

To the Lord Mayor and  
Members of Dublin City Council

Report No. 152/2017  
Report of the Chief Executive



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**WITH REFERENCE TO THE ANNUAL FINANCIAL STATEMENTS**

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Herewith please find Report 152/2017 Annual Financial Statements for 2016.

**Owen P. Keegan**  
Chief Executive  
Dublin City Council

**Dated: 24<sup>th</sup> April 2017**



# ANNUAL FINANCIAL STATEMENTS

## Dublin City Council

For the year ended 31<sup>st</sup> December 2016

Un - audited



Comhairle Cathrach  
Bhaile Átha Cliath  
Dublin City Council

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## Introduction

I am pleased to present the Annual Financial Statements of Dublin City Council for the financial year ended 31<sup>st</sup> December 2016. Comparative figures are given for 2015. Dublin City is the economic hub of the Dublin Region, which in turn is the economic hub of the State. Dublin City has a diverse economy, a source of employment and income for an area well beyond the City itself. Dublin is a centre for retail, financial, higher education, medical, cultural and entertainment activities.

## Review of Dublin City Council's Financial Performance in 2016

Dublin City Council had an overall deficit for the year of €2.5m, which when added to our opening general reserve of €28.6m gave a closing reserve of €26.1m. The Council's bank position at the end of 2016 was a credit balance of €24.3m, and the Council operated in credit for 365 days in 2016. At the year end the Council had €117.8m invested with Financial Institutes on our behalf and on joint deposit. The City Council's bank balance included cash on hand of €1.5m relating to Loan Redemptions and Relending and €3m working capital cash received from Irish Water in relation to the operation of the Service Level Agreement. Further detail is available in the Statement of Funds Flow.

In 2016 the Entry Year Property Levy secured an additional €0.36m income and the Non Principal Private Residence Charge was €3.06m greater than originally budgeted for. Irish Public Bodies Mutual Insurances paid a dividend of €533k.

Dublin City Council adjusts and matches both operational day to day spend and its long-term capital investment programme with available funding and resources. Central to all of Dublin City Council's services is the objective to maintain and support businesses and households through the provision of quality value driven services.

## Financial Management Measures 2016

Over the course of 2016 Dublin City Council managed its resource base effectively. The City Council have in place a programme of prudent expenditure controls, strengthened debt collection measures, limited exposure to capital projects and accelerated a review process of work practices and resource demands. This programme continues into the future. It has been a key enabler in the City Council's capacity to limit the impact of reduced resources on services to the relatively low level that has occurred. The programme is critical to continuing to make changes in how Dublin City Council works. It will assist in further service reviews over the course of 2017 and beyond.

These effective controls have enabled Dublin City Council to bring forward the advantage of once off issues such as additional income that arose with regard to the Non Principal Private Residence charges.

## Accounting Statements, Notes & Appendices

The aim of the Annual Financial Statement is to fairly present the financial position of Dublin City Council as at the end of 2016. This is achieved through the production of Statements, Notes and Appendices, as required by the regulatory accounting framework set by the Minister for Housing, Planning, Community and Local Government. The purpose of each of these documents is set out in the glossary.

## Changes to Accounting Policies

Changes to Accounting Policies are set out later regarding the accounting treatment relating to:

- Development Contributions
- Local Property Tax
- Lansdowne Road Compensation
- Remittance of PRD in 2017
- Other matters

## Revenue Expenditure

During 2016, Revenue (i.e. day to day operations) Expenditure amounted to €817.5m with income of €815m, giving an excess of expenditure over income of €2.5m (see Table 1). This demonstrates a decrease in General Reserves of €2.5m

Table 1: Revenue Expenditure 2016

	€m
Revenue Expenditure on City Council Service	817.5
Revenue Income (Government Grants, Service Charges & Rates)	815.0
Excess of Expenditure over Income	(2.5)

## Transfers to Reserve Fund

As required by the regulatory accounting framework set by the Minister for Housing, Planning, Community & Local Government, expenditure shown in the 2016 Statement of Comprehensive Income is net of transfer to reserves i.e. transfer to reserves are excluded. Note 14 "Transfers from / (to) Reserves" provides greater detail on these transfers. The movement from gross expenditure to net expenditure indicated in the AFS is set out in Table 2.

Table 2: Movement from Gross to Net Expenditure 2016

	€m
Expenditure	770.0
Transfers to Reserve	47.5
Final Expenditure	817.5

Income is also expressed in the AFS net of transfers from reserves, as presented in Table 3.

Table 3: Movement from Gross to Net Income 2016

	€m
Income	468.5
Rates Income	324.5
Local Property Tax	6.8
Pension Levy	12.3
Income before Transfers	812.1
Plus Transfers from Reserves	2.9
Final Income	815.0

### Capital Expenditure

Expenditure in 2016 on Capital projects and investment net of internal transfers was €229.7m. This spend forms part of the Capital Programme 2016 to 2018 of €686m. This expenditure of €229.7m was funded through income net of transfers of €241.7m and net transfers of €30.1m, giving an excess of income over expenditure of €42.1m. (See Table 4)

Table 4: Capital Account 2016

	€m
Opening Balance (Debit)	(77.5)
Expenditure as at 31 <sup>st</sup> December 2016	229.7
Income	241.7
Net Transfers (€33.0 - €2.9)	30.1
Closing Balance 31 <sup>st</sup> December 2016 (Debit)	(35.4)

### Accounting Policies

The Accounting Policies used in the preparation of the AFS are set out in the Statement of Accounting Policies. Dublin City Council is fully compliant with the regulatory accounting framework as determined by the Department of the Housing, Planning, Community and Local Government.

### Statutory Audit

Dublin City Council undergoes an annual audit, required by statute, carried out by the Local Government Audit Service (LGAS). The Audit for the financial year 2016 commenced in January 2017. This Audit provides an independent review to help assure a fair presentation of Dublin City Council's financial

position. Dublin City Council is also subject to audit in relation to EU funding, NRA funding, tax compliance and audits with a Value For Money objective through the LGAS.

### Development Contributions

Section 48 of the Planning and Development Act 2000 enables Dublin City Council when granting a planning permission under Section 34 of the Act to include conditions requiring the payment of a contribution. This contribution is in respect of public infrastructure and facilities benefiting development in the area of the planning authority and that is provided, or that is intended will be provided by or on behalf of a Local Authority (regardless of other sources of funding for the infrastructure and facilities). Dublin City Council's first Development Contributions Scheme under the 2000 Act came into operation on 1<sup>st</sup> January 2004 and a subsequent scheme (2010 – 2017) came into operation on 1<sup>st</sup> January 2010.

Following a review of the 2010-2017 Scheme, the Development Contribution Scheme 2013-2015 was adopted by the Elected Members in December 2012. The 2013-2015 scheme was reviewed in 2015 and the current scheme is now the Development Contribution Scheme 2016-2020 which was adopted by the Elected Members in December 2015. The Annual Financial Statement for the financial year 2016 includes values for development contributions as set out in Table 5. Changes in the accounting policy requires that Dublin City Council include details of current development contributions outstanding at year end only i.e. details of long term debtors are no longer to be included.

Table 5: Development Contributions 2016

	€m
Development Contributions Outstanding at the Year End	23.8

### Rates

Rates are levied by Dublin City Council on the occupiers and owners (in some cases) of commercial properties in Dublin City. Rates income in 2016 amounted to €324.5m, and accounts for 40% of Dublin City Council's funding for day-to-day services.

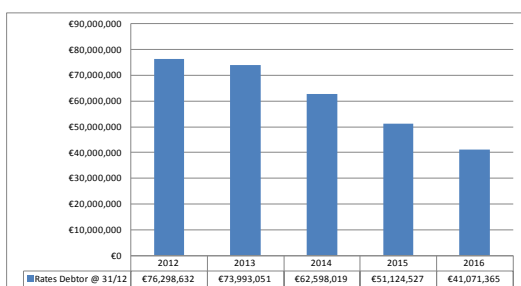
Rates are based on rateable valuations of properties as set by the Commissioner of Valuation, and the annual rate on valuation (the multiplier) is determined each year by reserved function of the elected members of Dublin City Council (see Table 6).

Table 6: Rates Income 2013 – 2016

	2013	2014	2015	2016
	€m	€m	€m	€m
Commercial Rateable Valuation of City	5.60	1,332	1,313	1,267
ARV (multiplier)	60.58	0.257	0.256	0.256
Rates Income	339.00	342.00	336.26	324.5

Trading conditions for business in 2016 involved many pressures and varied extensively. Commercial rates underpin all services provided by Dublin City Council. All rate payers are pursued so that compliant rate payers can be assured that non compliant rate payers will discharge their liability. Dublin City Council's collection of the current year charge increased from 88% to 90% in 2016. Arrears reduced from €51.1m at 1/1/2016 to €41.1m at 31/12/16. (See Table 7)

Table 7: Rates arrears 2012 – 2016



The Valuation office carried out a review of commercial property valuations in Dublin City and determined revised valuations in the context of trading conditions in April 2011. The revaluation outcome was that 56% of ratepayers have reduced rates liabilities, 41% have increased rates liabilities, with 3% having no change in their commercial rates liability. The revaluation process was intended to be neutral (i.e. Dublin City Council should not have benefited from an increased yield nor suffered a reduced yield from commercial rates as a consequence of the revaluation). This has not been the case.

There is an extensive appeals process for ratepayers who are unhappy with the outcome of the revaluation process. The first stage involves an appeal to the Commissioner of Valuation. The second stage involves an appeal to the Valuation Tribunal – an independent body established to determine such appeals. There is also a further right of appeal to the High Court on a point of law. The Revaluation was effective in Dublin City from 1<sup>st</sup> January 2014.

## Financial Management

### System of Internal Controls

The Executive of Dublin City Council acknowledges its responsibility for systems of internal control in Dublin City Council including putting in place processes and procedures for the purpose of ensuring that control systems are effective. These systems can provide reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or detected in a timely period. Effective internal control systems enable Dublin City Council to meet its responsibilities for the integrity and accuracy of its accounting records.

Dublin City Council has taken steps to ensure an appropriate control environment is in place by:

- Clearly defining and documenting Management's responsibilities and powers
- Strengthening a strong culture of accountability across all levels of the organisation
- The work of Internal Audit
- The work of the Central Procurement office
- The work of the Risk Management Unit
- The work of the Ethics Officer
- The work of the Audit Committee
- External Audit and scrutiny through many channels

Financial management reporting in Dublin City Council is robust and thorough. A rigorous system of monthly financial monitoring ensures that any significant budget variances are identified and appropriate actions are taken to minimise any adverse financial impact. The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. In particular it includes:

- A comprehensive budgeting system with an annual budget which is reviewed and agreed by the elected members
- Regular financial reviews; weekly, monthly and quarterly financial reports which indicate financial performance against forecasts on both expenditure and income and variance analysis evaluation
- Setting targets to measure financial and other performances
- Clearly defined capital investment control guidelines
- Formal project management disciplines
- Strict policies and procedures for the receipt, recording and control of monies. These procedures are regularly reviewed and audited.

## Internal Audit

The primary role of Internal Audit is to provide assurance to Senior Management and to the Audit Committee that the various risks facing the Council have been identified and appropriate internal controls are in place to manage those risks.

Internal Audit is a key player in the Corporate Governance process and makes a valuable contribution to the effective management of Dublin City Council. The concepts of accountability and transparency are important principles in responsible governance, implying openness to scrutiny and a requirement to report on performance. Internal Audit facilitates this process by providing an independent review function to Management, to assure that services are being provided in an efficient, effective and economic manner and in conformity with legal requirements. In 2016, 7 Internal Audit reports were issued covering a wide range of issues.

## Management and Staff

Dublin City Council acknowledges the committed work of staff. The high quality of services, projects and interaction is due to their dedication and tremendous contribution. Dublin City Council is fully committed to the development of staff. Dublin City Council wishes to be considered as a destination employer, attracting the best staff to achieve our vision for Dublin City and is an equal opportunities employer. The Finance Department and others operate a Continuing Professional Development support scheme for staff to assist in retaining and developing professional skills and knowledge.

## Finance Strategic Policy Committee

The Finance Strategic Policy Committee (SPC) provides leadership and direction on key areas relating to the financing of Dublin City Council. Key topics pursued during 2016 were:

### *Local Government Funding:*

- Hotel Bed Tax
- Local Property Tax – statistics

### *Rates:*

- Rates Debtors 2015
- Debt Management – Rates Collection
- Rates Exemptions on Government properties – letter to Seamus McCarthy, Comptroller and Auditor General
- Rates Exemptions (Schedule 4)

### *AFS:*

- Annual Financial Statement 2015 including Debtor Report

### *Pensions:*

- Pension Liabilities

### *Motor Tax:*

- Dublin City Council - Motor Tax Efficiency Recommendations

### *Audit Committee*

- Audit Committee – Minutes of all meetings

### *Housing related Funding issues:*

- Cost of Pyrite Works – update from Housing and Community Services Department
- Housing Acquisitions update from Brendan Kenny, Asst. Chief Executive, Housing and Community Services Department

### *Waste Related:*

- Community Gain Fund for the Dublin Waste to Energy Project
- Outstanding Domestic Waste Debtors update from Dick Brady, Asst. Chief Executive, Environment and Transportation Department

### *Planning related:*

- Development Contributions Scheme report
- Community Group Lettings/Licences – copy report from Paul Clegg, Planning and Property Development Department

### *Water related:*

- Water and Drainage Related Assets of Dublin City Council

### *KPIs and NOAC*

- Dublin City Council Performance Indicators 2015
- NOAC Performance Indicators in Local Authorities 2014 – published December 2015
- Cost of compiling NOAC performance indicators update from Mary Pyne, Asst Chief Executive, Human Resources Department

### *Related Companies:*

- BRL recoupment
- Dissolution of the Dublin Docklands Development Authority - update
- Temple Bar Cultural Trust - update
- Establishment of Ringsend Toll Bridge Designated Activity Company (DAC)

### *BIDs:*

- BIDs report year ended 31<sup>st</sup> December 2015

### *Lobbying*

- Lobbying Act – Transparency Code & Requirements

### *Presentations made:*

- City Centre Trading Environment - Presentation from DublinTown
- Housing Finance Agency – presentation by Dr. Michelle Norris, Chair of HFA
- Dublin Business Innovation Centre – Michael Culligan, Chief Executive Officer



- Local Enterprise Office Dublin City – grants presentation from Greg Swift, Head of Local Enterprise

#### Motions dealt with:

Cllrs. Noeleen Reilly, Daithí Doolan, Greg Kelly and Micheál MacDonncha - *That Dublin City Council calls on the New Minister for Housing, Planning and Local Government Simon Coveney to provide clarity as a matter of urgency on the position of Irish Water facilities which have been made exempt from rates under Section 12 of the Water Services Act 2014 which has a value of €14.05m to Dublin City Council*

## Overview of Priorities for 2017

### Local Property Tax

The net effect of the implementation of LPT to DCC's funding base 2015 to 2017 is set out in Table 8. Additional funding of €4.1m in 2015 via LPT recurred in 2016 and reduced in 2017 to €3.9m i.e. in 2016 there was no 'new' additional LPT funding and in 2017 there was less LPT funding. This funding supports current service provision. There is an expectation on the part of Dublin householders discharging their LPT liability, of additional service provision as a consequence. The introduction of the LPT is broadly understood to be a 'new' funding source for local government. However, LPT income has in the main replaced funding that was previously allocated by Government. In addition, €48m of LPT paid by households in Dublin City over the period 2015 to 2017 was used to fund local services outside Dublin City in other local authority areas.

Table 8 – LPT Funding Movements 2015-2017

	Budget 2015	Budget 2016	Budget 2017
	€m	€m	€m
LPT Receipts	82,659,298	77,547,442	79,467,549
Equalisation	16,531,859	15,509,488	15,893,510
15% Decrease	12,398,895	11,632,116	11,920,132
Self Funding (Roads & Housing)	46,928,600	43,861,135	28,584,938
Balance	6,799,944	6,800,295	23,068,969
Less LGF/GPG	2,667,330	2,667,330	2,667,330
	4,132,613	4,132,965	20,401,639
Less PRD	-	-	16,428,262
Discretionary Funding	4,132,613	4,132,965	3,973,377
Loss in available funding			159,588

### Commercial Rates

The Valuation Office completed the revaluing of all non-domestic properties in the City Council area in 2013, with new valuations taking effect from 1<sup>st</sup> January 2014. The revised valuations form the basis for the determination of commercial rates from 2014. The revaluation process was intended to be revenue neutral for the City Council - the relevant legislation provides that rates yield should not increase or decrease as a direct result of the revaluation.

There is an extensive appeals process as outlined previously.

Appeals are not determined until after the revenue neutral ARV is set. Successful appeals have resulted in significant downward movement in valuations. The exact quantum of this loss will be known during 2017. The revaluation process has not, in any way, been neutral to the City's funding base. In 2016, the loss of rates income through global revaluations (i.e. €3.2m) was compensated by a *once off* grant from the Department. This loss of €3.2m impacts from 2017 onwards. Table 9 sets out the cumulative loss of rates income to Dublin City Council through the revaluation process (global valuations and routine commercial valuations) over the period 2014 to 2017 of €43.2m. There have been no compensatory measures applied to Dublin City Council for this perpetual loss. The Council's ARV did not increase since 2009, having been reduced year on year from 2009 to 2015 and held stable in 2016. In the face of the funding pressures including the loss of rates income due to revaluation appeals the ARV has increased in 2017 by 0.75% to 0.257.

Table 9 – Cumulative loss of Rates Income to DCC through revaluation 2014 – 2017 (€m)

Year	VO	VT <sup>1</sup>	VT <sup>2</sup>	VT <sup>3</sup>	Globals	Total
2014	4.4	2	3	0.6		10
2015	4.4	2	3	0.6		10
2016	4.4	2	3	0.6		10
2017	4.4	2	3	0.6	3.2	13.2
<b>Total</b>	<b>17.6</b>	<b>8</b>	<b>12</b>	<b>2.4</b>	<b>3.2</b>	<b>43.2</b>

VO: Valuation Office

VT<sup>1</sup>: Valuation Tribunal - 1st batch of appeals

VT<sup>2</sup>: Valuation Tribunal - 2nd batch of appeals

VT<sup>3</sup>: Valuation Tribunal - 3rd batch of appeals

### Homeless Services

The numbers of persons presenting as homeless increased again in 2016 and has stabilised in 2017. The numbers of families with dependent children presenting as homeless continues to be of concern. The costs of service provision for homeless persons have increased in line with demand. Trends in demand for homeless related services have been well documented and debated in recent times. Many households are accommodated on a temporary basis in hotels which is expensive and unsatisfactory. While the causes of homelessness are many and complex, a key factor has been the inability of low income households to secure and sustain private rented accommodation in the face of significant increases in rents and caps on rent supplement payments. The Minister for Housing, Planning, Community & Local Government published the Action Plan for Housing and Homelessness: Rebuilding Ireland which is built on 5 key pillars, one of which is to address

homelessness. Action has been taken to stabilise the housing rental market in areas of high housing demand. The Minister's commitment to tackling homelessness and to Dublin City Council's services for those presenting as homeless is evident.

The level of expenditure being incurred on homeless service has increased disproportionately to other Local Authority service costs. Increased demand for homeless services has to date presented a severe funding liability for Dublin City Council, and to a lesser extent the other Dublin local authorities (the service is managed on a regional basis by the Dublin Region Homeless Executive), as there has been a departure in recent years from the original funding framework of 90% recoupment of expenditure on homeless services from the State.

#### ***The Landsdowne Road Agreement***

The Government provided compensation in relation to increased payroll costs arising from the implementation of the Landsdowne Road / Haddington Road agreements. In 2016 funding of €2.6m was confirmed to meet additional payroll costs of €2.9m. The Government decision to accelerate pay increases to staff from September to April brings a consequential additional payroll cost of €2.5m.

#### **IW Related Exempted Rates**

The introduction of Irish Water (IW) gave responsibility for water and drainage related services from Local Authorities to IW. Related assets, previously held by Dublin City Council were transferred to the company. Section 12 of the Water Services Act 2014 states that IW will not be liable for rates on the facilities transferred to the company from Local Authorities that previously had a rates liability. The Department gave a grant to the affected Local Authorities to the value of lost rates related to the IW in 2015 and 2016. This grant amounts to €13.5m. The Department has given a further commitment to funding the rates income foregone by the exemption of IW related rateable properties **in 2017 only**. It is important that the Government recognise that it is simply not possible for Dublin City Council's severely reduced funding base to absorb a loss of funding on this matter and that this funding should be confirmed into the future.

#### ***DFB Emergency Ambulance Service***

The HSE currently pays the City Council €9.18m per annum in respect of the cost of providing the DFB emergency ambulance service. The Brady/Flaherty report on the DFB emergency ambulance service is awaited. The 2017 budget was prepared based on additional income of €4m being provided from 2017 from the HSE towards the cost of the service. DCC is confident that the inadequacy of the current recoupment by the HSE will be recognised in the Brady/Flaherty report.

#### ***Pension Liabilities***

The Accounting policy relating to pensions (item 5 in the list of accounting policies) has been amended in the prescribed accounting code for local authorities. Dublin City Council's Finance Strategic Policy Committee has twice commissioned actuarial evaluations of Dublin City Council's future pension liabilities, in 2005 and 2009. The evaluation was carried out by the Department of Finance's actuarial service. The principal findings were that the pension liability of Dublin City Council, at that time, amounts to €1.8bn, at a discount rate of 5.5%, increasing to €2.4bn, at a discount rate of 4%. Increases in pension costs are financed through revenue income. Sustained increases form a steadily increasing demand on funds, which might otherwise fund service provision/improvements. The Finance Strategic Policy Committee has successively corresponded with the Department of Housing, Planning, Community & Local Government and the Department of Finance on this issue, outlining the funding pressures arising from increasing pension liabilities. The Department of Public Expenditure and Reform are currently carrying out a review of public sector pension liabilities.

#### **Insurances**

Dublin City Council has for some time 'self insured' with regard to major risk areas (e.g. public liability, employer liability, property, professional indemnity) with insurance cover only being purchased in respect of individual claims above a certain level. The Chief Executive undertook a review of DCC's insurance arrangements. On the basis of this review, DCC has moved, with effect from 1<sup>st</sup> February 2017, to 'ground up' insurance cover across all risk areas. This means that Dublin City Council has changed from a basis of low premiums, high excesses and high pay out values to significantly higher premiums, low or zero excesses and lower pay out values. As part of this review, the value of outstanding claims related liabilities was determined at circa €34m. This liability will be funded, as it crystallises, through an insurance reserve and additional funding in the 2016 and 2017 budgets.

#### **Conclusion**

Dublin City Council services support business, residential and visitor life in the City. Service demand remained high in 2016 notwithstanding economic pressures, and this remains the case in 2017. Dublin City Council will continue to closely link service provision with available resources. Notwithstanding movements in resources, services will be delivered to the highest quality and represent value for money.

The staff of Dublin City Council is committed to supporting the ongoing development of the Dublin economy. During the past year many notable events were held here in Dublin and in

the process the City's international reputation and image has been significantly enhanced.

I would like to thank the staff of all Departments for their co-operation and especially my colleagues in the Finance Department for their work in producing the Annual Financial Statement, in particular Antoinette Power, Head of Financial Accounting and the staff of the Financial Accounting Unit. I also wish to thank the members of Dublin City Council in relation to their consideration in resolving the many financial issues which arose during 2016. I also wish to acknowledge the contribution made by Members of the Audit Committee and its Chairperson Brendan Foster. Finally I would like to thank in particular the Members of the Finance Strategic Policy Committee and its chairperson Cllr Ruairi McGinley, for their contribution and commitment.

**Kathy Quinn, CPFA**  
**Head of Finance**

## **Changes to Accounting Policies AFS 2016**

The Minister for Housing, Planning, Community and Local Government has advised of the following changes to the prescribed Accounting Code of Practice for Local Authorities.

### **Development Contributions**

The reporting of long term development contribution debtors and deferred income is to be amended so that they are no longer shown separately.

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.

### **Local Property Tax**

The recording, accounting and reporting of the self-funding element of Local Property tax is now all accounted for as grants.

- The self-funding element is recorded above the line within the relevant housing or roads division and is reported under grants / LPT.
- **Appendix 3** will no longer show LPT Self-Funding separately, however for AFS 2016

the table will continue to show the heading *LPT Self-Funding* for the prior year comparatives. This row will be removed for AFS 2017.

- **Appendix 9** – Removed for 2016

### **Specific Revenue Reserve**

Each Local Authority can eliminate their Specific Revenue Reserve if deemed appropriate in individual LA's for the purpose of one, or a combination of the following:

- I. Write down of General Revenue Reserve deficits
- II. Write down of unfunded capital project balances

### **Accounting Treatment for Lansdowne Road Compensation in 2016**

Compensation for the impact of the Lansdowne Road agreement on PRD income, pay and pension's is to be accounted for as a miscellaneous grant income under H11 in 2016.

### **Accounting Treatment for Remittance of PRD in 2017**

PRD deductions currently retained by local authorities as an income stream are required, **from 1 January 2017 on**, to be remitted directly to the Department. As pay periods may cross over years, only the amounts in respect of pay over year should be remitted.

Therefore PRD is no longer to be accounted for as income but treated in the same manner as all other payroll deductions.

### **Policy 5 – Pensions**

A note for insertion in the AFS referring to FRS 17 is prescribed.

### **Policy 10- Development Debtors and Income**

The policy note has been amended to reflect the changes in the reporting of development contributions.

### **Policy 16- Related Parties**

A policy note is to be added in accordance with the Accounting Code of Practice and best accounting practice. The note discloses current practices and does not place any new requirement on Local Authorities beyond what is currently required.

### **Accounting Policy - Transfer of Responsibility for the Delivery of Water Services**

Removed from Accounting Policies

### **Accounting Policy Insurance**

Removed from Accounting Policies

### **Accounting Policy Debtors and Creditors**

Removed from Accounting Policies

# Dublin City Council

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

31 December 2016

- 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 Dublin City Council for the year ended 31 December 2016, as set out on pages 15 to 32, 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.

  
Owen P Keegan  
Chief Executive

  
Kathy Quinn CPFA  
Head of Finance

23/3/17  
Date

23/3/17  
Date

# **Dublin City Council**

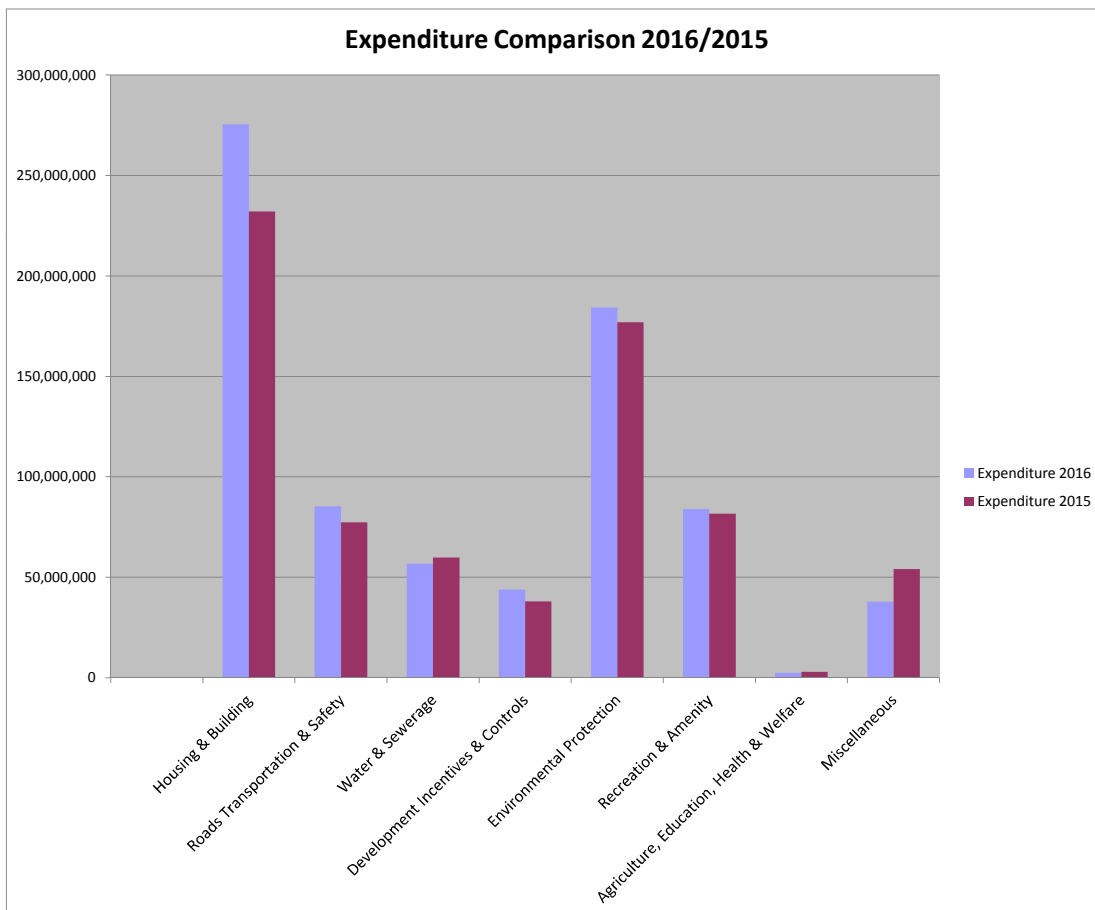
**Audit Opinion to be prepared separately and inserted**

# GRAPHS

**Revenue Accounts 2016 / Financial Profile at a glance**

	Expenditure 2016	Expenditure 2015
<b>Housing &amp; Building</b>	275,486,058	232,091,432
<b>Roads Transportation &amp; Safety</b>	85,304,184	77,361,413
<b>Water &amp; Sewerage</b>	56,763,864	59,819,723
<b>Development Incentives &amp; Controls</b>	43,926,879	37,963,579
<b>Environmental Protection</b>	184,358,194	176,916,102
<b>Recreation &amp; Amenity</b>	83,896,518	81,611,949
<b>Agriculture, Education, Health &amp; Welfare</b>	2,440,404	2,983,145
<b>Miscellaneous</b>	37,773,359	54,171,521
<b>Total Expenditure</b>	<b>769,949,460</b>	<b>722,918,864</b>

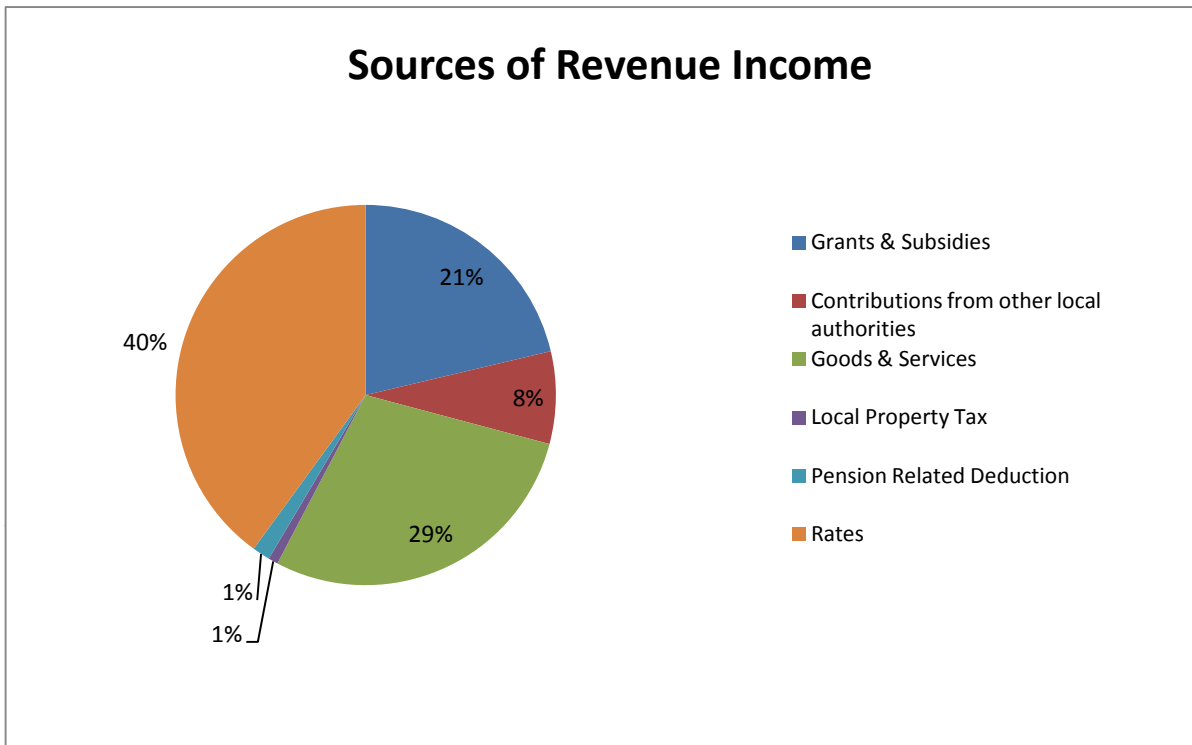
As per Income & Expenditure Account



## Main Sources of Revenue Income

	2016
	€
Grants & Subsidies	172,976,081
Contributions from other local authorities	63,621,206
Goods & Services	231,897,624
Local Property Tax	6,800,295
Pension Related Deduction	12,291,085
Rates	324,501,784
	<b><u>812,088,075</u></b>

*As per Note 15*

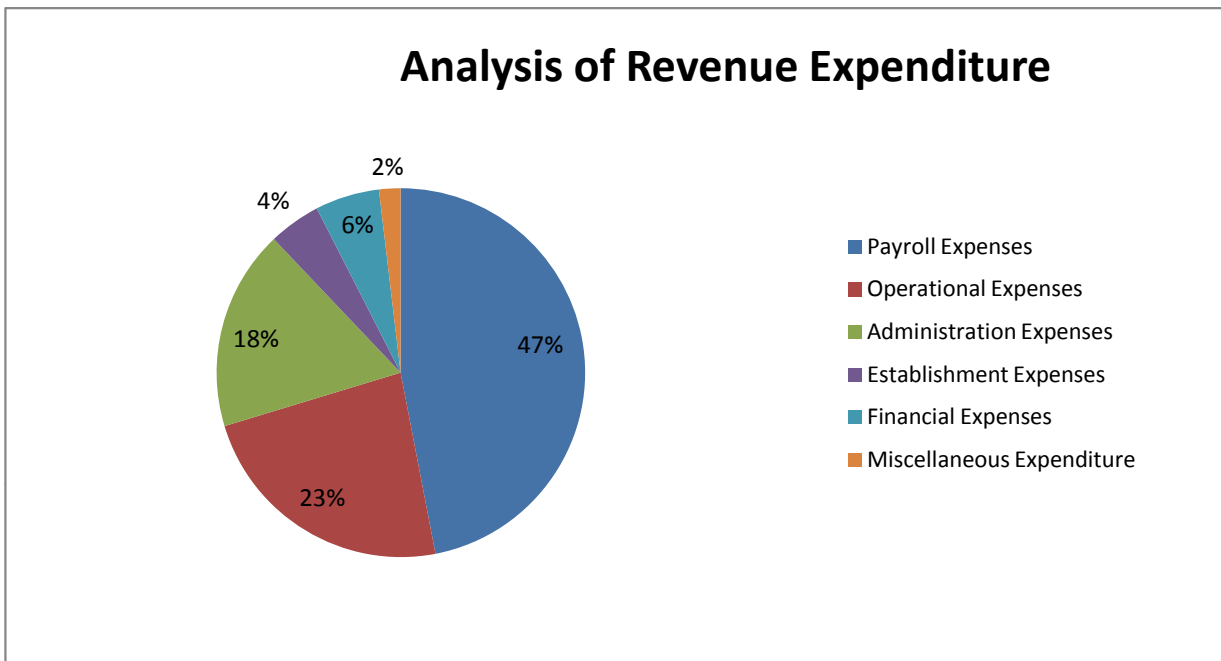




## Main Categories of Revenue Expenditure

	<b>2016</b>
	<b>€</b>
Payroll Expenses	361,675,923
Operational Expenses	179,747,088
Administration Expenses	135,407,950
Establishment Expenses	35,088,876
Financial Expenses	43,400,698
Miscellaneous Expenditure	14,628,925
<b>Total Expenditure</b>	<b><u>769,949,460</u></b>

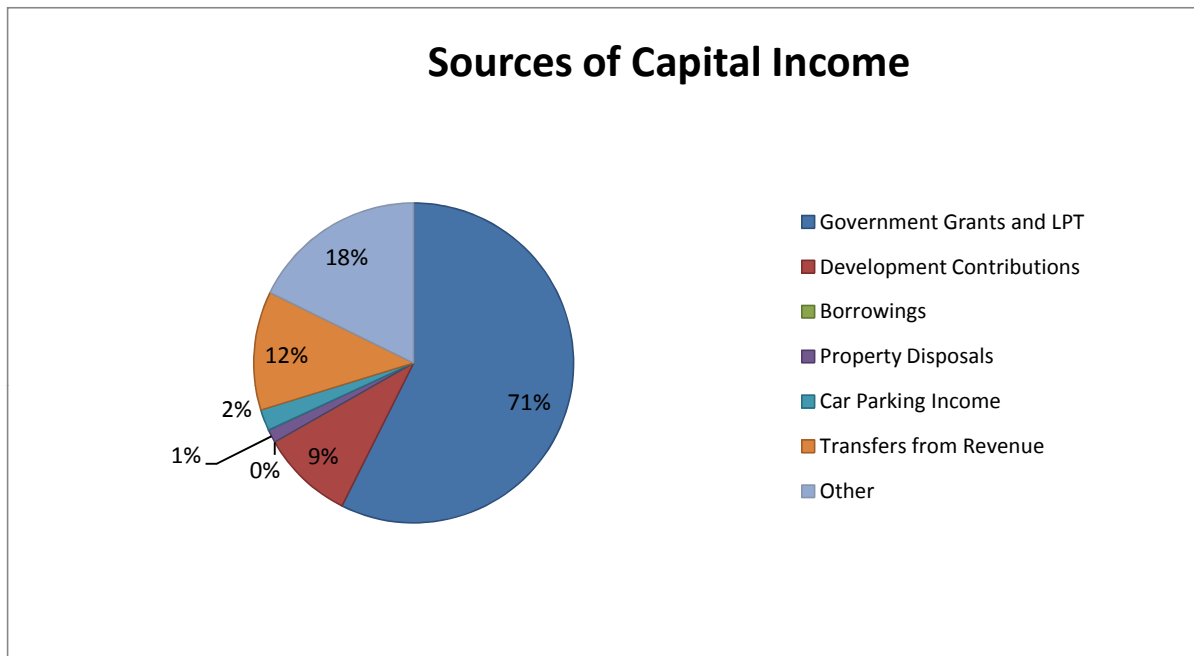
*As per Appendix 1*



## Sources of Capital Income

	<b>2016</b>
	<b>€</b>
Government Grants and LPT	157,631,103
Development Contributions	25,747,442
Borrowings	-
Property Disposals	3,679,915
Car Parking Income	5,868,418
Transfers from Revenue	32,992,930
Other	48,732,595
	<b>274,652,403</b>

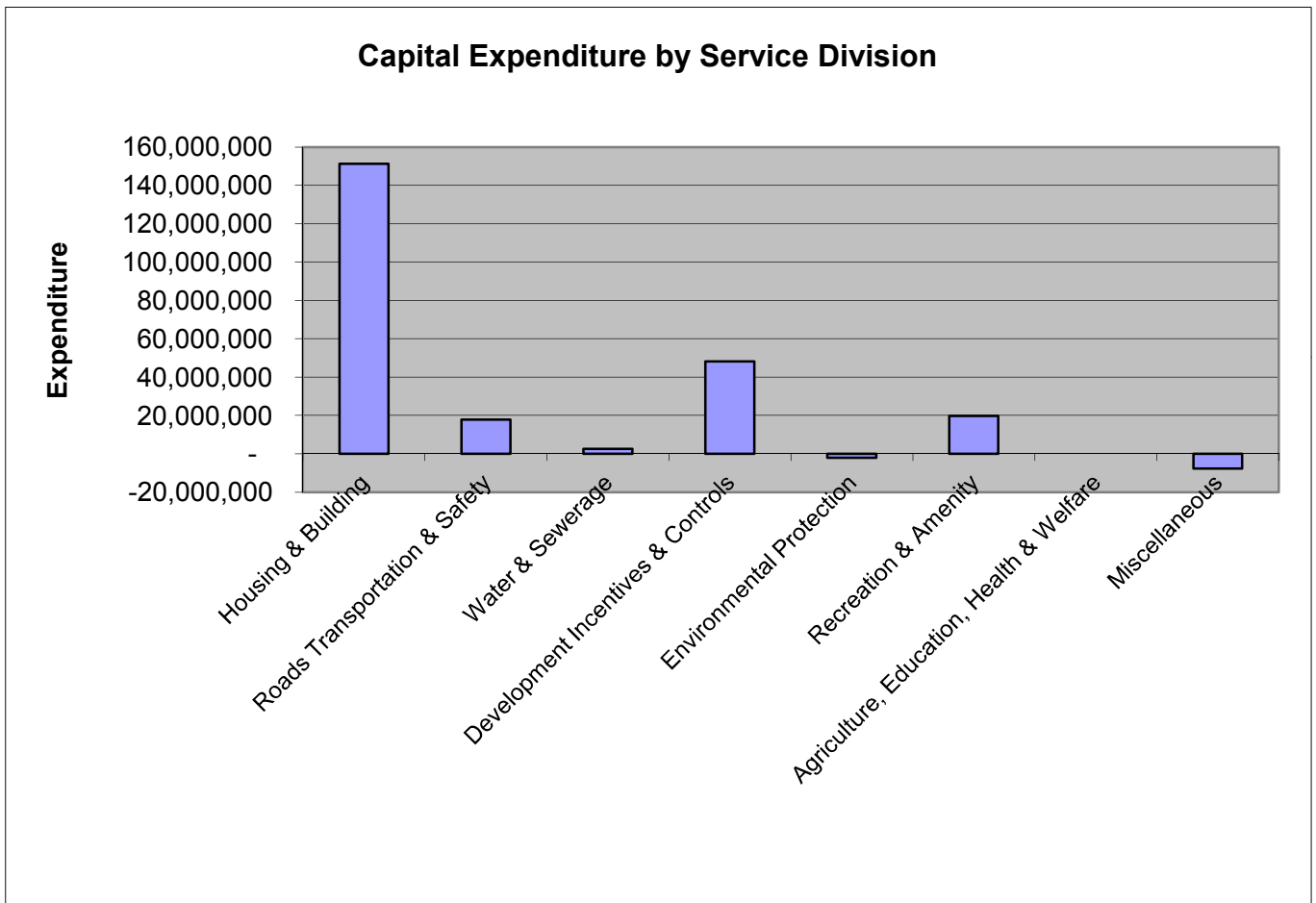
*As per Appendix 5*



## Capital Expenditure by Service Division

	<b>2016</b>
	<b>€</b>
Housing & Building	151,240,817
Roads Transportation & Safety	17,880,850
Water & Sewerage	2,611,266
Development Incentives & Controls	48,099,034
Environmental Protection	(2,062,877)
Recreation & Amenity	19,712,726
Agriculture, Education, Health & Welfare	-
Miscellaneous	(7,764,061)
	<b>229,717,755</b>

*As per Appendix 6*



# STATEMENT OF ACCOUNTING POLICIES

## 1. General

The accounts have been prepared in accordance with the Accounting Code of Practice ACoP on local authority accounting, as revised by the Department of Housing, Planning, Community and Local Government (DHPCLG) at 31st December 2016. 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 has been 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. **(Each local authority should list the areas where they are not complying with this policy, e.g. development contributions)**

## 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/has not been made in the relevant accounts for bad & doubtful debts.

## **8. Fixed Assets**

### **8.1 Classification of Assets**

Fixed assets are classified into categories as set out in the Statement of Financial Position (Balance Sheet). A further breakdown by asset type is set out in note 1 to the accounts.

### **8.2 Recognition**

All expenditure on the acquisition or construction of fixed assets is capitalised on an accrual basis.

### **8.3 Measurement**

A Statement of Financial Position (Balance Sheet) incorporating all of the assets of the local authority was included for the first time in the Annual Financial Statement for 2003. The assets were valued based on the 'Valuation Guideline' issued by the DHPCLG. All assets purchased or constructed as from 1/1/2004 have been included at historical cost. Accounting policies relating to leases are currently being developed and will be reflected in the financial statements at a future date.

### **8.4 Revaluation**

As set out in a revision to the Accounting Code of Practice it is policy to show fixed assets at cost. Maintenance and enhancement costs associated with Infrastructure assets are not currently included in fixed assets but will be reviewed at a future date. Due to their physical nature the vast majority of assets are unique to local authorities and are not subject to disposal. Any loss or gain associated with the net realisable value of the remaining general assets subject to disposal, are accounted for at time of disposal.

## 8.5 Disposals

In respect of disposable assets, income is credited to a specific reserve and is generally applied in the purchase of new assets. Proceeds of the sale of local authority houses are to be applied as directed by the DHPCLG.

## 8.6 Depreciation

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

The policies applied to assets subject to depreciation are as follows:

Asset Type	Bases	Depreciation Rate
Plant & Machinery		
- Long life	S/L	10%
- Short life	S/L	20%
Equipment	S/L	20%
Furniture	S/L	20%
Heritage Assets		Nil
Library Books		Nil
Playgrounds	S/L	20%
Parks	S/L	2%
Landfill sites ( <b>*See note</b> )		
Water Assets		
- Water schemes	S/L	Asset life over 70 years
- Drainage schemes	S/L	Asset life over 50 years

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

**\* The value of landfill sites has been included in note 1 under land. Depreciation represents the depletion of the landfill asset.**

## 9. Government Grants

Government grants are accounted for on an accrual basis. Grants received to cover day-to-day operations are credited to the Statement of Comprehensive Income (Income & Expenditure Statement). Grants received, relating to the construction of assets, are shown as part of the income of work-in-progress. On completion of the project the income is transferred to a capitalisation account.

## 10. Development Debtors & Income

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

## **11. Debt Redemption**

The proceeds from the early redemption of loans by borrowers, are applied to the redemption of mortgage related borrowings from the HFA and OPW.

## **12. Lease Schemes**

Rental payments under operating leases are charged to the Statement of Comprehensive Income (Income & Expenditure Statement). Assets acquired under a finance lease are included in fixed assets. The amount due on outstanding balances is shown under current liabilities and long-term creditors.

## **13. Stock**

Stocks are valued on an average cost basis.

## **14. Work-in-Progress & Preliminary Expenditure**

Work-in progress and preliminary expenditure is the accumulated historical cost of various capital related projects. The income accrued in respect of these projects is shown in the Statement of Financial Position (Balance Sheet) as 'Income WIP'.

## **15. Interest in Local Authority Companies**

The interest of Dublin City Council in companies is listed in Appendix 8.

## **16. Related Parties**

A related party transaction is a transfer of resources, services or obligations between the local authority and a related party. The main related parties for a local authority include the following:

- i. Management and Personnel
- ii. Council members
- iii. Government Departments
- iv. Local Authority Companies

Local Authority council members and key personnel are bound under the relevant sections of the Local Government Act 2001 and subsequent amending legislation to:

- a. furnish an annual declaration of 'declarable interests' set out in section 175 of the Act;
- b. disclose under sections 167, 178 and 179 any beneficial interests that they or a connected person has; and
- c. follow a code of conduct issued by the Minister for the Environment, Community and Local Government under section 169 of the Local Government Act 2001 in 2004.

'Declarable interests' cover both financial and certain other interests such as land etc.

Local authority management and personnel salary and remuneration is determined by the Department of Housing, Planning, Community and Local Government in line with central government policy on rates of pay.

Local Authority interests in companies and joint ventures are disclosed in Appendix 8 to the Annual Financial Statements.

Local Authority transactions with government departments are governed by central government controls and procedures driven by government accounting rules.

# **FINANCIAL ACCOUNTS**



**STATEMENT OF COMPREHENSIVE INCOME (INCOME & EXPENDITURE ACCOUNT STATEMENT)  
FOR YEAR ENDING 31st DECEMBER 2016**

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
		2016 €	2016 €	2016 €	2015 €
Housing & Building		275,486,058	228,076,956	47,409,102	37,935,709
Roads Transportation & Safety		85,304,184	49,490,039	35,814,145	34,774,779
Water Services		56,763,864	48,045,492	8,718,372	6,971,047
Development Management		43,926,879	18,267,974	25,658,905	23,475,881
Environmental Services		184,358,194	80,240,352	104,117,842	99,189,573
Recreation & Amenity		83,896,518	13,427,765	70,468,753	67,975,103
Agriculture, Education, Health & Welfare		2,440,404	761,612	1,678,792	1,558,913
Miscellaneous Services		37,773,359	30,184,721	7,588,638	41,273,981
<b>Total Expenditure/Income</b>	16	<b>769,949,460</b>	<b>468,494,911</b>	<b>301,454,549</b>	<b>313,154,986</b>
<b>Net cost of Divisions to be funded from Rates &amp; Local Property Tax</b>					
Rates			<b>324,501,784</b>	324,501,784	336,255,813
Local Property Tax			<b>6,800,295</b>	6,800,295	6,800,296
Pension Related Deduction			<b>12,291,085</b>	12,291,085	16,249,294
<b>Surplus/(Deficit) for Year before Transfers</b>				<b>42,138,615</b>	46,150,417
<b>Transfers from/(to) Reserves</b>	14			(44,637,645)	(45,904,483)
<b>Overall Surplus/(Deficit) for Year</b>	16			<b>(2,499,030)</b>	245,934
<b>General Reserve @ 1st January 2016</b>				28,600,516	28,354,582
<b>General Reserve @ 31st December 2016</b>				<b>26,101,486</b>	28,600,516

## STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AT 31st DECEMBER 2016

	Notes	2016 €	2015 €
<b>Fixed Assets</b>	1		
Operational		6,943,244,960	6,656,966,363
Infrastructural		2,926,987,449	2,931,048,354
Community		101,862,692	301,988,046
Non-Operational		-	228,376,315
		<b>9,972,095,101</b>	<b>10,118,379,078</b>
<b>Work in Progress and Preliminary Expenses</b>	2	432,853,360	426,526,055
<b>Long Term Debtors</b>	3	446,071,748	501,536,671
<b>Current Assets</b>			
Stocks	4	4,846,374	5,082,619
Trade Debtors & Prepayments	5	136,552,297	109,186,999
Bank Investments		117,779,123	51,654,507
Cash at Bank		23,756,007	87,749,812
Cash in Transit		590,935	679,761
		<b>283,524,736</b>	<b>254,353,698</b>
<b>Current Liabilities (Amounts falling due within one year)</b>			
Bank Overdraft		-	-
Creditors & Accruals	6	198,891,503	184,164,652
Finance Leases		-	-
		<b>198,891,503</b>	<b>184,164,652</b>
<b>Net Current Assets / (Liabilities)</b>		<b>84,633,233</b>	<b>70,189,046</b>
<b>Creditors (Amounts falling due after more than one year)</b>			
Loans Payable	7	527,989,902	596,969,354
Finance Leases		-	-
Refundable deposits	8	6,933,313	5,836,373
Other		21,036,302	27,290,194
		<b>555,959,517</b>	<b>630,095,921</b>
<b>Net Assets</b>		<b>10,379,693,925</b>	<b>10,486,534,929</b>
<b>Represented by</b>			
Capitalisation Account	9	9,972,095,101	10,118,379,078
Income WIP	2	378,719,262	375,604,292
Specific Revenue Reserve		37,328,385	37,328,385
General Revenue Reserve		26,101,486	28,600,516
Other Balances	10	(34,550,309)	(73,377,342)
<b>Total Reserves</b>		<b>10,379,693,925</b>	<b>10,486,534,929</b>

**STATEMENT OF FUNDS FLOW (FUNDS FLOW STATEMENT)  
AS AT 31ST DECEMBER 2016**

	Note	2016 €	2016 €
<b>REVENUE ACTIVITIES</b>			
Net Inflow/(outflow) from operating activities	17	(14,901,232)	
<b>CAPITAL ACTIVITIES</b>			
<b>Returns on Investment &amp; Servicing of Finance</b>			
Increase/(Decrease) in Fixed Asset Capitalisation Funding		(146,283,977)	
Increase/(Decrease) in WIP/Preliminary Funding		3,114,970	
Increase/(Decrease) in Reserves Balances	18	<u>26,051,461</u>	
<b>Net Inflow/(Outflow) from Returns on Investment and Servicing of Finance</b>		<b>(117,117,546)</b>	
<b>Capital Expenditure &amp; Financial Investment</b>			
(Increase)/Decrease in Fixed Assets		146,283,977	
(Increase)/Decrease in WIP/Preliminary Funding		(6,327,305)	
(Increase)/Decrease in Agent Works Recoupable		-	
(Increase)/Decrease in Other Capital Balances	19	<u>19,204,482</u>	
<b>Net Inflow/(Outflow) from Capital Expenditure and Financial Investment</b>		<b>159,161,154</b>	
<b>Financing</b>			
Increase/(Decrease) in Loan Financing	20	(19,768,421)	
(Increase)/Decrease in Reserve Financing	21	<u>(6,428,910)</u>	
<b>Net Inflow/(Outflow) from Financing Activities</b>		<b>(26,197,331)</b>	
<b>Third Party Holdings</b>			
Increase/(Decrease) in Refundable Deposits		1,096,940	
Net Increase/(Decrease) in Cash and Cash Equivalents	22	2,041,985	<u><u>2,041,985</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
€	€	€	€	€	€	€	€	€	€	€
<b>Costs</b>										
Accumulated Costs @ 1/1/2016	154,027,306	37,048,858	5,867,762,779	858,548,698	31,832,165	18,481,616	275,983,098	2,478,500,829	816,030,285	10,538,215,634
<b>Additions</b>										
- Purchased	-	550,000	43,017,963	1,980,436	917,232	273,537	117,635	19,247	-	46,876,050
- Transfers WIP	-	-	10,694,791	25,818,644	-	-	-	-	-	36,513,435
Disposals/Statutory Transfers	(5,250,000)	-	(39,865,000)	(165,000)	(614,031)	(2,043,428)	-	-	-	(47,937,459)
Revaluations	-	-	(139,816)	-	-	-	-	-	-	(139,816)
Historical Cost Adjustments	7,909,579	7,080,008	(2,417,000)	16,545,853	(427,393)	1,031,962	(206,500,254)	-	-	(176,777,245)
<b>Accumulated Costs @ 31/12/2016</b>	<b>156,686,885</b>	<b>44,678,866</b>	<b>5,879,053,717</b>	<b>902,728,631</b>	<b>31,707,973</b>	<b>17,743,687</b>	<b>69,600,479</b>	<b>2,478,520,076</b>	<b>816,030,285</b>	<b>10,396,750,599</b>
<b>Depreciation</b>										
Depreciation @ 1/1/2016	-	11,043,910	-	-	27,246,099	18,063,787	-	-	363,482,760	419,836,556
Provision for Year	-	1,372,742	-	-	1,615,754	840,114	-	-	4,080,152	7,908,762
Disposals/Statutory Transfers	-	-	-	-	(1,065,311)	(2,024,509)	-	-	-	(3,089,820)
<b>Accumulated Depreciation @ 31/12/2016</b>	<b>-</b>	<b>12,416,652</b>	<b>-</b>	<b>-</b>	<b>27,796,542</b>	<b>16,879,392</b>	<b>-</b>	<b>-</b>	<b>367,562,912</b>	<b>424,655,498</b>
<b>Net Book Value @ 31/12/2016</b>	<b>156,686,885</b>	<b>32,262,214</b>	<b>5,879,053,717</b>	<b>902,728,631</b>	<b>3,911,431</b>	<b>864,295</b>	<b>69,600,479</b>	<b>2,478,520,076</b>	<b>448,467,373</b>	<b>9,972,095,101</b>
Net Book Value @ 31/12/2015	154,027,306	26,004,948	5,867,762,779	858,548,698	4,586,066	417,829	275,983,098	2,478,500,829	452,547,525	10,118,379,078
<b>Net Book Value by Category</b>										
Operational	156,686,885	-	5,879,053,717	902,728,631	3,911,431	864,295	-	-	-	6,943,244,959
Infrastructure	-	-	-	-	-	-	-	2,478,520,076	448,467,373	2,926,987,449
Community	-	32,262,214	-	-	-	-	69,600,479	-	-	101,862,693
Non-Operational	-	-	-	-	-	-	-	-	-	-
<b>Net Book Value @ 31/12/2016</b>	<b>156,686,885</b>	<b>32,262,214</b>	<b>5,879,053,717</b>	<b>902,728,631</b>	<b>3,911,431</b>	<b>864,295</b>	<b>69,600,479</b>	<b>2,478,520,076</b>	<b>448,467,373</b>	<b>9,972,095,101</b>

## 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 2016 €	Unfunded 2016 €	Total 2016 €	Total 2015 €
<b>Expenditure</b>				
Work in Progress	109,886,113	203,728,261	313,614,374	339,708,174
Preliminary Expenses	54,843,854	64,395,132	119,238,986	86,817,881
	<b>164,729,967</b>	<b>268,123,393</b>	<b>432,853,360</b>	<b>426,526,055</b>
<b>Income</b>				
Work in Progress	106,276,578	174,688,733	280,965,311	302,448,552
Preliminary Expenses	50,207,974	47,546,977	97,753,951	73,155,740
	<b>156,484,552</b>	<b>222,234,710</b>	<b>378,719,262</b>	<b>375,604,292</b>
<b>Net Expended</b>				
Work in Progress	3,609,535	29,039,528	32,649,063	37,259,622
Preliminary Expenses	4,635,880	16,849,155	21,485,035	13,662,141
	<b>8,245,415</b>	<b>45,888,683</b>	<b>54,134,098</b>	<b>50,921,763</b>

### 3. Long Term Debtors

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

	Balance @ 1/1/2016 €	Loans Issued €	Principal Repaid €	Early Redemptions €	Other Adjustments €	Balance @ 31/12/2016 €	Balance @ 31/12/2015 €
Long Term Mortgage Advances*	205,209,253	6,299,866	7,343,699	20,495,533	-	183,669,887	205,209,253
Tenant Purchases Advances	4,973,880	-	1,275,269	-	-	3,698,611	4,973,880
Shared Ownership Rented Equity	86,391,764	-	2,829,832	15,406,063	-	68,155,869	86,391,764
	<b>296,574,897</b>	<b>6,299,866</b>	<b>11,448,800</b>	<b>35,901,596</b>	<b>-</b>	<b>255,524,367</b>	<b>296,574,897</b>
Voluntary Housing & Water Loans repayable						240,211,083	251,371,581
Capital Advance Leasing Facility						21,036,298	6,844,005
Development Levy Debtors**						-	20,446,188
Inter Local Authority Loans						-	-
Long-term Investments						-	-
Cash						-	-
Interest in associated companies						-	-
Other						-	-
						<b>(29,700,000)</b>	<b>(29,700,000)</b>
						<b>487,071,748</b>	<b>545,536,671</b>
						<b>(41,000,000)</b>	<b>(44,000,000)</b>
						<b>446,071,748</b>	<b>501,536,671</b>

Less: Amounts falling due within one year (Note 5)

Total Amounts falling due after more than one year

\* Includes HFA Agency Loans

\*\* 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

# NOTES TO AND FORMING PART OF THE ACCOUNTS

## 4. Stocks

A summary of stock is as follows:

	2016 €	2015 €
Central Stores	-	-
Other Depots	4,846,374	5,082,619
<b>Total</b>	<b>4,846,374</b>	<b>5,082,619</b>

## 5. Trade Debtors & Prepayments

A breakdown of debtors and prepayments is as follows:

	2016 €	2015 €
Government Debtors	55,890,808	39,120,948
Commercial Debtors	63,329,196	68,884,927
Non-Commercial Debtors	38,188,721	38,453,748
Development Levy Debtors	23,823,089	20,093,027
Other Services	7,557,136	5,775,048
Other Local Authorities	5,618,236	4,161,492
Agent Works Recoupable	-	-
Revenue Commissioners	-	-
Other	-	-
Add: Amounts falling due within one year (Note 3)	41,000,000	44,000,000
<b>Total Gross Debtors</b>	<b>235,407,186</b>	<b>220,489,190</b>
Less: Provision for Doubtful Debts	(105,177,979)	(111,527,271)
<b>Total Trade Debtors</b>	<b>130,229,207</b>	<b>108,961,919</b>
Prepayments	6,323,090	225,080
	<b>136,552,297</b>	<b>109,186,999</b>

## NOTES TO AND FORMING PART OF THE ACCOUNTS

### 6. Creditors and Accruals

A breakdown of creditors and accruals is as follows:

	2016 €	2015 €
Trade creditors	39,626,185	32,286,290
Grants	-	-
Revenue Commissioners	14,424,206	11,854,369
Other Local Authorities	312,447	1,547,283
Other Creditors	9,111,565	7,460,482
	<b>63,474,403</b>	<b>53,148,424</b>
Accruals	66,409,178	58,139,557
Deferred Income	41,007,922	48,876,671
Add: Amounts falling due within one year (Note 7)	28,000,000	24,000,000
	<b>198,891,503</b>	<b>184,164,652</b>

### 7. Loans Payable

#### (a) Movement in Loans Payable

	HFA €	OPW €	Other €	Balance @ 31/12/2016 €	Balance @ 31/12/2015 €
<b>Balance @ 1/1/2016</b>	601,865,722	-	19,103,632	620,969,354	732,776,236
Borrowings	9,955,409	-	-	9,955,409	22,491,663
Repayment of Principal	(24,738,301)	-	(2,800,090)	(27,538,391)	(30,532,384)
Early Redemptions	(47,396,470)	-	-	(47,396,470)	(103,766,161)
Other Adjustments	-	-	-	-	-
<b>Balance @ 31/12/2016</b>	<b>539,686,360</b>	<b>-</b>	<b>16,303,542</b>	<b>555,989,902</b>	<b>620,969,354</b>
Less: Amounts falling due within one year (Note 6)				(28,000,000)	(24,000,000)
<b>Total Amounts falling due after more than one year</b>				<b>527,989,902</b>	<b>596,969,354</b>

#### (b) Application of Loans

An analysis of loans payable is as follows:

	HFA €	OPW €	Other €	Balance @ 31/12/2016 €	Balance @ 31/12/2015 €
<b>Mortgage loans*</b>	164,804,349	-	-	164,804,349	187,451,947
<b>Non-Mortgage loans</b>					
Asset/Grants	6,236,033	-	2,250,455	8,486,488	9,897,686
Revenue Funding	-	-	-	-	-
Bridging Finance	73,872,753	-	-	73,872,753	80,231,495
Recoupable	-	-	-	-	-
Shared Ownership – Rented Equity	68,615,229	-	-	68,615,229	92,016,645
Inter-Local Authority	-	-	-	-	-
Voluntary Housing & Water Loans recoupable	226,157,997	-	14,053,086	240,211,083	251,371,581
	<b>539,686,361</b>	<b>-</b>	<b>16,303,541</b>	<b>555,989,902</b>	<b>620,969,354</b>
Less: Amounts falling due within one year (Note 6)				(28,000,000)	(24,000,000)
<b>Total Amounts falling due after more than one year</b>				<b>527,989,902</b>	<b>596,969,354</b>

\* Includes HFA Agency Loans

## NOTES TO AND FORMING PART OF THE ACCOUNTS

### 8. Refundable Deposits

The movement in refundable deposits is as follows:

	2016 €	2015 €
Opening Balance at 1 January	5,836,373	4,721,843
Deposits received	1,201,760	1,596,530
Deposits repaid	(104,820)	(482,000)
<b>Closing Balance at 31 December</b>	<b>6,933,313</b>	<b>5,836,373</b>

**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 @ 1/1/2016 €	Purchased €	Transfers WIP €	Disposals/Statutory Transfers €	Revaluations €	Historical Cost Adj €	Balance @ 31/12/2016 €	Balance @ 31/12/2015 €
Grants	2,166,651,124	-	10,694,791	(39,865,000)	-	-	2,181,459,316	2,166,651,124
Loans	-	43,978,401	-	-	-	-	-	-
Revenue funded	21,544,453	1,190,768	-	(2,657,459)	-	686,337	20,764,099	21,544,453
Leases	-	-	-	-	-	-	-	-
Development Levies	-	550,000	-	-	-	-	550,000	-
Tenant Purchase Annuities	-	-	-	-	-	-	-	-
Unfunded	-	-	-	-	-	-	-	-
Historical	7,989,525,432	-	-	-	(139,816)	(208,662,542)	7,780,723,074	7,989,525,432
Other	360,494,625	1,156,881	25,818,644	(5,415,000)	-	31,198,960	413,254,110	360,494,625
<b>Total Gross Funding</b>	<b>10,538,215,634</b>	<b>46,876,050</b>	<b>36,513,435</b>	<b>(47,937,459)</b>	<b>(139,816)</b>	<b>(176,777,245)</b>	<b>10,396,750,599</b>	<b>10,538,215,634</b>
<b>Less: Amortised</b>							(424,655,498)	(419,836,556)
<b>Total</b>							<b>9,972,095,101</b>	<b>10,118,379,078</b>



## NOTES TO AND FORMING PART OF THE ACCOUNTS

### 10. Other Balances

A breakdown of other balances is as follows:

	Balance @ 1/1/2016 €	Capital re-classification *	Expenditure	Income	Net Transfers	Balance @ 31/12/2016 €	Balance @ 31/12/2015 €
<b>Development Levies balances</b>	(a)	-	€ (5,086,186)	€ 25,819,942	€ 1,609,747	€ 68,190,258	€ 45,846,755
<b>Capital account balances including asset formation and enhancement</b>	(b)	11,729,170	(168,654,707)	157,964,435	19,157,008	(91,241,581)	(111,437,487)
<b>Voluntary &amp; Affordable Housing Balances</b>	(c)	-	(20,117,885)	20,062,355	(1)	(1,506,332)	(1,450,801)
- Voluntary Housing		-	(1,180,426)	1,142,912	(898,379)	(13,744,052)	(12,808,159)
- Affordable Housing							
<b>Reserves created for specific purposes</b>	(d)	737,232	(3,712,371)	8,692,717	(2,009,620)	57,004,621	53,296,663
<b>A. Net Capital Balances</b>		<b>12,466,402</b>	<b>(198,751,575)</b>	<b>213,682,361</b>	<b>17,858,755</b>	<b>18,702,914</b>	<b>(26,553,029)</b>
<b>Balance Sheet accounts relating the loan principal outstanding (including Unrealised TP Annuities)</b>	(e)					(53,253,223)	(46,824,313)
Interest in Associated Companies	(f)					-	-
<b>B. Non Capital Balances</b>						<b>(53,253,223)</b>	<b>(46,824,313)</b>
<b>Total Other Balances</b>						<b>(34,550,309)</b>	<b>(73,377,342)</b>

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

(b) 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.

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

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

(e) 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.

(f) 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:

	2016 €	2015 €
Net WIP & Preliminary Expenses (Note 2)	(54,134,098)	(50,921,763)
Net Capital Balances (Note 10)	18,702,914	(26,553,029)
Agent Works Recoupable (Note 5)	-	-
<b>Capital Balance Surplus/(Deficit) @ 31 December</b>	<b>(35,431,184)</b>	<b>(77,474,792)</b>

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

	2016 €	2015 €
<b>Opening Balance @ 1 January</b>	<b>(77,474,792)</b>	<b>(25,565,818)</b>
<b>Expenditure</b>	<b>229,717,755</b>	<b>249,265,879</b>
<b>Income</b>		
- Grants	157,631,103	120,800,198
- Loans	-	2,377,568
- Other	84,028,372	51,041,783
<b>Total Income</b>	<b>241,659,475</b>	<b>174,219,549</b>
Net Revenue Transfers	30,101,884	23,137,356
<b>Closing Balance @ 31 December</b>	<b>(35,431,188)</b>	<b>(77,474,792)</b>

### 12. Mortgage Loan Funding Surplus/(Deficit)

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

	2016 Loan Annuity €	2016 Rented Equity €	2016 Total €	2015 Total €
Mortgage Loans/Equity Receivable (LT Mortgage Shared Own Note 3)	183,669,887	68,155,869	251,825,756	291,601,017
Mortgage Loans/Equity Payable (Mort Loans Shared Own Note 7)	(164,804,349)	(68,615,229)	(233,419,578)	(279,468,592)
<b>Surplus/(Deficit) in Funding @ 31st December</b>	<b>18,865,538</b>	<b>(459,360)</b>	<b>18,406,178</b>	<b>12,132,425</b>

NOTE: Cash on Hand relating to Redemptions and Relending

€  
1,530,510

### 13. Summary of Plant & Materials Account

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

	2016 Plant & Machinery €	2016 Materials €	2016 Total €	2015 Total €
Expenditure	-	-	-	-
Charged to Jobs	-	-	-	-
Transfers from/(to) Reserves	-	-	-	-
<b>Surplus/(Deficit) for the Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## NOTES TO AND FORMING PART OF THE ACCOUNTS

### 14. Transfers from/(to) Reserves

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

	2016	2016	2016	2015
	Transfers from Reserves	Transfers to Reserves	Net	
	€	€	€	€
Loan Repayment Reserve	-	12,495,770	12,495,770	16,267,112
Lease Repayment Reserve	-	-	-	-
Historical Mortgage Funding / Specific Reserve Write off	-	-	-	-
Development Levies	-	-	-	-
Other	(2,891,046)	35,032,921	32,141,875	29,637,371
<b>Surplus/(Deficit) for Year</b>	<b>(2,891,046)</b>	<b>47,528,691</b>	<b>44,637,645</b>	<b>45,904,483</b>

### 15. Analysis of Revenue Income

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

Appendix No	2016		2015	
	€	%	€	%
3	172,976,081	21%	121,703,848	16%
4	63,621,206	8%	60,713,658	8%
	231,897,624	29%	227,346,372	30%
	<b>468,494,911</b>	<b>58%</b>	<b>409,763,878</b>	<b>53%</b>
	6,800,295	1%	6,800,296	1%
	12,291,085	2%	16,249,294	2%
	324,501,784	40%	336,255,813	44%
<b>Total Income</b>	<b>812,088,075</b>	<b>100%</b>	<b>769,069,281</b>	<b>100%</b>

## 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 2016 €		
	Excluding Transfers 2016 €	Transfers 2016 €	Including Transfers 2016 €	Budget 2016 €	(Over)/Under Budget 2016 €	Excluding Transfers 2016 €	Transfers 2016 €	Including Transfers 2016 €		Budget 2016 €	Over/(Under) Budget 2016 €
	Housing & Building	275,486,058	16,293,798	291,779,856	276,332,280	(15,447,576)	228,076,956	41,696		228,118,652	215,365,388
Roads Transportation & Safety	85,304,184	5,618,852	90,923,036	86,094,209	(4,828,827)	49,490,040	1,151,954	50,641,994	43,320,508	7,321,486	
Water Services	56,763,864	1,636,671	58,400,535	63,284,079	4,883,544	48,045,492	-	48,045,492	50,132,654	(2,087,162)	
Development Management	43,926,879	455,938	44,382,817	43,512,035	(870,782)	18,267,974	127,000	18,394,974	16,269,649	2,125,325	
Environmental Services	184,358,194	2,012,418	186,370,612	179,955,341	(6,415,271)	80,240,352	1,250,000	81,490,352	77,433,559	4,056,793	
Recreation & Amenity	83,896,518	1,527,312	85,423,830	82,844,914	(2,578,916)	13,427,766	190,183	13,617,949	12,644,344	973,605	
Agriculture, Education, Health & Welfare	2,440,404	-	2,440,404	2,826,618	386,214	761,612	-	761,612	1,133,912	(372,300)	
Miscellaneous Services	37,773,359	19,983,703	57,757,062	68,707,792	10,950,730	30,184,721	130,212	30,314,933	20,596,272	9,718,661	
<b>Total Divisions</b>	<b>769,949,460</b>	<b>47,528,692</b>	<b>817,478,152</b>	<b>803,557,268</b>	<b>(13,920,884)</b>	<b>468,494,913</b>	<b>2,891,045</b>	<b>471,385,958</b>	<b>436,896,286</b>	<b>34,489,672</b>	
Local Property Tax	-	-	-	-	-	6,800,295	-	6,800,295	6,800,295	-	
Pension Related Deduction	-	-	-	-	-	12,291,085	-	12,291,085	12,400,000	(108,915)	
Rates	-	-	-	-	-	324,501,784	-	324,501,784	320,305,036	4,196,748	
Dr/Cr Balance	-	-	-	-	-	-	-	-	-	-	
<b>(Deficit)/Surplus for Year</b>	<b>769,949,460</b>	<b>47,528,692</b>	<b>817,478,152</b>	<b>803,557,268</b>	<b>(13,920,884)</b>	<b>812,088,077</b>	<b>2,891,045</b>	<b>814,979,122</b>	<b>776,401,617</b>	<b>38,577,505</b>	

## NOTES TO AND FORMING PART OF THE ACCOUNTS

**2016**

**€**

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

Operating Surplus/(Deficit) for Year	(2,499,030)
(Increase)/Decrease in Stocks	236,245
(Increase)/Decrease in Trade Debtors	(27,365,298)
Non operating activity in Trade Debtors (Agent Works)	-
Increase/(Decrease) in Creditors Less than One Year	14,726,851
	<b>(14,901,232)</b>

### **18. Increase/(Decrease) in Reserve Balances**

Increase/(Decrease) in Development Levies balances	22,343,503
Increase/(Decrease) in Other Reserve Balances	3,707,958
	<b>26,051,461</b>

### **19. (Increase)/Decrease in Other Capital Balances**

(Increase)/Decrease in Capital account balances including asset formation and enhancement	20,195,906
(Increase)/Decrease in Voluntary Housing Balances	(55,531)
(Increase)/Decrease in Affordable Housing Balances	(935,893)
	<b>19,204,482</b>

### **20. Increase/(Decrease) in Loan Financing**

(Increase)/Decrease in Long Term Debtors	55,464,923
Increase/(Decrease) in Mortgage Loans	(22,647,598)
Increase/(Decrease) in Asset/Grant Loans	(1,411,198)
Increase/(Decrease) in Revenue Funding Loans	-
Increase/(Decrease) in Bridging Finance Loans	(6,358,742)
Increase/(Decrease) in Recoupable Loans	-
Increase/(Decrease) in Shared Ownership Rented Equity Loans	(23,401,416)
Increase/(Decrease) in Inter-Local Authority Loans	-
Increase/(Decrease) in Voluntary Housing Loans	(11,160,498)
Increase/(Decrease) in Finance Leasing	-
(Increase)/Decrease in Portion Transferred to Current Liabilities	(4,000,000)
Increase/(Decrease) in Long Term Creditors - Deferred Income	(6,253,892)
	<b>(19,768,421)</b>

## NOTES TO AND FORMING PART OF THE ACCOUNTS

2016  
€

### 21. (Increase)/Decrease in Reserve Financing

(Increase)/Decrease in Specific Revenue Reserve	-
(Increase)/Decrease in Balance Sheet accounts relating the loan principal outstanding (including Unrealised TP Annuities)	(6,428,910)
(Increase)/Decrease in Reserves in Associated Companies	-
	<u>(6,428,910)</u>

### 22. Analysis of Changes in Cash & Cash Equivalents

Increase/(Decrease) in Bank Investments	66,124,616
Increase/(Decrease) in Cash at Bank/Overdraft	(63,993,805)
Increase/(Decrease) in Cash in Transit	(88,826)
	<u>2,041,985</u>

# **APPENDICES**

**APPENDIX 1  
ANALYSIS OF EXPENDITURE  
FOR YEAR ENDED 31st DECEMBER 2016**

	<b>2016</b>	<b>2015</b>
	<b>€</b>	<b>€</b>
<b>Payroll Expenses</b>		
Salary & Wages	260,106,069	262,471,858
Pensions (incl Gratuities)	90,065,419	87,319,221
Other costs	11,504,435	11,504,155
<b>Total</b>	<b>361,675,923</b>	<b>361,295,234</b>
<b>Operational Expenses</b>		
Purchase of Equipment	968,200	923,207
Repairs & Maintenance	16,795,907	15,569,439
Contract Payments	50,497,681	38,802,799
Agency services	3,294,849	3,131,970
Machinery Yard Charges incl Plant Hire	9,783,784	9,983,381
Purchase of Materials & Issues from Stores	19,343,884	17,942,232
Payment of Grants	17,406,608	10,172,361
Members Costs	489,136	495,008
Travelling & Subsistence Allowances	11,014,175	11,164,911
Consultancy & Professional Fees Payments	9,806,996	8,558,927
Energy / Utilities Costs	14,068,221	15,074,941
Other	26,277,647	27,408,354
<b>Total</b>	<b>179,747,088</b>	<b>159,227,530</b>
<b>Administration Expenses</b>		
Communication Expenses	4,999,340	5,249,439
Training	2,264,730	2,006,090
Printing & Stationery	2,849,771	2,194,937
Contributions to other Bodies	113,006,624	74,584,122
Other	12,287,485	12,535,573
<b>Total</b>	<b>135,407,950</b>	<b>96,570,161</b>
<b>Establishment Expenses</b>		
Rent & Rates	22,457,134	20,472,298
Other	12,631,742	10,988,043
<b>Total</b>	<b>35,088,876</b>	<b>31,460,341</b>
<b>Financial Expenses</b>	43,400,698	61,730,946
<b>Miscellaneous Expenses</b>	14,628,925	12,634,652
<b>Total Expenditure</b>	<b>769,949,460</b>	<b>722,918,864</b>



**APPENDIX 2  
SERVICE DIVISION A  
HOUSING and BUILDING**

DIVISION	EXPENDITURE		INCOME				TOTAL €
	TOTAL €		State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €		
A01 Maintenance/Improvement of LA Housing	64,264,754		746,759	555,038	-		1,301,797
A02 Housing Assessment, Allocation and Transfer	6,129,440		59,964	540,102	-		600,066
A03 Housing Rent and Tenant Purchase Administration	9,223,236		-	75,803,365	-		75,803,365
A04 Housing Community Development Support	22,198,999		667,962	597,645	-		1,265,607
A05 Administration of Homeless Service	101,476,300		73,866,239	688,120	6,440,686		80,995,045
A06 Support to Housing Capital & Affordable Prog.	25,503,046		13,703,058	46,997	-		13,750,055
A07 RAS Programme	33,486,467		28,692,373	3,832,962	-		32,525,335
A08 Housing Loans	14,006,416		465,284	8,254,592	-		8,719,876
A09 Housing Grants	9,250,615		4,638,961	-	-		4,638,961
A11 Agency & Recoupable Services	55,866		-	2,333,828	-		2,333,828
A12 HAP Programme	6,184,717		6,184,717	-	-		6,184,717
<b>SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES</b>	<b>291,779,856</b>		<b>129,025,317</b>	<b>92,652,649</b>	<b>6,440,686</b>		<b>228,118,652</b>
Less Transfers to/from Reserves	16,293,798			41,696			41,696
<b>SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES</b>	<b>275,486,058</b>			<b>92,610,953</b>			<b>228,076,956</b>

**APPENDIX 2**  
**SERVICE DIVISION B**  
**ROAD TRANSPORTATION and SAFETY**

DIVISION	EXPENDITURE	INCOME			
	TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	TOTAL €
B01 NP Road - Maintenance and Improvement	-	-	-	-	-
B02 NS Road - Maintenance and Improvement	-	-	-	-	-
B03 Regional Road - Maintenance and Improvement	8,260,323	-	60,000	-	60,000
B04 Local Road - Maintenance and Improvement	27,093,296	5,780,644	1,382,880	-	7,163,524
B05 Public Lighting	9,696,542	-	48,157	-	48,157
B06 Traffic Management Improvement	24,575,755	282,456	7,689,845	269,573	8,241,874
B07 Road Safety Engineering Improvement	-	-	-	-	-
B08 Road Safety Promotion/Education	3,357,724	-	-	-	-
B09 Maintenance & Management of Car Parking	11,830,774	-	32,348,933	-	32,348,933
B10 Support to Roads Capital Prog.	3,421,310	34,733	48,899	-	83,632
B11 Agency & Recoupable Services	2,687,312	-	2,695,873	-	2,695,873
<b>SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES</b>	<b>90,923,036</b>	<b>6,097,833</b>	<b>44,274,587</b>	<b>269,573</b>	<b>50,641,993</b>
Less Transfers to/from Reserves	5,618,852		1,151,954		1,151,954
<b>SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES</b>	<b>85,304,184</b>		<b>43,122,633</b>		<b>49,490,039</b>

**APPENDIX 2  
SERVICE DIVISION C  
WATER SERVICES**

DIVISION	EXPENDITURE	INCOME				
		TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	TOTAL €
C01	Operation and Maintenance of Water Supply	30,913,980	1,743,511	28,949,615	-	30,693,126
C02	Operation and Maintenance of Waste Water Treatment	13,044,582	-	13,196,770	-	13,196,770
C03	Collection of Water and Waste Water Charges	758,864	-	729,641	-	729,641
C04	Operation and Maintenance of Public Conveniences	171,818	-	3,340	-	3,340
C05	Admin of Group and Private Installations	-	-	-	-	-
C06	Support to Water Capital Programme	-	-	-	-	-
C07	Agency & Recoupable Services	3,364,028	-	2,870,737	405,040	3,275,777
C08	Local Authority Water and Sanitary Services	10,147,263	-	997,094	(850,256)	146,838
<b>SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>58,400,535</b>	<b>1,743,511</b>	<b>46,747,197</b>	<b>(445,216)</b>	<b>48,045,492</b>
Less Transfers to/from Reserves		1,636,671	-	-	-	-
<b>SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES</b>		<b>56,763,864</b>		<b>46,747,197</b>		<b>48,045,492</b>

**APPENDIX 2  
SERVICE DIVISION D  
DEVELOPMENT MANAGEMENT**

DIVISION	EXPENDITURE	INCOME				TOTAL €
	TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	TOTAL €	
D01 Forward Planning	5,096,073	-	126,790	-	126,790	
D02 Development Management	6,538,264	-	2,911,700	-	2,911,700	
D03 Enforcement	2,524,259	-	84,755	-	84,755	
D04 Op & Mtce of Industrial Sites & Commercial Facilities	9,629,624	-	3,914,299	627,868	4,542,167	
D05 Tourism Development and Promotion	2,557,916	-	-	-	-	
D06 Community and Enterprise Function	7,452,656	5,344,610	131,247	-	5,475,857	
D07 Unfinished Housing Estates	-	-	-	-	-	
D08 Building Control	1,335,551	-	917,632	-	917,632	
D09 Economic Development and Promotion	6,787,836	2,099,501	795,767	150,000	3,045,268	
D10 Property Management	273,173	-	380,406	-	380,406	
D11 Heritage and Conservation Services	2,186,854	375,000	64,293	-	439,293	
D12 Agency & Recoupable Services	611	-	471,106	-	471,106	
<b>SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES</b>	<b>44,382,817</b>	<b>7,819,111</b>	<b>9,797,995</b>	<b>777,868</b>	<b>18,394,974</b>	
Less Transfers to/from Reserves	455,938		127,000		127,000	
<b>SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES</b>	<b>43,926,879</b>		<b>9,670,995</b>		<b>18,267,974</b>	

**APPENDIX 2  
SERVICE DIVISION E  
ENVIRONMENTAL SERVICES**

DIVISION	EXPENDITURE	INCOME				TOTAL €
	TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €		
E01	Operation, Maintenance and Aftercare of Landfill	5,308,055	-	-	-	-
E02	Op & Mtce of Recovery & Recycling Facilities	3,685,942	146,133	1,076,601	41,216	1,263,950
E03	Op & Mtce of Waste to Energy Facilities	-	-	-	-	-
E04	Provision of Waste to Collection Services	1,611,665	-	14,367	-	14,367
E05	Litter Management	3,947,041	85,250	156,045	-	241,295
E06	Street Cleaning	38,210,192	-	467,860	-	467,860
E07	Waste Regulations, Monitoring and Enforcement	4,330,791	982,000	2,861,092	83,278	3,926,370
E08	Waste Management Planning	651,060	383,453	23,201	281,205	687,859
E09	Maintenance and Upkeep of Burial Grounds	19,864	-	13,469	-	13,469
E10	Safety of Structures and Places	8,232,565	71,782	2,349,719	327,155	2,748,656
E11	Operation of Fire Service	116,068,802	2,099,871	14,218,909	54,594,477	70,913,257
E12	Fire Prevention	2,287,718	4,059	(4,104)	-	(45)
E13	Water Quality, Air and Noise Pollution	805,871	-	5,840	13,200	19,040
E14	Agency & Recoupable Services	1,211,046	-	1,194,274	-	1,194,274
	<b>SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES</b>	<b>186,370,612</b>	<b>3,772,548</b>	<b>22,377,273</b>	<b>55,340,531</b>	<b>81,490,352</b>
	Less Transfers to/from Reserves	2,012,418		1,250,000		1,250,000
	<b>SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES</b>	<b>184,358,194</b>		<b>21,127,273</b>		<b>80,240,352</b>

**APPENDIX 2**  
**SERVICE DIVISION F**  
**RECREATION and AMENITY**

DIVISION	EXPENDITURE	INCOME			
		TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €
F01 Operation and Maintenance of Leisure Facilities	10,563,727	-	2,459,142	-	2,459,142
F02 Operation of Library and Archival Service	23,840,704	689,124	393,460	21,475	1,104,059
F03 Op, Mice & Imp of Outdoor Leisure Areas	23,043,205	(18,374)	1,484,776	60,000	1,526,402
F04 Community Sport and Recreational Development	16,157,590	3,762,803	1,472,287	-	5,235,090
F05 Operation of Arts Programme	11,818,604	254,578	1,546,842	-	1,801,420
F06 Agency & Recoupable Services	-	-	1,491,835	-	1,491,835
<b>SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES</b>	<b>85,423,830</b>	<b>4,688,131</b>	<b>8,848,342</b>	<b>81,475</b>	<b>13,617,948</b>
Less Transfers to/from Reserves	1,527,312		190,183		190,183
<b>SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES</b>	<b>83,896,518</b>		<b>8,658,159</b>		<b>13,427,765</b>

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

DIVISION	EXPENDITURE	INCOME				TOTAL €
	TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €		
G01 Land Drainage Costs	-	-	-	-	-	
G02 Operation and Maintenance of Piers and Harbours	-	-	-	-	-	
G03 Coastal Protection	-	-	-	-	-	
G04 Veterinary Service	651,368	74,500	167,909	-	242,409	
G05 Educational Support Services	1,789,036	519,203	-	-	519,203	
G06 Agency & Recoupable Services	-	-	-	-	-	
<b>SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES</b>	<b>2,440,404</b>	<b>593,703</b>	<b>167,909</b>	<b>-</b>	<b>761,612</b>	
Less Transfers to/from Reserves	-	-	-	-	-	
<b>SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES</b>	<b>2,440,404</b>		<b>167,909</b>		<b>761,612</b>	

**APPENDIX 2**  
**SERVICE DIVISION H**  
**MISCELLANEOUS SERVICES**

DIVISION	EXPENDITURE	INCOME			
		State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	TOTAL €
H01 Profit/Loss Machinery Account	-	-	-	-	-
H02 Profit/Loss Stores Account	-	-	-	-	-
H03 Administration of Rates	37,332,265	13,483,305	690,095	-	14,173,400
H04 Franchise Costs	1,056,451	-	1,179	-	1,179
H05 Operation of Morgue and Coroner Expenses	3,298,224	-	-	1,100,000	1,100,000
H06 Weighbridges	-	-	-	-	-
H07 Operation of Markets and Casual Trading	1,682,001	-	729,834	-	729,834
H08 Malicious Damage	1,720	-	-	-	-
H09 Local Representation/Civic Leadership	4,657,516	-	-	-	-
H10 Motor Taxation	6,899,064	-	5,485	-	5,485
H11 Agency & Recoupable Services	2,829,821	5,752,622	8,496,125	56,289	14,305,036
<b>SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES</b>	<b>57,757,062</b>	<b>19,235,927</b>	<b>9,922,718</b>	<b>1,156,289</b>	<b>30,314,934</b>
Less Transfers to/from Reserves	19,983,703		130,213		130,213
<b>SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES</b>	<b>37,773,359</b>		<b>9,792,505</b>		<b>30,184,721</b>
<b>TOTAL ALL DIVISIONS</b>	<b>769,949,460</b>	<b>172,976,081</b>	<b>231,897,624</b>	<b>63,621,206</b>	<b>468,494,911</b>



### APPENDIX 3

#### ANALYSIS OF INCOME FROM GRANTS AND SUBSIDIES

	2016 €	2015 €
<b>Department of Housing, Planning, Community and Local Government</b>		
Road Grants *	5,780,644	-
Housing Grants & Subsidies *	127,301,943	80,715,455
Library Services	313,500	313,500
Local Improvement Schemes	-	-
Urban and Village Renewal Schemes	1,700,000	2,264,520
Water Services Group Schemes	1,743,511	5,329,598
Environmental Protection/Conservation Grants	1,994,876	1,550,796
Miscellaneous	24,304,854	3,525,906
LPT Self Funding *	-	20,988,154
	163,139,328	114,687,929
<b>Other Departments and Bodies</b>		
Road Grants	317,189	7,078
Local Enterprise Office	1,389,317	1,300,445
Higher Education Grants	(126,095)	536,835
Community Employment Schemes		-
Civil Defence	71,782	-
Miscellaneous	8,184,560	5,216,561
	9,836,753	7,060,919
<b>Total</b>	<b>172,976,081</b>	<b>121,748,848</b>

\* LPT Self Funding element which was previous shown separately now appears under the relevant division from where the grants are allocated.

## APPENDIX 4

### ANALYSIS OF INCOME FROM GOODS AND SERVICES

	2016	2015
	€	€
Rents from Houses	80,303,864	77,545,526
Housing Loans Interest & Charges	8,208,687	9,667,560
Domestic Water	-	-
Commercial Water	-	-
Irish Water	44,699,876	45,955,185
Domestic Refuse	81,309	78,853
Commercial Refuse	4,027,697	3,241,210
Domestic Sewerage	-	-
Commercial Sewerage	-	-
Planning Fees	3,966,020	3,139,222
Parking Fines/Charges	37,055,355	30,910,404
Recreation & Amenity Activities	6,831,927	7,351,334
Library Fees/Fines	96,035	135,715
Agency Services	8,416,833	9,182,000
Pension Contributions	11,075,221	12,269,785
Property Rental & Leasing of Land	5,953,815	6,665,857
Landfill Charges	-	-
Fire Charges	2,536,520	2,590,095
NPPR	5,556,340	5,949,519
Miscellaneous	13,088,125	12,664,107
	<b>231,897,624</b>	<b>227,346,372</b>

## APPENDIX 5

### SUMMARY OF CAPITAL EXPENDITURE AND INCOME

	2016	2015
	€	€
<b>EXPENDITURE</b>		
Payment to Contractors	84,002,515	64,560,500
Purchase of Land	2,766,400	5,067,037
Purchase of Other Assets/Equipment	71,729,447	51,334,014
Professional & Consultancy Fees	9,798,679	8,805,554
Other	61,420,713	119,498,774
<b>Total Expenditure (Net of Internal Transfers)</b>	<b>229,717,754</b>	<b>249,265,879</b>
Transfers to Revenue	2,891,045	2,124,880
<b>Total Expenditure (Incl Transfers) *</b>	<b>232,608,799</b>	<b>251,390,759</b>
<b>INCOME</b>		
<b>Grants and LPT</b>	157,631,103	120,800,198
<b>Non - Mortgage Loans</b>	-	2,377,568
<b>Other Income</b>		
(a) Development Contributions	25,747,442	19,872,780
(b) Property Disposals		
- Land	3,679,915	6,532,959
- LA Housing	-	-
- Other property	-	-
(c) Purchase Tenant Annuities	1,109,739	1,275,519
(d) Car Parking	5,868,418	6,360,510
(e) Other	47,622,856	17,000,015
<b>Total Income (Net of Internal Transfers)</b>	<b>241,659,473</b>	<b>174,219,549</b>
Transfers from Revenue	32,992,930	25,262,236
<b>Total Income (Incl Transfers) *</b>	<b>274,652,403</b>	<b>199,481,785</b>
<b>Surplus\Deficit for year</b>	<b>42,043,604</b>	<b>(51,908,974)</b>
<b>Balance (Debit)\Credit @ 1 January</b>	<b>(77,474,792)</b>	<b>(25,565,818)</b>
<b>Balance (Debit)\Credit @ 31 December</b>	<b>(35,431,188)</b>	<b>(77,474,792)</b>

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

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

	BALANCE @ 1/1/2016	EXPENDITURE	INCOME				TRANSFERS			BALANCE @ 31/12/2016
	€	€	Grants and LPT €	Non-Mortgage Loans*	Other €	Total Income €	Transfer from Revenue €	Transfer to Revenue €	Internal Transfers €	€
Housing & Building	(89,481,801)	151,240,817	138,404,717	-	9,095,781	147,500,498	6,425,016	124,452	3,030,750	(83,890,806)
Road Transportation & Safety	13,267,991	17,880,850	10,330,680	-	16,271,745	26,602,425	4,389,892	1,091,954	-	25,287,504
Water Services	13,465,816	2,611,266	1,242,897	-	(7,963,181)	(6,720,284)	38,567	-	-	4,172,833
Development Management	24,628,825	48,099,034	1,520,254	-	47,817,089	49,337,343	738,717	127,000	(6,827,154)	19,651,697
Environmental Services	(31,717,885)	(2,062,877)	1,355,060	-	663,635	2,018,695	1,634,904	-	833,538	(25,167,871)
Recreation & Amenity	(5,115,588)	19,712,726	4,753,869	-	2,929,732	7,683,601	14,268,714	297,640	2,993,616	(180,023)
Agriculture, Education, Health & Welfare	-	-	-	-	-	-	-	-	-	-
Miscellaneous Services	(2,522,150)	(7,764,061)	23,626	-	15,213,571	15,237,197	5,497,120	1,250,000	(30,750)	24,695,478
<b>TOTAL</b>	<b>(77,474,792)</b>	<b>229,717,755</b>	<b>157,631,103</b>	<b>-</b>	<b>84,028,372</b>	<b>241,659,475</b>	<b>32,992,930</b>	<b>2,891,046</b>	<b>-</b>	<b>(35,431,188)</b>

Note: Mortgage-related transactions are excluded

## APPENDIX 7

### Summary of Major Revenue Collections for 2016

A Debtor type	B Incoming arrearages @ 1/1/2016	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 arrearages @ 31/12/2016	J Specific doubtful arrearages*	K % Collected = (H)/(G-J)
	€	€	€	€	€	€	€	€	€	
Rates	51,124,526	324,501,784	10,562,197	20,880,453	-	344,183,660	303,112,295	41,071,365	5,655,228	90%
Rents & Annuities	20,498,356	80,994,532	-	436,581	-	101,056,307	78,511,519	22,544,788	-	78%
Housing Loans	15,126,790	20,834,761	-	-	-	35,961,551	23,555,187	12,406,364	-	66%
Domestic Refuse	-	-	-	-	-	-	-	-	-	0%
Commercial Refuse	-	-	-	-	-	-	-	-	-	0%

\*Specific doubtful arrearages = (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
Ballymun Regeneration Limited	100%	Subsidiary	-	-	-	-	-	Y	31/12/2015
Poppintree Neighbour Centre Management Company Limited	6%	Associate	87,153	2,784	43,141	15,071	84,369	N	31/12/2015
Coultry Neighbourhood Centre Management Company Limited	12%	Associate	79,564	9,713	58,209	61,122	69,851	N	31/12/2015
Shangan Neighbourhood Centre Management Company Limited	43%	Associate	61,610	18,528	47,195	63,145	43,082	N	31/12/2014
Forestwood Management Company Limited	67%	Subsidiary	25,030	23,473	17,419	16,307	1,557	N	31/05/2015
City of Dublin Energy Management Agency (CODEMA) Limited	60%	Subsidiary	324,494	156,508	1,472,336	1,458,948	167,986	N	31/12/2015
Hugh Lane Gallery Trust Limited	100%	Subsidiary	-	-	-	-	-	Y	31/12/2015
Temple Bar Cultural Trust Limited	100%	Subsidiary	56,943,515	38,686,312	1,285,638	1,781,670	18,257,203	N	31/12/2015
Fishamble Music Limited	100%	Subsidiary	1,350,366	344,425	25,786	28,160	1,005,941	N	31/12/2015
Irish Film Centre Development Limited	100%	Subsidiary	402,458	402,461	56,492	56,492	-	3	31/12/2014
Dublin City Sports and Leisure Services Limited	100%	Subsidiary	1,741,094	378,019	2,151,353	1,792,930	1,363,075	N	31/12/2015
Parnell Square Foundation Limited	50%	Subsidiary	2,074	826	1,200,000	1,275,858	-	75,858	31/12/2015
PSQ Development Ltd	50%	Subsidiary	2,011,727	2,014,282	-	2,556	-	2,555	31/12/2015
The Ringsend Toll Bridge Designated Activity Company	100%	Subsidiary	1,333,000	1,333,000	3,766,000	3,429,000	337,000	N	31/12/2016

## Glossary of Terms

### Accruals (Matching)

The concept that income and expenditure are recognised as they are earned or incurred, not as money is received or paid.

### Capital Expenditure

Expenditure on the acquisition of a fixed asset or expenditure that adds to and not merely maintains the value of an existing fixed asset.

### Community Assets

Assets that the local authority intends to hold in perpetuity, that have no determinable useful life, and that may have restrictions on their disposal. Examples of community assets are parks and historic buildings.

### Contingency

A condition which exists at the balance sheet date, where the outcome will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events.

### Corporate and Democratic Services

The corporate and democratic services comprises all activities which local authorities engage in specifically because they are elected, multi-purpose authorities. The cost of these activities are thus over and above those which would be incurred by a series of independent, single purpose, nominated bodies managing the same services. There is therefore no logical basis for apportioning these costs to services.

### Deferred Charges

Expenditure which may properly be deferred, but which does not result in, or remain matched with, tangible assets. Examples of deferred charges are expenditure on items such as preliminary expenses on proposed capital schemes.

### Depreciation

The measure of the wearing out, consumption, or other

reduction in the useful economic life of a fixed asset, whether arising from use, effluxion of time or obsolescence through technological or other changes.

### Exceptional Items

Material items which arise from events or transactions that fall within the ordinary activities of the authority and which need to be disclosed separately by virtue of their size or incidence to give fair presentation of the accounts. Example - redundancies, uninsured damage, uninsured structural failure of operational buildings, deficits arising on the settlement of uninsured claims, cost of industrial action and losses on investments.

### Fair Value

The fair value of an asset is the price at which it could be exchanged in an arm's length transaction less, where applicable, any grants receivable towards the purchase or use of the asset.

### Finance Lease

A lease that transfers substantially all of the risks and rewards of ownership of a fixed asset to the lessee. Such a transfer of risks and rewards may be presumed to occur if at the inception of the lease the present value of the minimum lease payments, including any initial payment, amounts to substantially all of the fair value of the leased asset.

### Fixed Assets

Tangible assets that yield benefits to the local authority and the services it provides for a period of more than one year.

### Going Concern

The concept that the authority will remain in operational existence for the foreseeable future, in particular that the revenue accounts and balance sheet assume no intention to curtail significantly the scale of operations.

### Government Grants

Assistance by government and inter-government agencies and similar bodies, whether local, national or international, in the form of cash or transfers of assets to an authority in return for past or future compliance with certain conditions relating to the activities of the authority.

### Infrastructure Assets

Fixed assets that are inalienable, expenditure on which is recoverable only by continued use of the asset created. Examples of infrastructure assets are highways and footpaths.

### Investments

A long-term investment is an investment that is intended to be held for use on a continuing basis in the activities of the authority. Investments should be so classified only where an intention to hold the investment for the long term can clearly be demonstrated or where there are restrictions as to the investor's ability to dispose of the investment.

Investments which do not meet the above criteria should be classified as current assets.

### Investment Properties

Interest in land and/or buildings:

(a) in respect of which construction work and development have been completed; and

(b) which is held for its investment potential, any rental income being negotiated at arm's length.

### Long-Term Contracts

A contract entered into for the design, manufacture or construction of a single substantial asset or the provision of a service (or a combination of assets or services which together constitute a single project), where the time taken substantially to complete the contract is such that the contract activity falls into different accounting periods. Some contracts with a shorter duration than one year should be

accounted for as long-term contracts if they are sufficiently material to the activity of the period.

#### **Net Book Value**

The amount at which fixed assets are included in the balance sheet, i.e. their historical cost or current value less the cumulative amounts provided for depreciation. Current value can be either "net current replacement cost" or "net realisable value".

#### **Net Current Replacement Cost**

The cost of replacing or recreating the particular asset in its existing condition and in its existing use, i.e. the cost of its replacement or of the nearest equivalent asset, adjusted to reflect the current condition of the existing asset.

#### **Net Realisable Value**

The open market value of the asset in its existing use (or open market value in the case of non-operational assets), less the expenses to be incurred in realising the asset.

#### **Non-Operational Assets**

Fixed assets held by a local authority but not directly occupied, used or consumed in the delivery services. Examples of non-operational assets are investment properties and assets that are surplus to requirements, pending sale or redevelopment.

#### **Operating Leases**

A lease other than a finance lease.

#### **Operational Assets**

Fixed assets held and occupied, used or consumed by the local authority in the direct delivery of those services for which it has either a statutory or discretionary responsibility.

#### **Post Balance Sheet Events**

Those events, both favourable and unfavourable, which occur between the balance sheet date and the date on which the AFS is

signed by the responsible financial officer.

#### **Prior Year Adjustments**

Those material adjustments applicable to prior years arising from changes in accounting policies or from the correction of fundamental errors.

#### **Prudence**

The concept that revenue is not anticipated but is recognised only when realised in the form either of cash or of other assets the ultimate cash realisation of which can be assessed with reasonable certainty.

#### **Stocks**

Comprise the following categories:

- (a) goods or other assets purchased for resale;
- (b) consumable stores;
- (c) raw materials and components purchased for incorporation into products for sale;

#### **Useful Life**

The period over which the local authority will derive benefits from the use of a fixed asset.