

CONTENTS

	Page No
Financial Review	I - X
Certificate of Manager/Head of Finance	1
Audit Opinion	2
Statement of Accounting Policies	3 - 6
<u>Financial Accounts</u>	
Income & Expenditure Account	7
Balance Sheet	8
Notes on and forming part of the Accounts	9 - 21
<u>Appendices</u>	
1 Analysis of Expenditure	22
2 Expenditure and Income by Division	23 - 30
3 Analysis of Income from Grants and Subsidies	31
4 Analysis of Income from Goods and Services	32 - 33
5 Summary of Capital Expenditure and Income	34
6 Capital Expenditure and Income by Division	35
7 Major Revenue Collections	36
8 Interest of Local Authorities in Companies	37

26th April 2011.

Don Chathaoirleach agus do gach Ball

Re: - Annual Financial Statement 2010 – Financial Review

A Chomhairleoir, a Chara,

Introduction

The Accounts of Wicklow County Council for the financial year ended 31st December, 2010 have been prepared in accordance with the Local Authority Accounting in Ireland Code of Practice, Accounting Regulations, and the directions of the Minister for the Environment, Heritage and Local Government, and are now presented as the Annual Financial Statement 2010.

The Statement of Accounting Policies in the attached outlines the main principles upon which the Annual Financial Statement has been prepared. The Annual Financial Statement is subject to external audit, by an auditor of The Local Government Audit Service, whose purpose is to form an independent opinion of the accounts, and to submit an Audit Report to the Minister for the Environment, Heritage and Local Government. In accordance with normal practice, a copy of the Auditor's Report will be circulated to each Member of the Council when it is received.

Total Income and Expenditure on both Revenue and Capital Accounts for 2010 are set out below with a comparison to the previous year.

EXPENDITURE

	<u>2010</u>	<u>2009</u>
	€	€
REVENUE	103,953,264	98,937,034
CAPITAL	55,758,288	98,805,157
Total	<u>159,711,552</u>	<u>197,742,191</u>

INCOME

	<u>2010</u>	<u>2009</u>
	€	€
REVENUE	103,858,824	98,672,650
CAPITAL	52,243,741	112,912,071
Total	<u>156,102,565</u>	<u>211,584,721</u>

The fiscal year 2010 saw a significant reduction in the resources available to Wicklow County Council, both human and financial resources. The effect of the Incentivised Early Retirement Scheme, career breaks and termination of temporary contracts in 2008 and 2009 was compounded by the non-replacement of staff on retirement and continued reduction in overtime costs.

However, the levels of expenditure above reflect the extent and level of services that continued to be delivered by Wicklow County Council. It is a testament to both staff and members that the high level delivery of this diverse range of services, across social, community and infrastructural areas, continued despite the ever decreasing resources and increasing demands.

Budget 2010 was balanced and prepared in the context of reducing income sources while trying to maintain core service provision and meet the increasing requirements to comply with the myriad of requirements arising from National and E.U. legislation. Through continuous efforts to achieve efficiencies, reduction in non-emergency overtime, non-replacement of staff and regular budgetary control and management, we ensured the continued delivery of services. However, difficulties were encountered on the income sources budgeted for, with reduction in grant income on roads, planning income (20% less than budget) and landfill income (shortfall of over €1,100,000). This combined with increases in rates write offs and bad debt provision led to the outturn on some income sources been less than budgeted.

These difficulties together with the impact of two episodes of severe weather conditions in early and late 2010 have contributed to the loss recorded for 2010 of €94,440. While this loss is significant it is a substantial improvement on 2009 (loss €264,385) particularly with the effects of the adverse weather the Council had to deal with in 2010.

I want to take this opportunity to record my appreciation to all the members and particularly the staff involved, for their dedication and efforts in keeping the County operational and ensuring the safety of its citizens during the bad weather.

On the capital account the figures highlight the decreasing activity on the provision of infrastructure. This reflects both the reducing availability of grant aid for housing, roads, water and recreation programmes, and the diminishing prospect of funding projects from own resources, i.e. through development charges. However despite this, the Council's commitment to investing in the provision and improvement of infrastructure is reflected in the following for 2010:

Housing:

- Roundwood, Vartry Heights remedial works c€557,000
- Purchase social housing stock at a cost of €7M
- Continuing works at Avoca Social Housing Scheme totalling c€412,000.

Roads:

- N11 Rathnew/Arklow investment of €7.2M
- N11 Kilpedder Overbridge c€267,000
- N11 Bridge Rehabilitation works c €771,000
- Wicklow Port Access and Town Relief Road €9M

Water:

- Wicklow Major Water Scheme €1.62M,
- Arklow Water €1.58M,
- Wicklow Town Sewerage €3.8M

Recreation & Amenity:

- Greystones Library Extension c€337,000

Debtors

The major revenue streams in Wicklow County Council are accounted for on an income basis. The continuation of the difficult economic conditions in 2010 had a further damaging negative effect on debt collection.

Rate collection dropped from 86% to 77% and write offs increased by 18% to €1.7M. The write-offs are due to the increased amount of vacant property in the county, while the reduced collection rate is the consequence of the challenging financial climate facing all enterprises.

There was also a decrease in the collection rate for loans from 84% to 80% and marginal decrease of 1% in rent collection. Again this is a reflection of the tough economic conditions facing our customers. The rental income is slightly more than budgeted due mainly to increase in housing stock however, rental reviews as requested also continued through the year.

The percentage collection rate on water increased in 2010 with the amount collected in 2010 being higher than that collected in 2009.

Non-Domestic Water Charges Collection 2010

	€
Balance 1 st January 2010	2,816,501
Accrual	1,609,036
Write offs & adjustments	166,727
Collected	1,751,375
Balance @ 31 st December, 2010	2,507,435

While the percentage collection has increased it still needs to be significantly improved. It should be noted that the amount collected, both in 2009 and 2010, is greater than the bills issued resulting in a decrease of over €300,000 in the outstanding arrears. Substantial work remains to be done to reduce the historic arrears using a range of methods up to and including disconnection.

In 2009 the Planning Directorate commenced using the Financial Management System (FMS) to issue invoices to customers and from January 1st, 2010 the Planning Development Contribution System (PDC) is being used to invoice customers from 2010 onwards. Throughout 2010 Planning staff members have undertaken significant work, with assistance from IT and Finance, in reviewing outstanding debtors and development charges and bedding in the new system. The outstanding debtor balances are now managed through the financial management system, which also facilitates improved management information. Development contribution debtors of €4.4M are recorded in the 2010 Annual Financial Statement and every effort will be made to collect the contributions due.

The proposed establishment of a Revenue Collection Unit was discussed at the 2011 Annual Budget Meeting. The Local Government Auditor has highlighted the need for the Council to improve its collection performance in certain areas. The Audit Committee feels that it is more important than ever for the Council to establish a dedicated Revenue Collection Unit particularly given the difficult economic environment. Wicklow County Council is committed to establishing a Revenue Collection Unit to focus on the collection of income from all goods and services including rent, rates, water charges, fire charges etc. However the capacity to advance this project is dependent on the availability of staff to resource the Unit. This requires concluding the

rationalisation of the Bray/Blessington Motor Tax offices and the finalisation of the restructuring of the revenue collection function.

REVENUE ACCOUNT

Income and Expenditure Statement

The Revenue Account (Operating Account) covers the everyday expenses of the Council. This includes areas such as housing maintenance, estate management, roads maintenance and restoration, operation of the water and wastewater networks, land-use planning, waste management, provision operation of recreational facilities, administration and support costs, repayment of loan charges, etc. The Statement of Accounting Policies and the Accounts in the pages to follow set out the relevant details.

The Account may be summarised as follows

	<u>2010</u>	<u>2009</u>
	€	€
Income	103,858,824	98,672,650
Expenditure	103,953,264	98,937,035
Surplus/ (Deficit) for year	(94,440)	(264,385)
Opening Balance	(1,997,736)	(1,733,351)
Closing Debit Balance	(2,092,176)	(1,997,736)

The difference between the adopted budget and the actual outturn in respect of both expenditure and income is as follows: -

	Expenditure (Over)/Under Budget	Income Over/(Under) Budget	Transfers (Over)/Under Budget	Net
	€	€	€	€
Housing and building	194,409	390,974	(282,459)	302,924
Road transport & safety	1,413,987	(2,084,797)	335,818	(334,993)
Water services	475,108	260,791	(179,392)	556,507
Development management	175,873	(134,521)	(176,178)	(134,827)
Environmental services	(406,859)	134,838	(128,149)	(400,169)
Recreation and amenity	667,714	(729,800)	49,583	(12,503)
Agriculture, education, health & welfare	(1,667,982)	1,334,655	(4,690)	(338,016)
Miscellaneous services	(1,268,191)	2,333,323	(681,564)	383,568
Central management charges	305,000	-	(305,000)	-
Total Divisions	(110,940)	1,505,463	(1,372,031)	22,492
County demand	-	38,207	-	38,207
Local government fund	-	(396,359)	-	(396,359)
Pension levy	-	(101,731)	-	(101,731)
Commercial rates	-	308,963	-	308,963
Dr/Cr balance				34,000
Surplus/(Deficit) for Year				(94,429)

The variance of actual versus budget is broken down in Note 17.

Explanation of analysis of variance/balances is: -

Division A - Housing & Building

Division A, Housing and Building is over budget on expenditure (including transfers) and actual income exceeds budget

- Expenditure on Rental Allowance Scheme (RAS) is less than budgeted with both RAS income and rental income from Local Authority Housing exceeding budget.
- Expenditure exceeded budget on Rent and Tenant Management & Administration, and Debt Management due mainly to debt write offs and legal expenses
- Interest rate reductions and loan redemptions have resulted in reduced expenditure and income on loan interest charges.
- The outturn on Support to the Capital Programme was greater than budgeted, with payroll costs being charged to revenue rather than capital due to the significant reduction of capital projects and funding.

Division B – Road Transportation & Infrastructure

While outturn in this Division was less than budget on both income and expenditure, the actual net expenditure was greater than the budgeted net expenditure. In the main this is due to the 2010 Non-national Road Grant Allocation being €2.6M less than budgeted. The adverse weather conditions in early and late 2010 naturally increased the expenditure on winter maintenance, on both national and non-national roads, however this was partly offset by an additional severe weather grant in December 2010.

Division C – Water Services

The Water Services Division was under budget on expenditure, which is mainly attributable to the operation and maintenance costs (O&M) of waste water schemes not materialising as early as anticipated and also due to reduced activity on tapping fees (water & wastewater connections). The reduced activity on tapping fees also affected the income outturn, as did the reduction in grant aid for private wells. However the increased income from sludge disposal fees contributed to the positive variance on the income budget.

Division D – Development Management

This Division includes Planning, Community Services and Economic Development Directorates. In 2010 expenditure (including transfers) was on budget but the income outturn was less than budgeted for the year. This is mainly due to the decline in planning activity and consequent reduction in planning fee income. Salary costs were less than budgeted across planning, community and economic development due to the transfer and retirement of staff.

Division E – Environmental Services

Outturn was greater than budget for both income and expenditure in this Division. However the impact of the Greenstar landfill levy distorts the true picture for income and expenditure. 2010 saw a further dramatic fall landfill income from Rampere with income outturn of €1.1M less than budgeted. Due to efficiencies achieved expenditure on the operation of the landfill was also less than budgeted. The recycling service exceeded budget for both income and expenditure due to increased subsidies and health and safety works respectively. The outturn on the operational costs of the Fire Stations was greater than budgeted and, following a review of old fire charges, a significant write-off of old debt contributed to the adverse expenditure variance. However this was partly compensated by increased income from fire charges, fire safety certificates and disability access certificates. In addition the expenditure outturn was less than budget for the operation of the laboratory due to non-replacement of staff.

Division F – Recreation & Amenity

Expenditure and income in this Division are both substantially less than budget. This can be attributed to the cessation of the Community Employment Schemes in 2010, which resulted in reduced expenditure and consequent reduction in the income recoupment from FAS. The operation of the library service came in on budget, due to efficiencies implemented and a reduction in staff costs, as did the delivery of the Arts programme. However, elsewhere the cost of maintenance of parks exceeded the budget provided.

Division G - Agriculture, Education, Health and Welfare

The variances in this Division are due to variances in outturn versus budgeted amounts in both income and expenditure on the contra services of both V.E.C. pensions and H.E.G payments and administration.

Division H – Miscellaneous Services

The variances of actual to budget in this Division are due in the main to: -

- Increased use of our own Machinery Yard and Stores, which affect both income & expenditure.
- The increased rates write off due to the greater number of vacant premises
- The necessity to increase our bad debt provision due to the continuing negative economic circumstances
- Motor taxation expenditure outturn less than budgeted consequent to reduced activity in this area
- Increased costs for coroners and inquests.
- Increased activity in agency services, including an increase in NPPR income.

<u>Division</u>	<u>Net Expenditure Overspend</u>
Division B	(334,993)
Division D	(134,827)
Division E	(400,169)
Division F	(12,503)
Division G	<u>(338,016)</u>
Total	<u>(1,220,508)</u>

Approval of the members to the revised expenditure is hereby requested in accordance with Local Government Act 2001 (S104).

CAPITAL TRANSFERS

The following transfers are included as transfers from Revenue Account to the Capital Account in part liquidation of past expenditure.

	€
Housing Adaptation Grants Provision	250,000
Housing Deficit Funding	160,000
Members Gratuities	40,000
Clermont – Loan Charges	300,000
Industrial Development / Land Acquisitions	70,000
Local Elections	40,000
Waste Management - Landfill	1,497,200
Coastal Protection	20,000
Avoca River Study	9,181
Libraries	100,000
Wicklow Gaol & Heritage Loan Charges	45,000
Digital Mapping	106,000
Commercial Water Programme	220,000
Office Accommodation – County Buildings	100,000

The following transfers are included as transfers from the Revenue Account to the Capital Account to provide a specific reserve. Provision was included in the Annual Budget to provide funds to create specific reserves under these headings.

	€
Provision for County Development Plan & Local Area Plans	103,000
Waste Management	140,000
RAS Deposit Reserve	79,215
Radon	65,450
Waste Management Community Charge/Grants	84,530
Burial Ground Extensions	35,750
Provision of Animal Pound	35,000
Waste Water Discharge Licence	182,109
Legal Fees Contingency Reserve	145,000
Community Projects Arts and Heritage	43,975
Health and Safety	145,000
Provision for Depots	75,000

The following transfers were made in the year from Capital Account and the Mortgage Funding Gap and treated as receipts in the Revenue Account. These were to fund expenditure incurred due to the transition to balance sheet accounting

	€
Mortgage Funding Gap	197,180
Division B – Footpath & Junction Improvements	534,440

BALANCE SHEET

The Balance Sheet includes assets and liabilities as follows: -

- Assets both purchased and constructed in 2010 plus historical assets
- Work-in-progress capital schemes in the areas of roads, water and sewerage, housing and recreation and amenity
- Preliminary expenditure on the provision of new assets, such as planning and design costs, site investigations, legal costs
- Long-term debtors, e.g. housing loan advances
- Current assets including stocks and short-term debtors
- Current and long term liabilities
- Reserves and historical balances

CAPITAL

The capital category transactions have been extracted from various different sections of the Balance Sheet and are summarised here for convenience of reference for review purposes.

	<u>2010</u>	<u>2009</u>
Income	52,243,741	112,912,071
Expenditure	<u>55,758,288</u>	<u>98,805,157</u>
Surplus (Deficit) for year	(3,514,547)	14,106,914
Credit Balance @ 1 st January	<u>18,977,257</u>	<u>4,870,343</u>
Credit Balance @ 31 st December	15,462,710	18,977,257

The Capital Account Statement of the Annual Financial Statement sets out further details, (Appendices 5 & 6).

Despite the reduction in funding there was significant expenditure on capital infrastructure projects in 2009. Wicklow County Council invested almost €15.2M in Housing, over €22.6M on Roads and Transportation, and €9.5M on Water and Wastewater schemes. Government grants, and own resources such as development contributions and loans financed this investment.

It is evident from the figures above that expenditure exceeded income by €3.5M, however no long-term loan funding was availed of in 2010. The Council's ability to continue major capital investment for 2010 and for future years is greatly dependent on the availability of loan financing and the capacity to meet the costs of the borrowing.

The closing credit balance of €15.5M is comprised of both favourable and adverse balances on projects. The main contributory reasons for the balances are: -

- Adverse balances are attributable to expenditure on the major infrastructural development programmes such as road improvement, housing construction, where state funding and grants for major projects are outstanding at year-end.
- Monies expended on schemes that may be subject to future own resource funding also have an adverse affect on the balance.
- Development funds, loan financing and other reserves (See notes 11 & 12)

DEVELOPMENT CONTRIBUTIONS

In 2010 circa €711,000 was expended from the development contribution reserve. These monies reflect expenditure incurred on capital and revenue projects by Wicklow County Council. The funding is required for the provision of infrastructure in the areas of Roads, Water Services and Recreation and Amenity. The table below details the 2010 AFS balance of Development contributions,

Description	Balance 31/12/2010
	€
Programme Group 2 Roads Infrastructure	-25,925,079
Wicklow Port Access Town Relief Road Supplementary Scheme	25,635,297
Subtotal Roads Infrastructure Dev Contributions	-289,782
Programme Group 3 Water Services Infrastructure	5,806,401
Programme Group 5 Waste Management Infrastructure	-3,435,220
Programme Group 6 Recreation and Amenity Infrastructure	-1,371,669
Holding Code Special Contributions	-9,215,771
Total	-8,506,041

It must be noted that the transfer of €711,000 above does not cover commitments on projects that will required or may be desired in the future. The decisions to progress future projects are dependant on the availability of funding. The financing available from Development Contributions is critical to our ability to deliver infrastructure for County Wicklow particularly from development contributions, and our ability to finance loan repayments. However in the current economic circumstances a review of the decrease in income from Development Contributions provides a stark picture:

Year	Income
2007	15.7M
2008	9.5M
2009	4.9M
2010	2.5M

The integrated Planning-Finance System (PDC) went live on January 1st, 2010 following a comprehensive review of outstanding debtors and development charges. Debtors at 31st December for 2004-2010 currently amount to over €4.4M

LONG-TERM CAPITAL BORROWING

The Council's long-term capital debt at 31st December 2010 amounted to €96.7M a decrease of €1.85M on the December 2009 figure. The decrease can be attributed to the following: -

- Net Repayment of principal and redemptions €1.96M
- New borrowings of €0.118M.

The principal repayments are on loans issued to fund housing loans, land acquisition for housing purposes and other assets. One new loan was drawn down in 2010 of €117,813 for voluntary housing

This loan funding has been essential to ensure the fiscal integrity of the Council however it does also place a significant burden on the future finances of the Authority. Since 2008 significant restrictions have been placed on the Local Government sector with regard to borrowings. The Government has set a maximum limit of €200M on Local Government's annual contribution to changes in the General Government Balance (GGB) measure. In effect this severely restricts the borrowing capacity of the entire Local Authority sector and may impact on the funding of long-term capital and infrastructural projects.

While this financing facility addresses the liquidity problem in the short term there are obviously consequences for the servicing of this and future debt in the medium and long-term. This issue is not one that can be tackled easily or quickly but through sustained tight financial management over several years.

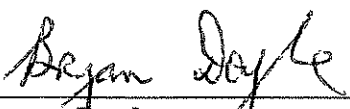
CONCLUSION

The Irish economy has endured a very difficult year in 2010. These difficulties have manifested themselves in Wicklow through reduced income from both Government & own resources, reduction in staff numbers due to recruitment embargo, cuts in pay in 2010 and the inability of customers to pay which affects cash flow. Wicklow County Council has been tasked to do more with less and significant strides in achieving this have been made through redeployment, better procurement protocols, changed work practices etc. The dedication and loyalty of the staff has enabled us to continue the delivery of high standard services.

Continued provision of all existing services presents Wicklow County Council with a major challenge. The Council cannot afford to continue making a loss in 2011 and future years. The guiding rules of the GGB determine that both the revenue and capital account must be kept in balance. Income sources continue to reduce and the impact of the EU/IMF Programme of Financial Support for Ireland will continue to be endured. These cutbacks combined with continuing reduction in manpower resources will have a negative impact on our ability to deliver essential services. In addition the outcome of the Public Service Agreement (Croke Park) will also affect the Council's capacity to maintain service levels. Consequently, in order to achieve delivery on essential services, we must reduce further the provision of some "less essential" services.

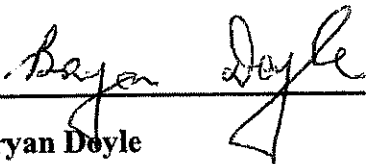
With the co-operation of staff and members we have managed to minimise the deficit through constant financial management and budgetary control and through a range of efficiency achieving measures. This co-operation will be needed again to continue to manage the Council's finances in the continuing uncertain situation and through the difficult decisions that need to be made.

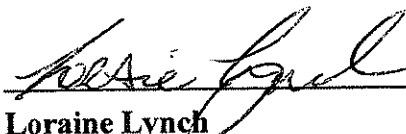
I wish to thank the Head of Finance, Ms Loraine Lynch, and the Finance staff for their work in preparing the Annual Financial Statement.


Bryan Doyle
D/Wicklow County Manager

Wicklow County Council
Certificate of Manager\ Head of Finance
for the year ended 31st December 2010

We certify that the financial statements of the Wicklow County Council for the year ended 31st December, 2010 as set out in the attached 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: 
Bryan Doyle
D/Wicklow County Manager


Loraine Lynch
Head of Finance

Dated: 26th April 2011

Audit Opinion

To the Members of Wicklow County Council

I have audited the annual financial statement of Wicklow County Council as set out on pages 3 to 19 for the year ended 31 December 2010 and have also issued a separate report in accordance with section 120 of the Local Government Act, 2001.

Responsibilities of the Council and the Local Government Auditor

The Council is by law, responsible for the maintenance of all accounting records including the preparation of the Annual Financial Statement. It is my responsibility, based on my audit, to form an independent opinion on the statement and to report my opinion to you.

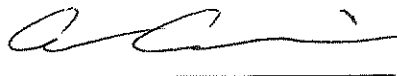
Basis of Opinion

I conducted my audit in accordance with the principles and practice of Local Government Audit. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the annual financial statement. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statement, and of whether the accounting policies are appropriate to the Council's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide sufficient evidence to give reasonable assurance that the annual financial statement is free from material misstatement, whether caused by fraud or other irregularity or error.

Opinion

In my opinion the annual financial statement presents fairly, in accordance with the Code of Practice and Accounting Regulations the financial position of Wicklow County Council at 31 December 2010 and its income and expenditure for the year then ended.



Conor Cummins
Principal Local Government Auditor

Date: 17th October, 2011

STATEMENT OF ACCOUNTING POLICIES

1. General

The accounts have been prepared in accordance with the Accounting Code of Practice ACoP on local authority accounting, as revised by the Department of Environment, Heritage and Local Government (DEHLG) at 31st December 2009.

2. Replacement of Programme Group Structure

Prior to 2008 the Annual Financial Statement was presented in a Programme Group structure. In 2008 it was replaced with a service-based structure. The comparison between the Programme and the new Service structure is as follows.

Programme Structure	New Service Structure
Programme Groups	Divisions
Programmes	Services
Sub-programmes	Sub-services

The new Service structure is a more up to date presentation of the key services provided by local authorities. Under the Programme Group structure overheads were allocated to Programme Group level. In the new Service structure overheads are allocated to each service and identifies the full costs of the service.

3. Accruals

The revenue and capital accounts have been prepared on an accrual basis in accordance with the Code of Practice.

4. Interest Charges

Loans payable can be divided into the following two categories:

- Mortgage related loans
- Non- mortgage related loans

4.1 Mortgage Related Loans

Mortgage related loans have a corresponding stream of income from long term advances (i.e. monies lent by the local authorities to borrowers), for the purchase of houses. Only the interest element is charged or credited to the Income & Expenditure Statement.

4.2 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.

5. Pensions

Payments in respect of pensions and gratuities are charged to the revenue account in the accounting period in which the payments are made. The cost of salaries and wages in the accounts includes deductions in respect of superannuation (including Widows and Orphans) benefits. Such deductions are credited as receipts to the Income & Expenditure Statement. The requirements of current accounting standards relating to pensions and their application to local authority accounting is currently under consideration.

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

The County Council operates an insurance excess of €35,000

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.

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. Due to their physical nature the vast majority of assets are unique to local authorities and are not subject to disposal. Some of the remaining general assets are subject to disposal and their valuation will be reviewed in 2011.

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%
Landfill sites (*See note)		
Water Assets		
- Water schemes	S/L	Asset life over 70 years
- Drainage schemes	S/L	Asset life over 50 years

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

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

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.

16. Interest in Local Authority Companies

The interest in the companies limited by guarantee listed in Appendix 8 has not been incorporated in the financial statements. Interest in other associated companies is included in Note 3.

**INCOME AND EXPENDITURE ACCOUNT STATEMENT
FOR YEAR ENDED 31st DECEMBER 2010**

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 Division	Note	Gross Expenditure 2010 €	Income 2010 €	Net Expenditure 2010 €	Net Expenditure 2009 €
Housing and building		8,040,308	9,273,793	(1,233,484)	(1,133,522)
Road transport & safety		23,415,593	13,530,451	9,885,142	9,492,329
Water services		15,060,539	4,515,775	10,544,764	11,245,467
Development management		5,188,156	953,048	4,235,108	4,849,807
Environmental services		15,508,143	8,880,512	6,627,632	7,092,855
Recreation and amenity		4,713,024	762,705	3,950,318	4,339,340
Agriculture, education, health & welfare		12,474,241	11,702,267	771,974	(269,533)
Miscellaneous services		13,616,489	8,773,052	4,843,437	4,956,546
Central management charges		-	-	-	-
Total Expenditure/Income	16-17	98,016,493	58,391,603		
Net Cost of Divisions to be funded from Rates and Local Government Fund				39,624,890	40,573,290
Pension related deduction				1,654,347	1,390,591
Local government fund				17,067,121	18,537,305
County demand				8,239,552	8,030,477
Commercial rates				17,047,486	16,574,472
Surplus/(Deficit) for Year before Transfers				4,383,616	3,959,555
Transfers from/(to) Reserves	15			(4,478,056)	(4,223,940)
Overall Surplus/(Deficit) for Year				(94,440)	(264,385)
General Reserve at 1st January				(1,997,736)	(1,733,351)
General Reserve at 31st December				(2,092,176)	(1,997,736)

Wicklow County Council
Balance Sheet as at 31st December 2010

	Notes	2010 €	2009 €
Fixed Assets	1		
Operational		557,324,702	548,210,658
Infrastructural		1,436,182,859	1,441,574,175
Community		13,252,500	13,369,333
Non-Operational		-	-
		2,006,760,061	2,003,154,166
Work-in-Progress and Preliminary Expenses	2	282,819,120	255,386,918
Long Term Debtors	3	28,252,761	31,653,274
Current Assets			
Stock	4	536,613	317,841
Trade Debtors and Prepayments	5	37,274,357	35,180,710
Bank Investments		39,376,512	40,759,963
Cash in Transit		448,583	231,097
Urban Account	7	4,739,828	4,701,621
		82,375,893	81,191,232
Current Liabilities			
Bank Overdraft		15,403,388	4,738,291
Creditors & Accruals	6	19,642,874	24,772,864
Finance Leases		-	-
		35,046,262	29,511,155
Net Current Assets / (Liabilities)		47,329,631	51,680,077
Creditors (Amounts greater than one year)			
Loans Payable	8	94,584,015	96,387,603
Finance Leases		-	-
Refundable Deposits	9	14,202,145	14,120,925
Other		-	-
		108,786,160	110,508,528
Net Assets / (Liabilities)		2,256,375,413	2,231,365,907
Represented By			
Capitalisation Account	10	2,006,760,061	2,003,154,166
Income WIP	2	298,149,101	281,756,119
Specific Revenue Reserve		1,146,798	1,146,798
General Revenue Reserve		(2,092,176)	(1,997,736)
Other Balances	11	(47,588,367)	(52,693,439)
Total Reserves		2,256,375,417	2,231,365,908

1. Fixed Assets

Costs	Land €	Parks €	Housing €	Buildings €	Plant and Machinery (Long and Short Life) €	Computers, Furniture and Equipment €	Heritage €	Roads and Infrastructure €	Water and Sewerage Network €	Total €
Accumulated Costs @ 01/01	70,822,586	-	421,588,147	64,966,044	7,682,795	2,305,342	367,700	1,267,609,411	305,487,681	2,140,829,707
Additions - Purchased	-	-	6,878,000	-	298,183	45,294	-	-	-	7,221,477
Additions - Transfer WIP	-	-	3,252,612	-	-	-	-	-	-	3,252,612
Disposals	-	-	(530,000)	-	(1,200)	-	-	-	-	(531,200)
Revaluation	-	-	-	-	-	-	-	-	-	-
Historical Cost Adjustments	-	-	-	-	-	-	-	-	-	-
Accumulated Costs @ 31/12/2010	70,822,586	-	431,188,759	64,966,044	7,979,778	2,350,636	367,700	1,267,609,411	305,487,681	2,150,772,595
Depreciation										
Accumulated Depreciation @ 01/01	-	-	-	-	4,322,946	1,829,678	-	-	131,522,917	137,675,541
Provision for Year	-	-	-	-	707,142	239,735	-	-	5,391,317	6,338,193
Disposals	-	-	-	-	(1,200)	-	-	-	-	(1,200)
Accumulated Depreciation @ 31/12/2010	-	-	-	-	5,028,887	2,069,413	-	-	136,914,234	144,012,534
Net Book Value @ 31/12/2010	70,822,586	-	431,188,759	64,966,044	2,950,890	281,223	367,700	1,267,609,411	168,573,448	2,006,760,061
Net Book Value @ 31/12/2009	70,822,586	-	421,588,147	64,966,044	3,359,849	475,664	367,700	1,267,609,411	173,964,764	2,003,154,166
Net Book Value by Category										
Operational	58,032,586	-	431,188,759	64,966,044	2,950,890	186,423	-	-	-	557,324,702
Infrastructural	-	-	-	-	-	-	-	1,267,609,411	168,573,448	1,436,182,859
Community	12,790,000	-	-	-	-	94,800	367,700	-	-	13,252,500
Non-Operational	-	-	-	-	-	-	-	-	-	-
Net Book Value @ 31/12/2010	70,822,586	-	431,188,759	64,966,044	2,950,890	281,223	367,700	1,267,609,411	168,573,448	2,006,760,061

2. Work in Progress and Preliminary Expenses

A summary of work in progress and preliminary expenses is as follows:

	Funded	Unfunded	Total	Total
	2010	2010	2010	2009
<u>Expenditure</u>	€	€	€	€
Work in Progress	276,979,199	5,393,232	282,372,431	255,361,380
Preliminary Expenses	446,689	-	446,689	25,537
Total Expenditure	277,425,888	5,393,232	282,819,120	255,386,917
<u>Income</u>				
Work in Progress	292,904,298	5,006,600	297,910,898	281,751,025
Preliminary Expenses	238,203	-	238,203	5,094
Total Receipts	293,142,501	5,006,600	298,149,101	281,756,119
<u>Net Expended</u>				
Work in Progress	(15,925,099)	386,632	(15,538,467)	(26,389,645)
Preliminary Expenses	208,486	-	208,486	20,443
Net Over/(Under) Expenditure	(15,716,613)	386,632	(15,329,981)	(26,369,202)

3. Long Term Debtors

A breakdown of long term debtors is as follows:

	2010	2010	2010	2010	2010	2010	2009
	Balance @ 01/01/2010	Loans Issued	Instalments	Early Redemptions	Other Adjustments	Balance @ 31/12/2010	Balance @ 31/12/2009
	€	€	€	€	€	€	€
Long Term Mortgage Advances *	21,971,335	280,700	(913,443)	(351,689)	(49,900)	20,937,003	21,971,335
Tenant Purchase Advances	271,231	-	(42,283)	(12,321)	(2,300)	214,328	271,231
Shared Ownership Rented Equity	1,792,534	-	-	(167,607)	(23,109)	1,601,818	1,792,534
	24,035,100	280,700	(955,725)	(531,617)	(75,309)	22,753,149	24,035,100
Voluntary Housing						6,462,442	6,599,964
Inter Local Authority Loans						-	-
Long Term Investments - Cash						-	-
Long Term Investments - Associated Companies						100	100
Development Levies - Long Term						-	2,000,000
Other						17,649	17,649
						29,233,340	32,652,813
Less: Current Portion of Long Term Debtors						(980,579)	(999,539)
Total amounts falling due after one year						28,252,761	31,653,274

* Includes HFA agency loans

4. Stocks

(a) A summary of stock is as follows:

	2010	2009
	€	€
Central Stores	509,682	294,508
Other Depots	26,930	23,332
Total	536,612	317,840

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

	2010	2009
	€	€
Opening Stock at 1 January	317,841	333,918
Purchases	1,300,733	1,506,048
Returns to Stores	5,049	8,364
Issues from Stores	(1,091,124)	(1,536,714)
Stock Take Adjustments	6,689	5,956
Other Adjustments	(2,575)	269
Closing Stock at 31st December	536,613	317,841

5. Trade Debtors and Prepayments

A breakdown of debtors and prepayments is as follows:

	2010	2009
	€	€
Government Debtors	551,774	592,445
Commercial Debtors	8,787,665	8,041,758
Non-Commercial Debtors	2,157,441	2,718,358
Development Debtors	4,441,807	2,893,129
Other Services	7,480	7,480
Other Local Authorities	21,289,358	18,149,262
Revenue Commissioners	-	-
Agent Works Recoupable	1,097,458	3,447,067
Other	314,604	-
Add: Current Portion of Long Term Debtors	980,579	999,539
Total Gross Debtors	39,628,166	36,849,038
Less: Provision for Doubtful Debts	(2,860,000)	(2,235,000)
Total Trade Debtors	36,768,166	34,614,038
Prepayments	506,191	566,672
Total	37,274,357	35,180,710

6. Creditors and Accruals

A breakdown of creditors and accruals is as follows:

	2010	2009
	€	€
Trade Creditors	259,890	308,029
Grants	142,574	1,121,738
Revenue Commissioners	1,334,488	1,285,970
Other Local Authorities	(57,975)	159,012
Other Creditors	608,725	1,017,691
	2,287,702	3,892,440
Deferred Income	1,686,686	5,343,780
Accruals	13,569,084	13,394,644
Add: Current Portion of Loans Payable	2,099,402	2,142,000
Total	19,642,874	24,772,864

7. Urban Account

A summary of the Urban account is as follows:

	2010	2009
	€	€
Opening Balance at 1st January	4,701,621	4,742,490
Charge for Year	8,239,552	8,030,477
Paid/(Received)	(8,201,346)	(8,071,346)
Balance at 31st December	4,739,827	4,701,621

8. Loans Payable

(a) Movement in Loans Payable

	2010	2010	2010	2010	2009
	HFA	OPW	Other	Total	Total
	€	€	€	€	€
Opening Balance	73,048,591	2,376,012	23,105,000	98,529,603	71,050,821
Borrowings	117,813	-	-	117,813	39,949,798
Repayment of Principal	(1,735,551)	(298,583)	(85,000)	(2,119,135)	(2,022,767)
Early Redemptions	-	-	-	-	(10,721,120)
Other Adjustments	155,136	-	-	155,136	272,870
Balance @ 31 December	71,585,988	2,077,429	23,020,000	96,683,417	98,529,603
Less: Current Portion of Loans Payable				2,099,402	2,142,000
Total amounts falling due after one year				94,584,015	96,387,603

8. Loans Payable

(b) Application of Loans

	2010 HFA €	2010 OPW €	2010 Other €	2010 Total €	2009 Total €
<u>Mortgage</u>					
Mortgage Loans *	25,162,924	1,971,588	-	27,134,512	28,719,180
<u>Non Mortgage</u>					
Assets/Grants	25,812,761	105,841	23,020,000	48,938,602	48,894,530
Revenue Funding	-	-	-	-	-
Bridging Finance	9,000,000	-	-	9,000,000	9,000,000
Recoupable	-	-	-	-	-
Shared Ownership Rented Equity	5,147,861	-	-	5,147,861	5,315,929
Inter-Local Authority	-	-	-	-	-
Voluntary Housing	6,462,441	-	-	6,462,441	6,599,964
Balance @ 31 December	71,585,987	2,077,429	23,020,000	96,683,416	98,529,603
Less: Current Portion of Loans Payable				2,099,402	2,142,000
Total Amounts Due after one year				94,584,014	96,387,603

* Includes HFA Agency Loans

9. Refundable Deposits

The movement in refundable deposits is as follows:

	2010 €	2009 €
Opening Balance at 1st January	14,120,925	14,586,188
Deposits received	606,782	492,391
Deposits repaid	(525,562)	(957,653)
Closing Balance at 31st December	14,202,145	14,120,926

10. Capitalisation Account

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

	2010	2010	2010	2010	2010	2010	2010	2009
	Balance @ 01/01/2010 €	Purchased €	Transfers WIP €	Disposals €	Revaluation €	Historical Cost Adjustments €	Balance @ 31/12/2010 €	Balance @ 31/12/2009 €
Grants	437,474,047	7,068,343	3,252,612	-	-	-	447,795,002	437,474,047
Loans	7,672,500	-	-	-	-	-	7,672,500	7,672,500
Leases	-	-	-	-	-	-	-	-
Revenue Funded	15,821,289	66,792	-	-	-	-	15,888,081	15,821,289
Development Levies	-	-	-	-	-	-	-	-
Tenant Purchase Annuities	-	-	-	-	-	-	-	-
Unfunded	-	-	-	-	-	-	-	-
Historical	1,666,820,762	-	-	(531,200)	-	-	1,666,289,562	1,666,820,762
Other	13,041,108	86,342	-	-	-	-	13,127,450	13,041,108
Total Gross Funding	2,140,829,707	7,221,477	3,252,612	(531,200)	-	-	2,150,772,595	2,140,829,707
Less: Amortised							(144,012,534)	(137,675,541)
Total *							2,006,760,061	2,003,154,166

* As per note 1

11. Other Balances

A breakdown of other balances is as follows:

Note	2010 Balance @ 01/01/2010	2010 * Capital Reclassification	2010 Expenditure	2010 Income	2010 Transfer from Revenue	2010 Transfer to Revenue	2010 Internal Transfers	2010 Balance @ 31/12/2010	2009 Balance @ 31/12/2009
	€	€	€	€	€	€	€	€	€
Tenant Purchase Annuities									
- Realised	(a) 2,346,457	-	-	417,459	-	-	(336,077)	2,427,839	2,346,457
- UnRealised	(b) 271,231	-	-	-	-	-	(56,903)	214,327	271,231
Development Levies	(c) & (o) 4,779,007	-	(1,959,685)	2,478,244	-	277,753	(433,143)	8,506,041	4,779,007
Unfunded Balances									
- Project	(d) 1,047,311	-	72,240	931,823	-	-	(75,000)	1,831,894	1,047,311
- Non-Project	(e) (13,693,374)	-	3,751,290	2,667,483	908,000	-	126,688	(13,742,493)	(13,693,374)
Funded Balances									
- Project	(f) (14,213,656)	85,958	8,891,072	8,055,763	381,200	-	1,391,149	(13,190,657)	(14,213,656)
- Non-Project	(g) 1,204,184	-	11,079,533	6,915,534	1,900,946	868,209	995,014	(932,064)	1,204,184
Other Balances									
- Assets	(h) 1,678,199	-	50,733	339,184	398,550	58,326	(269,540)	2,037,334	1,678,199
- Insurance Fund	(i) 9,926,461	-	1,955,350	2,901,092	-	-	-	10,872,203	9,926,461
- General	(j) 2,709,302	-	107,535	324,248	680,942	57,246	(343,948)	3,205,763	2,709,302
Net Capital Balances	(3,944,878)	85,957	23,948,068	25,030,831	4,269,638	1,261,534	998,240	1,230,186	(3,944,878)
Non Mortgage Loans - Principal to be Amortised	(k)							(48,938,602)	(48,894,530)
Lease Repayment - Principal to be Amortised	(l)							-	-
Historical Opening Mortgage Funding Surplus/(Deficit)	(m)							412,857	610,037
Shared Ownership Rented Equity Account	(n)							(292,909)	(464,168)
Reserves - Associated Companies								100	100
Other								-	-
Total Other Balances								(47,588,368)	(52,693,439)

* Capital re-classification represents the change in 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.
- Note (o) Provision has not been made in the Annual Financial Statement in respect of the associated commitment/liabilities for the spending of these development contributions.

12. Capital Account Analysis

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

	2010	2009
	€	€
Net WIP and Preliminary Expenses (Note 2)	15,329,981	26,369,201
Net Capital Balances (Note 11)	1,230,186	(3,944,878)
Net Agency Works Recoupable (Note 5)	(1,097,458)	(3,447,067)
Capital Balance Surplus/(Deficit) @ 31st December	15,462,709	18,977,256

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

Opening Balance @ 1st January	18,977,256	4,870,341
Expenditure	54,496,754	97,377,194
Income		
- Grants	36,225,086	63,450,275
- Loans	117,813	30,949,798
- Other	10,243,205	12,951,792
Total Income	46,586,103	107,351,866
Net Revenue Transfers	4,396,104	4,132,243
Closing Balance @ 31st December	15,462,709	18,977,256

13. Mortgage Loan Funding Position

The mortgage loan funding position on the balance sheet at year-end is as follows:

	2010	2010	2010	2009
	€	€	€	€
	Loan Annuity	Rented Equity	Total	Total
Mortgage Loans/Equity Receivable (Note 3)	20,937,003	1,601,818	22,538,822	23,763,869
Mortgage Loans/Equity Payable (Note 8)	(27,134,512)	(5,147,861)	(32,282,373)	(34,035,109)
Surplus/(Deficit) in Funding @ 31 Decembe	(6,197,509)	(3,546,043)	(9,743,551)	(10,271,240)

NOTE: Cash on Hand relating to Redemptions and Relending

9,761,270

14. Summary of Plant and Materials Account

A summary of the operations of the Plant and Materials account is as follows:

	Plant	Materials	Total	Total
	2010	2010	2010	2009
	€	€	€	€
Charged to Jobs	2,845,934	97,430	2,943,364	3,224,644
Expenditure	(2,345,501)	(141,966)	(2,487,467)	(2,447,216)
Surplus/(Deficit) before Transfers	500,433	(44,536)	455,897	777,428
Transfer to/from Reserves	(500,434)	44,536	(455,898)	(777,428)
Surplus/(Deficit) for Year	(1)	-	(1)	-

15. Analysis of Transfers to/from Reserves

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

	2010	2010	2010	2009
	Transfers	Transfers		
	From	To	Net	Net
	Reserves	Reserves	€	€
	€	€		
Loan Repayment Reserve	-	(279,132)	(279,132)	(288,877)
Lease Repayment Reserve	-	-	-	-
Historical Mortgage Funding Write-off	197,180	-	197,180	197,180
Development Levies	277,753	-	277,753	735,776
Other	983,782	(5,657,639)	(4,673,857)	(4,868,018)
Surplus/(Deficit) for Year	1,458,715	(5,936,771)	(4,478,056)	(4,223,940)

16. Analysis of Revenue Income

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

	Appendix No	2010		2009	
		€	%	€	%
State Grants and Subsidies	3	29,867,826	29.2%	23,731,559	24.5%
Contributions from other LAs		1,150,412	1.1%	626,916	0.6%
Goods and Services	4	27,373,365	26.7%	28,156,187	29.0%
		58,391,603	57.0%	52,514,662	54.1%
Local Government Fund - General Purpose Grant		17,067,121	16.7%	18,537,305	19.1%
Pension Levy		1,654,347	1.6%	1,390,591	1.4%
Rates		17,047,486	16.6%	16,574,472	17.1%
County Charge (Inc)		8,239,552	8.0%	8,030,477	8.3%
Total Income		102,400,109	100.0%	97,047,506	100.0%

17. Over/Under Expenditure

The difference between the adopted budget and the actual outturn in respect of both expenditure and income is as follows:

	Expenditure (Over)/Under Budget	Income Over/(Under) Budget	Transfers (Over)/Under Budget	Net Position
	2010	2010	2010	2010
	€	€	€	€
Housing and building	194,409	390,974	(282,459)	302,924
Road transport & safety	1,413,987	(2,084,797)	335,818	(334,993)
Water services	475,108	260,791	(179,392)	556,507
Development management	175,873	(134,521)	(176,178)	(134,827)
Environmental services	(406,859)	134,838	(128,149)	(400,169)
Recreation and amenity	667,714	(729,800)	49,583	(12,503)
Agriculture, education, health & welfare	(1,667,982)	1,334,655	(4,690)	(338,016)
Miscellaneous services	(1,268,191)	2,333,323	(681,564)	383,568
Central management charges	305,000	-	(305,000)	-
Total Divisions	(110,940)	1,505,463	(1,372,031)	22,492
County demand	-	38,207	-	38,207
Local government fund	-	(396,359)	-	(396,359)
Pension levy	-	(101,731)	-	(101,731)
Commercial rates	-	308,963	-	308,963
Dr/Cr balance				34,000
Surplus/(Deficit) for Year				(94,429)

NOTES ON AND FORMING PART OF THE ACCOUNTS

1. Capital Account

The traditional role of the capital account was to record all of the payments and receipts relating to the:

- Purchase and construction of assets
- Disposal of assets
- Income from development levies
- Payments and receipts relating to loan borrowings
- Funding of assets

In the balance sheet the capital account has been de-aggregated. The balances that would have comprised the capital account have now been included under various headings in the balance sheet.

2. Balance Sheet

The balance sheet is continuously developing and may not reflect all of the assets of this local authority as at 31/12/2010. It includes the following assets and liabilities:

2.1 Refundable Deposits

At 31/12/2010 €1,826,982 was held in Wicklow County Council Municipal account and €12,376,512 held on joint deposit account in respect of refundable deposits. This sum is included under investments in the Balance Sheet.

2.2 Assets

The following assets are included:

- All assets purchased as from 1/1/2001 and historic assets.
- Work-in progress on constructed* assets at year-end
- Preliminary expenditure on assets to be constructed at a future date
- Long term advances
- Current assets including stocks, debtors, cash & investments

* These are assets that are constructed either by the local authority or by outside contract. Relates mainly to roads, water & sewerage networks and housing.

2.21 Asset Categories

Fixed assets are shown in the balance sheet under the following four categories:

- **Operational**

These are assets held and occupied, used or consumed by the local authority in the direct delivery of those services for which it has either a statutory or discretionary responsibility. Operational assets include buildings, plant/machinery, equipment, and furniture.

- **Infrastructural**

These are assets that are unique to local authorities. They will include road, water and sewerage networks.

- **Community**
These are assets that are held in perpetuity and have no determinable finite useful life and may have restrictions on their disposal. They will include parks, historic buildings, works of art, museum exhibits.
 - **Non-Operational Assets**
These are assets held by a local authority but not directly used or consumed in the delivery of services. They could include land awaiting development, investment and surplus assets.
- 2.3 Long Term Debtors**
This mainly consists of the principal due by borrowers to the local authority in respect of monies advanced for house purchases (see Note 5).
- 2.4 Liabilities**
It includes the following liabilities:
- Current liabilities including loans, overdraft, creditors and accruals
 - Creditors greater than one year mainly relating to long-term borrowings and leases.
- 2.5 Reserves**
This heading includes the following:
- 2.51 Capitalisation Account**
All assets purchased or constructed will ultimately be reflected in this account. The analysis of this account shows the source of funding of fixed assets (See Note 10).
- 2.52 Specific Revenue Reserve**
Arising from the change in the basis of accounting from cash to accrual, this reserve relates to the take-on of opening balances of net realisable debtors at 01/06/2002.
- 2.53 General Revenue Reserve**
This represents the cumulative surplus/(deficit) on the revenue account at 31/12/2010.
- 2.54 Other Reserves**
A breakdown of the type of reserves included under this heading is set out in Note 11.

APPENDIX 1
ANALYSIS OF EXPENDITURE
FOR YEAR ENDED 31ST DECEMBER 2010

	2010	2009
<u>Payroll</u>	€	
- Salary & Wages	25,526,511	27,852,962
- Other Costs	3,818,951	4,351,492
- Pensions & Gratuities	4,015,927	4,099,934
Total	33,361,389	36,304,388
<u>Operational Expenses</u>		
- Purchase of Equipment	1,851,329	1,359,140
- Repairs & Maintenance	1,493,730	793,958
- Contract Payments	10,030,197	6,976,980
- Agency Services	8,978,968	8,111,822
- Machinery Yard Charges & Plant Hire	5,759,280	5,259,171
- Materials & Stores Issues	7,110,575	6,565,451
- Payments of Grants	7,366,653	4,105,218
- Member Costs	273,403	297,473
- Travelling & Subsistence Allowances	793,777	959,866
- Consultancy & Professional Fees	5,139,478	5,345,447
- Energy	2,405,600	2,514,292
- Other	3,957,894	3,594,408
Total	55,160,882	45,883,227
<u>Administration Expenses</u>		
- Communications	815,601	711,005
- Training & Recruitment	342,835	496,758
- Printing & Stationery	343,926	409,541
- Contributions to Other Bodies	1,171,675	1,632,159
- Other Administration Expenses	563,377	575,194
Total	3,237,413	3,824,657
<u>Establishment Expenses</u>		
- Rent & Rates	2,127,404	2,118,210
- Other Establishment Expenses	124,045	307,871
Total	2,251,449	2,426,081
Financial Expenses	3,593,676	4,365,788
Miscellaneous	411,683	283,811
County Charge (Exp)	-	-
Total Expenditure	98,016,493	93,087,952

Appendix 2

SERVICE DIVISION A Housing and Building

Service	EXPENDITURE	INCOME			TOTAL
	TOTAL	State Grants and Subsidies	Provision of Goods and Services	Contributions from other Local Authorities	TOTAL
A01 Maintenance & Improvement of LA Housing Units	2,019,131	229,630	5,406,759	-	5,636,389
A02 Housing Assessment, Allocation and Transfer	456,385	-	13,790	-	13,790
A03 Housing Rent and Tenant Purchase Administration	567,578	-	16,602	-	16,602
A04 Housing Community Development Support	196,835	-	1,726	-	1,726
A05 Administration of Homeless Service	191,995	73,690	18,444	-	92,134
A06 Support to Housing Capital Prog.	1,163,389	-	72,275	-	72,275
A07 RAS Programme	2,760,267	2,525,225	341,334	-	2,866,559
A08 Housing Loans	955,527	20,949	747,213	-	768,162
A09 Housing Grants	437,730	-	3,113	-	3,113
A10 Voluntary Housing Scheme	-	-	-	-	-
A11 Agency & Recoupable Services	13,822	-	222	-	222
Total Including Transfers to/from Reserves	8,762,659	2,849,494	6,621,479	-	9,470,973
Less: Transfers to/from Reserves	722,351		197,180		197,180
Total Excluding Transfers to/from Reserves	8,040,308	2,849,494	6,424,299	-	9,273,793

SERVICE DIVISION B
Road Transport & Safety

EXPENDITURE		INCOME			
Service	TOTAL	State Grants and Subsidies	Provision of Goods and Services	Contributions from other Local Authorities	TOTAL
B01 NP Road - Maintenance and Improvement	1,183,705	913,581	13,556	-	927,137
B02 NS Road - Maintenance and Improvement	349,041	271,354	4,677	-	276,031
B03 Regional Road - Maintenance and Improvement	5,762,258	1,716,073	49,627	-	1,765,699
B04 Local Road - Maintenance and Improvement	11,297,878	8,445,421	296,794	-	8,742,215
B05 Public Lighting	1,208,882	37,994	2,517	-	40,511
B06 Traffic Management Improvement	1,759,567	993,045	617,241	-	1,610,287
B07 Road Safety Engineering Improvement	292,283	113,500	5,516	-	119,016
B08 Road Safety Promotion & Education	133,510	-	2,995	-	2,995
B09 Car Parking	509,135	1,500	452,093	-	453,593
B10 Support to Roads Capital Prog	943,197	-	105,433	-	105,433
B11 Agency & Recoupable Services	313,868	-	21,973	-	21,973
Total Including Transfers to/from Reserves	23,753,323	12,492,467	1,572,423	-	14,064,890
Less: Transfers to/from Reserves	337,730		534,440		534,440
Total Excluding Transfers to/from Reserves	23,415,593	12,492,467	1,037,984	-	13,530,451

SERVICE DIVISION C

Water Services

Service	EXPENDITURE	INCOME		
	TOTAL	State Grants and Subsidies	Provision of Goods and Services	Contributions from other Local Authorities
C01 Water Supply	5,942,713	505,254	952,067	835,412
C02 Waste Water Treatment	7,208,235	77,000	1,348,954	315,000
C03 Collection of Water and Waste Water Charges	606,540	-	10,783	-
C04 Public Conveniences	203,949	-	7,750	-
C05 Admin of Group and Private Installations	555,446	331,444	8,198	-
C06 Support to Water Capital Programme	936,779	-	78,038	-
C07 Agency & Recoupable Services	87,023	-	45,875	-
Total Including Transfers to/from Reserves	15,540,686	913,698	2,451,665	1,150,412
Less: Transfers to/from Reserves	480,147		-	-
Total Excluding Transfers to/from Reserves	15,060,539	913,698	2,451,665	1,150,412
				4,515,775

SERVICE DIVISION D
Development Management

Service	EXPENDITURE	INCOME			TOTAL
	TOTAL	State Grants and Subsidies	Provision of Goods and Services	Contributions from other Local Authorities	
D01 Forward Planning	498,443	-	7,639	-	7,639
D02 Development Management	2,225,576	-	457,327	-	457,327
D03 Enforcement	728,123	-	34,463	-	34,463
D04 Industrial and Commercial Facilities	712,458	-	65,035	-	65,035
D05 Tourism Development and Promotion	274,474	-	15,535	-	15,535
D06 Community and Enterprise Function	813,617	195,194	55,749	-	250,944
D07 Unfinished Housing Estates	2,554	-	-	-	-
D08 Building Control	67,082	-	1,310	-	1,310
D09 Economic Development and Promotion	260,482	-	5,408	-	5,408
D10 Property Management	136,527	-	26,503	-	26,503
D11 Heritage and Conservation Services	229,065	87,327	1,558	-	88,885
D12 Agency & Recoupable Services	27,076	-	-	-	-
Total Including Transfers to/from Reserves	5,975,475	282,521	670,527	-	953,048
Less: Transfers to/from Reserves	787,319		-	-	-
Total Excluding Transfers to/from Reserves	5,188,156	282,521	670,527	-	953,048

SERVICE DIVISION E
Environmental Services

Service	EXPENDITURE	INCOME			TOTAL
	TOTAL	State Grants and Subsidies	Provision of Goods and Services	Contributions from other Local Authorities	TOTAL
E01 Landfill Operation and Aftercare	7,390,808	10,582	5,887,912	-	5,898,494
E02 Recovery & Recycling Facilities Operations	2,018,649	833,820	379,918	-	1,213,738
E03 Waste to Energy Facilities Operations	-	-	-	-	-
E04 Provision of Waste to Collection Services	23,783	410,871	50,604	-	461,475
E05 Litter Management	242,705	42,000	49,327	-	91,327
E06 Street Cleaning	239,306	-	5,853	-	5,853
E07 Waste Regulations, Monitoring and Enforcement	854,340	-	48,638	-	48,638
E08 Waste Management Planning	425,767	45,000	10,797	-	55,797
E09 Maintenance of Burial Grounds	413,341	-	174,348	-	174,348
E10 Safety of Structures and Places	289,251	86,676	5,946	-	92,622
E11 Operation of Fire Service	4,687,926	-	525,253	-	525,253
E12 Fire Prevention	401,292	-	204,883	-	204,883
E13 Water Quality, Air and Noise Pollution	463,828	-	108,085	-	108,085
E14 Agency & Recoupable Services	-	-	-	-	-
Total Including Transfers to/from Reserves	17,450,996	1,428,949	7,451,563	-	8,880,512
Less: Transfers to/from Reserves	1,942,853		-		-
Total Excluding Transfers to/from Reserves	15,508,143	1,428,949	7,451,563	-	8,880,512

SERVICE DIVISION F
Recreation and Amenity

EXPENDITURE		INCOME			
Service	TOTAL	State Grants and Subsidies	Provision of Goods and Services	Contributions from other Local Authorities	TOTAL
F01 Leisure Facilities Operations	52,216	-	4,857	-	4,857
F02 Operation of Library and Archival Service	3,153,105	16,500	119,402	-	135,902
F03 Outdoor Leisure Areas Operations	579,102	-	133,616	-	133,616
F04 Community Sport and Recreational Development	265,951	32,543	113,642	-	146,185
F05 Operation of Arts Programme	491,480	60,000	30,795	-	90,795
F06 Agency & Recoupable Services	319,969	11,570	298,106	-	309,676
Total Including Transfers to/from Reserves	4,861,823	120,613	700,419	-	821,031
Less: Transfers to/from Reserves	148,799		58,326		58,326
Total Excluding Transfers to/from Reserves	4,713,024	120,613	642,093	-	762,705

SERVICE DIVISION G
Agriculture, Education, Health & Welfare

Service	EXPENDITURE		INCOME		
	TOTAL	State Grants and Subsidies	Provision of Goods and Services	Contributions from other Local Authorities	TOTAL
G01 Land Drainage Costs	18,288	-	611	-	611
G02 Operation and Maintenance of Piers and Harbours	-	-	-	-	-
G03 Coastal Protection	20,000	-	-	-	-
G04 Veterinary Service	666,493	234,769	108,700	-	343,468
G05 Educational Support Services	11,834,256	11,352,195	5,992	-	11,358,187
G06 Agency & Recoupable Services	-	-	-	-	-
Total Including Transfers to/from Reserves	12,539,037	11,586,963	115,303	-	11,702,267
Less: Transfers to/from Reserves	64,797		-		-
Total Excluding Transfers to/from Reserves	12,474,241	11,586,963	115,303	-	11,702,267

SERVICE DIVISION H
Miscellaneous Services

Service	EXPENDITURE	INCOME			TOTAL
	TOTAL	State Grants and Subsidies	Provision of Goods and Services	Contributions from other Local Authorities	
H01 Profit & Loss Machinery Account	3,377,356	-	3,377,356	-	3,377,356
H02 Profit & Loss Stores Account	234,777	-	234,777	-	234,777
H03 Administration of Rates	2,819,217	-	11,814	-	11,814
H04 Franchise Costs	282,520	-	6,259	-	6,259
H05 Operation of Morgue and Coroner Expenses	200,763	-	1,172	-	1,172
H06 Weighbridges	1,451	-	-	-	-
H07 Operation of Markets and Casual Trading	5,359	-	8,218	-	8,218
H08 Malicious Damage	-	-	-	-	-
H09 Local Representation & Civic Leadership	1,024,553	-	2,350	-	2,350
H10 Motor Taxation	1,456,306	55,037	42,847	-	97,884
H11 Agency & Recoupable Services	5,666,961	138,084	5,563,907	-	5,701,990
Total Including Transfers to/from Reserves	15,069,264	193,121	9,248,700	-	9,441,821
Less: Transfers to/from Reserves	1,452,775		668,769		668,769
Total Excluding Transfers to/from Reserves	13,616,489	193,121	8,579,931	-	8,773,052
OVERALL TOTAL DIVISIONS	98,016,493	29,867,826	27,373,365	1,150,412	58,391,603

APPENDIX 3

ANALYSIS OF INCOME FROM GRANTS AND SUBSIDIES

	2010	2009
	€	€
Department of the Environment, Heritage, and Local Government		
Road Grants	607,139	-
Housing Grants & Subsidies	2,849,494	2,140,129
Library Services	-	-
Local Improvement Schemes	-	-
Urban and Village Renewal Schemes	-	-
Water Services Group Schemes	882,444	976,042
Environmental Protection/Conservation Grants	1,419,318	1,221,803
Miscellaneous	143,011	179,336
	5,901,405	4,517,310
Other Departments and Bodies		
Road Grants	11,795,328	10,030,181
Higher Education Grants	6,879,749	4,293,203
VEC Pensions and Gratuities	4,472,446	4,091,104
Community Employment Schemes	-	-
Civil Defence	86,676	100,502
Miscellaneous	732,222	699,259
	23,966,421	19,214,248
TOTAL	29,867,826	23,731,559

APPENDIX 4

ANALYSIS OF INCOME FROM GOODS AND SERVICES

	2010	2009
	€	€
Housing Rent	5,523,287	5,603,696
Housing Loans Interest & Charges	731,412	835,510
Commercial Water	821,545	745,860
Domestic Water	-	-
Domestic Refuse	-	-
Commercial Refuse	-	-
Domestic Sewerage	-	-
Commercial Sewerage	787,490	859,644
Planning Fees	389,306	544,946
Parking Fees/Charges	451,989	616,158
Recreation & Amenity Activities	-	-
Library Fees & Fines	58,498	64,594
Agency Services	1,260,753	848,765
Pension Contributions	1,181,188	1,342,857
Property Rental & Leasing of Land	47,718	69,703
Landfill Charges	4,140,386	2,915,922
Fire Charges	603,505	615,433
NPPR	1,454,133	1,335,720
Miscellaneous Inc - Goods & Services	9,922,154	11,757,380
	27,373,365	28,156,188

APPENDIX 4A

BREAKDOWN OF MISCELLENEOUS INCOME 2010

Agency Services	2,527,747
Flouridation of Water	66,193
CEP Contributions - FAS	269,719
Genealogy Service	26,028
Environmental Awareness	319,505
Disability Access Certificates	40,800
Finance Receipts	91,629
Licences / Fees	532,738
LIS Contributions	15,525
Loan Application Fees / Outlays and Misc	59,135
Planning Other Fees	49,992
Machinery & Stores	2,887,738
Recoupments of Benefit	154,285
Misc Fire and Public Conveniences	51,419
Road Openings	14,175
Roads Receipts	280,101
Sludge Disposal	526,961
Tapping Fees	43,930
Waste Disposal Rampere	1,731,941
Waste Management	98,785
Community & Enterprise Receipts	102,501
Corporate Services Receipts	38,305

APPENDIX 5

SUMMARY OF CAPITAL EXPENDITURE AND INCOME

	2010	2009
<u>EXPENDITURE</u>	€	€
Payments to Contractors	19,471,490	51,259,297
Purchase of Land	9,119,714	6,689,100
Purchase of Other Assets	7,513,002	852,228
Consultancy & Professional Fees	4,231,360	7,689,341
Other	14,161,188	30,887,227
Total Expenditure (Net of Internal Transfers)	54,496,754	97,377,193
Transfers to Revenue	1,261,534	1,427,963
Total Expenditure (Including Transfers) *	55,758,288	98,805,156
<u>INCOME</u>		
Grants	36,225,086	63,450,275
Non Mortgage Loans	117,813	30,949,798
Other Income		
Development Contributions	2,478,244	4,967,956
Property Disposals - Land	-	-
- LA Housing	541,980	396,910
- Other	1,200	516,299
Tenant Purchase Annuities	24,479	31,366
Car Parking	-	-
Other	7,197,301	7,039,261
Total Income (Net of Internal Transfers)	46,586,103	107,351,865
Transfers from Revenue	5,657,638	5,560,205
Total Income (Including Transfers) *	52,243,741	112,912,070
Surplus/(Deficit) for year	(3,514,547)	14,106,914
Balance (Debit)/Credit @ 1st January	18,977,256	4,870,341
Balance (Debit)/Credit @ 31 December	15,462,709	18,977,255

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

APPENDIX 6

ANALYSIS OF INCOME AND EXPENDITURE ON CAPITAL ACCOUNT

	Balance at 01/01/10	Expenditure	INCOME			TRANSFERS			Balance at 31/12/10	
			Grants	Non Mortgage Loans	Other	Total Income	Transfer from Revenue	Transfer to Revenue	Internal Transfers	
01 HOUSING AND BUILDING	(13,404,892)	15,144,571	13,804,198	117,813	3,178,577	17,100,588	554,665	-	1,617,536	(9,276,675)
02 ROAD TRANSPORTATION AND SAFETY	32,697,466	22,152,731	11,169,007	-	1,599,820	12,768,827	149,400	534,440	(1,136,639)	21,791,884
03 WATER SUPPLY AND SEWERAGE	(8,609,739)	9,540,172	9,707,082	-	615,696	10,322,778	409,271	-	147,343	(7,270,519)
04 DEVELOPMENT INCENTIVES AND CONTROL	(2,400,362)	695,622	-	-	1,126,574	1,126,574	600,557	-	(107,680)	(1,476,533)
05 ENVIRONMENTAL PROTECTION	(3,527,909)	596,178	671,825	-	96,878	768,703	1,896,661	-	-	(1,458,723)
06 RECREATION AND AMENITY	(150,845)	3,245,299	682,631	-	399,119	1,081,750	197,418	58,326	(500,715)	(2,676,016)
07 AGRICULTURE EDUC HEALTH WELFA	773,158	697,805	-	-	-	-	255,000	-	247,500	577,853
08 MISCELLANEOUS SERVICES	13,600,378	2,424,376	190,343	-	3,226,541	3,416,883	1,594,667	668,769	(267,345)	15,251,438
11 CENTRAL MANAGEMENT CHARGES	-	-	-	-	-	-	-	-	-	-
12 MATERIALS EXPENSE ACCOUNT	-	-	-	-	-	-	-	-	-	-
13 OPERATION MACHINERY EXPENSE ACCOUNT	-	-	-	-	-	-	-	-	-	-
14 OVERHEADS	-	-	-	-	-	-	-	-	-	-
TOTAL	18,977,256	54,496,754	36,225,086	117,813	10,243,205	46,586,103	5,657,638	1,261,534	-	15,462,709

APPENDIX 7

Summary of Major Collections for 2010

	<i>Arrears @ 01/01/2010</i>	<i>Accrued</i>	<i>Write Off</i>	<i>Waivers</i>	<i>Total for Collection</i>	<i>Collected</i>	<i>Arrears @ 31/12/2010</i>	<i>% Collected</i>
	€	€	€	€	€	€	€	
Commercial Rates	2,232,643	17,047,486	1,730,389	-	17,549,740	13,425,756	4,123,984	77%
Rents & Annuities	182,975	5,591,325	21,042	-	5,753,258	5,532,356	220,902	96%
Commercial Water	2,816,501	1,609,036	166,727	-	4,258,810	1,751,375	2,507,435	41%
Domestic Refuse	-	-	-	-	-	-	-	-
Commercial Refuse	-	-	-	-	-	-	-	-
Housing Loans	300,336	1,554,922	12,694	-	1,842,564	1,468,398	374,166	80%

Opening Arrears are shown net of credit balances

Arrears relating to Tenant Purchase Annuities are included within Housing Loans

Arrears relating to Shared Ownership Rental Income are included within Rents & Annuities

APPENDIX 8

INTEREST OF LOCAL AUTHORITIES IN COMPANIES

Wicklow County Council as a corporate body either through its members or officers by virtue of their office, has an interest in the following companies:

COMPANY NAME	PRINCIPAL COMPANY ACTIVITY	AMOUNT OF GRANT / LOAN /GUARANTEE TO COMPANY
Wicklow County Tourism	Promote Tourism in County Wicklow	€70,000 (2010)
Wicklow County Enterprise Board	Development and support of Local Enterprise and Business in County Wicklow	
Arklow Business Enterprise Centre Ltd	Promotion of Industry and Enterprise in Arklow	
Mermaid County Arts Centre	Cultural Centre for Arts in County Wicklow	€190,000 (2010)
Wicklow Recreational Services Ltd	Operation of Leisure facilities in Greystones	100% shared equity