

# Annual Report



# 2012

Excellence

Innovation

Creativity



Western Development Commission  
Dillon House, Ballaghaderreen,  
Co. Roscommon, Ireland.

Tel: +353 (0) 94 9861441  
Fax: +353 (0) 94 9861443  
Email: [info@wdc.ie](mailto:info@wdc.ie)

Websites: [www.wdc.ie](http://www.wdc.ie) [www.LookWest.ie](http://www.LookWest.ie)

# CONTENTS

---

<b>Chairperson's Foreword</b>	<b>2</b>
<b>Chief Executive's Report</b>	<b>3</b>
<b>Introduction</b>	<b>5</b>
<b>Section 1: Balanced Regional Development</b>	<b>9</b>
<b>Section 2: Promoting the Region</b>	<b>17</b>
<b>Section 3: Rural Development</b>	<b>21</b>
<b>Section 4: Western Investment Fund</b>	<b>27</b>
<b>Section 5: Corporate Services</b>	<b>31</b>
<b>Appendices</b>	<b>35</b>
<b>Financial Statement 2012</b>	<b>39</b>
<b>Abbreviations</b>	<b>61</b>



# CHAIRPERSON'S FOREWORD

---

The annual report presents a useful opportunity to assess the effectiveness of an organisation and to measure its achievements against its strategic objectives. The WDC's strategic aims for the period 2010 to 2012 are set out on page 9 of this report and it can be quickly seen that the outputs during 2012 represent significant progress under each heading.

For instance, under '*To inform policy-making...*' the Commission continued its record of undertaking detailed analysis of relevant data and produced a number of important reports. Among these was *Connecting the West: Next Generation Broadband in the Western Region*. The report is an important piece of work and highlights the importance of ensuring that the Western Region is treated fairly in the planned investment in broadband. This will be essential if the region is to compete on equal terms with other regions in the matter of attracting industries where high-speed communications are critical. Over the next few months the Commission will strive to have the recommendations in the report implemented. On behalf of my board colleagues, I wish to acknowledge the professionalism with which the report was researched and produced by Deirdre Frost.

Our website [www.LookWest.ie](http://www.LookWest.ie) continues to be hugely successful in achieving another of our strategic aims, i.e. '*To promote the benefits of living, working and doing business in the Western Region*'. Already the site has had over one million visits and has won several prestigious awards. Social media channels have been developed and the site is being widely used by community groups to promote their activities. A recent addition to the site is the Re:Connect sub-site. Here the promotion and development of reciprocal links

between businesses in the Western Region and businesses abroad is encouraged. Though this initiative is at an early stage, there have been enquiries from over 200 businesses. Almost 4,000 people have registered their skills on the site and expressed an interest in coming to work in the region. We are indebted to Joanne Grehan and Mary Keaveney for the excitement and enthusiasm they brought to this task.

Our goal under '*...development of the rural economy...*' saw further substantial progress under the RASLRES and Creative West programmes. RASLRES was an EU project that was successfully managed for WDC by Bernadette Phelan prior to her departure and Helen McHenry on behalf of WDC with partners in Scotland, Sweden and Northern Ireland. Key outcomes from the programme include the investment of €10m in 10 new enterprises and the creation of 42 new full-time jobs, which are projected to grow to 220 over the next three years. The year under review saw continued success under the Creative West programme, which further vindicates the decision of the Commission to target this sector for job creation. The next phase of implementation will see the WDC working with the Whitaker Institute, NUIG to promote export opportunities under the stewardship of Pauline White.



# CHAIRPERSON'S FOREWORD

---

The projected job growth for the sector by 2020 is an impressive 17,000. The whole idea of pursuing job opportunities in the creative sector has been the brainchild of Ian Brannigan and he continues to drive the initiative with single-minded enthusiasm and energy.

While each of our strategic aims is important, **'To provide risk capital...'** is, possibly, the core aim. This objective is delivered through disbursement of funds from the Western Investment Fund. Responsibility for this task has been delegated to Gillian Buckley who has, along with John Allen, Geraldine McLoughlin, Claire Normanly and Fiona Regan, through prudent management reached the point where it is now an evergreen fund with recouped loans re-invested back into the region. To date almost €40m has been invested in 96 companies, which currently employ 1,600 people. Key results show that the WDC portfolio companies in 2012 have paid a total of over €43m in salaries and wages, of which €11.8m went back to the national exchequer in payroll taxes. The Commission is indebted to the members of the Fund Advisory Panel who give their time and expertise on an entirely voluntary basis. One of the highlights of 2012 was the showcase of WDC-assisted companies that was held in the Royal College of Physicians, Dublin and opened by An Taoiseach, Enda Kenny T.D.

Providing administrative support to all of the activities mentioned above and actively participating in this team in Corporate Affairs are Paul Keyes, Marie Duffy and Caroline Coffey, who continue to oversee implementation of our fifth strategic aim.

In summary, the WDC is rightly seen as a national and international centre of expertise in regional development, in production and use of bio-energy resources, in efficient risk capital investment, in informing policy through high-quality analysis, and in good corporate governance.

WDC is a small yet highly dynamic and flexible organisation, which is fortunate to have a highly motivated and professional staff. Great credit for this must go to our Acting CEO who, in difficult circumstances, maintained staff morale and achieved increased productivity with reduced resources.

There are many challenges facing the board in the year ahead but a high priority will be to match the commitment and expertise of our staff and to convince government of the absolute necessity of having sufficient staff to ensure continuation of the drive for economic growth in the region. Other important issues will be the retention and enhancement of air, rail and road infrastructure in the region and our input into, and involvement with, the Commission for the Economic Development of Rural Areas (CEDRA).



A handwritten signature in black ink, reading 'Paddy McGuinness'.

**Paddy McGuinness**  
*Chairperson*



# CHIEF EXECUTIVE'S REPORT

---

Traditionally the WDC has sought to undertake its remit through using its strengths in regional development, policy, and access to finance expertise to define growth potential for the region and then mainstream solutions within the larger existing state bodies.

However, in recent times the WDC has augmented this strategy by taking a more direct approach to developing and implementing the growth ideas directly with appropriate regional bodies and wider stakeholders. This has led to a more efficient and impactful outcome for our remit. Thus today in 2013 we have a funded, resourced approach to retaining or creating hundreds of jobs directly within the Western Region. The WDC now seeks to drive regional employment and enterprise growth through linking the region both internally and internationally to both resources and markets. We are adapting and seeking to lead on this change manifesto; indeed, we see leveraging our region's key assets internationally as important to the state's response to the current challenges.

Today we are working with national and international partners to drive enterprise growth in the following seven key areas:

- Creative economy
- Regional tourism
- Access to finance
- Renewable energy
- Engaging diaspora
- Promoting the region
- Regional policy insight and analysis.

Through both direct stimulus programmes and indirect promotion and linking of regional capabilities we have, with regional partners, achieved the following key outcomes by 2012: 1,899 jobs retained or created and €11.3m available for investment in regional job and enterprise growth in the year.

Going forward our vision is to significantly accelerate this growth using funded initiatives. Many of these leverage EU expertise and resources. Additionally, the WDC is incorporating the EU2020 key themes of Smart, Inclusive, Sustainable, and to some extent Governance, within its plan to realise the regional 2020 vision. In total it is hoped that from the 1,899 jobs today our efforts with regional, national and (via the support of the EU) international partners will seek to yield an additional 19,000 jobs within this peripheral region by 2020. How we will achieve this is based on a highly collaborative ethos, with the local authorities, regional stakeholders and indeed the EU becoming essential to translating our efforts into enterprise and employment outputs.





# CHIEF EXECUTIVE'S REPORT

---

In 2012 the WDC launched five new job growth initiatives, designed to practically help businesses and individuals establish, improve or be attracted to doing business here. They included:

- RASLRES Bioenergy online calculator ([www.raslres.eu](http://www.raslres.eu))
- Creative industries Micro-Loan Fund (€1m over three years)
- Regional tourism marketing plan (€1.4m total)
- RE:CONNECT diaspora programme – linking business to the region
- Creative Edge EU export growth programme – driving exports (€1.2m total)

These and other key developments such as the memorandum of understanding (MOU) signed with the Craft Council of Ireland, the strategic positioning of the WDC within the Teagasc-led Commission for Economic Development of Rural Areas, and the launch of the *Next Generation Broadband* report in December, have combined to greatly enhance the ability of the organisation to undertake its job growth remit and position itself as a self-reliant, capable regional development organisation.

As such the WDC can be considered to have achieved a high watermark and is now ready for future growth.

My sincere thanks to the staff of the WDC and the regional partners, all of whom have helped in achieving these outcomes for the Western Region.



A handwritten signature in blue ink, which appears to read 'Ian Brannigan'. The signature is fluid and cursive.

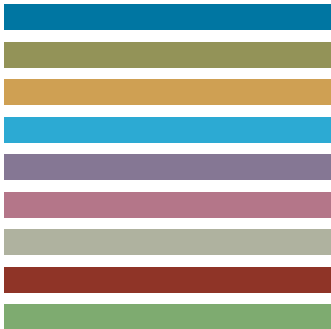
**Ian Brannigan**  
*CEO (Acting)*







# INTRODUCTION



# INTRODUCTION

---



Members of the WDC Commission

## Our Vision

To be the hub for the strategic economic and social development of the Western Region.

## Our Mission

The WDC will contribute towards maximising the Western Region's full potential in order to give effect to the economic, social and cultural aspirations of the citizens of the Western Region.

## Functions of the WDC

The WDC's core function is to promote the economic and social development of the Western Region. The region's productive sectors, infrastructure and rural communities are of particular concern. The WDC works to ensure that the interests of the Western Region are always considered at the highest levels of Government.

The WDC is responsible for the management and administration of the WDC Investment Fund. This dedicated fund addresses a funding gap experienced by small and medium-sized enterprises (SMEs) and social enterprises in the region through the provision of risk capital, equity and loans on a commercial basis.



## Structure of the WDC

The WDC is made up of twelve members appointed by the Minister for Community Rural and Gaeltacht Affairs, Mr Pat Carey, TD (see Appendix 1 for 2012 membership).

The Commission is supported by a committed executive located in Dillon House, Ballaghaderreen, Co. Roscommon. We have a core permanent staff of 12 with expertise in policy analysis, regional and rural development, investment, and administration.

We also enlist the support of special advisory panels (See Appendix 2) with representatives from the public, private and voluntary sectors to assist us with various projects.

## Organisational Structure

---

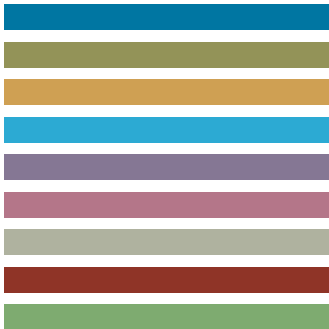


## The WDC's Strategic Aims 2010-2012

- To inform policy-making on economic and social development in the Western Region through high quality analysis.
- To promote the benefits of living, working and doing business in the Western Region.
- To encourage the development of the rural economy based on the sustainable development of the Western Region's strengths and resources.
- To provide risk capital to SMEs and social enterprises in their start-up and expansion phases through the WDC Investment Fund (WIF).
- To operate the WDC as a competent and effective organisation.



# SECTION 1



## BALANCED REGIONAL DEVELOPMENT



# BALANCED REGIONAL DEVELOPMENT

To inform policy-making on economic and social development in the Western Region through high quality analysis.

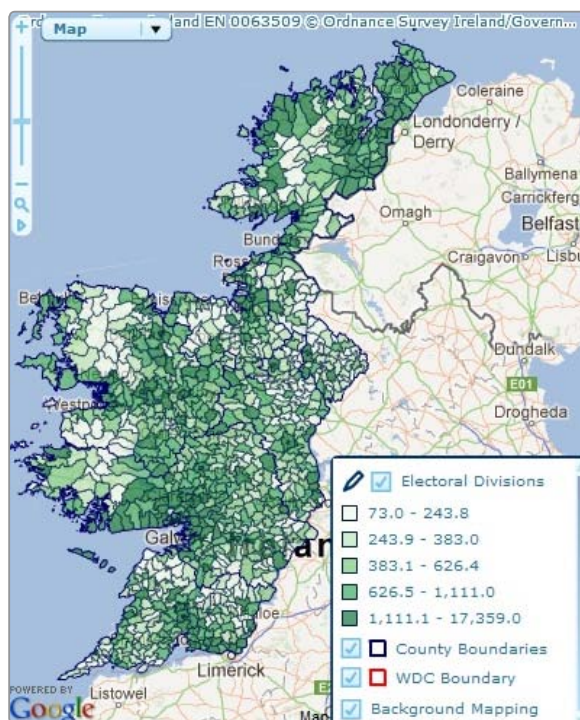
## Socio-Economic Analysis

### Census 2011

All of the final results from the Census of Population 2011 were published during 2012. The WDC undertook detailed analysis of this data and will continue to do so in 2013. The WDC produced a report on the principal demographic results and population in the Western Region, which can be downloaded from the WDC's website: (<http://www.wdc.ie/publications/reports-and-papers/reports2012/>). Detailed analysis of the employment census data was also undertaken. Some of the key findings from Census 2011 for the Western Region are:

- In 2011, the total population of the Western Region was 820,880. This was an increase of 7.7% since 2006, which was slightly lower than the state average of 8.2% growth.
- Since 2006 the highest population growth rate in the region was in Co. Galway (10.0%) and the lowest was in Galway city (4.3%).
- The Western Region is particularly rural with 64.9% of its population living outside of towns with a population of 1,500 or more, compared with just 32.1% in the rest of the state. Leitrim, Galway county, Roscommon, Donegal and Mayo had the highest share of rural dwellers of all counties in the state.
- The strongest population growth since 2006 was in medium-sized towns in the 3,000-4,999 size category. In general, smaller towns (1,500-4,999 people) had greater population growth rates than the larger towns (5,000 or over).
- In 2011 there were 310,519 people working in the Western Region and 78,349 people unemployed. The region is home to 17.2% of all people in the country who are at work but a higher share (18.4%) of unemployed people.
- The Western Region's largest employment sectors are Wholesale and Retail, Industry, Health, Education, Agriculture, and Accommodation and Food Service.

Total population of the Western Region, Census 2011.



Map sourced from the AIRO/WDC Mapping Module  
[http://www.airo.ie/mapping-module/atlas/Western\\_Development\\_Commission/view](http://www.airo.ie/mapping-module/atlas/Western_Development_Commission/view)



## County Incomes and Regional GDP 2009

During 2012 the CSO released statistics for the year 2009 on household income at county level and regional GDP. This was the first data that showed the effect of the downturn, with falls in disposable income all over the country contrasting with 2008 when incomes were still growing. The WDC analysed these figures for the Western Region and some of the key findings were:

- The average disposable income per person in the Western Region was €19,788 in 2009 (€21,167 in 2008).
- The Gross Value Added (GVA)<sup>1</sup> at Basic Prices<sup>2</sup> per person in the Border, Midland and Western (BMW) region<sup>3</sup> in 2008 was €22,578, a fall of €3,396 (13%).

## Regional Sectoral Analysis

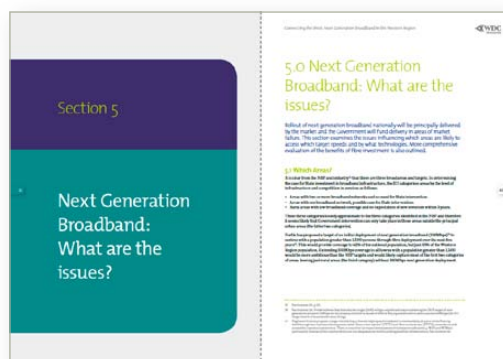
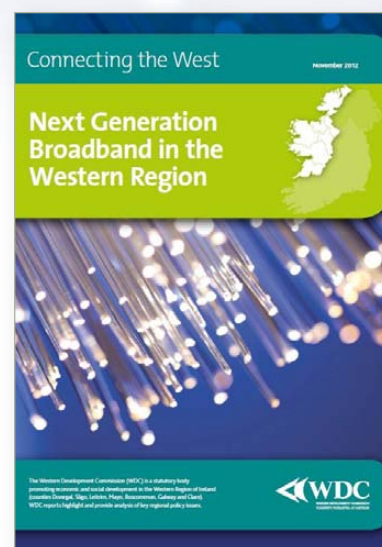
The WDC undertook a regional sectoral analysis of employment and enterprise in the Western Region during 2012. The analysis provides an overview of the sectoral structure of the Western Region and also detailed individual profiles of 15 economic sectors. The objective is to provide a thorough understanding of the region's current situation and recent performance with regard to different sectors, and to identify regional strengths and areas of opportunity.

## Infrastructure

Quality infrastructure is needed to support the development of all regions. Good infrastructural connectivity is an important factor in the choice of location for both indigenous and foreign investment, as well as supporting a good quality of life for residents.

## Telecommunications

In 2012 the WDC published *Connecting the West: Next Generation Broadband in the Western Region*. Telecommunications and next generation broadband infrastructure are recognised by government as one of the few priority areas for investment over the next few years. Earlier in 2012 the government published its National Broadband Plan, which contains broadband targets to be achieved over the coming years. Recognising the importance of positioning the Western Region to benefit from forthcoming investment (both public and private), *Connecting the West: Next Generation Broadband in the Western Region* assesses current broadband provision in the Western Region and contains recommendations to ensure widespread roll-out of future-proofed next generation services.



<sup>1</sup> Gross Value Added (GVA) at Basic Prices is a measure of the value of the goods and services produced in a region (less the materials and services used that come from outside the region), priced at the value the producer received minus any taxes payable plus any subsidies receivable as a consequence of their production or sale.

<sup>2</sup> GVA at Basic Prices is used throughout this report (rather than GVA at Factor Cost).

<sup>3</sup> GVA figures are not available at county level. They are available at regional NUTS III (Border, Midlands, Western) and NUTS II (BMW, S&E) level.

It is 10 years since the WDC published the report, *Update on Telecommunications in the Western Region* (2002), and much has changed in the roll-out of technology and the broadband needs of the enterprise sector. Then, the impact of broadband on enterprise development was just emerging; now it is seen as critical to enterprise development and a very valuable tool in supporting regional and rurally based employment. *Connecting the West: Next Generation Broadband in the Western Region* revisits many of the enterprise case studies included in the first WDC report on telecommunications and examines how the telecommunications needs of businesses have changed. Next generation broadband roll-out will be very important in supporting enterprise development for decades to come. The report was widely disseminated to all stakeholders and further work in articulating the needs for investment is to continue.

## Air Infrastructure

International air access is particularly important for an island economy and for connecting geographically remote regions such as the West of Ireland. The international air access provided at Ireland West Airport Knock, Shannon Airport and Donegal Airport is important in ensuring international connectivity to markets in the UK and mainland Europe as well as further afield.

The WDC welcomes the government's announcement of a Green Paper on Aviation Policy for Ireland announced in early December 2012. This will provide a clear policy framework on aviation policy, ensuring that the potential of the sector can be maximised.

## Rail Infrastructure

In February, the WDC participated in an Irish Rail Conference entitled Rail Vision 2030, which examined the future of rail transport in Ireland. The Minister for Transport, Tourism and Sport launched a report commissioned by Iarnród Éireann, which presents a proposed investment programme over three stages. The report makes the case for longer-term electrification of key sections of the network and the need to reduce journey times to compete with improvements in the road network. The report does not recommend the development of any new regional rail lines apart from considering that the Athenry-Tuam line merits further consideration.

The report also contains a recommendation for an exchequer grant aid facility to enterprises, and Iarnród Éireann to support new freight projects with a clear economic return. The largest rail freight volume in the country is in Ballina, Co. Mayo. Rail freight volumes are growing and there is now a more coherent demand for rail freight services from industry. This has been articulated by the All Ireland Rail Freight Group, of which the WDC is a member. Rail freight is one of the strong revenue-generation elements of Irish Rail's business.



## Natural Gas

The WDC met with Minister Rabbitte on 21 March 2012 to highlight the benefits of natural gas infrastructure for the North West. The WDC detailed the findings published in *Why Invest in Gas? Benefits of Natural Gas Infrastructure for the North West* and emphasised the importance of public investment in this key infrastructure. In attendance were Dr. Seosamh Ó Ceallaigh, Mr. Ian Brannigan and Dr. Helen McHenry.

## Water Services Sector Reform

Minister Hogan published a Consultation Paper on the establishment of a public water utility and the future funding of water services. The Department of the Environment, Community and Local Government (DECLG) sought views in relation to the development of an implementation plan for the public water utility and the proposed approach in relation to the future funding of water services, including through water charges.

The WDC made a brief submission to this consultation on 24 February 2012. A copy can be downloaded from the WDC website [www.wdc.ie](http://www.wdc.ie)

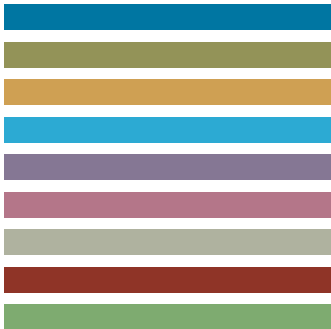
## Submissions

An important aspect of the WDC's activities is providing input into various policy consultations that impact on the economic and social development of the Western Region. Throughout 2012 the WDC provided submissions to a number of consultations:

- Department of Communications, Energy and Natural Resources on the report of the Next Generation Broadband Taskforce.
- Department of Communications, Energy and Natural Resources on the telecommunications duct extending from Ballymoneen in Co. Galway to Bellanaboy in Co. Mayo.
- Department of Agriculture, Food and Fisheries on the consultation document *Our Ocean Wealth* on increasing the importance of ocean-based economic activity and recognising its social and cultural importance.
- Department of the Environment, Community and Local Government on the Consultation on Local Government and Local Development Alignment process.
- Department of the Environment, Community and Local Government on the draft Framework for Sustainable Development for Ireland.
- Department of the Environment, Community and Local Government on the Consultation on the Sectoral Strategy of the Local Government Sector to Promote Employment and Support Local Enterprise.



## SECTION 2



PROMOTING THE REGION



# PROMOTING THE REGION

**LookWest.ie** The online guide to living, working and doing business in Ireland's Western Region.



## Key achievements in 2012

In 2012 the **LookWest.ie** campaign continued its main impetus of promoting the Western Region internationally as well as domestically, and also diversified efforts into a diaspora business initiative called RE:CONNECT. In all cases a focus on job growth was the driving ethos.



Volvo Ocean Race 2012 Stand

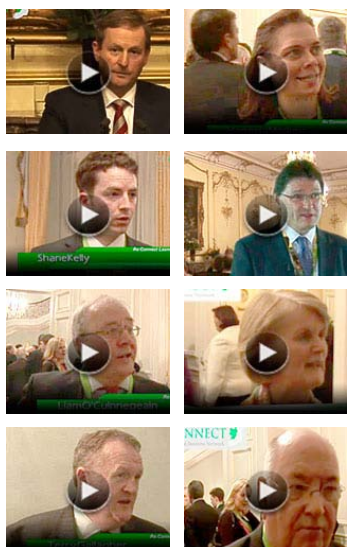


At the Volvo Ocean Race, Galway - Mary Keaveney WDC, Caroline Coffey WDC, Pat Rabbitte TD Minister for Communications, Energy & Natural Resources and Joanne Grehan WDC



Notable successes included:

- One million visitor mark to [LookWest.ie](http://LookWest.ie) website passed.
- Average of 40,000 visits a month achieved.
- Volvo Ocean Race 2012 – supported by LookWest.ie with regional partners.
- RE:CONNECT campaign, a joint initiative with regional local authorities, launched in January 2012 by An Taoiseach, Enda Kenny T.D.
- Yeats Day 2012 – a joint LookWest.ie/ Creative West effort – supported the efforts of the region to make 13 June 13 an annual flagship day for arts and tourism through the celebration of W.B. Yeats. A unique short film was commissioned by the WDC and completed by *Loch Bó* films, which was shown during the launch events of the inaugural Yeats Day.
- Regional Tourism Marketing Programme – a practical initiative involving Donegal, Sligo, Mayo, Leitrim and Roscommon county councils, IWKA, Fáilte Ireland, and Tourism Ireland, and co-ordinated by the WDC. This initiative sought to grow the numbers of international tourists to the Western Region through marketing the region collaboratively for the first time. This unique approach has the eventual aim of achieving 50-60,000 additional visitors per annum to the region within three years. Last year's efforts, building on contributions from all the partners, yielded over 10,000 new visitors and the associated additional spend in the region's tourism, leisure and retail sectors.



Attendees at the RE:CONNECT event in London with Minister Pat Rabbitte



## SECTION 3



## RURAL DEVELOPMENT

# RURAL DEVELOPMENT

Support the sustainable economic and social development of the rural economy.

Renewable Energy

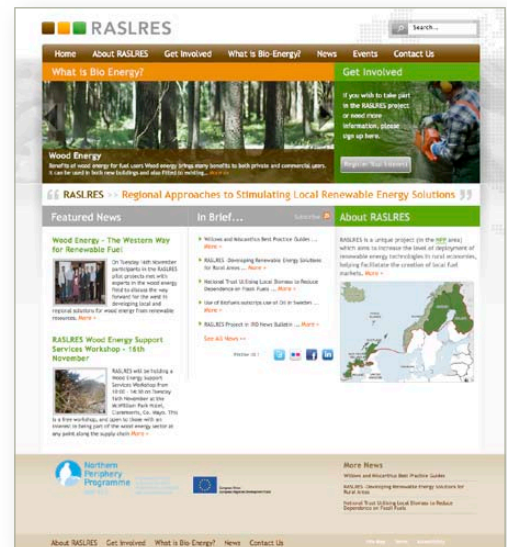


## RASLRES – An EU Initiative for the Bioenergy Sector

RASLRES – the Regional Approaches to Stimulating Local Renewable Energy Solutions project – is an EU project led by the WDC with partners from Ireland, Scotland, Northern Ireland and Sweden. The project aims to increase the use of renewable energy technologies in rural economies. The project is funded by the Northern Periphery Programme (NPP), which is one of 13 INTERREG-IIIB programmes set up to encourage and support transnational cooperation in Europe.

RASLRES has designed, piloted and marketed the best products and services for creating and sustaining local renewable energy markets in rural areas. In this way, the project has helped markets provide sustainable economic growth for local employment, businesses and revenue.

RASLRES worked with 11 pilot projects to build sustainable localised wood fuel supply chains via new (or existing) wood boilers and to offer best practice approaches to support industry development, resulting in 29 new FTE jobs and 10 new businesses created.



The RASLRES website: [www.raslres.eu](http://www.raslres.eu)





Minister Phil Hogan launches RASLRES Online Bioenergy calculator in May 2012

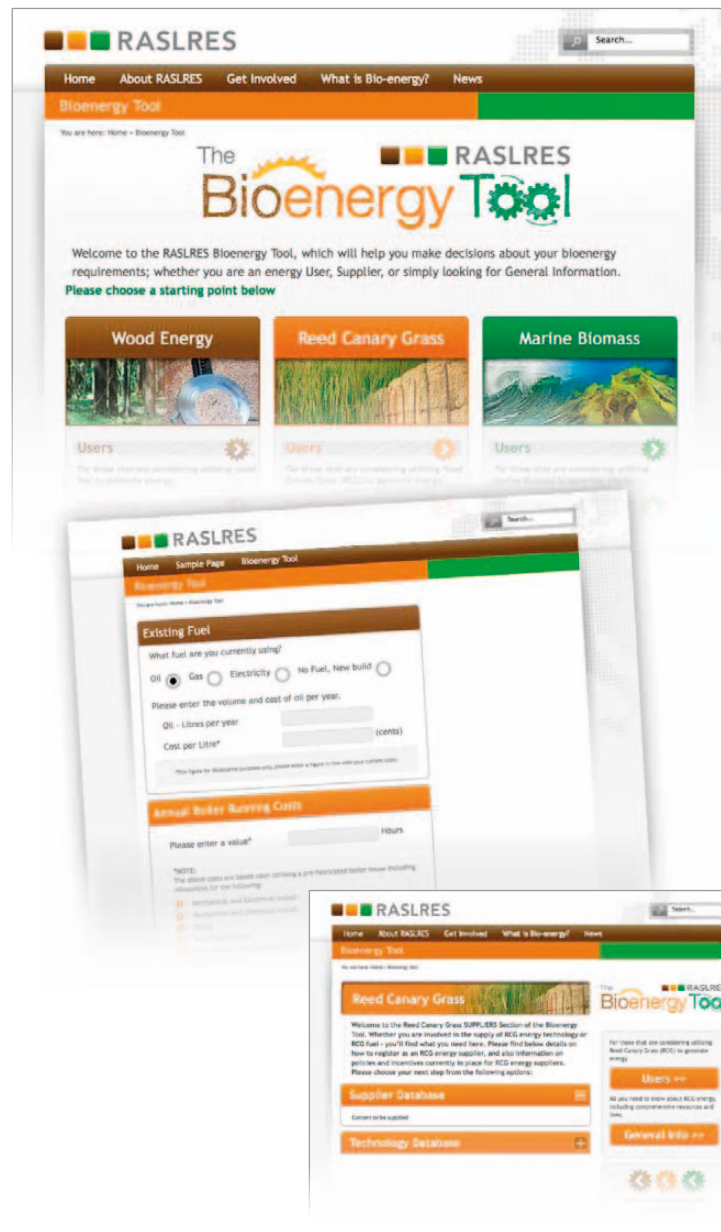
(L-R Ian Brannigan WDC CEO(A), Minister Hogan, Niclas Forsling Head of EU Northern Periphery programme)

An intelligent Bioenergy Tool was developed to allow those considering investment in bioenergy systems to assess the economic feasibility of a project at an early stage. It is available at <http://www.raslr.es.eu/bioenergy-tool/>.

The project provided services to the wood energy sector in Ireland, including the provision of a range of technical and business advisory support services to selected clients progressing wood energy projects in the region and the generation of market information and intelligence to support the sector. Many of these have been published and are available for download at <http://www.raslr.es.eu/publications/>

RASLRES has also developed a model contract, and guidance notes for people in the public or private sector who are interested in purchasing heat through an Energy Supply Contract (ESCO). The guidance and contract developed by RASLRES will be further promoted by the Sustainable Energy Authority of Ireland and also by IrBEA, the Irish Bioenergy Association.

RASLRES has actively engaged with local authorities on a three-part programme to stimulate the development of bioenergy in the region, develop a public procurement model, and provide assistance to local authorities to develop appropriate policies for the development of bioenergy in their county.





## BioPAD

The WDC made a successful application to the Northern Periphery Programme for a follow-on bioenergy project, 'BioPAD'. The project includes partners from Northern Ireland, Scotland and Finland. The total project budget is almost €700,000.

BioPAD (Bioenergy Proliferation And Deployment) aims to build new bioenergy supply chains based on the proliferation of a novel bioenergy stimulus service product, which seeks to incorporate innovations in biomass fuel types, supply chain logistics and conversion technology.

The attendant supply chain mapping projects will inform policy frameworks and interventions to support redeployment in the NPP area, and create new enterprise opportunities based on sustainable business models.

This market-proven stimulus approach (employment and business growth totalling a minimum of €1.3m per annum to date has been achieved during the development phase of RASLRES) will allow remote regional communities to practically and efficiently grow their renewable energy economies.

BioPAD will build on the NPP investment in the development of the RASLRES Bioenergy Tool ([www.raslres.eu/bioenergy-tool](http://www.raslres.eu/bioenergy-tool)), thus allowing a low-cost integrated approach to improving NPP regional competitiveness in bioenergy sector stimulus. The Bioenergy Tool created a novel online service product to allow local communities and interested parties to access information on local renewable biofuels, with a view to providing an innovative local stimulus in the use and supply of bioenergy.

BioPAD will build on and disseminate the RASLRES Bioenergy Tool to the wider NPP community and beyond. Ultimately, the Bioenergy Tool service project will seek to grow the ability of NPP communities and municipalities to access and interact with local renewable bioenergy supply chains, driving enterprise and job growth in the local communities.

The project will assess new woody biomass fuels such as energy crops, and will potentially also look at market opportunities from organic streams such as agriculture wastes, within the context of developing micro-CHP (Combined Heat and Power) and district heating projects for emerging regions.



Innovatively investing  
in Europe's Northern  
Periphery for a sustainable  
and prosperous future



## Bioenergy Proliferation and Deployment







## Creative Economy



The WDC intensified its work in supporting the development of the creative industries sector in the Western Region throughout 2012. The creative sector includes arts and crafts, music, fashion, design, digital media, TV, film and radio production, software, photography, architecture and publishing.

### Creative Edge

Creative Edge is a Northern Periphery Programme (NPP)-funded project to support people and businesses working in the creative sector in the Western Region of Ireland, Northern Ireland, Sweden and Finland. The project's key objectives are to increase creative businesses' access to international markets and to develop emerging creative talent from the partner regions. The total project budget for Creative Edge is €1.1m. The partners in the Creative Edge project are:

- National University of Ireland, Galway (Lead Partner)
- Region Vasterbotten/Film I Vasterbotten, Sweden
- SEED, Craigavon Borough Council, Northern Ireland
- Kemi-Tornio University of Applied Sciences (KTUAS), Finland
- Western Development Commission, Ireland.

The WDC is the lead organisation for the development of an Access to Export Model. This will involve:

- Designing, developing and delivering an open access online export platform to facilitate access to export markets for creative sector micro-enterprises and SMEs (due for launch June 2013).
- Running a series of export skills workshops to provide information and advice to creative businesses to help them increase export activity (April-May 2013).

- Operating a small pilot scheme of talent vouchers to co-fund businesses to contract emerging creative talent (June-July 2013).

During 2012 the focus was on information gathering, awareness raising, design and development of the main activities that will be rolled out during 2013. Some of the WDC's activities during 2012 were:

- Presentations on the Creative Edge project at each of the seven county information sessions held for the WDC Micro-Loan Fund: Creative Industries (9-16 July).
- A contract for support services for the development and implementation of the Access to Export Model was awarded and is ongoing.
- An electronic survey was conducted of creative sector businesses in the Western Region in September/October. The survey aimed to assess their current export activities and needs. There were 91 responses. The results of this are feeding into the design of the Access to Export Model.
- An Industry Advisory Group for the Creative Edge was established by the WDC. The first meeting was held in Tuam on 8 November. The group is composed of private and public representatives working in the creative sector in the Western Region. Its purpose is to provide insight and views on the design, development and implementation of the Creative Edge export platform.
- A Creative Edge social media campaign began in November. The Creative Edge Facebook page is live at <http://facebook.com/eucreative> and the Twitter channel is <https://twitter.com/eucreative>. The objective is to highlight and generate interest in the creative sector in the partner regions as well as to promote the activities of the project. It is also hoped that it will help identify potential participants for the online export platform.



- The WDC participated in a presentation on the Creative Edge project given at the NPP Annual Conference on 15 November in Derry.
- Creative Edge was officially launched at NUI Galway on 29 November by Garry Hynes of Druid Theatre.
- Three partner meetings for the project were held during 2012 – February (Finland), June (Northern Ireland) and November (Northern Ireland as part of the NPP annual conference).
- The WDC attended the National Crafts and Design Fair in Dublin in December to promote the project and encourage creative enterprises from the region to participate in the online export platform when it is launched.
- The WDC engaged with establishing a flagship annual creative event in the region – Yeats Day. The WDC engaged with creative businesses to mark the inaugural event via an audio-visual piece titled ‘Yeats, Sligo and Me’.

## Memorandum of Understanding with Crafts Council of Ireland

In March 2012 the WDC presented on its creative economy development work at an Irish Leader Development Network (ILDN) event in Tullamore. As a follow up, the WDC and the Crafts Council of Ireland (CCol) agreed to form a partnership in order to develop job growth programmes for the region (and beyond) in the craft and creative sector. This unique three-year agreement signed by Ian Brannigan (WDC CEO) will directly inject €30,000 into the region's creative industries, and is intended to provide the

basis for co-development of initiatives between the two agencies to significantly grow enterprise and employment opportunities in the sector in the Western Region.

Following considerable discussion, a Memorandum of Understanding between the WDC and CCol to provide a framework for a strategic partnership across a range of areas was approved by the boards of both organisations. This was signed on 12 July.

## National Rural Development Conference

The WDC were associate partners in the 2012 annual National Rural Development Conference organised by the National Rural Network and Teagasc. The conference was held on 16 October and the WDC organised and ran a workshop titled ‘Creative & Rural: The Role of Creative Industries in Rural Development’. The focus of the workshop was raising awareness of the potential of the creative sector in rural areas and generating proposals for actions to support the sector within the new Rural Development Programme 2014-2020.



Pauline White, Policy Analyst WDC, Karen Hennessey, CEO Crafts Council of Ireland and David Knight, Willow Publishing and David Knight Photography who were speakers at the WDC's Creative & Rural: The Role of Creative Industries in Rural Development workshop at the National Rural Development Conference, 16 October 2012.

## 4CNW project

In March, Ian Brannigan made a presentation on the WDC's work on the creative economy at the launch of the 4CNW (Creative State North West) talent growth project held at IT Sligo. This EU project aims to deliver €100,000 of talent vouchers to regional creative businesses to work in the wider industrial and business sector.



## SECTION 4



WDC INVESTMENT FUND

# WDC INVESTMENT FUND

---

## To provide risk capital to SMEs and social enterprises.

The Western Investment Fund (WIF) is a WDC managed fund providing risk capital (seed and venture capital and loan finance) to small and medium-sized (SMEs) and community enterprises. It addresses private sector market failure in the provision of risk capital to enterprises in the Western Region. The WDC invests on commercial terms and all investments are repayable.

A significant element of the Western Investment Fund team's workload is monitoring the investment portfolio. The executive works closely with portfolio companies, at board and management level, supporting them on a long-term basis and helping them to achieve their growth targets.

To date, the WDC has invested a total of almost €40m in 96 companies in the region employing 1,600 people; the majority of SMEs supported are highly innovative enterprises. As an evergreen fund all monies recouped are reinvested in the region.

The results of a recent survey<sup>4</sup> of WDC-supported companies shows the very significant economic and social impact that these companies have on the region. Sixty-seven per cent of these companies' turnover is exported, supporting the export-led recovery. Another very significant indicator of economic impact and innovation is their €11m spend on research and development.

In 2012 WDC invested €1.4m in 13 enterprises that offer highly skilled employment in sectors ranging from medical devices to software development to high-tech manufacturing to creative industries. WIF investment levered a total of €9.4m in additional investment into the region; for every €1 the WDC invested through the WIF another €6.6 was levered for western enterprises.

The WIF approved a total of €2.4m in 21 projects, of which are €1.9m represents commitments carried forward to 2013.

In 2012 the WDC received no exchequer funding for the WIF and is fully reliant on its revolved funding to make new investments. The WDC has been successful in developing its model of a sustainable evergreen fund and has become self-sufficient from a funding perspective, albeit at a lower level than previously. The WDC retains the capacity to invest exchequer funding on a prudent basis that will support enterprise and jobs in the Western Region if a new capital allocation is granted. The WDC is seeking to have the capital allocation to the Western Investment Fund reinstated as private sector market failure continues to persist in the Western Region with less than 10% of private venture capital funds being invested in our region. The WIF plays a critical role in addressing this equity gap and supporting indigenous companies to start up and expand in the Western Region.

Through its successful investment portfolio, the WDC has demonstrated its effectiveness in delivering significant socio-economic benefits for the government by supporting enterprise and jobs in a sustainable manner. Research carried out with WIF companies shows that for an average exchequer allocation of €3m over a 10-year period, these enterprises currently employ 1,400 people, with another 195 employed in community enterprise space funded by the WIF. The annual spend on salaries and wages was €43m, a very significant stimulus for the local economy, and €11.8m of this was paid back to the exchequer in payroll taxes. The WIF clearly offers a model for the sustainable economic development of the region and looks forward to the continued support of the government in its endeavours to provide risk finance to western enterprises on a commercial basis while delivering an economic impact.

---

<sup>4</sup> Survey of portfolio companies carried out in 2011.



## New WDC Micro-Loan Fund: Creative Industries

In June 2012 the WDC launched a Micro-Loan Fund for the Creative Industries. This is an 'access to finance' initiative developed on a pilot basis, allocating €1m over a three-year period from the Western Investment Revolved Fund to the creative industries sector.

The fund is designed to support creative industries which, based on extensive WDC research, is an area of burgeoning growth potential within the region. Access to finance is an issue for creative industries, and as such the fund seeks to ameliorate this issue through the provision of a timely and appropriate funding mechanism. The initiative points to the WDC's commitment to enterprise development, and its focus on regional sustainability and growth through employment, enterprise and export.

The WDC Micro-Loan Fund: Creative Industries is open to sole traders, partnerships, businesses and groups operating in the creative industries sector. This is defined as occupations and industries centred on creativity, for the production and distribution of original goods and services. The preference is for businesses to be incorporated, i.e. a company limited by shares or a company limited by guarantee, but non-incorporated businesses will be considered.

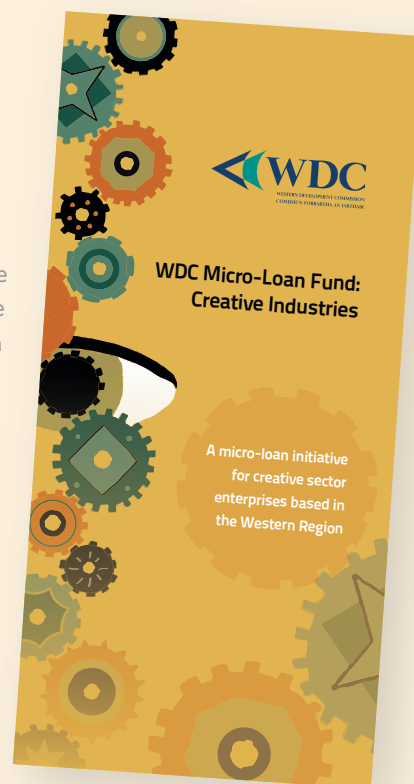
The following 12 creative industries make up the creative sector and businesses from these sectors are eligible to apply:

- Advertising
- Architecture
- Art/Antiques trade
- Crafts
- Design
- Digital media
- Fashion
- Internet and software
- Music, visual and performing arts
- Publishing
- Radio and TV broadcasting
- Video, film and photography.

The Micro-Loan Fund operates on a competitive 'call for applications' basis and is publicly advertised. In addition, an extensive series of briefing workshops were held throughout the region.

Loans of between €5,000 and €25,000 are available to successful applicants for a maximum term of five years.

Following a very successful first call in June 2012, the fund has disbursed €120,000 to creative businesses in the Western Region and looks forward to increasing its disbursements over 2013.







## Showcase of Western Enterprise

In December 2012 the WDC held a Showcase of Western Enterprise featuring the companies of the Western Investment Fund Portfolio in The Royal College of Physicians, Dublin. An Taoiseach, Enda Kenny T.D., was the keynote speaker at the event.

Thirty WIF portfolio companies showcased at the event and well over 200 people were in attendance.

The Showcase was attended by western members of the Oireachtas, senior civil servants from the Departments of An Taoiseach, the Environment, Community & Local Government, Finance, and Jobs, Enterprise & Employment, as well as senior officials from Forfás, Enterprise Ireland, the IDA and InterTrade Ireland. In addition, county managers from the region were in attendance as were representatives from IBEC, international and domestic VCs, banks and other funders including business angels. There were also representatives from the professions involved in investment in SMEs (corporate finance, accounting and legal) and from the third-level education sector.

The event very positively showcased the depth of innovation and enterprise in the Western Region, much of which has developed cutting edge technology and operates globally.

For further information on the Western Investment Fund, see: [www.wdc.ie/wif](http://www.wdc.ie/wif)



An Taoiseach Enda Kenny T. D. speaking at the Showcase of Western Enterprise at the Royal College of Physicians, Dublin in December 2012.





## SECTION 5



## CORPORATE SERVICES

# CORPORATE SERVICES

---

## To operate the WDC as a competent and effective organisation.

As an inherent part of its strategic goals, the WDC strives to run an efficient and effective organisation that complies with legislative requirements, public sector modernisation and best practice by adhering to the following:



## Corporate Governance

The board conducted its activities cognisant of the revised Code of Conduct for the Governance of State Agencies as amended in May 2009.

## Human Resources

Through the active participation of the WDC Partnership Committee, the organisation has continued its commitment to the public sector modernisation programme and the implementation of the Croke Park Agreement.



## Customer Care

The WDC is committed to providing its customers with a professional, efficient and courteous service in accordance with the WDC Customer Charter and the Principles of Quality Customer Services. A copy of the WDC's Customer Statement is available on: [www.wdc.ie](http://www.wdc.ie).

The WDC's website is regularly updated and clients were kept informed of the work of the organisation through press releases, publications and submissions posted on: [www.wdc.ie](http://www.wdc.ie). No customer complaints were reported or recorded in 2012.

## Financial Management

The WDC's Financial Management System enables the Commission to operate a comprehensive budgeting and financial reporting process and to comply with best practice under the Code of Practice for the Governance of State Bodies.

## Freedom of Information Acts, 1997 & 2003

There were no requests for information under the terms of the Freedom of Information Acts, 1997 & 2003.

## Data Protection Acts 1988 & 2003

The WDC had no queries under the Data Protection Act in 2012.

## Official Languages Act 2003

Under the Official Languages Act (2003), the WDC has adopted the *WDC Language Scheme 2007-2010*. This scheme is published in English and Irish and is available on: [www.wdc.ie](http://www.wdc.ie). Under the terms of the scheme, the [LookWest.ie](http://LookWest.ie) website was translated into Irish.

## Board Fees and Expenses

Full details of Board Fees and expenses are outlined in Appendix 3.

## CEO Salary and Expenses

Full details of CEO salary and expenses are outlined in Appendix 4.



## Chairperson's Report on WDC Compliance with the Code of Practice for the Governance of State Bodies in 2012

### 1. Code of Business Conduct for Directors and Employees of the WDC

Codes of business conduct for all directors and employees have been signed by all relevant parties and complied with in 2012.

### 2. Internal Audit Function

I confirm that all appropriate procedures for internal audit as set out in the Code of Practice were complied with by the WDC in 2012. The following work was carried out in relation to internal audit:

(i) **Internal Audit:** The Internal Auditor completed the 2012 Internal Audit Work Programme.

(ii) **WDC Audit Committee:** The Audit Committee met once during 2012 and reported on its activity to the WDC.

(iii) **WDC Audits:** A full financial audit relating to the 2011 WDC financial statements by the Comptroller and Auditor General (External Auditors) was carried out in 2012.

### 3. Procurement

In 2012, the WDC complied fully with relevant procurement procedures as set out in the WDC Procurement Guidelines and in the 2004 Government Procurement Guidelines.

### 4. Disposal of Assets and Access to Assets by Third Parties

There have been no disposals of assets above the agreed threshold by the WDC in 2012.

### 5. Guidelines for the Appraisal and Management of Capital Expenditure

These guidelines are not applicable to the WDC.

### 6. Pay to Chief Executives and State Body Employees

The WDC has adhered to government guidelines and to the Department of the Environment, Community and Local Government's arrangements in relation to the remuneration of the Chief Executive and employees in 2012.

### 7. Payment of Directors' Fees and Expenses

The WDC adhered to government guidelines and the Department of the Environment, Community and Local Government's arrangements in relation to the payment of Directors' fees in 2012. Details of these fees and aggregate expenses are given in the annual accounts.

### 8. A separate Chairperson's report has been submitted to the Minister with the 2012 Annual Report.

### 9. I confirm that the WDC has complied in full with the appropriate tax laws and with its tax obligations in 2012 and that there have been no issues reported.

Signed:

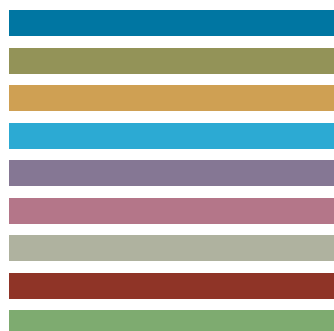
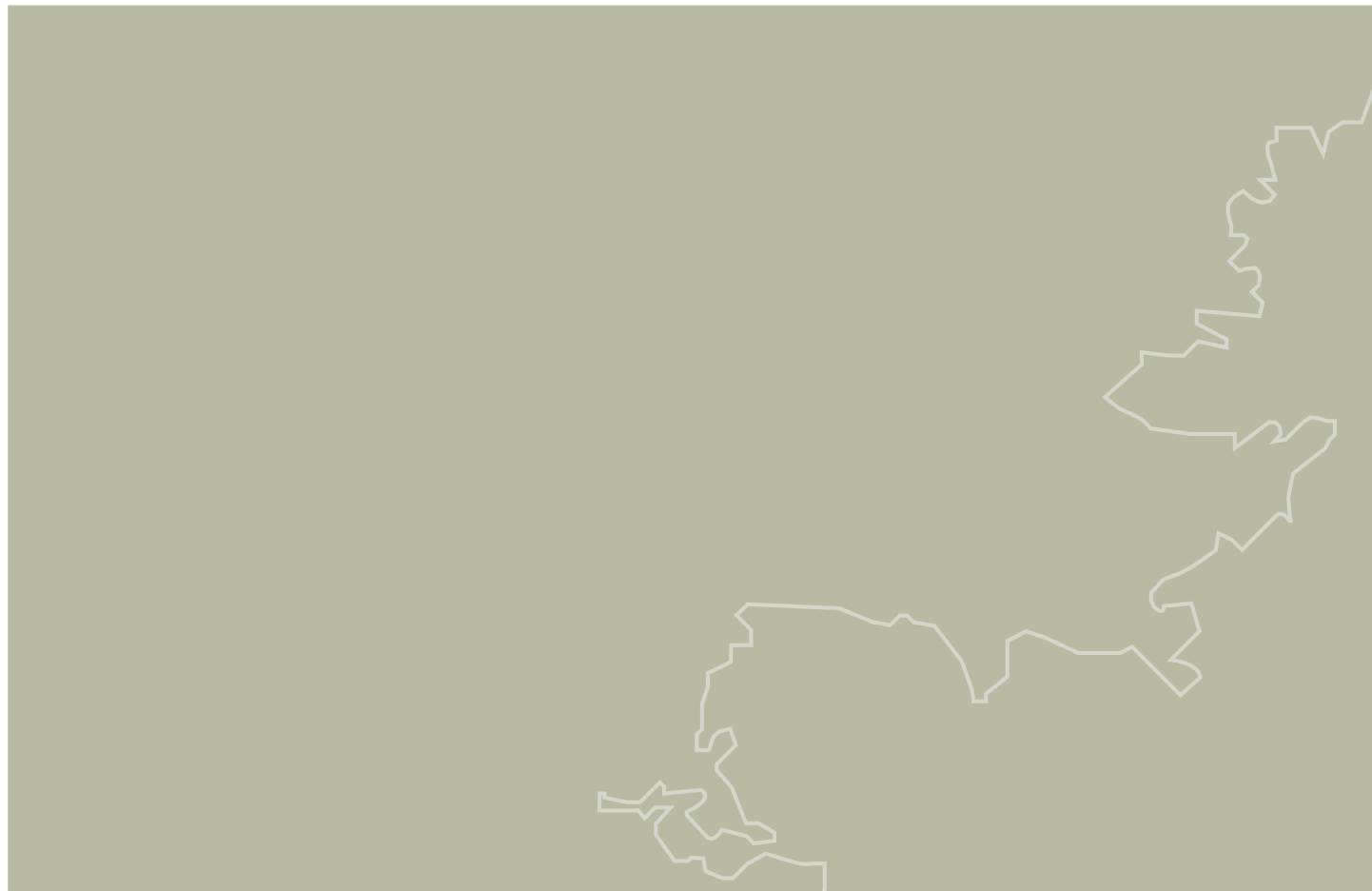


WDC Chairperson

Date:

25/3/2012





## APPENDICES





# APPENDIX I

---

## Members of the Western Development Commission 2012

### Chairperson

Ms Helen Richford Brennan \*

Mr. Paddy McGuinness\*\*

### Members

Mr. Neville Bagnall

Mr. Jim Devenney

Ms. Mary Devine O'Callaghan

Cllr. Mary Hoade

Ms. Jackie Maguire

Ms. Martina Minogue

Mr. Pádraig Ó hAoláin\*\*\*

Dr. Seosamh Ó Ceallaigh

Mr. Gerry O'Connor

Mr. Vincent Roche

Dr. Katie Sweeney

\* Resigned on health grounds in June 2012

\*\* Appointed in December 2012

\*\*\* Resigned on health grounds in September 2012

## Audit Committee

### Chairperson

Cllr Mary Hoade

### Members

Mr. Ben Bradish

Mr. Michael Morley

Mr. Pádraig Ó hAoláin

Mr. Willie O'Brien



## APPENDIX 2

---

### Other Advisory Panels

#### Regional Wood Energy Advisory Group Members

Mr. Richard Browne	Dept of Communications, Energy and Natural Resources
Mr. Pearse Buckley	Sustainable Energy Ireland
Mr. Philip Carr	Forest Service of the Department of Agriculture, Food and the Marine
Mr. Peter Cafferkey	Forest Service of the Department of Agriculture, Food and the Marine
Mr. Barry Caslin	Teagasc
Ms. Dóirín Graham	Rural Resource Development Ltd (Clare LEADER Company)
Ms. Christine Hutton	Rural Generation Ltd
Mr. Peter Keavney	Galway Energy Agency
Mr. Conor Lawlor	Sligo Institute of Technology
Mr. Steven Meyen	Teagasc (Forestry)
Ms. Fiona Ní Mhurchadha	Údarás na Gaeltachta
Mr. Frank Conlon	Údarás na Gaeltachta
Mr. Joe O'Carroll	Imperative Energy Ltd
Mr. Hugo McCormick	Imperative Energy Ltd
Mr. Michael O'hÉanaigh	Donegal County Council (Community and Enterprise Division)
Ms. Geraldine O'Sullivan	Irish Farmers Association (Forestry)

#### Creative Sector Industry Advisory Group Members

Mr. William Golden	NUI Galway
Ms. Geraldine Gray	Leitrim Design House
Mr. Jim Keogh	Údarás na Gaeltachta
Mr. Anton Mannering	Digital Media Forum
Mr. Nick Miller	Artist
Mr. David Power	Royal Institute of Architects of Ireland (RIAI)
Mr Toby Scott	Centre for Design Innovation, IT Sligo
Mr. Ray Walsh	Enterprise Ireland



## APPENDIX 3

### Board Fees and Expenses

Board Fees and Travel and Subsistence Expenses 2012		
Name	Fees	Travel & Subsistence
Mr. Neville Bagnall	€5,985	NIL
Mr. Jim Devenney	€5,985	€1,301
Ms. Mary Devine O'Callaghan	€5,985	€238
Cllr. Mary Hoade	€5,985	€1,903
Ms. Jackie Maguire	NIL	€635
Mr. Paddy McGuinness *	€480.96	NIL
Ms. Martina Minogue	€5,985	€1,633
Mr. Pádraig Ó hAoláin ***	NIL	€135
Dr. Seosamh Ó Ceallaigh**	€5,985	€3,417
Mr. Gerald O'Connor	€5,985	NIL
Ms. Helen Rochford Brennan****	€4,489	€917
Mr. Vincent Roche	€5,985	€3,417
Dr. Katie Sweeney	NIL	€1,725

\* Commenced as Chair 11 December 2012

\*\* Paid from 20 Feb 2011 to 20 Feb 2012

\*\*\* Resigned September 2012

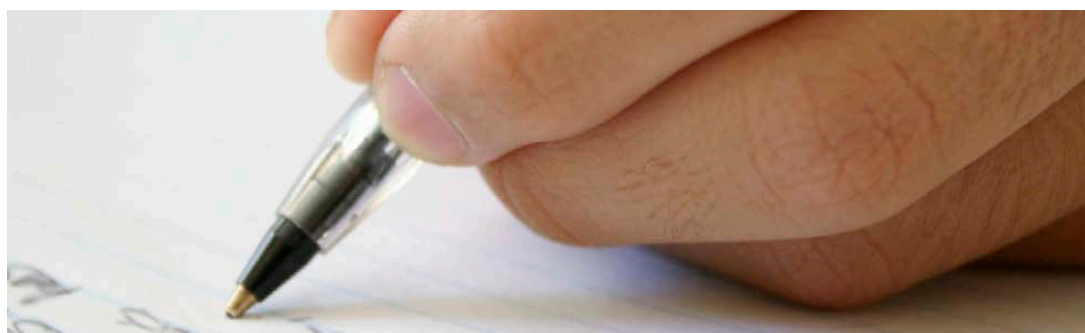
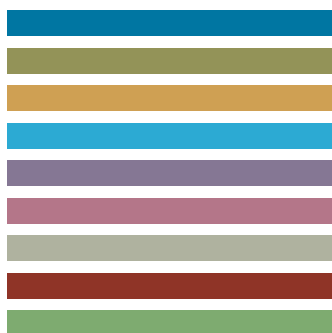
\*\*\*\* Resigned 30 June 2012

## APPENDIX 4

CEO Salary and Travel and Subsistence Expenses 2012		
CEO	Salary	Travel & Subsistence
Mr Ian Brannigan CEO (A) and Regional Development Manager	€85,172	€12,766

The CEO's salary scale is set at the level of Principal Officer in the Civil Service. The WDC does not operate a performance-related award scheme and superannuation benefit is included in the salary scale.





FINANCIAL STATEMENT  
For the year ended 31st December 2012



# TABLE OF CONTENTS

---

<b>Western Development Commission Information</b>	<b>41</b>
<b>Statement of Commission's Responsibilities</b>	<b>42</b>
<b>Report of the Comptroller and Auditor General</b>	<b>43</b>
<b>Statement on Internal Financial Control</b>	<b>44</b>
<b>Statement of Accounting Policies</b>	<b>46</b>
<b>Income and Expenditure Account</b>	<b>48</b>
<b>Western Investment Fund Income and Expenditure Account</b>	<b>49</b>
<b>Northern Periphery Programme (NPP) Income and Expenditure Account</b>	<b>50</b>
<b>Statement of Total Recognised Gains and Losses</b>	<b>51</b>
<b>Balance Sheet</b>	<b>52</b>
<b>Cash Flow Statement</b>	<b>53</b>
<b>Notes to the Financial Statements</b>	<b>54</b>





# WESTERN DEVELOPMENT COMMISSION INFORMATION

---

## Chairperson

Ms Helen Rochford Brennan \*

Mr Paddy McGuinness\*\*

## Members

Mr Neville Bagnall	Co Sligo
Mr. Jim Devenney	Co Donegal
Cllr. Mary Hoade	Co Galway
Ms. Martina Minogue	Co Clare
Ms. Jackie Maguire	Co Leitrim
Mr Pádraig Ó hAoláin***	Co Galway
Ms. Mary Devine O'Callaghan	Co Roscommon
Dr Seosamh Ó Ceallaigh	Co Donegal
Mr Gerry O'Connor	Co Sligo
Mr Vincent Roche	Co Mayo
Dr. Katie Sweeney	Co Mayo

\* *Resigned in June 2012*

\*\* *Appointed in December 2012*

\*\*\* *Resigned in September 2012*

## Bankers

Bank of Ireland, Ballaghaderreen, Co. Roscommon

Allied Irish Bank, Tuam Road, Galway

## Auditors

The Comptroller and Auditor General, Treasury Building, Dublin Castle, Dublin 2



# STATEMENT ON COMMISSION'S RESPONSIBILITIES

---


Section 22 of the Western Development Commission Act, 1998, requires the Commission to prepare financial statements in such form as may be approved by the Minister for Environment, Community and Local Government with the concurrence of the Minister for Finance and to submit them for audit to the Comptroller and Auditor General. In preparing these financial statements the Commission is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless that basis is inappropriate;
- disclose and explain any material departures from applicable accounting standards.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

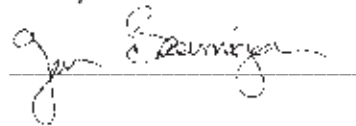
The Commission is responsible for keeping proper books of account, which disclose with reasonable accuracy at any time the financial position of the Commission and which enable it to ensure that the financial statements comply with Section 22 of the Act. The Commission is also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Chairperson:**



**Paddy McGuinness**

**Commission Member:**



**Ian Brannigan**



# REPORT OF THE COMPTROLLER & AUDITOR GENERAL

## Western Development Commission

I have audited the financial statements of the Western Development Commission for the year ended 31 December 2012 under the Western Development Commission Act 1998. The financial statements, which have been prepared under the accounting policies set out therein, comprise the statement of accounting policies, the income and expenditure account, the Western Investment Fund income and expenditure account, the Northern Periphery Programme income and expenditure account, the statement of total recognised gains and losses, the balance sheet, the cash flow statement and the related notes. The financial statements have been prepared in the form prescribed under Section 22 of the Act, and in accordance with generally accepted accounting practice in Ireland.

## Responsibilities of the Commission

The Commission is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view of the state of the Commission's affairs and of its income and expenditure, and for ensuring the regularity of transactions.

## Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

## Scope of audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to the Commission's circumstances, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- the overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

## Opinion on the financial statements

In my opinion, the financial statements, which have been properly prepared in accordance with generally accepted accounting practice in Ireland, give a true and fair view of the state of the Commission's affairs at 31 December 2012 and of its income and expenditure for 2012.

In my opinion, proper books of account have been kept by the Western Development Commission. The financial statements are in agreement with the books of account.

## Matters on which I report by exception

I report by exception if

- I have not received all the information and explanations I required for my audit, or
- my audit noted any material instance where money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the statement on internal financial control does not reflect the Commission's compliance with the Code of Practice for the Governance of State Bodies, or
- I find there are other material matters relating to the manner in which public business has been conducted.

I have nothing to report in regard to those matters upon which reporting is by exception.

Patricia Sheehan

For and on behalf of the  
Comptroller and Auditor General

14 July 2014

# STATEMENT ON INTERNAL FINANCIAL CONTROL 2012

---

1. On behalf of the Board of the Western Development Commission I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.
2. The system can only 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 would be detected in a timely period.
3. The following procedures have been put in place by the Board designed to provide effective internal financial control;
  - i. The Board has taken steps to ensure an appropriate control environment is in place by establishing;
    - a clearly defined organisational structure;
      - with defined lines of responsibility, authority limits, segregations of duties and delegated authority;
    - a clearly documented system of financial procedures;
      - reporting mechanisms to Management, Audit Committee, Chairperson and Board.
  - ii. The Board has established processes to identify and evaluate business risks by;
    - identifying the nature, extent and financial implications of risks facing the Commission;
    - assessing the likelihood of identified risks occurring (detailed risk assessment carried out by internal auditors);
    - working closely with Government and relevant agencies to ensure that there is a clear understanding of the Commission's strategy
  - iii. The Commission uses an in house Financial Management System enabling it to operate a comprehensive budgeting process and ensure that any budgetary variances are promptly identified, examined and addressed. Monthly budget and expenditure reports are prepared for management and for the Department.
  - iv. The Commission has in place procedures for addressing financial implications of major business risks. These include:
    - an annual budget approved by the Board;
    - clearly defined set of operation financial procedures;
    - clearly defined and board approved investment procedures for the operation of the Western Investment Fund; including post investment procedures;
    - defined authorisation limits, segregation of duties.



## STATEMENT ON INTERNAL FINANCIAL CONTROL 2012 (Contd)

---

- v. In 2012 the Commission had in place the following procedures to monitor the effectiveness of the internal financial control system:
  - a. An Internal Audit Function, which was outsourced and operated in accordance with an internal audit work plan including a risk analysis.
  - b. An Audit Committee which oversees the work of the internal audit. The Audit committee met once in 2012. The Audit Committee met four time in 2013.
  - c. The Board's monitoring and review of the effectiveness of the system of internal control for 2012 was informed by;
    - the work of the internal auditor;
    - the executive of the Commission who have responsibility for the development and maintenance of the financial control framework;
    - audit committee;
    - comments made by the Comptroller and Auditor General in his management letter.

#### 4. Annual Review of Controls

I confirm that the Board carried out a review of the effectiveness of the internal financial controls in 2012.

Signed:

  
WDC Chairperson

Date: 23/6/2014





# STATEMENT OF ACCOUNTING POLICIES

---

## 1. Basis of Accounting

The financial statements are prepared under the accruals method of accounting, except as indicated below, and in accordance with generally accepted accounting principles under the historical cost convention. Financial Reporting Standards recommended by the recognised accountancy bodies are adopted as they become operative.

## 2. Oireachtas Grants

Oireachtas Grants are accounted for on a cash receipts basis.

## 3. Fixed Assets

Fixed Assets are stated at their historical cost or valuation less accumulated depreciation. Depreciation is charged to the income and expenditure account on a straight line basis, at the rates set out below, so as to write off the assets, adjusted for estimated residual value, over the expected useful lives:

Fixtures and Fittings 15%

Computers & IT 33%

## 4. Pensions

The Commission operates a defined benefit pension scheme which is funded annually on a pay as you go basis from monies available to it, including monies provided by the Department of Environment, Community & Local Government and from contributions deducted from staff salaries.

Pension costs reflect pension benefits earned by employees in the period and are shown net of staff pension contributions which are paid over to the Department in accordance with the Commission's funding arrangements.

Actuarial gains and losses arising on scheme liabilities are reflected in the Statement of Total Recognised Gains and Losses and a corresponding adjustment is recognised in the amount recoverable from the Department of Environment, Community & Local Government.

Pension liabilities represent the present value of future pensions payments earned by staff to date.

Deferred pension funding represents the corresponding asset to be recovered in future periods from the Department of Environment, Community & Local Government.

## 5. Capital Account

The Capital Account represents the unamortised value of income used for capital purposes.

## 6. Western Investment Fund

An overall fund of €28 million has been committed to by the Department of Environment, Community & Local Government under the NDP 2007 - 2013. On approval of a project by the Commission, funds are drawn down from the Department and loans and investments are issued to the relevant body.

## 7. Investment Income

Investment income is recognised in the Income & Expenditure account under Return on Investment Fund and Exit Gains/Losses.

Interest on loans is calculated on a reducing balance basis and is taken to the Income & Expenditure account over the period of the agreement. Interest on loans in arrears is not accrued and is only taken to the Income & Expenditure account when received.

Dividends on equity investments are taken to the Income & Expenditure account as they are received.



# STATEMENT OF ACCOUNTING POLICIES (Contd)

---

## 8. Valuation of Investments

All Investments are in unquoted companies. Where possible such investments are stated at fair value. Fair value is defined as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

In cases where fair value cannot be reliably measured the investment is valued at cost unless there is evidence that this has been impaired.

## 9. Valuation of Loans

Loans are shown at the value of the outstanding loan unless the WDC considers that the creditworthiness of the borrower has deteriorated such that the recovery of the loan is in serious doubt. In such cases the loan is valued at its expected net realisable value.

## 10. Gains and Losses

Realised gains and losses are recognised in the Income and Expenditure Account when they are realised.

## 11. Northern Periphery Programme

The Northern Periphery Programme (NPP) is a project to develop the renewable energy sector in rural regions. The NPP project commenced in 2009 and is planned to continue for a period of three years.

The NPP is funded 60% by the European Union (EU) and 40% by the Western Development Commission. The claims are made directly by the WDC on behalf of the wider project partnership directly to the secretariat of the NPP interreg. body. Prior to this the expenses are certified by a national first level controller for compliance and once this body has issued a certificate of expenditure then the claim is consolidated and processed by the NPP secretariat. Claims are scheduled on a six monthly basis, however the processing lead time by the NPP is observed to be twelve to eighteen months.

As part of this process the WDC is subject to periodic auditing by the EU.

Income is recognised on an accounts receivable basis.

## 12. Recognition of Gains and Losses on Investments and Loans

Gains and losses realised as a result of the sale of investments, the repayment of loans (or the write off of investments) are recognised in the WIF Income and Expenditure account when they occur.

Unrealised gains and losses resulting from changes in the valuation of investments and loans are recognised as follows. Where the WDC is of the opinion that the value of an investment has fallen below the carrying value, a provision is created and charged to the Income & Expenditure account. Unrealised gains due to the revaluation of an investment are recognised in the Income & Expenditure account in instances where the fair value of the investment can be reliably estimated.

## 13. Arrangement and Management Fees

Fees received are recognised and retained in the Western Investment Fund. All overheads relating to the operation of the Western Investment Fund are charged to the Income & Expenditure account of the Commission.



# INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

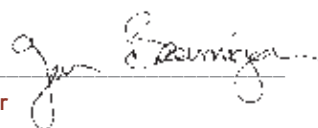
WESTERN DEVELOPMENT COMMISSION	NOTES	2012 €	2012 €	2011 €	2011 €
<b>INCOME</b>					
Oireachtas Grant	1a	1,352,638		1,422,558	
Other Income	1b	184,062		30,442	
Transfer to Western Investment Fund		0		0	
Transfer to NPP		(150,935)		(231,000)	
Transfer from/(to) Capital Account	8	1,753		1,038	
Net Deferred Funding for Pensions	10	267,000		285,000	
			1,654,518		1,508,038
<b>EXPENDITURE</b>					
Operating Costs	2a		(1,768,937)		(1,390,230)
Surplus/(Deficit) for the Year			(114,419)		117,808
Surplus/(Deficit) at Beginning of Year			335,284		217,476
<b>Surplus/(Deficit) at the end of year</b>			<b>220,865</b>		<b>335,284</b>

The statement of accounting policies and the notes 1 to 12 form part of these financial statements.

Paddy McGuinness:  
WDC Chairperson



Ian Brannigan  
Commission Member




# WESTERN INVESTMENT FUND

## INCOME AND EXPENDITURE ACCOUNT

### FOR THE YEAR ENDED 31 DECEMBER 2012

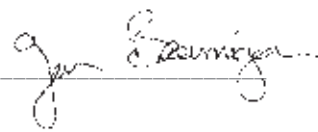
WESTERN INVESTMENT FUND	NOTE	2012 €	2012 €	2011 €	2011 €
<b>INCOME</b>					
Transfer from the Commission		0		0	
Deposit Interest Earned		115,234		46,862	
Return on Investment Fund & Exit Gains/Losses		356,646		(2,873,374)	
Arrangement / Management Fees		<u>36,593</u>		<u>55,982</u>	
			508,473		(2,770,530)
<b>DECREASE / (INCREASE) IN PROVISION FOR REVALUATION OF INVESTMENT</b>			<u>1,005,611</u>		<u>2,749,609</u>
Surplus/(Deficit) in the Fund for the year			1,514,084		(20,921)
Surplus/(Deficit) in the Fund at beginning of the year			<u>21,425,875</u>		<u>21,446,796</u>
Surplus/(Deficit) in the Fund at year end			<u><u>22,939,959</u></u>		<u><u>21,425,875</u></u>

The statement of accounting policies and the notes 1 to 12 form part of these financial statements.

Paddy McGuinness:  
WDC Chairperson



Ian Brannigan  
Commission Member




# NORTHERN PERIPHERY PROGRAMME INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

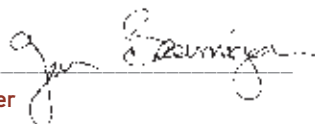
NORTHERN PERIPHERY PROGRAMME (NPP)	NOTE	2012 €	2012 €	2011 €	2011 €
<b>INCOME</b>					
Transfer from the Commission		150,935		231,000	
EU Grant		<u>166,691</u>		<u>465,463</u>	
			317,626		696,463
<b>EXPENDITURE</b>	<b>2b</b>		<u>(369,463)</u>		<u>(650,968)</u>
Increase/(Decrease) in NPP			(51,837)		45,495
Balance of the programme at the beginning of the year			<u>83,106</u>		<u>37,611</u>
Balance of the programme at the end of the year			<u><u>31,269</u></u>		<u><u>83,106</u></u>

The statement of accounting policies and the notes 1 to 12 form part of these financial statements.

Paddy McGuinness:  
WDC Chairperson



Ian Brannigan  
Commission Member






# STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

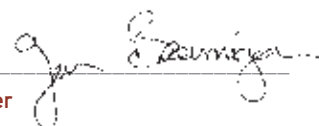
	2012 €	2011 €
Surplus/(Deficit) for the Year	(114,419)	117,808
Experience gains/(losses) arising on the scheme liabilities	267,000	185,000
Losses arising due to changes in assumptions	0	0
Actuarial gains/(losses) on pension liabilities	267,000	185,000
Adjustment to deferred pension funding	(267,000)	(185,000)
Total recognised gains/(losses) for the year	(114,419)	117,808

The statement of accounting policies and the notes 1 to 12 form part of these financial statements.

Paddy McGuinness:  
WDC Chairperson



Ian Brannigan  
Commission Member




# BALANCE SHEET AS AT 31 DECEMBER 2012

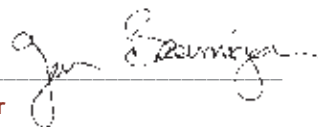
	NOTES	2012 €	2011 €
<b>FIXED ASSETS</b>			
Tangible Assets	4	11,393	13,145
<b>FINANCIAL ASSETS</b>	5	22,939,959	21,425,875
		<u>22,951,352</u>	<u>21,439,020</u>
<b>CURRENT ASSETS</b>			
Bank Current Account		342,837	282,695
Debtors	6	247,727	263,603
		<u>590,564</u>	<u>546,298</u>
<b>CURRENT LIABILITIES</b>			
Creditors	7	(338,431)	(127,908)
<b>NET CURRENT ASSETS</b>		<u>252,133</u>	<u>418,390</u>
Total Assets Less Current Liabilities before pensions		23,203,485	21,857,410
Deferred Pension Funding		2,100,000	2,100,000
Pension Liabilities		(2,100,000)	(2,100,000)
Total Assets Less Current Liabilities		<u><u>23,203,485</u></u>	<u><u>21,857,410</u></u>
<b>FINANCED BY:</b>			
Investment Fund		22,939,959	21,425,875
Northern Periphery Programme (NPP)		31,269	83,106
Income and Expenditure Account		220,865	335,284
Capital Account	8	11,392	13,145
		<u><u>23,203,485</u></u>	<u><u>21,857,410</u></u>

The statement of accounting policies and the notes 1 to 12 form part of these financial statements.

Paddy McGuinness:  
WDC Chairperson



Ian Brannigan  
Commission Member




# CASH FLOW STATEMENT AT 31 DECEMBER 2012

## RECONCILIATION OF SURPLUS/(DEFICIT) TO CASHFLOW FROM OPERATING ACTIVITIES

	2012	2011
Surplus/(Deficit) for the year (including NPP)	(166,256)	163,304
Depreciation	9,218	11,387
Loss/(Profit) on disposal of assets	80	100
Transfer to capital account	(1,753)	(1,038)
(Decrease)/Increase in Prepayments	15,876	74,892
Increase/(Decrease) in Creditors & Accruals	210,523	25,807
<b>CASH (INFLOW)/OUTFLOW FROM OPERATING ACTIVITIES</b>	<b>67,687</b>	<b>274,452</b>
<b>CAPITAL</b>		
Funds to acquire fixed assets	(7,545)	(10,449)
<b>NET CASH (INFLOW)/OUTFLOW</b>	<b>60,142</b>	<b>264,003</b>

## RECONCILIATION OF MOVEMENTS IN CASH BALANCES

	2011	MOVEMENT	2012
Bank Current Account	282,016	60,812	342,828
Petty Cash	679	(670)	9
	<b>282,695</b>	<b>60,142</b>	<b>342,837</b>

# NOTES TO THE FINANCIAL STATEMENTS

1a. GRANT INCOME	NOTE	2012 €	2012 €	2011 €	2011 €
Department of the Environment Community & Local Government		1,387,075		1,458,317	
Pension		(34,437)		(35,759)	
Operating Grant*		<u>1,352,638</u>		<u>1,422,558</u>	
		<u>-</u>	1,352,638	<u>-</u>	1,422,558
WIF Grant			0		0
Oireachtas Grants			<u>1,352,638</u>		<u>1,422,558</u>

\* Operating Grant is shown net of pension contributions.

The Operating Grant is awarded under Vote No. 25 and is paid from E7.

1b. OTHER INCOME	NOTE	2012 €	2012 €	2011 €	2011 €
Sundry Income			11,212		2,942
Contributions to Volvo Ocean Race					
Leitrim			8,000		0
Mayo			8,000		0
Roscommon			8,000		0

The Commission and three County Council Authorities exhibited at the Volvo Ocean Race. The total cost of the exhibition was €29,000. The County Councils contributed a total of €24,000 with the Commission funding the balances of €5,000. The Commission Financial Statements include a charge of €29,000 (Note 2A) in respect of the costs incurred. The Lookwest.ie Volvo exhibition involved having a showcase stand in the heart of the Volvo race event for the duration of the event. The aim was to allow cost effective access to the maximum footfall of race goers at this international event in the region in order to drive awareness of and spend in the participating locations.

## Western Regional Tourism Marketing Programme

Donegal County Council	30,000	0
Leitrim County Council	30,000	0
Mayo County Council	30,000	0
Roscommon County Council	30,000	0
Sligo Borough Council	14,850	0
Sligo County Council	14,000	0

The Western Development Commission together with a number of County Councils participated in the Western Region Tourism Marketing Programme in 2012. The programme comprised a regional marketing fund to promote the counties of Donegal, Sligo, Mayo, Leitrim and Roscommon in key overseas markets. Fáilte Ireland is responsible for administering the marketing programme. The Commission acted as a conduit for the Local Authorities element of the funding of €150,000. In addition the Commission is providing funding of €50,000. The accounts include a charge of €200,000 (Note 2A) in respect of amounts payable to Fáilte Ireland.

## Contributions to Western Regional Business Network

Donegal	0	5,000
Galway	0	5,000
Mayo	0	5,000
Sligo	0	5,000
Roscommon	0	5,000
Leitrim	0	2,500
	<u>184,062</u>	<u>30,442</u>

# NOTES TO THE FINANCIAL STATEMENTS (Contd)

2a. OPERATING COSTS	NOTE	2012	2011
		€	€
Salaries (including employers PRSI)		800,055	712,047
Travel and Subsistence - Staff		72,846	45,732
Pension Costs	10C	245,563	274,241
Training & Development		8,473	3,045
Public Relations (incorporating Look West campaign)		3,044	11,290
Professional Fees (incorporating Look West campaign)		70,657	68,922
Professional Fees - Western Investment Fund		30,017	14,723
Board Members			
Travel and Subsistence	2C	15,114	15,057
Fees	2C	54,256	54,053
Meetings & Seminars		30,671	21,282
Board Sub-committee's / Advisory Panels			
Travel and Subsistence		291	993
Printing & Design		31,429	19,702
Office Expenses		26,438	19,193
Light and Heat		7,235	6,575
Repairs and Maintenance		32,416	38,931
Insurance		6,961	7,155
Audit Fee		10,810	10,810
Accountancy and Internal Audit		13,121	11,500
Advertising, Marketing & Subscriptions		82,666	22,179
(incorporating Look West campaign & Volvo Ocean Race)			
Western Regional Tourism Marketing Programme		200,000	0
Telecommunications		16,165	17,568
Depreciation	4	9,218	11,387
Sundry		1,411	3,745
Profit/Loss on Disposals		80	100
		<b>1,768,937</b>	<b>1,390,230</b>

2b. OPERATING COSTS - NORTHERN PERIPHERY PROGRAMME	NOTE	2012	2011
		€	€
Travelling and Subsistence -Staff		19,215	18,364
Travelling and Subsistence – Board		91	212
Travelling and Subsistence – Sub-committee		502	0
Professional Fees		192,309	307,641
Meetings and Conferences		2,225	10,197
Printing		1,000	0
IT Maintenance		923	27
Wages and Salaries		0	108,000
Promotion and Publications		63	3,775
Office expenses		1,187	196
Local Market Stimulation		40,000	0
Regional Approaches to Stimulating Local		111,948	202,556
Renewable Energy Solutions Partner payments			
		<b>369,463</b>	<b>650,968</b>

# NOTES TO THE FINANCIAL STATEMENTS (Contd)

2c. BOARD MEMBERS FEES AND EXPENSES	2012 Fees	2012 Travel & Subsistence	2011 Fees	2011 Travel & Subsistence
	€	€	€	€
Prof. Seamus Caulfield	0	0	499	171
Mr. Jim Devenney	5,985	1,301	5,611	1,472
Ms. Mary Devine O'Callaghan	5,985	238	5,611	183
Mr. Michael Farrell	0	0	748	684
Mr. Pat Gilmore	0	0	499	76
Cllr. Mary Hoade	5,985	1,903	5,611	1,790
Ms. Jackie Maguire	0	635	0	669
Ms. Martina Minogue	5,985	1,633	5,611	1,078
Mr. Diarmaid Mulcahy	0	0	499	0
Mr. Paraic O Caomhanaigh	0	0	499	114
Ms. Helen Rochford Brennan	4,489	917	8,417	2,232
Dr. Katie Sweeney	0	1,725	0	1,022
Mr. Neville Bagnall	5,985	0	5,112	0
Mr. Pádraig Ó hAoláin	1,406	135	5,112	1,056
Dr. Seosamh Ó Ceallaigh	5,985	2,887	0	1,705
Mr. Gerry O'Connor	5,985	0	5,112	373
Mr. Vincent Roche	5,985	3,416	5,112	1,132
Mr. Paddy McGuinness	481	0	0	0
	<b>54,256</b>	<b>14,790</b>	<b>54,053</b>	<b>13,757</b>

A further €324 (2011:€1,300) was incurred in Board expenses in relation to hosting conferences and related fees.

## 2d. CEO SALARY 2012

The CEO's salary scale is set at the level of Principal Officer (Higher) in the Civil Service. The Western Development Commission does not operate a performance related award scheme and superannuation benefit is included in the salary scale. No bonus payments were made to the CEOs.

	2012 Salaries	2012 Travel & Subsistence	2011 Salaries	2011 Travel & Subsistence
	€	€	€	€
Mr Ian Brannigan (Acting CEO & Regional Development Manager)	85,172	12,766	27,535	3,789
Ms. Gillian Buckley (Acting CEO & Investment Manager) 21st April – 31st Aug 2011)	0	0	35,982	1,863

Gillian Buckley resigned as CEO of the Western Development Commission on the 31st August 2011. Both Ian Brannigan and Gillian Buckley are normal members of the Western Development Commission superannuation scheme and their pension entitlements do not extend beyond the standard entitlements in the public sector defined benefit superannuation scheme.

## 2e. PENSION LEVY

In 2012 €44,853 was deducted from staff by way of pension levy (2011: €41,721) and was paid over to the Department of Environment, Community & Local Government.



# NOTES TO THE FINANCIAL STATEMENTS (Contd)

## 3. PREMISES

The Western Development Commission is based in Dillon House, a building owned by Roscommon County Council and managed by the Office of Public Works. No provision is included in the accounts for rent.

## 4. FIXED ASSETS

	2012 €	2011 €
Cost/Valuation At 1 January	164,446	162,996
Additions in Year	7,545	10,449
Disposals	(9,954)	(8,999)
Balance at 31 December	150,565	164,446
Accumulated Depreciation	151,301	148,813
Charge for period	9,218	11,387
Disposals	(9,953)	(8,899)
Balance at 31 December	150,566	151,301
Net Book Value at 31 December	11,393	13,145

Fixed Assets is comprised of Fixtures and Fittings NBV €3,310 (2011 €4,750) and Computer Equipment NBV €8,083 (2011 €8,395)

## 5a. FINANCIAL ASSETS

	NOTE	2012 €	2011 €
Equity Investments	5b	11,812,738	9,802,843
Loans	5b	7,132,178	7,260,165
Funds committed for investment		223,205	186,612
Balance available for reinvestment		3,771,838	4,176,255
		22,939,959	21,425,875

## 5b. EQUITY INVESTMENTS AND LOANS

	2012 €	2011 €
<b>Cost</b>		
Opening Value at 1 January	22,561,649	28,887,434
Additions	1,433,535	684,882
Disposals/Repayments/Write offs	(557,239)	(7,010,667)
Closing Cost at 31 December	23,437,945	22,561,649
<b>Provision for Diminution in Value/Revaluations</b>		
Opening Balance at 1 January	5,498,640	8,248,251
Movement in Provision/Revaluations	(1,005,611)	(2,749,611)
Closing Balance	4,493,029	5,498,640
<b>Closing Valuation at 31 December</b>	<b>18,944,916</b>	<b>17,063,009</b>
<b>Equity</b>	<b>11,812,738</b>	<b>9,802,843</b>
<b>Loans</b>	<b>7,132,178</b>	<b>7,260,165</b>
	<b>18,944,916</b>	<b>17,063,009</b>

Included in the Equity Investments figure of €11,812,738 are €4,626,101 in investments that have been valued at fair value. The comparable figures for 2011 were €9,802,843 and €1,994,700 respectively. The comparative figures for the Return on Investment Fund and Exit Gains/Losses and Decrease/(Increase) in Provision for Revaluation of Investment on page 11 have been reclassified. There is no overall effect on the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS (Contd)

6. DEBTORS	2012 €	2011 €
Prepayments	8,097	3,560
Debtors	48,000	15,000
NPP Grant Receivable	191,630	245,043
	<u>247,727</u>	<u>263,603</u>

7. CREDITORS	2012 €	2011 €
Accruals	338,431	127,906
	<u>338,431</u>	<u>127,906</u>

8. CAPITAL ACCOUNT	2012 €	2012 €	2011 €	2011 €
Balance at 1 January		13,145		14,183
Transfer from Income and Expenditure Account:				
Funds allocated to acquire Fixed Assets	7,545		10,449	
Amount released on disposal	(80)		(100)	
Amount amortised in line with asset depreciation	<u>(9,218)</u>		<u>(11,387)</u>	
		(1,753)		(1,038)
		<u>11,392</u>		<u>13,145</u>

The Commission allocated a further €7,545 (2011:€10,449) to acquire further Capital additions.

9. FUTURE COMMITMENTS – WIF	2012	2011
Opening Commitments	1,105,266	304,631
Approvals	2,382,551	1,485,517
Decommitments	(147,348)	0
Disbursals	(1,433,536)	(684,882)
Closing Commitments	<u>1,906,933</u>	<u>1,105,266</u>



# NOTES TO THE FINANCIAL STATEMENTS (Contd)

## 10. PENSION COSTS

### a) Pension Scheme

A defined benefit superannuation scheme applies to the staff of the Western Development Commission (WDC). Benefits are financed on a "pay-as-you-go" basis and there are no assets held in respect of the accrued pension liabilities of the WDC staff. The results set out below are based on an actuarial valuation of the liabilities in respect of WDC staff as at 31 December 2012. This valuation was carried out by a qualified independent actuary for the purposes of the accounting standard, **Financial Reporting Standard No. 17 - Retirement Benefits** (FRS 17).

The main financial assumptions used were:

	2012	2011
Discount Rate	5.50%	5.50%
Rate of Expected Salary Increase	4.00%	4.00%
Rate of Increase in Pension Payment	4.00%	4.00%
Inflation	2.00%	2.00%

### b) Net Deferred Funding for Pensions in year

	2012 €	2011 €
Funding recoverable in respect of current year pension costs	280,000	310,000
State Grant applied to pay pensions	(€13,000)	(€25,000)
	<u>267,000</u>	<u>285,000</u>

### c) Analysis of Total Pension Costs Charged to Expenditure

	2012 €	2011 €
Current Service Costs	€170,000	€200,000
Interest on Pension Scheme Liabilities	€110,000	€110,000
Employee Contributions	(€34,437)	(€35,759)
	<u>€245,563</u>	<u>€274,241</u>

# NOTES TO THE FINANCIAL STATEMENTS (Contd)

## e) Movement in Net Pension Liability During the Financial Year

	2012 €	2012 €	2011 €
Net Pension Scheme liability at 1 January	2,100,000	2,000,000	1,900,000
Current service cost	170,000	200,000	190,000
Interest cost	110,000	110,000	100,000
Actuarial loss/(gain)	(267,000)	(185,000)	(181,000)
Benefits paid in the year	(13,000)	(25,000)	(9,000)
<b>Net Pension Liability at 31 December</b>	<b>2,100,000</b>	<b>2,100,000</b>	<b>2,000,000</b>

## f) History of scheme liabilities and experience losses/(gains)

	2012 €	2011 €	2010 €	2009 €
<b>Net Pension liability at 31 December</b>				
Amount	€2,100,000	€2,100,000	€2,000,000	€1,900,000
<b>Experience Losses/(Gains) on Scheme Liabilities</b>				
Amount	(€267,000)	(€185,000)	(€181,000)	€20,000
Percentage of the present value of the scheme liabilities	(13%)	(9%)	(9%)	1%
<b>Total Amount Recognised in Statement of Total Recognised Gains and Losses</b>				
Deferred pension funding represents the corresponding asset which will be recovered in future periods	(€267,000)	(€185,000)	(€181,000)	€118,000
Percentage of the present value of the scheme liabilities	(13%)	(9%)	(9%)	6%

## g) Average future life expectancy according to the mortality tables used to determine the pension liabilities

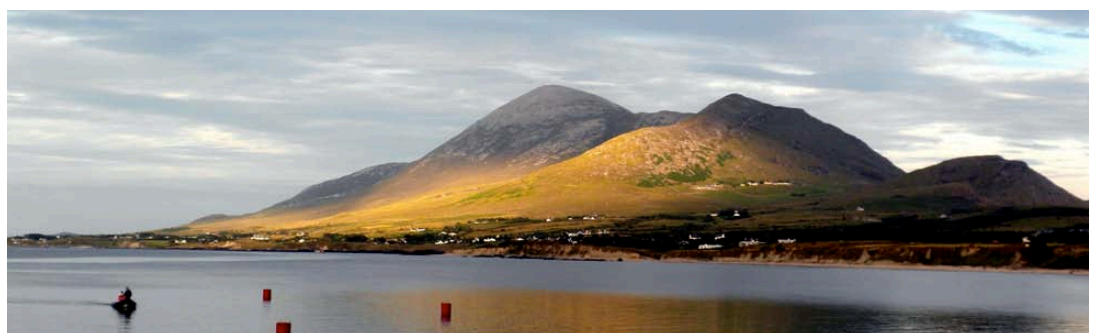
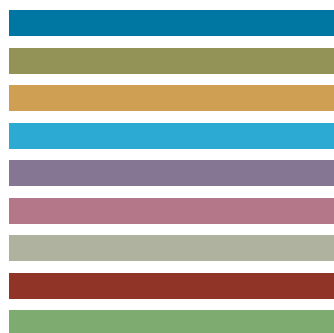
	2012 €	2011 €
<b>Average life expectancy used to determine liabilities</b>		
Male aged 65	22	22
Female aged 65	25	25

## 11. COMMISSION MEMBER'S INTERESTS

The commission adopted procedures in accordance with the Code of Practice for the Governance of State Bodies in relation to the disclosure of interests by Commission members, and these procedures have been adhered to in the year.

## 12. BOARD APPROVAL

The Board of the Western Development Commission approved these Financial Statements on 26th March 2013.



# ABBREVIATIONS



## ABBREVIATIONS

---

CER	Commission for Energy Regulation
CSO	Central Statistics Office
FAP	Fund Advisory Panel
FTE	Full Time Equivalent
ICT	Information and Communications Technology
INTERREG	A European Union initiative for cross-border, transnational and inter-regional co-operation
IWAK	Ireland West Airport Knock
NDP	National Development Plan
NIRSA	National Institute for Regional and Spatial Analysis
NSS	National Spatial Strategy
RASLRES	Regional Approach to Stimulating Local Renewable Energy Solutions
RDP	Revision to Rural Development Programme
SMEs	Small and Medium-Sized Enterprises
WDC	Western Development Commission









Western Development Commission  
Dillon House, Ballaghaderreen,  
Co. Roscommon, Ireland.

Tel: +353 (0) 94 9861441

Fax: +353 (0) 94 9861443

Email: [info@wdc.ie](mailto:info@wdc.ie)

Websites: [www.wdc.ie](http://www.wdc.ie) [www.LookWest.ie](http://www.LookWest.ie)