,390
Total Including Transfers to/from Reserves	21,245,894	10,793,053	9,045,071	-	19,838,124
Less: Transfers to/from Reserves	1,615,709	-	305,922	-	305,922
Total Excluding Transfers to/from Reserves	19,630,185	10,793,053	8,739,149	-	19,532,202

SERVICE DIVISION B

Road Transport & Safety

Service	EXPENDITURE	INCOME			TOTAL
	TOTAL	State Grants and Subsidies	Provision of Goods and Services	Contributions from other Local Authorities	
B01 NP Road - Maintenance and Improvement	167,321	37,351	3,468	-	40,819
B02 NS Road - Maintenance and Improvement	3,791,267	3,576,953	3,290	-	3,580,243
B03 Regional Road - Maintenance and Improvement	6,250,442	1,047,992	61,496	-	1,109,488
B04 Local Road - Maintenance and Improvement	20,737,246	17,642,259	956,246	-	18,598,505
B05 Public Lighting	2,081,740	181,331	557	-	181,888
B06 Traffic Management Improvement	126,631	-	289	-	289
B07 Road Safety Engineering Improvement	409,571	354,958	-	-	354,958
B08 Road Safety Promotion/Education	416,632	-	9,391	-	9,391
B09 Maintenance & Management of Car Parking	939,163	-	1,370,686	-	1,370,686
B10 Support to Roads Capital Prog.	723,532	-	32,324	-	32,324
B11 Agency & Recoupable Services	3,225	-	-	-	-
Total Including Transfers to/from Reserves	35,646,771	22,840,844	2,437,745	-	25,278,590
Less: Transfers to/from Reserves	1,753,451	-	-	-	-
Total Excluding Transfers to/from Reserves	33,893,320	22,840,844	2,437,745	-	25,278,590

SERVICE DIVISION C

Water Services

	EXPENDITURE	INCOME			
	TOTAL	State Grants and Subsidies	Provision of Goods and Services	Contributions from other Local Authorities	TOTAL
Service					
C01 Operation and Maintenance of Water Supply	6,079,012	40,000	6,039,013	-	6,079,013
C02 Operation and Maintenance of Waste Water Treatment	3,286,445	222,165	3,064,280	-	3,286,445
C03 Collection of Water and Waste Water Charges	305,201	-	305,200	-	305,200
C04 Operation and Maintenance of Public Conveniences	215,850	-	5,010	-	5,010
C05 Admin of Group and Private Installations	1,941,817	1,840,116	8,631	-	1,848,748
C06 Support to Water Capital Programme	606,080	-	606,079	-	606,079
C07 Agency & Recoupable Services	-	-	-	-	-
C08 Local Authority Water & Sanitary Services	254,511	88,047	10,446	-	98,493
Total Including Transfers to/from Reserves	12,688,916	2,190,328	10,038,659	-	12,228,987
Less: Transfers to/from Reserves	526,093	-	-	-	-
Total Excluding Transfers to/from Reserves	12,162,823	2,190,328	10,038,659	-	12,228,987

SERVICE DIVISION D

Development Management

Service	EXPENDITURE	INCOME			TOTAL
	TOTAL	State Grants and Subsidies	Provision of Goods and Services	Contributions from other Local Authorities	
D01 Forward Planning	1,303,185	-	27,500	-	27,500
D02 Development Management	1,659,046	-	487,023	-	487,023
D03 Enforcement	1,064,116	-	29,360	-	29,360
D04 Op & Mtce of Industrial Sites & Commercial Facilities	-	-	-	-	-
D05 Tourism Development and Promotion	11,440,730	38,325	10,899,152	-	10,937,477
D06 Community and Enterprise Function	3,311,981	1,103,765	53,916	-	1,157,681
D07 Unfinished Housing Estates	321,867	-	5,530	-	5,530
D08 Building Control	406,437	-	40,876	-	40,876
D09 Economic Development and Promotion	2,628,610	1,182,220	224,750	-	1,406,970
D10 Property Management	405,349	-	125,719	-	125,719
D11 Heritage and Conservation Services	230,979	96,290	3,819	-	100,110
D12 Agency & Recoupable Services	119,958	-	-	-	-
Total Including Transfers to/from Reserves	22,892,258	2,420,600	11,897,646	-	14,318,245
Less: Transfers to/from Reserves	6,638,605	-	-	-	-
Total Excluding Transfers to/from Reserves	16,253,653	2,420,600	11,897,646	-	14,318,245

SERVICE DIVISION E

Environmental Services

Service	EXPENDITURE	INCOME			TOTAL
	TOTAL	State Grants and Subsidies	Provision of Goods and Services	Contributions from other Local Authorities	
E01 Operation, Maintenance and Aftercare of Landfill	1,446,778	-	486,555	-	486,555
E02 Op & Mtce of Recovery & Recycling Facilities	2,006,816	94,029	324,871	-	418,900
E03 Op & Mtce of Waste to Energy Facilities	-	-	-	-	-
E04 Provision of Waste to Collection Services	-	-	-	-	-
E05 Litter Management	893,054	75,562	45,539	-	121,102
E06 Street Cleaning	1,843,174	-	41,973	-	41,973
E07 Waste Regulations, Monitoring and Enforcement	657,749	403,000	66,846	-	469,846
E08 Waste Management Planning	191,158	-	3,643	93,621	97,264
E09 Maintenance and Upkeep of Burial Grounds	435,404	-	72,256	-	72,256
E10 Safety of Structures and Places	892,504	111,883	71,053	-	182,936
E11 Operation of Fire Service	5,272,351	-	386,715	-	386,715
E12 Fire Prevention	598,519	-	226,757	-	226,757
E13 Water Quality, Air and Noise Pollution	740,286	12,000	35,191	-	47,191
E14 Agency & Recoupable Services	38,342	-	-	-	-
E15 Climate Change and Flooding	-	-	-	-	-
Total Including Transfers to/from Reserves	15,016,136	696,475	1,761,399	93,621	2,551,495
Less: Transfers to/from Reserves	1,246,370	-	-	-	-
Total Excluding Transfers to/from Reserves	13,769,766	696,475	1,761,399	93,621	2,551,495

SERVICE DIVISION F

Recreation and Amenity

	EXPENDITURE	INCOME			
Service	TOTAL	State Grants and Subsidies	Provision of Goods and Services	Contributions from other Local Authorities	TOTAL
F01 Operation and Maintenance of Leisure Facilities	1,909,024	-	738,478	-	738,478
F02 Operation of Library and Archival Service	4,450,534	16,002	109,896	-	125,898
F03 Op, Mtce & Imp of Outdoor Leisure Areas	2,504,328	18,213	165,052	-	183,265
F04 Community Sport and Recreational Development	254,584	-	100,070	-	100,070
F05 Operation of Arts Programme	1,448,140	156,600	95,286	-	251,886
F06 Agency & Recoupable Services	-	-	-	-	-
Total Including Transfers to/from Reserves	10,566,610	190,815	1,208,781	-	1,399,596
Less: Transfers to/from Reserves	779,874	-	121,870	-	121,870
Total Excluding Transfers to/from Reserves	9,786,736	190,815	1,086,912	-	1,277,726

SERVICE DIVISION G

Agriculture, Eductaion,Health and Welfare

	EXPENDITURE	INCOME			
Service	TOTAL	State Grants and Subsidies	Provision of Goods and Services	Contributions from other Local Authorities	TOTAL
G01 Land Drainage Costs	-	-	-	-	-
G02 Operation and Maintenance of Piers and Harbours	111,091	-	46,528	-	46,528
G03 Coastal Protection	-	-	-	-	-
G04 Veterinary Service	629,643	211,133	110,091	-	321,224
G05 Educational Support Services	32,057	4,000	805	-	4,805
G06 Agency & Recoupable Services	-	-	-	-	-
Total Including Transfers to/from Reserves	772,792	215,133	157,424	-	372,557
Less: Transfers to/from Reserves	8,007	-	-	-	-
Total Excluding Transfers to/from Reserves	764,784	215,133	157,424	-	372,557

SERVICE DIVISION H

Miscellaneous Services

Service	EXPENDITURE	INCOME			TOTAL
	TOTAL	State Grants and Subsidies	Provision of Goods and Services	Contributions from other Local Authorities	
H01 Profit/Loss Machinery Account	725,613	-	42,363	-	42,363
H02 Profit/Loss Stores Account	-	-	-	-	-
H03 Administration of Rates	6,165,220	-	564,550	-	564,550
H04 Franchise Costs	409,852	-	124,833	-	124,833
H05 Operation of Morgue and Coroner Expenses	213,279	-	3,808	-	3,808
H06 Weighbridges	-	-	-	-	-
H07 Operation of Markets and Casual Trading	38,738	-	32,034	-	32,034
H08 Malicious Damage	-	-	-	-	-
H09 Local Representation/Civic Leadership	2,603,812	-	336,337	-	336,337
H10 Motor Taxation	1,067,709	35,671	18,857	-	54,528
H11 Agency & Recoupable Services	235,669	2,435,722	1,772,710	7,500	4,215,932
Total Including Transfers to/from Reserves	11,459,891	2,471,393	2,895,492	7,500	5,374,385
Less: Transfers to/from Reserves	964,346	-	879,986	-	879,986
Total Excluding Transfers to/from Reserves	10,495,545	2,471,393	2,015,506	7,500	4,494,399
TOTAL ALL DIVISIONS (Excluding Transfers)	116,756,812	41,818,640	38,134,440	101,121	80,054,201

APPENDIX 3
ANALYSIS OF INCOME FROM GRANTS AND SUBSIDIES

	2019	2018
	€	€
Department of Housing, Planning, and Local Government		
Housing Grants & Subsidies	11,645,944	9,329,355
Local Improvement Schemes	-	-
Road Grants	-	-
Water Services Group Schemes	1,840,116	991,415
Environmental Protection/Conservation Grants	591,613	563,794
Library Services	-	-
Urban and Village Renewal Schemes	-	-
Miscellaneous	2,827,135	3,488,382
	16,904,808	14,372,945
Other Departments and Bodies		
Road Grants	22,833,558	22,574,538
Local Enterprise Office	1,142,220	1,087,731
Community Employment Schemes	-	-
Civil Defence	111,883	102,437
Higher Education Grants	4,000	15,020
Miscellaneous	822,170	657,244
	24,913,832	24,436,969
TOTAL	41,818,640	38,809,915

APPENDIX 4

ANALYSIS OF INCOME FROM GOODS AND SERVICES

	2019	2018
	€	€
Rents from Houses	8,227,902	7,802,043
Housing Loans Interest & Charges	274,649	219,402
Domestic Water	-	-
Commercial Water	-	-
Irish Water	9,775,920	9,994,992
Domestic Refuse	-	-
Commercial Refuse	-	-
Domestic Sewerage	-	-
Commercial Sewerage	-	-
Planning Fees	450,125	554,477
Parking Fines/Charges	1,349,859	1,349,417
Recreation & Amenity Activities	11,247,548	9,933,509
Library Fees/Fines	11,288	52,190
Agency Services	-	-
Pension Contributions	1,331,427	1,365,767
Property Rental & Leasing of Land	506,151	282,620
Landfill Charges	461,602	452,379
Fire Charges	409,144	387,563
NPPR	984,527	1,220,762
Miscellaneous	3,104,298	2,776,767
	38,134,440	36,391,889
	38,134,440	36,391,889

APPENDIX 5
SUMMARY OF CAPITAL EXPENDITURE AND INCOME

	2019	2018
	€	€
<u>EXPENDITURE</u>		
Payments to Contractors	31,590,628	16,565,294
Purchase of Land	4,176,634	2,983,584
Purchase of Other Assets/Equipment	6,870,928	13,543,958
Professional & Consultancy Fees	5,205,895	4,068,638
Other	6,689,757	5,688,651
Total Expenditure (Net of Internal Transfers)	54,533,842	42,850,125
Transfers to Revenue	1,307,778	867,989
Total Expenditure (Including Transfers)*	55,841,620	43,718,115
<u>INCOME</u>		
Grants and LPT	43,400,442	32,300,354
Non-Mortgage Loans	6,250,000	61,942
Other Income		
Development Contributions	2,291,328	1,715,914
Property Disposals - Land	-	-
- LA Housing	-	-
- Other Property	50,953	17,000
Tenant Purchase Annuities	610,114	705,088
Car Parking	-	-
Other	2,091,819	2,794,089
Total Income (Net of Internal Transfers)	54,694,656	37,594,388
Transfers from Revenue	8,527,208	6,071,253
Total Income (Including Transfers) *	63,221,864	43,665,641
Surplus/(Deficit) for year	7,380,244	(52,473)
Balance (Debit)/Credit @ 1st January	20,503,303	20,555,777
Balance (Debit)/Credit @ 31st December 2019	27,883,547	20,503,303

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

APPENDIX 6
ANALYSIS OF INCOME AND EXPENDITURE ON CAPITAL ACCOUNT

	<i>Balance at 01/01/2019</i>	<i>Expenditure</i>	<i>INCOME</i>			<i>Total Income</i>	<i>TRANSFERS</i>			<i>Balance at 31/12/2019</i>
			<i>Grants & LPT</i>	<i>Non Mortgage Loans *</i>	<i>Other</i>		<i>Transfers from Revenue</i>	<i>Transfers to Revenue</i>	<i>Internal Transfers</i>	
01 HOUSING & BUILDING	1,058,303	27,266,394	25,391,617	4,500,000	901,113	30,792,730	754,277	305,922	-	5,032,994
02 ROAD TRANSPORTATION & SAFETY	1,524,372	15,459,413	12,742,087	-	1,282,761	14,024,849	1,380,686	-	304,598	1,775,091
03 WATER SERVICES	(3)	292,610	154,525	-	138,088	292,613	-	-	-	-
04 DEVELOPMENT MANAGEMENT	12,355,339	3,472,339	2,165,172	-	2,363,238	4,528,410	5,096,165	121,870	(1,208,557)	17,177,148
05 ENVIRONMENTAL SERVICES	526,652	633,869	541,634	-	56,000	597,634	138,000	-	-	628,417
06 RECREATION & AMENITY	1,412,030	2,412,719	1,264,971	-	86,127	1,351,098	103,813	-	570,000	1,024,222
07 AGRICULTURE, EDUCATION, HEALTH & WELFARE	24,041	236,544	-	-	149,044	149,044	87,500	-	(2,383)	21,658
08 MISCELLANEOUS	3,602,569	4,759,953	1,140,436	1,750,000	67,841	2,958,277	966,767	879,986	336,343	2,224,017
	20,503,303	54,533,842	43,400,442	6,250,000	5,044,214	54,694,656	8,527,208	1,307,778	-	27,883,547

Note: Mortgage related transactions are excluded

APPENDIX 7

Summary of Major Revenue Collections for 2019

A	B	C	D	E	F	G	H	I	J	K
Debtor Type	Opening Arrears at 01/01/2019	Accrued	Vacant Property Adjustments	Write Offs	Waivers	Total for Collection =(B+C-D-E-F)	Amount Collected	Closing Arrears at 31/12/2019 =(G-H)	Specific Doubtful Arrears*	%Collected =(H)/(G-J)
	€	€	€	€	€	€	€	€	€	
Rates	10,464,737	43,008,950	3,480,509	1,240,930	-	48,752,248	38,709,116	10,043,132	4,148,322	87%
Rents & Annuities	1,379,332	8,246,375	-	15,490	-	9,610,217	8,192,347	1,417,870	-	85%
Housing Loans	429,949	986,005	-	261	-	1,415,693	1,049,066	366,627	-	74%

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

APPENDIX 8

INTEREST OF LOCAL AUTHORITIES IN COMPANIES

The following Companies are companies in which Clare County Council has a shareholding (controlling, jointly controlling or associated shareholding). The value of the shareholdings are represented in the Council's accounts in Note - 3 - Long Term Investments in Associated Companies. Small shareholdings that do not fall into these categories are excluded below.

Glor Irish Music Ltd. and Cliffs of Moher Centre Ltd. are subsidiaries of Clare County Council. These subsidiaries are excluded from consolidation as the income of the company represents less than 5% of the parent entity income. The value of the share holding is treated as an associate in Note 3 of the AFS.

Name of Company	Proportion of ownership interest	Classification: Subsidiary/ Associate/ Joint Venture	Total Assets	Total Liabilities	Revenue Income	Revenue Expenditure	Cumulative Surplus / Deficit	Currently Consolidated Y/N	Reporting date of financial statements lodged with
Lahinch Seaworld and Leisure Centre PLC	22.71%	Associate	662,809	1,062,705	574,264	585,623	(1,155,136)	N	31/10/2018
Shannon Broadband Ltd	20.00%	Associate	7,436,419	6,069,820	9,873	202,732	(1,497,808)	N	31/12/2018
Glór Music Limited	100.00%	Subsidiary	303,026	244,324	1,359,102	1,348,503	10,599	N	31/12/2018
Cliffs of Moher Centre Limited	100.00%	Subsidiary	93,345	93,295	2,836,672	2,836,672	0	N	31/12/2018