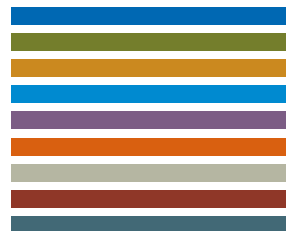
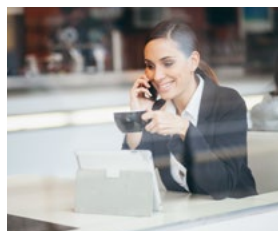




Annual Report



2017

Excellence

Innovation

Creativity



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Co. Roscommon, Ireland.

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CHAIRPERSON'S FOREWORD

The Western Development Commission (WDC) was established in 1998 with the objective as defined in the Western Development Commission Act “to promote and procure the promotion of, and assist in, foster and encourage economic and social development in the Western Region”.

As we approach the 20th anniversary of the establishment of the WDC, balanced regional development remains as important and relevant today. The analysis of 2011-2016 census data by the policy team highlights there is still a significant gap in critical areas in the Western region relative to the rest of the state. There is slower employment growth, a higher level of youth unemployment, a higher consistent poverty rate and a lower population growth rate in the Western Region than in the rest of the state. We welcome the recognition of the importance of balanced regional development as a National strategic investment priority in Project Ireland 2040.

The WDC has, to date had a significant impact on the realisation of regional jobs, in providing regional access to finance and in developing regional capability to access EU funding. It has provided insight on regional issues through the analysis of the policy team and input to national policies. Since its formation, the Western Investment Fund has invested €48.5 million, with 139 enterprises supported including 43 community enterprises and directly supported 2,500 jobs. In 2017, the WDC has continued this work with the following key achievements;

- Regional Film Fund (WRAP fund) – an initial regional fund was launched by Minister Kyne in Q4 2017 to the value of €2M value. This will support 60 SMEs over 3 year pilot period;
- Regional Accelerator - In 2017 three regional accelerator initiatives were commenced with partners including NUIG, NDRC etc. These support business growth in Agtech, ICT and MEDtech;

- EU Projects –WDC is currently working in collaboration on 5 major EU projects totalling €13million in value. Outcomes include innovation support for SMEs using renewable energy technologies and a platform for regional creative SMEs to showcase and sell to global markets;
- In 2017, the WDC policy team has made a number of submissions to the National policy consultations in particular to the Ireland 2040: National Planning Framework and the Mid-term Review of the Capital Plan 2016-2021.

Another highlight of 2017 was our collaboration with the NWRA on “One region, One Vision” conference with the theme of changing adversity into advantage. I would like to acknowledge the hard work and commitment of the WDC staff. I look forward to working with the staff and recently appointed board of the WDC in 2018 as we embark on a new strategic planning process and engage with regional and national stakeholders. The WDC has a unique and critical role – as an integrator and enabler of regional development.



Deirdre Garvey

Dr Deirdre Garvey
Chairperson

CHIEF EXECUTIVE'S REPORT

In 2017 the Western Development Commission Ireland (WDC) sought to continue to grow its ability to deliver its statutory remit of fostering and promoting economic and social development in the Western region.

Building upon the commitment published in the recent programme for government¹ to “reinforce the role of the Western Development Commission”, and the impetus and support provided by both the appointment of a dedicated Minister in the summer of 2017, (Minister for Rural and Community Development, Mr Michael Ring TD), and the creation of an attendant new department, DRCD², the WDC has developed and delivered a significant programme for regional development during the year.

In areas such as the Creative economy, Renewable energy, Cultural tourism, Medical devices, Agri-tech, and ICT, we have engaged with and supported businesses to grow their enterprises and employment levels. In recent years the WDC, through its programs have engaged directly with hundreds of businesses (over 200 in 2017 alone), and supported almost 5000 jobs in the region, both directly and indirectly.

The WDC, with key partners, have advanced the regions socio-economic potential both directly and strategically. Initiatives such as the Smart Region programme (digitally connected capability for regional players), The *Atlantic Economic corridor (AEC)*, The *Xchange* (5 years of connecting businesses in the North West), *Seafest* (a flagship marine themed event based in the region), various *Action plans for Jobs*, etc. have all been advanced and supported on the regions behalf by the WDC in 2017.

During the year the WDC was proud to have invested in regional businesses with local roots and global potential, through our innovative *Western Investment fund* (www.wdc.ie/wdc-investment-fund/). This has supported thousands of regional jobs and hundreds of businesses. In 2017 it is delighted to have been associated with indigenous businesses growing through investment, securing growth and employment for years to come.

Through engaging with regional businesses, several critical new areas of strategic growth were identified and realised by us in 2017. Following analysis with businesses and stakeholders the scene was set for Galway to have a dedicated tourism convention bureau capacity to market and grow business tourists in the region. Similarly the region now has a dedicated regional film fund (the *WRAP fund*), earmarking €2M of WDC monies in support of audio-visual sector development here.

Our ability to analyse and guide policy developments for the region and its stakeholders remains a unique capability. In 2017, *insight* policy publications³, and blogs, informed and engaged stakeholders. Equally the WDC engaged in major consultations on behalf of the region, including a key role in collating a co-ordinated regional response to ensure our strategic needs for growth where included in the *National Planning Framework (NPF)*, consultation.

¹ A Programme for a partnership for Government
https://merrionstreet.ie/MerrionStreet/en/ImageLibrary/Programme_for_Partnership_Government.pdf

² Department for Rural and Community Development, www.drcd.gov.ie

³ <http://www.wdc.ie/policy/wdc-insights-blog/>

CHIEF EXECUTIVE'S REPORT

Our showcasing of the Region and its talent continued through our award winning Regional promotional initiative www.Lookwest.ie, which attracted 100,000 individuals in 2017 and reached via social media over 2 Million people. All figures which grew from 2016 levels.

In 2017 the WDC welcomed several new team members to the organisation. This has added considerably to our ability to undertake our regional growth remit and ensure the high levels of governance and probity set and indeed expected by the organisation are achieved.

Further details on the WDC's capacity and considerable achievements are detailed within this report. However it would be remiss of me not to acknowledge the considerable efforts, professionalism and talent displayed by the executive and board, both current and past, and indeed the enduring support of our partners both regionally, nationally and indeed internationally, in enabling the WDC to be so successful in undertaking its remit and supporting the realisation of the opportunities and unique talent of the West of Ireland Region.



A handwritten signature in black ink, reading "Ian Brannigan".

Ian Brannigan

CEO (A) & Head of Regional Development

INTRODUCTION



INTRODUCTION



Mission Statement

To champion the economic, social and cultural development of Ireland's Western Region.

Vision Statement

To be the go-to agency for the development of Ireland's Western Region.

Core Values

- i. **Collaboration:** We collaborate with all national, regional and local organisations for the development of the Western Region
- ii. **Leadership:** Nurture leadership across economic and social activity within Ireland's Western Region
- iii. **Innovation:** We encourage and promote innovation in the development of the Western Region
- iv. **Integrity and Trust:** We strive to earn the trust of all our clients and stakeholders by operating with the utmost integrity in all our dealings with them
- v. **Adaptability & Flexibility:** The WDC and its staff are adaptable and flexible to meet changing circumstances

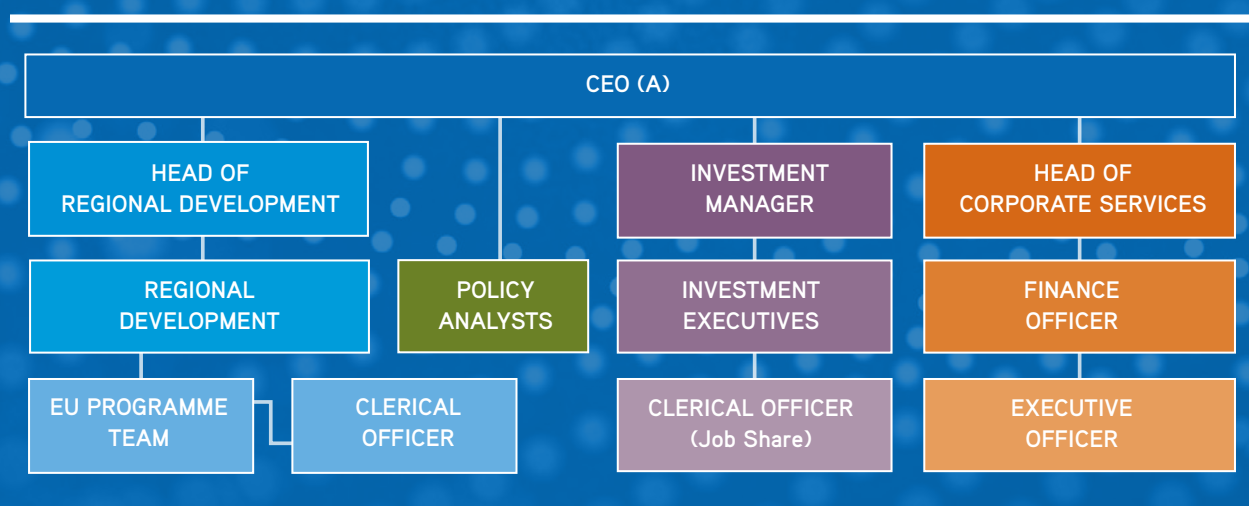
Structure of the WDC

The WDC is made up of eleven members appointed by the Minister Rural and Community Development (see Appendix 1 for 2017 membership).

The Commission is supported by a committed executive located in Dillon House, Ballaghaderreen, County Roscommon. We have an equivalent full time staff of 12.6 and an additional EU project team staff of three executives. This offers the region a unique expertise in policy analysis, regional and rural development, investment and corporate services.

We also enlist the support of special advisory panels with representatives from the public, private and voluntary sectors to assist us with various initiatives.

Organisational Structure



The WDC's Draft Strategic Objectives 2015 – 2018

- To inform and influence policy-making on economic and social development in Ireland's Western Region through high quality analysis.
- To promote the benefits of living, working and doing business in Ireland's Western Region.
- To encourage the development of the Western economy based on the sustainable development of the Western Region's strengths and resources.
- To provide risk capital to micro, small and medium sized and social enterprises (in their start-up and expansion phases) through the WDC Investment fund (WIF).
- To operate the WDC as a competent, effective and learning organisation.
- To ensure the WDC's remit is recognised and supported at all levels of Government.
- To secure and maintain a novel region specific strategic growth fund to meet the development requirements of Ireland's Western Region.
- To establish and assess a Strategic Regional Development Office (SRDO) pilot in the West of Ireland to augment the WDC remit of accelerating economic growth in the region.



SECTION I



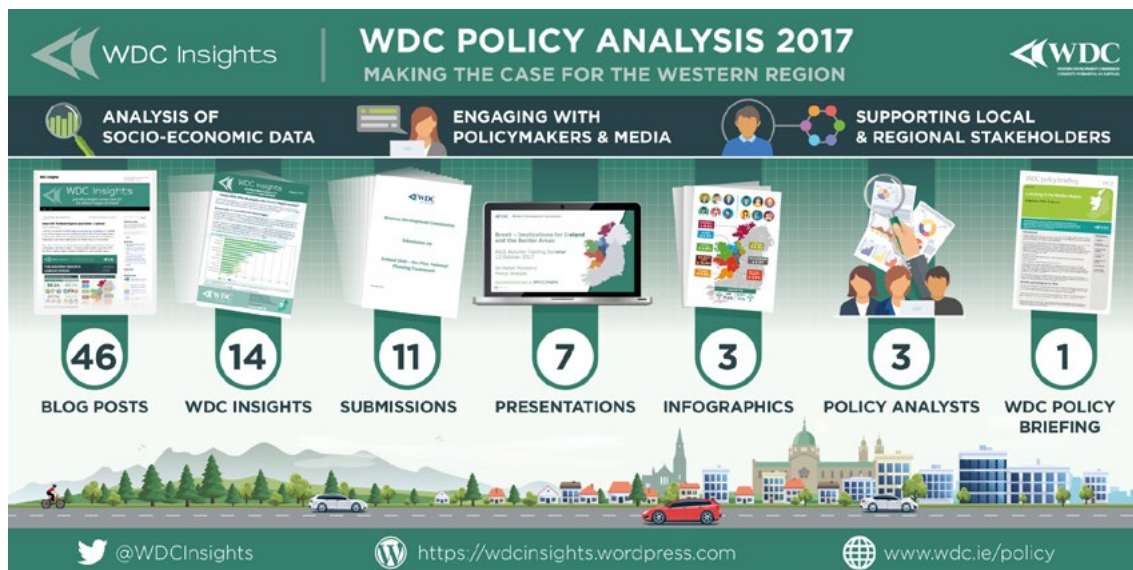
BALANCED REGIONAL DEVELOPMENT

BALANCED REGIONAL DEVELOPMENT

To inform and influence policy-making on economic and social development in Ireland's Western Region through high quality analysis.

An important element of the WDC's work is analysis of socio-economic data and trends within the Western Region. This provides a rigorous knowledge base and understanding of the key issues and challenges facing the Western Region. It also underpins the WDC's work programme.

The WDC Policy Analysis team was active in communicating their outputs to stakeholders during 2017 through regular e-mail circulation of new publications, weekly blog posts, presentations, responding to queries, attending meetings and events and through the @WDCInsights twitter account. The key activities of the WDC Policy Analysis team during 2017 are highlighted in the infographic here.



Socio-economic Analysis

The WDC Policy Analysis team undertook detailed analysis of a range of key socio-economic issues of relevance to the economic and social development of the Western Region during 2017. Of particular significance was its analysis of Census 2016 results as they were released throughout 2017. The focus of the analysis was the Western Region and the Census provides rich county and sub-county level data allowing us to provide Western Region level information, as well as time-series trend data.

WDC socio-economic analysis was published and disseminated through a wide range of outputs including WDC Insights, WDC Policy Blog posts, Infographics, WDC Policy Briefing, presentations and submissions through the year.

WDC Insights

The WDC published fourteen *WDC Insights* during 2017:

1. *WDC Insights: Where do People in the Western Region Work?* (Dec 2017)

This *WDC Insights* examines the place of work of workers living in the Western Region. Examining the results from Census 2016, the analysis also examines the place of residence of workers in the Western Region. Individual county data is also available for download

Download: [WDC Insights: Where do People in the Western Region Work?](#)

2. *WDC Insights: County Labour Market – Census 2016* (Oct 2017)

Eight *WDC Insights* publications examine the labour market of the Western Region counties, based on data from Census 2016. Each of the *WDC Insights* outlines the Principal Economic Status of the county's adult population, compared with the State average, as well as the sectors where the county's residents work and how this has changed since 2011.

Download: [Clare](#), [Donegal](#), [Galway City](#), [Galway County](#), [Leitrim](#), [Mayo](#), [Roscommon](#), [Sligo](#)

3. *WDC Insights: What do people in the seven western counties work at?* (Aug 2017)

This *WDC Insights* is based on an analysis of data from Census 2016 on employment by economic sector (industrial group). It examines the sectoral pattern of employment in each of the seven counties of the Western Region, and how it changed between 2011 and 2016.

Download: [WDC Insights: What do people in the seven western counties work at?](#)

4. *WDC Insights: Census 2016: What do people in the Western Region work at?* (Aug 2017)

This *WDC Insights* is based on an analysis of data from Census 2016 on employment by economic sector (industrial group). It examines the sectoral pattern of employment in the Western Region as a whole compared with that elsewhere in the country, and how it changed between 2011 and 2016.

Download: [WDC Insights: Census 2016: What do people in the Western Region work at?](#)

5. *WDC Insights: Home-Based Working in the Western Region* (July 2017)

This *WDC Insights* examines the current nature of work, focussing on the data on those people who work 'mainly at or from home'.

Download: [WDC Insights: Home-Based Working in the Western Region](#)

6. *WDC Insights: Regional Growth – rural areas, towns and cities* (June 2017)

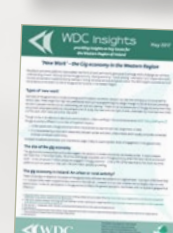
This *WDC Insights* provides a short discussion of some of the points made in the WDC submission to the consultation on the National Planning Framework (NPF) about cities, towns and rural areas and the opportunities their development presents for Ireland's economy and society as a whole.

Download: [WDC Insights: Regional Growth – rural areas, towns and cities](#)

7. *WDC Insights: 'New Work' – the Gig economy in the Western Region* (May 2017)

This *WDC Insights* examines how broadband and online platforms have enabled new forms of work and income generation to emerge. Various terms the Gig economy, 'sharing economy', 'crowd working' and 'uberisation', this *WDC Insights* examines some of the evidence on the extent to which Gig economy exists in the Western Region.

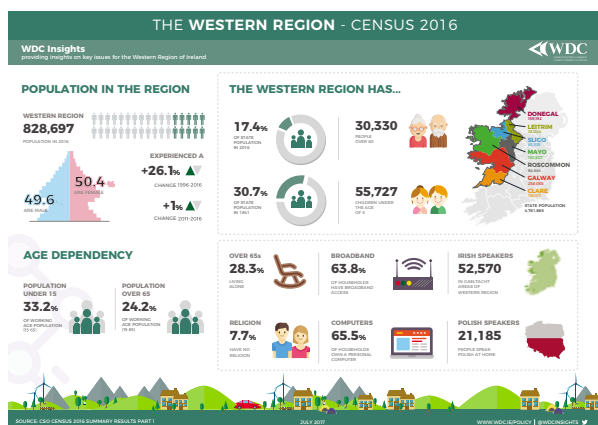
Download: [WDC Insights: 'New Work' – the Gig economy in the Western Region](#)



Infographic

Two infographics which graphically present Census data on a range of indicators in an easily accessible format were published during 2017.

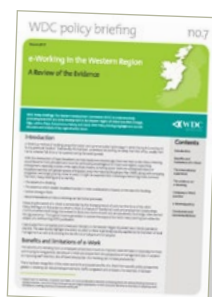
1. The Western Region – Census 2016 (July 2017)
2. The Western Region's Labour Market – Census 2016 (December 2017)



WDC Insights Blog

The WDC Insights Policy Blog provides weekly comment and analysis of items relevant to the Western Region, regional development and regional needs. It can be read at <https://wdcinsights.wordpress.com>

WDC Policy Briefing



In a series of three publications the WDC policy analysis team examined the current nature of work, focusing on work which occurs away from the traditional 'workplace' and is often home based. The WDC Policy Briefing No.7 e-Working: A Review of the Evidence, examined the extent of e-Working in the Western Region among those in traditional employer-employee relationships. Published in March 2017, it examines the extent of e-work in the Western Region as well as identifying recommendations on how e-working can be further promoted.

Download: [WDC Policy Briefing no 7](#)

Presentations & Conference inputs

The Policy Analysis Team gave a number presentations and chaired sessions at conferences over the course of 2017, examples included:

- **The Socio-economic Profile of the Western Region:** In November Deirdre Frost gave a presentation to the Board of Galway-Mayo Institute of Technology.
- **Brexit- Implications for Ireland and the Border Region:** In October Dr Helen McHenry gave a presentation to the Association of Irish Local Government seminar.
- **Regional Growth: Rural areas, towns & cities:** In September, Pauline White gave a presentation at the annual conference of the Regional Studies Association – Irish Branch.
- **National Broadband Plan Workshop:** In April, Deirdre Frost gave a presentation to representatives of local and national government on the need for the National Broadband Plan and the impacts of poor broadband services in rural areas.
- **WDC Insights on the Western Region:** In January, Pauline White and Dr Helen McHenry gave a presentation to officials of the Department of Social Protection, providing an overview of the WDC's analysis of a range of socio-economic issues.

Submissions

During 2017, the WDC made eleven [submissions](#) to national public consultation processes:

- Gas Networks Ireland's Connection Policy Proposals
- Renewable Electricity Support Scheme
- Draft *Ireland 2040 – Our Plan*: National Planning Framework
- Call for Feedback on Mobile Phone and Broadband Taskforce: National Stakeholder Forum
- CSO 2021 Census of Population Questionnaire Content
- Commission for Regulation of Utilities on the Gas Networks Ireland's 2017 Network Development Plan.
- Public Consultation on the preparation of a National Policy Statement on the Bioeconomy
- Public Consultation on the Mid-Term Review of Capital Plan 2016 – 2021
- *Ireland 2040 – Our Plan*: National Planning Framework
- Renewable Heat Incentive
- National Transport Authority

Infrastructure

The WDC continues to highlight the importance of infrastructure for regional development where all regions need quality infrastructure to compete effectively.

Atlantic Economic Corridor (AEC) Group

The Policy Analysis team participate in the AEC Infrastructure Group providing input into areas of particular concern to the WDC.

Energy

The WDC Policy Analysis team makes the case for quality energy infrastructure which is essential for economic growth and development in the Western Region. Developing energy infrastructure will also allow for further development of renewable energy enterprises which can make the most of the region's natural assets. The WDC analyses infrastructural, policy and regulatory issues as they affect energy infrastructure issues important to the region.

Gas

In recent years the natural gas network has expanded significantly throughout Ireland but the North West remains without access to natural gas infrastructure. The WDC believes that natural gas infrastructure would contribute to the development of the region and has a role to play in the support of renewable generation. Natural gas is a competitive fuel with lower CO2 emissions than other fossil fuels. Access to natural gas would reduce energy costs for businesses and domestic users.

Electricity

A high-quality, reliable electricity infrastructure is essential for enterprises operating in the Western Region, and for attracting new business to the region. Better electricity infrastructure will also facilitate the development of renewable energy businesses. The WDC therefore continues to highlight electricity infrastructural and regulatory issues as they affect the Western Region.

Renewable energy

The Western Region has significant natural resources and the WDC is working to ensure that these can be used sustainably by renewable energy enterprises, providing jobs and bringing investment into the region, as well as providing competitive local energy sources and keeping energy spending within our region and our country. The WDC work is particularly focused on bioenergy development and the use of renewable fuels for heating.

Telecommunications

The Department of Communications, Climate Action and Environment announced further private sector investment in broadband rollout and updated their National Broadband Map. Deirdre Frost chaired and presented at the formal launch of the new map by Minister Naughton on 4th April 2017.

Transport

Rail

The WDC prepared a submission in response to the Rail Review 2016, published by the National Transport Authority and Iarnród Éireann. The Rail Review identifies the funding gap that has arisen, and examines the options around closing that gap. Of particular concern is the proposal to cut services on some routes including the Ennis to Athenry section in the Western Region. The WDC submission highlights

the importance of rail to the transport needs of the Western Region (for both passengers and freight) and the need to retain and improve service levels in the Western Region and the need to examine rail in the context of all transport modes and the environmental benefits of rail.

Download Submission: [WDC Submission to Rail Review 2016, Jan 2017](#)

Planning for the Future - Ireland 2040

Submission to the Consultation on the National Planning Framework

The WDC made a submission on [Ireland 2040 – Our Plan: National Planning Framework](#) in March. The [Issues and Choices paper](#) covered a wide range of topics from national planning challenges to sustainability, health, infrastructure and the role of cities and towns. A key element of the paper considered the future in a “business as usual” scenario in which even greater growth takes place in the Dublin and Mid East region with consequent increased congestion and increasing costs for businesses and society, while other parts of the country continue to have under-utilised potential which is lost to Ireland. The consultation paper therefore sought to explore the broad questions of alternative opportunities and ways to move away from the “business as usual” scenario.

Following the publication of a draft Ireland 2040- Our Plan (the National Planning Framework). The WDC made a further submission on the draft document. The WDC submission considers these issues from the perspective of the Western Region, the needs of the Region, the opportunities its development presents for Ireland’s economy and society as a whole and the choices, investments and policy required to achieve regional growth and resilience.

National Development Plan

WDC made a Submission to the [Public Consultation](#) on the Mid-term Review of the [Capital Plan 2016-2021](#). The consultation sought views as to what should be included in the current Plan (€42 billion), over and above what is already included – arising from additional resources (€5 billion) being made available. The WDC highlighted the need to consider investment priorities which would align and support the National Planning Framework. In discussing the Considerations for the Mid-Term Review of the Capital Plan, the WDC highlighted the importance of infrastructure for regional development where all regions need quality infrastructure to compete effectively.

CSO Consultation Census 2021

The CSO sought submissions on the Public Consultation on Questionnaire Content Census 2021. They are seeking proposals on the inclusion of additional questions in Census 2021 and the rationale for their inclusion. The policy team is preparing a submission outlining the case for better data on capturing and measuring those who work from home/e-working and also on domestic renewable energy installations.

SECTION 2



PROMOTING THE REGION

PROMOTING THE REGION



Through our LookWest.ie platform, the WDC continued to showcase the benefits of living working and doing business in Ireland's Western Region to individuals and business interested in locating here. Ireland's Western Region has so much to be proud of, not least its people, landscape, culture, creativity and heritage and a quality of life second to none.

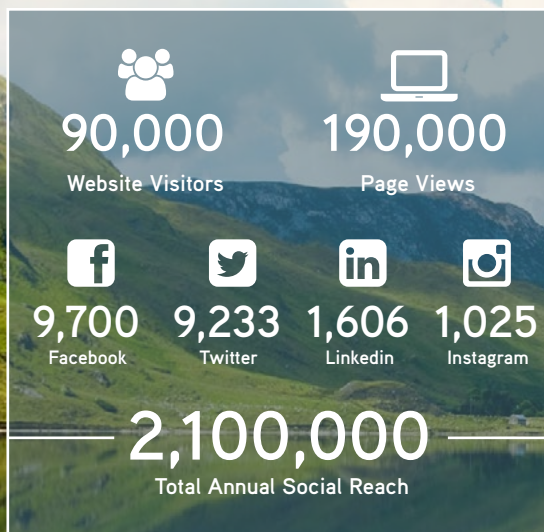
Throughout 2017 LookWest.ie continued its focus on promoting the business and enterprise supports available in this region to individuals both at home and abroad with the aim of increasing inward investment into the Western Region.



LookWest.ie 2017 Statistics

We use our social media channels and networks to reach out and promote these opportunities to a wide audience. This coupled with our unique content and promotion of the quality of life in the West is an attractor for both people and investment to the West.

LookWest.ie saw over 3,000,000 visitors to the site since its inception. An ever increasingly popular section on Lookwest is jobs, which showcases unique job opportunities in the West.



Lookwest.ie also engages with Job seekers and Employers via the LW skills register in that we can create a profile of the talent, qualifications and experience of the people living in the West or considering a move here. In 2017 we have engaged with stakeholders, FDI Focused Agencies including IDA Ireland & Enterprise

Ireland, Employers, Regional Planning Agencies (NWRA, Regional Skills Forum, Higher Education Providers, Talent Recruiters / Connectors, and Talent Candidates to identify gaps with regard to Talent Data availability.

LookWest.ie Supporting Events in the Region

Seafest 2017

The Western Development Commission supported the Marine Institute in the planning and during the SeaFest 2017 event. The LookWest.ie exhibit at SeaFest was a valuable addition to the festival and presented a great opportunity to showcase marine related small businesses located in our coastal communities.

LookWest.ie also developed a Digital and PR campaign to promote the creative businesses showcasing their products which gained widespread media attention. Over 101,000 people attended the festival and in excess of a further 1,000 attended the business related events which took place over two days on 29th and 30th June 2017.







Gillian Buckley
Investment Manager
(WDC) with
An Taoiseach
Leo Varadkar at
Seafest 2017 in Galway.



THE Xchange
5-6 October 2017
Radisson Hotel Sligo

Are you an established business seeking to scale?
Do you see a global business in your future?
Do you want the opportunity to gain insight, experience, knowledge and build contacts with some of Ireland's most successful business leaders?

Join us on 5th & 6th October 2017 to become part of The Xchange

The Xchange is an opportunity to sit down one-to-one and discuss your business's plans, challenges and goals with some of the brightest and best business figures and leaders, exchanging advice, tips, shortcuts, do's and don'ts as well as suggestions for business success.

The Irishchild of Fargal Broder, CEO of Lifford Works, a premier provider of technical solutions to industry and recently voted one of Europe's fastest growing companies and George Muller, CEO of the B&B Group responsible for designing, constructing and maintaining pitches for some of the most prestigious sporting events in the world.

Date/Time
Thursday 5th October 10am-5.30pm followed by a Gala dinner
and Friday 6th October 8am-2pm

Location
Radisson Hotel Sligo

Cost
€285 (includes overnight accommodation, all meals/dinner and drinks)
(Applications close Friday 19th September)

Endorsed by: High Minister of Enterprise and Innovation and the Western Development Commission
Supported by: IDA, WDC and Enterprise Ireland Network

Find out more at www.theXchange.ie

The Xchange

The Xchange, a 24 hour residential "business development accelerator" experience has run successfully for four years. Offering a mutually beneficial blend of one-to-one sessions with seasoned entrepreneurs, as well as networking and short learning sessions, participants in this unique business development mechanism draw benefit from its intensified, needs-driven format. The programme is run by Sligo Chamber of Commerce & Industry and is partnered and supported by the Western Development Commission. The Xchange had a simple aim, the need to help and assist the next generation of emerging business leaders. Since its inception in 2014, over 85 businesses and more than 60 business leaders have participated in the events.

Here is a Case study from a previous Xchange participant <http://thexchange.ie/how-the-xchange-made-a-difference-to-big-red-barn-founder/>

LookWest.ie Supporting Events in the Region (continued)

National Ploughing Championships 2017

LookWest.ie participated at The National Ploughing Championships which took place in September in Screggan, Tullamore, Co Offaly.



Micheal Ring TD, Minister for Rural and Community Development with Mary Keaveney, Martin Hannon and Ian Brannigan (WDC)

Promoting the West of Ireland Jobs at various events

WDC attended a number of job related events in 2017 promoting Lookwest.ie and the jobs on offer in the West of Ireland. These events included LYIT jobs expo, Sligo IT engineering expo and the Jobs Expo in Galway and Dublin.

Over the Christmas period, LookWest.ie partnered with leading Irish recruitment firm CREGG Recruitment to host a recruitment open day. The event took place in Galway on Thursday the 28th of December.

Halal Daddy Premiere in Sligo



The WDC supported the first movie premiere in Sligo of Halal Daddy directed by Sligo native Conor McDermottroe. The film was launched on June 27th and Lookwest.ie carried out a digital campaign to promote the event.

Export Summit 2017: Local to Global



WDC participated at Export Summit 2017 with partners from Local Enterprise Offices, Údarás na Gaeltachta, Enterprise Europe Network, Intertrade Ireland, Enterprise Ireland, IDA Ireland, KPMG, Ireland West International Trade Centre and Collins McNicholas. This unique one day provided opportunity for learning about forthcoming trends in the export sector, help to discover export opportunities, effective networking to generate sales leads and advice on how to diversify into export markets.

Digital Highlights

- The #HalalDaddy hashtag had a total reach of **over 4 million people** from 27-30 June.
- Halal Daddy premiere website story had over 1,100 page views



LookWest.ie Supporting Events in the Region (continued)



NWRA/WDC One Region One Vision Conference

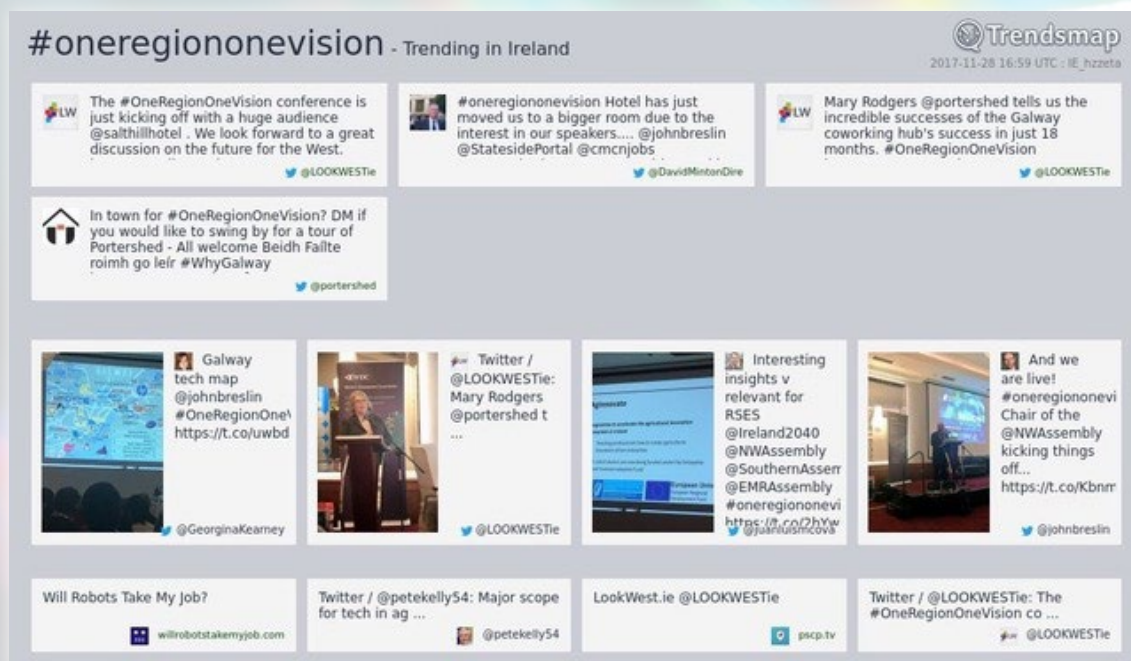
The NWRA and WDC worked collaboratively to organise a regional conference which took place in the Salthill Hotel, Galway on Tuesday 28th November. The theme of the conference was 'Resilience and Ambition – Fuelling Ambition'. There was a wide range of speakers including Adrian Weckler, Technology Editor with Irish Independent; John Breslin, Insight Centre NUI Galway; Mary Rodgers,

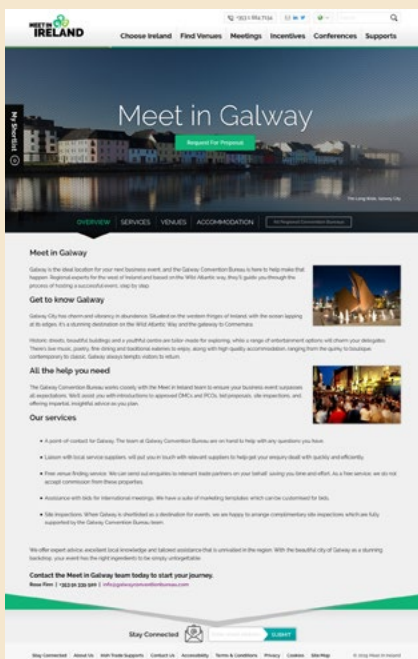
The Portershed; Harry Hughes, Portwest; and Michelle Murphy, Collins Mc Nicholas. There was a number of panel discussion with additional panel speakers.

LookWest.ie led the social media management on the day of the NWRA / WDC One Region One Vision Conference.

#OneRegionOneVision Social Media Engagement Results

- There were 859 social media mentions of the hashtag with a **total reach of 836,000 people**.
- The #OneRegionOneVision hashtag **trended in Ireland at number one** a few different times during the day yesterday; despite it being a very busy news day.





Business Tourism in the Western Region of Ireland

In 2017 the WDC worked closely with 'Meet in Galway' business tourism group to secure Convention Bureau status through Fáilte Ireland. During this time we conducted a feasibility study to assess the potential for a West of Ireland Convention Bureau that would incorporate Sligo, Leitrim, Donegal, Mayo, Roscommon and Galway. Clare is part of the Shannon Convention Bureau. The study found that in the short to medium term, a Galway Convention Bureau

is the only feasible option. This is due primarily to demand, access and experience. In 2018, WDC will work towards supporting business tourism across the region and building a strong business case for this.

Supporting a vibrant Whiskey Sector in the Western Region of Ireland

The WDC carried out a feasibility study to investigate

- The opportunities and challenges in local whiskey distilling for the region with potential solutions to overcome the challenges
- The current demand in terms of market segments, trends, new growth opportunities and demand drivers
- National and international best practice examples of developments/facilities of a similar nature
- How WDC and other stakeholders can support the development of this sector

The feasibility study is now complete and WDC is currently assessing the recommendations and next steps which will be carried out in 2018.



Lookwest.ie Skills/Talent Register

The Skills & Enterprise Register on lookwest.ie was set up in 2006 and allowed us to engage with individuals who are thinking about relocating to the West, planning to set up or move a business to the West and/or graduating from college and planning to work in the West. The purpose was to create a profile of the talent, qualifications and experience of the people considering a move here and contribute to attracting jobs and business to the Region.

Due to the economic downturn, the skills register became less of a priority in terms of Lookwest.ie activities and campaigns. Despite this the skills register has continued to gain traction. In 2016, we had over 100 submissions from individuals interested in relocating to the West. We recognise the potential to engage with IDA, Regional Skills Forums, recruitment companies and employers to encourage and promote more people to use the skills register and assist companies and recruiters to place people in jobs here and subsequently move to the West. Showcasing the talent and skills as well as the business supports available in the region to encourage start-ups and companies to move their business here is also a priority.

WDC has just completed a Needs Analysis based on redeveloping the Skills Register. We have carried out in depth consultations with IDA, Enterprise Ireland, Regional Skills Forums, Colin McNicholas, employers etc. The overwhelming response is that this project is a top priority and there is interest across all stakeholders in the development of this project.

SECTION 3



RURAL DEVELOPMENT

RURAL DEVELOPMENT

To encourage the development of the Western economy based on the sustainable development of the Western Region's strengths and resources.

Regional Skills Forum West

The WDC is actively contributing to the West Regional Skills Forum, with activity in a newly created industry led- Sales Network, as well as an all-island Industry and GMIT Letterfrack led Wood & Furniture Network, with other areas of focus being on Hospitality and Tourism, family friendly SME practices, Branding & focus Skill Audits. The new networks established are designed to facilitate collaboration between industry & education providers, whilst driving towards growth in a new way. Details on the Irish Wood & Furniture Manufacturing Network can be found here: www.iwfm.ie

Atlantic Economic Corridor (AEC) Enterprise Pilot Study

The WDC through its participation on the AEC Enterprise sub-group, led an REDF Feasibility Study application, on behalf of the AEC Enterprise Subgroup. A pilot exercise was completed in two regional locations: Ennis & Sligo, with a view to informing a Regional Enterprise Study. The pilot initiative was completed in January, with the next stage proposal now in consideration.

The AEC Enterprise sub group has secured funding from the Department of Rural and Community Development to recruit nine AEC Officers within the County Councils to deliver the next stage regional proposal. The proposal sets out an eight week project plan with two parallel areas of work:

- a) Replicate the exercise across nine local authorities, using the local authority resource base
- b) Progress the two demonstrator projects to an Action Programme in Ennis and Sligo.

AEC Taskforce

The AEC Taskforce, led by Seán Kyne, T.D., Minister of State with responsibility for Natural Resources, Community Affairs and Digital Development, was launched by Taoiseach, Enda Kenny, T.D., in February 2017 in Castlebar. The Taskforce has met three times in 2017 with discussions focused on the National Planning Framework, Infrastructure, Communications, Enterprise & EU Funding.

Wild Atlantic Way Regional Tourism

Extensive potential exists in this region through its natural, built and cultural assets. In order to avoid a development-first approach to tourism planning, which has proved problematic worldwide, it would be necessary to utilise an evidence-based approach to tourism planning which needs to be reinforced in the region. The WDC are partnering with the Wild Atlantic Way Research Group, led by IT Sligo to introduce an evidence based approach. A pilot study in cooperation with three Co Councils, Donegal, Sligo and Clare, will be completed in Spring 2018. The Wild Atlantic Way Research Group are focused on the issue of Sustainable Tourism. The WAWRG comprises of representatives from NUI Galway, Shannon College of Hotel and Management, IT Sligo, and Letterkenny IT. The 2018 Action Programme envisages replicating the process on a regional scale.



Smart Region

European Commission regional policy focuses on smart specialization (RIS3). This is a strategic approach to economic development through targeted support to research and innovation (R&I). Smart Places is an initiative championed by three partner organisations who have come together to develop a smart region in the North West of Ireland. The Western Development Commission (WDC), along with the Northern and Western Regional Assembly (NWRA), and the Insight Centre for Data Analytics, NUI Galway (Insight). The Smart Places region includes the 9 Irish counties that are covered by the partner organisation, with a total population of one million people according to the census of 2016. Our Smart Region Working Group is working towards the publication of a Smart Regional Readiness report for Spring 2018. Regional engagement was sought across the quadruple helix - private, public, community and academic, under the following seven pillars:

The Smart Places initiative is designed to provide a strategic framework and roadmap to ensure that the region can align with European regional policy.

Renewable Energy – Action Plan for Jobs, Heat Study

The WDC and the Sustainable Energy Authority of Ireland (SEAI) has completed an analysis of biomass use in the WDC region, along with an assessment of its contribution to the national renewable heat target (RHT). Ireland is expected to miss its renewable energy target, in particular the deployment of renewable heat was only at 6.5% by 2015 and the 2020 target is 12%. To help address this Government is introducing a Renewable Heat Incentive (RHI). The RHI is designed to kick start growth in biomass deployment by offering payments for renewable heat outputs. This study describes the scale of current deployment and suggests an achievable role for biomass in the WDC

region by 2020. The report will be launched in Spring 2018, as well as the next step Renewable Energy Action Programme.

RE-DIRECT (Regional Development and Integration of unused biomass wastes as Resources for Circular products and economic Transformation) – EU project

The WDC is partnering with organisations and universities in Belgium, France, Germany, the United Kingdom and Ireland on RE-DIRECT project, to focus on the conversion of waste biomass into value added activated charcoal or biochar products, through a thermal conversion process known as pyrolysis. The WDC are involved with raising awareness and outreach with local SMEs with a long term view to the establishment of a localised conversion unit, in tandem with social and economic opportunities.

Small Towns, Big Opportunities

The Regional Development team continues to work with towns & geographies across the region. This list includes Letterfrack, Gort, Ballinasloe, Tuam. The efforts in Letterfrack build upon a recent 2016 WDC commissioned report titled *The Economic Development Potential of Rural Areas in the West of Ireland*. The WDC report identified education-based tourism, focused on US colleges, as a development opportunity for rural towns and villages. The 2017 action plan for rural development *Realising our Rural Potential*¹ Action 165, sets out to examine the potential to promote rural Ireland as the destination of choice for US colleges wishing to avail of a rural based learning or study abroad experience. The draft National Planning Framework, *Ireland 2040 Our Plan*² contains a case study (p.72) on Connemara West plc which has pioneered a unique education-led development model focused on the United States. In 2018, the WDC will build upon this evidence based approach to complete a scoping Study on the US Independent Study Abroad sector in

¹ <http://www.chg.gov.ie/app/uploads/2017/01/162404-rural-ireland-action-plan-web-2-1.pdf>

² <http://npf.ie/draft-of-ireland-2040/>

Ireland with Connemara West and to pursue funding opportunities with GMIT Letterfrack, such as the Enterprise Ireland Regional Enterprise Development Fund. Opportunities and networks continue to be built with Gort, Ballinasloe, and Tuam.



FIS TV Summit

The FIS TV Summit took place in Galway on October 12th and was hosted by Galway Film Centre, in association with TG4, the Western Development Commission, Údarás na Gaeltachta, Gréasán Na Meán, Screen Training Ireland, The Broadcasting Authority of Ireland, RTÉ, GMIT, Creative Europe Galway, Mazars and the Arts Council. Placing Ireland and the West of Ireland on the global stage, as a centre of excellence for media production is one of the key pillars of the Government's arts policy. The international summit was aimed at producers and content creators from throughout Ireland and it took place in the Galway Bay Hotel in Salthill.

EU Projects Team – A capability for the Region and its stakeholders

Renewable Energy

'Funding Resources for Innovation in Energy Enterprise Development' (FREED)

In 2016 The Western Development Commission became a partner in the FREED project, a three year €1.9 million project funded under Interreg's Northern Periphery and Arctic Programme 2014-2020. FREED (Funding Resources for Innovation in Energy Enterprise Development) www.freedproject.eu aims to provide SME's in the programme area with the support network required to introduce and develop energy innovations which would otherwise be unavailable to them.

In 2017 the project continued with partner meetings in Finland and Galway. Six Innovations in Energy Technology have been selected through a transnational evaluation process and are now in their development stage.

The FREED Project also aims to support energy innovation companies in their business development phase to attract financial resources from the private sector - Funding Workshops were held in Enniskillen and Scotland and the aim was to provide companies attending the workshop with a route map leading to access to funding.



FREED Project partner meeting in Enniskillen.

Front L-R: Nick Lyth - Green Angel Syndicate, Chris Ashe - European Institute for Innovation, Mary Keaveney - WDC, Niko Hänninen - University of Oulu, Back L-R: John Harrison - South West College Enniskillen, Benjamin Daumiller - European Institute for Innovation, Pádraig Cullen - Limerick Institute of Technology, Derek Blackweir - Limerick Institute of Technology.

The forthcoming actions expected by the Partners will focus on the dissemination of the innovations in their regional channels through the organisation of conferences with targeted stakeholders and institutional representatives.

Creative Economy

a creative momentum project

a creative momentum project is a three-year project (May 2015-May 2018) to support the development of the creative industries sector. The WDC is the lead partner and other partners are in Northern Ireland, Sweden, Finland and Iceland. During 2017 some of the project's main activities were:

MyCreativeEdge.eu

The MyCreativeEdge.eu website was originally launched in 2013 through the 'Creative Edge' project. One of the main activities of a creative momentum project was to re-develop and re-design the site to adapt to technological changes, make it more interactive and provide greater flexibility for members when creating a profile. The site's function is to showcase the work of creative enterprises from the partner regions and to facilitate connections between them.

Following extensive re-development work during 2016, the new MyCreativeEdge.eu website went live on 1 March 2017. The new site includes the following sections:

- Profiles – Profiles created by members which are sorted by region and sector (Arts, Crafts, Design and Media & Technology)
- Ideas – In Profile (interviews with creatives), Deep in Thought (blog posts), Knowledge Centre (information resources), Social Wall
- News & Events
- Places – Spaces (profiles of creative co-working spaces), Trails (tourist trials of creative open studios etc).

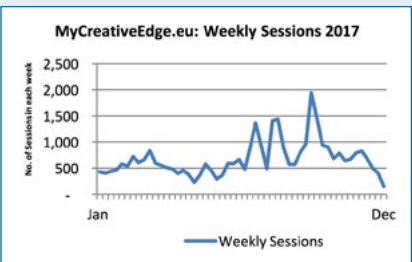
New branding for MyCreativeEdge social media and newsletter was applied, to be consistent with the new site design. A digital advertising campaign for MyCreativeEdge.eu was implemented from July 2017 targeting the five partner countries, North America & the UK. The primary channels used were:

- Facebook Paid Adverts
- Google Display Network

The campaign used images of the creative work of members of MyCreativeEdge.eu. In order to expand the Image Bank for the campaign, the WDC held a call for applications for creative enterprises in the Western Region to have a professional photoshoot of their enterprise. 21 creative enterprises – 3 from each of the 7 counties – were selected to receive support. Six photographers were contracted to undertake the shoots and the 21 shoots took place during the first quarter of 2017. The images were made available for use by the enterprise as well as the WDC for use in promotional activities for MyCreativeEdge.eu.

Clare	McKernan Woollen Mills The Secret Life of Plastic Sallyann's Handmade Bags
Donegal	Moville Pottery Ruth Graham / Aye Do Storyburst
Galway	Celtic Fairy Doors Lynsey de Burca Bernice/Cavas to Candle
Leitrim	Front & Back ArtWood Louise Carroll Designs
Mayo	Little Gem Puppets Hewn Spoons Hawthorne & Rose
Roscommon	Frances Crowe Tapestry Artist Black Hen Designs Creative Edge Design
Sligo	Hawk's Well Theatre Tiffany Budd Goldsmith Mother Says Design

There were **35,452 unique sessions** (visits to the site) on MyCreativeEdge.eu from 25,799 users (individual visitors) during 2017. The implementation of the digital marketing campaign from July to November had a major impact on the number of sessions on the website. The total number of site visits in the second half of 2017 (22,275) was 60% higher than in the first half of the year (13,177).



Creative Hotspots

Following a competitive call for applications, four designers from the West of Ireland were supported by the WDC to participate in the 'Arctic Design Week' Creative Hotspot in Rovaniemi, in Finnish Lapland in February. They were among 15 designers from Ireland, Sweden, Iceland and Northern Ireland who were supported to participate by the project. The Irish designers were:

- Jo Anne Butler, Superfolk, Mayo
- Deirdre Duffy, Wild Cocoon, Mayo
- Davin Larkin, Galway
- Ainslie Peters, Nadhura Design, Galway

Following a competitive call for applications, three musicians from the West of Ireland were selected for support to participate in the Icelandic Creative Hotspot 'Vaka Folk Arts Festival' in May 2017. The musicians were:

- Mharhi Baird, Galway
- Ailsing Ní Churraighín, Donegal
- Tiarnan O Duinnchinn, Mayo

The WDC worked with NUI Galway to organise the participation of 'a creative momentum project' in the final Creative Hotspot, 'Galway Film Fleadh' in July 2017. The project sponsored the Galway Film Fleadh and nine film-makers from Finland, Sweden, Northern Ireland and Iceland were supported to participate in the Fleadh, including the industry focused 'Film Fair'. The WDC also contributed to a Creative Exchange event organised by NUI Galway to coincide with the Fleadh 'Screen Industries on the Periphery: Policy and Practice' on 12 July. There was [very positive feedback](#) from the film-makers.



Attendees at the 'Tap into the Tourism Potential of your Region' Creative Exchange event organised under 'a creative momentum project' at the Spool Factory, Boyle, 14 November 2017

Creative Exchanges:

a creative momentum project organised a half-day 'Creative Exchange' information and networking event at the Spool Factory, Boyle, Co Roscommon on Tuesday 14 November. The topic was 'Tap into the Tourism Potential of your Region' and speakers explored the potential of links between tourism and the creative sector.



Project partners and international speakers at the 'Screen Industries on the Periphery: Policy and Practice' Creative Exchange event organised under 'a creative momentum project' at NUI Galway during the Galway Film Fleadh, 12 July 2017

It was attended by 37 participants from the creative industries and tourist sectors. There was very positive feedback from participants. A report on the event and the presentations are available [here](https://mycreativeedge.eu/deep-in-thought-item/tap-tourist-potential-region/)

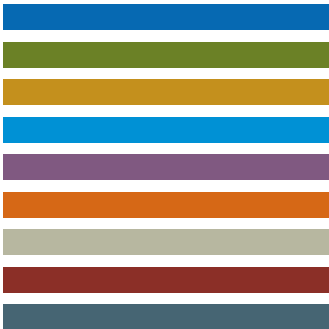
Creative2Creative Matching

Creative2Creative is an online 'peer mentoring' programme where two creative entrepreneurs from different countries work together online to share their experiences. There have been four calls for applications during the project with 8 'matched pairs' proceeding from the 1st call for applications; 5 'matched pairs' from the 2nd call; 3 'matched pairs' from the 3rd call; and 5 'matched pairs' from the 4th call.

The WDC recruited SCUUL to provide business support to a number of the transnational 'matched pairs' co-ordinated by the WDC. This support involves facilitating two, 2-hour online sessions with the pairs to define objectives and evaluate achievements.

A number of positive outcomes have emerged from the Creative2Creative Matching process including the match between [Irish tapestry artist Frances Crowe \(Roscommon\)](#) and [Swedish tapestry artist Margareta Sörlin](#).

SECTION 4



WDC INVESTMENT FUND

WDC INVESTMENT FUND

To provide risk capital to Micro, Small and Medium Enterprises and Social Enterprises (in their start-up and expansion phases) through the WDC Investment Fund (WIF).

The WDC Investment Fund (WIF) is a WDC-managed fund providing risk capital (seed and venture capital and loan finance) to micro, small and medium-sized (SMEs) and social enterprises. The investment fund operates on a commercial basis and equity investments are made using the Market Economy Investor Principle. Loans are also made on commercial terms and the interest rate charged is the applicable Reference Rate for Ireland.

To date, the WDC has invested almost €48.5 million in 139 SMEs, micro and social enterprises in the region.

In 2017, the WDC invested €540k in seven SMEs, micro and social enterprises which offer highly skilled employment in sectors ranging from medical devices to software development to high tech manufacturing to creative industries as well as much needed services for local communities. The WDC investment in 2017 levered almost €7 million in additional investment into the region. For every one euro invested by the WDC, another €12 was leveraged for enterprises in the region.

Access to Finance for the region 2017



7

Businesses supported



€540k

Disbursed



€7M

Leveraged for enterprises

Micro-Loan Fund: Creative Industries

The WDC has mainstreamed the Micro-Loan Fund: Creative Industries. 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. Due to the success of the pilot, the fund has been established on a permanent basis.



WRAP Fund

In 2017, the WDC collaborated with Galway Film Centre and have developed a dedicated investment fund for the audio-visual sector, the Western Region Audiovisual Producer's Fund – or WRAP Fund. The WDC has ring-fenced €2m for this fund to encourage the film, television, animation and gaming industry in the West of the country.

It will run over a three-year period. The operational costs of the WRAP Fund have been supported by 7 of the 8 local authorities in our Region (Clare, Donegal, Galway, Mayo, Roscommon and Sligo) and Údarás na Gaeltachta.

It is hoped that it will increase the number of screen content production projects undertaken in the region, creating direct employment of 90 jobs.

As well as supporting local projects, it is hoped that the Fund will also help attract international production companies to the western region, having knock-on benefits for the wider economy and for future tourism to the region.

The WRAP Fund is aiming to support 15 development projects, with an expectation that at least 20 per cent of these would secure resources to go into full production. Around another 10 internationally funded co-productions will be supported in the region.

The Galway Film Centre has identified a WRAP Fund Development Manager and she is expected to start in early April 2018.



Minister of State for Rural Affairs and Natural Resources, Seán Kyne with Geraldine McLoughlin, Investment Executive, Western Development Commission and Celine Curtin, Chairperson, Galway Film Centre at the launch of the WRAP Fund.

Community Loan Fund

In 2017 the WDC relaunched its Community Loan Fund with a lower 3% interest rate for community and other not-for profit social enterprises. The WDC made this reduction to reflect the importance of projects developed by community and not-for-profit organisations to the Western Region and the very high socio-economic impact these projects have on their communities and the region. This low interest rate will help make these projects more sustainable by reducing the cost of repayments.



Regional Accelerators

The WDC was actively involved with three Accelerators in the region in 2017:



BioExel focusing on the Medtech sector and shortlisted 6 companies for participation/investment in the first cohort



NDRC@Portershed concentrating on the ICT sector and selected 10 companies for participation/investment in the first cohort



YieldLab targeting the AgTech sector and it selected 4 companies for participation/investment in the first cohort

It is hoped that these programmes will support early stage start to accelerate their development and increase the numbers of successful companies in the region in the technology space, leveraging off the reputation and track record of the region in the MedTech, ICT and AgTech sectors.



MedTech Accelerator with Gillian Buckley Investment Manager (WDC) and An Táinaiste, Frances Fitzgerald TD, Minister for Business Enterprise and Innovation.

Financial Impact

The WDC has received no exchequer funding for the WIF since 2010 and is fully reliant on its revolved funding to make new and follow-on investments. The WDC has been successful in developing its model of a sustainable Evergreen Fund and has become self-sufficient from an investment funding perspective. As an Evergreen Fund, all monies recouped are reinvested in enterprises in the Western Region. In 2017 the WDC had an exceptional year of exits with 6 exits secured which will realise €18.8m for the Western Investment Fund if all milestones are achieved. This level of return on investment presents a paradigm shift for the WDC Investment Fund, presenting it with for the first time significant capital reserves for investment in the region.

Return on Investment

Socio-economic impact

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.



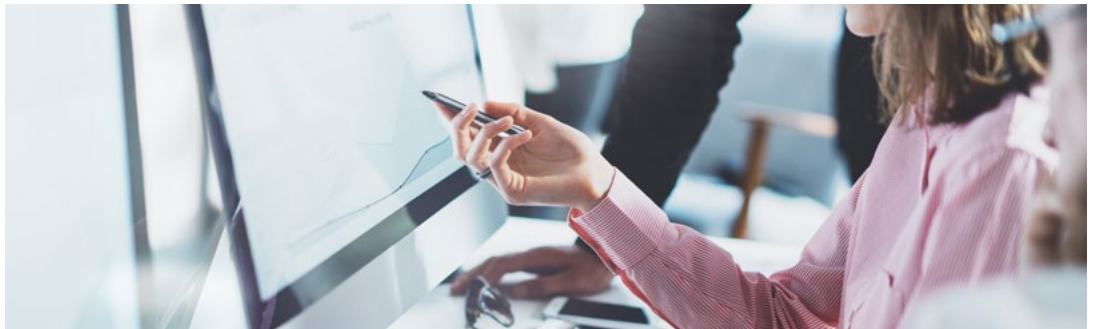
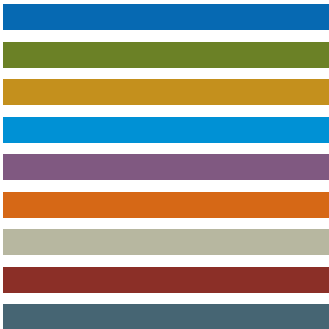
Research carried out⁶ shows that for an annual average exchequer allocation of €3 million over a 10 year period that WIF portfolio companies support the employment of over 5,000 people. There are 2,500 people employed in portfolio companies/projects. At least as many again downstream jobs based on a multiplier effect of one. The annual spend on salaries and wages was €63 million, a very significant stimulus for the local economy and €18 million of this was is paid back to the exchequer in payroll taxes.

70% of these companies' turnover is exported supporting the export led recovery. Another very significant indicator of economic impact and innovation is the €24m spend on Research & Development. WIF supported enterprises have secured over a quarter of a billion in investment.

In addition, many of the projects supported generate an additional social dividend by way of much needed facilities and services for local communities' e.g. childcare, social housing, enterprise space, sport and recreational facilities.

⁶ Survey of portfolio companies carried out in 2016

SECTION 5



CORPORATE SERVICES

CORPORATE SERVICES

To operate the WDC as a competent, effective, and learning 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 New Code of Conduct for the Governance of State Agencies as amended in September 2017 including the FRS102 format for Financial Statements.

Human Resources

The organisation has continued its commitment to the public sector modernisation programme and the implementation of the Haddington Road and Lansdowne Road Agreements.

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: <http://www.wdc.ie/about-us/customer-charter/>

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. No customer complaints were reported or recorded in 2017.

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 New Code of Practice for the Governance of State Bodies

Freedom of Information Acts, 2014

There were no FOI requests in 2017.

Safety, Health and Welfare at Work Act, 2005

In accordance with the Safety, Health and Welfare at Work Act, 2005, the WDC has put in place procedures to comply with the provisions of the act and has prepared a safety statement that encompasses all of the aspects affecting staff and visitor welfare

Prompt Payment of Accounts

Payment of invoices by the WDC is governed by the Prompt Payment of Accounts Act, 1997, as amended by the European Communities (Late Payment in Commercial Transactions) Regulations 2012. The regulations, which apply equally to the public and private sectors, provide an automatic entitlement to interest and compensation if payment for commercial transactions is late (after 30 days from the date of receipt). It is the policy of the WDC to ensure that all invoices are paid promptly and every effort, consistent with proper financial procedures, is being made to ensure that all suppliers are paid within this timeframe.

Prompt Payment to Suppliers

The WDC is committed to meeting its obligations under the 15-day Prompt Payment Rule, which came into effect on 1 July, 2011. This provision ensures that payments to suppliers in respect of all valid invoices received will be made within 15 calendar days. The WDC reports quarterly on the implementation of the 15 day Prompt Payment Rule on its website.

<http://www.wdc.ie/about-us/prompt-payments/>

The Prompt Payment results for 2017 can be viewed on the following link: <http://www.wdc.ie/about-us/prompt-payments/>

Ethics in Public Office Act, 1995

The WDC was brought within the scope of the Ethics in Public Office (Prescribed Public Bodies, Designated Directorships of Public Bodies and Designated Positions in Public Bodies) Regulations 2004 (S.I. No 699 of 2004) with effect from 1 January, 2005. WDC board members furnish statements of interests each year to the secretary, and copies have been provided to the Commission Secretary, Standards in Public Office Commission.

Data Protection Act, 2017

Data protection is concerned with the protection of the individual's fundamental right to privacy and to exercise control over how personal information is used. Applications in relation to personal information may be made either under the Freedom of Information Acts or under the Data Protection Acts.

The WDC had no queries under the Data Protection Act in 2017.

Protected Disclosures Act, 2014

There were no protected disclosures made to the WDC in 2017.

Employment Equality Acts, 1998 and 2004

The WDC is committed to a policy of equal opportunity and adopts a positive approach to equality in the organisation. The WDC operates a number of schemes that provide staff with options in relation to meeting their career and personal needs, such as job sharing, study leave, educational programmes and career breaks.

Official Languages Act 2003

The WDC comes under the remit of the Official Languages Act, 2003, which was signed into law on 14 July, 2003 to provide a statutory framework for the delivery of services through the Irish language. In accordance with Section 10 of the act, the Annual Report Financial Statement are published in Irish and English.

Board Attendance 2017

A complete list of Board attend for 2016 is outlined in **Appendix 3**.

Board Fees and Expenses 2017

Full details of Board Fees and expenses are outlined in **Appendix 4**.

CEO Salary and Expenses 2017

Details of CEO salary and expenses are outlined in **Appendix 5**.

Chairperson's Report on WDC Compliance with the Code of Practice for the Governance of State Bodies in 2017

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 2017.

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 2017. The following work was carried out in relation to internal audit:

(i) **Internal Audit:** The Internal Auditor completed the 2017 Internal Audit Work Programme.

(ii) **WDC Audit and Risk Committee (ARC):** Due to the absence of a board the ARC met on three occasions in 2017. The Chairperson is satisfied that the WDC discharged its role in fewer than four meetings in 2017.

3. Public Spending Code

The WDC are consistent in their approach to the requirements of the Public Spending Code. The key drivers that underpin the approach are detailed in the Procurement Plan:

- To contribute to the delivery of the planned efficiency savings targeted in the coming Financial Years;
- To support the National Procurement Policy Unit initiatives;
- To ensure value for money is being achieved; and
- To enable the strategic objectives of the WDC to be met.
- To exercise control and stewardship in the use of public funds

4. Procurement

In 2017, the WDC complied fully with relevant procurement procedures as set out in the WDC Procurement Guidelines and in the 2004 Government Procurement Guidelines.

5. 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 2017.

6. Guidelines for the Appraisal and Management of Capital Expenditure

These guidelines are not applicable to the WDC.

7. Pay to Chief Executives and State Body Employees

The WDC has adhered to Government guidelines and to the Department of Environment, Community and Local Government's arrangements in relation to the remuneration of the Chief Executive and employees in 2017.

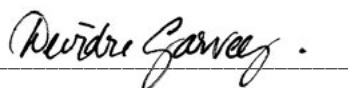
8. Payment of Directors' Fees and Expenses

The WDC adhered to Government guidelines and the Department of Environment, Community and Local Government's arrangements in relation to the payment of Directors' fees in 2017. Details of these fees and aggregate expenses are given in the annual accounts.

9. A separate Chairperson's report has been submitted to the Minister with the 2017 Annual Report.

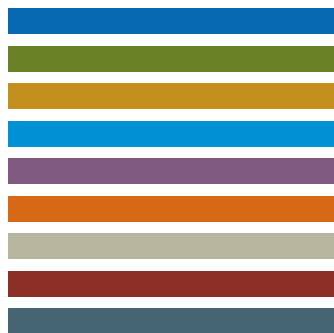
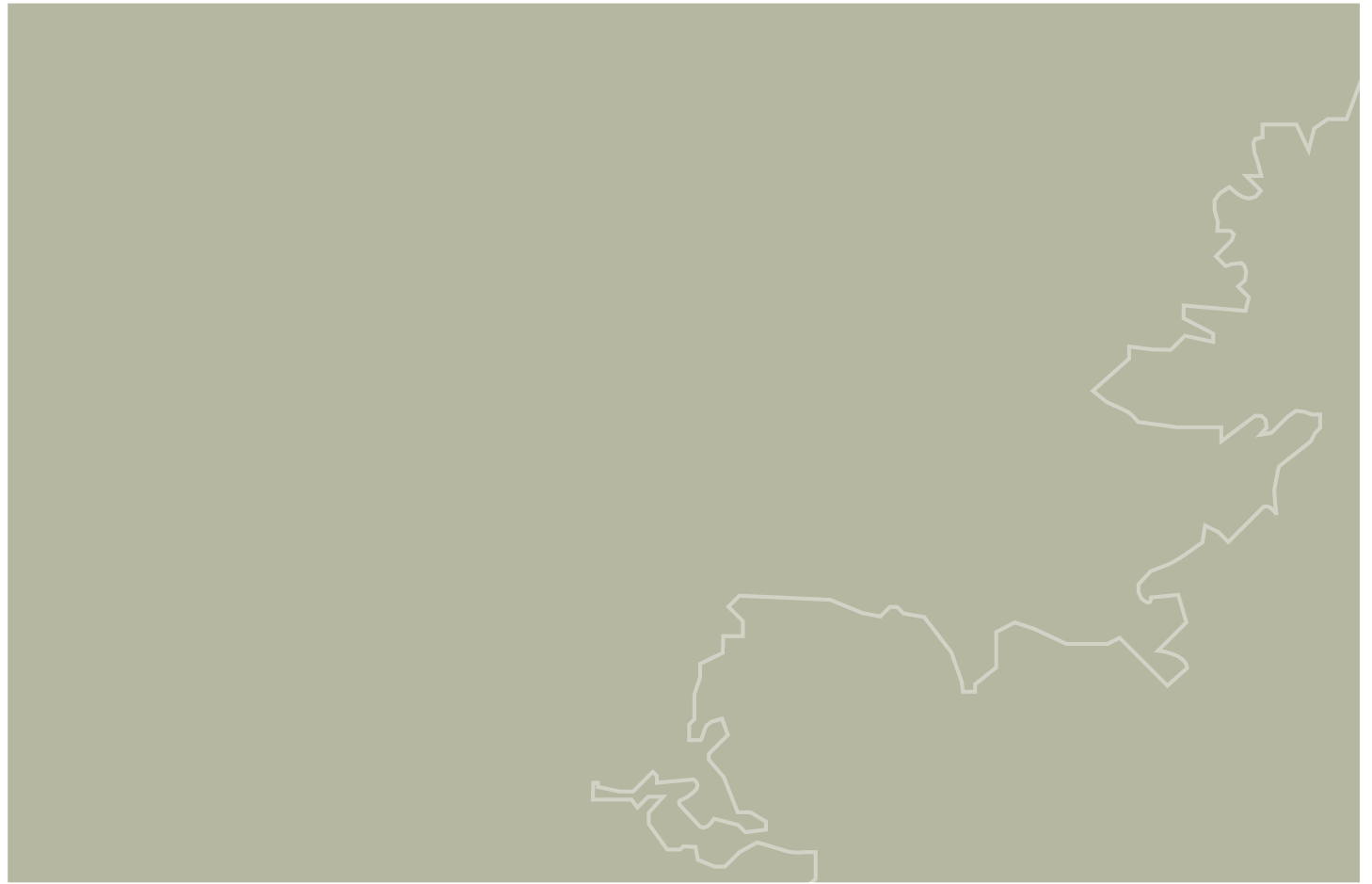
10. I confirm that the WDC has complied in full with the appropriate tax laws and with its tax obligations in 2017 and that there have been no issues reported.

Signed:



Date: 9/11/2018

Chairperson



APPENDICES



APPENDIX I

The Board

The Board of the WDC is responsible for setting the broad strategy and policies of the organisation, which is supported through an annual planning and budgeting cycle. The Board of the WDC approve the budget and formally undertake an evaluation of actual performance by reference to the budget on an annual basis.

The Board is also responsible for the system of internal financial control and for putting in place processes and procedures for the purpose of ensuring that the system is effective. The board also has oversight responsibility for the activities of the organisation. It delegates to management and sub-committees the responsibility for their implementation.

The Board acknowledge their responsibility for the preparation of the annual report and financial statements. They deem that the financial statements provide a true and fair view of the State body's financial performance and its financial position at the end of the year.

The current board is in situ since August 2017 therefore there is no requirement at present to conduct a performance evaluation of the Board and committees.

Under the terms of the Western Development Commission Act, 1998, the Commission may establish committees to advise it in relation to the performance of any of its functions and may determine the terms of reference and regulate the procedure of any such committee. In its own activities and in its use of subcommittees, the board operate towards best corporate governance principles.

In accordance with the Ethics in Public Office Act, 1995, and the Code of Practice for the Governance of State Bodies, board members are required to provide a Statement of Interest to the Standards in Public Office Commission and to the secretary. The WDC fully complies with Government policy on the pay of chief executives and state body employees and with Government guidelines on the payment of fees to board members.

Board members are appointed by the Minister for the Department of Rural and Community Development, with the consent of the Minister for Public Expenditure and Reform

The appointment and removal of the secretary to the board is a matter for the Board. All board members have access to the secretary, who is responsible for ensuring that board procedures are complied with.

The Board has satisfied themselves that the system of risk management is robust and defensible. Key elements of the Board's oversight in this area include:

- Establishing an Audit & Risk Committee
- Making risk management a standing item on the Board meeting agenda
- Appointment of a Chief Risk Officer
- Approval of the Risk Management Policy
- Review and approval of the Corporate Risk Register

APPENDIX I

Board Members up to February 2017

Chairperson

Mr. Paddy McGuinness **

Members

Mr. Michael Frain **

Dr. Deirdre Garvey **

Dr. Ann Higgins **

Dr. Katie Sweeney**

Mr. Eugene Lavin ***

Mr. Gerard Mullaney***

*** Term expired June 2017

** Term expired February 2017

New Board Appointed August 2017

Chairperson

Dr. Deirdre Garvey

Members

Mr. Noel Brett

Mr. Ian Barrett

Prof. Mary P. Corcoran

Mr. Gerry Finn

Mr. Micheal Frain

Mr. John Kelleher

Mr. Christy Loftus

Mr. Henry McGarvey

Ms. Auveen O'Neill

Ms. Yvonne Shields

APPENDIX 2

Audit Committee

The Audit and risk Committee assists the organisation in discharging its legal and accounting responsibilities. It provides the communications link with the external auditor and evaluates and co-ordinates the Internal Audit function and Risk Management process in the WDC.

Chairperson

Mr. Micheal Morley *

Members

Mr. Bernard O'Hara

Mr. Willie O'Brien***

Mr. Gerard Mullaney

Ms. Martina Minogue**

* *Resigned January 2017*

** *Resigned January 2017*

*** *Resigned April 2017*

Audit Committee – appointed September 2017

Chairperson

Mr. Bernard O'Hara

Members

Mr. Ian Barrett

Mr. Gerry Finn

Mr. Kevin Moore

APPENDIX 2

Fund Advisory Panel

The Role of the Fund Advisory Panel

- evaluate applications to the Western Investment Fund (WIF) and to recommend commercial profit driven investment decisions to the Board
- help promote the WIF and assist in the generation of quality dealflow
- assist in the effective working of the WIF

FAP Members up to June 2017

Chairperson

Mr. Paddy McGuinness

Members

Mr. John Allen

Mr. Gerard Barry

Mr. John Dillon

Mr. Micheál Frain

Ms. Bairbre Meehan

Dr. Katie Sweeney

Members of New FAP Appointed September 2017

Chairperson

Dr. Deirdre Garvey

Members

Mr. John Allen

Mr. John Dillon

Mr. Micheál Frain

Ms. Auveen O'Neill

Ms. Joann Hosey

APPENDIX 3

Board Members Attendance Register 2017

Outgoing Board February 2017

Board Attendance 2017

Name	Jan	Feb	Feb
Paddy McGuinness	✓	✓	✓
Michael Frain	✓	✓	✓
Ann Higgins	✓	×	✓
Katie Sweeney	×	✓	×
Eugene Lavin	✓	✓	✓
Gerard Mullaney	✓	✓	✓
Deirdre Garvey	✓	✓	✓

Incoming Board August 2017

Board Attendance 2017

Name	Sept	Oct	Nov	Dec
Deirdre Garvey	✓	✓	✓	✓
Noel Brett	×	✓	✓	✓
Ian Barrett	✓	✓	✓	✓
Auveen O'Neil	✓	✓	✓	✓
Christy Loftus	✓	✓	✓	×
Mary Corcoran	×	✓	✓	✓
Gerry Finn	✓	✓	×	✓
Micheal Frain	✓	✓	✓	×
John Kelleher	✓	✓	×	×
Henry McGarvey	✓	✓	✓	✓
Yvonne Shields	✓	✓	✓	×

APPENDIX 3

Committee Members Attendance Register 2017

Outgoing Audit Committee

Committee Attendance 2017

Name	Mar	Apr
Bernard O'Hara	✓	✓
Gerard Mullaney	✓	✓
Willie O'Brien	✓	×
Martine Minogue	✓	✓

Incoming Audit & Risk

Committee (ARC) December 2017

Committee Attendance 2017

Name	Dec
Bernard O'Hara	✓
Gerry Finn	✓
Ian Barrett	✓
Kevin Moore	✓

Strategic Planning Subcommittee

Committee Attendance 2017

Name	Dec
Deirdre Garvey	✓
Noel Brett	✓
Gerry Finn	✓
Yvonne Shields	✓

CEO Recruitment Subcommittee

Committee Attendance 2017

Name	Sept	Oct
Deirdre Garvey	✓	✓
Henry McGarvey	✓	✓
Gerry Finn	✓	✓

Outgoing Fund Advisory Panel (FAP) Committee

Committee Attendance 2017

Name	Jan	June
Paddy McGuinness	✓	×
John Allen	✓	✓
Gerry Barry	×	×
John Dillon	✓	✓
Michael Frain	✓	✓
Bairbre Meehan	×	✓
Katie Sweeney	×	×

Incoming Fund Advisory Panel (FAP) Committee

Committee Attendance 2017

Name	Nov
Deirdre Garvey	✓
Auveen O'Neill	✓
Joann Hosey	×
John Dillon	✓
Michael Frain	✓
John Allen	✓

APPENDIX 4

Board Fees and Expenses 2017

Name	Fees (€)	Travel & Subsistence (€)
Mr. Paddy McGuinness**	1,265	2,016
Mr. Michael Frain**	3,055	163
Ms. Deirdre Garvey	0	0
Ms. Ann Higgins**	0	0
Mr. Eugene Lavin*	2,993	0
Mr. Gerard Mullaney*	2,993	358
Dr. Katie Sweeney**	0	0

* Up to June 2017

** Up to February 2017

Board Fees and Expenses August 2017 – December 2018

Name	Fees (€)	Travel & Subsistence (€)
Dr. Deirdre Garvey	0	890
Mr. Noel Brett	2212	285
Mr. Ian Barrett	2212	436
Prof Mary P. Corcoran	0	578
Mr. Gerry Finn	2212	465
John Kelleher	0	148
Mr. Christy Loftus	2,212	250
Ms. Auveen O'Neill	2,122	322
Mr. Henry McGarvey	0	726
Yvonne Shields	0	0

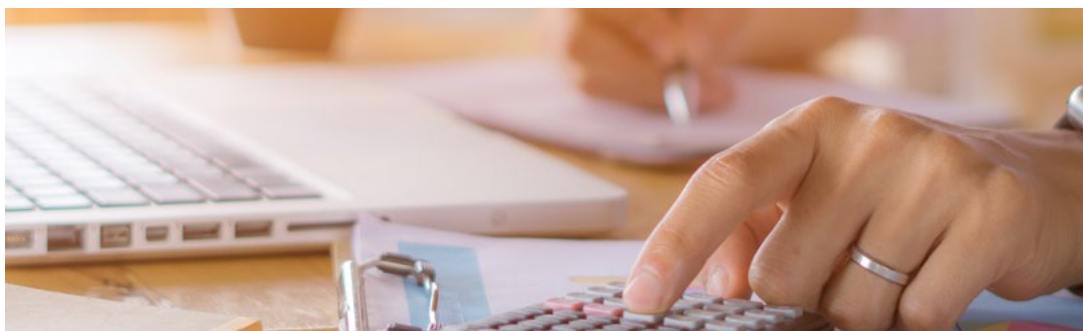
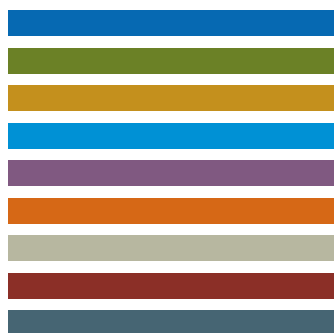
APPENDIX 5

CEO Salary and Expenses 2017

CEO Salary and Travel and Subsistence Expenses 2017		
CEO	Salary	Travel & Subsistence
Mr Ian Brannigan CEO (A)	€89,262	€12,467

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 2017



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WESTERN DEVELOPMENT COMMISSION INFORMATION

Board Members expired term 20th February 2017

Chairperson

Mr. Paddy McGuinness

Members

Mr. Michael Frain
Dr. Deirdre Garvey
Dr. Ann Higgins
Mr. Eugene Lavin
Mr. Gerard Mullaney
Dr. Katie Sweeney

Newly appointed Board Members 18th August 2017

Chairperson

Dr. Deirdre Garvey

Members

Mr. Noel Brett
Mr. Ian Barrett
Prof. Mary P. Corcoran
Mr. Gerry Finn
Mr. Micheal Frain
Mr. John Kelleher
Mr. Christy Loftus
Mr. Henry McGarvey
Ms. Auveen O'Neill
Ms. Yvonne Shields

Bankers

Bank of Ireland, Ballaghadereen, Co. Roscommon
Allied Irish Bank, Tuam Road, Galway

Auditors

The Comptroller and Auditor General, 3A Mayor Street Upper, Dublin 1

GOVERNANCE STATEMENT AND BOARD MEMBER'S REPORT 2017

Governance

The Board of the Western Development Commission (WDC) was established under the Western Development Commission Act, 1998 as set out in Section 9 of this Act. The Board is accountable to the Minister for Rural and Community Development and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of the WDC are the responsibility of the Chief Executive Officer (CEO) and the senior management team. The CEO and the senior management team must follow the broad strategic direction set by the Board, and must ensure that all Board members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The CEO acts as a direct liaison between the Board and management of the WDC.

Board Responsibilities

The work and responsibilities of the Board are set out in the WDC Act 1998. Standing items considered by the Board include:

- declaration of Interests
- reports from committees
- financial reports/management reports
- performance reports and
- reserved matters

Section 22(1) of the Western Development Commission Act 1998 requires the Board of the WDC to keep, in such form as may be approved by the Minister for Rural and Community Development with the consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the Board of the WDC 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 it is inappropriate to presume that it will continue in operation, and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Board is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with Section 22(1) of the Western Development Commission Act 1998. The maintenance and integrity of the corporate and financial information on the WDC's website is the responsibility of the Board.

The Board is responsible for approving the annual plan and budget. An evaluation of the performance of the WDC by reference to the annual plan and budget is carried out on a monthly and quarterly basis at Board meetings.

The Board is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board considers that the financial statements of the WDC give a true and fair view of the financial performance and the financial position of the WDC at 31st December 2017.

Board Structure

The WDC did not have a Board in place for 6 months in 2017 (from February to August 2017). This was due to the end of the 3 year term for that Board in February 2017.

The current Board consists of a Chairperson and 10 ordinary members, all of whom are appointed by the Minister for Rural and Community Development. The members of the Board were appointed for a period of 3 years commencing on 18th August 2017. The outgoing board met 3 times between January and February 2017 and the newly appointed board met 4 times between September 2017 and December 2017. The table below details the appointment period of previous and current

GOVERNANCE STATEMENT AND BOARD MEMBER'S REPORT 2017

members:

Up to February 2017

Board Member	Role	Date Appointed
Mr. Paddy McGuinness	Chairperson	21 February 2014
Dr. Katie Sweeney	Ordinary Member	21 February 2014
Mr. Micheal Frain	Ordinary Member	21 February 2014
Dr. Ann Higgins	Ordinary Member	21 February 2014
Dr. Deirdre Garvey	Ordinary Member	21 February 2014
Mr. Gerard Mullaney	Ordinary Member	23 June 2014
Mr. Eugene Lavin	Ordinary Member	23 June 2014

Appointed August 2017

Board Member	Role	Date Appointed
Dr. Deirdre Garvey	Chairperson	18th August 2017
Mr. Noel Brett	Ordinary Member	18th August 2017
Mr. Ian Barrett	Ordinary Member	18th August 2017
Ms. Auveen O'Neill	Ordinary Member	18th August 2017
Mr. Christy Loftus	Ordinary Member	18th August 2017
Prof. Mary P. Corcoran	Ordinary Member	18th August 2017
Mr. Gerry Finn	Ordinary Member	18th August 2017
Mr. Micheal Frain	Ordinary Member	18th August 2017
Mr. John Kelleher	Ordinary Member	18th August 2017
Mr. Henry McGarvey	Ordinary Member	18th August 2017
Ms. Yvonne Shields	Ordinary Member	18th August 2017

The Board will conduct an external Board Effectiveness and Evaluation Review on an annual basis commencing September 2018. There will be an external review every three years under the code of Practice for the Governance of State Bodies 2016.

The Board has established two committees as follows:

1. Audit and Risk Committee (ARC)

In accordance with the provisions of the Code of Practice for the Governance of State Bodies, the Board has established an Audit and Risk Committee (ARC) which meet the requirements of the code.

The ARC comprises two Board Members and two independent members. The Role of the ARC is to support the Board in relation to its responsibilities for issues of risk, control and governance and associated assurance. The ARC is independent from the financial management of the organisation. In particular the Committee ensures that the internal control system including audit activities are monitored actively and independently. The ARC reports to the Board after each meeting, and formally in writing annually.

The previous committee was known as the Audit Committee (AC) and the new Audit and Risk Committee (ARC) was appointed in October/November 2017. The AC met 2 times during 2017.

Members of the AC up to April 2017 were Micheal Morley (Chair) Willie O'Brien, Bernard O'Hara and Martina Minogue.

Members of the ARC are Bernard O'Hara (Chairman), Kevin Moore, Ian Barrett (Board Member) and Gerry Finn (Board Member). The ARC met once in December 2017 therefore, there were 3 meetings in total during 2017.

2. Fund Advisory Panel (FAP)

The Fund Advisory Panel (FAP) is an important element of the Western Development Commission's organisation structure. Its role is to:

- evaluate applications to the Western Investment Fund (WIF) and to recommend commercial profit driven investment decisions to the Board
- help promote the WIF and assist in the generation of quality deal-flow
- assist in the effective working of the WIF

GOVERNANCE STATEMENT AND BOARD MEMBER'S REPORT 2017

Members of the FAP at October 2017 were Paddy McGuinness, John Allen, Gerard Barry, John Dillon, Micheál Frain, Deirdre Garvey, Bairbre Meehan, Katie Sweeney and Martina Minogue.

Members of the newly appointed FAP at 31st December 2017 are Dr Deirdre Garvey (Chair & Board Member), John Allen (External), John Dillon (External), Joanne Hosey (External) Micheal Frain (Board Member) and Auveen O'Neill (Board Member).

Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Board and Committee Meetings for 2017 is set out below including the fees and expenses received by each member:

	Board	Audit & Risk Committee	Fund Advisory Panel	Fees 2017 €	Expenses 2017 €
Number of Meetings	7	3	3	-	-
Mr. Paddy McGuinness	3		1	1,265	2,016
Mr. Micheal Frain	7		1	3,055	163
Dr. Ann Higgins	2			0	0
Dr. Katie Sweeney	1			0	0
Dr. Deirdre Garvey	7		1	0	890
Mr. Eugene Lavin	3			2,992	0
Mr. Gerard Mullaney	3	3		2,992	359
Mr. Noel Brett	3			2,212	285
Mr. Ian Barrett	4	1		2,212	436
Ms. Auveen O'Neill	4		1	2,212	322
Mr. Christy Loftus	3			2,212	250
Prof. Mary P. Corcoran	3			0	578
Mr. Gerry Finn	3	1		2,212	465
Mr. John Kelleher	2			0	148
Mr. Henry McGarvey	4			0	726
Ms. Yvonne Shields	3			0	0
Mr. Bernard O'Hara		3		0	0
Mr. Willie O'Brien		2		0	290
Mr. Kevin Moore		1		0	0
Ms. Martina Minogue		1		0	146
Mr. John Allen			3	0	219
Mr. Gerry Barry				0	0
Mr. John Dillon			3	0	187
Ms. Bairbre Meehan			1	0	0
				21,364	7,480

There were 6 Directors who did not receive a Board Fee under the One Person One Salary (OPOS) principle. Dr. Ann Higgins, Dr. Katie Sweeney, Dr. Deirdre Garvey, Mr. John Kelleher, Mr. Henry McGarvey and Ms. Yvonne Shields.

GOVERNANCE STATEMENT AND BOARD MEMBER'S REPORT 2017

Key Personnel Changes

- The previous Board term ceased on 21st February and 22nd June 2017.
- Two Board members term ceased on the 22nd June 2017, (Mr Gerard Mullaney and Mr Eugene Lavin)
- A new Board was appointed on 18th August 2017
- Head of Corporate Resources was appointed 6th July 2017
- Finance Officer was appointed 6th July 2017
- Chief Executive Officer appointed 24th September 2018

Disclosures required by the Code of Practice for the Governance of State Bodies (2016)

The Board is responsible for ensuring that the WDC has complied with the requirements of the Code of Practice for the Governance of State Bodies ("the Code"), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code:

Employee Short-Term Benefits Breakdown

Employees short-term benefits in excess of €60,000 are categorised in the following bands:

Range		Number of Employees	
From	To	2017	2016
€60,000 - €69,000		1	1
€70,000 - €79,000		0	0
€80,000 - €89,000		2	2
€90,000 - €99,000		0	0

Consultancy Costs

Consultancy costs include the cost of external advice to management and exclude outsourced 'business-as-usual' functions.

	2017 €	2016 €
Legal Advice	6,940	11,721
Financial/actuarial advice	427	2,438
Public Relations/marketing	37,326	13,008
Human Resources	34,345	5,247
Total Consultancy Costs	79,038	32,414

Legal Costs and Settlements

There were no Legal or Settlement costs incurred by the WDC in 2017.

Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

	2017 €	2016 €
Domestic		
- Board	7,479	2,344
- Employees	65,010	67,074
International		
- Board	0	0
- Employees	4,542	2,356
Total	77,031	71,774

Hospitality Expenditure

The WDC did not incur any Hospitality expenditure in 2016 or 2017.

GOVERNANCE STATEMENT AND BOARD MEMBER'S REPORT 2017

Statement of Compliance

Western Development Commission (WDC) has complied with the requirements of the Code of Practice for the Governance of State Bodies, as published by the Department of Public Expenditure and Reform in August 2016, with the following exceptions: The WDC did not have a Board in place for 6 months of 2017 (from February until August 2017).

The WDC did not have an ARC in place from April until September 2017 (6 months) therefore only 3 out of the required 4 ARC meetings have taken place in 2017. Due to the absence of a Board no Chairperson could be appointed to the ARC.

Furthermore, the terms of reference of the fund advisory committee (FAP) are such that the FAP is appointed until the date of the first meeting of the next WDC Board, however due to no Board member holding office from June 2017 no FAP meetings took place from June 2017 until November 2017 as the requirements for a quorum is four members of the FAP with at least one Board member present.

Due to the absence of the Board of Directors and the ARC for a period in 2017, the executive took ownership of governance for the WDC. During this time the monitoring and control of the governance framework continued with both internal and external audits conducted to ensure adequacy of controls.

On the appointment of the Board in August 2017, priority was given to governance and risk management review and monitoring. This was undertaken by approval of the ARC and FAP as was the recruitment process for a permanent CEO. Governance training was also provided for both the Board and ARC.

Chairperson:



Dr Deirdre Garvey

REPORT OF THE COMPTROLLER & AUDITOR GENERAL



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas Western Development Commission

Opinion on financial statements

I have audited the financial statements of the Western Development Commission for the year ending 31 December 2017 as required under the provisions of section 22 of the Western Development Commission Act 1998. The financial statements comprise

- the statement of income and expenditure and retained reserves
- the statement of comprehensive income
- the statement of financial position
- the statement of cash flows and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Western Development Commission at 31 December 2017 and of its income and expenditure for 2017 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion


I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Western Development Commission and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on information other than the financial statements, and on other matters

The Western Development Commission has presented certain other information together with the financial statements. This comprises the governance statement and Board members' report and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.


Patricia Sheehan
For and on behalf of the
Comptroller and Auditor General
22 November 2018

STATEMENT ON INTERNAL CONTROL 2017

On behalf of the Western Development Commission (WDC) I acknowledge the Board's responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform, has been in place in the WDC for the year ended 31st December 2017 and up to the date of approval of the financial statements.

Capacity to Handle Risk

The WDC has an Audit and Risk Committee (ARC) comprising two Board Members and two external members, with financial and audit expertise, one of whom is the Chair.

The previous committee was known as the Audit Committee (AC) and the new Audit and Risk Committee (ARC) was appointed in October/November 2017. The AC met 2 times during 2017.

The ARC met once in December 2017 therefore, there were 3 meetings in total during 2017.

The WDC also has an internal audit function that conducts an Internal Audit Workplan in agreement with the ARC.

The ARC approved a risk management policy which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. The Policy has been issued to all staff who are expected to work within the WDC risk management policies, to alert management on

emerging risks and control weaknesses and assume responsibility for risk and controls within their own work area.

Risk and Control Framework

The WDC has a risk management process which enables the identification and assessment of risks, that could impact business performance and objectives and ensures that appropriate mitigation plans are formulated to minimise the residual risk

A Risk Register is in place which identifies the key risks facing the WDC and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the ARC on a periodic basis.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff. I confirm that a control environment containing the following elements is in place:

- Procedures for all key business processes have been documented
- Financial responsibilities have been assigned at management level with corresponding accountability
- There is an appropriate budgeting system with an annual budget which is kept under review by senior management,
- There are systems aimed at enduring the security of the information and communication technology systems,
- There are systems in place to safeguard the assets, and
- Control procedures over funding to outside agencies ensure adequate control over approval of funds and monitoring and review of grantees to ensure funds have been applied for the purpose intended.

STATEMENT ON INTERNAL CONTROL 2017

Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Board, where relevant, in a timely way. Matter's arising in 2017 regarding monitoring and review of the risk management system are highlighted within internal control issues below.

I confirm that the following ongoing monitoring systems are in place;

- Key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies,
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned, and
- There are regular reviews by senior management of periodic and annual performance and financial reports which indicate performance against budgets/forecasts.

Procurement

I confirm that the WDC has procedures in place to ensure compliance with current procurement rules and guidelines and that during 2017 the WDC complied with those procedures.

Review of Effectiveness

I confirm that the WDC has procedures to monitor the effectiveness of its risk management and control procedures. The WDC's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors, the ARC which oversees their work and the senior management within the WDC responsible for the development and maintenance of the internal financial control framework.

I confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2017.

Internal Control Issues

The WDC did not have a Board in place for 6 months of 2017 (from February until August 2017).

The WDC did not have an Audit and Risk Committee (ARC) in place from April until September 2017 (6 months) therefore only 3 out of the required 4 AC/ARC meetings have taken place in 2017. Due to the absence of a Board no Chairperson could be appointed to the ARC until October 2017

Furthermore, the Terms of Reference of the Fund Advisory Committee (FAP) are such that the FAP is appointed until the date of the first meeting of the next WDC Board, however due to no Board member holding office from June 2017 no FAP meetings took place from June 2017 until November 2017 as the requirements for a quorum is four members of the FAP with at least one Board member present.

From 2016 the WDC informed the parent department and worked with them to mitigate against the possible impact of a delay on appointing a WDC Board and Chair post February 2017. The Executive and management team continued to monitor and review the internal controls to ensure WDC was compliant with the Code of Practice for the Governance of State Bodies 2016. After the appointment of the ARC committee a review and update of the Risk policy and the Risk register were a priority to ensure compliance with the governance framework which was approved by the Board.

Signed on behalf of the Board:



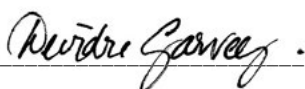
Chairperson: Dr. Deirdre Garvey

STATEMENT OF INCOME AND EXPENDITURE AND RETAINED RESERVES FOR THE YEAR ENDED 31 DECEMBER 2017

		2017	2017	2017	2017	2016
		€	€	€	€	€
	Note	Western Development Commission	Western Investment Fund	EU Grants Funding	Total	Total
Income						
Oireachtas Grant	2	1,374,820	0	0	1,374,820	1,602,193
EU Grants	3	0	0	826,658	826,658	288,727
Other income	4	11,413	0	0	11,413	0
Transfer to EU Grants Funding		0	0	0	0	0
Investment income	5	0	195,682	0	195,682	589,121
Net Deferred Funding for Pensions	15	260,000	0	0	260,000	192,000
Total Income		1,646,233	195,682	826,658	2,668,573	2,672,041
Expenditure						
Operating Costs	6A/B	(1,792,867)	0	(864,039)	(2,656,906)	(1,744,609)
Operating surplus/(Deficit) for the year		(146,634)	195,682	(37,381)	11,667	927,432
Increase/(Decrease) in value of financial assets	7	0	(753,847)	0	(753,847)	11,586,809
Surplus for the year before appropriations		(146,634)	(558,165)	(37,381)	(742,180)	12,514,241
Transfer from (to) capital account		583	0	0	583	(5,884)
Surplus for the year after appropriations		(146,051)	(558,165)	(37,381)	(741,597)	12,508,357
Reserves at 1 January		840,340	37,812,812	121,421	38,774,573	26,266,216
Reserves at 31 December		694,289	37,254,647	84,040	38,032,976	38,774,573

The statement of cash flows and the notes 1 to 18 form part of these financial statements.

Dr Deirdre Garvey:
Chairperson



Date: 9/11/2018

Tomás Ó Síocháin
CEO



Date: 9/11/2018

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST DECEMBER 2017

	2017 €	2016 €
Surplus/(Deficit) for the year	(741,597)	12,508,357
Experience gains/(losses) arising on the scheme liabilities	(835,000)	138,000
Losses arising due to changes in assumptions	0	(394,000)
Actuarial gains/(losses) on pension liabilities	(835,000)	(256,000)
Adjustment to deferred pension funding	835,000	256,000
Total recognised gains/(losses) for the year	(741,597)	12,508,357

The statement of cash flows and the notes 1 to 18 form part of these financial statements.

Dr Deirdre Garvey: 
Chairperson

Date: 9/11/2018

Tomás Ó Síocháin: 
CEO

Date: 9/11/2018

STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER 2017

	Notes	2017 €	2016 €
Fixed Assets			
Property, Plant and Equipment	9	17,430	18,013
Financial Assets	10	37,254,647	37,812,812
		<u>37,272,077</u>	<u>37,830,825</u>
Current Assets			
Cash and Cash Equivalents		634,811	811,603
Receivables	11	<u>296,838</u>	<u>288,772</u>
		931,649	1,100,375
Current Liabilities			
Payables	12	<u>(153,320)</u>	<u>(138,614)</u>
Net Current Assets		778,329	961,761
Total Assets Less Current Liabilities before pensions		<u>30,050,406</u>	<u>38,792,586</u>
Deferred Pension funding		(5,120,000)	(4,025,000)
Pension liabilities		(4,025,000)	(3,577,000)
Total Assets Less Current Liabilities		<u>30,050,406</u>	<u>38,792,586</u>
Representing			
Investment Fund	10	37,254,647	37,812,812
EU Grants/NPP		84,040	121,421
Retained Revenue Reserves		694,289	840,340
Capital Account	13	17,430	18,013
		<u>38,050,406</u>	<u>38,792,586</u>

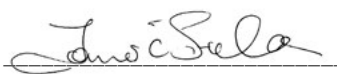
The statement of cash flows and the notes 1 to 18 form part of these financial statements.

Dr. Deirdre Garvey:
Chairperson



Date: 9/11/2018

Tomás Ó Síocháin
CEO



Date: 9/11/2018

STATEMENT OF CASH FLOWS

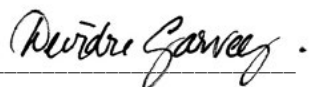
FOR THE YEAR ENDED 31ST DECEMBER 2017

Reconciliation of Surplus/(Deficit) to Cashflow from Operating Activities

	2017	2017	2017	2017	2016
	€	€	€	€	€
	<i>Western Development Commission</i>	<i>Western Investment Fund</i>	<i>EU Grants Funding</i>	<i>Total</i>	<i>Total</i>
Excess income over expenditure	(146,051)	195,682	(37,381)	12,250	921,548
Depreciation and impairment of fixed assets	16,830	0	0	16,830	11,919
Transfer to capital account	(583)	0	0	(583)	5,884
Transfer to/(from) NPP	0	0	0	0	0
Bank interest	0	2,745	0	2,745	(1,160)
Dividends	0	0	0	0	(260,051)
(Increase)/Decrease in Receivables	(8,066)	0	0	(8,066)	(157,125)
Increase/(Decrease) in Payables	14,706	0	0	14,706	(17,831)
Cash (Inflow)/Outflow from Operating Activities	(123,164)	198,427	(37,381)	37,882	503,184
Net Cash Flows from Investing Activities					
Payments to acquire PPE	(16,247)	0	0	(16,247)	(17,803)
Payments to acquire equity	0	(397,086)	0	(397,086)	(1,835,545)
Payments to acquire debt instruments	0	(142,000)	0	(142,000)	(422,500)
Receipts from debt instruments	0	1,491,646	0	1,491,646	602,957
Receipts from equity	0	14,969,219	0	14,969,219	73,181
Net Cash Inflow from Investing Activities	(16,247)	15,921,779	0	15,905,532	(1,599,710)
Net Cash Flows from Financing Activities					
Bank interest received	0	(2,745)	0	(2,745)	1,160
Dividends received	0	0	0	0	260,051
Transfer to EU Grants Funding	0	0	0	0	0
Net Cash Inflow from Financing Activities	0	(2,745)	0	(2,745)	261,211
Net Increase/(Decrease) in Cash and Cash Equivalents	(139,411)	16,117,461	(37,381)	15,940,669	(835,315)
Cash and Cash Equivalents at 1 January	516,420	5,569,102	295,183	6,380,705	7,216,020
Cash and Cash Equivalents at 31 December	377,009	21,686,563	257,802	22,321,374	6,380,705

Cash and Cash equivalents at year end are split between Cash held for reinvestment and ordinary bank balances.

Dr. Deirdre Garvey:
Chairperson



Tomás Ó Síocháin
CEO



NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

The basis of accounting and significant accounting policies adopted by the Western Development Commission are set out below. They have all been applied consistently throughout the year and for the preceding year.

a) General information

The Western Development Commission was set up under the Western Development Commission Act 1998, with a head office at Dillon House, Ballaghaderreen, Co. Roscommon.

The Western Development Commission's primary objective as set out in part 8 of the Western Development Commission Act is to promote, and procure the promotion of, and assist in, foster and encourage economic and social development in the Western Region.

The Western Development Commission is a public entity.

b) Statement of compliance

The financial statements of the Western Development Commission for the year ended 31 December 2017 have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland.

c) Basis of preparation

The financial statements have been prepared under the historical cost convention, except for certain assets and liabilities that are measured at fair values as explained in the accounting policies below. The financial statements are in the form approved by the Minister for the Department of Rural and Community Development, with the concurrence of the Minister for Finance under the Western Development Commission Act 1998. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Western Development Commission's financial statements.

The WDC does not recognise the value of the equity investments, as it does not exercise control over the entities.

d) Revenue

Oireachtas grants

Revenue is generally recognised on an accruals basis; one exception to this is in the case of Oireachtas Grants which are recognised on a cash receipts basis.

Investment Income

Investment income is recognised in the Statement of Income and Expenditure and Retained Reserves account on an accruals basis. Interest on loans is calculated on a reducing balance basis and is recognised over the period of the agreement. Dividend income from ordinary shares is recognised on an accruals basis when the dividend is declared. Dividend income from preference shares is set out in legal agreements, and paid when the companies have sufficient distributable reserves. It is recognised as income when The Western Development Commission's right to receive payment has been established.

Arrangement and Management Fees

Fees received are recognised in the Western Investment Fund. All overheads relating to the operation of the Western Investment Fund are charged to the Statement of Income and Expenditure and Retained Reserves of the Commission.

Recognition of Gains and Losses on Investments and Loans

Gains and losses realised as a result of the sale of investments, or the write off of equity investments or loans are recognised in the Statement of Income and Expenditure and Retained Reserves account when they occur.

NOTES TO THE FINANCIAL STATEMENTS (Contd)

Unrealised gains and losses resulting from changes in the valuation of investments and loans are recognised as follows. Where the Western Development Commission 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.

Impairment write-offs are recognised in the Income and Expenditure account under the heading 'Return on Investment Fund and Exit Gains.'

Other revenue is recognised on an accruals basis.

e) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation, adjusted for any provision for impairment. Depreciation is provided on all property, plant and equipment at rates estimated to write off the cost of each asset on a straight-line basis over their estimated useful lives, as follows:

- | | |
|---------------------------|---------------|
| (i) Fixtures and Fittings | 15% per annum |
| (ii) Computers | 33% per annum |

f) Financial Assets

Concessionary Loans

In accordance with Section 34 of FRS 102, the Western Development Commission grants public benefit entity concessionary loans i.e. loans which are granted for the purpose of furthering the objectives of the WDC, are not repayable on demand and are granted at below the prevailing market rate of interest. Loans are initially recognised in the Statement of Financial Position at the amount paid, subsequently the carrying amount in the financial statements shall be adjusted to reflect any accrued interest payable or receivable. Repayable loans are reviewed annually for indications of impairment and any impairment losses are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

Unquoted 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.

Fee Income and Cash Balances

In addition to equity investments, loans and fee income, the Western Development fund also comprises of a cash balance to fund future investments.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when WDC transfers to another party substantially all the risks and rewards of ownership of the financial asset, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

In the case of a sale of equity investments, any amounts held in escrow are not recognised in the SOFP but instead they are recognised when received.

In the case of loans, loans are derecognised, when the right to receive cash flows from the loans has expired, usually when all amounts outstanding have been repaid by the entity. WDC does not transfer loans to third parties for recovery.

NOTES TO THE FINANCIAL STATEMENTS (Contd)

g) Receivables

Receivables are recognised at fair value, less a provision for doubtful debts. The provision for doubtful debts is a specific provision, and is established when there is objective evidence that the Western Development Commission will not be able to collect all amounts owed to it. All movements in the provision for doubtful debts are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

h) Northern Periphery Programme

The Northern Periphery Programme (NPP) is an EU regional development fund programme under the Interreg strand. The Western Development Commission have engaged with the NPP on a range of approved regional development projects starting in 2009 and continuing at the present time (This support has included Bioenergy projects such as the RASLRES and BioPAD and creative economy projects such as Creative EDGE and Creative momentum).

The NPP is funded 60-65% by the European Union (EU) and 35-40% by the Western Development Commission. The claims are made directly by the Western Development Commission 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 Western Development Commission is subject to periodic auditing by the EU.

Income is recognised on an accounts receivable basis. Income due in respect of expenditure incurred, but where the related claim has not been submitted is included as accrued income.

i) Employee Benefits

Short-term Benefits

Short term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year-end are included in the Payables figure in the Statement of Financial Position.

Retirement Benefits

The Western Development Commission previously established its own defined benefit pension scheme, funded annually on a pay-as-you-go basis from monies provided by the Department of Rural and Community Development and from contributions deducted from staff and members' salaries. The Western Development Commission also operates the Single Public Services Pension Scheme ("Single Scheme"), which is a defined benefit scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme members' contributions are paid over to the Department of Public Expenditure and Reform (DPER).

Pension costs reflect pension benefits earned by employees, and are shown net of staff pension contributions which are remitted to the Department of Rural and Community Development. An amount corresponding to the pension charge is recognised as income to the extent that it is recoverable, and offset by grants received in the year to discharge pension payments.

Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income, and a corresponding adjustment is recognised in the amount recoverable from the Department of Rural and Community Development.

The financial statements reflect, at fair value, the assets and liabilities arising from the Western Development Commission's pension obligations and any related funding, and recognises the costs of providing pension benefits in the accounting periods in which they are earned by employees. Retirement benefit scheme liabilities are measured on an actuarial basis using the projected unit credit method.

NOTES TO THE FINANCIAL STATEMENTS (Contd)

j) Critical Accounting Judgements and Estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

Non-Traded Financial Assets

The value of financial assets that are not traded in active markets is determined by using valuation techniques. The Western Development Commission exercises judgement in selecting a variety of methods and makes assumptions that are mainly based on observable data and conditions existing at each reporting date.

Impairment of loans

The Western Development Commission carries out a full and thorough review of its entire loan portfolio at each reporting date to determine if there is objective evidence that any of its loans are impaired. Loans are assessed on a loan by loan basis. A provision is made on loans where there is significant and real doubt as to the collectability of the amount outstanding. In addition, if, during the year, there is objective evidence that any individual loan is impaired, a specific loss will be recognised.

Retirement Benefit Obligation

The assumptions underlying the actuarial valuations for which the amounts recognised in the financial statements are determined (including discount rates, rates of increase in future compensation levels, mortality rates and healthcare cost trend rates) are updated annually based on current economic conditions, and for any relevant changes to the terms and conditions of the pension and post-retirement plans.

The assumptions can be affected by:

- (i) the discount rate, changes in the rate of return on high-quality corporate bonds
- (ii) future compensation levels, future labour market conditions

NOTES TO THE FINANCIAL STATEMENTS (Contd)

2. Oireachtas Grants

	2017	2017	2016	2016
Notes	€	€	€	€
Department of Environment, Community and Local Government (Vote 33 Subhead E.5)	1,411,812		1,639,185	
Employee Pension Contributions	(36,992)		(36,992)	
Operating Grant*		1,374,820		1,602,193

* Included in income for the year 2016 is an amount of €200,000 received by the Western Development Commission on the 23rd December 2016 in relation to Brexit Conference in 2017. The Department notified the Western Development Commission on the 6th January 2017.

3. EU Income

	2017	2017	2016	2016
Notes	€	€	€	€
EU income		826,658		288,727

The Northern Periphery Programme is an EU regional development fund programme under the Interreg strand. The NPP is funded 60% by the EU and 40% by the WDC.

4. Other Income

	2017	2017	2016	2016
Notes	€	€	€	€
Other Income		11,413		0
		11,413		0

5. Investment Income

	2017	2017	2016	2016
Notes	€	€	€	€
Loan interest received		187,565		301,248
Dividends on investment		0		264,739
Deposit interest received		(2,745)		2,620
Arrangement fees		10,862		20,514
		195,682		589,121

NOTES TO THE FINANCIAL STATEMENTS (Contd)

6a. Operating Costs

– The Western Development Commission

		2017	2016
	Notes	€	€
Salaries (including employers PRSI)		800,626	707,836
Travel and Subsistence - Staff		69,522	69,430
Pension Costs	15A	261,008	203,008
Training & Development		19,777	20,246
Public Relations (incorporating Look West campaign)		10,000	2,345
Professional Fees (incorporating Look West campaign)		168,493	86,116
Professional Fees -Western Investment Fund		66,731	36,181
Staff Recruitment		34,925	5,247
Board Members			
Travel and Subsistence		6,638	2,344
Fees		21,364	31,422
Meetings & Seminars		25,602	14,663
Board Sub-committee's / Advisory Panels			
Travel and Subsistence		842	3,873
Printing & Design		15,110	12,865
Office Expenses		32,854	40,928
Light and Heat		5,485	5,125
Repairs and Maintenance		9,884	8,369
Insurance		10,171	6,467
Audit Fee		12,000	14,000
Accountancy and Internal Audit		30,447	25,518
Advertising, Marketing & Subscriptions		154,427	121,406
(incorporating Look West campaign)			
Yeats 2015		0	7,726
Telecommunications		18,635	21,712
Depreciation	9	16,830	11,919
Sundry		1,496	523
		1,792,867	1,459,269

Wages & Salaries relating to EU Grants/NPP are shown under expenditure for EU Grants/NPP.

NOTES TO THE FINANCIAL STATEMENTS (Contd)

6b. Operating Costs

– Northern Periphery Programme (NPP)

	2017	2016
	€	€
Salaries (including employers' PRSI)	126,702	119,968
Travelling and Subsistence - Staff	43,434	41,816
Professional Fees	87,198	60,243
Staff Recruitment	2,952	0
Meetings and Conferences	1,313	12,864
Printing	763	3,665
Promotion and Publications	14,098	3,812
Office expenses	10,563	3,663
Regional Approaches to Stimulating Local Renewable Energy Solutions, EU partner payments	577,016	39,309
	864,039	285,340

Wages & salaries for staff working on EU projects are charged to the financial statements under EU /NPP Expenditure.

6c. Key Management personnel

Key management personnel in Western Development Commission consist of the CEO and members of the Board of Directors. Total compensation paid to key management personnel, including Board members' fees and expenses and total CEO remuneration, amounted to €130,574, (2016: €130,640).

6d. Staff Costs

	2017	2016
	€	€
Salaries (including employers' PRSI)	868,608	827,804
Temporary Support Staff (Professional Services)	29,360	0
	897,968	827,804

2017 19 Full time equivalent (FTE) = 17.8

2016 16 Full time equivalent (FTE) = 14.8

NOTES TO THE FINANCIAL STATEMENTS (Contd)

6e. CEO Salary

	2017	2017	2016	2016
	€	€	€	€
	Fees	Travel & Subsistence	Fees	Travel & Subsistence
Mr Ian Brannigan Acting CEO & Head of Regional Development) 16th January 2014	89,262	12,467	84,043	12,831

The CEO's salary scale is set at the level of Principal Officer in the Civil Service. The Western Development Commission does not operate a performance related award scheme. No bonuses payments were made to the CEO's. Ian Brannigan is a normal member of the Western Development Commission superannuation scheme and his pension entitlements do not extend beyond the standard entitlements in the public sector defined benefit superannuation scheme.

6f. Pension Levy

In 2017, €33,099 was deducted from staff by way of pension levy (2016: €35,747) and was paid over to the Department of Rural and Community Development.

7. Change in value of financial assets

	2017	2016
	€	€
Change in provision against loans	(169,243)	3,824
Increase/(Decrease) to value of equity	(584,604)	11,582,985
Increase/(Decrease) in value of financial assets	<u>(753,847)</u>	<u>11,586,809</u>

8. 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. The building is provided rent-free and no provision is included in the accounts for rent.

9. Fixed Assets

	2017	2016
	€	€
Cost/Valuation At 1 January	185,008	167,205
Additions in Year	16,247	17,803
Disposals	0	0
Balance at 31 December	<u>201,255</u>	<u>185,008</u>
Accumulated Depreciation	166,995	155,076
Charge for period	16,830	11,919
Disposals	0	0
Balance at 31 December	<u>183,825</u>	<u>166,995</u>
Net Book Value at 31 December	<u>17,430</u>	<u>18,013</u>

Fixed Assets is comprised of Fixtures and Fittings NBV €1,216, (2016: €1,719) and Computer Equipment NBV €16,213, (2016: €16,294).

NOTES TO THE FINANCIAL STATEMENTS (Contd)

10. Financial Assets

		2017	2016
		€	€
Equity Investments at fair value	10a	6,376,286	20,658,213
Equity Investments at cost	10a	5,808,180	6,682,992
Loans	10b	3,383,617	4,902,506
Fee income	10c	320,898	310,034
Cash balance available for reinvestment	10d	21,365,666	5,259,067
		<u>37,254,647</u>	<u>37,812,812</u>

10a. Unquoted Equity Investments

	2017	2016
	€	€
Cost		
Opening Value at 1 January	11,019,584	10,522,219
Additions	397,086	1,835,545
Cost of Disposals	(3,706,362)	(73,181)
Write offs	(1,048,006)	(1,264,999)
Cost at 31 December	<u>6,662,302</u>	<u>11,019,584</u>
Revaluation		
Opening Balance at 1 January	20,450,676	8,690,192
Reversal on Sale	(11,262,857)	0
Movement in Revaluations	244,063	11,760,484
Balance at 31 December	<u>9,431,882</u>	<u>20,450,676</u>
Provision for diminution		
Opening Balance at 1 January	(4,129,056)	(5,216,556)
Reversal on Sale	219,338	1,087,500
	<u>(3,909,718)</u>	<u>(4,129,056)</u>
Valuation at 31 December	<u>12,184,466</u>	<u>27,341,204</u>

10b. Loans

	2017	2016
	€	€
Cost		
Opening Value at 1 January	5,831,162	6,868,619
Additions	142,000	422,500
Loan Repayments	(1,491,646)	(602,957)
Write offs	0	(857,000)
Cost at 31 December	<u>4,481,516</u>	<u>5,831,162</u>
Provision for Diminution in Value/ Revaluations		
Opening Balance at 1 January	(928,656)	(1,789,480)
Movement in Provision/ Revaluations	(169,243)	860,824
Balance at 31 December	<u>(1,097,899)</u>	<u>(928,656)</u>
Valuation at 31 December	<u>3,383,617</u>	<u>4,902,506</u>
Receivable within 12 months	789,519	1,491,646
Receivable after 12 months	3,691,997	4,339,516

10c. Fee Income

	2017	2016
	€	€
Fee income at 1 January	310,034	289,522
Fee income in the period	10,864	20,512
Utilised in the period		
Balance 31 December	<u>320,898</u>	<u>310,034</u>

NOTES TO THE FINANCIAL STATEMENTS (Contd)

10d. Cash balances available for reinvestment

	2017	2016
	€	€
Cash balances at 1 January	5,259,067	6,272,367
Equity disposals/loan repayments in the period	16,460,865	676,138
Amounts reinvested in equity/loans in period	(354,266)	(1,689,438)
Cash balances at 31 December	21,365,666	5,259,067
Amounts reinvested in equity/loans in period		
Loan interest	187,565	301,248
Dividends	0	264,739
Deposit int rec/(charged)	(2,745)	2,620
Investment - equity additions	(397,086)	(1,835,545)
Investment - loan additions	(142,000)	(422,500)
	(354,266)	(1,689,438)

Funds in the amount of USD\$1,739,492/(€1,450,786) and €50,378 (2016 - €138,963m) re disposal of investments were held by third parties in escrow on WDC's behalf at the reporting date. In accordance with WDC's accounting policy, these fund will be recognised when WDC receives the funds.

11. Receivables

	2017	2016
	€	€
Debtors	8,000	0
Prepayments	18,328	7,815
EU Grants/NPP Grants Receivable	270,510	280,957
	296,838	288,772

12. Payables

	2017	2016
	€	€
Creditors & Accruals	153,320	138,614
Deferred Income	0	0
	153,320	138,614

13. Capital Account

	2017	2017	2016	2016
	€	€	€	€
Balance at 1 January		18,013		12,129
Transfer to Income and Expenditure Account:				
- Funds allocated to acquire Fixed Assets	16,247		17,803	
- Amount released on disposal	0		0	
- Amount amortised in line with asset depreciation	(16,830)		(11,919)	
		(583)		5,884
		17,430		18,013

NOTES TO THE FINANCIAL STATEMENTS (Contd)

14. Future Commitments - WIF

	2017	2016
	€	€
Opening Commitments	3,728,405	2,403,804
Approvals	3,170,500	4,831,050
De-commitments	(2,300,000)	(1,248,404)
Disbursals	(397,086)	(2,258,045)
Closing Commitments	<u>4,201,819</u>	<u>3,728,405</u>

15. Retirement Benefit Costs

a) Analysis of total retirement benefit costs charged to the Statement of Income and Expenditure and Retained Revenue Reserves

	2017	2016
	€	€
Current service costs	220,000	150,000
Interest on retirement benefit scheme liabilities	78,000	90,000
Employee contributions	(36,992)	(36,992)
	<u>261,008</u>	<u>203,008</u>

b) Movement in net retirement benefit obligations during the financial year

	2017	2016
	€	€
Net retirement benefit obligation at 1 January	(4,025,000)	(3,577,000)
Current service costs	(220,000)	(150,000)
Interest costs	(78,000)	(90,000)
Actuarial gain/(loss)	(835,000)	(256,000)
Pensions paid in the year	38,000	48,000
Net retirement benefit obligation at 31 December	<u>(5,120,000)</u>	<u>(4,025,000)</u>

c) Deferred funding for retirement benefits

The Commission recognises these amounts as an asset corresponding to the unfunded deferred liability for retirement benefits on the basis of the set of assumptions described above and a number of past events. These events include the statutory basis for the establishment of the retirement benefit scheme, and the policy and practice currently in place in relation to funding public service pensions including contributions by employees and the annual estimates process.

The Commission has no evidence that this funding policy will not continue to meet such sums in accordance with current practice.

The net deferred funding for retirement benefits recognised in the Statement of Income and Expenditure and Retained Revenue Reserves was as follows:

	2017	2016
	€	€
Funding recoverable in respect of current year retirement benefit costs	298,000	240,000
State grant applied to pay retirement benefits	(38,000)	(48,000)
	<u>260,000</u>	<u>192,000</u>

The deferred funding asset for retirement benefits at 31st December 2017 amounts to €5.120M (2016: €4.025m).

NOTES TO THE FINANCIAL STATEMENTS (Contd)

d) History of defined benefit obligations

	2017	2016	2015	2014
	€	€	€	€
Defined benefit obligations	5,120,000	4,025,000	3,577,000	2,300,000
Experience losses(gains) on defined benefit scheme liabilities	835,000	(138,000)	(100,000)	(147,000)
Percentage of plan liabilities	-16.3%	3.4%	2.8%	6.0%

e) General description of the scheme

The Western Development Commission operates an unfunded defined benefit superannuation scheme for staff. Superannuation entitlements arising under the Scheme are paid out of current income and are charged to the Statement of Income and Expenditure and Retained Revenue Reserves, net of employee superannuation contributions, in the year in which they become payable.

The Scheme is a defined benefit final salary pension arrangement with benefits and contributions defined by reference to current "model" public sector scheme regulations. The Scheme provides a pension (eightieths per year of service), a gratuity or lump sum (three eightieths per year of service) and spouse's and children's pensions. Normal Retirement Age is a member's 65th birthday, and pre 2004 members have an entitlement to retire without actuarial reduction from age 60. Pensions in payment (and deferment) increase on a discretionary basis in line with general salary inflation.

With effect from 1 January 2013, new entrants become members of the Single Public Service Pension Scheme. This provides career-average revalued earnings related benefits revalued in line with increases in the Consumer Price Index. The Scheme's minimum retirement age will be linked to the State Pension age.

The results set out below are based on an actuarial valuation of the liabilities in respect of the serving, retired and deferred staff of the Commission as at 31 December 2017.

This valuation was carried out by a qualified independent actuary for the purposes of the accounting standard, Financial Reporting Standard No. 102 – Retirement Benefits (FRS 102).

The main financial assumptions used were:

	2017	2016
	€	€
Rate of increase in salaries	2.50%	2.50%
Rate of increase in retirement benefits in payment	2.50%	2.50%
Discount rate	1.85%	1.85%
Inflation rate	1.75%	1.75%
Average future life expectancy	2017	2037
	€	€
Male aged 65	21.2 years	23.7 years
Female aged 65	23.7 years	25.8 years

16. Related Party Disclosures

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 2017.

NOTES TO THE FINANCIAL STATEMENTS (Contd)

17. Events after the Reporting Date

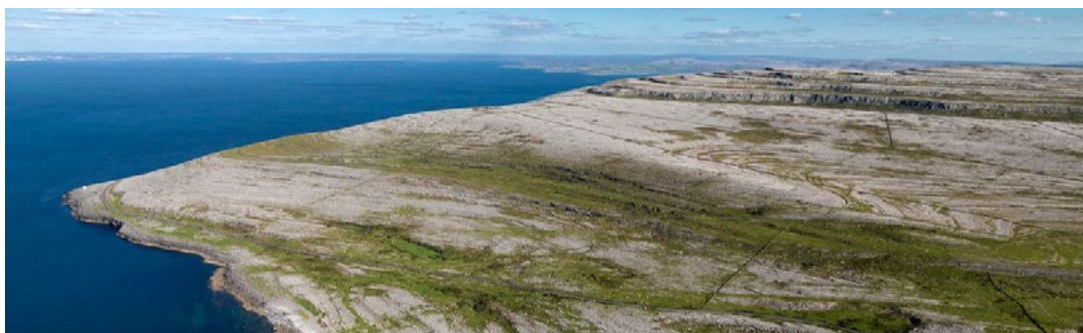
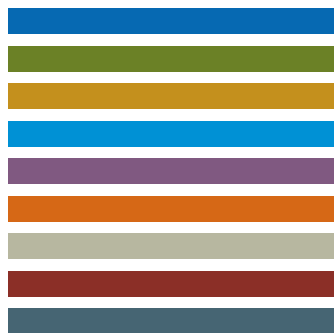
In 2018 a staff member brought a case to the Workplace Relations Commission (WRC).

There was an adjudication meeting held on the 8th August 2018.

To date there has been no outcome from this meeting.

18. Approval of financial statements

The board of directors approved these Financial Statements for issue on 9/11/2018



ABBREVIATIONS



ABBREVIATIONS

AEC	Atlantic Economic Corridor
ARC	Audit and Risk Committee
CER	Commission for Energy Regulation
COFORD	Programme of Competitive Forestry Research for Development
CRU	Commission for Regulation of Utilities
CSO	Central Statistics Office
DACS	Digital Array Control System
ELTI	European Literacy Tourism Initiative
FAP	Fun Advisory Panel
FREED	Funding Resources for innovation in Energy Enterprise Development
GMIT	Galway Mayo Institute of Technology
GREBE	Generating Renewable Energy Business Enterprise
IDA	Industrial Development Authority
IEA	Irish Exporters Association
KTC	Karen Thompson Consulting
LCDC	Local Community Development Committee
LECo	Local Energy Communities
LW	LookWest.ie
NPA	Northern Periphery and Artic
NPF	National Planning Framework
NWRA	Northern Western and Regional Assembly
OECD	Organisation for Economic Co-operation and Development
PAICCS	Proair Indoor Climate Control System
RESS	Renewable Electricity Support Scheme
RSA	Regional Studies Association
RSES	Regional Spatial and Economic Strategies
SEAI	Sustainable Energy of Ireland Authority
SIDC	Shannon International Development Consultants
SMEs	Small and Medium sized Enterprises
SRDO	Strategic Regional Development Office
WDC	Western Development Commission
WIF	Western Investment Fund
WRAP	Western Regional Audio-visual Producers Fund





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