



Tionól Réigiúnach an Deiscirt
Southern Regional Assembly

ANNUAL FINANCIAL STATEMENTS

FOR YEAR ENDED 31ST DECEMBER 2018



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**CERTIFICATE OF DIRECTOR FOR THE YEAR ENDED
31ST DECEMBER 2018**

I certify that the financial statements, as attached, of the Southern Regional Assembly for the year ended 31st December 2018, are in agreement with the books of accounts and have been prepared in accordance with the accounting requirements as directed by the Minister for Housing, Planning and Local Government.

I am satisfied that there were satisfactory systems, procedures and controls in place to ensure that all the records and registers are accurately and fully recorded in those records and registers of the Southern Regional Assembly relevant to 2018.

Signed:

David Kelly
Director

Date:

AUDIT OPINION

To the Members of Southern Regional Assembly

I have audited the annual financial statements as set out on pages 5 to 13 for the year ended 31st December 2018.

Responsibilities of the Assembly and the Local Government Auditor

The Assembly 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 Assembly'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 statements presents fairly, in accordance with the Local Government Act, 1991 (Regional Authorities) (Establishment) Order, 2014, S.I. No. 573 of 2014, the financial position of the Southern Regional Assembly at 31st December 2018 and its income and expenditure for the year then ended.

James Moran
Local Government Auditor

Date: _____

STATEMENT OF ACCOUNTING POLICIES

1. The Annual Financial Statement has been prepared in accordance with LG09/2014 Local Government Reform Act 2014 – Regional Structures Reorganisation, the Local Government Act, 1991 (Regional Authorities) (Amendment) Order, 2014, S.I. No. 228 of 2014 and the Local Government Act, 1991 (Regional Authorities) (Establishment) Order, 2014, S.I. No. 573 of 2014 and all other relevant circulars.
2.
 - (i) The accounts are prepared on an Accruals basis in the format of an Income and Expenditure Account and Balance Sheet.
 - (ii) Expenditure is defined as all payments made in year to 31/12/2018 & Creditors appropriate to 2018.
 - (iii) Income is all monies actually received in the 12 months to 31/12/2018 & Debtors appropriate to 2018.
 - (iv) At the close of the financial year, Debtors represent income due but not yet received.
 - (v) At the close of the financial year, Creditors represent payments due in respect of goods received and services rendered but not yet paid.
 - (vi) The Debtors and Creditors as shown on the Balance Sheet includes **€670,484** relating to inter-account claims within the Assembly's own accounts, as follows:

	Consolidated AFS 2018	Regional Assembly	Technical Assistance	EU Projects	Ireland Wales Project Payments	Ireland Wales TA
Inter-Account Debtors	€670,484	€131,656	€150,750			€388,078
Inter-Account Creditors	€670,484	€150,000	€113,750	€18,656	€388,078	

3.
 - (i) Fixed Assets are classified into categories as set out in Note 2 to Accounts and are incorporated in the balance sheet. All expenditure in the acquisition of assets is recognised on an accrual basis.
 - (ii) Depreciation is calculated on a straight line basis and charged in the Income and Expenditure account, commencing in year of acquisition. The net book value of assets appears in the Balance Sheet. Depreciation rates are as follows:

<i>Furniture & Fittings</i>	<i>10%</i>	<i>IT Equipment</i>	<i>33%</i>	<i>Office Equipment</i>	<i>10%</i>
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4. The Regional Assembly is responsible for the management of EU funds in addition to the day to day operation of administering the Assembly functions as detailed in the Assembly's Establishment Order and Directions. During 2018, the Assembly Account operated for the latter, while the Technical Assistance, Interreg, EU Projects, Gateways & Hubs Fund, Ireland-Wales Project Payments and the Ireland-Wales Technical Assistance Account operated for the management of ERDF funded activities. The annual accounts of these funds are included as part of the Assembly's Consolidated Account. It is envisaged that further funds and accounts of a similar nature may be introduced over the period of the Regional OP 2014 - 2020 and these will be treated in a similar manner within the Assembly's accounts.
5. The Regional Assembly holds a contingency reserve fund as it is considered prudent that sufficient funds are held to ensure adequate cashflow for operational purposes and to provide a reserve for future pension payments. The **General Reserves** were used to finance the refurbishment of the new Assembly HQ, which now shows a Fixed Asset of €952,016 on Balance Sheet at year end.

Southern Regional Assembly
Income and Expenditure Account as at 31st December 2018

Income	2017 €	2018 €
Local Authority Contributions	1,702,123	1,668,016
Interreg Recoupment /Other	5,619	15,602
Salary Recoupment EU Programmes	34,331	196,160
EU Programme Recoupment	111,493	44,503
Dept of Public Expenditure & Reform	2,630,869	0
Technical Assistance Recoupment	311,107	280,694
Inter-Company Transfer	48,981	0
ERDF Gateways Grant Fund	0	981,526
First Level Control (FLC) Fees	0	64,866
Miscellaneous	2,569	21,192
Total	<u>4,847,091</u>	<u>3,272,558</u>
 Expenditure		
Payroll Costs	1,141,772	1,387,792
Pension Related Deduction	56,082	54,247
Superannuation	54,856	4,581
Travel & Subsistence – Staff	116,793	145,639
Members Annual Allowance - Art 35 (1)	77,946	93,088
Members Travel & Subsistence - Art 35 (2) (A)	13,679	14,554
Members Training	7,851	4,579
Association of Irish Regions (AIR)	1,000	0
Conference Fees	3,444	1,150
Office Equipment & Supplies	21,428	27,598
Repairs, Maintenance & Office Costs	31,255	39,921
Refurbishment Costs	123,455	19,652
Annual Contracts	22,615	28,172
Energy Costs	6,664	10,223
Post & Phone	20,386	15,340
Rates & Water Charges (incl Rent in 2017)	37,154	7,448
Insurance	12,824	13,430
Annual Report	4,866	3,125
Consultancy/Professional Fees	63,047	19,170
Public Relations/Information & Publicity	50,731	132,355
Contributions/Fees/Levies (LGMA & Audit)	8,471	9,717
Health and Safety	1,351	82
Regional Planning RSES	0	34,948
Gateway Grant Scheme – Project Payments	2,630,869	981,526
Inter-Company / DoPER Transfer	883,359	0
Depreciation Charge	15,299	1,730
Bank Charges	1,243	1,217
Bad debts written off (FLC)	0	0
Miscellaneous	6,758	13,345
Total Expenses	<u>5,415,199</u>	<u>3,064,629</u>
 Excess of Income over Expenditure	-568,108	207,929

Southern Regional Assembly
Balance Sheet as at 31st Dec 2018

	2017	2018
	€	€
Fixed Assets	996,070	998,019
 Current Assets		
Cash at Bank	1,149,704	1,418,119
Debtors	2,518,016	1,227,819
	3,667,720	2,645,939
 Current Liabilities		
Creditors & Accruals	1,950,996	721,532
Credit Card	1,212	2,914
	1,952,208	724,445
 Net Current Assets	1,715,513	1,921,494
 Net Assets	2,711,584	2,919,513
 <u>Financed by</u>		
Balance at beginning of year	3,224,836	2,711,584
Movement on Pension Reserve	54,856	0
Excess of Income over Expenditure	-568,107	207,929
	2,711,584	2,919,513

SOUTHERN REGIONAL ASSEMBLY

Analysis of Income & Expenditure 2018

NOTE 1	Analysis of Income 2018						
	AFS 2018	Assembly Account 2018	Technical Assistance Account 2018	Interreg Account 2018	EU Projects Account 2018	Ire-Wales Project Payments Account 2018	Ire-Wales Technical Assistance Account 2018
INCOME							
Local Authority Contributions	€ 1,668,016	€ 1,668,016	€ -	€ -	€ -	€ -	€ -
Technical Assistance Recoupment (DPER)	€ 280,694	€ 113,750	€ 166,944	€ -	€ -	€ -	€ -
Salary Recoupment from EU Programmes	€ 196,160	€ 196,160	€ -	€ -	€ -	€ -	€ -
Interreg/EU Staff Travel Recoupments	€ 15,602	€ 15,602	€ -	€ -	€ -	€ -	€ -
EU Programme Recoupment	€ 44,503	€ 4,781	€ -	€ 10,741	€ 28,981	€ -	€ -
ERDF Gateways Fund Receipts	€ 981,526	€ 981,526	€ -	€ -	€ -	€ -	€ -
Interreg FLC Fees	€ 64,866			€ 64,866			
Miscellaneous	€ 21,192	€ 21,140	€ -	€ 52	€ -	€ -	€ -
Total	€ 3,272,558	€ 3,000,974	€ 166,944	€ 75,659	€ 28,981	€ -	€ -

NOTE 1	Analysis of Expenditure 2018						
EXPENDITURE	AFS 2018	Assembly Account 2018	Technical Assistance Account 2018	Interreg Account 2018	EU Projects Account 2018	Ire-Wales Project Payments Account 2018	Ire-Wales Technical Assistance Account 2018
Payroll Costs*	€ 1,387,792	€ 1,387,792	€ -	€ -	€ -	€ -	€ -
Pension Related Deduction	€ 54,247	€ 54,247	€ -	€ -	€ -	€ -	€ -
Superannuation	€ 4,581	€ 4,581	€ -	€ -	€ -	€ -	€ -
Travel & Subsistence	€ 145,639	€ 98,700	€ 23,013	€ 14,659	€ 9,267	€ -	€ -
Members Ann. Alls. Art 35 (1) (incl SPA)	€ 93,088	€ 93,088	€ -	€ -	€ -	€ -	€ -
Members Travel Art 35 (2) (A) / (b)	€ 14,554	€ 14,554	€ -	€ -	€ -	€ -	€ -
Members Training	€ 4,579	€ 4,579	€ -	€ -	€ -	€ -	€ -
Conference Fees	€ 1,150	€ 1,150	€ -	€ -	€ -	€ -	€ -
Office Eqp & Supplies	€ 27,598	€ 27,598	€ -	€ -	€ -	€ -	€ -
Energy Costs	€ 10,223	€ 10,223	€ -	€ -	€ -	€ -	€ -
Post & Telephone	€ 15,340	€ 13,950	€ -	€ -	€ -	€ -	€ 1,390
Rent, Rates & Water Charges	€ 7,448	€ 7,448	€ -	€ -	€ -	€ -	€ -
Repairs, Maintenance & Office Costs	€ 39,921	€ 39,805	€ -	€ -	€ 117	€ -	€ -
Refurbishment Costs	€ 19,652	€ 19,652	€ -	€ -	€ -	€ -	€ -
Consultancy/Professional Fees	€ 19,170	€ 9,278	€ 3,224	€ 68	€ 6,600	€ -	€ -
Annual Contracts	€ 28,172	€ 21,572	€ -	€ -	€ -	€ -	€ 6,600
Insurance	€ 13,430	€ 13,357	€ 73	€ -	€ -	€ -	€ -
Annual Report	€ 3,125	€ 3,125	€ -	€ -	€ -	€ -	€ -
Information & Publicity	€ 109,922	€ -	€ 109,922	€ -	€ -	€ -	€ -
Public Relations	€ 22,433	€ 22,433	€ -	€ -	€ -	€ -	€ -
Contributions & Fees	€ 9,717	€ 9,717	€ -	€ -	€ -	€ -	€ -
Bank Charges	€ 1,217	€ 949	€ 85	€ -	€ -	€ 63	€ 120
Health and Safety	€ 82	€ 82	€ -	€ -	€ -	€ -	€ -
ERDF Gateways - Project Payment WCCC	€ 981,526	€ 981,526	€ -	€ -	€ -	€ -	€ -
Regional Planning	€ 34,948	€ 34,948					
Depreciation Charge	€ 1,730	€ 1,730	€ -	€ -	€ -	€ -	€ -
Miscellaneous	€ 13,345	€ 13,245	€ 100	€ -	€ -	€ -	€ -
Bad Debt Write Off	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Total Expenditure	€ 3,064,629	€ 2,889,328	€ 136,416	€ 14,728	€ 15,984	€ 63	€ 8,110
Excess of Income over Expenditure	€ 207,929	€ 111,646	€ 30,527	€ 60,931	€ 12,997	-€ 63	-€ 8,110
<i>*Payroll Costs include Staff Training & Recruitment</i>							
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NOTE 1 (continued)		Analysis of Balance Sheet as at 31/12/2018					
	AFS 2018	Regional Assembly Account 2018	Technical Assistance Account 2018	Interreg Account 2018	EU Projects Account 2018	Ire-Wales Project Payments Account 2018	Ire-Wales Technical Assistance Account 2018
Fixed Assets	€ 998,019	€ 998,019	€ -	€ -	€ -	€ -	€ -
Current Assets							
Cash at Bank	€ 1,418,119	€ 187,988	€ 521,153	€218,125	€ 178,933	€ 149,640	€ 162,282
Prepayments	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Debtors	€ 1,227,819	€ 618,434	€ 178,913	€ 20,684	€ 18,578	€ 3,132	€ 388,078
	€ 2,645,939	€ 806,422	€ 700,066	€238,809	€ 197,511	€ 152,772	€ 550,360
Current Liabilities							
Creditors & Accruals	€ 721,532	€ 193,868	€ 119,570	€ 906	€ 19,109	€ 388,078	€ -
Credit Card	€ 2,914	€ 2,914	€ -	€ -	€ -	€ -	€ -
	€ 724,445	€ 196,782	€ 119,570	€ 906	€ 19,109	€ 388,078	€ -
Net Current Assets	€ 1,921,494	€ 609,640	€ 580,496	€237,902	€ 178,401	-€ 235,306	€ 550,360
Net Assets	€ 2,919,513	€1,607,659	€ 580,496	€237,902	€ 178,401	-€ 235,306	€ 550,360
Financed by							
Balance @ 1/1/2018	€ 2,711,584	€ 1,496,014	€ 549,969	€176,971	€ 165,404	-€ 235,243	€ 558,470
Excess of Income over Exp	€ 207,929	€ 111,646	€ 30,527	€ 60,931	€ 12,997	-€ 63	-€ 8,110
	€ 2,919,513	€ 1,607,660	€ 580,496	€237,902	€ 178,401	-€ 235,306	€ 550,360
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Southern Regional Assembly
Consolidated Fixed Asset Register and Depreciation

Note 2

Value	Leasehold Improvements		Furniture & Fittings		Heritage Assets		Property		Office Equipment		IT Equipment		Total
O/B 1st January 2018	€	508	€	40,230	€	43,241	€	952,016	€	16,102	€	186,197	€ 1,238,293
Additions	€	-	€	-	€	850	€	-	€	-	€	2,829	€ 3,679
Disposals	€	-	€	-	€	-			€	-	€	-	€ -
C/B 31st December 2018	€	508	€	40,230	€	44,091	€	952,016	€	16,102	€	189,026	€ 1,241,972
Accumulated Depreciation													
O/B 1st January 2018	€	508	€	40,229	€	-	€	-	€	16,102	€	185,382	€ 242,221
Charge for the year 2018	€	-	€	-	€	-	€	-	€	-	€	1,730	€ 1,730
Write-Offs 2018	€	-	€	-	€	-	€	-	€	-	€	-	€ -
C/B 31st December 2018	€	508	€	40,229	€	-	€	-	€	16,102	€	187,112	€ 243,951
Net Book Value													
1st January 2018	€	-	€	0	€	43,241	€	952,016	€	-	€	815	€ 996,072
												€	-
31st December 2018	€	-	€	0	€	44,091	€	952,016	€	-	€	1,914	€ 998,021

Southern Regional Assembly
Local Authority Contributions 2018

APPORTIONMENT OF COSTS PER LOCAL AUTHORITY				
Income 2018 €1,668,015.53	Population 2016	% of Total	Invoiced LA's 2018	Income Received 2018
Carlow County Council	56,875	3.59%	€59,816.43	€59,816.43
Clare County Council	118,627	7.48%	€124,762.09	€124,762.09
Cork City Council	125,622	7.92%	€132,118.85	€132,118.85
Cork County Council	416,574	26.27%	€438,118.16	€438,118.16
Kerry County Council	147,554	9.30%	€155,185.12	€155,185.12
Kilkenny County Council	99,118	6.25%	€104,244.13	€104,244.13
Limerick City & County Council	195,175	12.31%	€205,268.96	€205,268.96
Tipperary County Council	160,441	10.12%	€168,738.61	€168,738.61
Waterford City & County Council	116,401	7.34%	€122,420.97	€122,420.97
Wexford County Council	149,605	9.43%	€157,342.20	€157,342.20
Total	1585992	100.00%	€ 1,668,015.53	€ 1,668,015.53
*Note: Population figures based on Census 2016				