



WESTERN
DEVELOPMENT
COMMISSION

Annual Report 2020

Supporting communities to grow,
investing in businesses to scale and planning
for the future of the western region.

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3 stats that show progress from 2019–2020

10,000

More than
10,000 responses
to the WDC
National Remote
Work Survey

€72.7M

Investment fund
portfolio value
of €72.7m at the
end of 2020 with
€41.6m available
for re-investment

€61.3M

Cumulative
investment of
€61.3m over the
lifetime of the
investment fund

Chairperson's Foreword

The COVID-19 pandemic was the defining event of 2020, a year that also saw after a general election the formation a new Government and the appointment of a new Board to the Western Development Commission. Despite such upheaval, the work of the WDC continued unabated and I wish to pay tribute to both the staff and Board for their commitment in challenging circumstances. In particular, I wish to thank my predecessor Dr Deirdre Garvey for her work over her three-year term, which has laid the foundation for further progress for the WDC in tackling the issues and challenges that face the region.

While maintaining its ongoing commitments the Board of the WDC maintained a strong focus on governance during this time. The Board meetings and oversight, similar to the wider activities of the WDC, moved online. I wish to note the commitment and dedication of my fellow Board, and sub-committee members during this time. Despite the challenges, significant progress was made during 2020. The updated Brand and website were launched, to better support the work of the Commission in promoting the Western Region.

The work of the Policy Team in their analysis of the transition to Remote Working, the on-going transition to a low-carbon economy and the Timely Indicator Series were important, evidence-based interventions during a time when there was a deluge of COVID 19 information. The EU project teams continued their work with EU partners and significant progress was made in the development of the AEC Hubs Network.

This progress is reflected in the strengthened relationship with the Department of Rural and Community Development and the collaborative work across a number of areas with other agencies, local authorities and regional stakeholders.

The continued impact of the WDC Investment Fund, supported by additional resources invested over €13m across 61 businesses and

“The success of the ‘#MoreToLife’ campaign with more than 200k views at home and abroad of the launch video, illustrates the deep and abiding attachment of the people of the Western Region to their home.”

projects, with just under €1m invested under the WRAP fund and a total portfolio value of almost €73m provides a significant platform for future development and growth in the region. This capacity, allied with significant internal re-organisation and strengthened systems to support the work of the Commission, finds the WDC well positioned going into 2021.

The success of the ‘#MoreToLife’ campaign with more than 200,000 views at home and abroad of the launch video, illustrates the deep and abiding attachment of the people of the Western Region. In a year which prevented family and friends coming together as they would wish to do, that emotional bond with the Western Region was particularly evident.

The Western Development Commission is committed to working with other regional and national stakeholders, in communities, education and industry, to support the development of a resilient region to overcome such challenges now and into the future. This collaborative approach, aligned with the work of the Department of Rural and Community Development and other national bodies and policies, has been the basis for progress in a difficult year, and finds the organisation well positioned for the recovery to follow.

Gerry Finn

Chairperson

Western Development Commission

Chief Executive's Report

As the year draws to a close, I wanted to highlight despite the huge challenges of 2020, some of the progress made this year in highlighting the many opportunities the west has to offer. The shift to working remotely meant that much of our work in that area was fast-tracked. Further detail of the more than 100 hubs along the Atlantic Economic Corridor is included below, informed by the data gathered from more than 10,000 people who responded to our national surveys on Remote Work in conjunction with NUI Galway.

In August we launched a new brand identity and website westerndevelopment.ie with the aim communicating the work we do and the impact it is having on the western region. Soon after this we launched our 'More To Life' campaign which highlights the benefits of living, working and investing the region. The call to action is that the West of Ireland can seize the opportunity to renew itself by attracting thousands of young professionals and families to make new lives in the region.

To help business tell their story at home and abroad, we have a new online platform called the 'Image Bank' which will host high quality free to use images to promote living, working and investing in the west of Ireland. Sligo was chosen as the initial pilot for the Image Bank with Donegal and Leitrim due to launch in January 2021, followed by Galway, Mayo, Roscommon, Clare, Kerry and Limerick. To give others a chance to hear their story, and a sense of the west as leaders in innovation and development we launched a podcast series called 'Pulse of the West', covering remote working, business investment and scaling and the transition to a Low Carbon Economy.

Minister Heather Humphreys launched the WDC report on the impact of the transition to a low carbon economy for rural dwellers, and the recommendations identified are among the focus areas for our policy team in 2021, along with timely economic indicators across the region. Our focus on the Creative Economy continues,

“Despite the global pandemic, 2020 was again a record year for investment.”

with the WRAP fund supporting film and TV production in the region and helping to build the next generation of games and animation drawing on the CREW network of creative hubs across the west in partnership with GMIT and Galway Film Centre.

Scaling ideas remains an ongoing focus; developing early ideas through EU funds and other areas in literary tourism, online mentoring, the use of renewables and SME development. We are working in partnership with Enterprise Ireland and other funders through the CREW project mentioned above, GrowRemote to build communities through remote working and the Future Mobility Campus Ireland, a testbed for autonomous vehicles in Shannon, Co. Clare.

Developing these ideas will ultimately create more opportunities to invest through our investment fund. Despite the global pandemic, 2020 was again a record year for investment. Our strategy has a clear long-term focus to broaden the opportunity for, and pipeline of, investment, across the region and particularly in the north west. Work continues with other partners to identify the best sector or sectors to achieve this, through cutting edge innovation, but also working with existing small and family business to embrace new ways of working. The fund had a portfolio value of €72.7m at the end of 2020 with €41.6m available for re-investment.

The Atlantic Economic Corridor (AEC) project, as set out in Ireland 2040, seeks to build a region of scale in the next 20 years. To do that in a sustainable way, the key building block will be resilient communities. We are working with other funders, lending to those communities to begin to build the necessary infrastructure to support and sustain them in a constantly changing environment. The AEC hubs project will bring employment, opportunity and economic activity to the heart of those towns and villages.

This work would not be possible without the support of our colleagues in the Department of Rural and Community Development and other key stakeholders in the public and private sector at local, regional, national and EU level. Our public representatives continue to inform this work through their constant contact with the needs and ambition of communities, and we look forward to working with all through 2021 and beyond.



Tomás Ó Síocháin

Chief Executive Officer

Western Development Commission

A woman with curly brown hair is focused on her work in a workshop. She is wearing a vibrant, multi-colored scarf with green, blue, and orange patterns. She is working on a piece of fabric with colorful threads. A large, silver, dome-shaped desk lamp is positioned over her work, casting a warm glow. The background is filled with various workshop items, including a corkboard with papers and a small Santa Claus figurine. The overall atmosphere is one of creativity and craftsmanship.

Our Mission

To foster and promote
economic and social
development in the region.

The Western Development Commission (WDC) is a statutory body that was established in 1997 to promote social and economic development in the Western Region (the counties of Donegal, Leitrim, Sligo, Mayo, Roscommon, Galway and Clare).

It has a statutory role to advise the government on issues that impact on the Western Region and to promote government policy directed at improving social and economic standards here. It manages the WDC Investment Fund, which provides loans and equity to businesses and local communities in the region.

Our work is outlined in our '**Work Smarter, Live Better**' strategy. Published in 2019 it sets out the roadmap of the organisation for the following five years. The strategy is built on three pillars: regional promotion; regional leadership; and sustainable enterprise, reflecting the organisation's strategic goals in the short, medium and long terms.

Our Vision

Is to work collaboratively to promote our region at a global level and to identify, analyse and seek to mitigate and overcome the challenges at a regional level to ensure vibrant, connected communities.



Live Better

We will promote the Western Region as a globally Competitive region with an exceptional work-life balance. We will work to mitigate regional disparity, both within the region and with other regions, and lead in offering a balance of smarter working opportunities and equality of opportunity and access to state supports for all citizens across the region.

We Recognise That

Despite significant, and on-going, social environmental and technological change, the Western Region of Ireland offers a work Life balance and personal and professional opportunities to progress that are among the best in the world



Structure of the WDC

Meet the team

Across the organisation, the Western Development Commission employed 23 full time staff members in 2020.

[VIEW A FULL LIST OF OUR STAFF HERE](#)

2020 Board

The current Board consists of a Chairperson and 11 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 12th November 2020. The outgoing board met 5 times between January and August 2020 and the newly appointed board met 2 times between November 2020 and December 2020. The table below details the appointment period of previous and current members:

Structure of the WDC

Up to August 2020

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

Appointed 12th November 2020

Board Member	Role	Date Appointed
Mr. Gerry Finn	Chairperson	12th November 2020
Ms Aisling Meehan	Ordinary Member	12th November 2020
Ms. Audrey Crummy	Ordinary Member	12th November 2020
Mr. Christy Loftus	Ordinary Member	12th November 2020
Mr. Edmund Jennings	Ordinary Member	12th November 2020
Ms. Mary McKenna	Ordinary Member	12th November 2020
Ms. Mary Coyne	Ordinary Member	12th November 2020
Prof. Mary P. Corcoran	Ordinary Member	12th November 2020
Mr. John Kelleher	Ordinary Member	12th November 2020
Mr. Henry McGarvey	Ordinary Member	12th November 2020
Mr. Peter Hynes	Ordinary Member	12th November 2020
Ms. Sandra Nolan	Ordinary Member	12th November 2020

Regional Promotion

In the short term, our focus is to raise the profile of the region and tell our story to a wider audience, particularly those seeking to live or work here. The western region is an area of remarkable physical beauty, situated on Ireland's Atlantic coast, Europe's western edge and a natural entry point from the US, Canada and the Americas.

In August 2020 the WDC launched a new brand identity, logo and website. This work was a culmination of over six months work carried out by the communications team.

More to Life Campaign

Following the rebrand, we launched a new campaign called 'More to Life' to showcase the growing number of career and lifestyle opportunities available in the West. A stunning new video series was created to portray scenes of home, work and life up and down the West of Ireland – and declared: "This is more than just a place. This is a way of life. It's where work/life balance flourishes. This is the West of Ireland, where there is more to life."

"Out of adversity comes opportunity and the West of Ireland has a big opportunity to renew and reinvigorate itself"
— Tomás Ó Síocháin

[READ MORE ABOUT THE CAMPAIGN HERE](#)

Podcast Series

Our new Podcast Series called Pulse of the West was launched in late August and features insights from the WDC, industry and academia. Hosted by our CEO Tomás O Síocháin, the podcast has already covered topics such as remote working, co-working spaces hubs, the future of working and the Climate Agenda.

[LISTEN TO ALL PODCASTS IN FULL HERE](#)

Image bank

In December we launched a brand-new online platform which will host high quality free to use images to promote living, working and investing in the west of Ireland. Sligo was chosen as the initial pilot for the Image Bank with Donegal and Leitrim due to launch in January 2021, followed by Galway, Mayo, Roscommon, Clare, Kerry and Limerick.

[VIEW THE IMAGE BANK HERE](#)



Regional Leadership



65%
Live in rural areas

This includes our medium-term goals to build cohesion across the region, through significant projects such as the Atlantic Economic Corridor. It also shows our support of the shift to remote and distributed work, which offers significant scope for rural and regional growth. This pillar of our strategy also covers both national and EU projects that explore and assess new ways of working and collaborating and provide the platform for forward thinking and regional resilience.

Making the Transition to a Low Carbon Society in the Western Region— Key issues for rural dwellers.

In August our Policy team published new analysis of the challenges for rural areas in a report titled 'Making the Transition to a Low Carbon Society in the Western Region — Key issues for rural dwellers.'

The report was launched by Minister for Rural and Community Development, Heather Humphreys, at the WDC offices in Ballaghaderreen, Co Roscommon.

Authored by Dr Helen McHenry of the WDC, the report is the first of its kind to specifically examine the likely impact of the transition to a low carbon economy on rural dwellers in Ireland. The report looked at three key areas: Transport and travel, Homes in the Western Region and Electricity Demand/Supply. [The full report is available here.](#)



94%

Majority want to work remotely post-crisis

Remote Working During Covid-19 – Ireland's National Survey

Researchers from the Whitaker Institute at NUI Galway and the Western Development Commission published summary data from the two separate phases of the national remote working survey. The remote working study findings informed employers about employee experiences of remote working. The survey focused on those employees who were currently working fully remotely or a mix of and onsite and remote. Data and infographics from [Phase 1 are available here](#) and all information relating to [Phase 2 is available here](#).

WDC-NUI Galway Whitaker Institute Expert Group on Remote Working.

An expert group, building on the findings of the National Remote Work Surveys and additional stakeholder consultation was established in 2020. The Group made up of representatives from the NUI Galway Whitaker Institute, the Western Development Commission (WDC), and industry met with various companies, key employer and employee representative organisations and policy stakeholders throughout 2020 and has identified several recommendations for both organisations and government.

While the report was written during the COVID-19 pandemic, which has acted as a catalyst for identifying the opportunities and challenges of remote working, it is aimed at identifying policies and practices which will support remote working in a post-pandemic environment. The report draws on remote working experiences from several companies who have well-established remote working practices before COVID-19. [The executive summary of the report is available here](#) and the [full report is available here](#).

Timely Economic Indicators

To help assess economic activity in the Western Region and Atlantic Economic Corridor (AEC) closer to real-time, the Western Development Commission (WDC) began releasing “Timely Economic Indicators for the Western Region” in 2020. It is envisaged that the indicator set will be regularly reported during the gap between the publication of the key regional and county level economic statistics such as Regional GDP and County Income. [You can view these reports here.](#)





The Atlantic Economic Corridor Hubs Project

The WDC is the co-ordinating agency for the Atlantic Economic Corridor Project, a key initiative of Ireland 2040, which seeks to grow the region from Donegal to Kerry significantly in the coming 20 years, to seek a more balanced regional development, economic growth to support the projected growth in population and public spaces and infrastructure that compliment the quality of life on offer along the Atlantic Coast.

The €1m AEC Enterprise Hubs Project seeks to create a network of hubs from Donegal to Kerry. This project is a national pilot, which will classify the facilities offered by enterprise hubs, co-working spaces, and other facilities that cater for entrepreneurs, employers and employees.

In August, an online map of 110 hubs across the region was launched showing the facilities across the region. [You can view the map here](#). The team also launched the first classification system for hubs which has now been adopted across government as a national hub classification model.



In September 2020, 65 hubs across the Atlantic Economic Corridor received funding to support their reopening in compliance with public health guidelines from the impact of COVID-19. The Western Development Commission, alongside the AEC Officer in each county managed the delivery process on behalf of the Department of €300,000. [Read more about the funding here.](#)

Finally, The AEC Hubs Network Strategy was developed through extensive stakeholder consultation and presented to Minister Heather Humphreys in the summer of 2020. Based on the strategy, the Minister has taken a decision that the AEC Hubs Network will be scaled to a national rollout. The WDC AEC Team are now project managing this national initiative. Oversight for this initiative is provided by an interdepartmental group made up of senior civil servants from DRCD, DETE, DTCAGSM, DECC, WDC, IDA, EI

The project is now ready to help support the hub community and build on the work of hub managers up and down the region by launching the new strategy, a suite of online ICT systems, including a state-of-the-art booking system and a brand new marketing campaign to reach the diverse audience.

Creative Economy

In 2020 the WDC is identified as the lead agency, in collaboration with Údarás na Gaeltachta and Local Economic Offices, on Department of Business, Enterprise and Innovation, West Regional Enterprise Plan which seeks to grow the Creative Economy in the region.

Key Success in 2020

- Implementation of the West Regional Enterprise Plan Creative economy growth objective
- Implementation of a Galway, Mayo, Roscommon Creative sector survey to identify sector growth priorities (140 SMEs participated with key findings on Covid impact in sector etc)
- Development of Creative emerging sectors – Literary Tourism growth via EU Spot-lit project
- Wrap Fund – Supported major investments in regional film and TV e.g. IFTA nominated Calm with Horses

Focus for 2021 and beyond

- Complete West REP Creative Economy actions
- Implement the Creative economy SME survey in the full WDC region

EU Projects – Capacity building for the Region and its Stakeholders

The WDC continues to offer the Western Region an unparalleled access to strategic, cohesive EU funded projects which have led to real change in sectors such as the creative economy, Renewable energy, SME support etc.

Key Success in 2020

- In total almost €13.5m in active EU project funding was undertaken by the WDC and its regional partners in 2020
- 192 regional SME's were engaged /supported through the WDC EU program
- €1,888,833m was directly attributed by the Projects to the West of Ireland Region

Focus for 2021 and beyond

- Implement current EU projects with stakeholders to realise WDC strategic aims
- Develop a pipeline of projects as above and with regional stakeholders

ReDirect

Developing regional businesses in emerging Biomass markets

RE-DIRECT is a North West Europe Interreg project implemented regionally by the WDC and led by the University of Kassel in Germany and with project partners across five different European nations including Ireland. The WDC is joined by the Irish Bioenergy Association (IrBea). The projects aimed to convert some of the estimated thirty four million tonnes of residual biomass that occurs annually throughout the EU regions, into an indigenous source of either biochar or activated carbon. This is a €5m project.

In 2020 the WDC successfully concluded the Re-Direct project with partners and secured a €5.62m follow on project *Three C (Intended to develop economically viable value chains based in charcoal raw materials from waste biomass)* which is being implemented by IrBEA in the region.

Bizmentors Enabling Regional SME Growth Through Open Assessment Mentoring Access

BizMentors is an EU funded project, co-financed by the NPA Interreg Programme. The WDC is lead partner in this project and is working in partnership with organisations in Ireland, Iceland, Finland and Northern Ireland. The project aims to develop an online mentoring platform to assist SMEs in remote areas based in partner regions to access business support through free online mentoring. The project's website is live on <https://bizmentors.eu/>

The idea for bizMentors emerged from WDC partners and local enterprise SCCUL Enterprise, based in Galway and bizMentors international have been implemented in this transnational partnership since 2018 and will be running until the end of 2021. The total budget for the project amounts to €1.3m.

Partners include the following:

- WDC – lead partner
- SCCUL Enterprise, Ireland
- Fermanagh & Omagh District Council, Northern Ireland
- Savonia University of Applied Sciences, Finland
- Icelandic Arctic Cooperation Network, Iceland
- Northeast Iceland Development Agency, Iceland

Key Successes in 2020:

Following a successful testing of offline mentoring, in 2020 the partnership was building an online platform to facilitate online mentoring. An algorithm was developed to help match the right mentor and mentees. Testing amongst the partnership took place to facilitate a launch of pilot mentoring on the online platform in 2021. The platform was developed with enovation, based in Dublin who have custom built the platform in moodle. Furthermore, bizMentors international successfully partnered with CISCO in Galway and secured free use of Webex video calls to facilitate the video function for mentoring on the online platform.

A Best Practice Handbook was also published, sharing the knowledge and experience of mentoring in the partnership. The Best Practice Handbook is available online on <https://bizmentors.eu/>.

Businesses will be able to access local mentoring from their country throughout the piloting. They will also have the opportunity to participate in transnational mentoring. Learnings from the pilot will feed in further into the development of the online platform.

Focus for 2021 and beyond

- Trial the pro-bono open access online platform with 40+ international SME's
- Enhance final product and conclude on future sustainability strategy

Blue Circular Economy (BCE)

Working to grow businesses to address plastic marine waste

Marine litter is one of the most serious environmental problems currently impacting bodies of water all over the world. A substantial proportion of this marine litter is composed of discarded plastic items which, in ocean environments, includes a significant amount of abandoned, lost, or discarded fishing gear and components (ALDFGs). By recovering this material for recycling, and by embedding circular economy principles at the design stage for new gear, the amount of ALDFGs contaminating the world's oceans can be reduced while also generating new economic opportunities for SMEs who use the recycled material and innovative business models to market new products and services.

BCE is an NPA-funded project which aims to help such SMEs attain greater market reach, and does so by carrying out research into new business models, the enhancement and application of circular design principles in the manufacture of new gear, and the development of reliable and authentic eco-labelling to help SMEs differentiate and promote their new, sustainable products in the market.

BCE aims to use a clustering model to foster the creation of three circular economy clusters based on the sustainable design, recovery, recycling, repair, and re-use of plastic fishing nets, ropes, and components (FNRCs), within the NPA region. It does so by seeking to identify, engage, and connect SMEs in Norway, Ireland,

and across the wider NPA region to facilitate knowledge exchange and potential business links via networking events, webinars, innovation workshops, and conferences. These events also feature involvement from a wider group of stakeholders including local authorities, sectoral agencies, higher education institutions, and the general public.

Key Successes in 2020:

- BCE was a finalist in two categories at the 2020 Regiostars Awards, including the prestigious Public Choice Award which allows members of the public from across Europe to show their support for their favourite project.
- Successfully pivoted in the face of COVID disruption to host a major online conference on the topic of *Transforming Waste Fishing Gear into Business Opportunities*. This conference had been due to take place as part of the 2020 *International Symposium on Plastics in the Arctic* in Iceland, and featured presentations and participation from the European Commission, Global Ghost Gear Initiative (GGGI), EUROCORD, and others.
- Continued engagement and communications work in the face of COVID disruption via webinars, issuing of first project newsletter, and social media communication.

Focus for 2021 and beyond

- Engage stakeholders to develop Ireland's first Marine plastic upcycling cluster
- Transfer international cluster best practice (from Norway etc) to the Irish Model

Spot-lit

An exciting approach to growing the literary tourism sector.

Spot-Lit.eu is a unique initiative being implemented by the WDC to develop the literary tourism market in the region. Funded by INTERREG Northern Periphery and Arctic Programme (NPA) (Budget: €1.9m) [Spot-lit.eu](#) aims to grow the literary tourism sector in the Northern Periphery and Arctic region, by enhancing capacity in the literary tourism sector and supporting small and medium-sized organisations and businesses to grow, collaborate and better engage audiences together. The Western Development Commission leads the Communications & Business Support work packages. [View Spot-lit Video here.](#)

Key Successes in 2020:

As part of the Spot-lit Project, in 2020 the WDC designed and developed a comprehensive [Literary Tourism Industry Support Programme](#) that engages with and supports businesses to develop their literary products/services. A series of initial workshops were held across the region that engaged with over 50 businesses to assist them in the development of their local literary tourism business potential. Following on from the initial workshops, 5 businesses were selected through a competitive process to take part in the year-long business support programme. This bespoke programme includes a series of monthly engagement workshops, learning journeys, business advice clinics and individual mentoring supports as well as a product development support of up to

€10,000. The focus of the business ideas/product development is for the development of Literary Tourism.

In 2020, the WDC circulated a tender call for a creative partner to develop a [Wild Atlantic Way Literary Performance Model](#). One of the Spot-Lit programme aims is to test models of place-based opportunities in new, innovative, sustainable and creative ways which look beyond the natural landscape and provide appeal based on cultural and literary assets to broaden interest in the region. The Wild Atlantic Way Literary Performance Model, currently under development aims to stimulate cultural tourism, engage local artists and provide a unique literary interaction for audiences. Find out more at [Spot-lit.eu](#).

Focus for 2021 and beyond

- Develop a transnational Literary Tourism Network to lead the sector development
- Implement the Literary tourism Travel App product in the region to grow business
- Conclude on the literary tourism innovation and performance products to grow and showcase the sectors ability to engage clients in the coming years

Extra SME Supporting the conditions for growth in the Blue economy

Through its work in the EXTRA-SMES EU project the WDC is targeting growth within the marine economy , via improving the implementation of policy instruments in the participating regions, by promoting simpler and improved administrative processes and procedures. This is expected to enable SMEs to expand in regional, national and international markets for the promotion of their products, and at the same time engage in innovation processes, which will act as drivers for the creation of jobs.

In 2020 the WDC convened 60 stakeholders in a 2 day event in Sligo to discuss and share views on how best to approach growth through simplified approaches to Aquaculture. This resulted in a summary document which was disseminated to national and international partners. In 2021 the intention is to continue the dialogue on how to best approach the sector growth within the western region.

LECo

Local Energy Communities in our region

LECo is a 3 year, €1.95m project funded through the NPA programme, that aims to bring together the combined experience, knowledge and expertise of the project partners and provide conditions for the creation of energy self-sufficient Local Energy Communities. The goal is to combine new innovative technologies with locally available natural resources, and to raise awareness of energy efficiency and possibilities to use the renewable energy.

The approach is based on the model of local cycle economy. In the project, Local Energy Communities will be formed, which will create synergetic effects to the local economy and social coherence.

Key Successes in 2020

- Four Renewable energy factsheets for the region published (PV, Wind, Heat pumps etc)
- Final Conference completed with international partners
- Online training platform complete: www.localenergycommunities.net.
- EnergyPLAN training completed.
- Three community energy feasibility studies were completed for the communities in Mohill, Lisdoonvarna and Tourmakeady.

Sustainable Enterprise

This is the long-term view to build on the success of our evergreen Investment Fund, valued at €73m, which is more than twice the original investment allocated to the WDC. Our goal in the next five years is to extend our investment and lending and to create a platform to develop a global competitive advantage for the region in key areas, but to do so in a way that protects the natural beauty and resources of our region and improves the quality of life for those who live here.

Western Investment Fund 2020 Overview

€73M

Portfolio value of almost €73 million in the Western Investment Fund built on original exchequer of €31.75 million through the WDC's Evergreen investment strategy

€13M

€13m million in investment and lending approved across 61 businesses/projects

€8.2M

€8.2 million approved for 14 SMEs and Micro-Enterprises

€0.9M

€0.9 million of investments approved in 17 projects under the WRAP Fund

€3.9M

€3.9 million approved for 30 Community and Social Enterprises

€42M

Cash reserves of €42 million available for investment

About the Western Investment Fund

The Western Investment Fund provides equity finance and loans to business, communities, strategic initiatives and the creative industry based in, or moving to, the Western Region in Ireland.

The fund invests and lends on a commercial basis and looks for both a financial return and a social-economic dividend for the region. It is an evergreen fund and all proceeds from our investments are reinvested in new ventures.

The fund invest across multiple sectors and at all stages of the business lifecycle, from start-up to scale-up.

Over the last 20 years our team have developed a number of different funds that are designed to meet the different needs of the businesses and communities we serve.


Business Investment

Our Business Investment Fund provides equity investment and loan finance for small and medium-sized enterprises (SMEs) in our region.

In October 2020 Venari Medical, an innovative medical device company based in Galway has raised €4.5 million in seed equity funding to accelerate the development of its ground-breaking BioVena™ device for the treatment of chronic venous disease, including support from the Western Investment Fund.

[READ MORE ON THIS INVESTMENT HERE](#)





Sustainable Enterprise

Community Investment

Our Community loan fund supports social enterprises and community groups in the Western Region to improve the socio-economic lives of their communities.

An Mheitheal Rothar – Galway’s Bike Workshop – was born from the idea that people could come together in a group or a cooperative, helping each other as part of a community.

It sprang from humble beginnings with a workshop on the campus of NUIG where volunteers helped students repair their bikes, salvage old machines and pass on their mechanical skills to others. Since then, An Mheitheal Rothar – which is officially a cooperative – has become an unqualified success story.

[READ MORE ON THIS COMMUNITY INVESTMENT HERE.](#)

Creative Industries Investment

Our Creative Industries Investment fund provides funding for sole traders, partnerships, businesses, co-operatives, and groups operating in the creative industries sector.

The Wrap Fund

The Western Region Audio-visual Producer's Fund (WRAP Fund) was set up to help build the region's audio-visual sector. It is a joint initiative between the Galway Film Centre and WDC in association with local authorities in Clare, Donegal, Galway City, Galway County, Mayo, Roscommon, Sligo and Údarás na Gaeltachta.

The WRAP Fund is designed to provide strategic investment that encourages regional production activity across the film, television drama, animation and gaming sectors, to support local talent, create sustainable employment, build the audio-visual infrastructure and contribute to the culture and language of the Western Region.

In October 2020 the Wrap Fund supported the eagerly-anticipated Irish thriller *Calm With Horses*. Adapted from the story by Mayo's Colin Barrett and directed by Nick Rowland, *Calm With Horses* sees the enigmatic Barry Keoghan play Dymphna Devers alongside rising stars Niamh Algar and Cosmo Jarvis in an DMC Films/Element Pictures co-production with Michael Fassbender on board as executive producer.

The critically acclaimed film which shot across Clare, Galway City and County had its world premiere at the Toronto International Film Festival. [Read more here.](#)

Improving WDC IT Systems

This project is a cross-functional initiative between Sustainable Enterprise and Corporate Services. In 2020 the WDC made significant progress towards the actualisation of our Cloud-First IT strategy. The migration to Microsoft Teams reduced our dependency on the physical infrastructure in Dillon House, enabling the organisation to operate 100% remotely for most of the year. New systems for expenses, HR and corporate governance were also introduced. Progress was made on the introduction of a cloud-based financial management system for the WIF. Brian McNally led a project to ensure the WIF was compliant with its reporting requirement to the Central Credit Register.

The recruitment of Cáit Dunstan assisted progress. Cáit has been working on introducing new information systems and ensuring the existing information systems are effectively utilised within the WDC. Her primary focus in 2021 will be ensuring that the Fund Management System Smart Simple goes live.

Emerging Sectors

The sustainable enterprise team worked closely with other stakeholders to identify emerging sectors that will provide the west with a sustainable competitive advantage. The potential for growth in existing areas such as MedTech and IT has been examined. Furthermore, new areas such as mobility, the bio-economy and Cleantech have been identified. A portfolio of projects to build competence in these areas has been identified, and funding sources are being explored. The sustainable enterprise team has provided programme management services to the West Regional Enterprise plan, ensuring alignment between the different bodies focused on regional development. We have also worked closely with the Mid West Regional Enterprise Plan to develop Clare's offshore wind potential.

2021 will see further work in delivering the portfolio of projects identified. We will achieve this together with our partners in the other agencies and regional enterprise plans.

Social Enterprise

Brian McNally leads the development of a social enterprise strategy. He is also a community investment executive. In 2020 the WDC disbursed loans of €1.2m to 18 community projects and enterprises. We approved loans to several social enterprises in the region including BIA Innovator Campus, The Portershed, Obair and An Mheitheal Rothar. We continue to work with a number of regional partners to promote social enterprise across the WDC Region. We are currently developing our Social Enterprise Strategy which will set out a 5-year plan on how we continue to support social enterprise in the region. We have identified a number of flagship projects for the region which we are currently exploring new funding opportunities and partnerships domestically and across the EU.

Financial Statements

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 authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely manner.

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 2020 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 Commission members and two external members, with financial and audit expertise, one of whom is the Chair. The ARC met four times in 2020.

The WDC has also established an internal audit function, which is adequately resourced and conducts a programme of work agreed with the ARC.

The ARC has developed a risk management policy which sets out the risk appetite, the risk management processes in place and details the roles and responsibilities of staff concerning risk. The Commission of the WDC, at its October 2019 meeting, reviewed and adopted the policy. The Policy has been issued to all staff that 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 area of work.

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 risk register is a standing order on both the Commission and ARC agenda and is reviewed at each meeting. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

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

- Procedures for all key business processes have been documented.
- Financial responsibilities have been assigned at the 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.
- 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.

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 Commission, where relevant, in a timely manner. The WDC can 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.
- There are regular reviews, by senior management, of periodic and annual performance and financial reports, which indicate performance against budgets/forecasts.

Procurement

The Commission confirms that the WDC has developed and implemented Procurement Policies, Procedures and a Procurement Plan that mandates compliance to meet requirements under the National Public Procurement Policy Framework. The WDC endeavours to ensure full compliance with the procurement procedures including a contract database with a monitoring system in place to flag non-compliant procurement.

The WDC has sought an external review of the procurement process and spend patterns to align the process with national public procurement guidelines and to streamline the purchasing activity by establishing procurement frameworks. Furthermore, additional training has been procured for staff.

Review of Effectiveness

The Commission confirms 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.

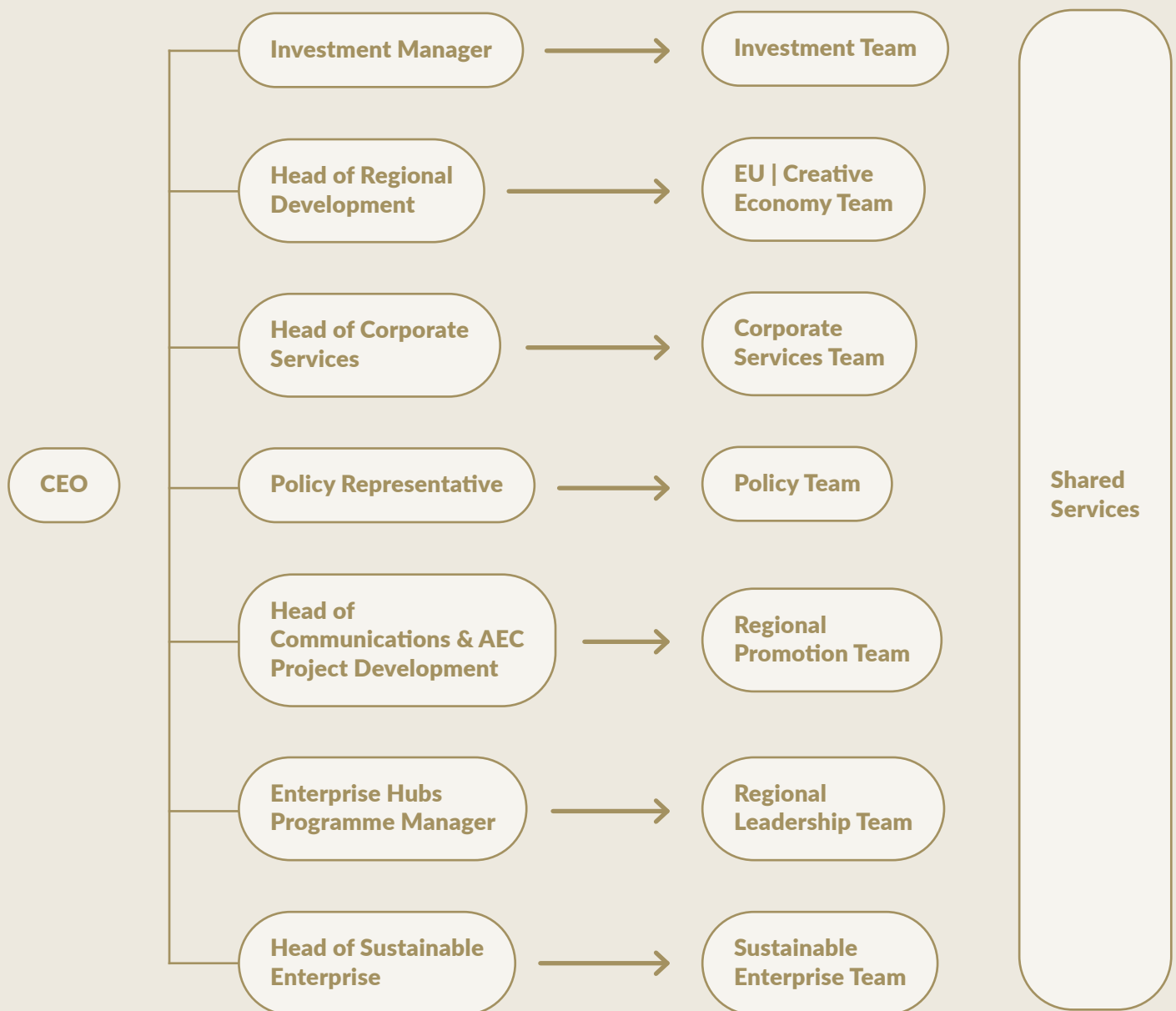
The WDC can confirm that the Commission conducted an annual review of the effectiveness of the internal controls for 2020.

Internal Control Issues

No weaknesses in internal control were identified in relation to 2020 that require disclosure in the financial statements. To allow for the process of appointment there was no Board between August – November 2020.

Key Enablers to Deliver Our Strategy: Corporate Services

Organisational Structure



Audited Financial Statements for the year ended 31st December 2020

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Western Development Commission Information

Newly appointed Board November 2020

Chairperson: Mr. Gerry Finn

Members: Ms Sandra Divilly Nolan, Ms Mary McKenna,
Mr Peter Hynes, Ms Audrey Crummy,
Ms Aisling Meehan, Ms Mary Coyne,
Mr. John Kelleher, Professor Mary Corcoran,
Mr. Christy Loftus, Mr. Henry McGarvey,
Mr. Edmund Jennings

Board Members term expired August 2020

Chairperson: Dr Deirdre Garvey

Members: Mr. Ian Barrett Professor Mary Corcoran
Mr. Gerry Finn Mr. Micheál Frain
Mr. John Kelleher Mr. Christy Loftus
Mr. Henry McGarvey Ms. Auveen O'Neill
Ms. Yvonne Shields Mr. Edmund Jennings

Bankers: Bank of Ireland Ballaghaderreen Co. Roscommon,
Allied Irish Bank Tuam Road Galway,
KBC Bank Sandwith Street Dublin 2,
Ulster Bank 33 Eyre Square Galway

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

Governance Statement and Commission Member's Report 2020

Governance

The Board (hereto referred to as the Commission members) of the Western Development Commission (WDC) was established under the Western Development Commission Act, 1998 as set out in Section 9 of this Act. Commission members are accountable to the Minister for Rural and Community Development and are responsible for ensuring good governance and performs this task by setting strategic objectives and targets, and making 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 Commission members and must ensure that all Commission members have a clear understanding of the key activities and decisions relating to the entity, and of any significant risks likely to arise. The CEO acts as a direct liaison between the Commission members and management of the WDC.

Commission Members' Responsibilities

The Commission members' are collectively responsible for overseeing the Western Development Commission and ensuring its sustainability. Decisions are made after appropriate information has been made available to the Commission members and with due consideration of the risks identified through the risk management process. There is a reserved schedule of matters for its decision, including:

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

The Chair and the Commission members are strongly guided by the principles of the 2016 *Code of Practice for the Governance of State Bodies*.

Section 22(1) of the Western Development Commission Act 1998 requires Commission members to keep in such form and in respect of such accounting periods as may be approved of by the Minister, with the consent of the Minister for Finance, all proper and usual accounts of moneys received or expended by it.

In preparing these financial statements, the Commission members are required to:

- Select suitable accounting policies and apply them consistently.
- Ensure that any judgements and estimates are reasonable and prudent.
- State whether applicable accounting standard have been followed, subject to any material departures disclosed and explained in the financial statements.
- Ensure that the financial statements present a true and fair value view of the WDC's financial performance and financial position at the year-end.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that it will continue in operation.

The financial statements have been prepared on a going concern basis which assumes that the Commission will continue in operational existence for the foreseeable future. The validity of this assumption, like many in the public sector, depends on the ability of the Commission to secure continuing financial and other operational support from its stakeholders, including the Department of Rural and Community Development, trade creditors, banks and revenue commissioners during the economic downturn arising from the COVID-19 Pandemic as outlined in Note 18 to the financial

statements. The Commission have prepared cashflow projections for the next 12 months which indicate adequate cashflows exist with the underlying assumptions therein.

Accordingly, the impact of COVID-19 on WDC Investments has been considered during the valuation assessment, budgets and cashflow projections. The Commission are satisfied, based on these measures, that the financial and other operational support required will continue and they believe that it is therefore appropriate for the financial statements to be prepared on a going concern basis.

The Commission members are 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 Commission members.

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

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

The Commission members consider that the financial statements of the WDC give a true and fair view of the financial performance and the financial position of the WDC on 31st December 2020.

Commission Structure

The Commission members are satisfied that its members are free from any business or other relationships that could materially affect, or could appear to affect, the exercise of their independent judgment.

All Commission members disclose any interest and absent themselves from discussions and decisions where they are conflicted or have a direct or indirect interest as required by the Code of Practice.

Commission membership and terms of office are detailed in Table 1 below:

Ref	Board Member	Role	Date of Appointment	Current terms end
1	Gerry Finn	Chairperson	August 2017*	November 2023
2	Sandra Divilly Nolan	Ordinary Member	November 2020	November 2023
3	Mary McKenna	Ordinary Member	November 2020	November 2023
4	Peter Hynes	Ordinary Member	November 2020	November 2023
5	Audrey Crummey	Ordinary Member	November 2020	November 2023
6	Aisling Meehan	Ordinary Member	November 2020	November 2023
7	Mary Coyne	Ordinary Member	November 2020	November 2023
8	Professor Mary Corcoran	Ordinary Member	August 2017*	November 2023
9	Christy Loftus	Ordinary Member	August 2017*	November 2023
10	John Kelleher	Ordinary Member	August 2017*	November 2023
11	Henry McGarvey	Ordinary Member	August 2017*	November 2023
12	Edmund Jennings	Ordinary Member	August 2018	August 2024****
13	Dr Deirdre Garvey	Chairperson***	August 2017	August 2020**
14	Ian Barrett	Ordinary Member	August 2017	August 2020**
15	Micheál Frain	Ordinary Member	August 2017	August 2020**
16	Yvonne Shields	Ordinary Member	August 2017	August 2020**
17	Auveen O'Neill	Ordinary Member	August 2017	August 2020**

* Reappointed as Commission Members in November 2020.

** Term expired as Commission Members in August 2020.

*** Term as Chairperson expired in August 2020.

**** Reappointed as Commission Members in August 2021.

The Commission members have established three committees, as follows:

1. Audit and Risk Committee

The Audit and Risk Committee (ARC) supports the Commission members in their responsibilities for issues of risk, control and governance by reviewing the comprehensiveness of assurances in meeting the Commission members' assurance needs and reviewing the reliability and integrity of these assurances.

The ARC formally reports to the Commission members, providing such information or advice as deemed appropriate through the ARC's Chair's regular reports to the Commission members about committee activities, issues and related recommendations. The ARC provides the Commission members with an Annual Report, timed to support the finalisation of the annual report and financial statements, summarising its conclusions from the work it has done during the year.

Members of the ARC Committee on 31st December 2020 include::

Kevin Moore (Chairperson & External)
Professor Mary Corcoran (Commission member)
Audrey Crummy (Commission member)
Mary Coyne (Commission member)

2. Fund Advisory Panel (FAP)

The Role of the FAP is to evaluate applications to the Western Investment Fund (WIF) and to recommend commercial profit-driven investment decisions to the Commission members. The FAP helps to promote the WIF and assist in the generation of quality dealflow and assist in the effective working of the WIF.

Members of the FAP on 31st December 2020 include:

Gerry Finn (Chairperson & Commission member)

John Allen (External)

Joann Hosey (External)

Mary McKenna (Commission member)

Edmund Jennings (Commission member)

Felim McNeela (External)

Schedule of Commission Members Attendance, Fees and Expenses

A schedule of attendance at the Commission and Committee Meetings for 2020 is set below, including the fees and expenses received by each member.

Commission Members	Membership	Board Meeting 7	ARC 3	FAP 7	BEC	2020 Fees	2020 Expenses
Board							
Gerry Finn (Chair)	Reappointed November 2020, Appointed to FAP November 2020	7 of 7	2 of 2	1 of 1	-	€4,964	€152.47
Henry McGarvey	Reappointed November 2020	6 of 7	-	-	-	Nil	Nil
Professor Mary Corcoran	Reappointed November 2020	5 of 7	3 of 3	-	-	Nil	€359.59
John Kelleher	Reappointed November 2020	6 of 7	-	-	-	Nil	Nil
Christy Loftus	Reappointed November 2020	7 of 7	-	-	-	€4,560	€83.31
Edmund Jennings	Reappointed August 2021, Appointed to FAP November 2020	7 of 7	-	1 of 1	-	€5,985	Nil
Mary McKenna	Appointed November 2020, Appointed to FAP November 2020	2 of 2	-	1 of 1	-	€808	Nil
Sandra Divilly Nolan	Appointed November 2020	2 of 2	-	-	-	Nil	Nil
Mary Coyne	Appointed November 2020, Appointed to ARC November 2020	2 of 2	1 of 1	-	-	€808	Nil
Audrey Crummy	Appointed November 2020, Appointed to ARC November 2020	2 of 2	1 of 1	-	-	€808	Nil
Aisling Meehan	Appointed November 2020	2 of 2	-	-	-	€808	Nil
Peter Hynes	Appointed November 2020	2 of 2	-	-	-	€808	Nil
Dr Deirdre Garvey	Term Expired as Chair August 2020	5 of 5	-	6 of 6	-	Nil	€313.54
Ian Barrett	Term Expired August 2020	5 of 5	2 of 2	-	-	€3,753	€202.45
Mícheál Frain	Term Expired August 2020	4 of 5	-	5 of 6	-	€3,753	Nil
Yvonne Shields	Term Expired August 2020	5 of 5	-	-	-	Nil	Nil
Auveen O'Neill **	Term Expired August 2020	5 of 5	-	5 of 6	-	€3,753	€69.87

Governance Statement and Commission Member's Report 2020

External Members							
Bernard O'Hara	Term Expired October 2020	-	1 of 2	-	-	-	Nil
Kevin Moore	Appointed Chair November 2020	-	3 of 3	-	-	-	€206.68
John Dillon	Resigned March 2020	-	-	2 of 2	-	-	€192.50
John Allen	-	-	-	5 of 7	-	-	€68.98
Joan Hosey	-	-	-	5 of 7	-	-	Nil
Felim McNeela	-	-	-	7 of 7	-	-	€89.58
Total						€30,808	€1,738.97

Key Personnel Changes

There were no changes to key personnel in 2020.

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

The Commission members are 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

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

Salary Band (€) 2020	Staff Number	Salary Band (€) 2019	Staff Number
60,000 – 70,000	6	60,000 – 70,000	6
70,000 – 79,000	-	70,000 – 79,000	-
80,000 – 89,000	-	80,000 – 89,000	-
90,000 – 99,000	3	90,000 – 99,000	3

Note: For the purpose of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary and other payments made on behalf of the employee, but exclude employer's PRSI.

Consultancy Cost

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

	2020	2019
Legal Advice	€6,150	€19,082
Financial/Actuarial Advice	€ 4,780	€2,657
Public Relations/Marketing	€58,962	€58,730
Human Resource	€11,100	€15,764
Total Consultancy Costs	€80,992	€96,233

Legal Costs and Settlement

The table below provides a breakdown of amounts recognised as an expenditure in the reporting period in relation to legal costs, settlements and conciliation and arbitration proceedings relating to contracts with third parties. This does not include expenditure incurred in relation to general legal advice received by the WDC, which is disclosed in Consultancy Costs above.

	2020	2019
Legal Fees — Legal Proceedings	0	0
Conciliation and Arbitration payments	0	0
Settlement	0	0
Total Consultancy Costs	0	0

Travel and Subsistence Expenditure

Travel and Subsistence expenditure is categorized as follows:

	2020	2019
Domestic:		
• Commission members	€1,181	€17,909
• Employees	€26,259	€96,443
International		
• Commission members	0	0
• Employees	€5,945	€29,741
Total Travel and Subsistence Costs	€33,385	€144,093

Hospitality Expenditure

The Income and Expenditure Account includes the following hospitality expenditure:

	2020	2019
Staff Hospitality	€732	€409
Client Hospitality	€1,710	€52
Total Hospitality Costs	€2,442	€461

As part of the Commission members' continuing oversight of the control environment in the WDC, they receive regulatory assurances from the Senior Management Team in relation to legal and regulatory environment as it applies to public bodies including the following:

Off-Balance Sheet Transactions

There have been no off-balance sheet transactions between the balance sheet date and the date on which the financial statements were approved.

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 www.westerndevelopment.ie

Communication

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.westerndevelopment.ie

No customer complaints were reported or recorded in 2020.

Freedom of Information Acts, 2014

The Freedom of Information (FOI) Act 2014 provides that every person has, subject to certain exemptions specified in the Act, the right to:

- Access official records held by Government Departments and all public bodies that conform to the provisions of Section 6 of the Act.
- Have personal information held on them corrected or updated where such information is incomplete, incorrect or misleading.
- Be given reasons for decisions taken by public bodies that affect them.

There were three FOI requests in 2020 and all requests were dealt within the statutory timeframe.

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.

There were no reportable accidents in 2020.

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 1st 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.

The Prompt Payment results for 2020 can be viewed on the following link: westerndevelopment.ie/about/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 1st January 2005. In 2020 WDC Commission members have furnished statements of interests to the secretary, and copies have been provided to the Commission Secretary, Standards in Public Office Commission.

General Data Protection Regulation (GDPR), 2018

The WDC is committed to ensuring the security and protection of the personal information that it processes, and to provide a compliant and consistent approach to data protection. There has always been a robust and effective data protection programme in place which complies with existing law and abides by the data protection principles. However, the WDC recognises the obligations in updating and expanding this programme to meet the demands of the new GDPR regime since 25th May 2018. In response to this, the WDC have developed a GDPR Policy & Guidelines that seek to assist employees of the WDC in supporting the organisation's Data Protection Policy which outlines its commitment to protecting the privacy rights of individuals in accordance with the legislation. These guidelines set out the areas of work in which data protection issues arise and outline best practice in dealing with these issues.

There were no requests for information under the Data Protection Act in 2020.

Protected Disclosures Act, 2014

The WDC has a Protected Disclosure Policy in place which clearly outlines the procedures in place for the making of protected disclosures in accordance with the Protected Disclosure Act 2014.

There were no protected disclosures made to the WDC in 2020.

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, parental leave and educational programme.

Official Languages Act, 2003

The WDC comes under the remit of the Official Languages Act 2003, which was signed into law on 14th 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 and Financial Statements are published in Irish and English.

Code of Conduct

- All Commission members have complied with and signed the Code of Conduct.
- Under the Standards in Public Office Act 2001, all relevant Commission members/employees of the WDC have disclosed Statements of Interest for the previous year.
- In accordance with the Code of Practice for the Governance of State Bodies (2016) all Commission members are to complete a Board Self-Assessment Questionnaire. Due to the delay in the appointment of a new Board, the Board Self-Assessment Questionnaire was postponed to 2021. Actions arising from the Board Self-Assessment Questionnaire in December 2019 were addressed in 2020.

Government Pay Guidelines

- The WDC adheres to Government guidelines and to the Department of Rural and Community Development's arrangements in relation to the remuneration of the Chief Executive and employees.
- Payment of Commission members and Chairperson fees and

expenses are adhered to in relation to arrangements set out by the Government guidelines and the parent department.

- Details of the above remuneration and fees/expenses are outlined in the Annual Report and Financial Statements.

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.
- To enable the strategic objectives of the WDC to be met.
- To exercise control and stewardship in the use of public funds.

Tax Compliance

I can confirm that the WDC has complied in full with the appropriate tax laws and with its tax obligations in 2020 and there has been no issue reported.

Travel and Subsistence

All payments for travel and subsistence to the WDC's Commission members, committee members, CEO and staff have been made in line with the Department of Finance and Department of Public Expenditure and Reform circulars governing travel and subsistence.

The WDC Travel and Subsistence Policy and Procedures are up to date and reflect the current rates and all staff are aware of their responsibilities under the policy. The WDC is cognisant of the need to achieve economy and efficiency in relation to expenditure on travel and, as per the Code of Practice for the Governance of State Bodies (2016), the total costs incurred in relation to travel and subsistence for the organisation are analysed between national and international travel.

Compliance with other Legislation:

The WDC complies with corporate governance and other obligations including:

- Standards in Public Office Act 2001
- Disability Act 2005
- Regulation of Lobbying Act 2015

Statement of Compliance:

The WDC has complied with the requirements of the Code of Practice for Governance of State Bodies 2016 as published by the Department of Public Expenditure and Reform. Areas of non-compliance identified through the development of a Code of Governance in 2019 have been addressed throughout 2020 to bring the WDC into full compliance. The Commission members are satisfied with the level of compliance in relation to the Code of Practice for Governance of State Bodies 2016 as at year-end 31st December 2020.

However, it should be noted that the WDC did not have an Audit and Risk Committee in place from August 2020 until November 2020 (4 months) therefore, only 3 out of the required 4 Audit and Risk Committee meetings have taken place in 2020. Due to the delayed appointment of a Board no Chairperson could be appointed to the Audit and Risk Committee until November 2020.

On behalf of the Commission members



Gerry Finn
Chairperson
08.12.2020

Comptroller and Auditor General

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

Opinion on the financial statements

I have audited the financial statements of the Western Development Commission for the year ended 31 December 2020 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 2020 and of its income and expenditure for 2020 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 annual report, 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.



Andrew Harkness

For and on behalf of the Comptroller and Auditor General
17 December 2021

Responsibilities of Commission members

As detailed in the governance statement and Commission members' report, the Commission members are responsible for

- the preparation of financial statements in the form prescribed under section 22 of the Western Development Commission Act 1998
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 22 of the Western Development Commission Act 1998 to audit the financial statements of the Western Development Commission and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on Western Development Commission's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause Western Development Commission to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Information other than the financial statements

- My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.
- In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I also report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

Statement on Internal Control 2020

Scope of Responsibility

On behalf of the Western Development Commission (WDC), I acknowledge the Commission'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 authorised and properly recorded, and that material errors or irregularities are either prevented or detected in a timely manner.

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 2020 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 three Commission members and one external member, with financial and audit expertise, one of whom is the Chair. The ARC met three times in 2020.

The WDC has also established an internal audit function, which is adequately resourced and conducts a programme of work agreed with the ARC.

The ARC has developed a risk management policy which sets out the risk appetite, the risk management processes in place and details the roles and responsibilities of staff concerning risk.

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 risk register is a standing order on both the Commission and ARC agenda and is reviewed at each meeting. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

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

- Procedures for all key business processes have been documented.
- Financial responsibilities have been assigned at the 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.
- 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.

Impact of COVID-19 on the Risk and Control Framework

The WDC has continuously assessed its control framework following the outbreak of Covid-19 and the move to remote working for all staff. Existing secure technology platforms were extended to all staff

to facilitate remote working and enhanced cyber security measures including training and testing were implemented. The impact of risks arising from COVID-19 are assessed as part of the WDC's risk management process and the WDC will continue to take all necessary actions to mitigate all material risks identified

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 Commission, where relevant, in a timely manner. The WDC can 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.
- There are regular reviews, by senior management, of periodic and annual performance and financial reports, which indicate performance against budgets/forecasts.

Procurement

The Commission confirms that the WDC has developed and implemented Procurement Policies, Procedures and a Procurement Plan that mandates compliance to meet requirements under the National Public Procurement Policy Framework. The WDC endeavours to ensure full compliance with the procurement procedures including a contract database with a monitoring system in place to flag non-compliant procurement. Procurement training was provided for all staff in 2020.

Review of Effectiveness

The Commission confirms 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.

The WDC can confirm that the Commission conducted an annual review of the effectiveness of the internal controls for 2020.

Internal Control Issues

The WDC did not have a Board in place for 4 months of 2020 (from August until November 2020). As a result, no Chairperson could be appointed to the ARC until November 2020. The ARC did not meet between August and November 2020. As such, 3 out of the required 4 ARC meetings took place in 2020. Furthermore, due to the delay in appointment of the Board the Board Self -Assessment was postponed until 2021.

No FAP meetings were held from July 2020 to 7th December 2020 as no Board member was in place from August 2020 until November 2020. A quorum is four members of the FAP with at least one member of the Board.

Signed on behalf of the Commission



Gerry Finn
Chairperson
08.12.2021

Statement of Income and Expenditure and Retained Reserves

Income	Note	2020 € Western Development Commission	2020 € Western Investment Fund	2020 € EU Grants Funding	2020 € Total	2019 € Western Development Commission	2019 € Western Investment Fund	2019 € EU Grants Funding	2019 € Total
Oireachtas Grants	2	1,859,118	0	0	1,859,118	1,962,305	0	0	1,962,305
EU Grants	3	0	0	359,945	359,945	0	0	906,573	906,573
Other income	4	675,101	0	0	675,101	6,265	0	0	6,265
Transfer to EU Grants Funding		0	0	0	0	0	0	0	0
Investment income	5	0	61,504	0	61,504	0	167,264	0	167,264
Net Deferred Funding for Pensions	15c	447,000	0	0	447,000	349,000	0	0	349,000
Total Income		2,981,219	61,504	359,945	3,402,668	2,317,570	167,264	906,573	3,391,407
Expenditure									
Operating Costs	6a/b	(2,995,815)	0	(415,943)	(3,411,758)	(2,251,039)	0	(679,887)	(2,930,926)
Operating surplus/ (Deficit) for the year		(14,596)	61,504	(55,998)	(9,090)	66,531	167,264	226,686	460,481
Increase/(Decrease) in value of financial assets	7	0	98,084	0	98,084	0	(327,972)	0	(327,972)
Surplus/(Deficit) for the year before appropriations		(14,596)	159,588	(55,998)	88,994	66,531	(160,708)	226,686	132,509
Transfer from (to) capital account	13	2,929	0	0	2,929	(28,908)	0	0	(28,908)
Surplus/(Deficit) for the year after appropriations		(11,667)	159,588	(55,998)	91,923	37,623	(16,708)	226,686	103,601
Reserves at 1 January		758,774	72,568,009	278,100	73,604,883	721,151	72,728,717	51,414	73,501,282
Reserves at 31 December		747,107	72,727,597	222,102	73,696,806	758,774	72,568,009	278,100	73,604,883

The statement of cash flows and the notes 1 to 20 form part of these financial statements.



Gerry Finn, Chairperson
08.12.2021



Tómás Ó Síochain, CEO
08.12.2021

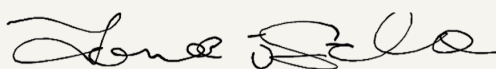
Statement of Comprehensive Income

	2020 €	2019 €
Surplus for the year	<u>91,923</u>	<u>103,601</u>
Experience loss/(gain) arising on the scheme liabilities	528,000	1,431,000
Losses arising due to changes in assumptions	<u>0</u>	<u>0</u>
Actuarial loss/(gain) on pension liabilities	<u>528,000</u>	<u>1,431,000</u>
Adjustment to deferred pension funding	(528,000)	(1,431,000)
Total recognised gains/(losses) for the year	<u>91,923</u>	<u>103,601</u>

The statement of cash flows and the notes 1 to 20 form part of these financial statements.



Gerry Finn, Chairperson
08.12.2021



Tómás Ó Síochain, CEO
08.12.2021

Statement of Financial Position

	Notes	2020 €	2019 €
Fixed Assets			
Fixtures and fittings	9	38,156	41,085
Financial Assets	10	72,727,597	72,568,009
		<u>72,765,753</u>	<u>72,609,094</u>
Current Assets			
Cash and Cash Equivalents		1,978,869	2,197,428
Receivables	11	414,534	487,881
		<u>2,393,403</u>	<u>2,685,309</u>
Current Liabilities			
Payables	12	(1,424,194)	(1,648,435)
Net Current Assets		<u>969,209</u>	<u>1,036,874</u>
Total Assets Less Current Liabilities before pensions		73,734,962	73,645,968
Deferred Pension funding		(7,925,000)	(6,950,000)
Pension liabilities		7,925,000	6,950,000
Total Assets		<u>73,734,962</u>	<u>73,645,968</u>
Representing			
Investment Fund	10	72,727,597	72,568,009
EU Grants/NPP	19	222,102	278,100
Retained Revenue Reserves		747,107	758,774
Capital Account	13	38,156	41,085
		<u>73,734,962</u>	<u>73,645,968</u>

The statement of cash flows and the notes 1 to 20 form part of these financial statements.



Gerry Finn, Chairperson
08.12.2021



Tómás Ó Síochain, CEO
08.12.2021

Statement of Cash Flows

Statement of Cash Flows for the year ended 31st December 220 Reconciliation of Surplus/(Deficit) to Cashflow from Operating Activities

	2020 € Western Development Commission	2020 € Western Investment Fund	2020 € EU Grants Funding	2020 € Total	2019 € Western Development Commission	2019 € Western Investment Fund	2019 € EU Grants Funding	2019 € Total
Excess income over expenditure	(11,667)	159,588	(55,998)	91,923	37,623	(160,708)	226,686	103,601
Depreciation and impairment of fixed assets	31,100	0	0	31,100	26,384	0	0	26,384
Transfer to capital account	(2,929)	0	0	(2,929)	28,908	0	0	28,908
Loss on disposal	1,185	0	0	1,185	0	0	0	0
Transfer to/(from) EU Grants Funding	0	0	0	0	0	0	0	0
Bank interest	0	2,984	0	2,984	0	(25,871)	0	(25,871)
Dividends	0	(45,000)		(45,000)	0	0	0	0
(Increase)/Decrease in Receivables	33,242	0	40,105	73,347	(48,343)	0	(134,901)	(183,244)
Increase/(Decrease) in Payables	(237,885)	0	13,644	(224,241)	1,499,459	0	(36,042)	1,463,417
(Increase)/Decrease in value of financial assets	0	(98,084)	0	(98,084)	0	327,972	0	327,972
Cash (Inflow)/Outflow from Operating Activities	(186,954)	19,488	(2,249)	(169,715)	1,544,031	141,393	55,743	1,741,167
Net Cash Flows from Investing Activities								
Payments to acquire fixed assets	(29,356)	0	0	(29,356)	(55,292)	0	0	(55,292)
Payments to acquire equity	0	(3,221,264)	0	(3,221,264)	0	(2,134,219)	0	(2,134,219)
Payments to acquire debt instruments	0	(1,509,506)	0	(1,509,506)	0	(2,307,348)	0	(2,307,348)
Receipts from debt instruments	0	975,931	0	975,931	0	671,331	0	671,331
Receipts from equity	0	316,702	0	316,702	0	1,011,952	0	1,011,952
Net Cash Inflow from Investing Activities	(29,356)	(3,438,137)	0	(3,467,493)	(55,292)	(2,758,284)	0	(2,813,576)
Net Cash Flows from Financing Activities								
Bank interest received	0	(2,984)	0	(2,984)	0	25,871	0	25,871
Dividends received	0	45,000	0	45,000	0	0	0	0
Transfer to EU Grants Funding	0	0	0	0	0	0	0	0
Net Cash Inflow from Financing Activities	0	42,016	0	42,016	0	25,871	0	25,871
Net Increase/(Decrease) in Cash and Cash Equivalents	(216,310)	(3,376,633)	(2,249)	(3,595,192)	1,488,739	(2,591,020)	55,743	(1,046,538)
Cash and Cash Equivalents at 1 January	1,662,371	45,313,264	535,057	47,510,692	173,632	47,904,284	479,314	48,557,230
Cash and Cash Equivalents at 31 December	1,446,061	41,936,631	532,808	43,915,500	1,662,371	45,313,264	535,057	47,510,692

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) Going Concern

Since early 2020 the country has encountered a national public health and economic emergency due to the viral Covid-19 pandemic that has spread across the globe.

Covid-19 has caused disruption to many business operations. The significant international dimension of the virus continues to pose a risk of disrupting international markets. The situation is evolving at such a pace that it makes its actual impact on the business difficult to determine.

WDC have made a number of significant changes to mitigate the business continuity risk and also to protect the health and wellness of our employees and contractors. The Commission have prepared cash flow projections for the next 12 months that have been appropriately adjusted to take account of reasonably estimable impacts of the effect of Covid-19 on the sector in Ireland and on the WDC. These projections recognise the level of diversification in the Commission's business activities. These cash flow projections indicate that the WDC will continue to meet its liabilities as they fall due over this period.

The Commission believe a robust business model is in place, and with the support of the parent department, banks, suppliers and employees, will be able to deal with the challenges that Covid-19 brings.

The WDC therefore continues to adopt a going concern basis in preparing its Financial Statements.

b) 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 to procure the promotion of, and assist in, fostering and encouraging economic and social development in the Western Region.

The Western Development Commission is a public entity.

c) Statement of compliance

The financial reporting framework that has been applied in the preparation of the financial statements of the Western Development Commission for the year ended 31st December 2020 is Irish Law and FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council (FRC).

d) 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 Social Protection, Rural and Community Development and the Islands, 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.

e) Revenue

Oireachtas grants

Revenue is generally recognised on an accruals basis; an 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.

Monitoring Fees

Fees received are recognised in the Western Investment Fund. 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 when incurred.

Unrealised gains and losses, resulting from changes in the valuation of investments and loans, are recognised where the Western Development Commission is of the opinion that the value of an investment has fallen below the carrying value and a provision is

created and charged to the Statement of Income and Expenditure and Retained Reserves.

Unrealised gains, due to the revaluation of an investment, are recognised in the Statement of Income and Expenditure and Retained Reserves in instances where the fair value of the investment can be reliably estimated.

Impairment write-offs are recognised in the Statement of Income and Expenditure and Retained Reserves.

In the case of the sale of equity investments, any amounts held in escrow are not recognised in the Statement of Financial Position but are only recognised when received.

Other revenue is recognised on an accruals basis.

f) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation, adjusted for any provision for impairment. Depreciation is provided 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) Computer Equipment | 33% per annum |

g) 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, which 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 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 and 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.

Cash Balances

In addition to equity investments, loans and fee income, the Western Investment Fund also comprises of cash balances 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.

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.

h) 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 Revenue Reserves.

i) EU Funding Programmes

The WDC participates in a number of projects from EU funding programmes, including the Interreg EU Programme, the EU Interreg Northern Periphery and Arctic Programme (NPA).

The Western Development Commission have engaged on a range of approved regional development projects. These include creative economy project Spot-Lit, business support projects Bizmentors and Extra-SME, circular economy project BCE and renewable projects such as Leco, and RE-DIRECT.

In general, partners located in EU Member States may apply a grant rate of up to 65% and partners located in the Non-EU partner countries may apply a grant rate of up to 50-65%, depending on the country. In exceptional circumstances, the Monitoring Committee may approve a higher grant rate. The WDC participate in the programme by making a contribution of approx. 35-40% of the costs associated with each project by using an in-kind contribution of WDC core staff wages, salaries and absorption of the office costs associated over the lifecycle of the projects. The WDC has participated in these projects as both a lead partner and a project partner. As lead partner, claims are made by the WDC on behalf of the wider project partnership to the secretariat of the EU Funded Programme. Prior to any claim being made 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 secretariat. Claims are scheduled on a six-monthly basis. However, the processing lead time has been observed to be twelve to twenty four 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 income.

a) 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.

a) 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

Notes to the Financial Statements	Notes	2020 €	2019 €
2. Oireachtas Grants			
Department of Rural and Community Development		1,921,953	2,015,212
Employee Pension Contributions		(62,835)	(52,907)
Oireachtas Grant		<u>1,859,118</u>	<u>1,962,305</u>
3. EU Income			
		<u>359,945</u>	<u>906,573</u>
<p>The WDC participates in a number of projects from EU funding programmes including the Interreg EU Programme and the EU Interreg Northern Periphery and Arctic Programme (NPA).</p> <p>In general, partners located in EU Member States may apply a grant rate of up to 65% and partners located in the non-EU partner countries may apply a grant rate of up to 50-65%, depending on the country.</p> <p>In exceptional circumstances, the Monitoring Committee may approve a higher grant rate. The WDC participate in the programme by making a contribution of approx. 35- 40% of the costs associated with each project by using an in-kind contribution of WDC core staff wages, salaries and absorption of the office costs associated over the lifecycle of projects.</p>			
4. Other Income			
Other Income		10,087	6,265
DigiWest Hubs		210,427	0
AEC Hubs		454,587	0
		<u>675,101</u>	<u>6,265</u>
5. Investment Income			
Dividends received on equity investments		45,000	0
Interest received on loans		78,995	102,143
Interest received/(charged) on WIF cash at bank		(2,984)	25,871
Monitoring Fees		15,578	39,250
Outlay		(75,085)	0
		<u>61,504</u>	<u>167,264</u>

Notes to the Financial Statements

Notes to the Financial Statements	Notes	2020 €	2019 €
6 a. Operating Costs The Western Development Commission			
Salaries (including employers' PRSI)		1,272,474	1,072,244
Travel and Subsistence - Staff		16,958	80,793
Pension Costs	15A	405,165	317,093
Training & Development		22,588	28,753
Public Relations		58,962	24,880
Professional Fees		57,501	251,858
Professional Fees -Western Investment Fund		28,043	10,447
Staff Recruitment		2,850	20,221
Commission Members			
Travel and Subsistence		1,181	17,197
Fees		30,808	35,910
Meetings & Seminars		3,973	21,030
Commission Sub-committees / Advisory Panels			
Travel and Subsistence		557	4,576
Printing & Design		9,878	21,265
Office Expenses		57,042	39,971
Light and Heat		4,727	4,980
Repairs and Maintenance		29,792	8,528
Insurance		14,976	13,341
Audit Fee		14,300	12,000
Accountancy and Internal Audit		27,253	27,921
Advertising, Marketing & Subscriptions		28,383	58,417
Telecommunications		26,913	22,886
Depreciation	9	31,100	26,384
Loss on disposal		1,185	0
Sponsorship and Projects		88,286	113,474
Sundry		13,220	463
Partner payments		(16,407)	16,407
Web & IT systems development		99,094	0
DigiWest Hubs		210,426	0
AEC Hubs		454,587	0
		<u>2,995,815</u>	<u>2,251,039</u>
Direct Wages & Salaries for staff contracted to work fully on EU Projects are shown under expenditure for EU Grants/Projects. The Western Development Commissions contribution to associated costs for EU projects of €195,006 (2019: €285,520) are charged to the costs above.			

Notes to the Financial Statements

Notes to the Financial Statements			2020 €		2019 €
6 b. Operating Costs – EU Grants/Projects					
Salaries (including employers' PRSI)			155,437		112,019
Travelling and Subsistence - Staff			9,291		44,848
Professional Fees			100,357		159,784
Meetings and Conferences			669		9,716
Printing			4,061		1,614
Office expenses			688		2,344
Sundry			5,621		0
Regional Approaches to Stimulating Local Enterprise			139,819		349,562
			<u>415,943</u>		<u>679,887</u>
<p>Direct Wages & Salaries for staff working fully on EU projects are charged to the financial statements under EU Project Expenditure.</p> <p>The Western Development Commissions' contribution to associated costs over the project lifecycle are absorbed in the operating costs of the Western Development Commission. Claims are scheduled on a six-monthly basis. However, some claim dates may fall outside of the calendar year and claim processing and lead times by the EU Funding Programme is observed to be twelve to twenty four months.</p>					
6 c. Key Management personnel					
<p>Key management personnel in Western Development Commission consist of the CEO and members of the Commission.</p> <p>Total compensation paid to key management personnel, including Commission members' fees and expenses and total CEO remuneration, amounted to €125,671 (2019: €151,180).</p>					
6 d. Staff Costs					
Salaries Western Development Commission (including employers' PRSI)			1,272,474		1,072,244
Salaries Western Development Commission - Hubs (including employers' PRSI)			47,755		0
Salaries Western Investment Fund (including employers' PRSI)			75,085		0
Salaries EU Grants Funding (including employers' PRSI)			155,437		112,019
			<u>1,550,751</u>		<u>1,184,263</u>
<p>2020 25 Full time equivalent (FTE) = 24.6</p> <p>2019 23 Full time equivalent (FTE) = 23.2</p>					

The calculation of the Full Time Equivalent Employee numbers (FTE) is based on the number of permanent/ contracted staff engaged at the year end. The 2019 year-end FTE reflects increased recruitment in the later part of that year.

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

Salary Band (€) 2020	Staff Number	Salary Band (€) 2019	Staff Number
60,000 – 70,000	6	60,000 – 70,000	6
70,000 – 79,000	0	70,000 – 79,000	0
80,000 – 89,000	0	80,000 – 89,000	0
90,000 – 99,000	3	90,000 – 99,000	3

For the purpose of the above disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary and other payments made on behalf of the employee, but exclude employer's PRSI.

Notes to the Financial Statements

	2020 Salaries	2020 Travel & Subsistence	2019 Salaries	2019 Travel & Subsistence
6 e. CEO Salary				
Mr Tomás Ó Síocháin	92,352	1,330	87,294	10,779

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 bonus payments were made to the CEO.

Tomás Ó Síocháin 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.

6 f. Additional Superannuation Contribution (ASC)

In 2020, €33,961 was deducted from staff by way of pension levy (2019: €37,818) and was paid over to the Department of Rural and Community Development.

ASC replaced the pension-related deduction (PRD) which ceased at the end of 2018. While PRD was based on taxable remuneration, ASC is based on pensionable remuneration only. Whereas PRD was a temporary emergency measure, ASC is a permanent contribution in respect of pensionable remuneration.

7. Change in value of financial assets	2020 €	2019 €
Decrease in impairment (net) against equity	62,545	342,560
Decrease in impairment against loans	18,837	12,705
Provision reclassified and written off investments & loans	0	(743,313)
Increase in Fair Value of Equity Investments	16,702	60,076
Increase/(Decrease) in value of financial assets	98,084	(327,972)
Included in the change in the value of financial assets above is a realised gain of €16,702 (2019: loss €671,091) which was realised in the year from disposals of equity investments.		

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 in respect of this premises.

9. Fixed Assets	2020 €	2019 €
Cost at 1 January	177,717	210,023
Additions	29,356	55,292
Disposals	(4,943)	(87,598)
Balance at 31 December	202,130	177,717
Accumulated Depreciation	136,632	197,846
Charge	31,100	26,384
Disposals	(3,758)	(87,598)
Balance at 31 December	163,974	136,632
Net Book Value at 31 December	38,156	41,085

Fixed Assets is comprised of Fixtures and Fittings NBV €8,606 (2019: €7,869) and Computer Equipment NBV €29,550 (2019: €33,216).

Notes to the Financial Statements

10 Financial Assets	Notes	2020 €	2019 €
Equity Investments at fair value	10a	13,661,823	13,661,823
Equity Investments at cost less any impairment	10a	12,039,984	9,056,175
Loans	10b	5,089,159	4,536,747
Monitoring Fees and Outlay	10c	332,666	392,173
Cash balance available for reinvestment	10d	41,603,965	44,921,091
		<u>72,727,597</u>	<u>72,568,009</u>

10 a. Unquoted Equity Investments			
At fair value			
Opening Balance at 1 January		13,661,823	16,484,195
* Reclassification		0	(2,619,573)
Reversal on Sale		(16,702)	(262,875)
Movement in Fair Value		16,702	60,076
Balance at 31 December		<u>13,661,823</u>	<u>13,661,823</u>
At cost			
Opening Value at 1 January		11,508,104	8,234,554
* Reclassification		0	2,619,573
Additions		3,221,264	2,134,219
Cost of Disposals		(300,000)	(1,480,242)
Balance at 31 December		<u>14,429,368</u>	<u>11,508,104</u>
Impairment			
Opening Value at 1 January		(2,451,929)	(2,794,490)
Reversal on Sale		(38,250)	1,271,412
Movement in Impairment		100,795	(928,851)
Balance at 31 December		<u>(2,389,384)</u>	<u>(2,451,929)</u>
Valuation at 31 December		25,701,807	22,717,998

* The reclassification in the 2019 comparative is to reflect the "equity investment at cost less any impairment" at €9,056,175.

Notes to the Financial Statements

10 b. Loans	2020 €	2019 €
Cost		
Opening Value at 1 January	5,686,716	4,062,847
Additions	1,509,506	2,307,348
Loan Repayments	(975,931)	(671,331)
Write offs	0	(12,148)
Cost at 31 December	<u>6,220,291</u>	<u>5,686,716</u>
Impairment		
Opening Balance at 1 January	(1,149,969)	(1,162,674)
Movement in Impairment	18,837	12,705
Balance at 31 December	<u>(1,131,132)</u>	<u>(1,149,969)</u>
Valuation at 31 December	5,089,159	4,536,747
Receivable within 12 months	1,240,713	436,298
Receivable after 12 months	3,848,446	5,250,418
10 c. Monitoring Fees and Outlay		
Fee income at 1 January	392,173	352,923
Monitoring Fees	15,578	39,250
Outlay	(75,085)	0
Balance 31 December	<u>332,666</u>	<u>392,173</u>
10 d. Cash balances available for reinvestment		
Cash balances at 1 January	44,921,090	47,551,362
Equity disposals/loan repayments in the period	1,292,633	1,683,281
Dividends received on equity investments	45,000	0
Interest received on loans	78,995	102,143
Interest received/ (charged) on WIF cash at bank	(2,984)	25,871
Amount reinvested in period - Equity	(3,221,264)	(2,134,219)
Amount reinvested in period - Loan	(1,509,506)	(2,307,348)
Cash balances at 31 December	<u>41,603,965</u>	<u>44,921,090</u>

Notes to the Financial Statements

11. Receivables	2020 €	2019 €
Debtors	190	2,690
Prepayments	45,337	76,079
EU Grants/NPP Grants Receivable	369,007	409,112
	<u>414,534</u>	<u>487,881</u>

12. Payables		
Creditors & Accruals	230,891	260,118
Deferred Income	1,193,303	1,388,317
	<u>1,424,194</u>	<u>1,648,435</u>

Deferred Income relates to advance payments received in relation to separately funded projects financed by the Department of Rural and Community Development.

13. Capital Account	2020 €	2020 €	2019 €	2019 €
Balance at 1 January	0	41,085	0	12,177
Transfer to Income and Expenditure Account:	0	0	0	0
–Funds allocated to acquire Fixed Assets	29,356	0	55,292	0
–Amount released on disposal	(1,185)	0	0	0
–Amount amortised in line with asset depreciation	<u>(31,100)</u>	0	<u>(26,384)</u>	0
		(2,929)		28,908
		<u>38,156</u>		<u>41,085</u>

14. Future Commitments -WIF	2020 Equities €	2020 Loans €	2019 Equities €	2019 Loans€
Opening Commitments	5,034,362	1,951,987	4,342,331	485,555
Reclassification	(1,267,001)	1,267,001	0	0
Approvals	9,053,879	3,977,534	2,826,250	4,040,780
De-commitments	(1,089,286)	(485,068)	0	(267,000)
Disbursals	(3,221,264)	(1,509,506)	(2,134,219)	(2,307,348)
Closing Commitments	<u>8,510,690</u>	<u>5,201,948</u>	<u>5,034,362</u>	<u>1,951,987</u>

Notes to the Financial Statements

15 Retirement Benefit Costs		
a) Analysis of total retirement benefit costs charged to the Statement of Income and Expenditure and Retained Revenue Reserves	2020 €	2019 €
Gross service cost	395,000	270,000
Net interest expense/(income)	73,000	100,000
Employee contributions	(62,835)	(52,907)
	<u>405,165</u>	<u>317,093</u>

b) Movement in net retirement benefit obligations during the financial year		
Net retirement benefit obligation at 1 January	6,950,000	5,170,000
Gross service cost	395,000	270,000
Interest cost	73,000	100,000
Actuarial loss/(gain)	528,000	1,431,000
Benefits paid	(21,000)	(21,000)
Net retirement benefit obligation at 31 December	<u>7,925,000</u>	<u>6,950,000</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:

	2020 €	2019 €
Funding recoverable in respect of current year retirement benefit costs	468,000	370,000
State grant applied to pay retirement benefits	(21,000)	(21,000)
	<u>447,000</u>	<u>349,000</u>

The deferred funding asset for retirement benefits at 31st December 2020 amounts to €7.925M (2019: €6.950M).

d) History of defined benefit obligations	2020 €	2019 €	2018 €	2017 €	2016 €
Defined benefit obligations	7,925,000	6,950,000	5,170,000	5,120,000	4,025,000
Experience (loss)/gains on defined benefit scheme liabilities	(528,000)	(1,431,000)	294,000	(835,000)	(138,000)
Percentage of plan liabilities	6.7%	20.6%	-5.7%	-16.3%	3.4%

Notes to the Financial Statements

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 2020.

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:

	2020 €	2019 €
Rate of increase in salaries	2.50%	2.25%
Rate of increase in retirement benefits in payment	2.00%	2.25%
Discount rate	0.80%	1.00%
Inflation rate	1.75%	1.75%

Average future Life Expectancy	2020	2019
Male aged 65	21.7 years	21.5 years
Female aged 65	24.1 years	23.9 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 2020.

There was no related party transactions in the years 2020 or 2019.

17. Events after the Reporting Date

There were no significant events, other than as outlined below, subsequent to the year end date which require disclosure within the financial statements.

The spread of Covid-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time.

Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services, have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

Notes to the Financial Statements

Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions.

The impact of the pandemic is evolving at such a pace that it makes its actual impact on businesses difficult to determine. Notwithstanding this, the Commission believes it has a robust business model, and with the support of the parent department, banks, suppliers and employees, will be able to deal with the challenges that Covid-19 brings.

The Commission have assessed that no material adjustments are required to the carrying value of assets and liabilities at the year end as a consequence of the pandemic.

18. Going Concern

The financial statements have been prepared on a going concern basis which assumes that the Commission will continue in operational existence for the foreseeable future.

The validity of this assumption depends on the ability of the Commission to secure continuing operational support from its stakeholders during the Covid-19 pandemic.

The impact of Covid-19 on WDC investments has been considered during the valuation assessment and the preparation of budgets and cashflow projections.

The Commission are satisfied that the financial and other operational support required will continue and believe that it is therefore appropriate for the financial statements to be prepared on a going concern basis.

19. EU Grants

Surplus funds held under EU Grants/NPP are utilised for working capital on EU Projects. Claims are scheduled on a six-monthly basis. However, the processing lead time has been observed to be twelve to eighteen months which can contribute to surplus reserves.

Reserves at 1 January	278,100
Deficit for the current year	(55,998)
Reserves at 31 December	222,102

20. Approval of financial statements

The Commission approved these Financial Statements for issue on 7th December 2021.



**WESTERN
DEVELOPMENT
COMMISSION**

Supporting communities to grow,
investing in businesses to scale and
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Dillon House, Ballaghaderreen
Co. Roscommon, F45 WY26

Phone: +353 (0)94 986 1441
Email: info@wdc.ie

westerndevelopment.ie