

# Finance SPC

Annual Financial Statement 2017

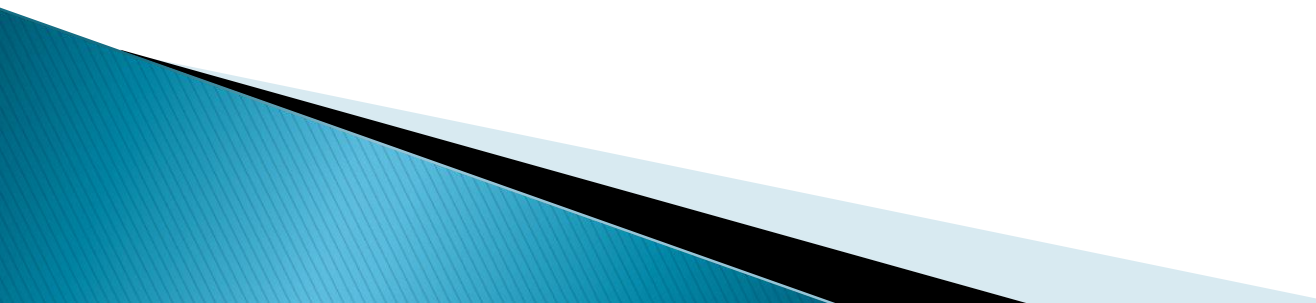
*17th May 2018*

Victor Leonov

Professional Accountant

Financial Accounting Unit

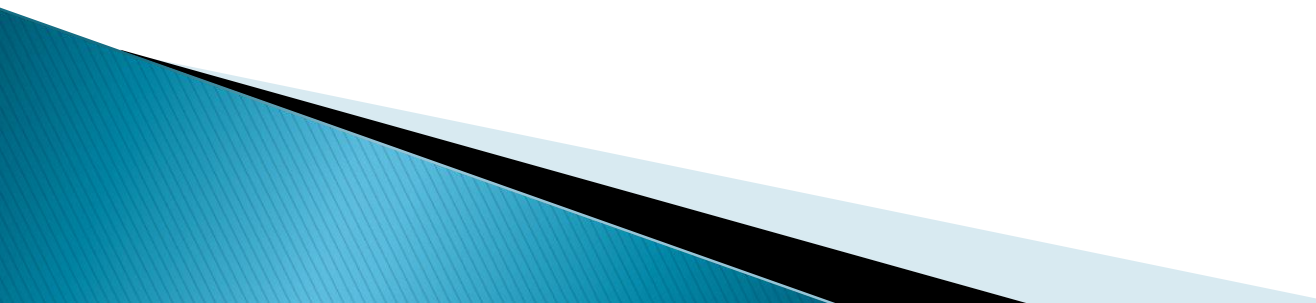
# Agenda

- Introduction to Final Accounts
  - Statement of Comprehensive Income
  - Statement of Financial Position
  - Statement of Funds Flow
  - Accounting Code of Practice
  - Questions
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# 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.
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## Statement of Comprehensive Income Year Ended 31<sup>st</sup> December 2017

	2017 €m	2016 €m
Gross Expenditure	(834.79)	(769.95)
Gross Income	523.67	468.49
<b>Net Cost to be Funded</b>	<b>(311.12)</b>	<b>(301.46)</b>
Rates	321.48	324.50
Local Property Tax (Discretionary)/LGF	23.07	6.80
Pension Related Deduction	0	12.29
Surplus before Transfers	33.43	42.14
Transfers to Reserves	(36.29)	(44.64)
<b>Overall Surplus / (Deficit)</b>	<b>(2.86)</b>	<b>(2.50)</b>
General Reserves 01/01/17	26.10	28.60
General Reserves 31/12/17	23.24	26.10

# Analysis of Revenue Expenditure

Expenditure Category:	2017		2016	
	€m	%	€m	%
Payroll Expenses	368.61	44.2%	361.67	47.0%
Operational Expenses	203.43	24.4%	179.75	23.3%
Administration Expenses	161.83	19.4%	135.41	17.6%
Establishment Expenses	41.09	4.9%	35.09	4.6%
Financial Expenses	43.49	5.2%	43.40	5.6%
Miscellaneous Expenses	16.34	2.0%	14.63	1.9%
	<b>834.79</b>	<b>100.00%</b>	<b>769.95</b>	<b>100.00%</b>

See analysis in AFS, Appendix 1, Page 32

# Analysis of Revenue Income

Income Source:	2017		2016	
	€m	%	€m	%
Rates	321.48	37.0%	324.50	40.0%
Goods & Services *	239.12	27.5%	231.90	28.6%
Grants & Subsidies **	218.71	25.2%	172.98	21.3%
Local Property Tax	23.07	2.7%	6.80	0.8%
Local Authorities	65.84	7.6%	63.62	7.8%
Pension Related Deduction	0.00	0.0%	12.29	1.5%
	<b>868.22</b>	<b>100.00%</b>	<b>812.09</b>	<b>100.00%</b>

\* See analysis in AFS, Appendix 4, Page 42

\*\* See analysis in AFS, Appendix 3, Page 41

## Analysis of Expenditure & Income on Capital Account At 31<sup>st</sup> December 2017

	Balance 1/1/2017 €M	Expenditure €M	Income €M	Transfers €M	Balance 31/12/2017 €M
Housing & Building	(84.74)	(245.74)	252.49	10.32	(67.67)
Road Transportation & Safety	25.23	(24.59)	23.06	5.29	28.99
Water Services	4.03	(6.09)	8.06	(1.06)	4.94
Development Management	16.63	(34.79)	65.44	(5.2)	42.08
Environmental Services	(25.03)	(8.36)	10.02	4.07	(19.3)
Recreation & Amenity	3.68	(17.85)	13.55	2.74	2.12
Agriculture, Education, Health & Welfare	0	0	0	0	0
Miscellaneous Services	24.75	4.37	3.45	7.29	39.86
<b>Total</b>	<b>(35.43)</b>	<b>(333.05)</b>	<b>376.07</b>	<b>23.45</b>	<b>31.02</b>

Refer to Appendix 6, AFS, Page 44



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

## Department

### Housing

#### Housing Loans Redemptions

To be Funded by Rev/Cap Transfer

### Development

#### Ballymun Civic Centre

To be funded from HSE Rental Income

#### Land Acquisition Loan Redemption

To be funded from Sale of Land

### Environmental Protection

#### Tallaght Fire Station

Funded by Rev/Cap Transfer

#### 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  
31/12/2017

14,566,412

22,101,178

29,393,524

895,884

13,536,616

10,925,023

# Capital Income by Source

	2017 €m	%	2016 €m	%
Grants	225.8	60.04%	157.63	65.23%
Property Disposals	12.85	3.42%	3.68	1.52%
Development Contributions	55.8	14.84%	25.75	10.66%
Borrowings	0.94	0.25%	0	0.00%
Car Parking	5.93	1.58%	5.87	2.43%
Other	74.74	19.87%	48.73	20.16%
	<b>376.07</b>	<b>100.00%</b>	<b>241.66</b>	<b>100.00%</b>

*Refer to Appendix 5, AFS, Page 43*

# Capital Expenditure by Service

Service:	2017		2016	
	€m	%	€m	%
Housing & Building	245.74	73.8%	151.24	65.8%
Roads, Transportation & Safety	24.59	7.4%	17.88	7.8%
Water Services	6.09	1.8%	2.61	1.1%
Development Incentives & Controls	34.79	10.4%	48.09	20.9%
Environmental Protection	8.36	2.5%	(2.06)	(0.9)%
Recreation & Amenity	17.85	5.4%	19.71	8.6%
Agriculture, Education, Health & Welfare	0.00	0.0%	0.00	0.0%
Miscellaneous	(4.37)	(1.3)%	(7.76)	(3.4)%
	<b>333.05</b>	<b>100.00%</b>	<b>229.71</b>	<b>100.00%</b>

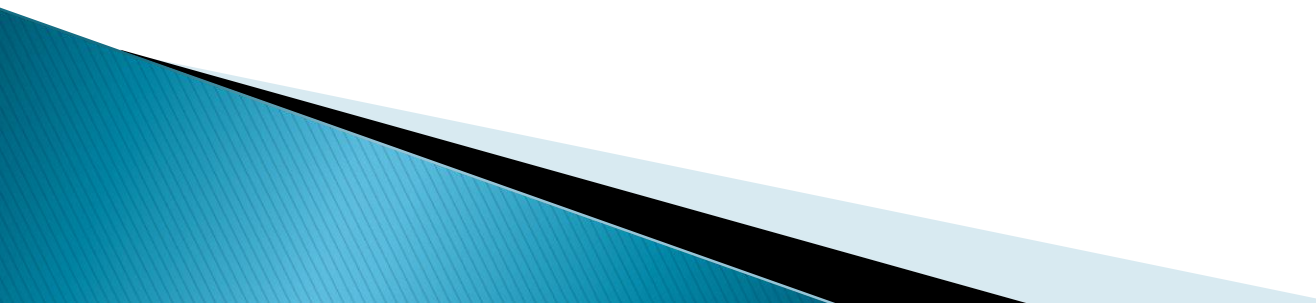
Refer to Appendix 6, AFS, Page 44

# Statement of Financial Position

## At 31<sup>st</sup> December 2017

	Notes to AFS	2017 €m	2016 €m
Fixed Assets	1	10,166	9,972
Work in Progress	2	245	433
Long Term Debtors	3	444	446
Current Assets	4/5	330	284
Current Liabilities	6	<u>(199)</u>	<u>(199)</u>
Net Current Assets		131	85
Creditors	7/8	<u>(545)</u>	<u>(556)</u>
Net Assets		10,442	10,380
Represented by			
Total Reserves	9/2/10	10,442	10,380

# Statement of Funds Flow

- 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
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# Statement of Funds Flow

## As at 31<sup>st</sup> December 2017

	Note	2017 €
<b>REVENUE ACTIVITIES</b>		
Net Inflow/(outflow) from operating activities	17	<u>(59,023,855)</u>
<b>CAPITAL ACTIVITIES</b>		
<b>Returns on Investment &amp; Servicing of Finance</b>		
Increase/(Decrease) in Fixed Asset Capitalisation Funding		194,415,530
Increase/(Decrease) in WIP/Preliminary Funding		(144,545,282)
Increase/(Decrease) in Reserves Balances	18	34,517,394
<b>Net Inflow/(Outflow) from Returns on Investment and Servicing of Finance</b>		<u>84,387,642</u>
<b>Capital Expenditure &amp; Financial Investment</b>		
(Increase)/Decrease in Fixed Assets		(194,415,530)
(Increase)/Decrease in WIP/Preliminary Funding		187,856,022
(Increase)/Decrease in Other Capital Balances	19	(11,377,527)
<b>Net Inflow/(Outflow) from Capital Expenditure and Financial Investment</b>		<u>(17,937,035)</u>
<b>Financing</b>		
Increase/(Decrease) in Loan Financing	20	(11,018,702)
(Increase)/(Decrease) in Reserve Financing	21	(8,075,579)
<b>Net Inflow/(Outflow) from Financing Activities</b>		<u>(19,094,281)</u>
<b>Third Party Holdings</b>		
Increase/(Decrease) in Refundable Deposits		1,992,214
Net Increase/(Decrease) in Cash and Cash Equivalents	22	(9,675,315) <u><u>(9,675,315)</u></u>

# Analysis of Loans

<b>Loan Type:</b>	<b>2017</b>	<b>2016</b>
	<b>€m</b>	<b>€m</b>
Mortgage Loans	160.3	164.8
Asset / Grants Loans	7.1	8.4
Bridging Finance	73.9	73.9
Shared Ownership - Rented Equity	52.8	68.6
Recoupable Voluntary Housing Loans	217.2	226.2
Recoupable Water Loans	12.4	14.1
<b>Total Loans Payable</b>	<b>523.7</b>	<b>556.0</b>

*Refer to Note 7, AFS, Page 24*

# Trade Debtors

	2017 €	2016 €
Government Debtors	136,329,100	55,890,808
Commercial Debtors	55,965,123	63,329,196
Non-Commercial Debtors	39,306,524	38,188,721
Development Levy Debtors	40,196,354	23,823,089
Other Services	11,577,156	7,557,136
Other Local Authorities	11,630,987	5,618,236
Add: Amounts falling due within 1 year	25,000,000	41,000,000
<b>Gross Debtors</b>	<b>320,005,244</b>	<b>235,407,186</b>
Less: Provision for Doubtful Debts	- 134,706,211	- 105,177,979
<b>Total Trade Debtors</b>	<b>185,299,033</b>	<b>130,229,207</b>

*Refer to Note 5, AFS, Page 23*





## Summary of Local Property Tax

	2017 €	2017 €
<b>Discretionary</b>		
Discretionary Local Property Tax including PRD	23,068,969	
		<b>23,068,969</b>
<b>Self Funding – Revenue</b>		
Housing & Building	4,390,340	
Roads Transportation & Safety	5,780,600	
		<b><u>10,170,940</u></b>
<b>Total Local Property Tax – Revenue</b>		<b><u>33,239,909</u></b>
<b>Self Funding – Capital</b>		
Housing & Building	18,413,998	
Roads Transportation & Safety	0	
		<b><u>18,413,998</u></b>
<b>Total Local Property Tax – Capital</b>		<b><u>18,413,998</u></b>
<b>Total Local Property Tax</b>		<b>51,653,907</b>

**THANK YOU**

**QUESTIONS?**