

UNAUDITED

ANNUAL FINANCIAL STATEMENT

Longford County Council

For the year ended 31st December, 2004

CONTENTS

UNAUDITED

	Page
Financial Review	3
Certificate of Manager / Head of Finance	5
Audit Opinion	6
Statement of Accounting Policies	7

Financial Accounts

▪ Income and Expenditure Account	12
▪ Balance Sheet	13
▪ Notes on and forming part of the Accounts	14

Appendices

	Appendix
▪ Income by Major Source and Expenditure by Expense Group	1
▪ Expenditure and Income by Programme	2
▪ Analysis of Income from Grants and Subsidies	3
▪ Analysis of Income from Goods and Services	4
▪ Summary of Capital Expenditure and Income	5
▪ Capital Expenditure and Income by Programme	6
▪ Major Revenue Collections	7
▪ Interest of Local Authorities in Companies	8

LONGFORD COUNTY COUNCIL

Financial Review

Annual Financial Statement for Financial Year ended 31st December 2004

I am pleased to present the Annual Financial Statement of Longford County Council for the year ended 31st December 2004. This Annual Financial Statement includes an Income and Expenditure Account, Balance Sheet, Statement of Accounting Policies, Notes to the Accounts and Appendices.

The format of the 2004 Annual Financial Statement is in line with modern accounting reporting practices. This ensures that financial data is provided in a more transparent manner and becomes more understandable for users.

The Annual Financial Statement now reflects income on an accruals basis. All revenue debtors, including those relating to rents and water charges, are now reflected in the balance sheet and adequate provision is made for doubtful debts.

Since 2003, Longford County Council has identified and valued

- Historical fixed assets including local authority houses, land, equipment, plant and machinery
- Road network
- Water and Sewerage networks

The value of the total fixed assets reflected in the balance sheet at 31st December 2004 is €983,521,997.

Expenditure for the year 2004 on the income and expenditure account, including transfers to reserves, amounted to €34,543,823, while income on the account amounted to €35,712,169. Capital expenditure amounted to €30,144,917 and capital income amounted to €34,848,627.

At the end of the year there was a general reserve credit balance of €1,527,469. This compares with a general reserve credit of €359,123 at the end of December 2003. The increase of €1,168,346 in the credit balance is mainly related to the increase in planning fees income during 2004.

The capital account shows a credit balance of €6,367,663 as compared with a credit balance of €1,663,953 at the 31st December 2003. The improvement in the capital account is directly related to the sale of industrial land during December 2004.

The total indebtedness of the Council on foot of loans outstanding at 31st December 2004 was €39,142,911. The corresponding figure for the 31st December 2003 was €41,869,313, or a decrease of 6.5%.

The Council incurred additional expenditure of €11,400 in respect of libraries in Programme Group 6. I recommend approval of this additional expenditure to the Council.

The progression to full Balance Sheet Accounting has introduced a higher degree of complexity, with the need for a greater level of detail in the annual accounts. I would like to acknowledge the efforts and expertise provided by Ms. Barbara Heslin, Financial and Management Accountant, who assisted the Head of Finance, and together with other staff of the Council, successfully achieved the prompt and early preparation and presentation of the Annual Financial Statement of the Council, for the year 2004.

Michael Killeen
Longford County Manager

2 February 2005

Longford County Council
Certificate of Manager/ Head of Finance
for the year ended 31st December, 2004

We certify that the financial statement of the Longford County Council for the year ended 31st December, 2004 as set out on pages 7 to 42 are in agreement with the books of account and have been prepared in accordance with the accounting requirements as directed by the Minister for the Environment, Heritage and Local Government. We have also taken reasonable steps for the prevention and detection of fraud and other irregularities.

Signed:

Manager

Head of Finance

Dated:

2 February 2005

Statement Of Accounting Policies

1 General

The accounts have been prepared in accordance with the Accounting Code of Practice on local authority accounting, as revised by the Department of the Environment, Heritage and Local Government (DEHLG) at 31st December 2004. Exceptions to this are stated in the Policies and Notes to the Accounts.

2 Accruals

The Income and Expenditure Account and Capital Account have been prepared on an accrual basis in accordance with the Code of Practice.

3 Interest Charges

Loans payable can be divided into the following two categories:

- Mortgage related loans
- Non-mortgage related loans

3.1 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 Income and Expenditure Statement.

3.2 Non Mortgage Related Loans

Non mortgage loans do not have a corresponding stream of income. The purpose of these loans is generally to acquire assets. The loan repayment costs of principal and interest is funded through the annual budget process. At the end of the financial year the funding element of the principal is transferred and offset against a loan repayment reserve. This transfer is included in the Income and Expenditure Statement under the heading 'Transfers to/from Reserves'.

4 Pensions

Payments in respect of pensions and gratuities are charged to the Income and Expenditure Statement in the accounting period in which payments are made. The cost of salaries and wages in the accounts includes deductions in respect of superannuation (including Widows and Orphans) benefits. Such deductions are credited as receipts to the Income and Expenditure Statement.

5 Overheads

Within the programme group structure, there are certain costs that can be attributed to more than one programme. These costs are defined as a Central Management Charge (CMC). The net expenditure of the CMC is allocated on the basis of the expenditure of each programme group, excluding the CMC.

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 Insurance

Longford County Council does not operate an insurance excess.

8 Provision of Bad and Doubtful Debts

Provision has been made in the relevant accounts for bad and doubtful debts.

9 Fixed Assets

9.1 Classification of Assets

Fixed assets are classified into categories as set out in the Balance Sheet. A further breakdown by asset type is set out in Note 1 to the accounts.

9.2 Recognition

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

9.3 Measurement

A Balance Sheet incorporating all of the assets of the local authority was included for the first time in the Annual Finance Statement for 2003. The assets were valued based on the 'Valuation Guideline' issued by the DEHLG. All assets purchased or constructed as from 1 January 2003 have been included at historical cost.

9.4 Revaluation

As set out in the Accounting Code of Practice it will be the policy to revalue assets, where appropriate, at intervals not more than 5 years.

9.5 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 DEHLG.

9.6 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 and Expenditure and consequently the charge for depreciation and the corresponding credit from amortisation is excluded from the Income and Expenditure Statement.

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

Asset Type	Bases	Depreciation % per annum
Plant and Machinery <ul style="list-style-type: none">▪ Long life▪ Short Life	Straight Line Straight Line	10% 20%
Equipment	Straight Line	20%
Furniture	Straight Line	20%
Heritage Assets		Nil
Library Books		Nil
Playgrounds	Straight Line	20%
Parks	Straight Line	2%
Water Assets <ul style="list-style-type: none">▪ Water Schemes▪ Drainage Schemes	Straight Line Straight Line	Asset life of 70 years Asset life of 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.

10 Government Grants

Government Grants are accounted for on an accrual basis. Grants received to cover day to day operations are credited to the Income and 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.

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 Income and 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 and 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 Balance Sheet as 'Income WIP'.

15 Debtors and Creditors

15.1 Debtors

At the close of the financial year, debtors represent income due but not yet received.

15.2 Creditors

At the close of the financial year, creditors represent payments due in respect of goods received and services rendered but not yet paid.

FINANCIAL ACCOUNTS

Income and Expenditure Account Statement for the year ended 31st December 2004

The Income and Expenditure Account Statement brings together all the revenue related income and expenditure. It shows the surplus/(deficit) for the year

		Gross Expenditure €	Income €	Net Expenditure €	Net Expenditure €
Expenditure by Programme Group	Notes	2004	2004	2004	2003
Housing & Building		3,349,964	3,429,360	(79,396)	217,443
Roads Transportation & Safety		12,460,261	8,823,993	3,636,268	3,615,932
Water & Sewerage		5,134,136	2,584,613	2,549,523	2,387,452
Development Incentives & Controls		1,757,967	1,746,716	11,251	540,372
Environmental Protection		3,475,019	544,198	2,930,821	2,571,182
Recreation & Amenity		1,560,373	179,917	1,380,456	1,096,085
Agriculture, Education, Health & Welfare		3,280,152	2,826,831	453,321	468,883
Miscellaneous		2,000,782	849,343	1,151,439	1,107,856
Total Expenditure / Income	16-17	33,018,654	20,984,971		
Net Cost of Programmes to be funded from County Rates and Local Government Fund				12,033,683	12,005,205
Rates				2,782,237	2,418,528
Local Government Fund - General Purpose Grant				11,266,561	9,753,827
County Charge				678,400	623,700
Surplus / (Deficit) for Year before Transfers				2,693,515	790,850
Transfer to / from Reserves	15			(1,525,169)	(1,245,880)
Overall Surplus / (Deficit) for Year				1,168,346	(455,030)
General Reserve at 1 January 2004				359,123	814,153
General Reserve at 31 December 2004				1,527,469	359,123

Balance Sheet at 31 December 2004

	Notes	2004 €	2003 €
Fixed Assets	1		
Operational		107,498,942	108,370,268
Infrastructural		864,314,080	867,873,949
Community		107,117	107,116
Non Operational		11,601,858	9,259,426
		983,521,997	985,610,759
Work in Progress and Preliminary Expenses	2	17,657,616	8,262,753
Long Term Debtors	3	27,878,403	27,505,512
Current Assets			
Stock	4	62,566	99,989
Trade Debtors and Prepayments	5	5,625,665	5,841,381
Bank Investments		5,300,000	3,000,000
Cash at Bank		0	0
Cash on Hand		575,737	108,972
Urban Account	7	0	340,237
		11,563,968	9,390,579
Current Liabilities			
Bank Overdraft		592,302	751,743
Creditors and Accruals	6	4,287,519	5,437,741
Finance Leases			0
		4,879,821	6,189,484
Net Current Assets / (Liabilities)		6,684,147	3,201,095
Creditors - Amounts falling due after more than one year			
Loans Payable	8	37,220,184	39,165,353
Finance Leases		0	0
Refundable Deposits	9	425,903	193,979
Other		0	0
		37,646,087	39,359,332
Net Assets		998,096,076	985,220,787
Financed By			
Capitalisation Account	10	983,521,997	985,610,759
Income Work in Progress	2	21,199,203	13,602,630
Specific Revenue Reserve		17,750	357,986
General Revenue Reserve		1,527,469	359,123
Other Balances	11	(8,170,343)	(14,709,711)
Total		998,096,076	985,220,787

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 Network	Water & Sewerage Network	Total
	€		€	€	€	€	€	€	€	€
Costs										
Accumulated Costs at 1 January 2004	11,479,763		93,796,979	11,364,402	1,325,899	187,030	74,225	720,004,000	206,378,547	1,044,610,845
Additions	1,673,899		7,041,187		610,503	27,248				9,352,837
Disposals	(5,399,581)		(2,225,895)							(7,625,476)
Revaluations										
Accumulated Costs at 31 December 2004	7,754,081	0	98,612,271	11,364,402	1,936,402	214,278	74,225	720,004,000	206,378,547	1,046,338,206
Depreciation										
Accumulated Depreciation at 1 January 2004	0		0	0	441,791	49,697	0	0	58,508,598	59,000,086
Provision for year					213,399	42,855			3,559,869	3,816,123
Disposals										
Accumulated Depreciation at 31 December 2004	0	0	0	0	655,190	92,552	0	0	62,068,467	62,816,209
Net Book Value at 31 December 2004	7,754,081	0	98,612,271	11,364,402	1,281,212	121,726	74,225	720,004,000	144,310,080	983,521,997
Net Book Value at 31 December 2003	11,479,763	0	93,796,979	11,364,402	884,108	137,333	74,225	720,004,000	147,869,949	985,610,759
Net Book Value by Category										
Operational	1,195,931		98,612,271	6,287,802	1,281,212	121,726				107,498,942
Infrastructural								720,004,000	144,310,080	864,314,080
Community	32,892						74,225			107,117
Non-Operational	6,525,258			5,076,600						11,601,858
Net Book Value at 31 December 2004	7,754,081	0	98,612,271	11,364,402	1,281,212	121,726	74,225	720,004,000	144,310,080	983,521,997

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 2004 €	Unfunded 2004 €	Total 2004 €	Total 2003 €
Expenditure				
Work in Progress	15,004,195	980,542	15,984,737	6,901,979
Preliminary Expenses	1,049,727	623,152	1,672,879	1,360,774
	<u>16,053,922</u>	<u>1,603,694</u>	<u>17,657,616</u>	<u>8,262,753</u>
Income				
Work in Progress	19,031,876	996	19,032,872	6,909,490
Preliminary Expenses	2,166,331		2,166,331	6,693,140
	<u>21,198,207</u>	<u>996</u>	<u>21,199,203</u>	<u>13,602,630</u>
Net Expended				
Work in Progress	(4,027,681)	979,546	(3,048,135)	(7,511)
Preliminary Expenses	(1,116,604)	623,152	(493,452)	(5,332,366)
Net Over/(Under) Expenditure	<u>(5,144,285)</u>	<u>1,602,698</u>	<u>(3,541,587)</u>	<u>(5,339,877)</u>

3 Long Term Debtors

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

	2004 €	2003 €
Long Term Mortgage Advances*	14,282,062	12,593,859
Tenant Purchases Advances	316,499	386,347
Shared Ownership Rented Equity	2,516,818	3,578,701
Voluntary Housing	11,457,804	11,569,763
Inter Local Authority Loans		
Long Term Investments		
Other		
	<u>28,573,183</u>	<u>28,128,670</u>
Less: Amounts falling due within one year (Note 5)	694,780	623,158
Total Amounts falling due after more than one year	<u>27,878,403</u>	<u>27,505,512</u>

* Includes HFA Agency Loans

Notes to and Forming Part of the Accounts

4 Stocks

(a) A summary of stock is as follows:	2004	2003
	€	€
Central Stores	39,798	96,415
Other Depots	22,768	3,574
Total	62,566	99,989

(b) A summary of the movement in stock is as follows:	2004	2003
	€	€
Opening Stock at 1 January	99,989	202,686
Purchases	106,708	241,788
Returns to Stores	1,035	8,720
Issues from Stores	(143,496)	(337,552)
Stocktake Adjustments	(1,732)	(17,341)
Other adjustments	62	1,688
Closing Stock at 31 December	62,566	99,989

5 Trade Debtors and Prepayments

A breakdown of debtors and prepayments is as follows:	2004	2003
	€	€
Government Debtors	3,498,437	3,539,471
Commercial Debtors	1,142,610	1,351,001
Non Commercial Debtors	553,961	1,012,132
Other Services	39,394	
Other Local Authorities	23,313	
TRS Refundable	61,717	12,458
Agent Works Recoupable (Note 12)	26,709	
Other		
Add: Amount falling due within one year (Note 3)	694,780	623,158
Total Gross Debtors	6,040,921	6,538,220
Less: Provision for Doubtful Debts	(726,000)	(1,465,300)
Total Trade Debtors	5,314,921	5,072,920
Prepayments	310,744	768,461
Total	5,625,665	5,841,381

Notes to and Forming Part of the Accounts

6 Creditors and Accruals

A breakdown of creditors and accruals is as follows:	2004	2003
	€	€
Trade Creditors	1,057,135	1,115,780
Grants		660
Revenue Commissioners	14,873	424,613
Other Local Authorities	238,931	3,569
Other Creditors	3,150	51,191
	<hr/> 1,314,089	<hr/> 1,595,813
Accruals	1,050,703	1,137,968
Deferred Income		
Add: Amounts falling due within one year (Note 8)	1,922,727	2,703,960
Total	<hr/> 4,287,519 <hr/>	<hr/> 5,437,741 <hr/>

7 Urban Account

A summary of the Intercompany account is as follows:	2004	2003
	€	€
Balance at 1 January	340,237	340,237
Charge for Year	338,163	623,700
Received/Paid	(678,400)	(623,700)
Balance at 31 December	<hr/> 0 <hr/>	<hr/> 340,237 <hr/>

Notes to and Forming Part of the Accounts

8 Loans Payable

An analysis of loans payable is as follows:

	2004	2004	2004	2004	2003
	HFA	OPW	Other	Total	Total
	€	€	€	€	€
Mortgage Loans *	12,769,511	2,979,805		15,749,316	12,391,967
Non Mortgage Loans					
Asset/Grants	7,069,040	49,573	2,221,976	9,340,589	9,118,982
Revenue Funding				0	2,300,000
Bridging Finance				0	1,060,950
Recoupable				0	0
Shared Ownership – Rented Equity	2,595,202			2,595,202	5,427,651
Inter Local Authority				0	0
Voluntary Housing	11,457,804			11,457,804	11,569,763
	<u>33,891,557</u>	<u>3,029,378</u>	<u>2,221,976</u>	<u>39,142,911</u>	<u>41,869,313</u>
Less: Amounts falling due within one year (Note 6)				1,922,727	2,703,960
Total Amounts falling due after more than one year				<u>37,220,184</u>	<u>39,165,353</u>

* Includes HFA Agency Loans

9 Refundable Deposits

The movement in refundable deposits is as follows:

	2004	2003
	€	€
Opening Balance at 1 January	193,979	0
Deposits received	236,424	248,264
Deposits repaid	(4,500)	(54,285)
Closing Balance at 31 December	<u>425,903</u>	<u>193,979</u>

Notes to and Forming Part of the Accounts

10 Capitalisation Account

The capitalisation account shows the funding of the assets as follows:

	2004	2003
	€	€
Grants	25,385,891	18,058,820
Loans	4,226,285	3,887,129
Revenue Funded	1,676,624	153,755
Leases		
Development Levies	65,995	65,995
Tenant Purchase Annuities		
Unfunded		
Historical	1,014,379,784	1,021,981,216
Other	603,627	463,930
Total Gross Funding	1,046,338,206	1,044,610,845
Less: Amortised	(62,816,209)	(59,000,086)
Total *	<u>983,521,997</u>	<u>985,610,759</u>

* Must agree with Note 1

Notes to and Forming Part of the Accounts

11 Other Balances

A breakdown of other balances is as follows:	Note	2004	2003
		€	€
Tenant Purchase Annuities	(a)	316,499	386,348
Development Levies	(b)	2,371,310	1,082,539
Unfunded Balances	(c)		
Project Balances		(4,656,118)	(7,187,091)
Non Project Balances		(327,218)	
Funded Balances	(d)		
Project Balances		(1,465,477)	(810,041)
Non Project Balances		(235,332)	
Other	(e)	6,849,121	2,852,321
Net Capital Balances		<u>2,852,785</u>	<u>(3,675,924)</u>
Non-Mortgage Loans - Principal to be Amortised	(f)	(9,340,589)	(9,118,982)
Lease Repayment - Principal to be Amortised	(g)		
Historical Opening Mortgage Funding Surplus/(Deficit)	(h)	(1,571,126)	(1,840,094)
Shared Ownership Rented Equity Account	(i)	(111,413)	(74,711)
		<u>(11,023,128)</u>	<u>(11,033,787)</u>
Total Other Balances		<u>(8,170,343)</u>	<u>(14,709,711)</u>

- (a) Repayments of annuities by borrowers who purchased local authority houses.
- (b) Development contributions to be applied to either specific or general developments.
- (c) Balances relating to completed assets for which funding has yet to be identified.
- (d) Balances relating to completed assets for which funding has been identified but not yet received.
- (e) Relates to reserve provisions and other miscellaneous credit balances.
- (f) Both the principal and interest of non-mortgage loans are funded through the Income & Expenditure account and the principal to be amortised represents the balance on all such loans that remains unfunded.
- (g) Similar to (f) it represents the future liability that remains to be funded.
- (h) See Note 13
- (i) Under the shared ownership scheme both the equity element and the corresponding borrowings are indexed linked to the CPI. This reserve represents the cumulative difference between the value of both indexations and can be attributed mainly to timing differences.

Notes to and Forming Part of the Accounts

12 Capital Account Analysis

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

	2004	2003
	€	€
Net WIP & Preliminary Expenses (Note 2)	3,541,587	5,339,877
Net Capital Balances (Note 11)	2,852,785	(3,675,924)
Agent Works Recoupable (Note 5)	(26,709)	
Capital Balance Surplus / (Deficit) at 31 December	<u>6,367,663</u>	<u>1,663,953</u>

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

	2004	2003
	€	€
Opening Balance at 1 January	1,663,953	(7,947,037)
Expenditure	30,058,040	16,298,257
Income		
Grants	23,293,636	27,194,710
Loans	761,842	1,300,000
Other	9,978,032	(3,061,041)
Total Income	<u>34,033,510</u>	<u>25,433,669</u>
Net Revenue Transfers	728,240	475,578
Closing Balance at 31 December	<u>6,367,663</u>	<u>1,663,953</u>

13 Mortgage Loan Funding Position

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

	Loan Annuity	Rented Equity	Total	Total
	2004	2004	2004	2003
	€	€	€	€
Mortgage Loans/Equity Receivable (Long Term Mortgage & Shared Ownership Note 3)	14,282,062	2,516,818	16,798,880	16,172,560
Mortgage Loans/Equity Payable (Mortgage Loans & Shared Ownership Note 8)	(15,749,316)	(2,595,202)	(18,344,518)	(17,819,618)
Surplus / (Deficit) in Funding at 31st December	<u>(1,467,254)</u>	<u>(78,384)</u>	<u>(1,545,638)</u>	<u>(1,647,058)</u>

NOTE: Cash on Hand relating to Redemptions and Relending € 0

Notes to and Forming Part of the Accounts

14 Summary of Plant and Materials Account

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

	2004	2004	2004	2003
	Plant & Machinery	Materials	Total	Total
	€	€	€	€
Expenditure	(945,217)	45,170	(900,047)	(886,921)
Charged to Jobs	1,051,593	20,609	1,072,202	1,065,841
	106,376	65,779	172,155	178,920
Transfers from/(to) Reserves	(106,300)	(45,700)	(152,000)	(129,766)
Surplus/(Deficit) for the Year	76	20,079	20,155	49,154

15 Analysis of Transfers to / from Reserves

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

	2004	2004	2004	2003
	Transfers from Reserves	Transfers to Reserves	Net	Net
	€	€	€	€
Loan Repayment Reserve		(591,929)	(591,929)	(565,302)
Lease Repayment Reserve			0	0
Historical Mortgage Funding Write-off		(205,000)	(205,000)	(205,000)
Development Levies			0	0
Other	86,877	(815,117)	(728,240)	(475,578)
Surplus / (Deficit) for Year	86,877	(1,612,046)	(1,525,169)	(1,245,880)

16 Analysis of Revenue Income

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

	Appendix No	2004		2003	
		€	%	€	%
Grants & Subsidies	3	12,571,891	35%	11,388,428	37%
Goods & Services	4	8,413,080	24%	6,498,277	21%
		20,984,971	59%	17,886,705	58%
Local Government Fund - General Purpose Grant	1	11,266,561	31%	9,753,827	32%
Rates	1	2,782,237	8%	2,418,528	8%
County Charge	1	678,400	2%	623,700	2%
Total Income		35,712,169	100%	30,682,760	100%

Notes to and Forming Part of the Accounts

17 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 (Over) / Under Budget 2004 €	Income Over / (Under) Budget 2004 €	Net Position 2004 €
Housing & Building	244,458	(276,942)	(32,484)
Roads Transportation & Safety	4,503,196	(3,422,720)	1,080,476
Water & Sewerage	(744,411)	(115,354)	(859,765)
Development Incentives & Controls	343,479	608,966	952,445
Environmental Protection	7,434	(1,135)	6,299
Recreation & Amenity	19,213	(97,547)	(78,334)
Agriculture, Education, Health & Welfare	599,294	(507,783)	91,511
Miscellaneous	454,863	25,386	480,249
Total Programme Groups	5,427,526	(3,787,129)	1,640,397
Local Government Fund - General Purpose Grant		61	61
Rates		(63,663)	(63,663)
County Charge			0
Transfers from / (to) Reserves	(607,326)	(1,123)	(608,449)
Dr / Cr Balance			200,000
(Deficit) / Surplus for Year			<u>1,168,346</u>

APPENDICES

Appendix 1

Income and Expenditure Account for the year ended 31st December 2004		
	2004 €	2003 €
Income		
Grants and Subsidies	12,571,891	11,388,428
Goods and Services	8,413,080	6,498,277
Local Government Fund - General Purpose Grant	11,266,561	9,753,827
Rates	2,782,237	2,418,528
County Charge	678,400	623,700
Total Income	35,712,169	30,682,760
Expenditure		
Payroll Expenses	16,314,766	13,865,608
Operational Expenses	11,625,970	10,916,465
Administration Expenses	1,612,052	1,604,147
Establishment Expenses	1,683,213	1,357,844
Financial Expenses	1,637,383	2,030,533
Miscellaneous Expenses	145,270	117,313
Total Expenditure	33,018,654	29,891,910
Surplus/(Deficit) for the year before Transfers	2,693,515	790,850
Transfer (to) / from Reserves	(1,525,169)	(1,245,880)
Overall Surplus / (Deficit) for Year	1,168,346	(455,030)
General Reserve at 1 January 2004	359,123	814,153
General Reserves at 31 December 2004	1,527,469	359,123

Appendix 2
PROGRAMME GROUP 1
HOUSING and BUILDING

	EXPENDITURE	INCOME			
PROGRAMME	TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	TOTAL €
1.1 Local Authority Housing	883,784	111,452	2,242,120	770	2,354,342
1.2 Assistance to Persons Housing Themselves	1,187,856	357,975	581,934		939,909
1.3 Assistance to Persons Improving Houses	53,418		14,181		14,181
1.8 Administration and Miscellaneous	1,224,906	62,819	58,109		120,928
TOTAL	3,349,964	532,246	2,896,344	770	3,429,360

Appendix 2
PROGRAMME GROUP 2
ROAD TRANSPORTATION and SAFETY

		EXPENDITURE	INCOME			
PROGRAMME		TOTAL	State Grants & Subsidies	Provision of Goods and Services	Contributions from other local authorities	TOTAL
		€	€	€	€	€
2.1	Road Upkeep	2,989,415	2,219,225	39,343		2,258,568
2.2	Road Improvement	5,773,993	5,770,344			5,770,344
2.3	Road Traffic	54,310	1,750			1,750
2.8	Administration and Miscellaneous	3,642,543	99,821	693,510		793,331
TOTAL		12,460,261	8,091,140	732,853	0	8,823,993

Appendix 2
PROGRAMME GROUP 3
WATER SUPPLY and SEWERAGE

	EXPENDITURE	INCOME			
PROGRAMME	TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	TOTAL €
3.1 Public Water Supply Schemes	2,928,811	53,301	1,684,371		1,737,672
3.2 Public Sewerage Schemes	1,060,583		131,804	428,000	559,804
3.3 Private Installations	102,377	102,384			102,384
3.8 Administration and Miscellaneous	1,042,365	33,689	140,464	10,600	184,753
TOTAL	5,134,136	189,374	1,956,639	438,600	2,584,613

Appendix 2
PROGRAMME GROUP 4
DEVELOPMENT INCENTIVES and CONTROLS

		EXPENDITURE	INCOME			
PROGRAMME		TOTAL	State Grants & Subsidies	Provision of Goods and Services	Contributions from other local authorities	TOTAL
		€	€	€	€	€
4.1	Land Use Planning	84,771		1,311,423		1,311,423
4.2	Industrial Development	311,572	62,851	54,701		117,552
4.3	Other Development and Promotion	113,179				0
4.4	Representational Functions	17,300				0
4.5	Promotion of Interest of the Local Community	4,259				0
4.6	Twinning of Local Authorities Areas	607				0
4.8	Administration and Miscellaneous	1,226,279	287,909	29,832		317,741
TOTAL		1,757,967	350,760	1,395,956	0	1,746,716

Appendix 2
PROGRAMME GROUP 5
ENVIRONMENTAL PROTECTION

	EXPENDITURE	INCOME			
PROGRAMME	TOTAL	State Grants & Subsidies	Provision of Goods and Services	Contributions from other local authorities	TOTAL
	€	€	€	€	€
5.1 Waste Disposal	570,009	119,442	31,857		151,299
5.2 Burial Grounds	48,720		3,400		3,400
5.3 Safety of Structures and Places	102,121	57,739	1,330		59,069
5.4 Fire Protection	1,766,947	2,071	167,895	41,571	211,537
5.5 Pollution Control	192,182		1,512		1,512
5.8 Administration and Miscellaneous	795,040	29,535	87,846		117,381
TOTAL	3,475,019	208,787	293,840	41,571	544,198

Appendix 2
PROGRAMME GROUP 6
RECREATION and AMENITY

	EXPENDITURE	INCOME			
PROGRAMME	TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	TOTAL €
6.1 Swimming Pools	104,591				0
6.2 Libraries	927,406	12,808	92,096		104,904
6.3 Parks, Open Spaces, Recreation Centres etc.	45,174				0
6.4 Other Recreation and Amenity	296,412	58,267	2,000		60,267
6.8 Administration and Miscellaneous	186,790	10,238	4,508		14,746
TOTAL	1,560,373	81,313	98,604	0	179,917

Appendix 2
PROGRAMME GROUP 7
AGRICULTURE, EDUCATION, HEALTH and WELFARE

	EXPENDITURE	INCOME			
PROGRAMME	TOTAL €	State Grants & Subsidies €	Provision of Goods and Services €	Contributions from other local authorities €	TOTAL €
7.1 Agriculture	17,780				0
7.2 Education	2,752,401	2,793,427			2,793,427
7.3 Health and Welfare	117,309				0
7.8 Administration and Miscellaneous	392,662	21,524	11,880		33,404
TOTAL	3,280,152	2,814,951	11,880	0	2,826,831

Appendix 2
PROGRAMME GROUP 8
MISCELLANEOUS SERVICES

	EXPENDITURE	INCOME			
PROGRAMME	TOTAL	State Grants & Subsidies	Provision of Goods and Services	Contributions from other local authorities	TOTAL
	€	€	€	€	€
8.1 Land Acquisition and Development					0
8.2 Plant and Materials	(172,155)		19,798		19,798
8.3 Financial Management	389,215		18,039		18,039
8.4 Elections	106,074	700			700
8.5 Administration of Justice & Consumer Protection	124,926	33,761	21,361		55,122
8.6 Property Damage					0
8.7 Markets, Fairs & Abattoirs	181,238	255,730	10,884		266,614
8.8 Administration and Miscellaneous	708,183	13,129	20,506	455,275	488,910
8.9 Chairman's Allowance	48,702				0
8.10 Entertainment and Associated Expenses	3,153				0
8.11 Expenses of Members	589,571			160	160
8.12 Expenses of Members Abroad	21,875				0
TOTAL	2,000,782	303,320	90,588	455,435	849,343
OVERALL TOTAL	33,018,654	12,571,891	7,476,704	936,376	20,984,971

Appendix 3

Analysis of Income from Grants and Subsidies				
Description	2004 €	2004 €	2004 €	2003 €
	<i>Department of the Environment, Heritage and Local Government</i>	<i>Other Departments and Bodies</i>	<i>Total</i>	<i>Total</i>
Housing and Building	269,324	262,922	532,246	305,535
Roads Transportation and Safety	7,340,796	750,344	8,091,140	7,695,395
Water and Sewerage	115,217	74,157	189,374	460,507
Development Incentives and Controls	75,042	275,718	350,760	271,202
Environmental Protection	134,862	73,925	208,787	231,658
Recreation and Amenity	17,706	63,607	81,313	98,371
Agriculture, Education, Health and Welfare	8,199	2,806,752	2,814,951	1,999,390
Miscellaneous	5,001	298,319	303,320	326,370
Overall Total	7,966,147	4,605,744	12,571,891	11,388,428

Appendix 4

Analysis of Income from Goods and Services		
Description	2004 €	2003 €
Rents from Houses	2,216,499	1,950,461
Housing Loans Interest and Charges	580,498	621,745
Domestic Water	2,168	2,168
Commercial Water	1,351,219	1,175,957
Domestic Refuse		
Commercial Refuse		
Domestic Sewerage		
Planning Fees	1,311,345	398,722
Parking Fines/Charges		
Recreation and Amenity Activities		
Library Fees/Fines	47,283	26,401
Agency Services	23,221	126,441
Pension Contributions	562,541	470,889
Property Rental & Leasing of Land	2,923	900
Landfill Charges		
Fire Charges	167,895	1,412
Miscellaneous	2,147,488	1,723,181
Total	8,413,080	6,498,277

Appendix 5

Summary of Capital Expenditure and Income		
	2004 €	2003 €
Expenditure (Net of Internal Transfers)*		
Housing & Building	18,305,343	4,130,369
Roads Transportation & Safety	5,456,623	5,041,122
Water & Sewerage	2,559,716	2,445,566
Development Incentives & Controls	2,248,287	2,984,403
Environmental Protection	551,397	503,297
Recreation & Amenity	375,227	355,579
Agriculture, Education, Health & Welfare	0	0
Miscellaneous	648,324	925,431
Total Expenditure	30,144,917	16,385,767
Income (Net of Internal Transfers)*		
Housing & Building	20,542,182	12,172,326
Roads Transportation & Safety	5,764,490	5,606,113
Water & Sewerage	1,753,421	4,442,285
Development Incentives & Controls	5,481,100	2,551,011
Environmental Protection	684,294	416,671
Recreation & Amenity	138,898	162,383
Agriculture, Education, Health & Welfare	0	0
Miscellaneous	484,242	645,968
Total Income	34,848,627	25,996,757
Surplus/(Deficit) for year	4,703,710	9,610,990
Balance (Debit)/Credit at 1 January 2004	1,663,953	(7,947,037)
Balance (Debit)/Credit at 31 December 2004	6,367,663	1,663,953

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

Appendix 6

Analysis of Income and Expenditure on Capital Account										
Programme	Balance at 01/01/2004	Expenditure	Income				Transfers			Balance at 31/12/2004
			Grants	Loans	Other	Total Income	Transfer from Revenue	Transfer to Revenue	Internal Transfers	
	€	€	€	€	€	€	€	€	€	€
1.1 Local Authority Housing	9,382,907	16,445,580	14,791,407	761,842	1,505,073	17,058,322	4,660	(86,877)	(778,908)	9,134,524
1.2 Assistance to Persons Housing Themselves	(256,390)	1,077,196	1,462,069		1,405,019	2,867,088				1,533,502
1.3 Assistance to Persons Improving Houses	(720,070)	695,690	612,112			612,112			817,000	13,352
1.4 Administration and Miscellaneous	0					0				0
TOTAL	8,406,447	18,218,466	16,865,588	761,842	2,910,092	20,537,522	4,660	(86,877)	38,092	10,681,378
2.1 Road Upkeep	0					0				0
2.2 Road Improvement	880,824	5,456,623	4,876,421		848,069	5,724,490	40,000		15,000	1,203,691
2.3 Road Traffic	0					0				0
2.8 Administration and Miscellaneous	0					0				0
TOTAL	880,824	5,456,623	4,876,421	0	848,069	5,724,490	40,000	0	15,000	1,203,691
3.1 Public Water Supply Schemes	(451,929)	1,851,032	1,154,427		521,786	1,676,213			(9,000)	(635,748)
3.2 Public Sewerage Schemes	104,631	48,124	(550,280)		263,856	(286,424)			(6,000)	(235,917)
3.3 Private Installations	643,341	499,380	202,452			202,452				346,413
3.8 Administration and Miscellaneous	0	161,180			161,180	161,180				0
TOTAL	296,043	2,559,716	806,599	0	946,822	1,753,421	0	0	(15,000)	(525,252)
4.1 Land Use Planning	100,000	65,982			65,982	65,982				100,000
4.2 Industrial Development	(6,712,249)	2,051,143			5,106,504	5,106,504			(38,092)	(3,694,980)
4.3 Other Development & Promotion	(42,987)	131,162	153,239			153,239	155,375			134,465
4.5 Promotion of Interest of the Local Community	0					0				0
4.8 Administration and Miscellaneous	0					0				0
TOTAL	(6,655,236)	2,248,287	153,239	0	5,172,486	5,325,725	155,375	0	(38,092)	(3,460,515)

Appendix 6

Analysis of Income and Expenditure on Capital Account										
Programme	Balance at 01/01/2004	Expenditure	Income				Transfers			Balance at 31/12/2004
			Grants	Loans	Other	Total Income	Transfer from Revenue	Transfer to Revenue	Internal Transfers	
	€	€	€	€	€	€	€	€	€	€
5.1 Waste Disposal	(381,274)	72,523				0	70,000			(383,797)
5.2 Burial Grounds	(239,580)	15,780			30,747	30,747	50,000			(174,613)
5.3 Safety of Structures & Places	0	25,500	25,500			25,500				0
5.4 Fire Protection	(270,655)	432,978	400,347			400,347	57,700			(245,586)
5.5 Pollution Control	(137,200)	4,616				0	50,000		69,049	(22,767)
5.8 Administration and Miscellaneous	0					0				0
TOTAL	(1,028,709)	551,397	425,847	0	30,747	456,594	227,700	0	69,049	(826,763)
6.1 Swimming Pools	(277,190)	313,071				0				(590,261)
6.2 Libraries	(57,100)	32,142	7,016			7,016	36,682			(45,544)
6.3 Parks, Open Spaces, Recreation Centres etc.	(32,892)	6,114			62,500	62,500				23,494
6.4 Other Recreation & Amenity	(103,634)	23,900				0	32,700		42,868	(51,966)
6.8 Administration and Miscellaneous	0					0				0
TOTAL	(470,816)	375,227	7,016	0	62,500	69,516	69,382	0	42,868	(664,277)
7.1 Agriculture	0					0				0
7.2 Education	0					0				0
7.3 Health and Welfare	0					0				0
7.8 Administration and Miscellaneous	0					0				0
TOTAL	0	0	0	0	0	0	0	0	0	0
8.1 Land Acquisition & Development	1,259,043					0			(111,917)	1,147,126
8.2 Plant & Materials	(342,426)	271,351	140,565			140,565	152,000			(321,212)
8.3 Financial Management	0					0				0
8.4 Elections	91,245					0	12,500			103,745
8.5 Admin. of Justice & Consumer Protection	0					0				0
8.6 Property Damage	0					0				0
8.7 Markets, Fairs & Abattoirs	0					0				0
8.8 Administration and Miscellaneous	(772,462)	376,973	18,361		7,316	25,677	153,500			(970,258)
TOTAL	235,400	648,324	158,926	0	7,316	166,242	318,000	0	(111,917)	(40,599)
OVERALL TOTAL	1,663,953	30,058,040	23,293,636	761,842	9,978,032	34,033,510	815,117	(86,877)	0	6,367,663

Appendix 7

Summary of Major Revenue Collections for 2004

	Arrears at 1 January 2004	Accrued	Write Off	Waivers	Total for Collection	Collected	Arrears at 31 December 2004	% Collected
	€	€	€	€	€	€	€	
County Rates	194,193	2,746,105	130,566	36,884	2,772,848	2,619,381	153,467	94.5
Rents & Annuities	549,009	2,255,904	290,887		2,514,026	2,243,249	270,777	89.2
Commercial Water	1,156,809	1,382,728	378,000	2,872	2,158,665	1,199,503	959,162	55.6
Refuse								
Domestic								
Commercial								
Housing Loans	463,123	983,200			1,446,323	1,163,139	283,184	80.4

Note 1 The total for collection in 2004 includes arrears brought forward at 1 January 2004. This will tend to reduce the % collected for 2004.

Note 2 Rental income from Shared Ownership has been included under Rents & Annuities.

Note 3 Income from Tenant Purchase Annuities has been included under Housing Loans.

Note 4 Arrears brought forward is shown net of credit balances.

Summary of Major Revenue Collections for 2004 Adjusted for Specific Bad Debt Provision

	Arrears at 1 January 2004	Accrued	Write Off	Change in Bad Debt Provision	Waivers	Total for Collection	Collected	Arrears at 31 December 2004	% Collected
	€	€	€		€	€	€	€	
County Rates	194,193	2,746,105	130,566		36,884	2,772,848	2,619,381	153,467	94.5
Rents & Annuities	194,629	2,255,904	290,887	(296,900)	0	2,456,546	2,243,249	213,297	91.3
Commercial Water	347,009	1,382,728	378,000	(239,800)	2,872	1,588,665	1,199,503	389,162	75.5
Refuse									
Domestic									
Commercial									
Housing Loans	162,003	983,200	0	(202,600)	0	1,347,803	1,163,139	184,664	86.3

Appendix 8

INTEREST OF LOCAL AUTHORITIES IN COMPANIES

Where a local authority as a corporate body or its members or employees by virtue of their office have an interest in a company the following disclosures should be made for each entity:

1. **Name of the Company.**
Longford Leisure Ltd.
2. **Principal activities of the Company.**
Manage Longford Swimming Pool and County Longford Sports and Leisure Complex.
3. **Share ownership (beneficial).**
Jointly owned by Longford County Council and Longford Town Council.
4. **How the local authority is represented on the Board of the Company.**
County Manager is Chairman of Board of Directors. Three County Council elected members are on the Board of the Company.
5. **Amount and nature of any guarantees, underwritings, grant, loans or borrowings given by the local authority in respect of borrowings of the Company.**
Council makes an annual contribution (€25,395 in 2004) and pays the wages of one member of staff.
6. **The extent to which the local authority has any security for moneys advanced to the Company.**
Joint ownership of Longford Swimming Pool.
7. **How and where the results of the Company have been reflected in the accounts of the local authority.**
Not reflected.

Appendix 8

INTEREST OF LOCAL AUTHORITIES IN COMPANIES

Where a local authority as a corporate body or its members or employees by virtue of their office have an interest in a company the following disclosures should be made for each entity:

1. **Name of the Company.**
Longford Jobs Initiative (LJI)
2. **Principal activities of the Company.**
Maintenance of Local Authority Cemeteries throughout Longford.
3. **Share ownership (beneficial).**
Owned by Longford County Council. Company limited by guarantee without share guarantee.
4. **How the local authority is represented on the Board of the Company.**
Five County Council elected members and two employees are on the Board of the Company.
5. **Amount and nature of any guarantees, underwritings, grant, loans or borrowings given by the local authority in respect of borrowings of the Company.**
Longford County Council is responsible for the overdraft and overdraft interest charges pending receipt of FAS funds.
6. **The extent to which the local authority has any security for moneys advanced to the Company.**
None.
7. **How and where the results of the Company have been reflected in the accounts of the local authority.**
Not reflected.

Appendix 8

INTEREST OF LOCAL AUTHORITIES IN COMPANIES

Where a local authority as a corporate body or its members or employees by virtue of their office have an interest in a company the following disclosures should be made for each entity:

1. **Name of the Company.**
Longford Enterprise Development Company Ltd. (LEDCO)
2. **Principal activities of the Company.**
The construction and management of a community and enterprise centre.
3. **Share ownership (beneficial).**
Owned by Company. Guarantees to Longford County Council.
4. **How the local authority is represented on the Board of the Company.**
Three County Council elected members and two employees are on the Board of the Company.
5. **Amount and nature of any guarantees, underwritings, grant, loans or borrowings given by the local authority in respect of borrowings of the Company.**
Longford County Council has given a guarantee to meet loan repayments in the event of default by the Company.
6. **The extent to which the local authority has any security for moneys advanced to the Company.**
Longford County Council has the right to acquire the building in the event of default by the Company.
7. **How and where the results of the Company have been reflected in the accounts of the local authority.**
Not reflected.