

# Finance SPC

Annual Financial Statement  
(Unaudited) 2016

*15th June 2017*



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Head of Financial Accounting

# Agenda

- Introduction to Final Accounts
- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Funds Flow
- Accounting Code of Practice
- Questions

# Annual Financial Statement – Final Accounts

## ➤ Financial Accounts Content

- Statement of Accounting Policies
- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Funds Flow
- Notes to and forming part of the accounts
- Appendices

# Annual Financial Statement (AFS)

- Basis used is Accrual Accounting where income and expenditure are recognised as they are earned or incurred, not as money is received or paid
- Produced at end of trading period – 31<sup>st</sup> December
- Local Authority accounting is in line with best commercial practice
- The AFS is prepared in accordance with the Local Authority Code of Practice issued by Department of Environment, Community & Local Government and updated each year.

## Statement of Comprehensive Income Year ended 31<sup>st</sup> December 2016

	2016 €m	2015 €m
Gross Expenditure	769.95	722.91
Less Gross Income	468.49	409.76
<b>Net cost to be funded</b>	<b>301.46</b>	<b>313.15</b>
Rates	324.50	336.25
Local Property Tax (Discretionary)/LGF	6.80	6.80
Pension Related Deduction	12.29	16.25
Surplus before transfers	42.14	46.15
Transfers to reserves	(44.64)	(45.90)
<b>Overall surplus / deficit</b>	<b>(2.50)</b>	<b>0.25</b>
General Reserves 01/01/16	28.60	28.35
General Reserves 31/12/16	26.10	28.60

# Analysis of Revenue Expenditure

Expenditure	2016		2015	
	€m	%	€m	%
Payroll Expenses	361.67	47.0%	361.29	50.0%
Operational Expenses	179.75	23.3%	159.23	22.0%
Administration Expenses	135.41	17.6%	96.57	13.4%
Establishment Expenses	35.09	4.6%	31.46	4.4%
Financial Expenses	43.40	5.6%	61.73	8.5%
Miscellaneous	14.63	1.9%	12.63	1.7%
	<b>769.95</b>	<b>100.0%</b>	<b>722.91</b>	<b>100.0%</b>

# Analysis of Revenue Income

Income source	2016		2015	
	€m	%	€m	%
Rates	324.50	40.0%	336.25	43.7%
Goods and Services *	231.90	28.6%	227.35	29.6%
Grants and Subsidies **	172.98	21.3%	121.70	15.8%
Local Property Tax	6.80	0.8%	6.80	0.9%
Local Authorities	63.62	7.8%	60.71	7.9%
Pension Related Deduction	12.29	1.5%	16.25	2.1%
	<b>812.09</b>	<b>100.0%</b>	<b>769.06</b>	<b>100.0%</b>

\* Breakdown of this figure is in Appendix 4 of the AFS, Page 43

\*\* Breakdown of this figure is in Appendix 3 of the AFS, Page 42

## Analysis of Expenditure and Income Capital Account at 31<sup>st</sup> December 2016

	Balance 1/1/2016 €M	Expenditure €M	Income €M	Balance 31/12/2016 €M
Housing & Building	(89.48)	151.36	156.96	(83.89)
Road Transportation & Safety	13.27	18.97	30.99	25.29
Water Services	13.47	2.61	(6.68)	4.18
Development Management	24.63	48.23	43.25	19.65
Environmental Services	(31.72)	(2.06)	4.49	(25.17)
Recreation & Amenity	(5.12)	20.01	24.95	(0.18)
Agriculture, Education, Health & Welfare				
Miscellaneous Services	(2.52)	(6.51)	20.71	24.69
<b>Total</b>	<b>(77.47)</b>	<b>232.61</b>	<b>274.65</b>	<b>(35.43)</b>



# Projects with Debit Balances where a funding mechanism is in place

## Department

### Housing

#### Housing Loans Redemptions

To be Funded by Rev/Cap Transfer €5.083,016 per annum

### Development

#### Ballymun Civic Centre

To be funded from HSE Rental Income up to end of 2025

#### Land Acquisition Loan Redemption

To be funded from Sale of Land

### Environmental Protection

#### Tallaght Fire Station

Funded by Rev/Cap Transfer €690k Per Annum

#### Thermal Treatment Plant

To be funded from Operational facility Waste Revenue Stream (First Call)

#### District Heating

To be funded from Operational facility Waste Revenue Stream (Second Call)

Balance at year end  
31/12/2016

19,649,432

24,581,156

29,393,524

1,585,788

15,939,694

10,925,023

# Capital Income by Source

Sources of Income	2016		2015	
	€m	%	€m	%
Grants	157.63	57.4%	120.80	60.6%
Property Disposals	3.68	1.3%	6.53	3.3%
Development Contributions	25.75	9.4%	19.87	10.0%
Borrowings	-	0.0%	2.38	1.2%
Car Parking	5.87	2.1%	6.36	3.2%
Transfers from Reserves	32.99	12.0%	25.26	12.7%
Other	48.73	17.7%	18.28	9.2%
<b>Total</b>	<b>274.65</b>	<b>100.0%</b>	<b>199.48</b>	<b>100.0%</b>

Refer to Appendix 5 in AFS, Page 44

# Capital Expenditure by Service

Service	2016		2015	
	€m	%	€m	%
Housing & Building	151.36	65.1%	150.86	60.0%
Roads Transportation & Safety	18.97	8.2%	19.90	7.9%
Water Services	2.61	1.1%	3.65	1.5%
Development Incentives & Controls	48.23	20.7%	21.98	8.7%
Environmental Protection	(2.06)	-0.9%	3.31	1.3%
Recreation & Amenity	20.01	8.6%	18.18	7.2%
Agriculture, Education, Health & Welfare	-	0.0%	-	0.0%
Miscellaneous	(6.51)	-2.8%	33.51	13.3%
	<b>232.61</b>	<b>100.0%</b>	<b>251.39</b>	<b>100.0%</b>

Refer to Appendix 6 in AFS, Page 45

## Statement of Financial Position at 31<sup>st</sup> December 2016

	Note	2016 €m	2015 €m
Fixed Assets	1	9,972	10,118
Work in Progress	2	433	427
Long Term Debtors	3	446	502
Current Assets	4/5	284	254
Less Current Liabilities	6	<u>199</u>	<u>184</u>
Net Current Assets		85	70
Less Creditors	7/8	<u>556</u>	<u>630</u>
Net Assets		<b>10,380</b>	<b>10,487</b>
Represented by			
<b>Total Reserves</b>	<b>9/2/10</b>	<b>10,380</b>	<b>10,487</b>

# Statement of Funds Flow

- New Statement in 2011
- Concerned with the flow of cash in and cash out of the Council
- Analysis broken down to Operating, Return on Investment, Capital Expenditure, Financing and Third Party Holding activities.
- Provide additional information for evaluating changes in Assets and Liabilities

# Statement of Fund Flow

## as at 31<sup>st</sup> December 2016

	Note	2016 €
<b>REVENUE ACTIVITIES</b>		
<b>Net Inflow/(outflow) from operating activities</b>	<b>17</b>	<b>(14,901,232)</b>
<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	<b>18</b>	26,051,461
<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	<b>19</b>	19,204,482
<b>Net Inflow/(Outflow) from Capital Expenditure and Financial Investment</b>		<b>159,161,154</b>
<b>Financing</b>		
Increase/(Decrease) in Loan Financing	<b>20</b>	(19,768,421)
(Increase)/Decrease in Reserve Financing	<b>21</b>	(6,428,910)
<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
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>22</b>	<b>2,041,985</b>

# Analysis of Loans

<u>Loan type</u>	€m 31-Dec-16	€m 31-Dec-15
Mortgage Loans	164.8	187.4
Asset / Grant Loans	8.5	9.9
Bridging Finance	73.9	80.2
Shared Ownership - Rented Equity	68.6	92.0
Voluntary Housing and Water Loans	240.2	251.4
Total Loans Payable	<b>556.0</b>	<b>620.9</b>

Refer to Note 7 in AFS, Page 25 for more details.

# Trade Debtors

	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 Levies	23,823,089	20,093,027
Other Services	7,557,136	5,775,048
Other Local Authorities	5,618,236	4,161,492
Add: Amounts falling due within one year	41,000,000	44,000,000
<b>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>

Refer to Note 5 In AFS, page 24





## Summary of Local Property Tax Allocated

	€	€
<b>Discretionary</b>		
Discretionary Local Property Tax	6,800,295	
		<b>6,800,295</b>
<b>Self Funding - Revenue</b>		
Housing & Building	13,077,031	
Roads Transportation & Safety	5,780,344	
		<b><u>18,857,675</u></b>
<b>Total Local Property Tax - Revenue</b>		<b><u>25,657,970</u></b>
<b>Self Funding – Capital</b>		
Housing & Building	25,003,459	
Roads Transportation & Safety	0	
		<b><u>25,003,459</u></b>
<b>Total Local Property Tax – Capital</b>		<b><u>25,003,459</u></b>
<b>Total Local Property Tax – Allocated</b>		<b>50,661,429</b>

THANK YOU

QUESTIONS?