

ANNUAL FINANCIAL STATEMENT DUBLIN CITY COUNCIL

For the year ended 31st December 2010



Photo by Darko Novakovic courtesy of Dublin.ie

CONTENTS

| | |
|---|-------|
| Financial Review | 1-7 |
| Certificate of Manager/Head of Finance | 8 |
| Audit Opinion | 9 |
| Graphs | 10-15 |
| Statement of Accounting Policies | 16-19 |
| Financial Accounts | |
| Income & Expenditure Account | 20 |
| Balance Sheet | 21 |
| Notes on and forming part of the Accounts | 22-29 |
| Appendices | 30-42 |
| Glossary of Terms | 43-44 |

Introduction

I am pleased to present the Annual Financial Statements of Dublin City Council for the financial year ended 31st December 2010. Comparative figures are given for 2009. Dublin City is the economic hub of the Dublin Region, which in turn is the economic hub of the State. Dublin City has a diverse economy, a source of employment and income for an area well beyond the City itself. Dublin is a centre for retail, financial, higher education, medical, cultural and entertainment activities.

Review of Dublin City Council's Financial Performance in 2010

Dublin City Council's bank position at the end of 2010 was a credit balance of €77.9m. This position represents an improvement on the financial position at the end of 2009. The improved financial position was due to the payment of outstanding government claims on a number of projects, borrowing of funds to finance capital projects in early 2011 and prepayment of grants for capital projects and Voluntary Housing Bodies loans. During 2010 Dublin City Council operated in overdraft for 258 of 365 days.

Dublin City Council took actions over the course of 2010 and continues to into 2011 to adjust and match both operational day to day spend and its long-term capital investment programme with available funding and resources.

Central to all of Dublin City Council's services is the objective to maintain and support business and households through the provision of quality value driven services.

Financial Management Measures 2010

Over the course of 2010 Dublin City Council has managed the resource base effectively. Since the commencement of the economic downturn, the City Council have put in place a programme of prudent expenditure controls, strengthened debt collection measures, limited exposure to capital projects and accelerated a review process of work practices and resource demands. This programme will continue into the future. It has been a key enabler in the City Council's capacity to limit the impact of reduced resources on services to the relatively low level that has occurred. The programme is critical to continuing to make changes in how we work. It will assist in further service reviews over the course of 2011 and beyond. These effective controls have enabled Dublin City Council to bring forward the advantage of once off issues such as additional income that arose with regard to the non principal private residence charges. During 2010 loan charges were lower than estimated at the end of 2009. The Department of the Environment, Heritage and Local Government amended their calculation of

the pension levy deduction which resulted in a net gain for the authority. Entry Year Property Levy secured an additional income. Savings in pay were achieved across salaries and wages through controls on overtime and recruitment.

Accounting Statements, Notes & Appendices

The aim of the Annual Financial Statement is to fairly present the financial position of Dublin City Council as at the end of 2010. This is achieved through the production of Statements, Notes and Appendices, as required by the regulatory accounting framework set by the Minister for the Environment, Heritage and Local Government. The purpose of each of these documents is set out in the glossary.

Changes to Accounting Policies

The 2010 Annual Financial Statements have been prepared incorporating some small changes in accounting policies as advised by the Minister. These changes are set out in the Accounting Policies and relate to the following issues:

- Fixed Assets Revaluation
- Pensions
- Affordable Housing

In addition to these policy changes the way we report on VEC pensions has been changed. From AFS 2010 onwards VEC pensions and gratuity will no longer be included in payroll expenditure but will be included in Agency Services and show in Appendix 1 to the AFS.

Some other minor presentation changes were introduced. All of the changes are listed at the end of this report.

Revenue Expenditure

During 2010, Revenue (i.e. day to day operations) Expenditure amounted to €891.2m with income of €896.8m, giving an excess of income over expenditure of €5.6m. (See Table 1). This demonstrates an increase of €0.2m on the 2009 values

| | €m |
|---|-------|
| Revenue Expenditure on City Council Service | 891.2 |
| Revenue Income (Government Grants, Service Charges & Rates) | 896.8 |
| Balance | 5.6 |

Table 1: Revenue Expenditure 2010

Transfers to Reserve Fund

As required by the regulatory accounting framework set by the Minister for the Environment, Heritage & Local Government, expenditure shown in the 2010 Income and

Expenditure account is net of transfer to reserves i.e. transfer to reserves are excluded. Note 15 "Transfers to and from Reserves" provides greater detail on these transfers. The movement from gross expenditure to net expenditure indicated in the AFS is set out in Table 2.

| | €m |
|----------------------|-------|
| Expenditure | 860.0 |
| Transfers to Reserve | 31.2 |
| Final Expenditure | 891.2 |

Table 2: Movement from Gross to Net Expenditure 2010

Income is also expressed in the AFS net of transfers to reserves, as presented in Table 3.

| | €m |
|------------------------------|-------|
| Income | 488.0 |
| Rates Income | 324.5 |
| Local Government Fund | 64.7 |
| Pension Levy | 19.0 |
| Income before Transfers | 896.2 |
| Plus Transfers from Reserves | 0.6 |
| Final Income | 896.8 |

Table 3: Movement from Gross to Net Income 2010

Accounting Policies

The Accounting Policies used in the preparation of the AFS are set out in the Statement of Accounting Policies. Dublin City Council is fully compliant with the regulatory accounting framework as determined by the Department of the Environment, Heritage and Local Government.

Statutory Audit

Dublin City Council undergoes an annual audit, required by statute, carried out by the Local Government Audit Service (LGAS). The Audit for the financial year 2010 is scheduled to commence in March 2011. This Audit provides an independent review to help assure a fair presentation of Dublin City Council's financial position. Dublin City Council is also subject to audit in relation to EU funding, NRA funding, tax compliance and audits with a Value For Money objective through the LGAS.

Capital Expenditure

Expenditure on Capital projects and investment net of internal transfers and before loan advances in 2010 was €334.2m. This spend forms part of the Capital Programme 2010 to 2012 of €900m. This expenditure of €334.2m was funded through income net of transfers of €300.8m leaving a surplus of expenditure over income for the year of €33.4m. The value of

capital expenditure in 2010 is reduced by €219.4m or almost 39% on 2009 levels.

| | €m |
|---|-------|
| Opening Balance (Credit) | 14.9 |
| Expenditure as at 31 st December 2010 | 334.2 |
| Income | 300.8 |
| Net Transfers (€19.9 - €0.6) | 19.3 |
| Closing Balance 31 st December 2010 (Credit) | 0.8 |

Table 4: Capital Account

The key movements in Capital were in Housing, Water and the assignment of Development Contributions.

Development Contributions

Section 48 of the Planning and Development Act 2000 enables Dublin City Council when granting a planning permission under Section 34 of the Act to include conditions requiring the payment of a contribution. This contribution is in respect of public infrastructure and facilities benefiting development in the area of the planning authority and that is provided, or that is intended will be provided by or on behalf of a local authority (regardless of other sources of funding for the infrastructure and facilities). Dublin City Council's Development Contributions Scheme under the 2000 Act came into operation on 1st January 2004. The Annual Financial Statement for the financial year 2010 includes values for development contributions as set out in Table 5.

| | €m |
|---|-------|
| Development Contributions Outstanding at the Year End | 33.5 |
| Development Contributions subject to phasing arrangements | 104.2 |
| Total | 137.7 |

Table 5: Development Contributions

Phasing arrangements for payments of development contributions are in place where considered appropriate. Site developments are subject to inspection to confirm that building works have commenced. The value of debt owed to Dublin City Council by way of development contributions will be reviewed continuously over 2011. Enforcement actions in respect of development sites where development contributions are due and remain unpaid include site inspections, warning letters, enforcement notices and legal proceedings.

Rates

Rates are a local property tax levied by Dublin City Council on the occupiers and owners (in some cases) of commercial properties in Dublin City. Rates income in 2010 amounted to

€324.5m, 36 % of Dublin City Council's funding for day-to-day services.

Rates are based on rateable valuations of properties as set by the Commission of Valuation, and the annual rate on valuation (the multiplier) is determined each year by reserved function of the elected members of Dublin City Council (see Table 6).

| | 2007 | 2008 | 2009 | 2010 |
|---------------------------------------|--------|--------|--------|--------|
| | €m | €m | €m | €m |
| Commercial Rateable Valuation of City | 5.06 | 5.17 | 5.31 | 5.49 |
| ARV (multiplier) | 59.52 | 61.87 | 63.91 | 62.63 |
| Rates Receipts | 282.40 | 296.60 | 307.50 | 296.50 |

Table 6: Rates

Trading conditions for business in 2010 involved many pressures. Difficulties in the banking sector, the impact of the recession on trading and purchasing patterns and reduced confidence were all evident in the latter half of 2010. Rates forms the largest single income source of Dublin City Council's day to day activities. The rate collection in 2010 performed robustly in the context of a weakening economic environment (see Table 7).

| | €m |
|----------------------------------|-------|
| Rates Income | 324.5 |
| Less Bad Debt Provision | 42.5 |
| Income net of Bad Debt Provision | 282.0 |
| As per Adopted Budget | 282.0 |
| Difference | 0.0 |

Table 7: Rate 2010

Financial Management

System of Internal Controls

The Executive of Dublin City Council acknowledges its responsibility for systems of internal control in Dublin City Council including putting in place processes and procedures for the purpose of ensuring that control systems are effective. These systems can provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or detected in a timely period. Effective internal control systems enable Dublin City Council to meet its responsibilities for the integrity and accuracy of its accounting records.

Dublin City Council has taken steps to ensure an appropriate control environment is in place by:

- Clearly defining and documenting Management responsibilities and powers
- Strengthening a strong culture of accountability across all levels of the organisation
- The work of Internal Audit
- The work of the Central Procurement office
- The work of the Risk Management Unit
- The work of the Ethics Officer
- The work of the Audit Committee
- External Audit and Scrutiny through many channels

Financial management reporting in Dublin City Council is robust and thorough. A rigorous system of monthly financial monitoring ensures that any significant budget variances are identified and appropriate actions are taken to minimise any adverse financial impact. The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. In particular it includes:

- A comprehensive budgeting system with an annual budget which is reviewed and agreed by the elected members
- Regular financial reviews; weekly, monthly and quarterly financial reports which indicate financial performance against forecasts on both expenditure and income and variance analysis evaluation
- Setting targets to measure financial and other performances
- Clearly defined capital investment control guidelines
- Formal project management disciplines
- Strict policies and procedures for the receipt recording and control of monies. These procedures are regularly reviewed and audited.

Internal Audit

The primary role of Internal Audit is to provide assurance to Senior Management and to the Audit Committee that the various risks facing the Council have been identified and appropriate internal controls are in place to manage those risks.

Internal Audit is a key player in the Corporate Governance process and makes a valuable contribution to the effective management of Dublin City Council. The concepts of accountability and transparency are important principles in responsible governance, implying openness to scrutiny and a requirement to report on performance. Internal Audit facilitates this process by providing an independent

review function to management, to assure that services are being provided in an efficient, effective and economic manner and in conformity with legal requirements. In 2010, eleven reports were issued covering a wide range of issues.

Management and Staff

Dublin City Council acknowledges the committed work of our staff. The high quality of our services, projects and interaction is due to their dedication and tremendous contribution. Dublin City Council is fully committed to the development of our staff. Dublin City Council wishes to be considered as a destination employer, attracting the best staff to achieve our vision for Dublin City and is an equal opportunities employer. The Finance Department and others operate a Continuing Professional Development support scheme for staff to assist in retaining and developing professional skills and knowledge.

Finance Strategic Policy Committee

The Finance Strategic Policy Committee provides leadership and direction on key areas relating to the financing of Dublin City Council. Key topics pursued during 2010 were:

Labour redeployment

Frank Kelly, Head of Human Resources, provided a report to the Committee on the following areas:

- Staff Numbers
- Management of Payroll Costs
- Workforce Planning
- Employee Relations and Industrial Relations
- Current Work to Rule
- National Sectoral Discussions

Dublin City Revaluation

The Valuation Office commenced preparatory work on the Dublin City revaluation in 2010. The revaluation, which is scheduled to commence in 2011, will bring greater equity and transparency to the rating system in Dublin city. The revaluation will result in a redistribution of the commercial liability between rate payers.

VAT on local authority services

Following the issuing of the Finance Bill 2010 on 4th February 2010, the Committee were updated on a regular basis on the proposals that Local Authorities and other public bodies would be made accountable for VAT on the supply of certain goods and services. The introduction of VAT for public bodies resulted from a Judgement issued in July 2009 by the European Court of Justice which found that Ireland had not correctly transposed the EU

VAT directive is so far as it relates to the application of VAT to goods and services supplied by public bodies.

Consideration of system to monitor key property market indices

A briefing report was presented by the Chair of the Finance SPC Cllr. Killian Forde on this matter following meetings and discussions with officials from Planning, Economic Development and Finance. The aim of the initiative would be that the SPC would develop a set of indicators which will map the status and direction of the property market, commercial and residential in Dublin City.

Bonds

The issue of bonds was discussed in detail during 2010 by the Committee. The initial report provided the Committee with information on Dublin City Council's capacity to issue bonds. It further provided an overview of bonds, acknowledged the current financial environment and considered options that may be available to the Council.

Following the submission of a motion to the City Council, further consideration was given to a municipal bond being issued to fund the refurbishment of void housing units and other infrastructural projects throughout the city. In the existing financial and economic climate, the Department of Finance declined to extend the issue of bonds for these purposes.

Unauthorised Car Parks in Dublin City Centre

A report issued to the Committee providing information on a number unauthorised car parks in the city area. Further detail was provided on the enforcement status of the sites and the rating liability of same.

Dublin Business Innovation Centre – Presentation

A presentation was made to the Committee by John Phelan to highlight the work of the Dublin Business Innovation Centre's (DBIC) and the Guinness Enterprise Centre's (GEC) contribution to the start-up enterprise sector in Dublin.

Finance Risk Register 2010 and Finance Related elements of Corporate Risk Register

A report was presented to the Committee detailing the progress to June 2010 on the risks identified in the Finance Department's Risk Register for 2010. Further information was provided on the finance related risks identified in the Corporate Risk Register.

Actuarial valuation of the accrued pension liabilities of Dublin City Council

A follow-up review of an actuarial valuation of accrued pension liabilities of Dublin City

Council, commissioned by the Finance SPC, was carried out by John Reilly, Actuary, Department of Finance in 2010 and presented to the Committee. The principal findings were:

- The pension liability at 31st December 2009 for Dublin City Council amounts to €2.4bn, at a discount rate of 4%;
- The evaluation concludes that pension liabilities will steadily increase for Dublin City Council until 2035 and from then on reduce.
- Any increases in pension costs are unfunded by Central Government. The sustained increases noted in the report would form a steadily increasing demand on funds, which might otherwise fund service provision/improvements.
- A copy of the report will be issued to the Department of Environment, Heritage & Local Government, outlining the funding pressures arising from increasing pension liabilities.

Annual Report of Dublin City Council's Audit Committee

Under the provisions of Local Government legislation and the Audit Committee Charter, the Audit Committee formally reports to the City Council each year on its activities and offers its advice and makes such recommendations as it considers appropriate. This report issued in 2010 covered the activities of the Committee since its establishment in September 2008 to 31st December 2009.

Housing Rent Arrears – Presentation by Housing & Residential Services Dept.

A presentation was made to the Committee covering the following issues:

- Rent Arrears
- Rent Assessment
- Arrears Management
 - Transfers Policy 2010
 - Maintenance Policy (July 2009)
- Plans for the future management of rents

Overview of Priorities for 2011

The Revenue Budget for 2011 was adopted by the City Council on 29th November 2010. The Budget provides for the continuation of services vital to the effective functioning of the City, while acutely aware of the impact of the cost of service provision.

The Budget and consequent service provision for 2011 has been framed reflecting the following matters:

The Department of the Environment, Heritage and Local Government has advised the City Council of a Local Government Fund Allocation for the year 2011 of €73.7m. This allocation represents a 12% reduction on the 2010

revised allocation, one of the highest reductions applied to the local government fund allocation of a local authority. See Table 8 Below

| | 2008 Actual | 2009 Actual | 2010 Actual | 2011 Estimate |
|------------------------|----------------|----------------|----------------|------------------|
| | €m | €m | €m | €m |
| Net | 105.0 | 78.6 | 64.7 | 56.2 |
| Actual Allocation | 105.0 | 94.7 | 88.7 | 78.7 |
| Pension levy deduction | 0.0 | 16.1 | 19.0 | 17.5 |
| 35% Pay Adjustment | 0.0 | 0.0 | 5.0 | 5.0 |

Table 8: Net Local Government Fund Allocation 2008 to 2011

Continuous Registration / Non-Use Declaration

Legislation is being drafted with the objective of consolidating and updating all matters relating to vehicle registration and taxation. One of the matters being considered and which was recommended by the Local Government Efficiency Review Group, is the removal of non use declarations as it currently operates. This would have a significant positive impact on receipts to the Local Government Fund (LGF) and therefore to Local Government funding.

The Declaration of Non-use, on the RF100A Motor Tax Renewal Form, is the method prescribed for dealing with periods of vehicle non-use. Essentially, it gives registered owners of vehicles the opportunity to make a declaration, witnessed by a member of An Garda Síochána, that a vehicle was not used on the public road for a given period, thereby eliminating the liability for Motor Tax for that period. The declaration is not supported by any documentary evidence as to why the vehicle was not on the public road. The use of such declarations has increased sharply in recent times.

A study by staff in Dublin City Council in 2009 of the practice of submitting non use declarations identified €50m in income foregone annually. However, if calculations for change of owner situations, where gaps are common between vendor tax expiry and purchaser tax commencement are included, the figure is much greater. The limiting of non use declarations will ensure that appropriate off the road situations are appropriately addressed.

The introduction of the proposed legislation would have a positive impact on the LGF. It would also assist in increased use of the on line system which in turn will reduce the number of staff now involved in direct customer interface. The City Council would be anxious that the necessary legislative change would be enacted as soon as possible. It will benefit how business can be conducted at Motor Tax Offices and strengthen compliance.

Local Government Efficiency Review

The report of the Local Government Efficiency Review Group issued in July 2010 provides proposals for change for the Local Government Sector. A specific recommendation of the group was the establishment of an independent group to review the staffing complement of Dublin City Council and Cork City Council. This group has engaged with Dublin City Council in forming a viable basis for the delivery of quality services for Dublin City and the people who live in, work in or enjoy the City.

Removal of exemption from commercial rates

Local Government has been the subject of reviews before, in particular with regard to the financing of local government services. The Indecon report of 2006 recommended that Central Government should no longer benefit from an exempt status in relation to the payment of commercial rates. This recommendation has not been implemented thus far. In 2010, had the rates exemption been lifted, commercial rates of €26.8m would have been payable to Dublin City Council by Government.

Charges set at economic price

Another recommendation of the Indecon review was to set planning charges at an economic rate. Currently a maximum price threshold applies to large applications with the result that local authorities must assign considerable skilled resources to applications which is not met by way of planning fee. Dublin City Council looks forward to changes in the structure of the planning fee schedule.

Severe Weather Events

In January 2010, exceptional weather events caused disruption across Dublin City and beyond, restricting mobility and water supply. Severe weather occurred in late November and December 2010. We responded to that situation by deploying many staff from across Dublin City Council to deal with footpaths and roads. Actions were required to be taken over a short period of time which had resource implications. I wish to acknowledge funding from the Department of the Environment Heritage and Local Government in respect of specific costs incurred in these matters

Conclusion

Dublin City Council services critically support business, residential and visitor life in the City. Service demand remained high in 2010 notwithstanding economic pressures, and this remains the case in 2011. Dublin City Council will continue to closely link service provision with available resources. Notwithstanding movements in resources, services will be

delivered to the highest quality and represent value for money.

I would like to thank the staff of all departments for their co-operation and especially my colleagues in the Finance Department for their work in producing the Annual Financial Statement, in particular Antoinette Power, Head of Financial Accounting and the staff of the Financial Accounting Unit for their work. I also wish to thank the members of the City Council in relation to their help and consideration in resolving the many financial issues, which arose during 2010. I would like to acknowledge the contribution made by members of the Audit Committee and its Chairperson, Tom McAleese.

I would like to thank in particular the members and Chairperson of the Finance Strategic Policy Committee, Cllr Killian Forde, for their contribution and commitment.

Kathy Quinn, CPFA
Head of Finance

Changes to AFS 2010

Asset Revaluations Accounting Policy

"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 and the current revaluation policy will be reviewed in 2011.

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 receipts 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 review"

Treatment of Affordable Housing

The balances on Affordable Housing Capital Projects are included as part of Agent Works Recoupable in Note 5 of the Annual Financial Statements.

Other Changes

- *In appendix 2 an additional line item 'Transfers to/from Reserves' to be included in each Division.*
- *Note 17 an additional column to be included for 'Transfers to/from Reserves'.*

VEC Pensions

The accounting treatment for VEC pension and gratuity costs has been changed. From AFS 2010 onwards VEC pension and gratuity costs must be included under Agency Services in Appendix 1 to the AFS.

Minor Change to Balance Sheet Format

- *The words 'Financed By' on the face of the Balance Sheet would be replaced by the words 'Represented By'*
- *NPPR receipts received by the LGCSB to 31st December 2010 to be included.*
- *Deferred income would be included under the category of 'Other' under 'Creditors'(Amounts falling due after more than one year). The purpose of this change is to align deferred income with the treatment of the corresponding development contribution debtors due after one year, which are shown as long term debtors.*

Dublin City Council

Certificate of City Manager/Head of Finance

for the year ended 31 December 2010

We certify that the financial statement of Dublin City Council for the year ended 31st December 2010 as set out in pages 16 to 42 are in agreement with the books of account and have been prepared in accordance with the accounting requirements as directed by the Minister for the Environment, Heritage and Local Government. We have also taken reasonable steps for the prevention and detection of fraud and other irregularities.

Signed: _____

John Tierney
John Tierney
City Manager

Signed: _____

Kathy Quinn
Kathy Quinn, CPFA
Head of Finance

Dated: _____

31/3/11.

Audit Opinion

To the Members of Dublin City Council

I have audited the annual financial statement as set out on pages 16 to 29 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 presentation 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.

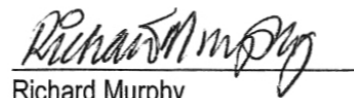
Basis of Opinion

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 the Dublin City Council at 31 December 2010 and its income and expenditure for the year then ended.

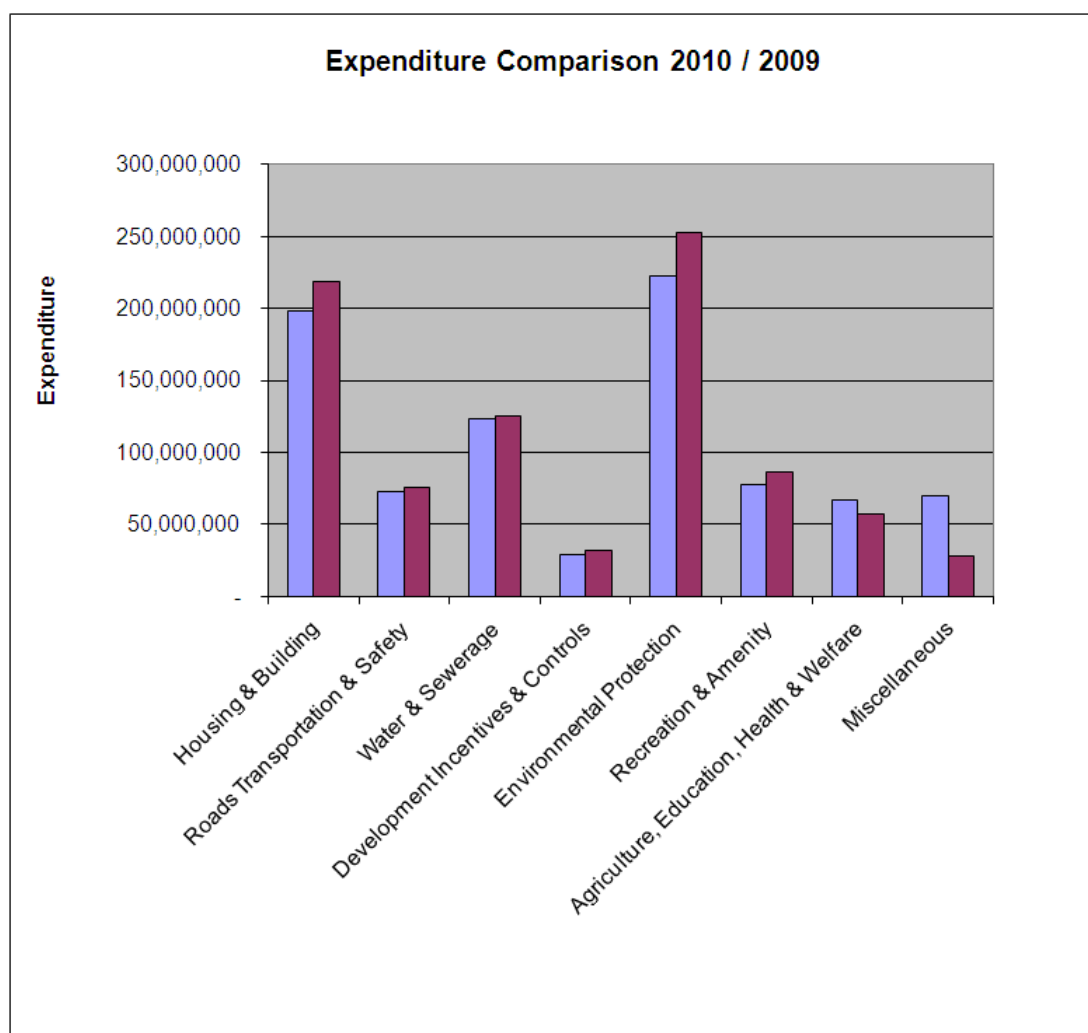


Richard Murphy
Principal Local Government Auditor
31 August 2011

GRAPHS

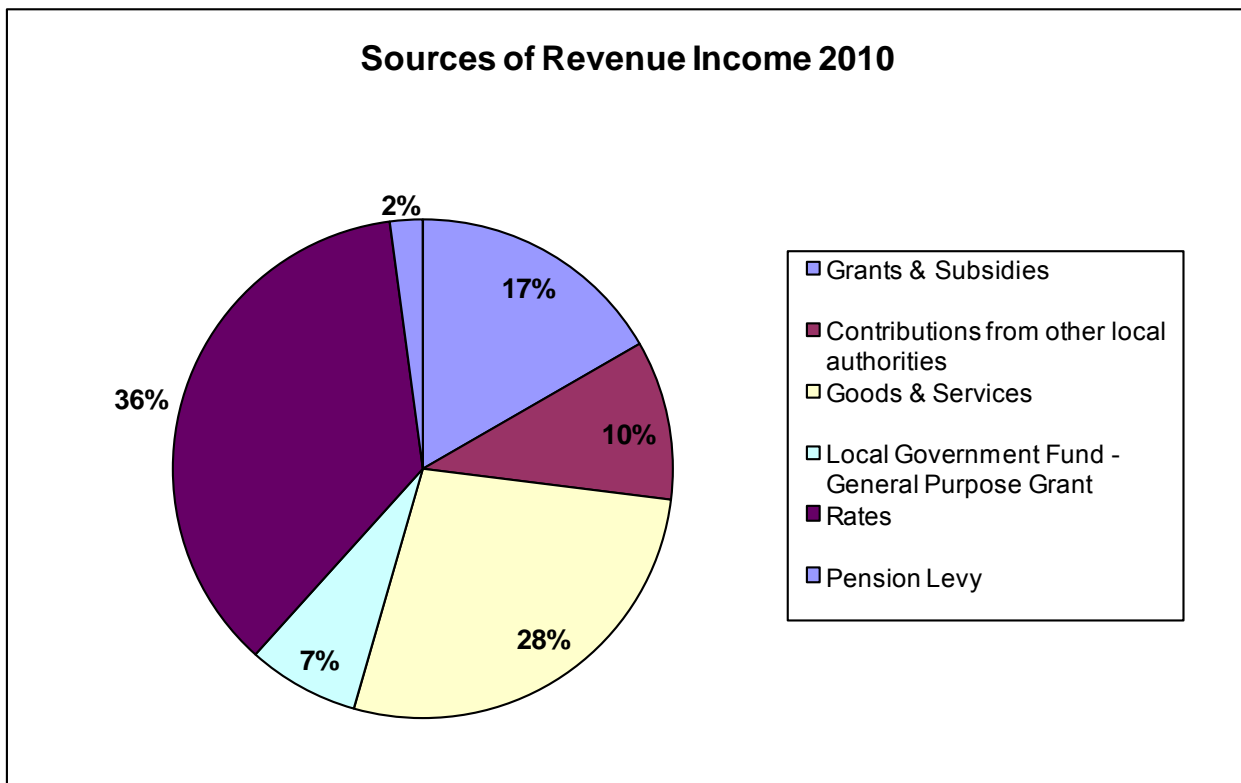
Revenue Accounts 2010 / Financial Profile at a glance

| | Expenditure 2010 € | Expenditure 2009 € |
|---|--------------------------|--------------------------|
| Housing & Building | 198,353,426 | 219,062,481 |
| Roads Transportation & Safety | 73,006,638 | 75,689,253 |
| Water & Sewerage | 123,659,107 | 125,307,650 |
| Development Incentives & Controls | 28,559,419 | 32,009,963 |
| Environmental Protection | 222,306,395 | 252,541,226 |
| Recreation & Amenity | 77,863,344 | 86,466,902 |
| Agriculture, Education, Health & Welfare | 66,829,426 | 56,822,128 |
| Miscellaneous | 69,420,632 | 28,406,642 |
| Total Expenditure | 859,998,387 | 876,306,245 |



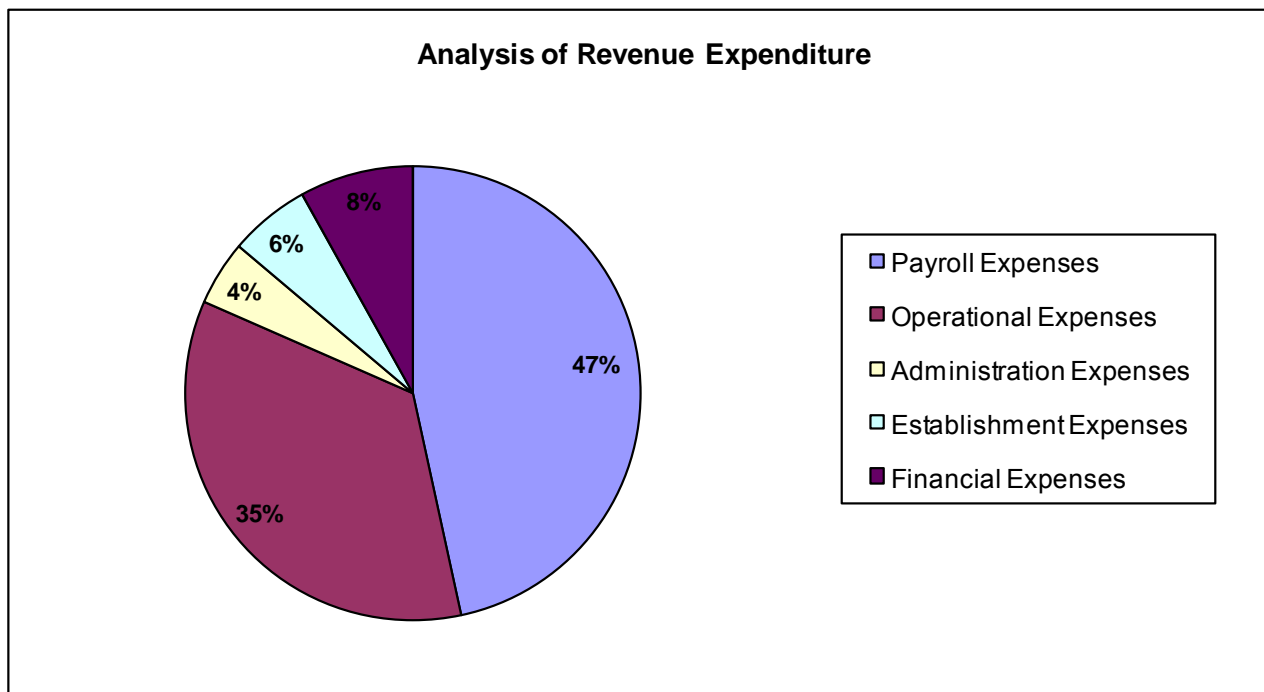
Main Sources of Revenue Income 2010

| | 2010 |
|---|--------------------|
| | € |
| Grants & Subsidies | 149,247,147 |
| Contributions from other local authorities | 92,512,364 |
| Goods & Services | 246,256,832 |
| Local Government Fund - General Purpose Grant | 64,672,297 |
| Rates | 324,537,363 |
| Pension Levy | 19,009,978 |
| | 896,235,981 |



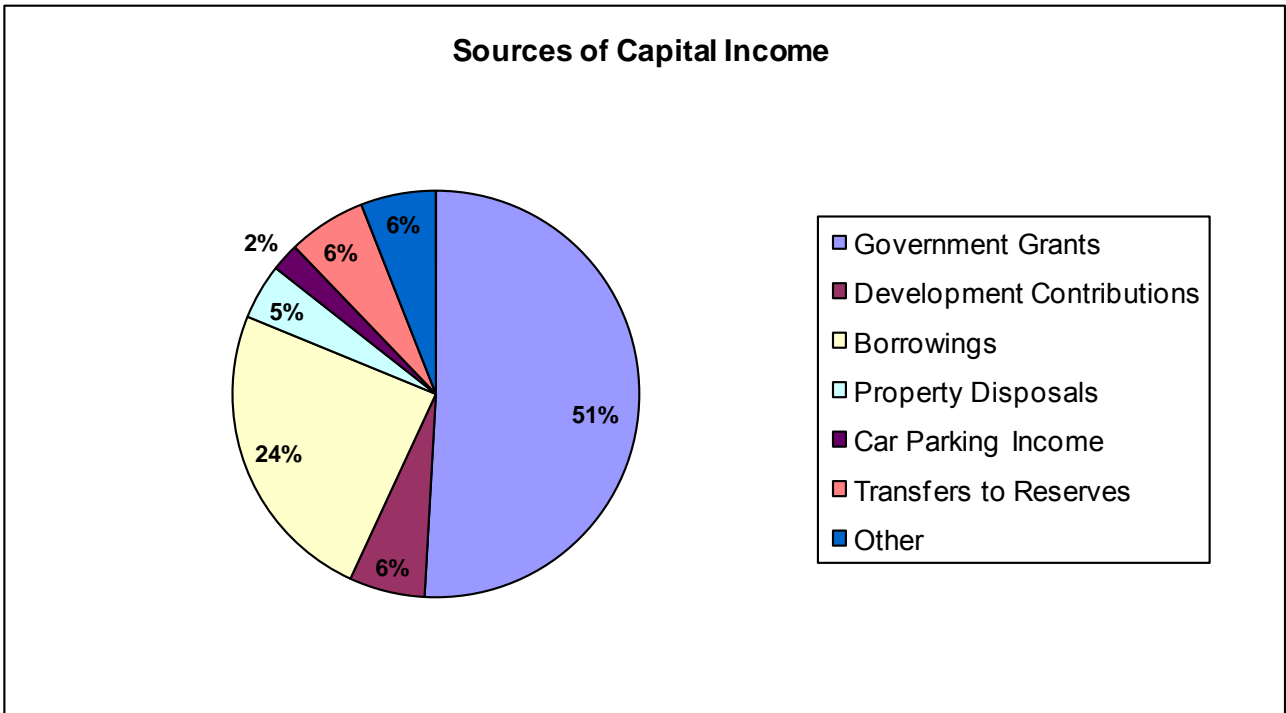
Main Categories of Revenue Expenditure

| | 2010 € |
|--------------------------|---------------------------|
| Payroll Expenses | 400,797,358 |
| Operational Expenses | 300,815,372 |
| Administration Expenses | 39,560,916 |
| Establishment Expenses | 49,435,522 |
| Financial Expenses | 69,389,219 |
| Total Expenditure | <u>859,998,387</u> |



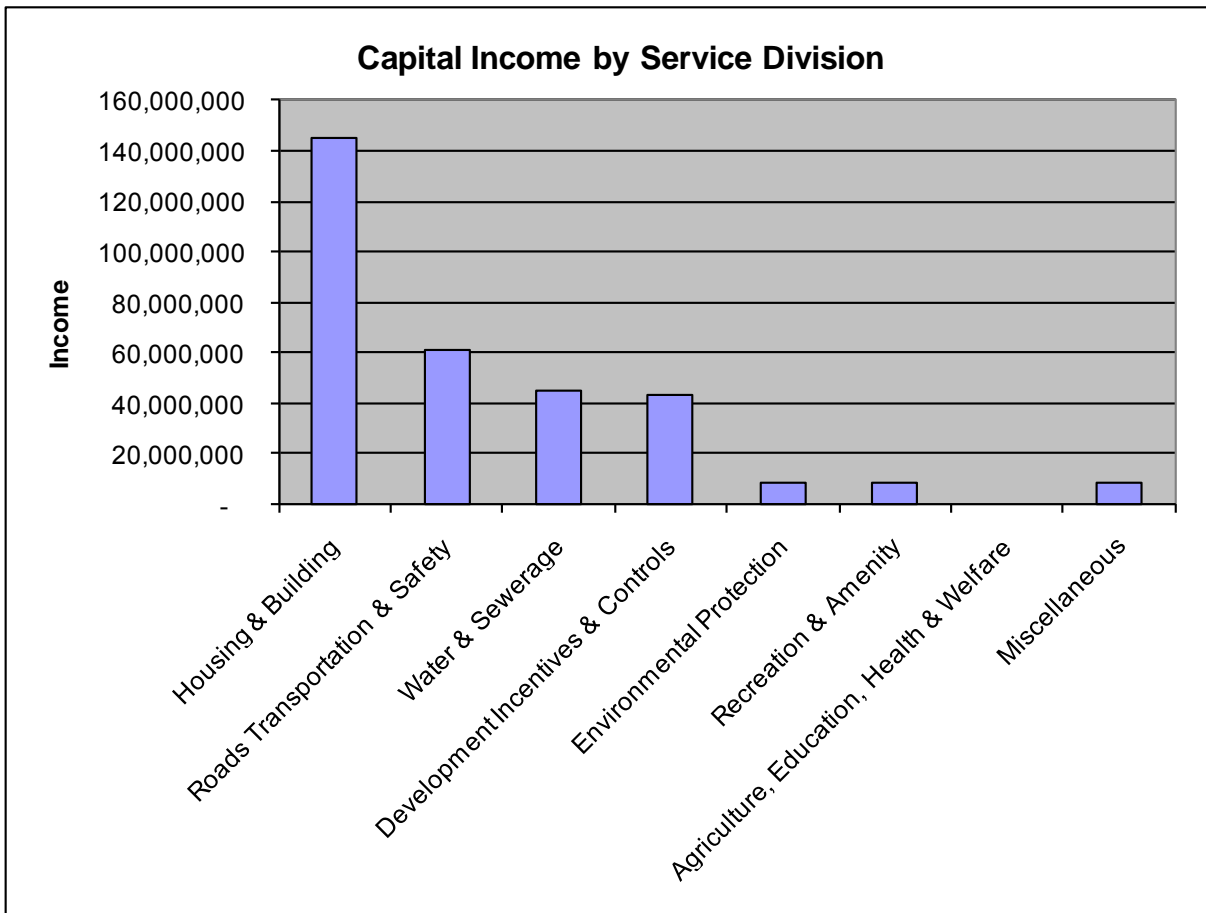
Sources of Capital Income

| | 2010 |
|---------------------------|--------------------|
| | € |
| Government Grants | 163,171,430 |
| Development Contributions | 19,223,925 |
| Borrowings | 77,962,738 |
| Property Disposals | 14,114,841 |
| Car Parking Income | 7,140,421 |
| Transfers to Reserves | 19,869,751 |
| Other | 19,142,738 |
| | 320,625,844 |



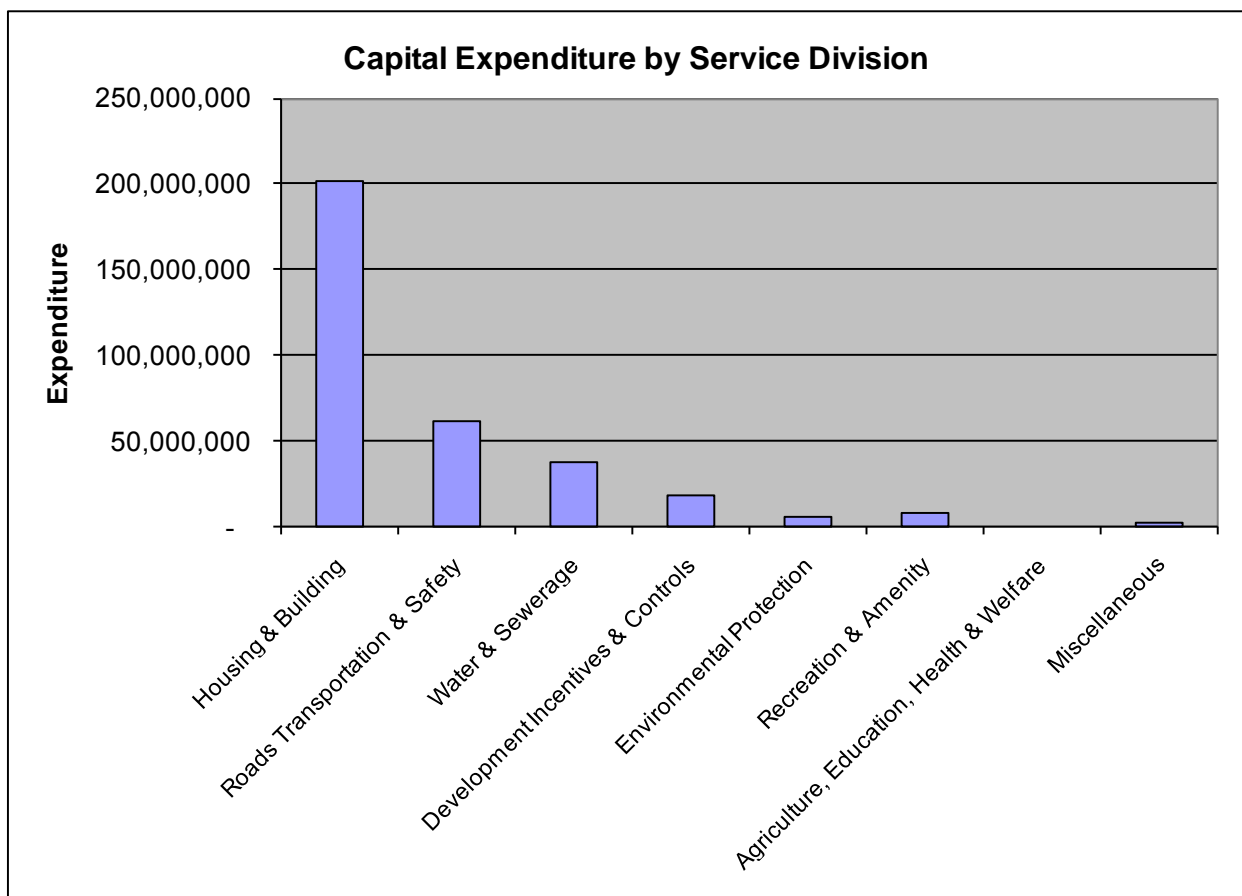
Capital Income by Service Division

| | |
|--|---------------------------|
| | 2010 |
| | € |
| Housing & Building | 145,328,827 |
| Roads Transportation & Safety | 61,020,922 |
| Water & Sewerage | 44,857,398 |
| Development Incentives & Controls | 43,633,076 |
| Environmental Protection | 8,836,208 |
| Recreation & Amenity | 8,146,269 |
| Agriculture, Education, Health & Welfare | - |
| Miscellaneous | 8,803,144 |
| | <u>320,625,844</u> |



Capital Expenditure by Service Division

| | 2010 |
|--|--------------------|
| | € |
| Housing & Building | 201,754,325 |
| Roads Transportation & Safety | 61,278,966 |
| Water & Sewerage | 37,337,623 |
| Development Incentives & Controls | 18,692,577 |
| Environmental Protection | 5,849,482 |
| Recreation & Amenity | 7,403,852 |
| Agriculture, Education, Health & Welfare | - |
| Miscellaneous | 2,489,398 |
| | 334,806,223 |



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 2010.

2. Replacement of Programme Group Structure

Prior to 2008 the Annual Financial Statement was presented in a programme group structure. In 2008 it has been 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.

Development Levies are accounted for on the accruals basis. When Development Levies are invoiced, but part payment is agreed on a phased basis, the phased income is treated as Deferred Income and matched by Long Term Debtor.

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 bodies is recouped at cost or in accordance with specific agreements.

7. Insurance

The City Council is its own insurer for the following amounts:

Liability Cover €500,000

Asset Cover €500,000

Amounts in excess of the above are covered by a number of insurance companies. Our motor vehicles are covered by 3rd Party, fire and theft (driver excluded)

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 later financial statements.

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 to comply with current revaluation policy.

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 DOEHLG.

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 /Computers | S/L | 20% |
| Furniture | S/L | 20% |
| Heritage Assets | | Nil |
| Library Books | | Nil |
| Playgrounds | S/L | 20% |
| Parks | S/L | 2% |
| Landfill sites* | | |
| 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.

* There are no land fill sites in Dublin City Council.

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 of Local Authority in 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.

17. Accounting for Affordable Housing Capital Projects

The balances on Affordable Housing Capital Projects are included as part of Agent Works Recoupable in Note 5 of the Annual Financial Statements.

FINANCIAL ACCOUNTS

INCOME & EXPENDITURE ACCOUNT STATEMENT FOR YEAR ENDED 31st DECEMBER 2010

CITY COUNCILS

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

| Notes | Gross Expenditure 2010 € | Income 2010 € | Net Expenditure 2010 € | Net Expenditure 2009 € |
|--|-----------------------------------|---------------------|---------------------------------|---------------------------------|
| Housing & Building | 198,353,426 | 160,527,386 | 37,826,040 | 46,922,389 |
| Roads Transportation & Safety | 73,006,638 | 44,554,470 | 28,452,168 | 30,512,235 |
| Water Services | 123,659,107 | 77,356,466 | 46,302,641 | 46,552,408 |
| Development Management | 28,559,419 | 6,561,209 | 21,998,210 | 24,753,089 |
| Environmental Services | 222,306,395 | 103,233,360 | 119,073,035 | 135,513,545 |
| Recreation & Amenity | 77,863,344 | 10,952,843 | 66,910,501 | 74,552,327 |
| Agriculture, Education, Health & Welfare | 66,829,426 | 64,103,321 | 2,726,105 | 2,748,867 |
| Miscellaneous Services | 69,420,632 | 20,727,288 | 48,693,344 | 11,284,903 |
| Total Expenditure/Income | 859,998,387 | 488,016,343 | 371,982,044 | 372,839,763 |
| Net cost of Divisions to be funded from Rates & Local Government Fund | | | | |
| Rates | | 324,537,363 | 324,537,363 | 316,107,522 |
| Local Government Fund - General Purpose Grant | | 64,672,297 | 64,672,297 | 78,621,795 |
| Pension Related Deduction | | 19,009,978 | 19,009,978 | 16,126,818 |
| Surplus/(Deficit) for Year before Transfers | | | 36,237,594 | 38,016,372 |
| Transfers from/(to) Reserves | | | (30,619,229) | (32,576,628) |
| Overall Surplus/(Deficit) for Year | | | 5,618,365 | 5,439,744 |
| General Reserve @ 1st January 2010 | | | 9,765,759 | 4,326,015 |
| General Reserve @ 31st December 2010 | | | 15,384,124 | 9,765,759 |

BALANCE SHEET AT 31st DECEMBER 2010

| | Notes | 2010 € | 2009 € |
|--|-------|-----------------------|-----------------------|
| Fixed Assets | 1 | | |
| Operational | | 6,745,668,004 | 6,397,350,936 |
| Infrastructural | | 4,545,613,003 | 4,465,973,887 |
| Community | | 275,311,323 | 275,103,167 |
| Non-Operational | | 284,211,743 | 397,444,923 |
| | | 11,850,804,073 | 11,535,872,913 |
| Work in Progress and Preliminary Expenses | 2 | 899,327,297 | 837,136,104 |
| Long Term Debtors | 3 | 830,712,989 | 868,263,658 |
| Current Assets | | | |
| Stocks | 4 | 4,869,523 | 4,758,099 |
| Trade Debtors & Prepayments | 5 | 226,325,709 | 338,097,007 |
| Bank Investments | 9 | 3,615,826 | 3,535,494 |
| Cash at Bank | | 76,798,161 | - |
| Cash in Transit | | 1,069,428 | - |
| Urban Account | 7 | - | - |
| | | 312,678,647 | 346,390,600 |
| Current Liabilities (Amounts falling due within one year) | | | |
| Bank Overdraft | | - | 28,534,987 |
| Creditors & Accruals | 6 | 267,798,193 | 281,270,684 |
| Urban Account | 7 | - | - |
| Finance Leases | | - | - |
| | | 267,798,193 | 309,805,671 |
| Net Current Assets / (Liabilities) | | 44,880,454 | 36,584,929 |
| Creditors (Amounts falling due after more than one year) | | | |
| Loans Payable | 8 | 921,257,895 | 952,566,208 |
| Finance Leases | | - | - |
| Refundable deposits | 9 | 3,615,826 | 3,535,494 |
| Other | | 63,759,420 | 104,475,174 |
| | | 988,633,141 | 1,060,576,876 |
| Net Assets | | 12,637,091,672 | 12,217,280,728 |
| Represented by | | | |
| Capitalisation Account | 10 | 11,850,804,073 | 11,535,872,913 |
| Income WIP | 2 | 833,759,418 | 768,560,800 |
| Specific Revenue Reserve | | - | - |
| General Revenue Reserve | | 15,384,124 | 9,765,758 |
| Other Balances | 11 | (62,855,943) | (96,918,743) |
| Total Reserves | | 12,637,091,672 | 12,217,280,728 |

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 & Infrastructure € | Water & Sewerage Network € | Total € |
|--|--------------------|-------------------|----------------------|--------------------|---|---|--------------------|--------------------------------|-------------------------------------|-----------------------|
| Costs | | | | | | | | | | |
| Accumulated Costs @ 1/1/2010 | 168,568,607 | 25,624,891 | 5,820,744,852 | 769,666,734 | 26,629,834 | 17,513,463 | 275,103,167 | 2,355,497,579 | 3,292,451,051 | 12,751,800,178 |
| Additions | | | | | | | | | | |
| - Purchased | 2,570,689 | - | 33,928,929 | 3,320,000 | 1,654,937 | 138,078 | - | - | - | 41,612,633 |
| - Transfers WIP | - | 10,446,688 | 44,253,409 | 34,670,168 | - | - | - | 61,530,030 | - | 150,900,295 |
| Disposals | (65,000) | - | (5,377,117) | (2,582,400) | (119,469) | (54,260) | - | - | - | (8,198,246) |
| Revaluations * | - | - | (3,383,500) | - | - | - | - | - | - | (3,383,500) |
| Historical Cost Adjustments | 253,947 | 977,279 | 115,385,105 | 4,030,043 | - | 220,838 | 208,156 | 45,838,282 | - | 166,913,650 |
| Accumulated Costs @ 31/12/2010 | 171,328,243 | 37,048,858 | 6,005,551,678 | 809,104,545 | 28,165,302 | 17,818,119 | 275,311,323 | 2,462,865,891 | 3,292,451,051 | 13,099,645,010 |
| Depreciation | | | | | | | | | | |
| Depreciation @ 1/1/2010 | - | 4,420,275 | - | - | 14,874,479 | 14,657,768 | - | - | 1,181,974,743 | 1,215,927,265 |
| Provision for Year | - | 1,573,969 | - | - | 2,486,383 | 1,261,184 | - | - | 27,729,196 | 33,050,732 |
| Disposals | - | - | - | - | (84,954) | (52,106) | - | - | - | (137,060) |
| Accumulated Depreciation @ 31/12/2010 | - | 5,994,244 | - | - | 17,275,908 | 15,866,846 | - | - | 1,209,703,939 | 1,248,840,937 |
| Net Book Value @ 31/12/2010 | 171,328,243 | 31,054,614 | 6,005,551,678 | 809,104,545 | 10,889,394 | 1,951,273 | 275,311,323 | 2,462,865,891 | 2,082,747,112 | 11,850,804,073 |
| Net Book Value @ 31/12/2009 | 168,568,607 | 21,204,616 | 5,820,744,852 | 769,666,734 | 11,755,355 | 2,855,695 | 275,103,167 | 2,355,497,579 | 2,110,476,308 | 11,535,872,913 |
| Net Book Value by Category | | | | | | | | | | |
| Operational | - | 31,054,614 | 6,005,551,678 | 696,221,045 | 10,889,394 | 1,951,273 | - | - | - | 6,745,668,004 |
| Infrastructural | - | - | - | - | - | - | - | 2,462,865,891 | 2,082,747,112 | 4,545,613,003 |
| Community | - | - | - | - | - | - | 275,311,323 | - | - | 275,311,323 |
| Non-Operational | 171,328,243 | - | - | 112,883,500 | - | - | - | - | - | 284,211,743 |
| Net Book Value @ 31/12/2010 | 171,328,243 | 31,054,614 | 6,005,551,678 | 809,104,545 | 10,889,394 | 1,951,273 | 275,311,323 | 2,462,865,891 | 2,082,747,112 | 11,850,804,073 |

* The prices of Ballymun Plaza Apartments held for sale have been adjusted to reflect the current value.

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 2010 € | Unfunded 2010 € | Total 2010 € | Total 2009 € |
|-------------------------------------|---------------------|-----------------------|--------------------|--------------------|
| Expenditure | | | | |
| Work in Progress | 537,838,238 | 237,408,503 | 775,246,741 | 723,080,818 |
| Preliminary Expenses | 110,594,510 | 13,486,046 | 124,080,556 | 114,055,286 |
| | 648,432,748 | 250,894,549 | 899,327,297 | 837,136,104 |
| Income | | | | |
| Work in Progress | 533,215,355 | 193,124,388 | 726,339,743 | 661,604,783 |
| Preliminary Expenses | 97,990,009 | 9,429,666 | 107,419,675 | 106,956,017 |
| | 631,205,364 | 202,554,054 | 833,759,418 | 768,560,800 |
| Net Expended | | | | |
| Work in Progress | 4,622,883 | 44,284,115 | 48,906,998 | 61,476,035 |
| Preliminary Expenses | 12,604,501 | 4,056,380 | 16,660,881 | 7,099,269 |
| Net Over/(Under) Expenditure | 17,227,384 | 48,340,495 | 65,567,879 | 68,575,304 |

3. Long Term Debtors

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

| | Balance @ 1/1/2010 € | Loans Issued € | Principal Repaid € | Early Redemptions € | Other Adjustments € | Balance @ 31/12/2010 € | Balance @ 31/12/2009 € |
|--|----------------------------|----------------------|--------------------------|---------------------------|---------------------------|------------------------------|------------------------------|
| Long Term Mortgage Advances* | 245,308,367 | 5,347,741 | 9,491,904 | 3,793,891 | 1,819,504 | 239,189,817 | 245,308,367 |
| Tenant Purchases Advances | 14,323,526 | - | 2,239,222 | - | - | 12,084,304 | 14,323,526 |
| Shared Ownership Rented Equity | 144,709,287 | 2,152,580 | 2,899,350 | 1,744,513 | (1,800,918) | 140,417,086 | 144,709,287 |
| | 404,341,180 | 7,500,321 | 14,630,476 | 5,538,404 | 18,586 | 391,691,207 | 404,341,180 |
| Voluntary Housing | | | | | | 268,206,758 | 237,660,352 |
| Development Levy Debtors | | | | | | 72,921,411 | 115,699,350 |
| Inter Local Authority Loans | | | | | | - | - |
| Long-term Investments | | | | | | - | - |
| Cash | | | | | | - | - |
| Interest in associated companies | | | | | | - | - |
| Other | | | | | | 119,555,604 | 134,286,949 |
| | | | | | | 852,374,980 | 891,987,831 |
| Less: Amounts falling due within one year (Note 5) | | | | | | 21,661,991 | 23,724,173 |
| Total Amounts falling due after more than one year | | | | | | 830,712,989 | 868,263,658 |

* Includes HFA Agency Loans

NOTES TO AND FORMING PART OF THE ACCOUNTS

4. Stocks

(a) A summary of stock is as follows:

| | 2010 € | 2009 € |
|----------------|------------------|------------------|
| Central Stores | - | - |
| Other Depots | 4,869,523 | 4,758,099 |
| Total | 4,869,523 | 4,758,099 |

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

| | 2010 € | 2009 € |
|-------------------------------------|------------------|------------------|
| Opening Stock at 1 January | 4,758,099 | 5,063,003 |
| Purchases | 8,168,395 | 7,888,223 |
| Returns to Stores | 527,844 | 522,863 |
| Issues from Stores | (8,583,608) | (8,717,145) |
| Stocktake Adjustments | 123 | 599 |
| Other adjustments | (1,330) | 556 |
| Closing Stock at 31 December | 4,869,523 | 4,758,099 |

5. Trade Debtors & Prepayments

A breakdown of debtors and prepayments is as follows:

| | 2010 € | 2009 € |
|---|--------------------|--------------------|
| Government Debtors | 18,456,021 | 112,882,367 |
| Commercial Debtors | 119,438,217 | 68,642,508 |
| Non-Commercial Debtors | 43,565,574 | 43,392,571 |
| Development Levy Debtors | 33,522,893 | 33,106,528 |
| Other Services* | 1,929,412 | 63,005,761 |
| Other Local Authorities | 34,316,110 | 34,089,017 |
| Agent Works Recoupable | (1,971,293) | (14,917,870) |
| Revenue Commissioners | - | - |
| Other | - | - |
| Add: Amounts falling due within one year (Note 3) | 21,661,991 | 23,724,174 |
| Total Gross Debtors | 270,918,925 | 363,925,056 |
| Less: Provision for Doubtful Debts | 47,837,331 | 27,414,050 |
| Total Trade Debtors | 223,081,594 | 336,511,006 |
| Prepayments | 3,244,115 | 1,586,001 |
| | 226,325,709 | 338,097,007 |

* Other Services Debtors were further analysed during 2010 and allocated to Commercial and Non-Commercial Debtors

NOTES TO AND FORMING PART OF THE ACCOUNTS

6. Creditors and Accruals

A breakdown of creditors and accruals is as follows:

| | 2010 € | 2009 € |
|---|--------------------|--------------------|
| Trade creditors | 26,880,670 | 35,328,171 |
| Grants | - | - |
| Revenue Commissioners | 5,528,101 | 6,385,916 |
| Other Local Authorities | 6,691,784 | 7,073,125 |
| Other Creditors | 1,360,425 | 13,336,384 |
| | 40,460,980 | 62,123,596 |
| Accruals | 78,549,074 | 62,917,473 |
| Deferred Income | 100,788,139 | 48,229,615 |
| Add: Amounts falling due within one year (Note 8) | 48,000,000 | 108,000,000 |
| | 267,798,193 | 281,270,684 |

7. Urban Account

A summary of the Intercompany account is as follows:

| | 2010 € | 2009 € |
|------------------------|-----------|-----------|
| 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 @ 31/12/2010 € | Balance @ 31/12/2009 € |
|------------------------|---------------|----------|------------|------------------------------|------------------------------|
| Balance @ 1/1/2010 | 1,024,932,313 | - | 35,633,337 | 1,060,565,650 | 1,039,306,241 |
| Borrowings | 100,014,472 | - | - | 100,014,472 | 169,184,150 |
| Repayment of Principal | 27,675,617 | - | 2,818,804 | 30,494,421 | 27,876,728 |
| Early redemptions | 160,827,805 | - | - | 160,827,805 | 120,047,455 |
| Other Adjustments | - | - | - | - | - |
| Balance @ 31/12/2010 | 936,443,363 | - | 32,814,533 | 969,257,896 | 1,060,566,208 |

(b) Application of Loans

An analysis of loans payable is as follows:

| | HFA € | OPW € | Other € | Balance @ 31/12/2010 € | Balance @ 31/12/2009 € |
|----------------------------------|-------------|----------|------------|------------------------------|------------------------------|
| Mortgage loans* | 219,892,791 | - | - | 219,892,791 | 254,685,841 |
| Non-Mortgage loans | | | | | |
| Asset/Grants | 163,196,180 | - | 32,814,533 | 196,010,713 | 214,244,015 |
| Revenue Funding | - | - | - | - | - |
| Bridging Finance | 119,555,045 | - | - | 119,555,045 | 134,286,949 |
| Recoupable | - | - | - | - | - |
| Shared Ownership – Rented Equity | 165,592,588 | - | - | 165,592,588 | 194,689,051 |
| Inter-Local Authority | - | - | - | - | - |
| Voluntary housing | 268,206,758 | - | - | 268,206,758 | 237,660,352 |
| Social Housing | - | - | - | - | - |
| Other | - | - | - | - | 25,000,000 |
| | 936,443,362 | - | 32,814,533 | 969,257,895 | 1,060,566,208 |

Less: Amounts falling due within one year (Note 6)

| | | |
|---|--------------------|--------------------|
| | 48,000,000 | 108,000,000 |
| Total Amounts falling due after more than one year | 921,257,895 | 952,566,208 |

* Includes HFA Agency Loans

NOTES TO AND FORMING PART OF THE ACCOUNTS

9. Refundable Deposits

The movement in refundable deposits is as follows:

| | 2010 € | 2009 € |
|---------------------------------------|------------------|------------------|
| Opening Balance at 1 January | 3,535,494 | 6,105,056 |
| Deposits received | 99,200 | 12,009 |
| Deposits repaid | 25,316 | 2,581,670 |
| Interest Received | 6,448 | 99 |
| Closing Balance at 31 December | 3,615,826 | 3,535,494 |

Note: Short Term Refundable Deposits are included as part of Cash Investments on the Balance sheet

10. Capitalisation Account

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

| | Balance @ 1/1/2010 € | Purchased € | Transfers WIP € | Disposals € | Revaluations € | Historical Cost Adj € | Balance @ 31/12/2010 € | Balance @ 31/12/2009 € |
|---------------------------------------|----------------------------|-------------------|-----------------------|--------------------|--------------------|-----------------------------|------------------------------|------------------------------|
| Grants | 2,138,695,624 | 34,942,567 | 147,496,148 | (5,377,117) | (832,500) | 169,228,865 | 2,484,153,587 | 2,138,695,624 |
| Loans | - | - | - | - | - | - | - | - |
| Revenue funded | 15,518,326 | 779,378 | 3,404,147 | (54,260) | - | 220,837 | 19,868,428 | 15,518,326 |
| Leases | - | - | - | - | - | - | - | - |
| Development Levies | - | - | - | - | - | - | - | - |
| Tenant Purchase Annuities Unfunded | - | - | - | - | - | - | - | - |
| Historical | 10,327,159,345 | - | - | (119,469) | (2,551,000) | (1,290,000) | 10,323,198,876 | 10,327,159,345 |
| Other | 270,426,883 | 5,890,689 | - | (2,647,400) | - | (1,246,053) | 272,424,119 | 270,426,883 |
| Total Gross Funding | 12,751,800,178 | 41,612,634 | 150,900,295 | (8,198,246) | (3,383,500) | 166,913,649 | 13,099,645,010 | 12,751,800,178 |
| Less: Amortised | | | | | | | 1,248,840,937 | 1,215,927,265 |
| Total * | | | | | | | 11,850,804,073 | 11,535,872,913 |

* 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 @ 1/1/2010 € | Capital re-classification * € | Expenditure € | Income € | Transfer from Revenue € | Transfer to Revenue € | Internal Transfers € | Balance @ 31/12/2010 € | Balance @ 31/12/2009 € |
|---|---------|----------------------------|-------------------------------------|----------------------|--------------------|-------------------------------|-----------------------------|----------------------------|------------------------------|------------------------------|
| Tenant Purchase Annuities | | | | | | | | | | |
| - Realised | (a) | 17,792,097 | 17,792,097 | (29,095) | 6,737,430 | - | - | (24,500,628) | (196) | 17,792,097 |
| - UnRealised | (b) | 14,323,525 | 14,323,525 | - | (2,239,222) | - | - | - | 12,084,303 | 14,323,525 |
| Development Levies | (c)/(o) | 67,655,629 | 67,655,629 | (126,413) | 19,223,925 | - | - | (19,768,945) | 66,984,196 | 67,655,629 |
| Unfunded Balances | | | | | | | | | | |
| - Project Balances | (d) | - | (57,681,005) | (25,064,654) | 10,358,864 | - | - | 3,848,189 | (68,538,606) | - |
| - Non-Project Balances | (e) | - | (147,947,800) | (41,213,014) | 41,612,357 | 1,098,000 | - | 13,769,535 | (132,680,922) | - |
| Funded Balances | | | | | | | | | | |
| - Project Balances | (f) | (53,271,262) | 2,856,755 | (151,864,641) | 125,894,780 | - | (51,078) | 2,510,368 | (20,653,816) | (53,271,262) |
| - Non-Project Balances | (g) | (135,508,936) | 6,518,618 | 55,500,799 | (50,856,064) | 2,504,576 | (55,000) | 4,609,355 | 18,222,284 | (135,508,936) |
| Other Balances | | | | | | | | | | |
| - Assets | (h) | - | - | - | - | - | - | - | - | - |
| - Insurance Fund | (i) | 21,461,560 | 21,461,560 | - | - | 3,532,076 | - | - | 24,993,636 | 21,461,560 |
| - General | (j) | 150,471,782 | 150,606,989 | (682,451) | 18,315,113 | 9,158,617 | (453,091) | (912,110) | 176,033,067 | 150,471,782 |
| Net Capital Balances | | 82,924,395 | 75,586,368 | (163,479,469) | 169,047,183 | 16,293,269 | (559,169) | (20,444,236) | 76,443,946 | 82,924,395 |
| Non-Mortgage Loans - Principal to be Amortised | (k) | | | | | | | | (196,010,714) | (214,244,014) |
| Lease Repayment - Principal to be Amortised | (l) | | | | | | | | - | - |
| Historical Opening Mortgage Funding Surplus/(Deficit) | (m) | | | | | | | | 25,462,517 | 25,462,517 |
| Shared Ownership Rented Equity Account | (n) | | | | | | | | (151,692) | (3,421,794) |
| Debtors Introduction Reserve | | | | | | | | | 31,400,000 | 14,800,000 |
| Loans & Grants Uncashed Cheques | | | | | | | | | - | (2,439,847) |
| Reserves - associated companies | | | | | | | | | | |
| | | | | | | | | | (139,299,889) | (179,843,138) |
| Total Other Balances | | | | | | | | | (62,855,943) | (96,918,743) |

* 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.

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.

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:

| | 2010 € | 2009 € |
|--|----------------|-------------------|
| Net WIP & Preliminary Expenses (Note 2) | (65,567,879) | (68,575,304) |
| Net Capital Balances (Note 11) | 76,443,946 | 82,924,395 |
| Agent Works Recoupable (Note 5) | 1,971,293 | 14,917,870 |
| Tenant Purchase | (12,084,303) | (14,323,525) |
| Capital Balance Surplus/(Deficit) @ 31 December | 763,057 | 14,943,436 |

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

| | 2010 € | 2009 € |
|--------------------------------------|--------------------|-------------------|
| Opening Balance @ 1 January | 14,943,436 | 29,134,230 |
| Expenditure | 334,247,053 | 553,580,583 |
| Income | | |
| - Grants | 163,171,430 | 319,886,806 |
| - Loans | 77,962,738 | 78,482,110 |
| - Other | 59,621,925 | 117,794,035 |
| Total Income | 300,756,093 | 516,162,951 |
| Net Revenue Transfers | 19,310,581 | 23,226,838 |
| Closing Balance @ 31 December | 763,057 | 14,943,436 |

13. Mortgage Loan Funding Surplus/(Deficit)

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

| | 2010 Loan Annuity € | 2010 Rented Equity € | 2010 Total € | 2009 Total € |
|--|---------------------------|----------------------------|--------------------|---------------------|
| Mortgage Loans/Equity Receivable (LT Mortgage Shared Own Note 3) | 239,189,816 | 140,417,087 | 379,606,903 | 390,017,655 |
| Mortgage Loans/Equity Payable (Mort Loans Shared Own Note 8) | 219,892,791 | 165,592,588 | 385,485,379 | 449,374,892 |
| Surplus/(Deficit) in Funding @ 31 December | 19,297,025 | (25,175,501) | (5,878,476) | (59,357,237) |

NOTE: Cash on Hand relating to Redemptions and Relending

€

5,000,000

14. Summary of Plant & Materials Account

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

| | 2010 Plant & Machinery € | 2010 Materials € | 2010 Total € | 2009 Total € |
|---------------------------------------|--------------------------------|------------------------|--------------------|--------------------|
| Expenditure | - | - | - | - |
| Charged to Jobs | - | - | - | - |
| Transfers from/(to) Reserves | - | - | - | - |
| Surplus/(Deficit) for the Year | - | - | - | - |

NOTES TO AND FORMING PART OF THE ACCOUNTS

15. Transfers from/(to) Reserves

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

| | 2010 Transfers from Reserves € | 2010 Transfers to Reserves € | 2010 Net € | 2009 € |
|---------------------------------------|---|---------------------------------------|-------------------|-------------------|
| Loan Repayment Reserve | - | 11,308,648 | 11,308,648 | 9,349,790 |
| Lease Repayment Reserve | - | - | - | - |
| Historical Mortgage Funding Write-off | - | - | - | - |
| Development Levies | - | - | - | - |
| Other | (559,170) | 19,869,751 | 19,310,581 | 23,226,838 |
| Surplus/(Deficit) for Year | (559,170) | 31,178,399 | 30,619,229 | 32,576,628 |

16. Analysis of Revenue Income

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

| | Appendix No | 2010 | | 2009 | |
|---|-------------|--------------------|-------------|--------------------|-------------|
| | | € | % | € | % |
| Grants & Subsidies | 3 | 149,247,147 | 17% | 136,641,282 | 15% |
| Contributions from other local authorities | | 92,512,364 | 10% | 99,874,547 | 11% |
| Goods & Services | 4 | 246,256,832 | 27% | 266,950,653 | 29% |
| | | 488,016,343 | 54% | 503,466,482 | 55% |
| Local Government Fund - General Purpose Grant | | 64,672,297 | 7% | 78,621,795 | 9% |
| Pension Related Deduction | | 19,009,978 | 2% | 16,126,818 | 2% |
| Rates | | 324,537,363 | 36% | 316,107,522 | 35% |
| County Charge | | | | | |
| Total Income | | 896,235,981 | 100% | 914,322,617 | 100% |

17 Over/Under Expenditure

The following table shows the difference between the adopted budgets and the actual outturn in respect of both expenditure and income:

| | Expenditure (Over)/Under Budgets € | Income Over/(Under) Budgets € | Transfers Over/(Under) Budget € | Net Position € |
|---|---|--|--|---------------------|
| Housing & Building | 21,461,759 | (7,257,089) | (9,838,921) | 4,365,749 |
| Roads Transportation & Safety | 6,354,264 | 806,808 | (4,213,633) | 2,947,439 |
| Water Services | 2,809,597 | 3,882,588 | (5,067,764) | 1,624,421 |
| Development Management | 753,999 | (18,876) | 2,742 | 737,865 |
| Environmental Services | 4,637,363 | (8,400,189) | (137,998) | (3,900,824) |
| Recreation & Amenity | 3,491,528 | 858,498 | (1,764,468) | 2,585,558 |
| Agriculture, Education, Health & Welfare | (1,039,699) | 1,513,779 | - | 474,080 |
| Miscellaneous Services | (37,062,660) | 5,986,737 | (5,865,203) | (36,941,126) |
| Total Divisions Including Transfers | 1,406,151 | (2,627,744) | (26,885,245) | (28,106,838) |
| Local Government Fund - General Purpose Grant | | | | (1,560,592) |
| Pension Related Deduction | | | | 2,509,978 |
| Rates | | | | 42,515,369 |
| County Charge | | | | - |
| Dr/Cr Balance | | | | (9,739,552) |
| (Deficit)/Surplus for Year | | | | 5,618,365 |

APPENDICES

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

| | Notes | 2010 € | 2009 € |
|--|-------|--------------------|--------------------|
| Payroll Expenses | | | |
| Salary & Wages | | 316,290,350 | 344,652,308 |
| Pensions (incl Gratuities)* | | 84,507,008 | 89,420,146 |
| Other costs | | - | - |
| Total | | 400,797,358 | 434,072,455 |
| Operational Expenses | | | |
| Purchase of Equipment | | 3,943,822 | 10,176,100 |
| Repairs & Maintenance | | 17,932,627 | 28,146,921 |
| Contract Payments | | 41,952,449 | 44,628,100 |
| Agency services | | 42,967,148 | 41,109,575 |
| Machinery Yard Charges incl. Plant Hire | | 14,327,938 | 17,777,638 |
| Purchase of Materials & Issues from Stores | | 27,952,514 | 20,392,766 |
| Payment of Grants | | 19,769,681 | 21,950,780 |
| Members Costs | | 402,423 | 404,182 |
| Travelling & Subsistence Allowances | | 1,251,666 | 1,484,012 |
| Consultancy & Professional Fees Payments | | 2,347,244 | 3,094,172 |
| Energy Costs | | 16,695,713 | 17,970,599 |
| Other | | 111,272,147 | 115,697,946 |
| Total | | 300,815,372 | 322,832,791 |
| Administration Expenses | | | |
| Communication Expenses | | 8,056,214 | 7,802,098 |
| Training | | 1,790,998 | 2,549,930 |
| Printing & Stationery | | 2,481,735 | 4,655,631 |
| Contributions to other Bodies | | 13,627,952 | 8,953,063 |
| Other | | 13,604,017 | 18,031,589 |
| Total | | 39,560,916 | 41,992,311 |
| Establishment Expenses | | | |
| Rent & Rates | | 44,891,226 | 31,846,797 |
| Other | | 4,544,296 | 18,853,430 |
| Total | | 49,435,522 | 50,700,227 |
| Financial Expenses | | 69,389,219 | 26,708,462 |
| Miscellaneous Expenses | | - | - |
| Total Expenditure | | 859,998,387 | 876,306,245 |

* Pensions & Gratuities are shown excluding Pensions & Gratuities paid on behalf of Third Parties. These Costs are shown as Agency services.

APPENDIX 2

SERVICE DIVISION A HOUSING and BUILDING

| DIVISION | | EXPENDITURE | INCOME | | | |
|--|---|--------------------|--------------------------|---------------------------------|--|--------------------|
| | | TOTAL | State Grants & Subsidies | Provision of Goods and Services | Contributions from other local authorities | TOTAL |
| | | € | € | € | € | € |
| A01 | Maintenance/Improvement of LA Housing | 64,916,112 | 3,553,327 | 263,412 | - | 3,816,739 |
| A02 | Housing Assessment, Allocation and Transfer | 5,653,462 | - | 2,257,320 | - | 2,257,320 |
| A03 | Housing Rent and Tenant Purchase Administration | 7,402,079 | - | 73,760,432 | - | 73,760,432 |
| A04 | Housing Community Development Support | 23,075,458 | 176,182 | 310,199 | - | 486,381 |
| A05 | Administration of Homeless Service | 43,960,708 | 34,503,339 | 568,814 | 924,903 | 35,997,056 |
| A06 | Support to Housing Capital & Affordable Prog. | 9,662,523 | 770,573 | 233,674 | - | 1,004,247 |
| A07 | RAS Programme | 21,201,337 | 18,190,452 | 2,254,453 | - | 20,444,905 |
| A08 | Housing Loans | 19,477,339 | 688,583 | 12,782,045 | - | 13,470,628 |
| A09 | Housing Grants | 12,777,842 | 6,401,897 | 10,008 | - | 6,411,905 |
| A10 | Voluntary Housing Scheme | - | - | - | - | - |
| A11 | Agency & Recoupable Services | 14,831 | - | 2,902,773 | - | 2,902,773 |
| SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES | | 208,141,691 | 64,284,353 | 95,343,130 | 924,903 | 160,552,386 |
| Less Transfers to/from Reserves | | 9,788,265 | | 25,000 | | 25,000 |
| SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES | | 198,353,426 | | 95,318,130 | | 160,527,386 |

SERVICE DIVISION B ROAD TRANSPORTATION and SAFETY

| DIVISION | | EXPENDITURE | INCOME | | | |
|--|---|-------------------|--------------------------|---------------------------------|--|-------------------|
| | | TOTAL | State Grants & Subsidies | Provision of Goods and Services | Contributions from other local authorities | TOTAL |
| | | € | € | € | € | € |
| B01 | NP Road - Maintenance and Improvement | 2,303,497 | 842,944 | 2,731 | - | 845,675 |
| B02 | NS Road - Maintenance and Improvement | 146,489 | 32,685 | - | - | 32,685 |
| B03 | Regional Road - Maintenance and Improvement | 4,330,314 | 51,951 | 7,337 | - | 59,288 |
| B04 | Local Road - Maintenance and Improvement | 19,382,541 | 7,186,043 | 480,074 | - | 7,666,117 |
| B05 | Public Lighting | 10,234,893 | - | 8,261 | - | 8,261 |
| B06 | Traffic Management Improvement | 18,584,225 | 102,158 | 3,315,277 | 246,134 | 3,663,569 |
| B07 | Road Safety Engineering Improvement | - | - | - | - | - |
| B08 | Road Safety Promotion/Education | 3,137,216 | 70,166 | 7,679 | - | 77,845 |
| B09 | Maintenance & Management of Car Parking | 13,424,049 | - | 29,588,026 | - | 29,588,026 |
| B10 | Support to Roads Capital Prog. | 4,736,399 | - | - | - | - |
| B11 | Agency & Recoupable Services | 2,535,082 | 588,579 | 1,872,049 | 152,376 | 2,613,004 |
| SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES | | 78,814,705 | 8,874,526 | 35,281,434 | 398,510 | 44,554,470 |
| Less Transfers to/from Reserves | | 5,808,066 | | - | | - |
| SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES | | 73,006,639 | | 35,281,434 | | 44,554,470 |

**SERVICE DIVISION C
WATER SERVICES**

| | | EXPENDITURE | INCOME | | | |
|--|--|--------------------|--------------------------|---------------------------------|--|-------------------|
| DIVISION | | TOTAL | State Grants & Subsidies | Provision of Goods and Services | Contributions from other local authorities | TOTAL |
| | | € | € | € | € | € |
| C01 | Operation and Maintenance of Water Supply | 57,399,516 | 1,644,975 | 24,501,562 | 15,285,848 | 41,432,385 |
| C02 | Operation and Maintenance of Waste Water Treatment | 67,888,244 | 307,500 | 10,310,199 | 22,014,177 | 32,631,876 |
| C03 | Collection of Water and Waste Water Charges | 655,209 | - | - | - | - |
| C04 | Operation and Maintenance of Public Conveniences | 221,233 | - | 3,133 | - | 3,133 |
| C05 | Admin of Group and Private Installations | - | - | - | - | - |
| C06 | Support to Water Capital Programme | 282,238 | - | - | - | - |
| C07 | Agency & Recoupable Services | 2,659,959 | - | 1,474,454 | 1,864,618 | 3,339,072 |
| SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES | | 129,106,399 | 1,952,475 | 36,289,348 | 39,164,643 | 77,406,466 |
| Less Transfers to/from Reserves | | 5,447,292 | | 50,000 | | 50,000 |
| SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES | | 123,659,107 | | 36,239,348 | | 77,356,466 |

**SERVICE DIVISION D
DEVELOPMENT MANAGEMENT**

| | | EXPENDITURE | INCOME | | | |
|--|---|-------------------|--------------------------|---------------------------------|--|------------------|
| DIVISION | | TOTAL | State Grants & Subsidies | Provision of Goods and Services | Contributions from other local authorities | TOTAL |
| | | € | € | € | € | € |
| D01 | Forward Planning | 3,942,018 | - | 73,970 | - | 73,970 |
| D02 | Development Management | 7,113,645 | - | 1,064,825 | - | 1,064,825 |
| D03 | Enforcement | 2,685,645 | - | 243,862 | - | 243,862 |
| D04 | Op & Mtce of Industrial Sites & Commercial Facilities | 4,923,621 | - | 1,874,541 | 436,467 | 2,311,008 |
| D05 | Tourism Development and Promotion | 681,174 | - | - | - | - |
| D06 | Community and Enterprise Function | 3,746,474 | 1,040,256 | 78,423 | - | 1,118,679 |
| D07 | Unfinished Housing Estates | - | - | - | - | - |
| D08 | Building Control | 997,957 | - | 282,946 | - | 282,946 |
| D09 | Economic Development and Promotion | 2,137,384 | - | 225,693 | - | 225,693 |
| D10 | Property Management | 325,686 | - | 400,771 | - | 400,771 |
| D11 | Heritage and Conservation Services | 2,095,943 | 670,705 | 23,876 | - | 694,581 |
| D12 | Agency & Recoupable Services | - | - | 525,874 | - | 525,874 |
| SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES | | 28,649,547 | 1,710,961 | 4,794,781 | 436,467 | 6,942,209 |
| Less Transfers to/from Reserves | | 90,128 | | 381,000 | | 381,000 |
| SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES | | 28,559,419 | | 4,413,781 | | 6,561,209 |

**SERVICE DIVISION E
ENVIRONMENTAL SERVICES**

| | | EXPENDITURE | INCOME | | | |
|--|--|--------------------|--------------------------|---------------------------------|--|--------------------|
| DIVISION | | TOTAL | State Grants & Subsidies | Provision of Goods and Services | Contributions from other local authorities | TOTAL |
| | | € | € | € | € | € |
| E01 | Operation, Maintenance and Aftercare of Landfill | 20,715,411 | - | 1,073,436 | 140,653 | 1,214,089 |
| E02 | Op & Mtce of Recovery & Recycling Facilities | 4,716,616 | 1,689,767 | 822,520 | - | 2,512,287 |
| E03 | Op & Mtce of Waste to Energy Facilities | - | - | - | - | - |
| E04 | Provision of Waste to Collection Services | 33,509,687 | 66,080 | 22,400,969 | (773,545) | 21,693,504 |
| E05 | Litter Management | 3,715,897 | 75,000 | 390,833 | 33,315 | 499,148 |
| E06 | Street Cleaning | 35,638,061 | 16,940 | 797,036 | - | 813,976 |
| E07 | Waste Regulations, Monitoring and Enforcement | 4,318,262 | 1,668,635 | 2,115,442 | - | 3,784,077 |
| E08 | Waste Management Planning | 1,020,045 | - | 626 | 106,121 | 106,747 |
| E09 | Maintenance and Upkeep of Burial Grounds | 34,137 | - | 5,305 | - | 5,305 |
| E10 | Safety of Structures and Places | 2,971,555 | 437,546 | 1,235,714 | 242,912 | 1,916,172 |
| E11 | Operation of Fire Service | 112,749,121 | 1,430,490 | 15,088,423 | 51,838,385 | 68,357,298 |
| E12 | Fire Prevention | 2,494,075 | - | - | - | - |
| E13 | Water Quality, Air and Noise Pollution | 2,016,404 | 250 | 16,662 | - | 16,912 |
| E14 | Agency & Recoupable Services | - | - | 2,313,845 | - | 2,313,845 |
| SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES | | 223,899,271 | 5,384,708 | 46,260,811 | 51,587,841 | 103,233,360 |
| Less Transfers to/from Reserves | | 1,592,876 | - | - | - | - |
| SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES | | 222,306,395 | | 46,260,811 | | 103,233,360 |

**SERVICE DIVISION F
RECREATION and AMENITY**

| | | EXPENDITURE | INCOME | | | |
|--|---|-------------------|--------------------------|---------------------------------|--|-------------------|
| DIVISION | | TOTAL | State Grants & Subsidies | Provision of Goods and Services | Contributions from other local authorities | TOTAL |
| | | € | € | € | € | € |
| F01 | Operation and Maintenance of Leisure Facilities | 9,086,347 | - | 2,690,959 | - | 2,690,959 |
| F02 | Operation of Library and Archival Service | 25,060,829 | 174,577 | 756,804 | - | 931,381 |
| F03 | Op, Mtce & Imp of Outdoor Leisure Areas | 23,486,901 | 73,500 | 778,979 | - | 852,479 |
| F04 | Community Sport and Recreational Development | 13,588,011 | 2,670,232 | 1,281,868 | - | 3,952,100 |
| F05 | Operation of Arts Programme | 8,529,112 | 209,931 | 532,657 | - | 742,588 |
| F06 | Agency & Recoupable Services | - | - | 1,793,336 | - | 1,793,336 |
| SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES | | 79,751,200 | 3,128,240 | 7,834,603 | - | 10,962,843 |
| Less Transfers to/from Reserves | | 1,887,857 | - | 10,000 | - | 10,000 |
| SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES | | 77,863,343 | | 7,824,603 | | 10,952,843 |

**SERVICE DIVISION G
AGRICULTURE, EDUCATION, HEALTH and WELFARE**

| DIVISION | | EXPENDITURE | INCOME | | | |
|--|---|-------------------|--------------------------|---------------------------------|--|-------------------|
| | | TOTAL | State Grants & Subsidies | Provision of Goods and Services | Contributions from other local authorities | TOTAL |
| | | € | € | € | € | € |
| G01 | Land Drainage Costs | - | - | - | - | - |
| G02 | Operation and Maintenance of Piers and Harbours | - | - | - | - | - |
| G03 | Coastal Protection | - | - | - | - | - |
| G04 | Veterinary Service | 1,141,130 | 665,049 | 136,220 | - | 801,269 |
| G05 | Educational Support Services | 65,688,296 | 62,951,226 | 350,826 | - | 63,302,052 |
| G06 | Agency & Recoupable Services | - | - | - | - | - |
| SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES | | 66,829,426 | 63,616,275 | 487,046 | - | 64,103,321 |
| Less Transfers to/from Reserves | | - | - | - | - | - |
| SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES | | 66,829,426 | | 487,046 | | 64,103,321 |

**SERVICE DIVISION H
MISCELLANEOUS SERVICES**

| DIVISION | | EXPENDITURE | INCOME | | | |
|--|--|--------------------|--------------------------|---------------------------------|--|--------------------|
| | | TOTAL | State Grants & Subsidies | Provision of Goods and Services | Contributions from other local authorities | TOTAL |
| | | € | € | € | € | € |
| H01 | Profit/Loss Machinery Account | 1,794,913 | - | 1,794,912 | - | 1,794,912 |
| H02 | Profit/Loss Stores Account | - | - | - | - | - |
| H03 | Administration of Rates | 48,136,244 | - | 2,632,178 | - | 2,632,178 |
| H04 | Franchise Costs | 1,303,980 | - | 4,893 | - | 4,893 |
| H05 | Operation of Morgue and Coroner Expenses | 3,437,994 | - | - | - | - |
| H06 | Weighbridges | - | - | - | - | - |
| H07 | Operation of Markets and Casual Trading | 1,194,380 | - | 1,029,063 | - | 1,029,063 |
| H08 | Malicious Damage | 9,012 | 8,852 | - | - | 8,852 |
| H09 | Local Representation/Civic Leadership | 3,846,434 | - | 20,843 | - | 20,843 |
| H10 | Motor Taxation | 15,080,569 | - | 60,614 | - | 60,614 |
| H11 | Agency & Recoupable Services | 1,181,021 | 286,757 | 14,982,346 | - | 15,269,103 |
| SERVICE DIVISION TOTAL INCLUDING TRANSFERS TO/FROM RESERVES | | 75,984,547 | 295,609 | 20,524,849 | - | 20,820,458 |
| Less Transfers to/from Reserves | | 6,563,915 | | 93,170 | | 93,170 |
| SERVICE DIVISION TOTAL EXCLUDING TRANSFERS TO/FROM RESERVES | | 69,420,632 | | 20,431,679 | | 20,727,288 |
| TOTAL ALL DIVISIONS | | 859,998,387 | 149,247,147 | 246,256,832 | 92,512,364 | 488,016,343 |

APPENDIX 3

ANALYSIS OF INCOME FROM GRANTS AND SUBSIDIES

| | 2010 € | 2009 € |
|---|--------------------|--------------------|
| Department of the Environment, Heritage and Local Government | | |
| Road Grants | - | - |
| Housing Grants & Subsidies | 64,386,355 | 63,327,796 |
| Library Services | - | 22,361 |
| Local Improvement Schemes | - | - |
| Urban and Village Renewal Schemes | - | - |
| Water Services Group Schemes | 1,230,000 | 1,254,025 |
| Environmental Protection/Conservation Grants | 3,556,272 | 1,741,614 |
| Miscellaneous | 2,073,501 | 8,921,950 |
| | 71,246,128 | 75,267,746 |
| Other Departments and Bodies | | |
| Road Grants | 9,205,942 | 7,010,709 |
| Higher Education Grants | 19,836,598 | 11,532,708 |
| VEC Pensions and Gratuities | 42,616,322 | 40,693,491 |
| Community Employment Schemes | - | - |
| Civil Defence | - | - |
| Miscellaneous | 6,342,157 | 2,136,628 |
| | 78,001,019 | 61,373,536 |
| Total | 149,247,147 | 136,641,282 |

APPENDIX 4

ANALYSIS OF INCOME FROM GOODS AND SERVICES

| | 2010 € | 2009 € |
|-----------------------------------|--------------------|--------------------|
| Rents from Houses | 80,986,796 | 82,069,927 |
| Housing Loans Interest & Charges | 12,497,632 | 16,046,272 |
| Domestic Water | - | - |
| Commercial Water | 28,419,610 | 32,905,122 |
| Domestic Refuse | 18,439,341 | 16,148,931 |
| Commercial Refuse | 9,725,710 | 9,110,979 |
| Domestic Sewerage | - | - |
| Commercial Sewerage | 4,251,673 | 3,274,396 |
| Planning Fees | 1,305,701 | 2,431,033 |
| Parking Fines/Charges | 30,920,479 | 37,517,696 |
| Recreation & Amenity Activities | 2,032,547 | 1,075,242 |
| Library Fees/Fines | 412,651 | 622,091 |
| Agency Services | 10,358,004 | 17,198,277 |
| Pension Contributions | 14,681,731 | 16,571,449 |
| Property Rental & Leasing of Land | 7,698,713 | 3,251,275 |
| Landfill Charges | - | - |
| Fire Charges | 1,146,326 | 4,629,829 |
| NPPR | 13,517,342 | 10,145,992 |
| Miscellaneous Goods & Services | 9,862,576 | 13,952,142 |
| | 246,256,832 | 266,950,653 |

APPENDIX 5

SUMMARY OF CAPITAL EXPENDITURE AND INCOME

| | 2010 € | 2009 € |
|--|---------------------|---------------------|
| EXPENDITURE | | |
| Payment to Contractors | 121,043,741 | 251,567,822 |
| Purchase of Land | 39,670,782 | 51,465,161 |
| Purchase of Other Assets/Equipment | 3,043,235 | 8,302,465 |
| Professional & Consultancy Fees | 17,154,671 | 21,307,515 |
| Other | 153,334,624 | 220,937,620 |
| Total Expenditure (Net of Internal Transfers) | 334,247,053 | 553,580,583 |
| Transfers to Revenue | 559,170 | 1,846,792 |
| Total Expenditure (Incl Transfers) * | 334,806,223 | 555,427,375 |
| INCOME | | |
| Grants | 163,171,430 | 319,886,806 |
| Non - Mortgage Loans | 77,962,738 | 78,482,110 |
| Other Income | | |
| (a) Development Contributions | 19,223,925 | 17,630,729 |
| (b) Property Disposals | | |
| - Land | 4,122,743 | 16,497,727 |
| - LA Housing | 9,992,098 | 19,839,764 |
| - Other property | - | - |
| (c) Purchase Tenant Annuities | 2,239,221 | 2,631,843 |
| (d) Car Parking | 7,140,421 | 8,127,803 |
| (e) Other | 16,903,517 | 53,066,169 |
| Total Income (Net of Internal Transfers) | 300,756,093 | 516,162,951 |
| Transfers from Revenue | 19,869,751 | 25,073,630 |
| Total Income (Incl Transfers) * | 320,625,844 | 541,236,581 |
| Surplus\Deficit) for year | (14,180,379) | (14,190,794) |
| Balance (Debit)\Credit @ 1 January | 14,943,436 | 29,134,230 |
| Balance (Debit)\Credit @ 31 December | 763,057 | 14,943,436 |

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

APPENDIX 6
ANALYSIS OF EXPENDITURE AND INCOME ON CAPITAL ACCOUNT

| | BALANCE @ 1/1/2010 | EXPENDITURE | INCOME | | | | TRANSFERS | | | BALANCE @ 31/12/2010 |
|--|-----------------------|--------------------|--------------------|--------------------|-------------------|--------------------|-----------------------|---------------------|--------------------|-------------------------|
| | | | Grants | Non-Mortgage Loans | Other | Total Income | Transfer from Revenue | Transfer to Revenue | Internal Transfers | |
| | € | € | € | € | € | € | € | € | € | € |
| Housing & Building | 31,863,650 | 201,754,325 | 54,467,484 | 77,962,738 | 7,669,954 | 140,100,176 | 5,253,651 | 25,000 | | 88,289,148 |
| Road Transportation & Safety | (14,286,862) | 61,278,966 | 51,569,357 | - | 5,620,368 | 57,189,725 | 3,831,197 | - | (3,810,841) | (17,839,659) |
| Water Services | 4,896,169 | 37,337,623 | 39,793,216 | - | 4,074,654 | 43,867,870 | 1,039,528 | 50,000 | (8,031,943) | (10,655,549) |
| Development Management | (32,698,936) | 18,692,577 | 2,272,756 | - | 41,651,192 | 43,923,948 | 90,128 | 381,000 | 12,541,364 | (45,098,071) |
| Environmental Services | 55,389,116 | 5,849,482 | 6,888,530 | - | 354,802 | 7,243,332 | 1,592,876 | - | - | 52,402,390 |
| Recreation & Amenity | 7,873,866 | 7,403,852 | 6,060,668 | - | 597,145 | 6,657,813 | 1,498,456 | 10,000 | (698,580) | 6,432,869 |
| Agriculture, Education, Health & Welfare | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous Services | (67,980,435) | 2,489,398 | 2,119,421 | - | 212,982 | 2,332,403 | 6,563,915 | 93,170 | - | (74,294,185) |
| TOTAL | (14,943,432) | 334,806,223 | 163,171,432 | 77,962,738 | 60,181,097 | 301,315,267 | 19,869,751 | 559,170 | - | (763,057) |

Note: Mortgage-related transactions are excluded

The closing balances for 2009 Appendix 6 did not reflect internal transfers within the Service Divisions. Opening balances for 2010 have been re-instated to reflect this. There is no change to the total figure.

APPENDIX 7

SUMMARY OF MAJOR REVENUE COLLECTIONS FOR 2010

| | Arrears @ 1/1/2010 € | Accrued € | Write Off € | Waivers € | Total for Collection € | Collected € | Arrears @ 31/12/2010 € | % Collected* |
|-------------------|----------------------------|--------------|----------------|--------------|------------------------------|----------------|------------------------------|--------------|
| Rates | 44,455,944 | 324,537,363 | 9,035,651 | - | 359,957,656 | 296,510,814 | 63,446,842 | 82% |
| Rents & Annuities | 19,526,762 | 73,679,765 | 541,823 | - | 92,664,704 | 73,482,574 | 19,182,130 | 79% |
| Commercial Water | 21,373,541 | 27,634,491 | 3,827,136 | - | 45,180,896 | 22,991,930 | 22,188,966 | 51% |
| <u>Refuse</u> | | | | | | | | |
| Domestic | 19,566,287 | 22,127,730 | 593,108 | 6,395,534 | 34,705,375 | 17,398,176 | 17,307,199 | 50% |
| Commercial | - | - | - | - | - | - | - | 0% |
| Housing Loans | 4,396,341 | 23,466,744 | - | - | 27,863,085 | 21,400,846 | 6,462,239 | 77% |

The total for collection in 2010 includes arrears b\ fwd at 1/1/2010. This will tend to reduce the % collected for 2010.
Rental income from Shared Ownership has been included under Housing Loans
Income from Tenant Purchase Annuities has been included under Note 11.
Arrears brought forward is shown net of credit balances.

Appendix No. 8

Interest of Local Authorities in Companies

| Name of Company | Principal Activities | Share Ownership (beneficial) | L.A. reps on Board | Guarantees, By L.A. For borrowings | Financial Information | Securities of L.A. in moneys advanced | CO's reflection in L.A. Accounts |
|--|---|---|--|------------------------------------|-----------------------|---------------------------------------|---|
| Ballymun Regeneration Limited | The social, physical and economic regeneration of Ballymun in accordance with the objectives set out in the 1998 Masterplan agreed with the Department of Environment, Heritage and Local Government and with Dublin City Council | Company Limited by Guarantee and not having a share capital. Wholly owned subsidiary of Dublin City Council | 2 City Councillors and 3 Dublin City Council officials | None | | None | The results are reflected in Dublin City Council accounts |
| Ballymun Business and Technology Park (Management) Limited | The management of any elements of the development provided by the Ballymun Business and Technology Park (Development) Limited which remain in public ownership | Company Limited by Guarantee and not having a share capital. Wholly owned subsidiary of Ballymun Regeneration Limited | 2 Dublin City Council officials | None | | None | This company is dormant but its results will be included in the capital accounts of Dublin City Council through the inclusion of the results of Ballymun Regeneration Limited |
| Ballymun Homes (Management) Limited | The provision of a management company for the sale of apartments to private purchasers where transfer of title is by way of lease and not freehold. | Company Limited by Guarantee and not having a share capital. Wholly owned subsidiary of Ballymun Regeneration Limited | 1 Dublin City Council official and the Company Secretary for Ballymun Regeneration Limited, who is on secondment from Dublin City Council to Ballymun Regeneration Limited | None | | None | This company is dormant but its results will be included in the accounts of Dublin City Council through the inclusion of the results of Ballymun Regeneration Limited |

| Name of Company | Principal Activities | Share Ownership (beneficial) | L.A. reps on Board | Guarantees, By L.A. For borrowings | Financial Information | Securities of L.A. in moneys advanced | CO's reflection in L.A. Accounts |
|---|---|---|------------------------------------|---|--|--|---|
| Poppintree Neighbour Centre Management Company Limited | The company will provide the management structure for the Carrig Court Neighbourhood Centre on completion of the development and provide the vehicle for leasehold apartment purchasers to own the buildings and manage the operational and legal affairs of the scheme in which their apartments are situated | Company Limited by Guarantee and not having a share capital. Wholly owned subsidiary of Dublin City Council | 2 officials of Dublin City Council | None | 2010 Turnover €58,153 Profit for year €677 Reserves €22,788 | None | The Results are not reflected in the Accounts of DCC |
| Coultry Neighbourhood Centre Management Company Limited | The company will provide the management structure for the Coultry Court Neighbourhood Centre on completion of the development and provide the vehicle for leasehold apartment purchasers to own the buildings and manage the operational and legal affairs of the scheme in which their apartments are situated | Company Limited by Guarantee and not having a share capital. Wholly owned subsidiary of Dublin City Council | 2 officials of Dublin City Council | None | 2010 Turnover €38,385 Loss for Year €(6,943) Reserves €10,823 | None | The Results are not reflected in the accounts of DCC. |
| Shangan Neighbourhood Centre Management Company Limited | The company will provide the management structure for the Shangan Court Neighbourhood Centre on completion of the development and provide the vehicle for leasehold apartment purchasers to own the buildings and manage the operational and legal affairs of the scheme in which their apartments are situated | Company Limited by Guarantee and not having a share capital. Wholly owned subsidiary of Dublin City Council | 2 officials of Dublin City Council | None | 2010 Turnover €38,870 Profit for Year €6,397 Reserves €19,781 | None | The results are not reflected in the accounts of DCC. |
| Forestwood Management Company Limited | The company will provide the management structure for the Forestwood area on completion of the development and provide the vehicle for leasehold apartment purchasers to own the buildings and manage the operational and legal affairs of the scheme in which their apartments are situated | Company Limited by Guarantee and not having a share capital. Wholly owned subsidiary of Dublin City Council | 2 officials of Dublin City Council | None | 2010 Turnover €10,033 Net Loss €3,775 Reserves (€3775) | None | The results are not reflected in the accounts of DCC. |

| Name of Company | Principal Activities | Share Ownership (beneficial) | L.A. reps on Board | Guarantees, By L.A. For borrowings | Financial Information | Securities of L.A. in moneys advanced | CO's reflection in L.A. Accounts |
|--|--|---|------------------------------------|---|---|--|--|
| City of Dublin Energy Management Agency Limited (CODEMA) | Not for profit local energy agency service for energy efficiency, renewable energy and clean transport | Total Share Capital of 100 Ordinary shares, 60 held by Dublin City Council | % officials | | 2010 Turnover €696,355 Profit € 22,265 Reserves €79,367 | None | CODEMA produces its own Accounts. The results are not included in the account of Dublin City Council. |
| Hugh Lane Gallery Trust Limited | To advance education in the Arts by operating and managing the Hugh Lane Municipal Gallery of Modern Art | Company Limited by Guarantee and not having a share capital. Wholly owned subsidiary of Dublin City Council | 4 Councillors and 2 officials | None | | None | The results are reflected in Dublin City Council accounts |
| Temple Bar Cultural Trust Limited | Property Managers / Cultural Developers in the Temple Bar Area | Wholly owned subsidiary of Dublin City Council | 4 Councillors and 2 officials | None | 2009 Turnover € 3,306,150 Profit € 102,572 Reserves €15,653,424 No Accounts for 2010 were available at the time of completion of Dublin City Council Audit. | None | The results are not included in the accounts of Dublin City Council |
| Urban Ballyfermot Limited | To implement a physical and social regeneration programme in the Ballyfermot Area | Company Limited by Guarantee and not having a share capital. Wholly owned subsidiary of Dublin City Council | 3 local committees and 4 officials | None | | None | Company was dissolved by the Companies Office on April 30 th 2010 |
| Dublin City Sports & Leisure Services Limited | To manage and operate sports and leisure facilities for Dublin City Council | Company Limited by Guarantee and not having a share capital. Wholly owned subsidiary of Dublin City Council | 7 officials | None | No results for 2010. Accounts will be prepared to 30 th September 2011. | None | Dublin City Sports & Leisure Services Limited produces its own accounts. Registered 04/05/2010. The results are not included in the account of Dublin City Council |

Glossary of Terms

Accruals (Matching)

The concept that income and expenditure are recognised as they are earned or incurred, not as money is received or paid.

Capital Expenditure

Expenditure on the acquisition of a fixed asset or expenditure that adds to and not merely maintains the value of an existing fixed asset.

Community Assets

Assets that the local authority intends to hold in perpetuity, that have no determinable useful life, and that may have restrictions on their disposal. Examples of community assets are parks and historic buildings.

Contingency

A condition which exists at the balance sheet date, where the outcome will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events.

Corporate and Democratic Services

The corporate and democratic services comprises all activities which local authorities engage in specifically because they are elected, multi-purpose authorities. The cost of these activities are thus over and above those which would be incurred by a series of independent, single purpose, nominated bodies managing the same services. There is therefore no logical basis for apportioning these costs to services.

Deferred Charges

Expenditure which may properly be deferred, but which does not result in, or remain matched with, tangible assets. Examples of deferred charges are expenditure on items such as preliminary expenses on proposed capital schemes.

Depreciation

The measure of the wearing out, consumption, or other

reduction in the useful economic life of a fixed asset, whether arising from use, effluxion of time or obsolescence through technological or other changes.

Exceptional Items

Material items which arise from events or transactions that fall within the ordinary activities of the authority and which need to be disclosed separately by virtue of their size or incidence to give fair presentation of the accounts. Example - redundancies, uninsured damage, uninsured structural failure of operational buildings, deficits arising on the settlement of uninsured claims, cost of industrial action and losses on investments.

Fair Value

The fair value of an asset is the price at which it could be exchanged in an arm's length transaction less, where applicable, any grants receivable towards the purchase or use of the asset.

Finance Lease

A lease that transfers substantially all of the risks and rewards of ownership of a fixed asset to the lessee. Such a transfer of risks and rewards may be presumed to occur if at the inception of the lease the present value of the minimum lease payments, including any initial payment, amounts to substantially all of the fair value of the leased asset.

Fixed Assets

Tangible assets that yield benefits to the local authority and the services it provides for a period of more than one year.

Going Concern

The concept that the authority will remain in operational existence for the foreseeable future, in particular that the revenue accounts and balance sheet assume no intention to curtail significantly the scale of operations.

Government Grants

Assistance by government and inter-government agencies and similar bodies, whether local, national or international, in the form of cash or transfers of assets to an authority in return for past or future compliance with certain conditions relating to the activities of the authority.

Infrastructure Assets

Fixed assets that are inalienable, expenditure on which is recoverable only by continued use of the asset created. Examples of infrastructure assets are highways and footpaths.

Investments

A long-term investment is an investment that is intended to be held for use on a continuing basis in the activities of the authority. Investments should be so classified only where an intention to hold the investment for the long term can clearly be demonstrated or where there are restrictions as to the investor's ability to dispose of the investment.

Investments which do not meet the above criteria should be classified as current assets.

Investment Properties

Interest in land and/or buildings:

(a) in respect of which construction work and development have been completed; and

(b) which is held for its investment potential, any rental income being negotiated at arm's length.

Long-Term Contracts

A contract entered into for the design, manufacture or construction of a single substantial asset or the provision of a service (or a combination of assets or services which together constitute a single project), where the time taken substantially to complete the contract is such that the contract activity falls into different accounting periods. Some contracts with a shorter duration than one year should be

accounted for as long-term contracts if they are sufficiently material to the activity of the period.

Net Book Value

The amount at which fixed assets are included in the balance sheet, i.e. their historical cost or current value less the cumulative amounts provided for depreciation. Current value can be either "net current replacement cost" or "net realisable value".

Net Current Replacement Cost

The cost of replacing or recreating the particular asset in its existing condition and in its existing use, i.e. the cost of its replacement or of the nearest equivalent asset, adjusted to reflect the current condition of the existing asset.

Net Realisable Value

The open market value of the asset in its existing use (or open market value in the case of non-operational assets), less the expenses to be incurred in realising the asset.

Non-Operational Assets

Fixed assets held by a local authority but not directly occupied, used or consumed in the delivery services. Examples of non-operational assets are investment properties and assets that are surplus to requirements, pending sale or redevelopment.

Operating Leases

A lease other than a finance lease.

Operational Assets

Fixed 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.

Post Balance Sheet Events

Those events, both favourable and unfavourable, which occur between the balance sheet date and the date on which the AFS is

signed by the responsible financial officer.

Prior Year Adjustments

Those material adjustments applicable to prior years arising from changes in accounting policies or from the correction of fundamental errors.

Prudence

The concept that revenue is not anticipated but is recognised only when realised in the form either of cash or of other assets the ultimate cash realisation of which can be assessed with reasonable certainty.

Stocks

Comprise the following categories:

- (a) goods or other assets purchased for resale;
- (b) consumable stores;
- (c) raw materials and components purchased for incorporation into products for sale;

Useful Life

The period over which the local authority will derive benefits from the use of a fixed asset.