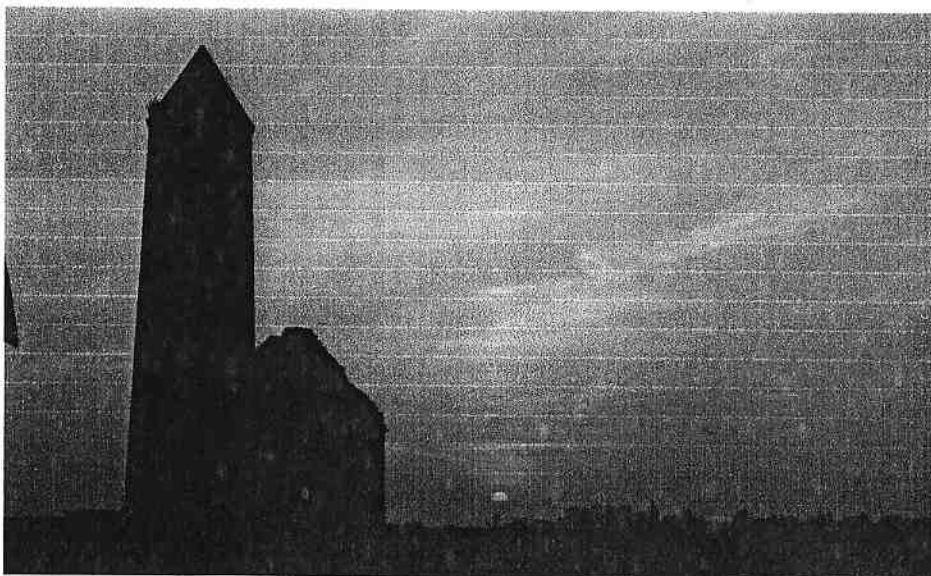




# **ANNUAL FINANCIAL STATEMENT**

## **Offaly County Council**

**For the year ended 31st December 2006**



# CONTENTS

	<b>Page</b>
Financial Review	3
Certificate of Manager/Head of Finance	4
Audit Opinion	5
Statement of Accounting Policies	6-9
 <b>Financial Accounts</b>	
Income & Expenditure Account	11
Balance Sheet	12
Notes on and forming part of the Accounts	13-20
 <b>Appendices</b>	
1 Analysis of Expenditure	22
2 Expenditure and Income by Programme	23-26
3 Analysis of Income from Grants and Subsidies	27
4 Analysis of Income from Goods and Services	28
5 Summary of Capital Expenditure and Income	29
6 Analysis of Expenditure and Income on Capital Account	30-31
7 Summary of Major Revenue Collections for 2006	32
8 Interest of Local Authorities in Companies	33

# Offaly County Council

## Financial Review

### Annual Financial Statement for Year ended 31st December 2006

The Annual Financial Statement commences with a certificate by the County Manager and Head of Finance certifying that the information contained therein is in agreement with the books of account and is in accordance with the accounting requirements as directed by the Minister for the Environment, Heritage and Local Government. The statement also contains details of the Council's accounting policies.

The Income and Expenditure Account Statement on page 11 shows that income at €64,951,702 (€41,733,628 by Programme plus Rates €6,666,450, LGF €14,891,887 and Co. Charge €1,659,737) exceeded expenditure of €61,934,021 for the year 2006 by €3,017,681. After net Transfers to Reserves of €3,048,011, there was an overall deficit for the year of €30,331, resulting in a closing debit balance at 31st December 2006 of €48,146.

The overall deficit for the year of €30,331 was the result of expenditure in excess of Estimates by €11,924,404 (including Transfers to Reserves) and income in excess of Estimates by €11,894,073 (including LGF, Rates, County Charge and Transfers from Reserves). Note 17 to the Accounts details where these variances occurred between Programme Groups and the other sources of income.

The Balance Sheet on page 12 shows the make up of the net assets owned by the Local Authority totalling €1,460,974,092 as well as the details of the Reserve Accounts that financed the net assets.

A summary of capital expenditure and income is shown in Appendix 5, with further analysis in Appendix 6. Capital expenditure (including Transfers to Revenue) during the year was €64,160,025 with income (including Transfers from Revenue) amounting to €66,247,460. This resulted in an in-year increase in the credit balance on capital jobs of €2,087,435 and a cumulative credit balance at 31st December 2006 of €24,699,611.

Year-end debtors (including mortgage advances, state grant/subsidies and commercial debtors) form part of the assets in the Balance Sheet. Trade Debtors are analysed in Note 5 to the Accounts and amounted to €17,367,133 (including €2,975,000 for the current portion of long-term debtors) after allowing €620,000 for bad and doubtful debts. The total figure for Creditors and Accruals is €9,862,835 (including €3,352,500 for the current portion of loans payable); Note 6 to the Accounts refers.

# Offaly County Council

## Certificate of Manager/Head of Finance for the year ended 31 December 2006

We certify that the financial statement of the Offaly County Council for the year ended 31 December 2006 as set out on pages 6 to 20 are in agreement with the books of account and have been prepared in accordance with the accounting requirements as directed by the Minister for the Environment Heritage and Local Government.

We have also taken reasonable steps for the prevention and detection of fraud and other irregularities.

Signed:   
Manager

  
Head of Finance

Dated: 11 December 2007.

## **Audit Opinion**

### **To the Members of Offaly County Council**

I have audited the annual financial statement as set out on pages 6 to 20 for the year ended 31 December 2006 and have also issued a separate report in accordance with section 120 of the Local Government Act, 2001.

#### **Responsibilities of the Council and the Local Government Auditor**

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

#### **Basis of Opinion**

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

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

#### **Opinion**

In my opinion the annual financial statement presents fairly, in accordance with the Code of Practice and Accounting Regulations the financial position of the Offaly County Council at 31 December 2006 and its income and expenditure for the year then ended.

Fiona Clancy  
Fiona Clancy FCCA  
Local Government Auditor

Date: 11/12/07