



Tionól Réigiúnach an Deiscirt
Southern Regional Assembly

ANNUAL FINANCIAL STATEMENTS

FOR YEAR ENDED 31ST DECEMBER 2017



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**CERTIFICATE OF DIRECTOR FOR THE YEAR ENDED
31ST DECEMBER 2017**

I certify that the financial statements, as attached, of the Southern Regional Assembly for the year ended 31st December 2017, 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 2017.

Signed:

Stephen Blair
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 2017.

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 2017 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 31/12/2017 & Creditors appropriate to 2017.
 - (iii) Income is all monies actually received in the 12 months to 31/12/2017 & Debtors appropriate to 2017.
 - (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 **€578,165** relating to inter-account claims within the Assembly's own accounts, as follows:

	Consolidated AFS 2017	Regional Assembly	Technical Assistance	Interreg Account	Project Payments (IW)	EU Projects
Inter-Account Debtors	€ 578,165	€ 428,017	€ 150,108	€ 40	-	€0
Inter-Account Creditors	€ 578,165	€ 150,000	€ 245,104	€ 42,575	€ 78,060	€ 62,426

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:

Furniture & Fittings	10%	IT Equipment	33%	Office Equipment	10%
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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 administrating the Assembly functions as detailed in the Assembly's Establishment Order and Directions. During 2017, 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. Expenditure incurred by the Regional Assembly in carrying out its managing, monitoring and evaluation function is funded via the **Technical Assistance Priority** of the Operational Programme. When reclaimed from the TA Account, this income is offset against appropriate expenditure codes in the Assembly accounts. Likewise, when expenditure in relation to involvement in other EU programmes/projects is reclaimed, this income is also offset against appropriate expenditure codes. *During 2017, an amount of **€245,104.12** was recouped to main assembly account under TA; **€167,292.45** was recouped from the Welsh Assembly Government in respect of the Assembly's role as Programme partner for the **Ireland Wales Programme 2014-2020**; **€42,574.55** was reclaimed under **Interreg** and **€62,278.36** was reclaimed under **EU Projects** (Marie and Empower).*
6. The bank accounts associated with the former Mid-West Regional Authority were closed in early 2017 and closing balance of €48,981.16 was transferred to the Assembly's main bank account (shown under Income).
7. 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. The **Pension Reserve** increased to **€185,834.54** in 2017.

Southern Regional Assembly
Income and Expenditure Account as at 31st December 2017

Income	2016 €	2017 €
Local Authority Contributions	1,637,716	1,702,123
Interreg Recoupment /Other (DPER)	8,011	5,619
Salary Recoupment EU Programmes	7,000	34,331
Heritage Grant	6,000	0
EU Programme Recoupment	1,437,495	111,493
Dept of Public Expenditure & Reform	912,419	2,630,869
Technical Assistance Recoupment	443,300	311,107
Bank Interest Receivable	58	0
Inter-Company Transfer	0	48,981
Miscellaneous	1,381	2,569
Total	<u>4,453,381</u>	<u>4,847,091</u>
Expenditure		
Payroll Costs	1,173,854	1,141,772
Pension Related Deduction	60,504	56,082
Superannuation	57,143	54,856
Travel & Subsistence – Staff	113,897	116,793
Members Annual Allowance - Art 35 (1)	95,345	77,946
Members Travel & Subsistence - Art 35 (2) (A)	31,848	13,679
Members Training	10,579	7,851
Association of Irish Regions (AIR)	1,000	1,000
Conference Fees	2,558	3,444
Office Equipment & Supplies	36,563	21,428
Repairs, Maintenance & Office Costs	39,672	31,255
Refurbishment Costs	324,688	123,455
Annual Contracts	20,613	22,615
Energy Costs	16,475	6,664
Post & Phone	18,438	20,386
Rent, Rates & Water Charges	91,399	37,154
Insurance	14,342	12,824
Annual Report	12,367	4,866
Consultancy/Professional Fees	173,841	63,047
Public Relations/Information & Publicity	53,879	50,731
Contributions/Fees/Levies (LGMA & Audit)	8,591	8,471
Health and Safety	1,321	1,351
EU Programmes – Project Payments	3,703,370	0
Gateway Grant Scheme – Project Payments	78,060	2,630,869
Inter-Company / DoPER Transfer	0	883,359
Depreciation Charge	4,422	15,299
Bank Charges	1,328	1,243
VAT	690	0
Bad debts written off (FLC)	3,247	0
Miscellaneous	6,575	6,758
Total Expenses	<u>6,156,609</u>	<u>5,415,199</u>
Excess of Income over Expenditure	-1,703,229	-568,108

Southern Regional Assembly
Balance Sheet as at 31st Dec 2017

	2016	2017
	€	€
Fixed Assets	418,252	996,070
 Current Assets		
Cash at Bank	1,572,541	1,149,704
Debtors	2,598,313	2,518,016
	4,170,854	3,667,720
 Current Liabilities		
Creditors & Accruals	1,361,537	1,950,996
Credit Card	2,733	1,212
	1,364,270	1,952,208
 Net Current Assets	2,806,583	1,715,513
 Net Assets	3,224,835	2,711,584
 <u>Financed by</u>		
Balance at beginning of year	4,870,921	3,224,836
Pension Reserve Current Year Allocation	57,143	54,856
Excess of Income over Expenditure	-1,703,229	-568,107
	3,224,835	2,711,584

SOUTHERN REGIONAL ASSEMBLY
Analysis of Income & Expenditure 2017

NOTE 1	Analysis of Income 2017								
	AFS 2017	Assembly Account 2017	Technical Assistance Account 2017	Interreg Account 2017	EU Projects Account 2017	Gateways & Hubs Account 2017	Ire-Wales Project Payments Account 2017	Ire-Wales Technical Assistance Account 2017	Mid West Reg Authority Account 2017
INCOME									
Local Authority Contributions	€ 1,702,123	€ 1,702,123	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Heritage Grant	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Technical Assistance Recoupment (DPER)	€ 311,107	€ -	€ 311,107	€ -	€ -	€ -	€ -	€ -	€ -
Salary Recoupment from EU Programmes	€ 34,331	€ -	€ -	€ 34,331	€ -	€ -	€ -	€ -	€ -
Interreg Staff Travel Recoupments (DPER)	€ 5,619	€ -	€ -	€ 5,619	€ -	€ -	€ -	€ -	€ -
EU Programme Recoupment	€ 111,493	€ -	€ -	€ 46,265	€ 65,228	€ -	€ -	€ -	€ -
Dept. of Public Expenditure & Reform	€ 2,630,869	€ -	€ -	€ -	€ -	€2,630,869	€ -	€ -	€ -
Bank Interest	€ 0	€ -	€ -	€ -	€ -	€ -	€ -	€ 0	€ -
Intercompany Transfer	€ 48,981	€ 48,981	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Miscellaneous	€ 2,569	€ 2,569	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Total	€ 4,847,091	€ 1,753,673	€ 311,107	€ 86,215	€ 65,228	€2,630,869	€ -	€ 0	€ -

NOTE 1	Analysis of Expenditure 2017								
	AFS 2017	Assembly Account 2017	Technical Assistance Account 2017	Interreg Account 2017	EU Projects Account 2017	Gateways& Hubs Account 2017	Ire-Wales Project Payments Account 2017	Ire-Wales Technical Assistance Account 2017	Mid West Reg Authority Account 2017
EXPENDITURE									
Payroll Costs*	€ 1,141,772	€ 854,775	€ 190,137	€ 32,329	€ 48,911	€ -	€ -	€ 15,619	€ -
Pension Related Deduction	€ 56,082	€ 56,082	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Superannuation Reserve	€ 54,856	€ 54,856	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Travel & Subsistence	€ 116,793	€ 51,192	€ 35,297	€ 16,881	€ 13,424	€ -	€ -	€ -	€ -
Members Ann. Alls. Art 35 (1) (incl SPA)	€ 77,946	€ 77,946	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Members Travel Art 35 (2) (A) / (b)	€ 13,679	€ 13,067	€ 612	€ -	€ -	€ -	€ -	€ -	€ -
Members Training	€ 7,851	€ 7,851	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Conference Fees	€ 3,444	€ 3,444	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Office Eqp & Supplies	€ 21,428	€ 16,573	€ 3,600	€ 421	€ 834	€ -	€ -	€ -	€ -
Energy Costs	€ 6,664	€ 6,222	€ -	€ 442	€ -	€ -	€ -	€ -	€ -
Post & Telephone	€ 20,386	€ 12,280	€ 3,984	€ -	€ -	€ -	€ -	€ 4,123	€ -
Rent, Rates & Water Charges	€ 37,154	€ 23,799	€ 11,557	€ 1,798	€ -	€ -	€ -	€ -	€ -
Repairs, Maintenance & Office Costs	€ 31,255	€ 18,826	€ 4,495	€ 663	€ 70	€ -	€ -	€ 7,200	€ -
Refurbishment Costs	€ 123,455	€ 123,455	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Consultancy/Professional Fees	€ 63,047	€ 54,141	€ 1,894	€ -	€ 7,013	€ -	€ -	€ -	€ -
Annual Contracts	€ 22,615	€ 17,313	€ 3,808	€ 915	€ 580	€ -	€ -	€ -	€ -
Insurance	€ 12,824	€ 7,602	€ 4,697	€ 611	€ -	€ -	€ -	€ 86	€ -
Annual Report	€ 4,866	€ 4,866	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Information & Publicity	€ 35,854	€ -	€ 35,854	€ -	€ -	€ -	€ -	€ -	€ -
Public Relations	€ 14,877	€ 11,377	€ 3,500	€ -	€ -	€ -	€ -	€ -	€ -
Contributions & Fees	€ 9,471	€ 9,471	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Bank Charges	€ 1,243	€ 873	€ 87	€ 4	€ -	€ 24	€ -	€ 208	€ 48
Health and Safety	€ 1,351	€ 1,351	€ -	€ -	€ -	€ -	€ -	€ -	€ -
EU Programmes - Project Payments	€ 2,630,869	€ -	€ -	€ -	€ -	€2,630,869	€ -	€ -	€ -
Inter-Company/Dept. Transfer	€ 883,359	€ -	€ -	€ -	€ -	€ -	€ 834,378	€ -	€ 48,981
Depreciation Charge	€ 15,299	€ 11,592	€ -	€ -	€ -	€ -	€ -	€ 3,707	€ -
VAT	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Miscellaneous	€ 6,758	€ 4,810	€ 1,948	€ -	€ -	€ -	€ -	€ -	€ -
Bad Debt Write Off	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Total Expenditure	€ 5,415,199	€ 1,443,763	€ 301,470	€ 54,063	€ 70,831	€2,630,893	€ 834,378	€ 30,772	€ 49,028
Excess of Income over Expenditure	-€ 568,108	€ 309,910	€ 9,636	€ 32,152	-€ 5,603	-€ 24	-€ 834,378	-€ 30,772	-€ 49,028
*Payroll Costs include Staff Training & Recruitment									
			Pg. 8						

NOTE 1 (continued)		Analysis of Balance Sheet as at 31/12/2017							
	AFS 2017	Regional Assembly Account 2017	Technical Assistance Account 2017	Interreg Account 2017	EU Projects Account 2017	Gateways & Hubs Account 2017	Ire-Wales Project Payments Account 2017	Ire-Wales Technical Assistance Account 2017	Mid West Reg Authority Account 2017
Fixed Assets	€ 996,070	€ 996,070	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Current Assets									
Cash at Bank	€ 1,230,374	€ 2,510	€ 658,214	€ 161,256	€ 178,932	€ -	€ 59,069	€ 170,392	€ -
Prepayments	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Debtors	€ 2,518,016	€ 788,380	€ 150,108	€ 58,289	€ 48,898	€ 78,060	€ 1,006,204	€ 388,078	€ -
	€ 3,748,390	€ 790,890	€ 808,322	€ 219,546	€ 227,830	€ 78,060	€ 1,065,273	€ 558,470	€ -
Current Liabilities									
Bank	€ 80,670	€ 80,670	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Creditors & Accruals	€ 1,950,996	€ 209,066	€ 258,353	€ 42,575	€ 62,426	€ 78,060	€ 1,300,516	€ -	€ -
Credit Card	€ 1,212	€ 1,212	€ -	€ -	€ -	€ -	€ -	€ -	€ -
	€ 2,032,877	€ 290,947	€ 258,353	€ 42,575	€ 62,426	€ 78,060	€ 1,300,516	€ -	€ -
Net Current Assets	€ 1,715,513	€ 499,943	€ 549,969	€ 176,971	€ 165,404	€ -	-€ 235,243	€ 558,470	€ -
Net Assets	€ 2,711,584	€ 1,496,014	€ 549,969	€ 176,971	€ 165,404	€ -	-€ 235,243	€ 558,470	€ -
Financed by									
Balance @ 1/1/2017	€ 3,224,836	€ 1,131,248	€ 540,332	€ 144,819	€ 171,007	€ 24	€ 599,135	€ 589,242	€ 49,028
Pension Reserve Current Year Allocation	€ 54,856	€ 54,856	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Excess of Income over Exp	-€ 568,107	€ 309,910	€ 9,636	€ 32,152	-€ 5,603	-€ 24	-€ 834,378	-€ 30,772	-€ 49,028
	€ 2,711,584	€ 1,496,014	€ 549,969	€ 176,971	€ 165,404	€ 0	-€ 235,243	€ 558,470	€ -

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 2017	€	508	€	40,230	€	42,140	€	360,000	€	16,102	€	186,197	€ 645,176
Additions	€	-	€	-	€	1,101	€	592,016	€	-	€	-	€ 593,117
Disposals	€	-	€	-	€	-			€	-	€	-	€ -
C/B 31st December 2017	€	508	€	40,230	€	43,241	€	952,016	€	16,102	€	186,197	€ 1,238,293
Accumulated Depreciation													
O/B 1st January 2017	€	508	€	31,621	€	-	€	-	€	14,544	€	180,252	€ 226,925
Charge for the year 2017	€	-	€	5,379	€	-	€	-	€	1,558	€	5,130	€ 12,067
Write-Offs 2017	€	-	€	3,230	€	-	€	-	€	-	€	-	€ 3,230
C/B 31st December 2017	€	508	€	40,229	€	-	€	-	€	16,102	€	185,382	€ 242,221
Net Book Value													
1st January 2017	€	-	€	8,609	€	42,140	€	360,000	€	1,558	€	5,945	€ 418,251
												€	-
31st December 2017	€	-	€	0	€	43,241	€	952,016	€	-	€	815	€ 996,072

Southern Regional Assembly
Local Authority Contributions 2017

APPORTIONMENT OF COSTS PER LOCAL AUTHORITY				
Income 2017 €1,702,123.11	Population 2011*	% of Total	Invoiced LA's 2017	Income Received 2017
Carlow County Council	54,612	3.54%	€60,304.91	€60,304.91
Clare County Council	117,196	7.60%	€129,412.85	€129,412.85
Cork City Council	119,230	7.73%	€131,658.88	€131,658.88
Cork County Council	399,802	25.94%	€441,478.53	€441,478.53
Kerry County Council	145,502	9.44%	€160,669.55	€160,669.55
Kilkenny County Council	95,419	6.19%	€105,365.76	€105,365.76
Limerick City & County Council	191,809	12.44%	€211,803.73	€211,803.73
Tipperary County Council	158,754	10.30%	€175,302.98	€175,302.98
Waterford City & County Council	113,795	7.38%	€125,657.32	€125,657.32
Wexford County Council	145,320	9.43%	€160,468.58	€160,468.58
Total	1541439	100.00%	€ 1,702,123.11	€ 1,702,123.11
*Note: Population figures based on Census 2011				