

AUDITED

ANNUAL FINANCIAL STATEMENT

Cork County Council

For the year ended 31st December 2018

CONTENTS

AUDITED

	Page
Financial Review	3
Certificate of Chief Executive/Head of Finance	9
Audit Opinion	10
Statement of Accounting Policies	11
Financial Accounts	15
Statement of Comprehensive Income (Income & Expenditure Account)	16
Statement of Financial Position (Balance Sheet)	17
Statement of Funds Flow (Funds Flow Statement)	18
Notes on and forming part of the Accounts	19-29
Appendices	30
1 Analysis of Expenditure	31
2 Expenditure and Income by Division	32-35
3 Analysis of Income from Grants and Subsidies	36
4 Analysis of Income from Goods and Services	37
5 Summary of Capital Expenditure and Income	38
6 Capital Expenditure and Income by Division	39
7 Major Revenue Collections	40
8 Interest of Local Authorities in Companies	41

Cork County Council

Financial Review

Annual Financial Statement for Financial Year ended 31st December 2018

The Annual Financial Statement (AFS) for Cork County Council for the financial year ended 31 December 2018 is presented in accordance with the Local Authority Accounting in Ireland Code of Practice, Accounting Regulations, and the directions of the Minister for Housing, Planning, and Local Government.

The 2018 AFS is prepared on the accruals concept and includes income for most of the principal income streams, such as commercial rates, rents, fire charges, development contributions and some minor income streams. Realised income however underlines the financial standing of the Council and the impact of accrued income will be outlined in the relevant sections.

The Statement of Accounting Policies (pg. 11-14) outlines the main principles upon which the AFS has been prepared. The notes supporting both the Statement of Comprehensive Income & Expenditure and Statement of Financial Position form part of the financial accounts. The purpose of the notes, together with the additional appendices, is to provide a more detailed analysis and explanation of the figures included in the Income and Expenditure Account and particularly the Balance Sheet. The Annual Financial Statement is subject to external audit, by an auditor of the Local Government Audit Service, whose purpose is to form an independent opinion of the accounts.

The AFS reports on the day to day activity of the Council in the form of the Statement of Comprehensive Income & Expenditure, summarised by Division. The Statement of Financial Position outlines the Council's overall financial position as of the 31st December 2018. Comparatives with 2017 are provided as appropriate.

REVIEW OF YEAR-END FINANCIAL POSITION

Statement of Comprehensive Income (Income & Expenditure Account)

This account, as outlined above, represents expenditure and income on the day-to-day running of the Council. Operational costs such as maintenance of housing, roads, environmental services, recreation & amenity, economic development and water services, together with administration and support costs are reported in this statement by Division. Activity on the account for 2018 is as follows:

	2018	2017	Movement
Income	€336,403,868	€314,056,300	€22,347,568
Expenditure	€309,771,946	€290,143,838	€19,628,108
Transfers to Capital	€26,586,873	€29,347,881	(€2,761,008)
Exceptional Item			€0
Surplus/(Deficit) for Year	€45,048	(€5,435,419)	€5,480,467
Prior Year Adjustment	€0	€0	€0
Opening Revenue Reserve	€7,343,576	€12,778,996	(€5,435,420)
Closing Revenue Reserve	€7,388,624	€7,343,576	€45,048

A budget loss of €2,974,522 was provided for in 2018. Due to continuous budgetary control monitoring during the year together with maximisation of income there was an overall reduction in the budgeted loss of €3.02m. This resulted in an overall reported surplus of €45,048 for 2018. The reported surplus was mainly due to surplus over budget income for NPPR of €1.84m, together with a rates gain due to increased collection performance in 2018.

Revenue Income By Source

	2018	2017
Goods & Services	€92,489,436	€89,929,106
Grants & Subsidies	€93,854,365	€76,579,306
Other Contributions	€1,277,903	€1,249,755
Rates	€132,210,905	€129,772,050
Local Property Tax (discretionary)	€16,571,259	€16,526,083
Pension related deductions	€0	€0
	€336,403,868	€314,056,300

The majority of Income and Expenditure is reported on an accruals basis in the AFS. However some of the Council's smaller income streams are still reported on a cash basis.

Transfers to Capital (Note 14) Total €26.6m

Transfers to Capital account for provisions in the 2018 Budget being carried out through the capital account, loan repayments and also the provision of reserves to fund specific projects. In addition unspent GMA/Town Development Fund, Pay Parking Dividend have been ringfenced and capitalised to 2019.

Transfers comprise of budget provisions, as adopted at Budget, together with additional year end transfers of €5.2m of which the main year end transfers are outlined below:

	€
Coastal Protection	250,000
GMA/TDF capitalisations	2,500,000
Town loan repayments	400,000
IronMan	500,000
Plant & Machinery A/c	460,000

Included are transfers to the Plant & Machinery Account which will be utilised for replacement of Plant. Transfers to Coastal Protection will be utilised in funding the three year Capital Programme and help to reduce the requirement to provide for this spend in future Revenue Budgets. Legacy town loans have been reduced to a level that will allow for full redemption in 2019. Additional funding has been set aside for IronMan given its significance on the 2019 calendar. Provision has also been made through Revenue and Capital towards the Capital Programme (loan and grant) cofinancing following approval of Members of this borrowing.

REVIEW OF FINANCIAL PERFORMANCE**Revenue Reserve Summary**

	€
Opening Revenue Reserve 01.01.2018	7,343,576
Net reported profit for 2018	45,048
Closing Revenue Reserve 31.12.18	<u><u>7,388,624</u></u>

The balance on the Reserve account is considered prudent and satisfactory.

SUPPLEMENTARY BUDGETS

Report on additional expenditure for year ended 31st December 2018 Local Government Act 2001 - S104 (as amended).

During the year additional expenditure to that provided in the Annual Budget was incurred. Set out below is a list of Supplementary Budgets. These additional expenditures have been funded in one of the following manners:

- 1 Additional Grants
- 2 Savings in Budgeted Expenditure
- 3 Additional Income
- 4 Transfer from Reserves

Note 16 of the Financial Statement outlines this additional expenditure.

Description	Comment	€
Roads, Transportation & Safety	Additional roads grant spend covered by	9,326,932
Recreation & Amenity	Swimming Pools, Parks & Open Space, Storm Ophelia, Playgrounds, Capitalise Town Development Fund/GMA/Pay Parking Dividend	2,699,492
Miscellaneous	Increases in Plant & Machinery A/C (contra), Insurance, Additional transfers to fund Capital Programme (contra), legal provision, coupled with reduction in Rates bad debt	16,344,391

Explanations of Significant Variances

Additional road grant allocations allowed for some of the increased budget on roads. The supplementary expenditure on the Town Development Fund/GMA etc is as a result of the capitalising of 2018 unspent funds into 2019, again this is matched with income. The supplementary expenditure in the additional transfers for Capital and other costs is funded mainly due to the NPPR and rates gain together with the reduction in the bad debt provision for rates due to increased collection performance in 2018.

STATEMENT OF FINANCIAL POSITION (Balance Sheet)

The total financial activity of the council for the year together with comparative year figures are summarised in this The statement includes assets and liabilities as follows:

- Assets both recently **constructed/purchased** and historical assets
- Work in progress and preliminary schemes- mainly roads and housing
- Long Term Debtors – housing loans
- Current Assets- including Stock, Debtors, Cash at bank
- Current and long term liabilities- mortgage and non-mortgage loan borrowings.
- Various Reserves/Balances

The Net Assets at the end of 2018 total €8.2 billion.

CAPITAL ACCOUNT

The capital account records income and expenditure in respect of the acquisition and provision of assets related to services provided by the Council.

Activity for the year is as follows:	€
Expenditure	156,006,557
Income	
Grants	123,354,721
Borrowings Non- Mortgage Loans	-
Other	39,340,441
Net Expenditure	<u>(6,688,605)</u>
Transfers to/ from Revenue	(15,060,363)
Opening Credit balance	(112,152,608)
Closing Capital Credit Balance	<u><u>(133,901,576)</u></u>

The above closing credit balance net of transfers is represented by the following:

Work in Progress and Preliminary Expenditure	10,351,359
Voluntary/Affordable Housing	1,215,758
Completed Schemes	10,141,466
Reserves of the Council	91,127,575
Development Levy contributions *	21,065,418
Closing Capital Credit Balance	<u><u>133,901,576</u></u>

* Development levy contributions are accounted for on an accrual basis and include income from historical levies not yet collected.

Main expenditure areas in the capital account reflect the Council's increasing investment in the Housing programmes particularly in the area of Turnkey social housing schemes and spend on Road & Transportation schemes. Housing expenditure reflects spend under the Government's Social Housing Strategy. Some of the other key projects progressed as part of the Council's capital investment included Skibbereen Flood Relief works, Haulbowline Remediation Project which is near completion, continuation of the Footpaths Programme, Douglas & Glashaboy River Flood Risk Assessment, National Roundabout upgrades and Dursey Cable Car.

Appendix 5 and 6 of the Financial Statement outlines the level of activity for the year on the capital account.

Review of Capital Balances

Capital debit & credit balances are reviewed as part of AFS 2018 controls. This review resulted in an examination of capital balances and where appropriate setting off of debits & credit balances together with allocation of development contributions collected to projects as outlined in the Capital 2018-2020 Programme of works.

MORTGAGE HOUSING LOAN ACTIVITY (NOTE 7 and 12)

Note 12 outlines the Council's Mortgage Funding position as at 31 December 2018:

Mortgage Loans advanced by the Council at the end of December totalled €74,853,486 (2017: €75,280,747)

Mortgage Loans drawdown by the Council totalled €65,531,054 (2017: €67,182,097)

The Council endeavours to keep equilibrium on loan borrowings and the difference arising of €9,322,432 relates to year end timing differences on draw downs and redemptions.

Notes 3 & 7 (a) outline the activity on loan advances and loan borrowings (respectively) by Council during 2018.

DEBTORS

Net Trade Debtors decreased by €5.17m compared to 2017, summarised as follows:

	€
Decrease in Government Debtors	(7,568,123)
Decrease in Commercial Debtors	(6,493,477)
Increase in Provision for Doubtful Debts	(4,717,098)
Increase in Other Debtors	13,181,836
Increase in Current Portion of LT Debtors	423,379
	<u>(5,173,483)</u>

CREDITORS and ACCRUALS

Creditors and Accruals increased by €3.9m compared to 2017.

	€
Increase in Trade Creditors	185,282
Decrease in Other creditors	(478,035)
Decrease in Accruals	(2,159,609)
Increase in Revenue Commissioners	882,845
Increase in Deferred Income	5,273,490
Increase in Amount falling due within one year	196,140
	<u>3,900,113</u>

OVERVIEW OF THE FINANCIAL STANDING OF THE AUTHORITY

A continued strong focus on budgetary management in 2018 ensured the Council managed within its income availability in the context of maintaining services and also progressing to meet some of the increasing needs of a growing economy.

The Revenue position reflects the 5 year strategic approach, which was agreed with Council as part of the 2015 Budget adoption process, to provide for some additional service levels while continuing to maintain existing services. Our Revenue surplus remains at a reasonable level at year end. The Capital position shows the increased emphasis on the Social Housing Programme, Road infrastructure improvements together with the increasing importance of recreation and amenity investment and public realm enhancement, as echoed in the capital investment programme.

The accounts also report significant level of debt for the Council which consists mainly of Land loans, Asset loans, Recoupable Voluntary Housing Loans and Bridging Finance loans. Bridging loans relate to loans incurred on Affordable Housing currently under the Social Leasing Initiative. Loan repayments under this category are recouped from the Department as are the loan charges associated with Voluntary Housing loans. In 2018 some of the legacy town loans were redeemed thereby reducing the Revenue Budget requirement.

NOTE: Transfer of Responsibility for the Delivery of Water Services to Irish Water

The Water Services Act 2013 and the Water Services (No. 2) Act 2013 provided for the establishment of Irish Water as an independent subsidiary within the Bord Gáis Éireann Group (Ervia). From January 2014, all functions of the Local Authority relating to water services transferred to Irish Water, other than those related to rural water services, notably group water schemes and individual domestic wastewater treatment systems, together with all associated water services

Cork County Council continues to deliver services on behalf of Irish Water through a service level agreement for an agreed payment. It is provided that these agreements will run for a 12 year period with reviews. This has been reflected in Local Authority revenue budgets adopted since 2014.

The analysis, computation and valuation of assets and liabilities to be transferred to Irish Water are computed and agreed between Local Authorities and Irish Water. The changes agreed that affected the AFS for Cork County Council were as follows:

- Statutory Transfer of 90% of the Net Book Value of Water Assets €792m under Ministerial order for S.I. No. 13 of 2015 the Water Services (No.2) Act 2013 (Property Vesting Day Order 2015) brings into affect the transfer of functions outlined in the Act.
- 10% remaining assets - Assets relating to the functions retained by Local Authorities.

The formal transfer of assets to Irish Water began early in 2015 and has been progressing through Ministerial Orders as provided for under the Water Services (No.2) act of 2013. In the initial stages of this process Irish Water issued Cork County Council with lists of prioritised sites to transfer. At the end of 2018, 277 assets were vested and have completed the transfer process to Irish Water, a further 59 assets have been jointly agreed to progress for transfer between Cork County Council and Irish Water. These will be progressed and notified to the Department for completion of the transfer process. Further transfers under Ministerial Order will continue during 2019.

LOCAL PROPERTY TAX (LPT)

As in previous years local authorities were allocated 80% of the Local Property Tax income paid locally. In 2018 the Council was one of the local authorities that received greater levels of funding as a result of local retention of this LPT (80%), compared to the level of funding they would have received from the Local Government Fund. 20% of LPT was retained for discretionary purpose and any surplus LPT Income was used to replace exchequer funding for Housing and Roads. This included under the grants section in Appendix 3 and Appendix 5 & 6. The details of the LPT funding to Council are as follows:

	€
Discretionary	16,571,259
Revenue Roads	451,922
Revenue Housing	2,500,824
Capital Housing	13,150,000
	<u>32,674,005</u>

The Council's decision not to vary the base rate of Local Property Tax for 2018 was welcome. The decision resulted in a positive position for 2018 which utilised the revenue raised to support further increases in service delivery. It is important to note that some of the benefits accrued to the Council as a result:

- Enhanced Public Space/Town Approach Maintenance Programme providing total fund of €1.1m
- Enhancement to Public Realm and Infrastructure in Villages: €0.5m
- Provision to Community Arts Programme €0.15m
- Disability Works to LA Houses €0.25m

CONCLUSION:

The overall outcome for 2018 has been satisfactory in a period of uncertainty with regard to available resources, funding changes with regard to LPT and growing demands for services in an improving economic climate. It is recognised that there are limited areas for revenue generation available. Consequently local decision making on the variation of the rate of Local Property Tax, commercial rates and development contributions schemes are now significant decisions of Council which have direct local impact. The capacity of the Council must continue to be prudently managed and developed to meet increasing demands on operational and capital programmes, and to allow investment and development to progress while ensuring the financial standing of the Council is not undermined.

The Council continued to respond effectively to unplanned operational day to day expenditure requirements, severe weather events and longer term capital investment programmes as they arose, while having due regard to budgetary control and maintaining a prudent revenue reserve for the Council. The ongoing dedication of staff and members to the delivery of quality services is acknowledged and appreciated.

Cork County Council will continue to sustain essential services, maximise funding sources and utilise available resources for investment in its future while maintaining expenditure levels in line with projected levels of funding.

Cork County Council

Certificate of Chief Executive & Head of Finance for the year ended

31 December 2018

- 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 Cork County Council for the year ended 31 December 2018, as set out on pages X to Y, 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, Community and Local Government.



Chief Executive

Date

25th Oct 2019



Head of Finance

Date

25th Oct 2019

Independent Auditor's Opinion to the Members of Cork County Council

I have audited the annual financial statement of Cork County Council for the year ended 31 December 2018 as set out on pages 11 to 29, 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 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.

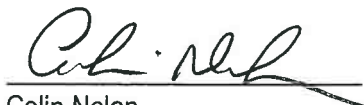
I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide sufficient evidence to give reasonable assurance that the annual financial statement is free from material misstatement, whether caused by fraud or error.

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 Cork County Council at 31 December 2018 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.



Colin Nolan
Local Government Auditor

25 October 2019

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 2018. 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.

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.

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 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 (** See note)	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.

** A nominal value of €88m has been placed on Water Assets that will remain on Cork County Council's Balance Sheet once the transfer of assets to Irish Water has been completed. At this point, it is not possible to determine the exact value this will be at end of the process. Therefore, this amount is not being depreciated. Upon completion, the assets will be transferred to another category.

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 Cork 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 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. Contingent Liabilities

Some contingent liabilities exist at the end of 2018 and will be monitored on an on-going basis by Cork County Council. However at present it is not possible to quantify a reasonable financial effect.

18. Review of Capital Balances

An ongoing review of Capital debit and credit balances continued in 2018. Credits in Capital previously transferred from revenue were re-distributed through the revenue account back to capital to fund deficits. Development Contributions are allocated to the Capital Programme and other projects.

19. LPT

Allocation of LPT funds during 2018 were distributed as per notifications / instructions from the DHPLG which covered accruals of grant income from 2017.

FINANCIAL ACCOUNTS

**STATEMENT OF COMPREHENSIVE INCOME (INCOME & EXPENDITURE ACCOUNT STATEMENT)
FOR YEAR ENDING 31st DECEMBER 2018**

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
		2018 €	2018 €	2018 €	2017 €
Housing & Building		44,603,906	45,758,095	(1,154,189)	(249,989)
Roads Transportation & Safety		83,747,011	54,690,944	29,056,067	29,361,515
Water Services		34,191,943	32,208,072	1,983,871	1,921,208
Development Management		32,076,571	13,328,849	18,747,722	18,016,541
Environmental Services		38,215,132	8,148,471	30,066,661	27,916,414
Recreation & Amenity		25,222,564	3,035,135	22,187,429	20,829,678
Agriculture, Education, Health & Welfare		4,714,104	2,436,786	2,277,319	1,852,184
Miscellaneous Services		47,000,714	28,015,352	18,985,362	22,738,120
Total Expenditure/Income	15	309,771,946	187,621,703		
Net cost of Divisions to be funded from Rates & Local Property Tax				122,150,243	122,385,671
Rates				132,210,905	129,772,049
Local Property Tax				16,571,259	16,526,083
Surplus/(Deficit) for Year before Transfers	16			26,631,921	23,912,461
Transfers from/(to) Reserves	14			(26,586,873)	(29,347,881)
Overall Surplus/(Deficit) for Year				45,048	(5,435,419)
General Reserve @ 1st January 2018				7,343,576	12,778,996
General Reserve @ 31st December 2018				7,388,624	7,343,576

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AT 31st DECEMBER 2018

	Notes	2018 €	2017 €
Fixed Assets	1		
Operational		1,963,521,738	1,964,897,996
Infrastructural		6,127,328,904	6,124,697,082
Community		56,283,566	55,588,223
Non-Operational		35,936,441	35,696,441
		8,183,070,649	8,180,879,742
Work in Progress and Preliminary Expenses	2	112,648,487	73,720,338
Long Term Debtors	3	148,592,427	148,199,365
Current Assets			
Stocks	4	599,167	620,382
Trade Debtors & Prepayments	5	75,055,956	80,229,439
Bank Investments		182,628,887	155,326,526
Cash at Bank		6,701,074	1,238,536
Cash in Transit		52,672	52,672
		265,037,756	237,467,556
Current Liabilities (Amounts falling due within one year)			
Bank Overdraft		-	-
Creditors & Accruals	6	121,870,459	117,970,346
Finance Leases		-	-
		121,870,459	117,970,346
Net Current Assets / (Liabilities)		143,167,297	119,497,210
Creditors (Amounts falling due after more than one year)			
Loans Payable	7	356,563,177	370,842,647
Finance Leases		-	-
Refundable deposits	8	18,516,954	15,640,676
Other		11,304,574	6,199,881
		386,384,705	392,683,204
Net Assets		8,201,094,154	8,129,613,451
Represented by			
Capitalisation Account	9	8,183,070,653	8,180,879,746
Income WIP	2	122,999,846	68,248,105
Specific Revenue Reserve		-	-
General Revenue Reserve		7,388,624	7,343,576
Other Balances	10	(112,364,964)	(126,857,971)
Balancing Figure		(5)	(5)
Total Reserves		8,201,094,154	8,129,613,451

**STATEMENT OF FUNDS FLOW (FUNDS FLOW STATEMENT)
AS AT 31ST DECEMBER 2018**

	Note	2018 €	2018 €
REVENUE ACTIVITIES			
Net Inflow/(outflow) from operating activities			9,139,860
 CAPITAL ACTIVITIES			
Returns on Investment & Servicing of Finance			
Increase/(Decrease) in Fixed Asset Capitalisation Funding		2,190,907	
Increase/(Decrease) in WIP/Preliminary Funding		54,751,741	
Increase/(Decrease) in Reserves Balances	18	<u>(3,600,624)</u>	
Net Inflow/(Outflow) from Returns on Investment and Servicing of Finance			53,342,025
 Capital Expenditure & Financial Investment			
(Increase)/Decrease in Fixed Assets		(2,190,907)	
(Increase)/Decrease in WIP/Preliminary Funding		(38,928,149)	
(Increase)/Decrease in Other Capital Balances	19	<u>9,526,000</u>	
Net Inflow/(Outflow) from Capital Expenditure and Financial Investment			(31,593,056)
 Financing			
Increase/(Decrease) in Loan Financing	20	(9,567,838)	
(Increase)/Decrease in Reserve Financing	21	<u>8,567,631</u>	
Net Inflow/(Outflow) from Financing Activities			(1,000,208)
 Third Party Holdings			
Increase/(Decrease) in Refundable Deposits			2,876,278
Net Increase/(Decrease) in Cash and Cash Equivalents	22		<u><u>32,764,898</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 @ 1/1/2018	418,400,655	1,054,543	1,352,957,773	265,618,984	38,298,683	24,181,554	10,664,197	6,036,195,492	88,051,590	8,235,423,472
Additions										
- Purchased	-	-	1,158,538	-	2,940,477	221,607	18,500	1,436,393	-	5,775,516
- Transfers W/P	1,575,565	212,201	24,537,045	3,542,886	645,019	25,224	-	1,195,429	-	31,733,369
Disposals/Statutory Transfers	(20,393,083)	-	(6,544,278)	(7,315,912)	(1,563,033)	-	-	-	-	(35,816,306)
Revaluations	-	-	-	-	-	-	-	-	-	-
Historical Cost Adjustments	944,523	-	170,238	210,708	-	-	-	-	-	1,325,469
Accumulated Costs @ 31/12/2018	400,527,660	1,266,744	1,372,279,317	262,056,666	40,321,146	24,428,385	10,682,697	6,038,827,315	88,051,590	8,238,441,520
Depreciation										
Depreciation @ 1/1/2018	-	964,713	-	-	29,536,380	24,042,633	-	-	(0)	54,543,726
Provision for Year	-	104,881	-	-	2,076,457	200,719	-	-	-	2,382,057
Disposals/Statutory Transfers	-	-	-	-	(1,554,915)	-	-	-	-	(1,554,915)
Accumulated Depreciation @ 31/12/2018	-	1,069,594	-	-	30,057,921	24,243,351	-	-	(0)	55,370,867
Net Book Value @ 31/12/2018	400,527,660	197,149	1,372,279,317	262,056,666	10,263,225	185,033	10,682,697	6,038,827,315	88,051,590	8,183,070,653
Net Book Value @ 31/12/2017	418,400,655	89,829	1,352,957,773	265,618,984	8,762,304	138,921	10,664,197	6,036,195,492	88,051,590	8,180,879,746
Net Book Value by Category										
Operational	318,737,501	-	1,372,279,313	262,056,666	10,263,224	185,034	-	-	-	1,963,521,738
Infrastructural	450,000	-	-	-	-	-	-	6,038,827,314	88,051,589	6,127,328,904
Community	45,403,718	197,151	-	-	-	-	10,682,697	-	-	56,283,566
Non-Operational	35,936,441	-	-	-	-	-	-	-	-	35,936,441
Net Book Value @ 31/12/2018	400,527,660	197,151	1,372,279,313	262,056,666	10,263,224	185,034	10,682,697	6,038,827,314	88,051,589	8,183,070,649

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 2018 €	Unfunded 2018 €	Total 2018 €	Total 2017 €
Expenditure				
Work in Progress	93,717,750	7,085,066	100,802,816	69,921,085
Preliminary Expenses	11,751,393	94,278	11,845,671	3,799,253
	105,469,143	7,179,344	112,648,487	73,720,338
Income				
Work in Progress	106,755,818	1,956,960	108,712,779	65,010,945
Preliminary Expenses	14,287,067	-	14,287,067	3,237,160
	121,042,885	1,956,960	122,999,845	68,248,105
Net Expended				
Work in Progress	(13,038,069)	5,128,106	(7,909,963)	4,910,139
Preliminary Expenses	(2,535,674)	94,278	(2,441,396)	562,094
	(15,573,743)	5,222,384	(10,351,359)	5,472,233

3. Long Term Debtors

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

	Balance @ 1/1/2018 €	Loans Issued €	Principal Repaid €	Early Redemptions €	Other Adjustments €	Balance @ 31/12/2018 €	Balance @ 31/12/2017 €
Long Term Mortgage Advances*	53,909,831	4,601,301	(3,130,679)	(452,906)	-	54,927,548	53,909,831
Tenant Purchases Advances	72,146	-	(48,012)	(2,594)	(1,436)	20,103	72,146
Shared Ownership Rented Equity	21,370,916	-	-	(473,804)	(971,174)	19,925,938	21,370,916
	75,352,893	4,601,301	(3,178,691)	(929,304)	(972,610)	74,873,569	75,352,893
Recoupable Loan Advances						70,834,047	74,642,995
Capital Advance Leasing Facility						11,304,574	6,199,881
Long-term Investments						-	-
Cash						-	-
Interest in associated companies						2	2
Other						-	-
						82,138,622	80,842,877
						157,012,212	156,195,771
Less: Amounts falling due within one year (Note 5)						(8,419,785)	(7,996,406)
Total Amounts falling due after more than one year						148,592,427	148,199,365

* Includes HFA Agency Loans

NOTES TO AND FORMING PART OF THE ACCOUNTS

4. Stocks

A summary of stock is as follows:

	2018 €	2017 €
Central Stores	264,178	288,816
Other Depots	334,989	331,567
Total	599,167	620,382

5. Trade Debtors & Prepayments

A breakdown of debtors and prepayments is as follows:

	2018 €	2017 €
Government Debtors	38,605,764	46,173,887
Commercial Debtors	21,626,455	28,119,932
Non-Commercial Debtors	5,347,566	5,562,078
Development Levy Debtors	16,177,388	10,240,972
Other Services	(7,498)	65,240
Other Local Authorities	5,755,440	4,657,176
Revenue Commissioners	-	-
Other	10,954,695	4,520,288
Add: Amounts falling due within one year (Note 3)	8,419,785	7,996,406
Total Gross Debtors	106,879,594	107,335,979
Less: Provision for Doubtful Debts	(31,823,638)	(27,106,540)
Total Trade Debtors	75,055,956	80,229,439
Prepayments	-	-
	75,055,956	80,229,439

NOTES TO AND FORMING PART OF THE ACCOUNTS

6. Creditors and Accruals

A breakdown of creditors and accruals is as follows:

	2018 €	2017 €
Trade creditors	12,777,024	12,591,742
Grants	-	-
Revenue Commissioners	6,567,455	5,684,610
Other Local Authorities	-	-
Other Creditors	9,842,571	10,320,605
	<u>29,187,050</u>	<u>28,596,957</u>
Accruals	59,739,612	61,899,221
Deferred Income	17,321,590	12,048,100
Add: Amounts falling due within one year (Note 7)	15,622,207	15,426,067
	<u>121,870,459</u>	<u>117,970,346</u>

7. Loans Payable

(a) Movement in Loans Payable

	HFA €	OPW €	Other €	Balance @ 31/12/2018 €	Balance @ 31/12/2017 €
Balance @ 1/1/2018	334,521,457	0	51,747,256	386,268,714	408,090,738
Borrowings	3,775,941	-	-	3,775,941	1,054,690
Repayment of Principal	(10,301,142)	-	(6,576,134)	(16,877,276)	(18,719,270)
Early Redemptions	(981,995)	-	-	(981,995)	(4,157,444)
Other Adjustments	-	-	-	-	-
Balance @ 31/12/2018	<u>327,014,262</u>	<u>0</u>	<u>45,171,122</u>	<u>372,185,384</u>	<u>386,268,714</u>
Less: Amounts falling due within one year (Note 6)				15,622,207	15,426,067
Total Amounts falling due after more than one year				<u>356,563,177</u>	<u>370,842,647</u>

(b) Application of Loans

An analysis of loans payable is as follows:

	HFA €	OPW €	Other €	Balance @ 31/12/2018 €	Balance @ 31/12/2017 €
Mortgage loans*	49,638,719	0	-	49,638,719	49,527,130
<u>Non-Mortgage loans</u>					
Asset/Grants	42,923,479	-	43,299,262	86,222,741	94,846,079
Revenue Funding	-	-	-	-	-
Bridging Finance	149,597,542	-	-	149,597,542	149,597,542
Recoupable	68,962,186	-	1,871,860	70,834,047	74,642,995
Shared Ownership – Rented Equity	15,892,335	-	-	15,892,335	17,654,968
	<u>327,014,262</u>	<u>0</u>	<u>45,171,122</u>	<u>372,185,384</u>	<u>386,268,714</u>
Less: Amounts falling due within one year (Note 6)				15,622,207	15,426,067
Total Amounts falling due after more than one year				<u>356,563,177</u>	<u>370,842,647</u>

* Includes HFA Agency Loans

NOTES TO AND FORMING PART OF THE ACCOUNTS

8. Refundable Deposits

The movement in refundable deposits is as follows:

	2018 €	2017 €
Opening Balance at 1 January	15,640,676	12,149,535
Deposits received	4,728,042	3,410,617
Deposits repaid	(1,851,765)	80,524
Closing Balance at 31 December	18,516,954	15,640,676

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 @ 1/1/2018 €	Purchased €	Transfers WIP €	Disposals/Statutory Transfers €	Revaluations €	Historical Cost Adj €	Balance @ 31/12/2018 €	Balance @ 31/12/2017 €
Grants	1,240,948,066	1,016,395	25,291,557	(2,493,062)	-	170,238	1,264,933,194	1,240,948,066
Loans	143,151,633	-	-	-	-	-	143,151,633	143,151,633
Revenue funded	26,731,888	1,451,019	2,441,316	(128,680)	-	745,231	31,240,773	26,731,888
Leases	465,378	-	-	-	-	-	465,378	465,378
Development Levies	34,438,695	42,775	1,229,259	-	-	-	35,710,730	34,438,695
Tenant Purchase Annuities	1,314,695	-	-	-	-	-	1,314,695	1,314,695
Unfunded	16,670,200	7,320	-	-	-	-	16,677,520	16,670,200
Historical	619,734,197	-	-	(32,582,585)	-	410,000	587,561,612	619,734,197
Other	6,151,968,718	3,258,006	2,771,237	(611,978)	-	-	6,151,385,983	6,151,968,718
Total Gross Funding	8,235,423,470	5,775,516	31,733,369	(35,816,306)	-	1,325,469	8,238,441,519	8,235,423,470
Less: Amortised							(55,370,866)	(54,543,724)
Total *							8,183,070,653	8,180,879,746

* 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 @ 1/1/2018 €	Capital re-classification * €	Expenditure €	Income €	Net Transfers €	Balance @ 31/12/2018 €	Balance @ 31/12/2017 €
Development Levies balances	30,594,938	-	5,035,796	15,703,885	(20,197,608)	21,065,418	30,594,938
Capital account balances including asset formation and enhancement	1,647,373	632,466	90,066,263	76,706,066	21,224,841	10,141,466	1,647,373
Voluntary & Affordable Housing Balances	(301,287)	-	3,949,670	4,267,883	299,987	316,914	(301,287)
- Voluntary Housing	485,137	-	1,903,844	2,327,811	(10,261)	898,843	485,137
- Affordable Housing							
Reserves created for specific purposes	85,198,680	(4,337,415)	7,166,220	18,224,584	(792,052)	91,127,575	85,198,680
A. Net Capital Balances	117,624,841	(3,704,949)	108,124,812	117,230,231	524,906	123,550,217	117,624,841
Balance Sheet accounts relating the loan principal outstanding (including Unrealised TP Annuities)						(235,915,183)	(244,482,814)
Interest in Associated Companies						2	2
B. Non Capital Balances						(235,915,181)	(244,482,812)
Total Other Balances						(112,364,964)	(126,857,971)

*() 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:

	2018 €	2017 €
Net WIP & Preliminary Expenses (Note 2)	10,351,359	(5,472,233)
Net Capital Balances (Note 10)	123,550,217	117,624,841
Capital Balance Surplus/(Deficit) @ 31 December	133,901,576	112,152,607

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

	2018 €	2017 €
Opening Balance @ 1 January	112,152,607	102,359,205
Expenditure	156,006,557	127,013,386
Income		
- Grants	123,354,721	93,183,779
- Loans	-	592,300
- Other	39,340,441	26,943,454
Total Income	162,695,162	120,719,532
Net Revenue Transfers	15,060,363	16,087,257
Closing Balance @ 31 December	133,901,576	112,152,607

12. Mortgage Loan Funding Surplus/(Deficit)

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

	2018 Loan Annuity €	2018 Rented Equity €	2018 Total €	2017 Total €
Mortgage Loans/Equity Receivable (LT Mortgage Shared Own Note 3)	54,927,548	19,925,938	74,853,486	75,280,747
Mortgage Loans/Equity Payable (Mort Loans Shared Own Note 7)	(49,638,719)	(15,892,335)	(65,531,054)	(67,182,097)
Surplus/(Deficit) in Funding @ 31st December	5,288,828	4,033,603	9,322,432	8,098,650

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:

	2018 Plant & Machinery €	2018 Materials €	2018 Total €	2017 Total €
Expenditure	11,395,292	798,330	12,193,621	10,993,544
Charged to Jobs	(12,857,658)	(563,075)	(13,420,733)	(12,458,159)
	(1,462,367)	235,255	(1,227,112)	(1,464,615)
Transfers from/(to) Reserves	1,462,367	-	1,462,367	1,627,942
Surplus/(Deficit) for the Year	-	235,255	235,255	163,328

NOTES TO AND FORMING PART OF THE ACCOUNTS

14. Transfers from/(to) Reserves

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

	2018	2018	2017
Transfers from Reserves	€	Transfers to Reserves	€
Principal Repayments of Non-Mortgage Loans (Own Asset)	-	(8,185,527)	(9,982,205)
Principal Repayments of Non-Mortgage Loans (Recoupable Non Asset)	-	(3,340,983)	(3,278,419)
Principal Repayments of Finance Leases	-	-	-
Transfers to Other Balance Sheet Reserves	-	-	-
Transfers to/from Capital Account	12,982,245	(28,042,608)	(16,087,257)
Surplus/(Deficit) for Year	12,982,245	(39,569,118)	(29,347,881)

15. Analysis of Revenue Income

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

Appendix No	2018		2017	
	€	%	€	%
3	93,854,365	28%	76,579,306	24%
	1,277,902	0%	1,249,755	0%
4	92,489,436	27%	89,929,106	29%
	187,621,703	56%	167,758,168	53%
	16,571,259	5%	16,526,083	5%
	132,210,905	39%	129,772,049	41%
Total Income	336,403,868	100%	314,056,300	100%

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

NOTES TO AND FORMING PART OF THE ACCOUNTS

16. Over/Under Expenditure

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

	EXPENDITURE				INCOME				NET (Over)/Under Budget 2018 €	
	Excluding Transfers 2018 €	Transfers 2018 €	Including Transfers 2018 €	Budget 2018 €	(Over)/Under Budget 2018 €	Excluding Transfers 2018 €	Transfers 2018 €	Including Transfers 2018 €		Budget 2018 €
Housing & Building	44,603,906	6,204,875	50,808,781	52,082,437	1,273,656	45,758,095	362,312	46,120,407	46,205,784	(85,377)
Roads Transportation & Safety	83,747,011	2,886,630	86,633,641	77,306,709	(9,326,932)	54,690,944	76,352	54,767,296	44,240,307	10,526,989
Water Services	34,191,943	1,118,335	35,310,279	37,412,725	2,102,446	32,208,072	26,944	32,235,017	34,085,898	(1,850,881)
Development Management	32,076,571	3,819,989	35,896,570	36,400,356	503,786	13,328,849	115,087	13,443,935	12,203,173	1,240,762
Environmental Services	38,215,132	4,307,416	42,522,548	42,801,048	278,500	8,148,471	82,752	8,231,222	8,947,435	(716,213)
Recreation & Amenity	25,222,564	3,906,167	29,128,731	26,775,522	(2,353,209)	3,035,135	1,113,382	4,148,517	3,109,885	1,038,632
Agriculture, Education, Health & Welfare	4,714,104	214,410	4,928,514	5,514,564	586,070	2,436,786	-	2,436,786	2,276,731	160,055
Miscellaneous Services	47,000,714	17,111,285	64,112,000	47,767,609	(16,344,391)	28,015,352	11,205,416	39,220,769	23,724,580	15,496,189
Total Divisions	309,771,946	39,569,118	349,341,064	326,060,990	(23,280,074)	187,621,703	12,982,245	200,603,948	174,793,793	25,810,155
Local Property Tax	-	-	-	-	-	16,571,259	-	16,571,259	16,571,259	0
Rates	-	-	-	-	-	132,210,905	-	132,210,905	131,721,415	489,490
Dr/Cr Balance	-	-	-	-	-	336,403,868	12,982,245	349,386,113	323,086,467	26,299,646
(Deficit)/Surplus for Year	309,771,946	39,569,118	349,341,064	326,060,990	(23,280,074)	336,403,868	12,982,245	349,386,113	323,086,467	26,299,646

NOTES TO AND FORMING PART OF THE ACCOUNTS

2018

€

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

Operating Surplus/(Deficit) for Year	45,048
(Increase)/Decrease in Stocks	21,216
(Increase)/Decrease in Trade Debtors	5,173,483
Increase/(Decrease) in Creditors Less than One Year	3,900,113
	<u>9,139,860</u>

18. Increase/(Decrease) in Reserve Balances

Increase/(Decrease) in Development Levies balances	(9,529,519)
Increase/(Decrease) in Reserves created for specific purposes	5,928,895
	<u>(3,600,624)</u>

19. (Increase)/Decrease in Other Capital Balances

(Increase)/Decrease in Capital account balances including asset formation and enhancement	8,494,093
(Increase)/Decrease in Voluntary Housing Balances	618,201
(Increase)/Decrease in Affordable Housing Balances	413,706
	<u>9,526,000</u>

20. Increase/(Decrease) in Loan Financing

(Increase)/Decrease in Long Term Debtors	(393,062)
Increase/(Decrease) in Mortgage Loans	111,589
Increase/(Decrease) in Asset/Grant Loans	(8,623,338)
Increase/(Decrease) in Revenue Funding Loans	-
Increase/(Decrease) in Bridging Finance Loans	-
Increase/(Decrease) in Recoupable Loans	(3,808,948)
Increase/(Decrease) in Shared Ownership Rented Equity Loans	(1,762,632)
Increase/(Decrease) in Finance Leasing	-
(Increase)/Decrease in Portion Transferred to Current Liabilities	(196,141)
Increase/(Decrease) in Long Term Creditors - Other	5,104,693
	<u>(9,567,838)</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS

2018

€

21. (Increase)/Decrease in Reserve Financing

(Increase)/Decrease in Specific Revenue Reserve
(Increase)/Decrease in Reserves in Balance Sheet accounts relating to loan principle
(Increase)/Decrease in Reserves in Associated Companies

-
8,567,631
-
8,567,631

22. Analysis of Changes in Cash & Cash Equivalent

Increase/(Decrease) in Bank Investments
Increase/(Decrease) in Cash at Bank/Overdraft
Increase/(Decrease) in Cash in Transit

27,302,361
5,462,537
-
32,764,898

APPENDICES

APPENDIX 1
ANALYSIS OF EXPENDITURE
FOR YEAR ENDED 31st DECEMBER 2018

	2018 €	2017 €
Payroll Expenses		
Salary & Wages	107,893,994	102,411,800
Pensions (incl Gratuities)	19,634,596	18,825,451
Other costs	6,414,500	6,375,857
Total	133,943,090	127,613,108
Operational Expenses		
Purchase of Equipment	2,354,421	1,959,290
Repairs & Maintenance	3,710,502	3,350,855
Contract Payments	33,239,334	32,808,839
Agency services	17,075,294	10,710,200
Machinery Yard Charges incl Plant Hire	19,386,946	17,379,944
Purchase of Materials & Issues from Stores	21,239,382	18,605,276
Payment of Grants	11,459,777	11,129,131
Members Costs	867,241	851,118
Travelling & Subsistence Allowances	4,068,308	4,304,815
Consultancy & Professional Fees Payments	7,269,037	12,970,722
Energy / Utilities Costs	4,910,651	5,130,461
Other	12,029,285	11,004,603
Total	137,610,177	130,205,254
Administration Expenses		
Communication Expenses	2,043,390	1,818,502
Training	2,154,772	1,734,735
Printing & Stationery	1,549,730	1,579,991
Contributions to other Bodies	2,158,526	2,333,865
Other	3,747,856	3,292,012
Total	11,654,272	10,759,105
Establishment Expenses		
Rent & Rates	1,701,926	1,787,598
Other	3,163,624	2,809,231
Total	4,865,550	4,596,828
Financial Expenses	18,033,128	12,929,037
Miscellaneous Expenses	3,665,729	4,040,506
Total Expenditure	309,771,946	290,143,839

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	17,607,223	3,934,342	21,151,335	-	25,085,678
A02	Housing Assessment, Allocation and Transfer	2,624,809	-	54,195	-	54,195
A03	Housing Rent and Tenant Purchase Administration	1,879,060	-	38,326	-	38,326
A04	Housing Community Development Support	498,216	25,000	13,400	-	38,400
A05	Administration of Homeless Service	1,937,897	1,454,930	1,926	-	1,456,856
A06	Support to Housing Capital & Affordable Prog.	9,776,355	4,637,341	60,602	-	4,697,942
A07	RAS Programme	8,914,127	8,788,656	262,763	-	9,051,419
A08	Housing Loans	2,522,554	-	2,323,842	-	2,323,842
A09	Housing Grants	5,048,539	3,357,994	15,754	-	3,373,748
A11	Agency & Recoupable Services	-	-	-	-	-
A12	HAP Programme	-	-	-	-	-
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		50,808,781	22,198,262	23,922,144	-	46,120,407
Less Transfers to/from Reserves		6,204,875		362,312		362,312
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		44,603,906		23,559,833		45,758,095

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	1,018,030	616,674	16,159	-	632,833
B02	NS Road - Maintenance and Improvement	1,284,543	694,068	18,715	-	712,783
B03	Regional Road - Maintenance and Improvement	18,976,278	13,562,828	205,898	-	13,768,726
B04	Local Road - Maintenance and Improvement	50,770,061	34,438,583	1,066,249	-	35,504,831
B05	Public Lighting	5,750,134	456,531	8,432	-	464,963
B06	Traffic Management Improvement	862,754	-	252,430	-	252,430
B07	Road Safety Engineering Improvement	286,573	244,186	2,941	-	247,127
B08	Road Safety Promotion/Education	843,942	-	22,339	-	22,339
B09	Maintenance & Management of Car Parking	2,855,980	-	1,550,828	-	1,550,828
B10	Support to Roads Capital Prog.	2,000,061	-	73,289	-	73,289
B11	Agency & Recoupable Services	1,985,285	-	830,149	706,999	1,537,148
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		86,633,641	50,012,869	4,047,428	706,999	54,767,296
Less Transfers to/from Reserves		2,886,630		76,352		76,352
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		83,747,011		3,971,076		54,690,944

APPENDIX 2
SERVICE DIVISION C
WATER SERVICES

		EXPENDITURE	INCOME			
DIVISION	TOTAL	State Grants & Subsidies	Provision of Goods and Services	Contributions from other local authorities	TOTAL	
	€	€	€	€	€	
C01	Operation and Maintenance of Water Supply	21,537,781	-	21,538,524	-	21,538,524
C02	Operation and Maintenance of Waste Water Treatment	7,388,671	-	7,388,425	-	7,388,425
C03	Collection of Water and Waste Water Charges	846	-	846	-	846
C04	Operation and Maintenance of Public Conveniences	1,646,465	-	59,398	-	59,398
C05	Admin of Group and Private Installations	1,446,166	1,417,330	8,430	-	1,425,760
C06	Support to Water Capital Programme	656,541	-	656,542	-	656,542
C07	Agency & Recoupable Services	856,430	-	634,791	-	634,791
C08	Local Authority Water and Sanitary Services	1,777,378	716,645	(185,914)	-	530,731
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		35,310,279	2,133,975	30,101,042	-	32,235,017
Less Transfers to/from Reserves		1,118,335		26,944		26,944
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		34,191,943		30,074,097		32,208,072

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	3,179,864	-	65,947	-	65,947
D02	Development Management	9,646,381	80,000	2,306,793	-	2,386,793
D03	Enforcement	1,078,456	-	24,342	-	24,342
D04	Op & Mtce of Industrial Sites & Commercial Facilities	875,480	-	327,045	-	327,045
D05	Tourism Development and Promotion	1,405,708	80,028	70,031	-	150,058
D06	Community and Enterprise Function	7,646,497	6,473,393	6,232	-	6,479,625
D07	Unfinished Housing Estates	516,972	-	10,484	-	10,484
D08	Building Control	1,075,043	-	22,527	-	22,527
D09	Economic Development and Promotion	8,883,180	2,512,443	1,167,421	-	3,679,864
D10	Property Management	438,949	-	10,353	-	10,353
D11	Heritage and Conservation Services	662,120	219,948	57,037	-	276,985
D12	Agency & Recoupable Services	487,920	-	9,912	-	9,912
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		35,896,570	9,365,812	4,078,123	-	13,443,935
Less Transfers to/from Reserves		3,819,999		115,087		115,087
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		32,076,571		3,963,037		13,328,849

APPENDIX 2
SERVICE DIVISION E
ENVIRONMENTAL SERVICES

DIVISION		EXPENDITURE TOTAL €	INCOME			TOTAL €
			State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	
E01	Operation, Maintenance and Aftercare of Landfill	4,005,919	111,127	24,470	500,000	635,598
E02	Op & Mice of Recovery & Recycling Facilities	7,247,274	82,230	2,720,831	-	2,803,061
E03	Op & Mice of Waste to Energy Facilities	-	-	-	-	-
E04	Provision of Waste to Collection Services	-	-	-	-	-
E05	Litter Management	2,274,451	115,661	107,472	-	223,133
E06	Street Cleaning	2,915,620	4,256	59,422	-	63,678
E07	Waste Regulations, Monitoring and Enforcement	1,939,531	840,057	251,974	-	1,092,031
E08	Waste Management Planning	322,493	-	4,526	-	4,526
E09	Maintenance and Upkeep of Burial Grounds	3,655,354	-	1,009,016	-	1,009,016
E10	Safety of Structures and Places	2,501,394	206,484	105,316	-	311,800
E11	Operation of Fire Service	13,724,641	-	63,226	-	63,226
E12	Fire Prevention	1,894,056	-	1,572,008	-	1,572,008
E13	Water Quality, Air and Noise Pollution	1,767,818	6,867	198,676	-	205,542
E14	Agency & Recoupable Services	159,143	142,401	3,974	-	146,376
E15	Climate Change and Flooding	114,855	73,017	28,212	-	101,228
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		42,522,548	1,582,100	6,149,123	500,000	8,231,222
Less Transfers to/from Reserves		4,307,416		82,752		82,752
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		38,215,132		6,066,371		8,148,471

SERVICE DIVISION F
RECREATION and AMENITY

DIVISION		EXPENDITURE TOTAL €	INCOME			TOTAL €
			State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	
F01	Operation and Maintenance of Leisure Facilities	3,481,948	-	1,261,245	94	1,261,339
F02	Operation of Library and Archival Service	11,225,846	106,536	343,095	-	449,631
F03	Op, Mice & Imp of Outdoor Leisure Areas	5,105,397	195,813	149,046	-	344,859
F04	Community Sport and Recreational Development	6,777,929	622,209	1,077,958	-	1,700,167
F05	Operation of Arts Programme	2,075,728	142,000	173,307	-	315,307
F06	Agency & Recoupable Services	461,883	-	8,974	68,240	77,214
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES		29,128,731	1,066,558	3,013,625	68,334	4,148,517
Less Transfers to/from Reserves		3,906,167		1,113,382		1,113,382
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES		25,222,564		1,900,243		3,035,135

APPENDIX 2
SERVICE DIVISION G
AGRICULTURE, EDUCATION, HEALTH and WELFARE

DIVISION	EXPENDITURE	INCOME			
	TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	TOTAL €
G01 Land Drainage Costs	160,152	-	690	-	690
G02 Operation and Maintenance of Piers and Harbours	1,161,290	-	151,929	-	151,929
G03 Coastal Protection	490,196	-	7,666	-	7,666
G04 Veterinary Service	3,042,074	1,031,015	1,240,396	-	2,271,410
G05 Educational Support Services	74,803	4,000	1,090	-	5,090
G06 Agency & Recoupable Services	-	-	-	-	-
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES	4,928,514	1,035,015	1,401,771	-	2,436,786
Less Transfers to/from Reserves	214,410		-		-
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES	4,714,104		1,401,771		2,436,786

SERVICE DIVISION H
MISCELLANEOUS SERVICES

DIVISION	EXPENDITURE	INCOME			
	TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	TOTAL €
H01 Profit/Loss Machinery Account	12,857,658	278	12,857,380	-	12,857,658
H02 Profit/Loss Stores Account	798,330	-	563,075	-	563,075
H03 Administration of Rates	15,416,762	-	733,609	-	733,609
H04 Franchise Costs	580,600	-	5,017	-	5,017
H05 Operation of Morgue and Coroner Expenses	670,267	-	-	-	-
H06 Weighbridges	14,163	-	77	-	77
H07 Operation of Markets and Casual Trading	486,049	-	182,556	-	182,556
H08 Malicious Damage	38,500	-	38,373	-	38,373
H09 Local Representation/Civic Leadership	2,730,254	-	68,875	-	68,875
H10 Motor Taxation	2,959,378	-	69,414	-	69,414
H11 Agency & Recoupable Services	27,560,038	6,459,496	18,240,048	2,570	24,702,114
SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES	64,112,000	6,459,774	32,758,425	2,570	39,220,769
Less Transfers to/from Reserves	17,111,285		11,205,416		11,205,416
SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES	47,000,714		21,553,009		28,015,352
TOTAL ALL DIVISIONS	309,771,946	93,854,365	92,489,436	1,277,902	187,621,703

APPENDIX 3

ANALYSIS OF INCOME FROM GRANTS AND SUBSIDIES

	2018 €	2017 €
Department of Housing, Planning, Community and Local Government		
Road Grants	448,785	1,386,206
Housing Grants & Subsidies	22,797,208	19,036,417
Library Services	-	0
Local Improvement Schemes	-	0
Urban and Village Renewal Schemes	-	0
Water Services Group Schemes	1,191,717	1,111,505
Environmental Protection/Conservation Grants	1,262,595	1,000,112
Miscellaneous	7,757,960	2,647,142
	33,458,266	25,181,381
Other Departments and Bodies		
Road Grants	48,064,738	40,004,474
Local Enterprise Office	2,346,463	2,500,498
Higher Education Grants	4,000	22,678
Community Employment Schemes	-	0
Civil Defence	206,484	324,757
Miscellaneous	9,774,415	8,545,517
	60,396,099	51,397,924
Total	93,854,365	76,579,306

APPENDIX 4

ANALYSIS OF INCOME FROM GOODS AND SERVICES

	2018	2017
	€	€
Rents from Houses	22,936,321	19,751,679
Housing Loans Interest & Charges	1,543,308	1,615,069
Domestic Water	-	-
Commercial Water	-	-
Irish Water	29,291,037	30,194,635
Domestic Refuse	-	-
Commercial Refuse	-	-
Domestic Sewerage	-	-
Commercial Sewerage	-	-
Planning Fees	2,001,864	1,849,034
Parking Fines/Charges	1,518,939	1,572,251
Recreation & Amenity Activities	1,274,767	1,177,986
Library Fees/Fines	120,388	128,523
Agency Services	-	-
Pension Contributions	3,606,569	3,803,989
Property Rental & Leasing of Land	470,860	500,698
Landfill Charges	2,626,629	2,330,263
Fire Charges	1,476,888	1,202,872
NPPR	3,154,004	2,333,159
Misc. (Detail)	22,467,862	23,468,948
	92,489,436	89,929,106

APPENDIX 5

SUMMARY OF CAPITAL EXPENDITURE AND INCOME

	2018	2017
	€	€
EXPENDITURE		
Payment to Contractors	59,416,195	44,721,902
Purchase of Land	54,064	2,217,108
Purchase of Other Assets/Equipment	50,823,141	38,980,723
Professional & Consultancy Fees	13,195,904	8,675,966
Other	32,517,253	32,417,688
Total Expenditure (Net of Internal Transfers)	156,006,557	127,013,386
Transfers to Revenue	12,982,245	1,720,265
Total Expenditure (Incl Transfers) *	168,988,802	128,733,651
INCOME		
Grants and LPT	123,354,721	93,183,779
Non - Mortgage Loans	-	592,300
Other Income		
(a) Development Contributions	15,703,885	13,141,201
(b) Property Disposals		
- Land	1,521,810	1,493,691
- LA Housing	2,083,258	690,845
- Other property	-	-6,077
(c) Purchase Tenant Annuities	56,172	147,498
(d) Car Parking	-	0
(e) Other	19,975,315	11,476,296
Total Income (Net of Internal Transfers)	162,695,162	120,719,532
Transfers from Revenue	28,042,608	17,807,522
Total Income (Incl Transfers) *	190,737,770	138,527,054
Surplus\ (Deficit) for year	21,748,968	9,793,403
Balance (Debit)\Credit @ 1 January	112,152,607	102,359,205
Balance (Debit)\Credit @ 31 December	133,901,576	112,152,607

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

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

	BALANCE @ 1/1/2018	EXPENDITURE			INCOME				TRANSFERS			BALANCE @ 31/12/2018
	€	€	Grants and LPT €	Non-Mortgage Loans* €	Other €	Total Income €	Transfer from Revenue €	Transfer to Revenue €	Internal Transfers €	€		
Housing & Building	9,954,176	77,659,361	75,171,144	-	3,377,175	78,548,319	1,156,537	362,312	21	11,637,380		
Road Transportation & Safety	24,131,878	31,773,577	24,487,131	-	3,155,134	27,642,265	2,016,526	8,041,468	9,473,918	23,449,541		
Water Services	4,476,659	4,136,946	51,805	-	2,875,966	2,927,771	157,213	-	(1,739,840)	1,684,857		
Development Management	28,732,775	8,467,177	18,178	-	14,006,821	14,024,999	4,621,809	1,283,652	(20,053,756)	17,574,999		
Environmental Services	2,319,567	23,788,963	22,988,937	-	580	22,989,517	3,019,990	11,582	0	4,528,470		
Recreation & Amenity	7,062,603	2,709,052	(80,000)	-	397,013	317,013	1,160,181	3,283,231	12,343,837	14,891,351		
Agriculture, Education, Health & Welfare	1,100,612	1,339,293	717,527	-	-	717,527	575,045	-	395,596	1,449,486		
Miscellaneous Services	34,374,337	6,132,187	-	-	15,527,752	15,527,752	15,335,367	(0)	(419,777)	58,685,492		
TOTAL	112,152,607	156,006,557	123,354,721	-	39,340,441	162,695,162	28,042,608	12,982,245	(0)	133,901,576		

Note: Mortgage-related transactions are excluded

APPENDIX 7

Summary of Major Revenue Collections for 2018

A Debtor type	B Incoming arrear @ 1/1/2018	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 arrear @ 31/12/2018 = (G-H)	J Specific doubtful arrears*	K % Collected = (H)/(G-J)
Rates	€ 14,887,518	€ 132,183,892	€ 9,936,997	€ 2,710,138	€ -	€ 134,424,275	€ 122,979,321	€ 11,444,954	€ 406,351	92%
Rents & Annuities	926,546	20,522,299	-	95,955	-	21,352,890	20,058,732	1,294,158	-	94%
Housing Loans	3,872,978	4,673,987	-	1	-	8,546,964	4,722,682	3,824,282	-	55%

*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
Hatherton Ltd	100%	Subsidiary	585,588	595,026	178,395	162,115	(9,438)	No	31/12/2018
Claycastle Leisure Company DAC	100%	Subsidiary	4,847,636	4,899,687	465,479	431,743	(52,051)	No	31/12/2018
Youghal Socioeconomic Development Ltd	100%	Subsidiary	27,538	4,086	168,636	159,354	23,452	No	31/12/2017
Briery Gap Cultural Centre Company	Underwriting of operational losses		230,921	3,041	54,735	15,265		No	31/12/2018
Macroom Environmental Industrial Park Ltd	100%	Subsidiary	1,894,538	1,916,462	438,715	399,423	-21,924	No	31/12/2018
Spike Island Development Company	100%	Subsidiary	6,298,503	6,428,787	1,931,780	1,947,213	(130,284)	No	31/12/2018
Carrignafoyle Leisure Ltd	100%	Subsidiary	4,675,524	4,633,806	149,284	149,284	41,718	No	31/12/2018
Cobh Heritage	100%	Subsidiary	944,070	108,282	804,087	577,923	835,788	No	31/12/2018
Camden Fort Meagher Developments DAC	100%	Subsidiary	51,241	57,931	253,161	259,627	(6,690)	No	31/12/2018
Vista Agri 4.0 Hub Company Limited by Guarantee	Incorporated in June 2018 & did not trade during 2018								

