

UNAUDITED

ANNUAL FINANCIAL STATEMENT

Laois County Council

For the year ended 31st December 2005

CONTENTS

UNAUDITED

	Page
Financial Review	3
Certificate of Manager/Head of Finance	5
Audit Opinion	6
Statement of Accounting Policies	7
Financial Accounts	11
Income & Expenditure Account	12
Balance Sheet	13
Notes on and forming part of the Accounts	14-21
Appendices	22
1 Income by Major Source and Expenditure by Expense Group	23
2 Expenditure and Income by Programme	24
3 Analysis of Income from Grants and Subsidies	28
4 Analysis of Income from Goods and Services	29
5 Summary of Capital Expenditure and Income	30
6 Capital Expenditure and Income by Programme	31
7 Major Revenue Collections	33
8 Interest of Local Authorities in Companies	34

Laois County Council

Financial Review

Annual Financial Statement for Financial Year ended 31st December 2005

I am pleased to present the Annual Financial Statements (A.F.S) of Laois County Council for the year ended 31st December 2005. The A.F.S. contains a Statement of Revenue Income and Expenditure, Balance sheet, Statement of Accounting Policies, Notes to the Accounts and Appendices.

The format of the 2005 A.F.S. is in line with modern accounting reporting practices. The A.F.S. reflects income on an accrual basis. All revenue debtors including those relating to rents, rates, loans and water charges are reflected in the balance sheet and adequate provision has been made for doubtful debts.

The following table summarises the movements in the Income and Expenditure Account Statement in 2005:

Opening deficit at 1 st January '05	-650,504
Expenditure	-52,484,100
Transfer from (to) Reserves	-3,713,288
Income	56,273,095
Closing deficit at 31 st December '05	-574,797

The improvement in the Income and Expenditure Account is principally due to the increase in planning fees income during 2005 as well as the prudent management of the finances.

Included in the balance sheet are fixed and current assets, liabilities and reserves. The value of the fixed assets at the 31/12/2005 is 1,572 million of which 1,316 million refers to infrastructural assets such as the roads, water and sewerage networks.

The Capital Account shows a credit balance of 163,829 compared to a debit balance of 2,561,590 at the end of 2004. The movements in the capital account are summarised below:

Opening debit balance at 1 st January '05	-2,561,590
Expenditure	-98,547,738
Income	97,722,781
Transfer from revenue (net)	3,550,376
Closing credit balance at 31 st December '05	163,829

The improvement in the capital account is mainly due to development contributions and the sale of industrial land during 2005.

The total indebtedness of the Council on foot of loans outstanding at the 31/12/05 was 77,803,434 an increase of 39% on the corresponding figure for 2004.

This is due to the increased activity in housing loans, shared ownership, bridging finance for voluntary housing schemes.

The debtors figure has increased by 121% and this is mainly due to the increased volume in Affordable housing schemes.

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.

Peter Carey
County Manager
31/03/05

Laois County Council

Certificate of Manager/Head of Finance or Town Clerk

for the year ended 31 December 2005

We certify that the financial statement of the Laois County Council for the year ended 31 December 2005 as set out on pages 7 to 34 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: _____

Laois County Council

Audit Opinion to be prepared separately and inserted

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 Environment, Heritage and Local Government (DEHLG) at 31st December 2005

Exceptions to this are stated in the Policies and Notes to the Accounts.

2. Accruals

The revenue and capital accounts 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 & Expenditure Statement.

3.2 Non Mortgage Related Loans

Note 8 to the accounts sets out the types of borrowing under this heading. Loans relating to assets/grants, revenue funding, inter local authority 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.

4. 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 superannuation (including Widows and Orphans) benefits. Such deductions are credited as receipts to the Income & 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 net 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

Laois County Council operates an insurance excess of €6,500.

8. Provision for Bad & Doubtful Debts

Provision has been made in the relevant accounts for bad & 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 Financial Statement for 2003. The assets were valued based on the 'Valuation Guideline' issued by the DEHLG. 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 for 2006.

9.4 Revaluation

As set out in the Accounting Code of Practice it will be the policy to revalue assets where appropriate, at intervals of not more than five 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 & Expenditure and consequently the charge for depreciation and the corresponding credit from amortisation is excluded from the 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%
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.

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 & 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 & Expenditure. 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 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 & EXPENDITURE ACCOUNT STATEMENT FOR YEAR ENDING 31st DECEMBER 2005

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

Expenditure by Programme Group

		Gross Expenditure	Income	Net Expenditure	Net Expenditure
	Notes	2005 €	2005 €	2005 €	2004 €
Housing & Building		7,169,975	6,065,604	1,104,371	1,673,325
Roads Transportation & Safety		16,901,865	11,203,396	5,698,469	6,286,021
Water & Sewerage		6,094,041	2,230,100	3,863,941	3,687,557
Development Incentives & Controls		3,073,525	1,623,170	1,450,355	922,937
Environmental Protection		8,571,066	7,568,092	1,002,973	1,154,647
Recreation & Amenity		3,009,427	650,699	2,358,727	2,070,545
Agriculture, Education, Health & Welfare		3,556,917	2,986,638	570,280	697,078
Miscellaneous		4,107,284	994,696	3,112,588	2,397,258
		-	-	-	-
Total Expenditure/Income	16	52,484,100	33,322,395		
Net cost of programmes to be funded from Rates & Local Government Fund				19,161,704	18,889,367
Rates				6,982,372	5,871,264
Local Government Fund - General Purpose Grant				15,968,328	14,627,815
County Charge				-	-
Surplus/(Deficit) for Year before Transfers	17			3,788,996	1,609,712
Transfers from/(to) Reserves	15			(3,713,288)	(972,739)
Overall Surplus/(Deficit) for Year				75,708	636,972
General Reserve @ 1st January 2005				(650,504)	(1,287,476)
General Reserve @ 31st December 2005				(574,796)	(650,504)

BALANCE SHEET AT 31st DECEMBER 2005

	Notes	2005 €	2004 €
Fixed Assets	1		
Operational		222,992,095	192,297,344
Infrastructural		1,316,283,377	1,323,028,771
Community		11,542,400	11,542,400
Non-Operational		21,025,431	21,845,381
		1,571,843,302	1,548,713,895
Work in Progress and Preliminary Expenses	2	79,880,934	45,861,472
Long Term Debtors	3	51,045,437	40,784,653
Current Assets			
Stocks	4	270,655	217,191
Trade Debtors & Prepayments	5	20,151,513	9,083,275
Bank Investments		21,794,586	496,322
Cash at Bank		-	6,114,552
Cash on Hand		2,594	(620)
Urban Account	7	-	-
		42,219,348	15,910,721
Current Liabilities (Amounts falling due within one year)			
Bank Overdraft		2,290,191	-
Creditors & Accruals	6	24,651,074	10,910,655
Urban Account	7	-	-
Finance Leases		-	-
		26,941,265	10,910,655
Net Current Assets / (Liabilities)		15,278,083	5,000,066
Creditors (Amounts falling due after more than one year)			
Loans Payable	8	60,791,090	50,464,479
Finance Leases		42,649	108,186
Refundable deposits	9	1,664,666	496,322
Other		-	95,230
		62,498,405	51,164,218
Net Assets		1,655,549,351	1,589,195,869
Financed by			
Capitalisation Account	10	1,571,843,302	1,548,713,895
Income WIP	2	79,049,987	41,211,500
Specific Revenue Reserve		3,686,738	3,686,738
General Revenue Reserve		(574,796)	(650,504)
Other Balances	11	1,544,121	(3,765,759)

(2)

Total Reserves

1,655,549,352	1,589,195,869
---------------	---------------

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 @ 1/1/2005	21,694,981	-	138,387,363	53,211,036	1,663,032	870,624	11,527,000	1,238,870,000	166,472,678	1,632,696,713
Additions										
- Purchased	5,798,856	-	7,685,958	99,970	116,304	219,287	-	-	-	13,920,375
- Transfers WIP	-	-	20,348,913	-	-	-	-	-	-	20,348,913
Disposals	(819,950)	-	(3,218,946)	-	-	-	-	-	-	(4,038,896)
Revaluations	-	-	-	-	-	-	-	-	-	-
Accumulated Costs @ 31/12/2005	26,673,887	-	163,203,288	53,311,006	1,779,335	1,089,910	11,527,000	1,238,870,000	166,472,678	1,662,927,105
Depreciation										
Depreciation @ 1/1/2005	-	-	-	-	1,165,008	503,902	-	-	82,313,907	83,982,818
Provision for Year	-	-	-	-	173,312	182,279	-	-	6,745,394	7,100,986
Disposals	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation @ 31/12/2005	-	-	-	-	1,338,321	686,181	-	-	89,059,302	91,083,804
Net Book Value @ 31/12/2005	26,673,887	-	163,203,288	53,311,006	441,015	403,729	11,527,000	1,238,870,000	77,413,377	1,571,843,302
Net Book Value @ 31/12/2004	21,694,981	-	138,387,363	53,211,036	498,023	366,721	11,527,000	1,238,870,000	84,158,771	1,548,713,895
Net Book Value by Category										
Operational	5,798,856	-	163,203,288	53,145,206	441,015	403,729	-	-	-	222,992,095
Infrastructural	-	-	-	-	-	-	-	1,238,870,000	77,413,377	1,316,283,377
Community	-	-	-	15,400	-	-	11,527,000	-	-	11,542,400
Non-Operational	20,875,031	-	-	150,400	-	-	-	-	-	21,025,431
Net Book Value @ 31/12/2005	26,673,887	-	163,203,288	53,311,006	441,015	403,729	11,527,000	1,238,870,000	77,413,377	1,571,843,302

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 2005 €	Unfunded 2005 €	Total 2005 €	Total 2004 €
Expenditure				
Work in Progress	22,792,150	19,876	22,812,026	15,264,134
Preliminary Expenses	55,982,054	1,086,854	57,068,908	30,597,338
	78,774,204	1,106,730	79,880,934	45,861,472
Income				
Work in Progress	20,803,428	-	20,803,428	11,878,549
Preliminary Expenses	58,071,601	174,958	58,246,558	29,332,951
	78,875,029	174,958	79,049,987	41,211,500
Net Expended				
Work in Progress	1,988,721	19,876	2,008,597	3,385,585
Preliminary Expenses	(2,089,547)	911,896	(1,177,650)	1,264,387
Net Over/(Under) Expenditure	(100,825)	931,772	830,947	4,649,972

3. Long Term Debtors

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

	Balance @ 1/1/2005 €	Loans Issued €	Principal Repaid €	Early Redemptions €	Other Adjustments €	Balance @ 31/12/2005 €	Balance @ 31/12/2004 €
Long Term Mortgage Advances*	21,565,196	9,424,887	(1,016,324)	(2,103,632)	(35,588)	27,834,538	21,565,196
Tenant Purchases Advances	758,033	-	(77,348)	(45,535)	(340)	634,809	758,033
Shared Ownership Rented Equity	7,799,535	4,579,505		(1,044,492)	32,772	11,367,320	7,799,535
	30,122,764	14,004,391	(1,093,673)	(3,193,659)	(3,157)	39,836,667	30,122,764
Voluntary Housing						13,176,937	12,356,010
Inter Local Authority Loans						-	-
Long-term Investments						-	-
Other						8,181	8,181
						13,185,118	12,364,192
						53,021,785	42,486,956
Less: Amounts falling due within one year (Note 5)						1,976,348	1,702,303

Total Amounts falling due after more than one year

51,045,437	40,784,653
------------	------------

* Includes HFA Agency Loans

NOTES TO AND FORMING PART OF THE ACCOUNTS

4. Stocks

(a) A summary of stock is as follows:

	2005 €	2004 €
Central Stores	10,945	12,717
Other Depots	259,710	204,474
Total	270,655	217,191

(b) A summary of the movement in stock is as follows:

	2005 €	2004 €
Opening Stock at 1 January	217,191	117,269
Purchases	1,202,611	922,287
Returns to Stores	7,554	73,325
Issues from Stores	(1,073,561)	(895,103)
Stocktake Adjustments	-	-
Other adjustments	(83,140)	(587)
Closing Stock at 31 December	270,655	217,191

5. Trade Debtors & Prepayments

A breakdown of debtors and prepayments is as follows:

	2005 €	2004 €
Government Debtors	358,489	256,369
Commercial Debtors	1,337,813	1,280,607
Non-Commercial Debtors	558,416	654,541
Development Levy Debtors	-	-
Other Services	240,000	-
Other Local Authorities	-	-
TRS Refundable	105,758	195,208
Agent Works Recoupable	12,922,469	3,913,668
Other	3,202,324	1,500,281
Add: Amounts falling due within one year (Note 3)	1,976,348	1,702,303
Total Gross Debtors	20,701,616	9,502,978
Less: Provision for Doubtful Debts	(555,311)	(427,020)
Total Trade Debtors	20,146,305	9,075,957

Prepayments

5,209	7,318
20,151,513	9,083,275

NOTES TO AND FORMING PART OF THE ACCOUNTS

6. Creditors and Accruals

A breakdown of creditors and accruals is as follows:

	2005 €	2004 €
Trade creditors	2,755,515	3,279,616
Grants	645,878	232,455
Revenue Commissioners	305,132	120,498
Other Local Authorities	1,904,823	188,999
Other Creditors	150,047	273,691
	5,761,396	4,095,260
Accruals	1,877,334	1,417,404
Deferred Income	-	30,480
Add: Amounts falling due within one year (Note 8)	17,012,345	5,367,511
	24,651,074	10,910,655

7. Urban Account

A summary of the Intercompany account is as follows:

	2005 €	2004 €
Balance at 1 January	-	-
Charge for Year	-	-
Received/Paid	-	-
Balance at 31 December	-	-

8. Loans Payable

(a) Movement in Loans Payable

	HFA	OPW	Other	Balance @ 31/12/2005	Balance @ 31/12/2004
	€	€	€	€	€
Balance @ 1/1/2005	55,063,856	564,188	203,946	55,831,990	
Borrowings	25,873,117	-	-	25,873,117	
Repayment of Principal	(1,416,298)	(143,697)	48,315	(1,511,679)	
Early Redemptions	(2,430,960)	(42,972)	-	(2,473,932)	
Other Adjustments	83,939	-	-	83,939	
Balance @ 31/12/2005	77,173,654	377,520	252,261	77,803,435	-
Less: Amounts falling due within one year (Note 6)				17,012,345	
Total Amounts falling due after more than one year				60,791,090	-

(b) Application of Loans

An analysis of loans payable is as follows:

	HFA	OPW	Other	Balance @ 31/12/2005	Balance @ 31/12/2004
	€	€	€	€	€
Mortgage loans*	26,599,346	377,520	-	26,976,866	22,423,791
Non-Mortgage loans					
Asset/Grants	12,535,808	-	157,031	12,692,839	10,132,224
Revenue Funding	-	-	-	-	-
Bridging Finance	14,986,416	-	-	14,986,416	3,618,194
Recoupable	-	-	-	-	-
Shared Ownership – Rented Equity	9,875,147	-	-	9,875,147	7,301,771
Inter-Local Authority	-	-	95,230	95,230	-
Voluntary housing	13,176,937	-	-	13,176,937	12,356,010
	77,173,654	377,520	252,261	77,803,435	55,831,990
Less: Amounts falling due within one year (Note 6)				17,012,345	5,367,511
Total Amounts falling due after more than one year				60,791,090	50,464,479

* Includes HFA Agency Loans

NOTE: Comparative figures for Section (a) Movements in Loans Payable will not be available until 2006.

NOTES TO AND FORMING PART OF THE ACCOUNTS

9. Refundable Deposits

The movement in refundable deposits is as follows:

	2005 €	2004 €
Opening Balance at 1 January	496,322	419,952
Deposits received	1,168,344	76,371
Deposits repaid	-	-
Closing Balance at 31 December	1,664,666	496,322

10. Capitalisation Account

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

	Balance @ 1/1/2005 €	Purchased €	Transfers WIP €	Disposals €	Revaluations €	Balance @ 31/12/2005 €	Balance @ 31/12/2004 €
Grants	33,249,062	7,710,279	20,348,913	-	-	61,308,255	33,249,062
Loans	878,557	2,998,786	-	-	-	3,877,344	878,557
Revenue funded	1,079,362	264,941	-	(328,240)	-	1,016,064	1,079,362
Leases	8,000,000	-	-	-	-	8,000,000	8,000,000
Development Levies	3,306	-	-	-	-	3,306	3,306
Tenant Purchase Annuities	-	-	-	-	-	-	-
Unfunded	129,089	-	-	-	-	129,089	129,089
Historical	1,596,927,304	-	-	(11,450,432)	-	1,585,476,872	1,596,927,304
Other	(7,569,968)	2,946,368	-	7,739,776	-	3,116,176	(7,569,968)
Total Gross Funding	1,632,696,713	13,920,375	20,348,913	(4,038,896)	-	1,662,927,105	1,632,696,713
Less: Amortised						(91,083,804)	(83,982,818)
Total *						1,571,843,302	1,548,713,895

* 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	Balance @ 1/1/2005 €	Capital re-classification * €	Expenditure €	Income €	Transfer from Revenue €	Transfer to Revenue €	Internal Transfers €	Balance @ 31/12/2005 €	Balance @ 31/12/2004 €
Tenant Purchase Annuities									
- Realised (a)	2,199,950	(758,033)	23,458	2,917,309	-	132,232	(899,610)	3,303,925	2,199,950
- UnRealised (b)	-	758,033	-	-	-	-	(123,224)	634,809	-
Development Levies (c)	5,381,353	(0)	214,337	12,960,064	15,000	192,839	(1,311,196)	16,638,045	5,381,353
Unfunded Balances									
- Project Balances (d)	(3,385,993)	207,301	2,983,254	615,715	179,391	-	199,612	(5,167,229)	(3,385,993)
- Non-Project Balances (e)	(467,722)	139,336	356,323	115,000	67,710	-	12,676	(489,324)	(467,722)
Funded Balances									
- Project Balances (f)	(2,213,809)	(421,968)	20,674,785	15,989,902	674,836	(0)	447,981	(6,197,844)	(2,213,809)
- Non-Project Balances (g)	(625,295)	(114,819)	9,539,507	8,192,627	671,507	-	968,651	(446,836)	(625,295)
Other Balances									
- Assets (h)	-	179,170	-	-	283,444	-	-	462,614	-
- Insurance Fund (i)	-	-	-	-	-	-	-	-	-
- General (j)	5,113,567	(409,638)	202,274	165,494	623,250	88,645	(22,669)	5,179,084	5,113,567
Net Capital Balances	6,002,051	(420,619)	33,993,939	40,956,110	2,515,138	413,716	(727,780)	13,917,245	6,002,051
Non-Mortgage Loans - Principal to be Amortised (k)								(12,692,839)	(10,132,224)
Lease Repayment - Principal to be Amortised (l)								(42,649)	(108,186)
Historical Opening Mortgage Funding Surplus/(Deficit) (m)								375,534	422,373
Shared Ownership Rented Equity Account (n)								(13,170)	50,227
								(12,373,124)	(9,767,810)
Total Other Balances								1,544,121	(3,765,759)

* represents a change in the status and/or funding of opening capital balances

Note (a)	Accrued Repayments of annuities by borrowers who have purchased local authority houses.
Note (b)	Future repayments of annuities by borrowers, not yet due, who have purchased local authority houses.
Note (c)	Development contributions to be applied to either specific or general developments.
Note (d)	Balances relating to completed asset codes for which funding has yet to be identified.
Note (e)	Balances relating to capital codes not resulting in assets for which funding has yet to be identified.
Note (f)	Balances relating to completed asset codes for which funding has been identified but not yet received.
Note (g)	Balances relating to capital codes not resulting in assets for which funding has been identified but not yet received.
Note (h)	Relates to reserves provisions and advance funding for future Local Authority assets.
Note (i)	Relates to reserves provisions for future insurance liabilities.
Note (j)	Relates to reserve provisions and miscellaneous credit balances.
Note (k)	Both the principal and interest of non-mortgage loans are funded through the Income and Expenditure account. This represents the outstanding principal on all such loans.
Note (l)	Similar to (k), it represents the future lease liability that remains to be funded.
Note (m)	Relates to the funding position on the Mortgage Loan book on change to Balance Sheet accounting, net of timing differences and subsequent write offs to Revenue.
Note (n)	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:

	2005 €	2004 €
Net WIP & Preliminary Expenses (Note 2)	(830,947)	(4,649,972)
Net Capital Balances (Note 11)	13,917,245	6,002,051
Agent Works Recoupable (Note 5)	(12,922,469)	(3,913,668)
Capital Balance Surplus/(Deficit) @ 31 December	163,829	(2,561,589)

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

	2005 €	2004 €
Opening Balance @ 1 January	(2,561,590)	(3,262,044)
Expenditure	98,547,738	59,203,292
Income		
- Grants	72,474,721	41,907,745
- Loans	4,443,704	2,551,527
- Other	20,804,357	14,676,109
Total Income	97,722,781	59,135,381
Net Revenue Transfers	3,550,376	768,366
Closing Balance @ 31 December	163,829	(2,561,590)

13. Mortgage Loan Funding Surplus/(Deficit)

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

	2005 Loan Annuity €	2005 Rented Equity €	2005 Total €	2004 Total €
Mortgage Loans/Equity Receivable (LT Mortgage Shared Own Note 3)	27,834,538	11,367,320	39,201,858	29,364,731
Mortgage Loans/Equity Payable (Mort Loans Shared Own Note 8)	(26,976,866)	(9,875,147)	(36,852,013)	(29,725,562)
Surplus/(Deficit) in Funding @ 31st December	857,672	1,492,173	2,349,846	(360,831)

NOTE: Cash on Hand relating to Redemptions and Relending

€

-

14. Summary of Plant & Materials Account

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

	2005 Plant & Machinery €	2005 Materials €	2005 Total €	2004 Total €
Expenditure	(1,032,199)	(53,138)	(1,085,337)	(971,072)
Charged to Jobs	1,068,459	160,047	1,228,506	863,852
	36,260	106,909	143,169	(107,219)
Transfers from/(to) Reserves	(36,260)	(106,909)	(143,169)	-
Surplus/(Deficit) for the Year	0	-	-	(107,219)

NOTES TO AND FORMING PART OF THE ACCOUNTS

15. Transfers from/(to) Reserves

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

	2005 Transfers from Reserves €	2005 Transfers to Reserves €	2005 Net €	2004 €
Loan Repayment Reserve	-	(162,912)	(162,912)	(204,374)
Lease Repayment Reserve	-	-	-	-
Historical Mortgage Funding Write-off	-	-	-	-
Development Levies	192,839	-	192,839	386,574
Other	220,877	(3,964,092)	(3,743,215)	(1,154,940)
Surplus/(Deficit) for Year	413,716	(4,127,004)	(3,713,288)	(972,739)

16. Analysis of Revenue Income

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

	Appendix No	2005		2004	
		€	%	€	%
Grants & Subsidies	3	14,198,709	25%	13,938,637	27%
Contributions from other local authorities		469,474	1%	406,933	1%
Goods & Services	4	18,654,213	33%	15,919,341	31%
		33,322,395	59%	30,264,911	60%
Local Government Fund - General Purpose Grant		15,968,328	28%	14,627,815	29%
Rates		6,982,372	12%	5,871,264	12%
County Charge		-	0%	-	0%
Total Income		56,273,096	100%	50,763,990	100%

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:

	2005 Expenditure (Over)/Under Estimates €	2005 Income Over/(Under) Estimates €	2005 Net Position €
Housing & Building	(170,479)	656,378	485,899
Roads Transportation & Safety	(575,404)	947,213	371,809
Water & Sewerage	(260,631)	83,647	(176,984)
Development Incentives & Controls	(16,371)	176,170	159,799
Environmental Protection	(469,032)	582,192	113,160
Recreation & Amenity	(43,239)	31,649	(11,590)
Ag/Edc/Health	(320,609)	400,135	79,526
Miscellaneous	138,561	(966,179)	(827,617)
Total Programme Groups	(1,717,204)	1,911,205	194,002
Local Government Fund - General Purpose Grant	-	(68)	(68)
Rates	-	65,715	65,715
County Charge	-	-	-
Transfers from/(to) Reserves	(276,900)	413,716	136,816
Dr/Cr Balance			(320,757)
(Deficit)/Surplus for Year			75,708

APPENDICES

APPENDIX 1
INCOME AND EXPENDITURE ACCOUNT
FOR YEAR ENDED 31st DECEMBER 2005

	2005 €	2004 €
Income		
Grants and Subsidies	14,198,709	13,938,637
Contributions from other local authorities	469,474	406,933
Goods and Services	18,654,213	15,919,341
Local Government Fund - General Purpose Grant	15,968,328	14,627,815
Rates	6,982,372	5,871,264
County Charge	-	-
Total Income	56,273,096	50,763,990
Expenditure		
Payroll Expenses		
- Salary & Wages	19,863,201	
- Pensions (incl Gratuities)	1,015,272	
- Other costs	1,198,311	
Total	22,076,785	21,509,446
Operational Expenses		
- Purchase of Equipment	1,235,571	
- Repairs & Maintenance	490,138	
- Contract Payments	3,528,107	
- Agency services	194,557	
- Machinery Yard Charges incl Plant Hire	2,984,839	
- Purchase of Materials & Issues from Stores	5,029,646	
- Payment of Grants	4,168,263	
- Other	2,938,242	
Total	20,569,363	19,264,539
Administration Expenses (Note i)	3,664,690	3,010,652
Establishment Expenses (Note ii)	2,021,998	1,692,175
Financial Expenses (Note iii)	2,029,532	1,668,475
Miscellaneous Expenses (Note iv)	2,121,731	2,008,992
	-	-
Total Expenditure	52,484,100	49,154,278
Surplus/(Deficit) for Year before Transfers	3,788,996	1,609,712
Transfers from/(to) Reserves	(3,713,288)	(972,739)
Overall Surplus/(Deficit) for Year	75,708	636,972
General Reserves @ 1st January 2005	(650,504)	(1,287,476)
General Reserves @ 31st December 2005	(574,796)	(650,504)

Note i Includes general office expenses, professional fees, contributions

Note ii Includes all accommodation related costs

Note iii Includes all financial charges incl. overdraft and bad debts

Note iv Includes refunds and other miscellaneous expenditure

**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	1,837,320	295,125	2,286,706	-	2,581,831
1.2 Assistance to Persons Housing Themselves	1,421,640	292,393	1,477,323	-	1,769,716
1.3 Assistance to Persons Improving Houses	2,110,946	1,205,639	231,933	-	1,437,572
1.8 Administration and Misc.	1,800,069	139,831	134,450	2,204	276,485
TOTAL	7,169,975	1,932,989	4,130,411	2,204	6,065,604

**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	5,919,805	3,730,386	658,479	7,185	4,396,050
2.2 Road Improvement	5,356,828	4,666,034	216,603	-	4,882,637
2.3 Road Traffic	337,120	71,111	625,354	28,832	725,297
2.8 Administration and Misc.	5,288,113	49,862	1,146,994	2,556	1,199,412
TOTAL	16,901,865	8,517,393	2,647,430	38,573	11,203,396

**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	2,360,577	131,033	1,522,419	136,231	1,789,682	
3.2 Public Sewerage Schemes	1,823,799	3,778	52,351	129,171	185,300	
3.3 Private Installations	21,479	43,251	-	-	43,251	
3.8 Administration and Misc.	1,888,186	-	211,866	-	211,866	
TOTAL	6,094,041	178,062	1,786,636	265,402	2,230,100	

**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	779,168	-	1,354,956	-	1,354,956	
4.2 Industrial Development	588,364	30,500	163,913	-	194,413	
4.3 Other Development and Promotion	204,324	4,761	-	-	4,761	
4.4 Representational Functions	-	-	-	-	-	
4.5 Promotion of Interest of the Local Community	-	-	-	-	-	
4.6 Twinning of Local Authorities Areas	-	-	-	-	-	
4.8 Administration and Misc.	1,501,669	-	69,040	-	69,040	
TOTAL	3,073,525	35,261	1,587,909	-	1,623,170	

APPENDIX 2

**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	2,780,982	353,413	6,065,011	-	6,418,423	
5.2 Burial Grounds	134,689	-	44,210	-	44,210	
5.3 Safety of Structures and Places	185,918	75,029	45,444	-	120,473	
5.4 Fire Protection	2,997,765	17,629	763,162	69,078	849,868	
5.5 Pollution Control	499,513	-	54,531	-	54,531	
5.8 Administration and Misc.	1,972,198	250	80,336	-	80,586	
TOTAL	8,571,066	446,320	7,052,694	69,078	7,568,092	

**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	28,510	-	-	-	-	
6.2 Libraries	1,184,911	102,408	68,213	48,383	219,005	
6.3 Parks, Open Spaces, Recreation Centres, etc.	330,135	-	70,903	-	70,903	
6.4 Other Recreation and Amenity	881,103	103,142	205,460	-	308,602	
6.8 Administration and Misc.	584,768	-	52,190	-	52,190	
TOTAL	3,009,427	205,550	396,766	48,383	650,699	

APPENDIX 2

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	273,432	-	-	-	-
7.2	Education	2,907,820	2,625,509	360,999	-	2,986,508
7.3	Health and Welfare	-	-	-	-	-
7.8	Administration and Misc.	375,665	-	130	-	130
TOTAL		3,556,917	2,625,509	361,129	-	2,986,638

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	-	-	-	-	-
8.2	Plant and Materials	1,085,337	-	1,228,506	-	1,228,506
8.3	Financial Management	641,201	-	740	-	740
8.4	Elections	33,647	-	172	1,321	1,494
8.5	Administration of Justice & Consumer Protection	385,616	204,814	167,661	-	372,475
8.6	Property Damage	-	-	-	-	-
8.7	Markets, Fairs & Abattoirs	-	-	-	-	-
8.8	Administration and Misc.	1,257,322	52,811	(707,134)	16,877	(637,446)
8.9	Chairman's Allowance	40,848	-	-	-	-
8.10	Entertainment and Associated Expenses	-	-	-	-	-
8.11	Expenses of Members and Representation at Conferences	647,235	-	1,292	27,636	28,928
8.12	Expenses of Members, Attending Conferences Abroad	16,077	-	-	-	-
TOTAL		4,107,284	257,625	691,237	45,834	994,696
OVERALL TOTAL PROGRAMMES 1 - 8		52,484,100	14,198,709	18,654,213	469,474	33,322,395

APPENDIX 3
ANALYSIS OF INCOME FROM GRANTS AND SUBSIDIES

	€	2005 €	€	2004 €
	Department of the Environment, Heritage and Local Government	Other Departments and Bodies	TOTAL	TOTAL
Housing and Building	1,933,019	(30)	1,932,989	2,285,153
Road Transportation and Safety	6,647,138	1,870,255	8,517,393	7,636,937
Water Supply and Sewerage	178,062	-	178,062	182,137
Development Incentives and Controls	35,261	-	35,261	30,030
Environmental Protection	371,292	75,029	446,320	246,821
Recreation and Amenity	97,408	108,142	205,550	230,803
Agriculture, Education, Health and Welfare	-	2,625,509	2,625,509	2,996,697
Miscellaneous Services	27,200	230,425	257,625	330,057
	9,289,379	4,909,329	14,198,709	13,938,637

APPENDIX 4

ANALYSIS OF INCOME FROM GOODS AND SERVICES

	2005	2004
	€	€
Rents from Houses	2,204,255	1,937,062
Housing Loans Interest & Charges	1,365,851	1,253,815
Domestic Water	-	-
Commercial Water	1,215,316	1,188,309
Domestic Refuse	-	-
Commercial Refuse	-	-
Domestic Sewerage	-	-
Commercial Sewerage	-	-
Planning Fees	1,072,195	1,230,087
Parking Fines/Charges	585,641	474,634
Recreation & Amenity Activities	-	-
Library Fees/Fines	57,311	58,710
Agency Services	209,805	234,842
Pension Contributions	743,248	681,220
Property Rental & Leasing of Land	32,712	23,257
Landfill Charges	6,046,842	5,282,218
Fire Charges	346,509	245,498
Misc. (Detail)	4,774,528	3,309,689
	18,654,213	15,919,341

APPENDIX 5

SUMMARY OF CAPITAL EXPENDITURE AND INCOME

	2005	2004
	€	€
EXPENDITURE (Net of Internal Transfers)*		
Housing & Building	53,621,109	33,122,048
Roads Transportation & Safety	30,769,197	14,363,449
Water & Sewerage	6,663,267	5,262,796
Development Incentives & Controls	4,177,313	507,137
Environmental Protection	2,881,765	3,480,652
Recreation & Amenity	375,683	370,070
Agriculture, Education, Health & Welfare	-	-
Miscellaneous	473,121	3,367,555
	98,961,454	60,473,706
INCOME (Net of Internal Transfers)*		
Housing & Building	45,734,506	31,116,990
Roads Transportation & Safety	30,570,482	15,323,110
Water & Sewerage	5,067,837	8,257,959
Development Incentives & Controls	14,512,756	3,174,168
Environmental Protection	1,969,002	1,572,434
Recreation & Amenity	2,744,455	1,377,548
Agriculture, Education, Health & Welfare	14,534	-
Miscellaneous	1,073,301	351,952
	101,686,873	61,174,161
Surplus(Deficit) for year	2,725,420	700,454
Balance (Debit)\Credit @ 1 January	(2,561,590)	(3,262,044)
Balance (Debit)\Credit @ 31 December	163,829	(2,561,590)

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

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

Programme	BALANCE @ 1/1/2005	EXPENDITURE	INCOME				TRANSFERS			BALANCE @ 31/12/2005
			Grants	Non-Mortgage Loans	Other	Total Income	Transfer from Revenue	Transfer to Revenue	Internal Transfers	
	€	€	€	€	€	€	€	€	€	€
1.1 Local Authority Housing	1,432,591	32,809,553	27,764,842	3,361,000	3,101,494	34,227,336	300,000	186,038	799,202	3,763,539
1.2 Assistance to Persons Housing Themselves	(2,593,278)	20,334,721	4,441,388	1,082,704	5,417,673	10,941,764	-	-	(747,683)	(12,733,918)
1.3 Assistance to Persons Improving Houses	51,282	290,797	311,673	-	(46,267)	265,406	-	-	(1,519)	24,372
1.4 Administration and Misc.	-	-	-	-	-	-	-	-	-	-
TOTAL	(1,109,405)	53,435,071	32,517,903	4,443,704	8,472,900	45,434,506	300,000	186,038	50,000	(8,946,007)
2.1 Road Upkeep	-	-	-	-	-	-	84,700	-	-	84,700
2.2 Road Improvement	(296,563)	30,490,799	32,046,405	-	(1,820,459)	30,225,946	-	185,070	917,470	170,984
2.3 Road Traffic	577,190	-	-	-	59,775	59,775	198,744	3,090	159	832,779
2.8 Administration and Misc.	47,173	90,239	90,239	-	(88,922)	1,317	-	-	-	(41,749)
TOTAL	327,800	30,581,038	32,136,644	-	(1,849,606)	30,287,038	283,444	188,160	917,629	1,046,714
3.1 Public Water Supply Schemes	2,393,586	1,164,758	674,526	-	(170,900)	503,626	14,000	-	2,444,924	4,191,377
3.2 Public Sewerage Schemes	(554,683)	2,722,055	1,528,845	-	350,181	1,879,025	-	-	354,536	(1,043,176)
3.3 Private Installations	(248,572)	2,776,454	2,647,312	-	23,874	2,671,186	-	-	-	(353,840)
3.8 Administration and Misc.	-	-	-	-	-	-	-	-	-	-
TOTAL	1,590,331	6,663,267	4,850,682	-	203,154	5,053,837	14,000	-	2,799,460	2,794,361
4.1 Land Use Planning	1,914,639	214,337	-	-	12,968,128	12,968,128	91,518	4,679	(4,016,214)	10,739,056
4.2 Industrial Development	2,747,920	3,395,910	-	-	882,908	882,908	67,710	-	(50,000)	252,628
4.3 Other Devel. & Promotion	149,211	562,387	472,491	-	-	472,491	30,000	-	50,647	139,962
4.5 Promotion of Interest of the Local Community	-	-	-	-	-	-	-	-	-	-
4.8 Administration and Misc.	-	-	-	-	-	-	-	-	-	-
TOTAL	4,811,770	4,172,634	472,491	-	13,851,037	14,323,528	189,227	4,679	(4,015,567)	11,131,645