



**WESTERN  
DEVELOPMENT  
COMMISSION**

# Annual Report 2021

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

---

# Contents

Chairperson's Foreword	<b>4</b>
Chief Executive's Report	<b>7</b>
Our Mission	<b>10</b>
Our Vision	<b>12</b>
Structure of the WDC	<b>14</b>
The Region	<b>15</b>
Regional Promotion	<b>16</b>
Regional Leadership	<b>23</b>
Sustainable Enterprise	<b>42</b>
Financial Statements	<b>57</b>
Key Enablers to Deliver Our Strategy: Corporate Services	<b>61</b>



A scenic photograph of a white lighthouse with a red lantern room, situated on a grassy cliff overlooking the ocean. The sky is a mix of orange, yellow, and grey, suggesting a sunset or sunrise. The foreground shows dark, jagged rocks and the sea.

**6,400**

**responses to the 2021  
National Remote  
Working Survey**

**€10M**

**Disbursed across 58  
investments from the  
WDC Investment Fund**

**650k**

**viewers of the WDC's  
first TV show called  
Moving West on TG4**

**176**

**hubs live on the  
[connectedhubs.ie](https://connectedhubs.ie)  
platform**

---

# Chairperson's Foreword

Once again, The Covid-19 pandemic defined much of how the Western Development Commission operated throughout 2021. Despite this on-going disruption and under difficult circumstances the organisation not only rose to the challenge, reaching new milestones but also adjusted to a new way of working and supported others to do so. I want to once again, pay tribute to the staff and Board of the WDC who persevered and drove the organisation to lead multiple projects across the west and northwest.

Again, the strong focus on governance continued with Board meetings and staff meetings taking place online. This transition was supported by the implementation of new technology across the organisation, part of a wider project to ensure we have best in class communication. Working to the current WDC strategy, initiatives continued under the key pillars, Regional Promotion, Regional Leadership and Sustainable Enterprise.

The WDC policy team and the Whitaker Institute at NUI Galway continued their collaboration in 2021 and in May published the third national remote work survey in the series. The study gained national coverage and its findings informed employers about employee experiences of remote working at a key time during the Covid-19 pandemic.

Nine new REPs to 2024 have been developed throughout 2021 by regional Steering committees, three of these across the western seaboard. The WDC is host to the West Regional Enterprise Plan Programme Manager and led the alignment of the west, northwest and Midwest plans in areas such as renewable energy and the creative economy. In collaboration with Údarás na Gaeltachta, and Local Economic Offices the focus will now be to promote the direct sector growth and its ability to support wider regional economic and social development.



**“The WDC’s first TV show called Moving West on TG4 highlighted the benefits of moving to and working along cross the Atlantic Seaboard. The show was a resounding success gaining over 650,000 viewers in its’ first season.”**

The WDC Investment Fund disbursed €10m across 58 investments, €6.4m of this in 12 SMEs and €2.9m in 28 community/social enterprise projects and once again demonstrated its impact by providing a significant platform for future development and growth in the region

The WDC’s first TV show called Moving West on TG4 highlighted the benefits of moving to and working along cross the Atlantic Seaboard. As a pilot, the show was a resounding success gaining over 650,000 viewers in its’ first season. Plans are already in place for season two in 2022 which will cover a wider geographical area and take in some of the islands off the coast.

The new Westernjobs.ie platform was launched to link employers and talent both in the region and aspiring to move, increasing our engagement with key partners and stakeholders across every county. The launch of the ConnectedHubs.ie was a defining moment for the WDC bringing a pilot project from the region to a national level in a very short space of time. This project also strengthened the WDC’s relationship with the Department of Rural and Community Development including a number of other agencies, local authorities and stakeholders.

**Gerry Finn**

Chairperson

Western Development Commission



Mary Kennedy with Aoibheann Boyle who moved to Kilkee in County Clare.



WATCH SEASON 1 OF  
MOVING WEST HERE



Cynthia Baloula moved to Béal an Mhuirthead and manages her business in the gteic there.



Maggie Breen lives in Ballyferriter and works in the Dingle Hub.





---

# Chief Executive's Report

As the year draws to a close, despite the challenges there is much to celebrate in the West where there is 'More to Life.' This brief overview of the work of the WDC in 2021 highlights a TV programme on *Moving West*, the development of ideas and investment in companies tackling some of society's biggest challenges, lending to communities across the west and incisive policy analysis during a year of significant change and disruption.

The ongoing shift to working remotely meant that, again this year, much of our work in that area was fast-tracked. The findings of the [second National Remote Work Survey](#), published in May showed that a remarkable 95% of those surveyed were in favour of working remotely. This year also saw the launch of the National Hubs Network – [connectedhubs.ie](#). This nationwide network of connected, digital, enterprise, scaling and community hubs grew out of the Atlantic Economic Corridor Hubs Network.

There are now more than 176 (December 2021) hubs on the [connectedhubs.ie](#) platform and this is expected to grow in the early stages of 2022. Our connected hubs team are working with hub managers across the country to build relationships with public and private partnerships to take the project to the next phase in 2022. The [connectedhubs.ie](#) network is a key part of *Our Rural Future* strategy launched by the Minister for Rural and Community Development Heather Humphreys. Under the strategy the Minister has already launched an initial €5m [connectedhubs.ie](#) fund followed €8.8m to help develop hubs around the country.

Establishing the [connectedhubs.ie](#) network and platform is the first step, but the most exciting aspect of this project is the scope for innovation that follows. An example is the award-winning Clare Island E-Health initiative in association with the community on the County Mayo Island, with CISCO, the HSE, NUI Galway, the Department of Community and Rural Development and Mayo County Council. This is one of several similar initiatives along the Atlantic coast which will be launched throughout 2022.

This year the WDC Investment Fund disbursed €10 million in investment and lending into 54 enterprises and projects across the western region. Highlights during 2021 include investments in Atlantic Therapeutics, Sligo based Nektar Technologies, the acquisition in May of Roscommon based *Fincovi* by Skyspecs, and investments in Galway based companies *Locker*, *Tympany Medical* and *Palliare* among others. In November, Donegal based *Content Llama*, Ireland's leading content configuration technology (CCT) platform raised €2.5m with the WDC among its investors. We supported 28 community groups and social enterprises in 2021 with bridging and terms loans. The WRAP Fund a joint initiative between the Galway Film Centre and the WDC in association with local authorities in Clare, Donegal, Galway City, Galway County, Mayo, Roscommon, Sligo and Údarás na Gaeltachta had a successful year with many investments, an example was RTÉ series *Smother* filmed in Clare. A Socio-economic analysis of 20 years of WIF investing was commissioned in 2021 and the results will be disseminated in 2022.

The WDC welcomed the publication of the Government's 'Our Rural Future Strategy'. This reflected the opportunities and challenges of rural life, outline in policy work, in areas such as the National Development Plan, economic indicators and the impact of the pandemic and rural mobility as part of the broader transition to a low carbon economy. This year also saw the publication of a report on [renewables and grid infrastructure](#) and the development of a '[Region of Innovation](#)'. This builds on the acknowledged potential of the National Hubs Network as sources of economic activity and innovation reflected in the visit of An Tánaiste and Minister for Enterprise, Trade and Employment Leo Varadkar to the Ballinasloe Enterprise Centre in July as part of the 'Making Remote Work' campaign.

Scaling ideas remains a focus within the region, and [INTERREG bridge funding](#) was allocated to further develop existing projects in areas such as literary tourism, online mentoring and the use of renewables. Among these projects, the literary tourism project [SPOT-LIT](#) was highlighted at the annual NPA conference in Sligo. We are working in partnership with



Enterprise Ireland and other funders and agencies across the region in the **Creative Economy project** and Grow Remote. Another such project is a social enterprise seeking to build sustainable communities through remote working and the Future Mobility Campus Ireland, a testbed for autonomous vehicles on land, sea and air in Shannon, Co. Clare which hosted the Electronomous international conference in November.

We closed out the year with the launch of the 'No Place Like Home' campaign to encourage those that come home to visit, to stay in the west. This builds on the launch earlier this year of [westernjobs.ie](https://westernjobs.ie) to allow people to signal their intent to take up a role in the west, and to allow employers to highlight the many roles at all levels, in a variety of sectors that are currently available. A snapshot of the life that awaits those that move was captured on TG4 earlier this year with the broadcast of 'Moving West', a six-part series telling the stories of those that have made the move to Mayo, Clare, Galway, Kerry, Leitrim and Sligo.

This is a summary of the work of the team across the WDC during 2021. 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 2022 and beyond.

Is cúis mhór bród domsa, mar phríomhfheidhmeannach, obair fhoireann Choimisiún Forbartha an Iarthair.



**Tomás Ó Síocháin**

Chief Executive Officer

Western Development Commission



The Bryden Centre at CoLab  
Innovation Centre in Donegal

# Our Mission

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



---

## Our Mission

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
- 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.



MMG Welding  
Killybegs Donegal



### **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 27 members of staff.

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

## Board Members

The Board consists of a Chairperson and 11 ordinary members, all of whom are appointed by the Minister of the Department of Rural and Community Development. The members of the Board were appointed for a period of 3 years and met 8 times in 2021.

The table below details the appointment of the current board members.

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	22nd August 2021
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



---

# The Region

Situated along the leading edge of Europe, Ireland's Western Region is an area of outstanding physical beauty. It is a region of contrasts, home to a global med-tech hub, an acknowledged industrial expertise in sensors and mobility and a burgeoning creative economy.

Since its establishment, the Western Development Commission has played a significant role in the economic growth of the region. In 2019, there were 43,686 business economy enterprises registered in the Western Region which makes it home to 16% of all of the business economy enterprises in Ireland. The majority of these are micro-enterprises – 92% in the Western Region compared with 91% in the rest of the state. Roscommon (94%) and Leitrim (94%) have the highest shares of micro-enterprises in Ireland.

The Western Region is comprised of the counties of Donegal, Sligo, Leitrim, Mayo, Roscommon, Galway and Clare and is a largely rural region including some of the most remote parts of the country. In fact, 64.7% of the population live outside of towns of 1,500 or more and that's why the WDC has a particular focus on the needs of, and opportunities for, more rural and peripheral areas.



---

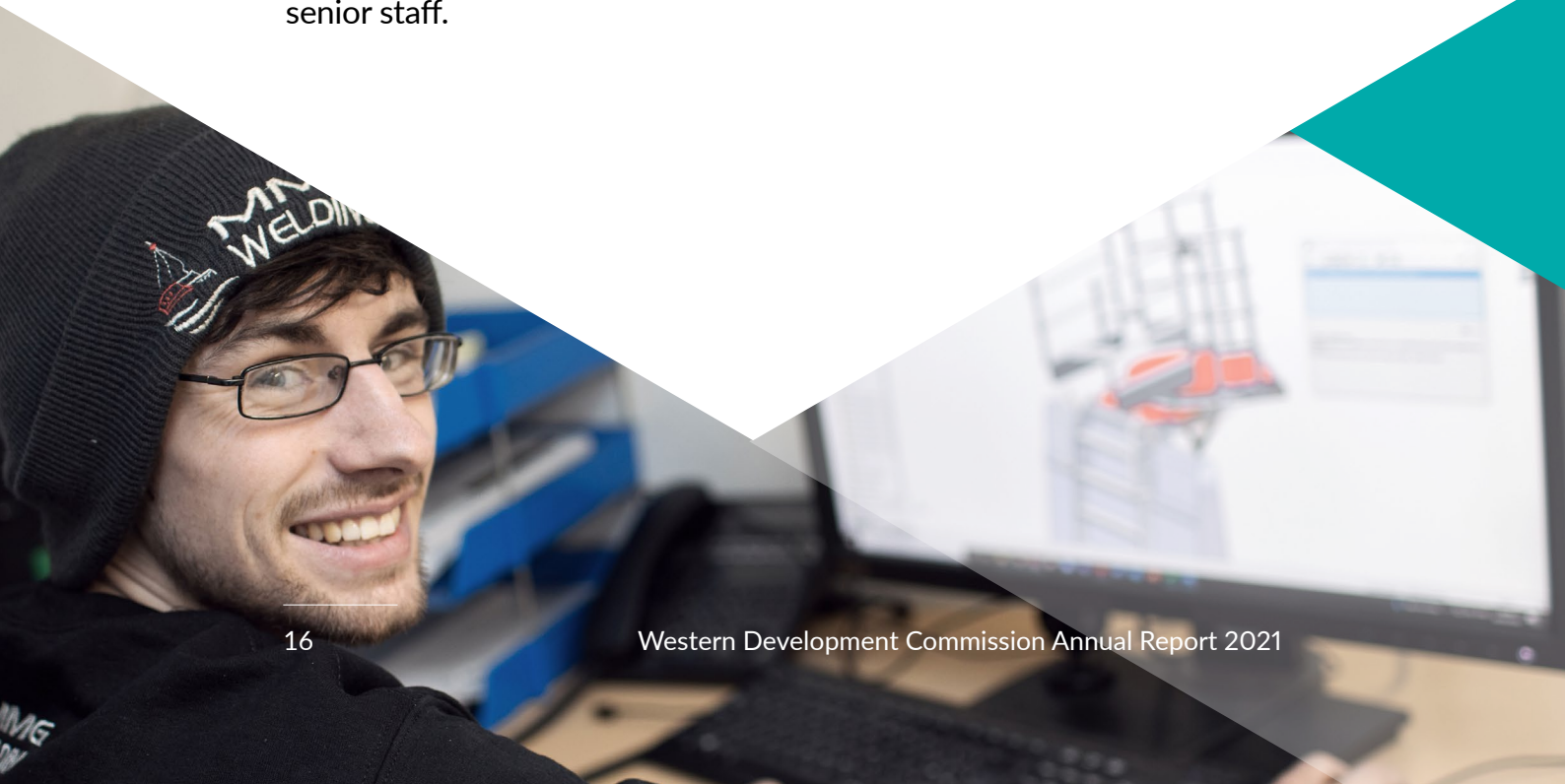
# Regional Promotion

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. This year marked an exciting year for promotion of the region with a number of projects and launches outlined below.

## **Westernjobs.ie**

On the 27th April 2021 the WDC launched [westernjobs.ie](https://westernjobs.ie), an online jobs platform promoting and showcasing the high quality and varied career opportunities in the region. A tool specifically for the West of Ireland has never previously been available. Jobseekers can avail of the many job options including remote working and hybrid options as full-time and part-time open across multiple sectors.

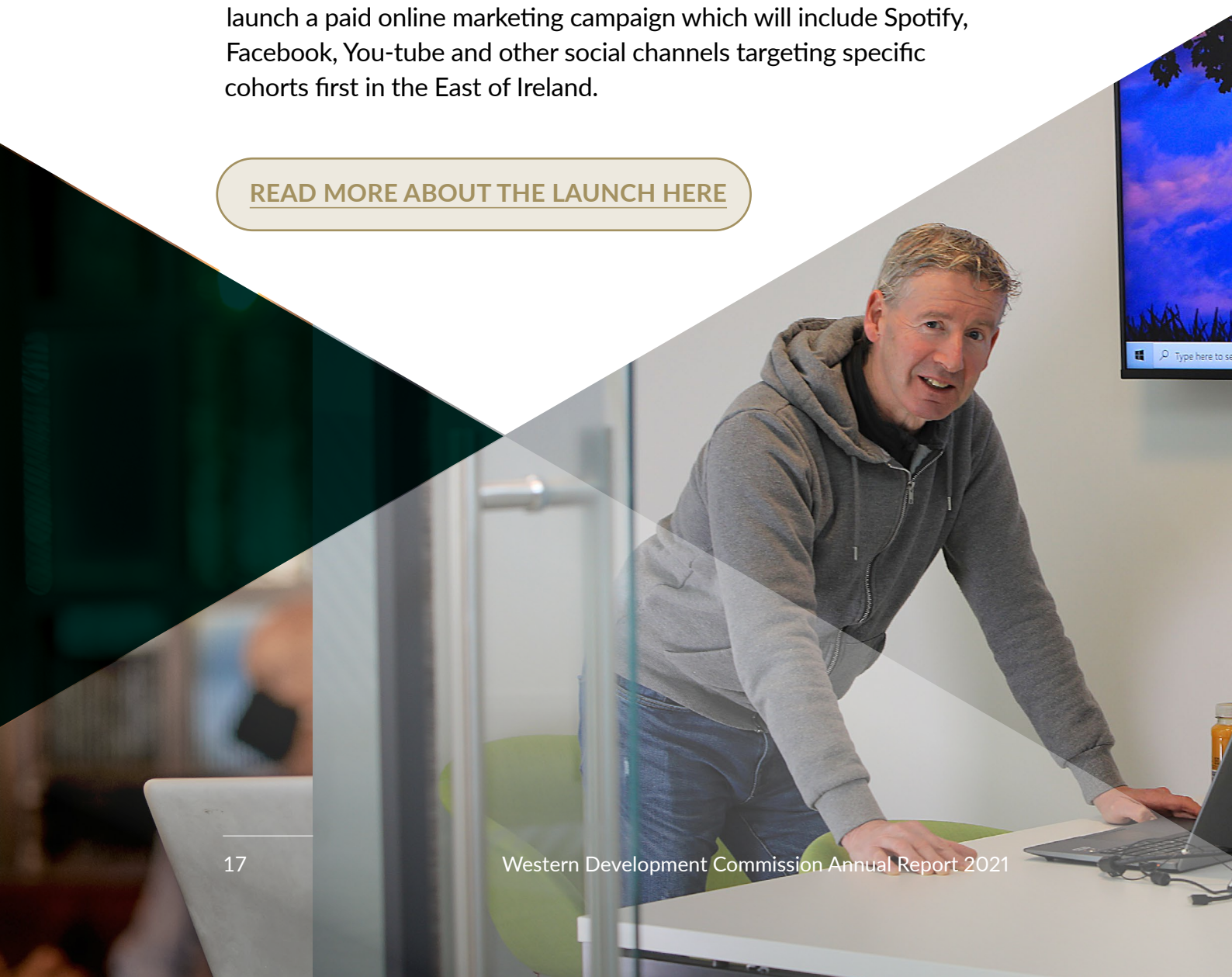
The new portal – which is free to use – will not only give job seekers the chance to land a dream job, it will also give employers information on the talent pool available to them in a particular county in the Western region. Research carried out by the WDC in January found that 50 percent of large employers in the region were faced with a limited skills pool for open positions while 32.65 percent experience difficulty finding senior staff.



For job seekers, WesternJobs.ie provides a one-stop-shop to give them all the information they require about job opportunities in the West and the benefits of moving there. It will allow them to stay updated on relevant positions based on their skills and preferences and will enable them to connect with employers and agencies across the region.

By December 2021, the platform now has up to 400 employer profiles registered and over 500 active jobs roles at any given time. To establish a baseline of website traffic since the launch we have focused on organic traffic and promotion via the WDC social media channels with content such as 'Top 10 Jobs of the Week'. In 2022 we plan to launch a paid online marketing campaign which will include Spotify, Facebook, You-tube and other social channels targeting specific cohorts first in the East of Ireland.

[READ MORE ABOUT THE LAUNCH HERE](#)



### **Developing and launching the new Connected Hubs brand**

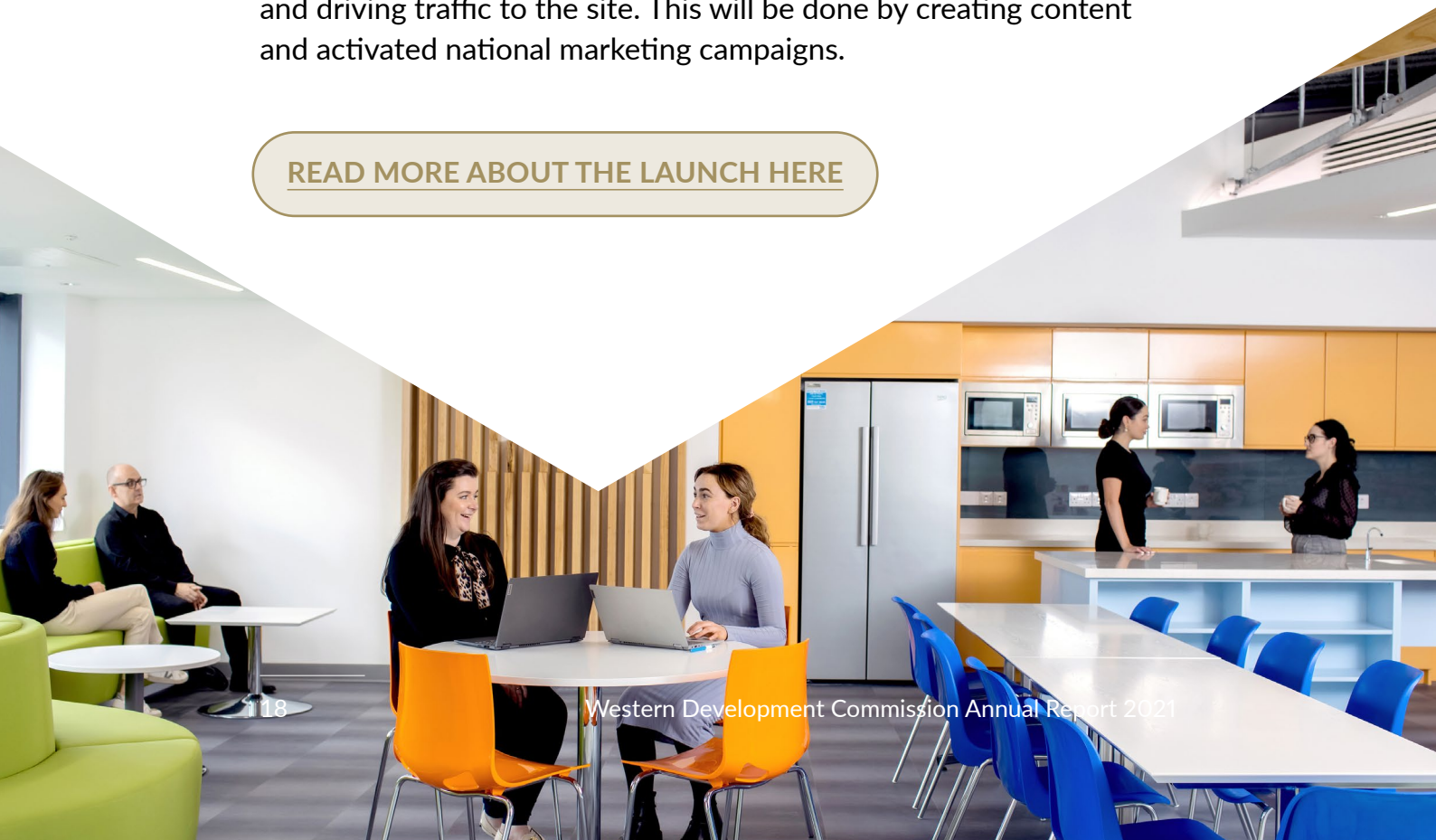
Minister for Rural and Community Development, Heather Humphreys TD officially launched the Connected Hubs Network on 31st May 2021, Ireland's first national network of remote working hubs.

Connectedhubs.ie is a key action of Our Rural Future and since the launch 176 hubs have been onboard to the platform. The overall target of 300 will be reached in 2022. People can now book and pay for a desk, office or meeting space for single use, short term or long term through connectedhubs.ie.

Considerable time was spent by the WDC on procuring the tech team to build the site itself and simultaneously create the new brand and logo with input from the Department. Since launch, the Connected Hubs team has grown spending time on boarding hubs across the country and building relationships with hub managers.

The initial phase is focused on getting 150+ hubs on board at such a time we can begin to concentrate on consumer facing calls to action and driving traffic to the site. This will be done by creating content and activated national marketing campaigns.

[READ MORE ABOUT THE LAUNCH HERE](#)





### **Podcast Series**

Launched in 2020, our new Podcast Series called Pulse of the West features insights from the WDC, industry and academia. The podcast is intended to reach our key stakeholders including county councils, chambers, our department and others to highlight the role the WDC plays across multiple issues. Hosted by our CEO Tomás, the podcast continued throughout 2021 covering topics such as;

#### Small Towns: The Future

In this episode, we discussed the future of our smaller towns and villages, including their current development and their prospects.

#### Talent Wars

In this episode we explored how employers across the region are attracting talent and what strategies they are deploying to recruit.

#### Developing a Social Innovation Region

In this episode Tomás chats with three social enterprises about the opportunities for “Social Innovation” in the region.

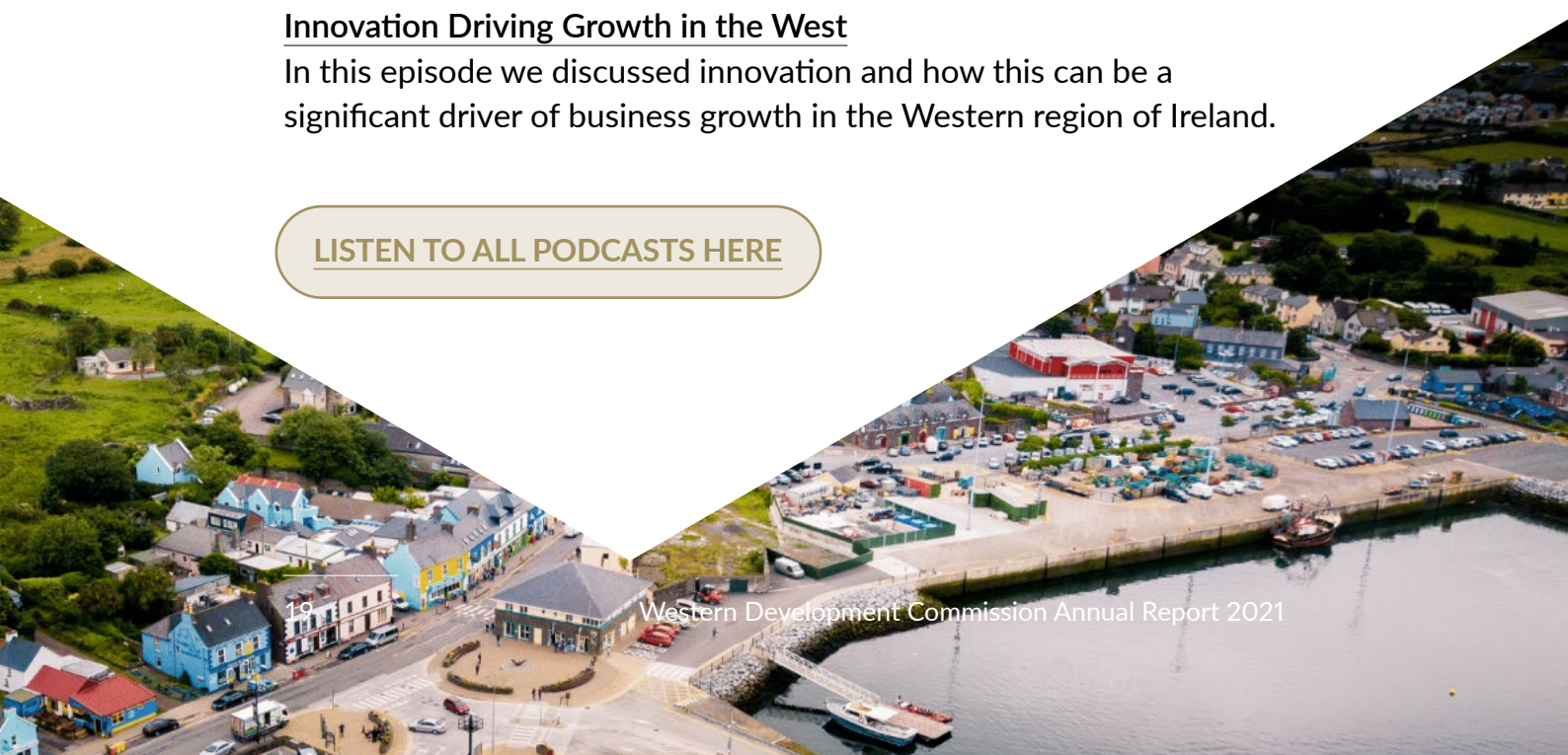
#### Working Anywhere, Anytime

In this episode we take on the topic of blended or hybrid working.

#### Innovation Driving Growth in the West

In this episode we discussed innovation and how this can be a significant driver of business growth in the Western region of Ireland.

[LISTEN TO ALL PODCASTS HERE](#)



### **Moving West on TG4**

The WDC launched an ambitious new six-part series Moving West on September 23rd at 9pm. The series was aired on TG4 and produced by Dundara Television and Media.

In a motivational and inspiring six-part series, viewers discovered a genuine message, that life, and in particular your career won't take a step back by moving to the West of Ireland. Each half hour episode explored the many opportunities that this region has to offer across multiple sectors, and we find out that the west is populated with major national and global companies, with a thriving start up ecosystem whilst yet retaining its natural charm and beauty.

Tying in with the Western Development Commissions "More to Life" campaign, the series presented by renowned broadcaster Mary Kennedy, showed the public the possibilities if they decide the West of Ireland is the right place for their next move. The show reached over 650,000 people and can now be viewed on the TG4 player. Our team not only supported the pilot show financially but worked closely with Dundara to produce the show, choosing guests, helping to steer the narrative, and including key partners like IDA and Údarás na Gaeltachta. We also included one digital hub from the Connected hubs platform in every episode giving the viewers an insight into how they operate.

[READ MORE ABOUT THE SHOW HERE](#)

### **The All Ireland Hub Summit**

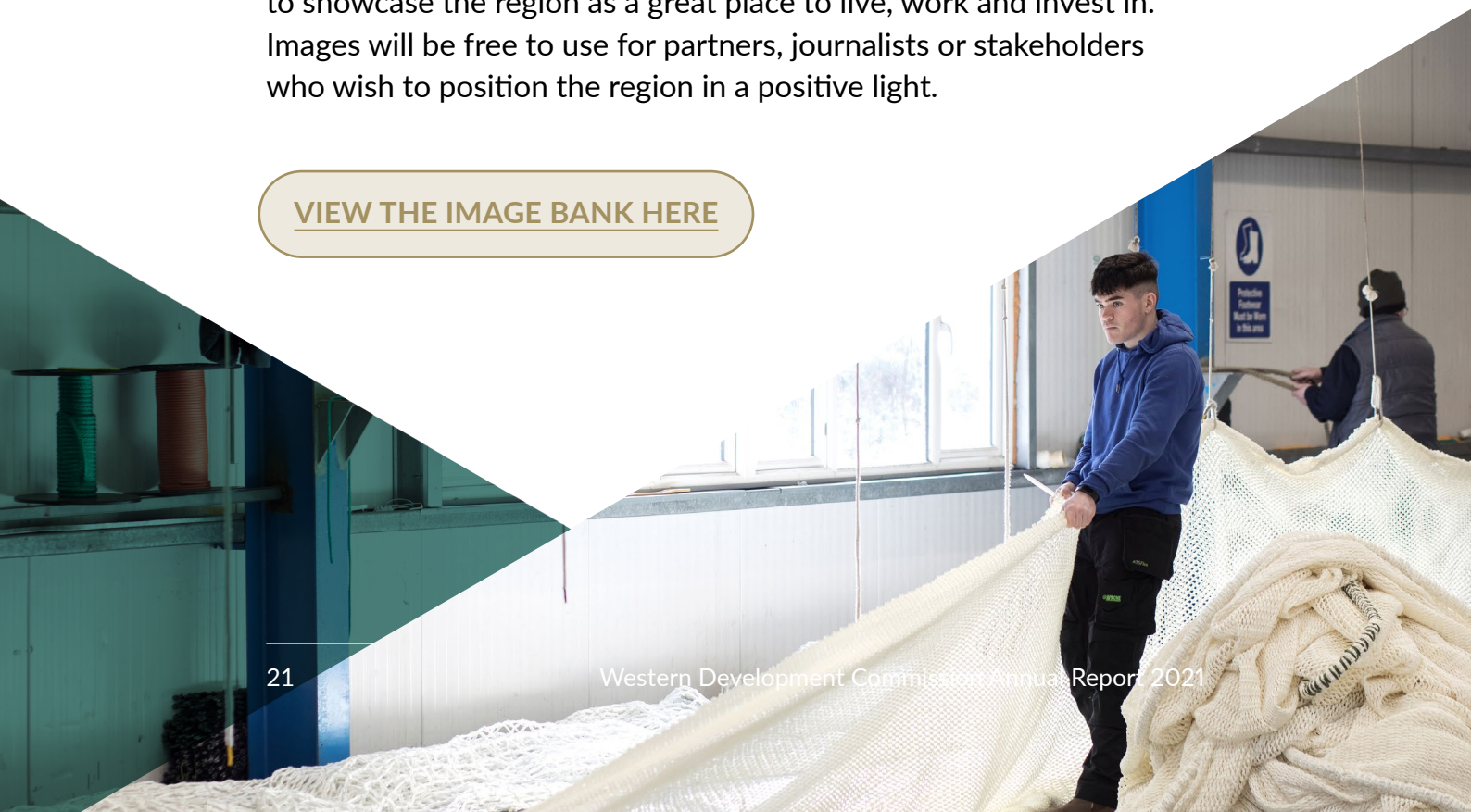
Launched in November 2021 the All-Ireland Hub Summit was the first of its kind. It was a hybrid event connecting over 300 hubs, co-working spaces and enterprise centres from all over the country. It took place on 8th & 9th December and delivered insight and inspiration for hubs at any stage of their journey highlighting a new collaboration between Ireland's six biggest hubs and our team at ConnectedHubs.ie.

### **West of Ireland Image bank**

In December 2020 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. The development of Image Bank was delayed substantially due to the pandemic restrictions in 2021. However, progress was made on Donegal, Leitrim and Kerry which are all expected to be launched early 2022.

We also expect to cover the other counties across the AEC in Q2 2022 ensuring we have an up to date image bank which will help to showcase the region as a great place to live, work and invest in. Images will be free to use for partners, journalists or stakeholders who wish to position the region in a positive light.

[\*\*VIEW THE IMAGE BANK HERE\*\*](#)





### **There's No Place Like Home**

On 23rd November 2021, the Western Development Commission launched a new campaign focused on those who grew up in the West but now live overseas. The campaign was timely as many of those around the world were now planning to travel home over the festive period for the first time since the Covid-19 pandemic struck. The message from the WDC was clear – if you're coming home, why not consider staying.

As part of the campaign, the WDC hosted an online event on the 10th of December 2021 showcasing all of the opportunities for diaspora from the West of Ireland and looked at some of the reasons why, now is a great time to move back.

The free online event looked at the employment prospects across various sectors through the recently launched platform [Westernjobs.ie](#) as well as the key challenges, opportunities and supports available to those considering moving home from abroad.

Guest speakers included Dr. Eithne Ní Bhrádaigh from Vistamed in Leitrim, David Kenny VP of Overstock.com based in Sligo, Bernice Faherty Associate Director of HR, Aerogen in Galway and Ruth O'Donoghue HR Manager Harmac Medical Products in Roscommon. The event also had a panel of experts from around the world join to discuss the key issues for those overseas, looking to move back. These include CEO of The Networking Institute Kingsley Aikins, Chairperson of the Asian County Board John Alan O'Sullivan, Denise Kidd from The London Irish Centre and Machine Learning Scientist John Savage who moved back to Sligo after living in Chicago and Dublin.

We saw this event as a first step in supporting the diaspora and positioning the WDC as an agency willing to work with other key partners both here in Ireland and abroad.

[READ MORE ABOUT THE EVENT HERE](#)

---

# Regional Leadership



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 policy analysis of key regional issues and 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.

## **Policy Analysis**

The policy analysis team examine data and issues relevant to the social and economic development of the Western Region. This involves bringing a regional perspective to analysing published data, as well as conducting primary qualitative and quantitative research. The highlights of the policy team's work during 2021 are featured below.



**95%**

Majority want to work remotely some or all of the time post-crisis

### **A Mobility Index for Western Region Towns**

Mobility plays an essential role in economic prosperity and quality of life in small towns. In 2021 the WDC began to develop a Mobility Index to allow rural centres in the Western Region to gauge the health of their mobility systems and their readiness for future transport and mobility opportunities.

This Index will be a way for local, regional and national government, transport providers as well as people in the places themselves to understand their mobility systems and their readiness for future transport and mobility patterns. This work aligns with six of the National Development Plans Strategic Outcomes, while the focus on more sustainable mobility in Our Rural Future and of course in Climate Action policy have been significant drivers of this project.

The baseline understanding of rural mobility will also allow us to assess potential future mobility solutions and the opportunities for Mobility as a Service (MaaS) in small towns and rural areas.

### **Remote Working During Covid-19**

The Western Development Commission and the Whitaker Institute at NUI Galway continued their collaboration in 2021. In May 2021 we published the third national remote work survey in the series.

There were a series of similar questions to those carried out in April 2020, as well as a new suite of questions focused on ascertaining the views of managers in relation to the future of work and particularly remote work.

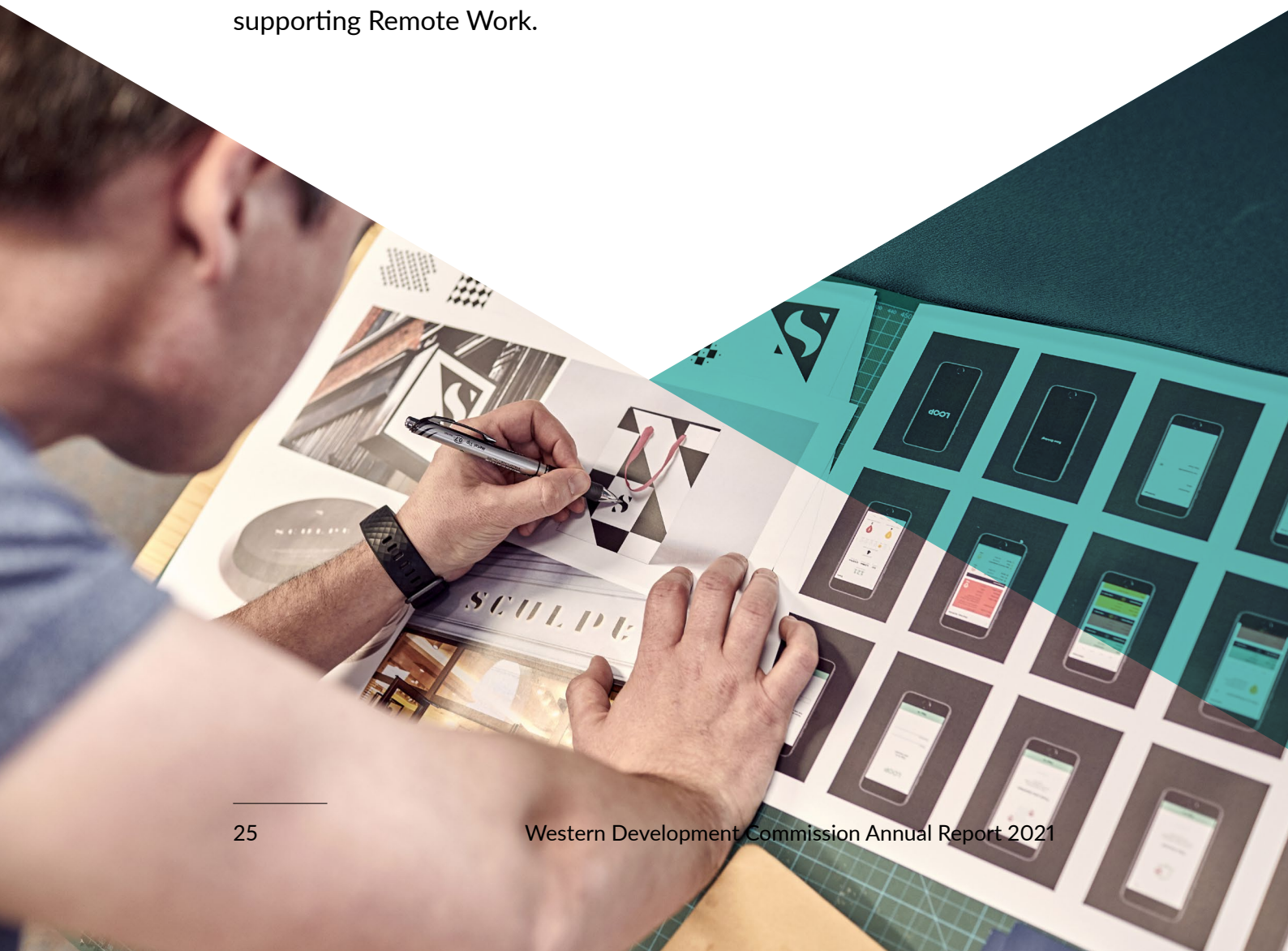
[The infographics are available here](#) and [full report is available here.](#)



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 onsite and remote. Key insights on the future of work and the challenges and opportunities for both employers and employees were identified.

The survey findings were widely reported providing a unique information source on the experiences of employers and employees during Covid-19 in 2021.

The WDC has continued its participation on the Interdepartmental Group on Remote Work led by the Department of Enterprise Trade and Employment informing various policy initiatives aimed at supporting Remote Work.



### **Regional Economic Analysis**

To help assess economic activity in the Western Region and Atlantic Economic Corridor (AEC) closer to real-time, the Policy Analysis team have developed Timely Economic Indicators (TEI) for the Western Region. The TEI report and accompanying [WDC Insights Blog](#) commentary is published on a quarterly basis and tracks regional development trends across the labour market, consumption and housing and construction. During 2021, TEI reports were released in January, April, August, and October. [You can view the TEI reports here.](#)

In March, the policy analysis team published a series of reports to provide a comprehensive regional analysis of the economic impacts of the pandemic; [Capturing Real-Time Regional Economic Trends](#) and [Regional Economic Impact of COVID-19: 2020 in Economic Statistics](#). This research was built on the foundations of joint work with the Central Bank of Ireland that had culminated with the publication of an Economic Letter titled [Regional impact of COVID-19: Western Region & Atlantic Economic Corridor](#) in October 2020.

A comprehensive overview of COVID-19 impacts on the Western Region and AEC was presented at the [Nevin Institute Labour Market Conference 2021](#) in July. In September, Policy Briefing No. 8, [The Revised National Development Plan: Key Regional Issues](#) was published and set out the regional challenges and opportunities in the face of Covid-19 and Brexit.

### **Policy Submissions**

The Policy Analysis Team makes submissions and produces other outputs relating to policy insights and recommendations across a wide range of areas relevant to the promotion of economic and social development in the region. In 2021, a number of submissions were made to public consultations including the Microgeneration Support Scheme; the National Resilience and Recovery Plan; the National Development Plan Consultation Review to Renew; the Ten Year Gas Network Development Plan; the second SDG National Implementation Plan; the Public Conversation on the Well-being Framework for Ireland; the Development of a new Solid Fuel Regulation; the draft National Investment Framework for Transport in Ireland and the National Transport Authority Consultation on Connecting Ireland.

### **Regional, National and EU projects**

The WDC leads regional, national and EU projects that explore and assess new ways of working and collaborating and provide the platform for forward thinking and regional resilience. Highlights from these projects during 2021 are featured below.







## **Digiwest**

Digiwest is funded by the Rural Regeneration and Development Fund (RRDF) project with the objective of developing four rural digital working hubs.

The WDC, in association with Roscommon, Donegal, Mayo and Sligo Local Authorities was awarded funding under the Department of Rural and Community Development RRDF to establish these hubs in Roscommon (Tulsk), Donegal (Ballybofey-Stranorlar – The Base), Mayo (Swinford – The Courthouse) and Sligo (Tubbercurry – An Chroí).

Three hubs were officially opened by Minister Humphreys in 2021.

- Tulsk 26/04/2021
- Swinford 31/05/21
- Donegal 17/09/21

The hubs provide local workspace with high-speed telecommunications capacity for the use of workers, entrepreneurs and local communities. They also bring social benefits with local community groups being able to access facilities and high-speed broadband.

The Digiwest project is an excellent example of regional collaboration where four Local Authorities, working with the WDC and the Department of Rural and Community Development will be enabling and supporting communities to work in the digital economy.



## connectedhubs

### **Connected Hubs**

2021 marked the launch of the National Hubs Network and platform (ConnectedHubs.ie) on 31st May. The launch took place in the Courthouse – Swinford DigiWest Hub, in County Mayo, with Minister for Rural and Community Development, Heather Humphreys TD.

The WDC's National Hub Network team are the project management office for this national initiative. On the day of the launch, 66 hubs were live on ConnectedHubs.ie, and by the end of year 2021, this figure had grown to 176.

Development of the National Hubs Network through ConnectedHubs.ie is a key action of Our Rural Future (Rural Development Policy 2021–2025).

In 2019, we began the research on the Atlantic Economic Corridor Hubs project and our expertise in this sector was recognised by Government when the WDC were requested by the Department of Rural and Community Development (DRCD) to scale the project across the entire country as a key national initiative when the pandemic emerged in 2020.

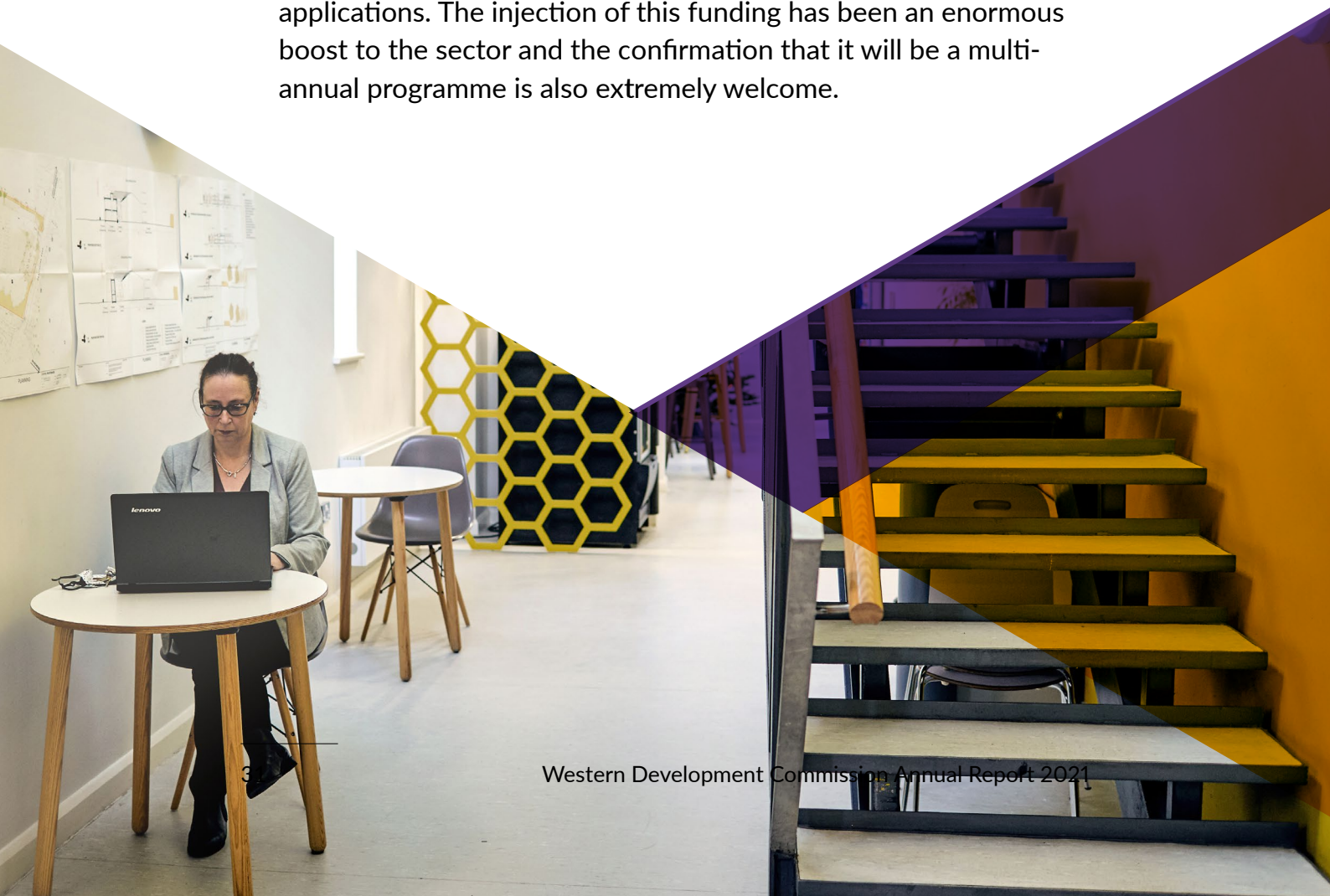
During 2021 the connected hubs team grew to four full time members with a further addition due in March 2022. The new staff member will focus on engaging with corporates and businesses to drive use of Connectedhubs.ie platform.

Other highlights during 2021 included:

- The ongoing development of the technology underpinning ConnectedHubs.ie, including development of a mobile booking app for users, platform integration with building access control systems and the development of a three-year roadmap of additional functionality.
- National Hub Network Survey and Mapping: (Most comprehensive national hubs survey ever conducted).
- 625 survey responses were received by the end of 2021, translating into 471 potential hubs mapped.
- Continuous improvements and additional functionality were added to the interactive mapping during 2021. Data sharing with a host of various stakeholders including CSO, DigitalHQ, Ludgate, Longford County Council and Trinity College Dublin took place during the year.
- Galway Chamber Mapping Portal – WDC collaborated and created an ‘Investment Analysis – Galway City and County’ ArcGIS online interactive web mapping application for Galway Chamber in 2021.



- Establishment of fortnightly networking events for Hub owners and managers throughout Ireland. A total of 14 meetups were facilitated with a total attendance of 833 (average 60 per session). This vibrant network enabled us to support hubs in very practical ways, most notably when COVID-19 regulations and guidelines changed at various stages during 2021.
- Zoom partnered with WDC to provide Enterprise grade licensing to all members of the Connected Hubs network for an initial three-year period. This translates into state-of-the-art technology being available in every hub across the country. To be announced in Q1 2022.
- The Connected Hubs team played a significant part in the rolling out of the €8.9m Connected Hubs fund in conjunction with the DRCD. This included assisting hubs as they completed their applications. The injection of this funding has been an enormous boost to the sector and the confirmation that it will be a multi-annual programme is also extremely welcome.



### **Creative Economy**

In 2021 the WDC was identified as the lead agency on the Department of Business, Enterprise and Innovation, West Regional Enterprise Plan which seeks to grow the Creative Economy in the region. In collaboration with Údarás na Gaeltachta, and Local Economic Offices the focus is on promoting the direct sector growth and its ability to support wider regional economic and social development.

The WDC and NUIG launched “Reinforcing the Creative West” with NUIG, a unique insight to the challenges and opportunities facing regional Creative SMEs. Key findings for the West Creative Economy:

- Predicted growth in employment over the next five years.
- SMEs remain positive about future growth.
- Over two thirds predict an increase in future employment.
- Responses from the SMEs show the key requirements identified for growth i.e., funding, space, market access and technology.

### **Survey Conclusions**

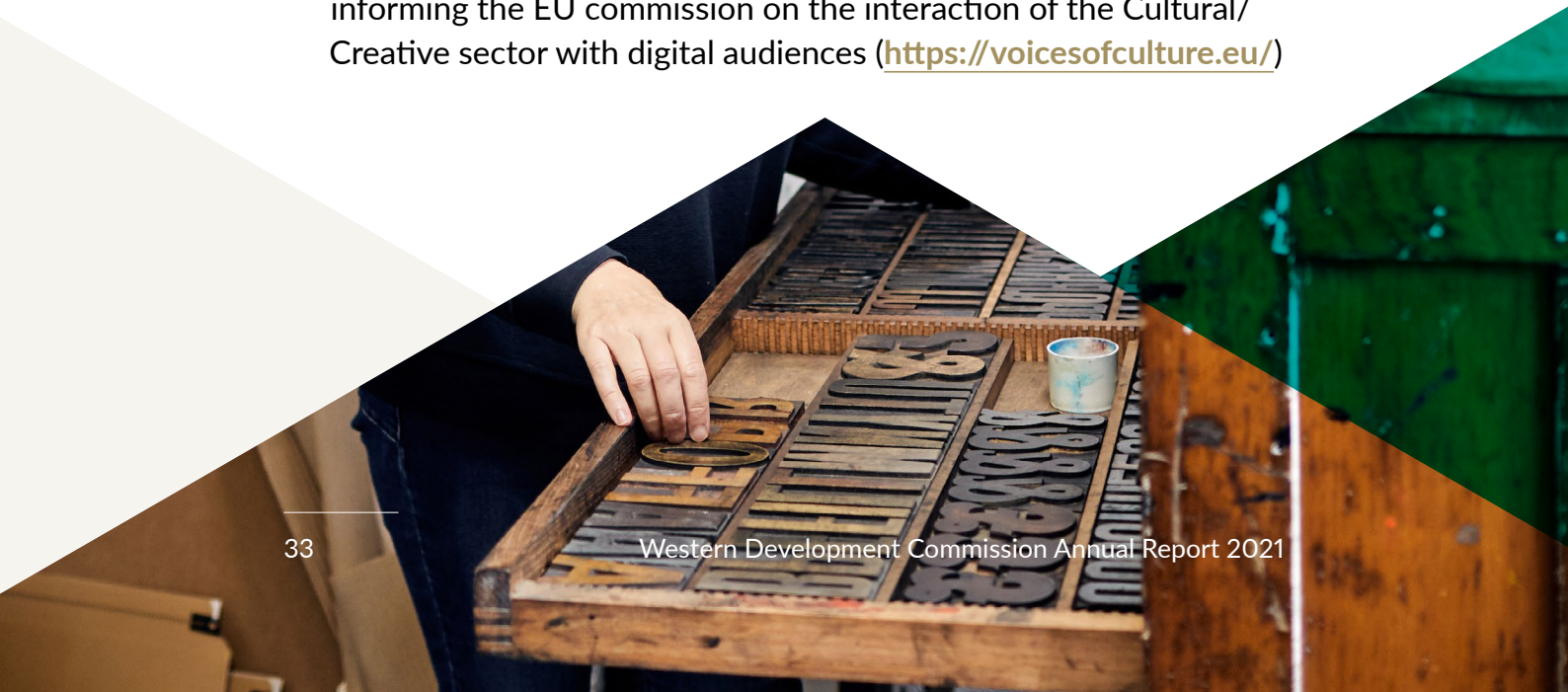
- Risks are near term in nature and pandemic created – Whilst the CE SMEs on average predict a 15% fall in Sales due to covid in 2020, over the next five years they predict a 10% rise.
- Certain SMEs are growing even during the Pandemic challenge – mostly technology focused ones with non-audience facing products.



- Challenges to audience facing practitioners are potentially catastrophic – resulting in an immediate and significant support consideration to ensure predicted long-term returns.
- Innovation by the sector is deemed critical.
- Increased Investment is ranked the top future growth factor across all the creative economy subsectors.
- Place is an immutable factor in the creative economy of the GMR area.
- Possible generational shift in sector to new means of production and connecting with society/clients via technology.

#### Other Creative Sector Supports

- Successful submission to Northern Periphery Interreg Call of an innovative Createc proposal Northern Literary Tourism Tech (NLite), which secured initial funding of circa. 60K euro to enable development of a project designed to empower Creative SMEs to use Digital Tech to enable and access global markets
- WDC selected to support the Voices of culture organization in informing the EU commission on the interaction of the Cultural/ Creative sector with digital audiences (<https://voicesofculture.eu/>)





### **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 2021**

- In total almost €15.18M in active EU project funding was undertaken by the WDC and its regional partners in 2021
- 189 regional SMEs were engaged /supported through the WDC EU program
- €1,888,381 M was directly attributed by the Projects to the West of Ireland Region
- €236,000 in EU preparatory funding awarded for four submissions (Circular Economy, Creative Economy, Hubs, and SME mentoring)

## BizMentors International

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 ultimate output of the project was the establishment of a BizMentors International online mentoring model and platform to support entrepreneurs and business in remote and sparsely populated areas. With a total budget of €1.3m, the project was extended until March 2022 due to the Covid-19 pandemic.

### Key Successes in 2021:

Following a successful testing of offline, paper-based mentoring, the partnership was built an online platform to facilitate online mentoring. Enovation Solutions Ltd were contracted to develop the custom built BizMentors International platform using the open-source learning platform Moodle. An algorithm was developed to help match the right mentor and mentees. The platform was launched in 2021 for national and transnational piloting in the partner regions.

---

## Regional Leadership

	Finland	Iceland	Ireland	Northern Ireland	All regions in total
No. of Mentees*	6	6	10	2	24
No. of Mentors*	7	4	8	1	20
No. of participants in total*	13	10	18	3	44

No. of employees	No. of mentee companies
1-4 employees	20 mentee companies
5-9 employees	1 mentee company
10-19 employees	1 mentee company

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



## Blue Circular Economy (BCE)

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.

During 2021, the BCE project continued its efforts to engage and link SMEs working on solutions for waste gear by:

- Delivering a number of online webinars which disseminated the knowledge developed by the project to date, some of which included a networking element to help connect SMEs.

- Hosting a webinar led by a member of the European Commission's DG Mare focused on the incoming Extended Producer Responsibility (EPR) schemes for fishing gear; and
- Fostering links between two Irish SMEs and a Norwegian SME who are now working together to trial solutions for an initial batch of waste gear from Ireland.

In addition, the BCE project team was successful in securing funding for a further bridging project which will continue the work of BCE. The bridging project, named Blue Circular Technology (BCT) will seek to further inform and engage SMEs regarding possible tech solutions for both waste gear and the incoming EPR schemes, as well as forming the basis for a full project application under the next programme funding period.

## Spot-lit

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 and collaborate and better engage audiences together. The Western Development Commission leads the Communications & SME Business Support work packages. [View Spot-lit Video here.](#)

The heart of the Spot-Lit project is its engagement and support of small businesses in the Literary Tourism Sector. In 2021 the WDC designed and delivered a comprehensive Literary Tourism Product Innovation Programme. This bespoke programme involved a series of monthly engagement workshops, soft supports, business mentoring, innovation supports, an international product exchange programme, a Literary Tourism Network and [Spot-lit Business Support Toolkit](#) in 5 new literary tourism products delivered to market in the West of Ireland and 29 across the NPA region.

The models have been developed and piloted, a collaboration between curator/producer Dani Gill with sound designers, visual artists and theatre makers has resulted in the creation of The Lighthouse Project, a series of walks inland in the vicinity of



lighthouses where people can download and listen to a track whilst experiencing creative walks, peppered with surprises along the way. [You can view The Lighthouse Project YouTube Videos here.](#)

Independent Literary Producer Brendan McEvilly has collaborated with local authors to develop a live stage show that contains visuals filmed around the west of Ireland by filmmaker Jamie Goldrick. Audiences have literature presented in a format including curated live performances in tandem with pre-recorded elements. [Read about the Alphabet of Birds Stage Show here.](#)

A digital app has been developed for literature associations, organisations and SMEs to showcase their literary tourism products and services. The 'Ireland's Literary West' app will offer visitors and locals alike a new way to discover the literary landscapes and places that continue to inspire Ireland's greatest writers, poets and playwrights.

## Extra SME

Over 70% of the Irish aquaculture value is sourced and managed along the West region coastline. 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. [Find out more about Extra SME here.](#)

In 2021 the WDC concluded many of the key actions within this marine economy support. These included:

- Delivery of Aquaculture best practices through transnational workshops involving regional stakeholders with Greek, Finnish, Italian counterparts. These involved sharing of innovation, marine insurance, pollution mediation techniques etc.
- Delivery of a regional action plan to address simplified administrative procedures and Marine SME extraversion.
- Through use of Webinars etc. linking up regional stakeholders such as Morefish.ie, BIM and NUIG with the project partnership.



---

# 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 2021 Overview

**€10M**

disbursed across 58  
investments

**€6.4M**

in 12 SMEs

**€2.9M**

in 28 community/  
social enterprise  
projects

**€0.7M**

in 18 WRAP Projects

**€34M**

Cash reserves of  
€34 million for  
reinvestment



### **About the Western Investment Fund (WIF)**

The Western Investment Fund provides equity finance and loans to business, communities, strategic initiatives and the creative industry in 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 investments are reinvested in new ventures.

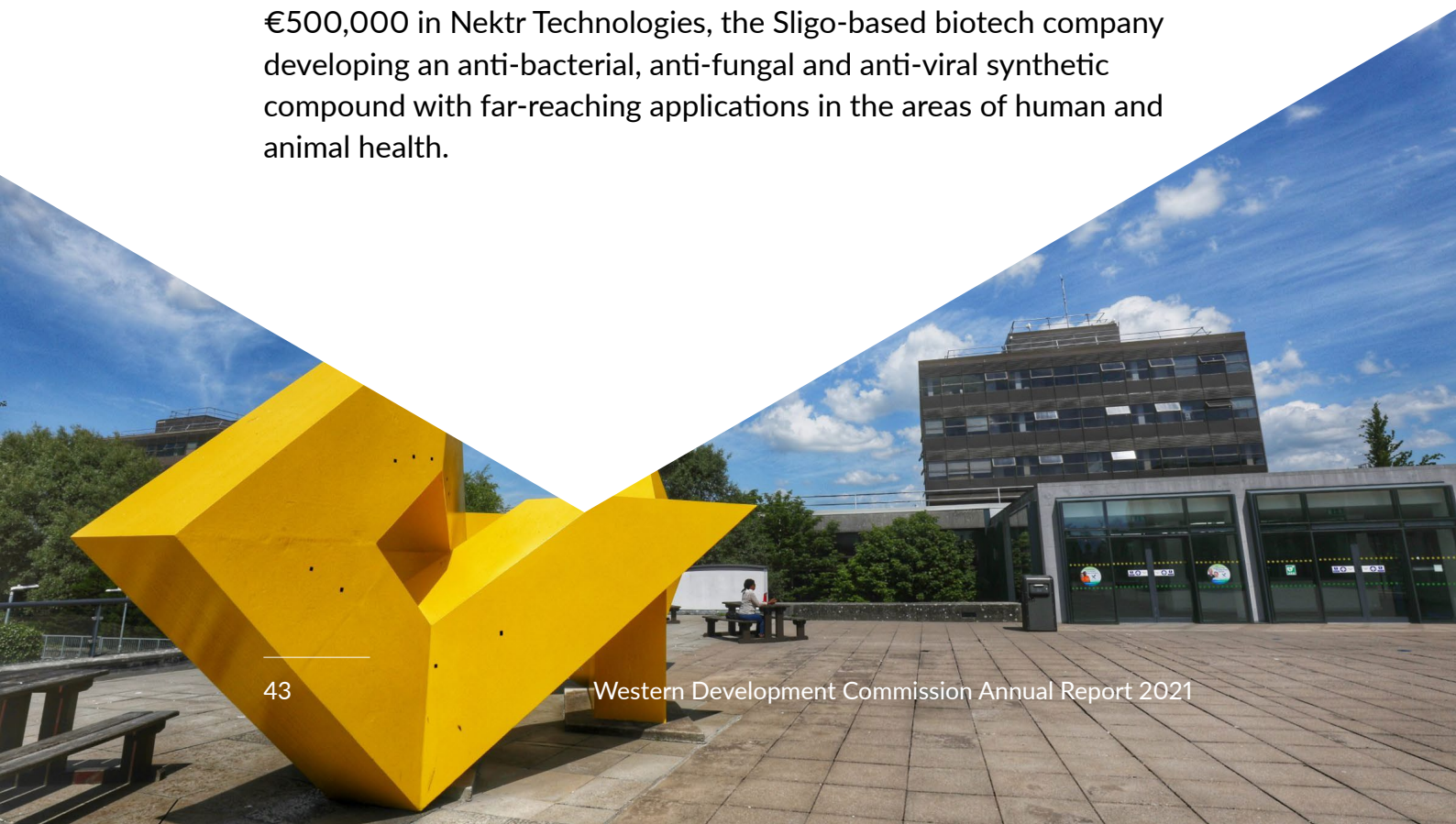
The Fund invests across multiple sectors and at all stages of the business lifecycle, from start-up to scale-up. Over the last 20 years our team have developed a number of different funds that are designed to meet the different needs of the businesses and communities we serve.

### **Business Investment**

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

#### **Investment Example – Nektr Technologies**

In May 2021 the Western Development Commission (WDC) invested €500,000 in Nektr Technologies, the Sligo-based biotech company developing an anti-bacterial, anti-fungal and anti-viral synthetic compound with far-reaching applications in the areas of human and animal health.





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.



### **Creative Industries Investment**

Our Creative Industries Investment Micro-Loan 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.

The WRAP Fund invested in 6 projects which commenced production in 2021 with a combined total regional expenditure of €13,000,000.

In May 2021 the WRAP Fund partnered with A24, BBC Films and Fís Éireann/Screen Ireland to support the psychological drama *God's Creatures*. It was filmed on location in Donegal, starring stars Emily Watson and Paul Mescal and unites Directors Saela Davis and Anna Rose Holmer after their award-winning drama *The Fits*. *God's Creatures* is set in a rain-swept Irish fishing village where a woman's lies to protect her son have a devastating impact on the community, her family, and herself.

In 2021, the Wrap Fund invested among others, in the *Smother* TV series, which was filmed in Co. Clare.



### **Socio-economic Analysis of the WIF**

In 2021 the WDC commissioned Indecon International Economic Consultants to undertake an independent analysis of the socio-economic impact of the 20 years of impactful investment by the WIF. The result of this research shows the WIF had very significant impact across all metrics.

### **Summary of Key Findings on Socio-Economic Impact**

Companies supported by the Western Investment Fund have achieved major success in Irish and export markets. Over the period 2001 to 2020, over €61 million has been invested/lent by the WIF to 217 unique entities. This has resulted in an impressive contribution to economic activity in the Western Region and has made a significant contribution to the national economy. The following figure contains a summary of the direct and wider economic impacts of the WIF from 2001 to 2020.

- Companies and organisations directly supported by the WIF employed almost 2,800 full-time equivalents (FTEs) in 2020 and almost 5,300 FTEs when indirect impacts are taken into account.
- Between 2001 and 2020, the WIF has supported companies that generated over €2.2 billion in direct revenues (€3.28 billion economy wide impact).
- Direct Gross Value added of €1.07 billion (€1.76 billion economy wide impact).
- €276m in taxes to the Irish Exchequer.



**€276M**

Financial return to  
exchequer 2001–  
2020

**2,794**

**(Direct Impact)**  
Employment supported  
(FTEs – 2020)

**5,273**

**(Economy wide Impact)**  
Employment supported  
(FTEs – 2020)

**€2.23B**

**(Direct Impact)**  
Revenues generated  
2001–2020

**€3.28B**

**(Economy wide Impact)**  
Revenues generated  
2001–2020

**€1.07B**

**(Direct Impact)**  
Gross value added  
2001–2020

**€1.76B**

**(Economy wide Impact)**  
Gross value added  
2001–2020

**€31.75M**

**(WIF)**  
Government Funding

### **Summary of Economic Impact of the Companies Supported by the WIF**

The Fund has also impacted significantly on regional development and has had a positive social impact on local communities within the region. The WIF has had positive impacts on wider society through its Community Loan Fund enhancing the quality of life of its citizens. WIF funding has enabled almost 100 social enterprises and community organisations, the vast majority in rural areas, to develop new facilities and services. This has been achieved while also

growing the WIF almost 2.5 times through its successful evergreen investment strategy. A summary of some of the key social benefits of the WIF are outlined below:

- The WIF has helped to foster an enterprise ecosystem in the Western Region, helping companies grow and develop. 96% of companies surveyed indicated that securing funding from the WIF was either very significant or significant for their business, highlighting the importance of the WIF to them. A high proportion of companies that it was applicable to also stated that WIF as a source of Series A funding was also very important.
- Indecon's survey research suggests that the WIF has had a significant impact on the development of an equity culture and a social finance culture in the Western Region. The majority of respondents indicated that WIF funding had enabled them to leverage additional funding sources. WDC data indicates that a total of over €273 million was leveraged from the €61.3 million invested by WIF since 2001. This indicates that for every €1 of WIF funding, over €4.5 in additional funding was leveraged. All recipients of social finance viewed securing funding the WIF as being very significant (77%) or significant (23%).
- Companies surveyed indicated that the WIF had a significant benefit in terms of contribution to smart specialisation. Such smart specialisation is a key component of overall industrial strategic objectives for the region. The Life science/Medtech and Creative Sectors are examples of such smart specialisation supported by the WIF.
- WIF funding has enabled organisations to develop new facilities, offer new services/events to members, refurbish existing facilities, retain existing members and attract new members. Many of the organisations and projects funded are multi-purpose community facilities or are linked to sport and recreation and other uses.



- The direct economic impact has supported regional development. One example of this is through the strategic investment in Ireland West Airport Knock which has facilitated an increase in passenger numbers in the airport.
- When comparing the average gender breakdown of Senior Management of respondent companies funded by the WIF with CSO data, companies supported by the WIF tend to have a more gender-balanced leadership team than typical companies. On average, 35.8% of Senior Management roles in respondent companies were held by women, compared to an average of just 29.7% of females in senior executive roles in companies surveyed by the CSO in 2021.
- Over 80% of respondents indicated that there was a benefit from the WIF through supporting the retention of graduates and promoting links with third level institutions. Over 70% of employees in these companies had graduate qualifications and over 40% with a postgraduate qualification which is significantly higher than the national average. This indicates that the workforce in companies supported by the WIF attracts high-skilled individuals and is in line with the aims of the WDC to support smart specialisation in the region and highlights the WIF's alignment with the NSOs in the NDP to strengthen rural economies through enterprises, innovation and skills.
- The retention of such skills is critical in a knowledge-based economy. In a review of the conditions for economic growth in Ireland, the US Nobel Prize-winning economist Kenneth Arrow noted that, "Graduate education plays a special role in facilitating the acquisition of advanced technologies."<sup>1</sup>

- Indecon estimates that the R&D expenditure by companies supported by the WIF had positive spill over effects on the economy. Indecon's modelling suggests an annual social return of between €2.53 million and €5.05 million for the research and development expenditure of companies supported by the WIF in 2020. Indecon has estimated that the present value of twenty years' worth of spill over from R&D expenditure to be between €34.4 and €68.6 million.

- 
1. See Arrow, Kenneth J., Stanford University, 'Economic Growth Policy for a Small Economy' in Gray, A. W. (1997) "International Perspectives on the Irish Economy", Indecon Public Policy Services, ISBN O 953131807.



**Projects in the AIRe Living Lab**



### **Emerging Sectors**

Several important documents were released by the Sustainable Enterprise Team in 2021. Working with the team, Dr Brendan O'Brien authored a report outlining a plan to create an Atlantic Innovation Region (AIRe) based around a living lab. The purpose of this lab is to support emerging sectors that will provide the west with a sustainable competitive advantage. The document focused on the potential for growth in existing areas such as MedTech and IT as well as new areas such as mobility, the bioeconomy and Cleantech. We have now established structures around AIRe and it has been recognised as a member of the European Network of Living Labs. Working with actors across the quadruple helix, we have orchestrated a portfolio of projects to build competence in these areas. To date, projects in our portfolio have secured approximately €750,000 in funding for the region with other significant funding applications under review. One highlight from 2021 was the Clare Island E-Health Living Lab, where a collaboration between Clare Island, WDC, Cisco, The HSE, and NUI Galway won a €100,000 prize at the DPER FutureTech Awards. Other exciting projects include a smart towns initiative in Ennis and a school's project involving the ETB. In total, there are now over 20 projects in AIRe at different stages of development. A key enable for the Atlantic Innovation Project has been support from the Cisco Country Digital Acceleration Fund.



The Sustainable Enterprise Team also produced a report outlining a plan of action to capitalise on the opportunity presented by the emergence of floating wind turbines as a potential solution to the climate crisis. Despite weakness in grid infrastructure, the West of Ireland has the potential to develop a massive offshore wind energy that would create opportunities for our ports and enable the sustainable development of energy intensive industry. Building on this work, the WDC partnered with the Regional Enterprise Plans for the West, Northwest and Mid-West to secure funding from Enterprise Ireland for a feasibility study for the development of a renewable energy supply chain.



### **Regional Enterprise Plan**

In 2021 the WDC managed the development of the West Regional Enterprise Plan (WREP), under the auspices of the Department for Enterprise, Trade and Employment (DETE). Following on from the wide-ranging stakeholder consultations a programme manager appointed in July, with support from the WREP Chairperson, Evelyn O'Toole – CEO of Complete Laboratory Solutions, drafted an ambitious plan to 2024, to support enterprise across the counties of Galway, Mayo and Roscommon, based on collaborative initiatives between the various regional stakeholders and with support from the 4 Local Authorities.

The WDC have also worked closely with the Mid-West Regional Enterprise Plan and the North-West Regional Enterprise Plan and the WDC is a member of the Steering Committees of all three REPs, helping co-ordinate intra-regional collaboration, such as e.g., collaboration around offshore renewable energy supply chain building, development of sector specific supports and the creative economy.

These activities have already resulted in funding secured from Enterprise Ireland REPS fund in November 2021, with outcome for further feasibility funding under REDF expected in early 2022.

### **Social Enterprise**

In 2021 we disbursed loans of €2,860,683 to 28 community groups and social enterprises. We provided €1,570,376 in Bridging Loans and €1,290,307 in term Loans.

The WDC was an early supporter of the Roscommon based, Lough Ree Lanesborough Angling Hub which was named National Lottery Good Cause of the Year for 2021. The group was honoured for their 'Access-for-All' boat which has a bow that lowers like a ferry to allow up to eight wheelchair users roll on and off unaided. Since the debut voyage in August 2020, dozens of tourists and anglers with disabilities have been able to visit the lake every week.

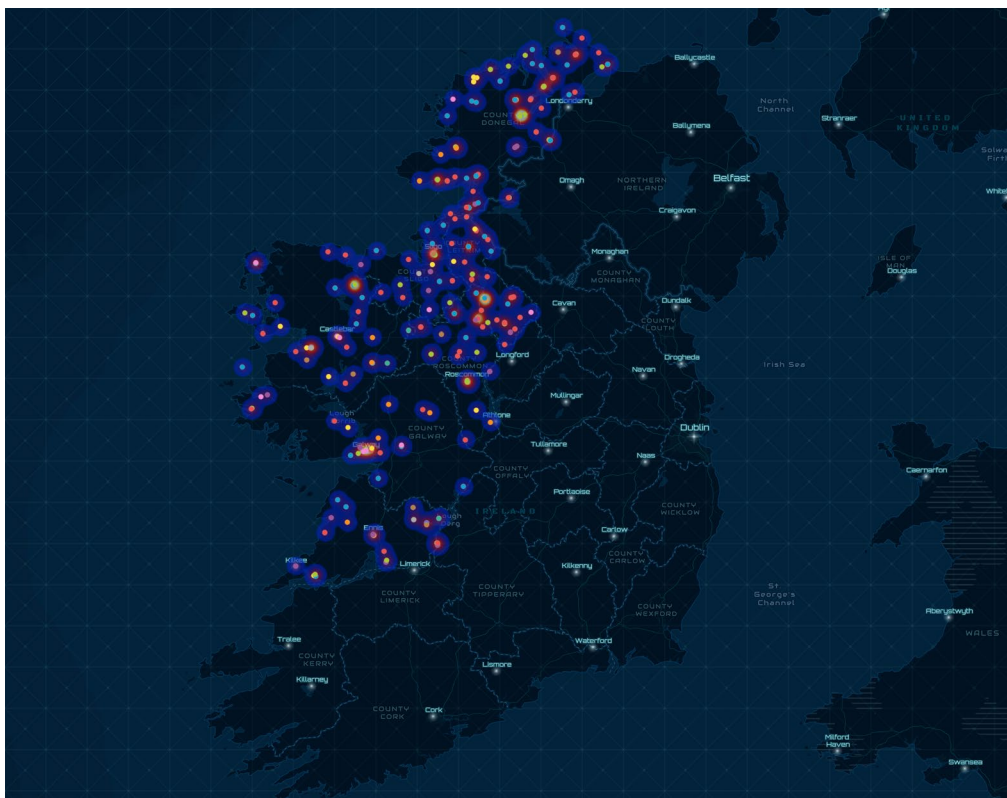
In March we collaborated with NUIG on their ICE "Innovation Creativity Enterprise" Module. This collaboration allowed us to share insight on social enterprise/ innovation with third level students and be part of the judging panel for the competition.

In September, we hosted an online event "Our Rural Future – Social Enterprise Opportunities for Rural Development" in partnership with the DRDC. The event was broadcast live from a local social enterprise in Kilmovee and featured videos from the Aran Islands Energy Co-Operative, Spraoi agus Sport and the Cottage in Loughmore. The keynote address was given by Fintan O'Brien and the panellists included Senan Cooke, Ciaran Mullooly and Janet O'Toole. Speakers noted the importance of social enterprises for sustainable rural development and the potential for further growth of the sector in rural Ireland. The event was attended by 172 people.



In October we recorded a podcast “Developing a Social Innovation Region”. In the podcast we heard from 3 local social entrepreneurs shared their experience and vision for the social enterprise sector. The social enterprises featured were An Mheitheal Rothar, Lough Ree Access for All and Kilmovee Housing Association.

In December we completed an extensive mapping exercise of social enterprises across the WDC region. We have identified 277 social enterprises in the region, and these will be plotted on an interactive GIS map to be published in Q1 2022.



We continue to work with regional partners to promote social enterprise across the region and through this we have identified a number of projects which we will look to progress in 2022.

### **Improving WDC IT Systems**

This project is a cross-functional initiative between Sustainable Enterprise and Corporate Services. In 2021 there were two major projects completed. Firstly, the on-premises servers were migrated to the cloud. The WDC then completed its actualisation of our Cloud-First IT strategy when the WIF received its first applications through the Smart Simple Platform. As part of this project, the entire legacy portfolio was imported onto the new platform enabling detailed reporting on the fund by sector, fund type etc. This project means that there is now no dependency on the physical infrastructure in Dillon House, enabling us to operate as a remote first organisation. The IT systems improvement has now changed from an implementation project to a support project, with staff working to support the implementation of systems and identify systems improvements.

---

# 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 2021 and up to the date of approval of the financial statements.

## **Capacity to Handle Risk**

The WDC has an Audit and Risk Committee (ARC) is made up of three Commission members and two external members, with financial and audit expertise, one of whom is the Chair. The ARC met four times in 2021.

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 July 2020 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. In 2021, the WDC will have undertaken considerable work in the area of risk, modernising the risk register and implementing a robust process for managing and monitoring the risk process.



### **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 endeavors 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, procurement training is made available to all staff.

In 2021, one supplier exceeded the contracted amount by 13%, the rationale for the increase in expenditure arose from an increase in the protective measure taken in line with public health guidance arising from the Covid 19 pandemic.

### **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 2021.

### **Internal Control Issues**

As of 2021, no weaknesses were identified in internal control that need to be disclosed in financial statements, with the exception of the procurement issues discussed above.

### **Periodic Critical Review**

In line with the Code of Practice for the Governance of State Bodies (2016) which requires that parent Departments carry out a Periodic Critical Review of their agencies every 5 years, the WDC commenced this process during 2021.

The review focuses on the ongoing business case for the WDC, its performance, efficiency and effectiveness and its governance arrangements.

### **Gender Balance in the Board membership**

As of 31st December 2021, the Board had 6 (50%) female and 6 (50%) male members, with no positions vacant. The Board therefore meets the Government target of minimum 40% representation of each gender in the membership of State Boards.

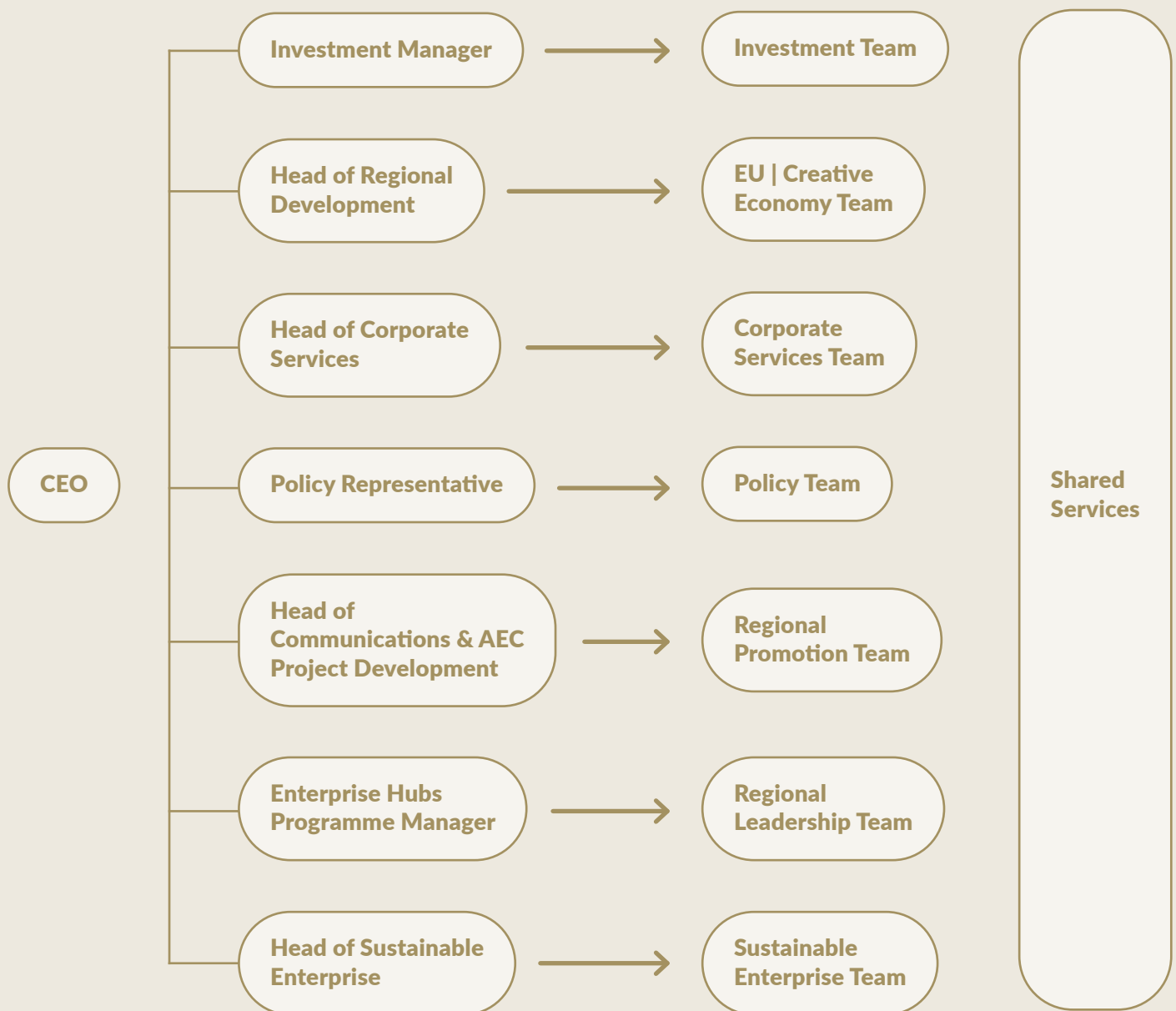
The following measures are planned to maintain and support gender balance on this Board:

- Development and implementation of Human Rights, Equality and Dignity at Work Policy
- Continuing skills development and developing mentorship initiatives



# Key Enablers to Deliver Our Strategy: Corporate Services

## Organisational Structure



---

# **Audited Financial Statements for the year ended 31st December 2021**

---

# Western Development Commission Information

**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

**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 2021

## **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 WDC will continue in operational existence for the foreseeable future. In addition, as WDC provides a public service that is funded by moneys provided by the Exchequer, via its parent department (Department of Rural and Community Development), it is appropriate to prepare the financial statements on a going concern basis. The Commission have prepared cashflow projections for the next twelve months which indicate adequate cashflows exist with the underlying assumptions therein.

The continuing impact of COVID-19 on WDC Investments has been considered during the valuation assessment, budgets and cashflow projections of the investments. The Commission are satisfied, based on these measures, that it is 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 2021.

### **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:

\* Reappointed as Commission Members in November 2020.

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

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



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 2021 include:

Kevin Moore (Chairperson & External)  
Paul McGonigle (External Member)  
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.

The FAP met 9 times in 2021 and the members of the FAP on 31st December 2021 include:

Gerry Finn (Chairperson & Commission member)  
John Allen (External)  
Joann Hosey (External)  
Mary McKenna (Commission member)  
Edmund Jennings (Commission member)  
Felim McNeela (External)  
Mary Carty (External)

### Schedule of Commission Members Attendance, Fees and Expenses

A schedule of attendance at the Commission and Committee Meetings for 2021 is set below, including the fees and expenses received by each member.

Commission Members	Board Meeting 8	ARC 5	FAP 9	2021 Fees	2021 Expenses
<b>Board</b>					
Gerry Finn (Chair)	8 of 8	-	9 of 9	€8,978	€335
Henry McGarvey	7 of 8	-	-	-	€212
Professor Mary Corcoran	8 of 8	4 of 5	-	-	€288
John Kelleher	4 of 8	-	-	-	€91
Christy Loftus	7 of 8	-	-	€5,985	€85
Edmund Jennings	8 of 8	-	7 of 9	€5,985	€250
Mary McKenna	7 of 8	-	7 of 9	€6,793	-
Sandra Divilly Nolan	6 of 8	-	-	-	€89
Mary Coyne	8 of 8	5 of 5	-	€5,985	€321
Audrey Crummy	7 of 8	3 of 5	-	€5,985	-
Aisling Meehan	8 of 8	-	-	€5,985	€296
Peter Hynes	8 of 8	-	-	€5,985	€250
<b>External Members</b>					
Kevin Moore	-	5 of 5	-	-	-
Paul McGonigle*	-	2 of 2	-	-	-
John Allen	-	-	7 of 9	-	-
Joan Hussey	-	-	7 of 9	-	-
Felim McNeela			9 of 9		
Mary Carty**			6 of 6		
<b>Total</b>				<b>€51,681</b>	<b>€2,217</b>

\*Appointed to the ARC in July 2021

\*\*Appointed to the FAP in March 2021

### **Key Personnel Changes**

There were no changes to key personnel in 2021.

### **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 (€) 2021	Staff Number	Salary Band (€) 2020	Staff Number
60,000 – 69,999	3	60,000 – 69,999	6
70,000 – 79,999	3	70,000 – 79,999	-
80,000 – 89,999	-	80,000 – 89,999	-
90,000 – 99,999	3	90,000 – 99,999	3
100,000 – 109,999	-	100,000 – 109,999	-

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 Costs

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

	2021	2020
Legal Advice	€15,344	€6,150
Financial/Actuarial Advice	€2,460	€ 4,780
Public Relations/Marketing	€55,855	€58,962
Human Resource	€21,592	€11,100
<b>Total Consultancy Costs</b>	<b>€95,251</b>	<b>€80,992</b>

### 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.

	2021	2020
Legal Fees — Legal Proceedings	-	-
Conciliation and Arbitration payments	-	-
Settlement	-	-
<b>Total Consultancy Costs</b>	<b>-</b>	<b>-</b>

### Travel and Subsistence Expenditure

Travel and Subsistence expenditure is categorized as follows:

	2021	2020
Domestic:		
• Commission members	€2,217	€1,181
• Employees	€18,810	€26,259
International		
• Commission members	-	0
• Employees	€2,127	€5,945
<b>Total Travel and Subsistence Costs</b>	<b>€23,154</b>	<b>€33,385</b>

### Hospitality Expenditure

The Income and Expenditure Account includes the following hospitality expenditure:

	2021	2020
Staff Hospitality	€796	€732
Client Hospitality	€1,674	€1,710
<b>Total Hospitality Costs</b>	<b>€2,470</b>	<b>€2,442</b>

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 agreement in place in 2021 "Building Momentum".

### **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](http://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](http://www.westerndevelopment.ie)

No customer complaints were reported or recorded in 2021.

### **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 2021 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 2021.

### **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 2021 can be viewed on the following link: [westerndevelopment.ie/about/prompt-payments](https://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 2021 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 2021.

### **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 2021.

### **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.
- All Commission members were required to complete a Board Self-Assessment Questionnaire in January 2021. A report on the Board Self-Assessment was completed and a number of actions were identified and will be addressed as part of the Commission's work in 2022.
- An external Board Evaluation commenced in 2021, with a report submitted to the Chair of the Board with a number of recommendations that will be addressed as part of the Commission's work in 2022.

### **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 2021 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) and has put procedures in place to ensure compliance with the Code. The WDC was in full compliance with the Code of Practice for the Governance of State Bodies 2021.

On behalf of the Commission members



**Gerry Finn**  
**Chairperson**  
20.12.2022



---

# 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 2021 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 2021 and of its income and expenditure for 2021 in accordance with Financial Reporting Standard (FRS) 102 – *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

### ***Basis of opinion***

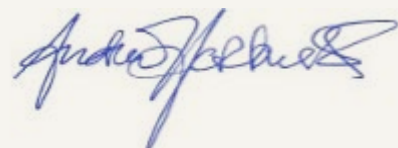
I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of 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  
22 December 2022

### **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.

I 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.

**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.

---

# Statement on Internal Control 2021

## **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 2021 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 2021.

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**

There are procedures in place to ensure compliance with current procurement rules and guidelines at Western Development Commission. Except for the issue listed below, I can confirm that Western Development complies with the current procurement rules and guidelines.

### **Non-compliant Procurement**

In 2021, there was a contract for services procured costing €46,112. Expenditure under this contract was €52,370 which exceeded the contract value by €6,258, the rationale for the increase in expenditure arose from an increase in the protective measure taken in line with public health guidance arising from the pandemic.

### **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.

I confirm that the Commission conducted an annual review of the effectiveness of the internal controls for 2021 on 22nd March 2022.

### **Internal Control Issues**

As of 2021, no weaknesses were identified in internal control that need to be disclosed in the financial statements, with the exception of the procurement issues discussed above. .

Signed on behalf of the Commission

**Gerry Finn**



**Chairperson**  
20.12.2022

# Statement of Income and Expenditure and Retained Reserves

Income	Note	2021 € Western Development Commission	2021 € Western Investment Fund	2021 € EU Grants Funding	2021 € Total	2020 € Total
Oireachtas Grants	2	2,149,849	-	-	2,149,849	1,859,118
EU Grants	3	-	-	281,975	281,975	359,945
Other income	4	957,423	-	2,621	960,044	675,101
Transfer to EU Grants Funding		-	-	-	-	-
Investment income	5	-	130,191	-	130,191	61,504
Net Deferred Funding for Retirement Benefits	15c	542,000	-	-	542,000	447,000
<b>Total Income</b>		<b>3,649,272</b>	<b>130,191</b>	<b>284,596</b>	<b>4,064,059</b>	<b>3,402,668</b>
<b>Expenditure</b>						
Operating Costs	6a/b	(3,625,905)	(294,751)		(3,920,656)	(3,411,758)
<b>Operating surplus/(Deficit) for the year</b>		<b>23,367</b>	<b>130,191</b>	<b>(10,155)</b>	<b>143,403</b>	<b>(9,090)</b>
<b>Increase/(Decrease) in value of financial assets</b>	<b>7</b>	<b>-</b>	<b>271,681</b>	<b>-</b>	<b>271,681</b>	<b>98,084</b>
<b>Surplus/(Deficit) for the year before appropriations</b>		<b>23,367</b>	<b>401,872</b>	<b>(10,155)</b>	<b>415,084</b>	<b>88,994</b>
<b>Transfer from (to) capital account</b>	<b>13</b>	<b>(83)</b>	<b>-</b>	<b>-</b>	<b>(83)</b>	<b>2,929</b>
<b>Surplus/(Deficit) for the year after appropriations</b>		<b>23,284</b>	<b>401,872</b>	<b>(10,155)</b>	<b>415,001</b>	<b>91,923</b>
<b>Reserves at 1 January</b>		<b>747,107</b>	<b>72,727,597</b>	<b>222,102</b>	<b>73,696,806</b>	<b>73,604,883</b>
<b>Reserves at 31 December</b>		<b>770,391</b>	<b>73,129,469</b>	<b>211,947</b>	<b>74,111,807</b>	<b>73,696,806</b>

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



**Gerry Finn, Chairperson**  
20.12.2022



**Allan Mulrooney, Interim CEO**  
20.12.2022

---

# Statement of Comprehensive Income

	2021 €	2020 €
Surplus for the year	415,001	91,923
Actuarial loss/(gain) on Retirement Benefits liabilities	1,253,000	528,000
Adjustment to deferred Retirement Benefits funding	(1,253,000)	(528,000)
Total recognised gains/(losses) for the year	415,001	91,923

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



Gerry Finn, Chairperson  
20.12.2022



Allan Mulrooney, Interim CEO  
20.12.2022



# Statement of Financial Position

	Notes	2021 €	2020 €
<b>Fixed Assets</b>			
Fixtures and fittings	9	38,239	38,156
<b>Financial Assets</b>	10	73,129,469	72,727,597
		<b>73,167,708</b>	<b>72,765,753</b>
<b>Current Assets</b>			
Cash and Cash Equivalents		2,299,730	1,978,869
Receivables	11	339,791	414,534
		<b>2,639,521</b>	<b>2,393,403</b>
<b>Current Liabilities</b>			
Payables	12	1,657,183)	(1,424,194)
<b>Net Current Assets</b>		<b>982,338</b>	<b>969,209</b>
Total Assets Less Current Liabilities before pensions		74,150,046	73,734,962
Deferred Pension funding		9,720,000	(7,925,000)
Pension liabilities		(9,720,000)	7,925,000
<b>Total Assets</b>		<b>74,150,046</b>	<b>73,734,962</b>
<b>Representing</b>			
Investment Fund	10	73,129,469	72,727,597
EU Grants/NPP	19	211,947	222,102
Retained Revenue Reserves		770,391	747,107
Capital Account	13	38,239	38,156
		<b>74,150,046</b>	<b>73,734,962</b>

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



**Gerry Finn, Chairperson**  
20.12.2022



**Allan Mulrooney, Interim CEO**  
20.12.2022

# Statement of Cash Flows

## Statement of Cash Flows for the year ended 31st December 2021 Reconciliation of Surplus/(Deficit) to Cashflow from Operating Activities

	2021 € Western Development Commission	2021 € Western Investment Fund	2021 € EU Grants Funding	2021 € Total	2021 € Total
Excess income over expenditure	23,284	401,872	(10,155)	415,001	91,923
Depreciation and impairment of fixed assets	24,471	-	-	24,471	31,100
Transfer to capital account	83	-	-	83	(2,929)
Loss on disposal	2,904	-	-	2,904	1,185
Bank interest	-	6,964	-	6,964	2,984
Dividends	-	-	-	-	(45,000)
(Increase)/Decrease in Receivables	(3,916)		78,659	74,743	73,347
Increase/(Decrease) in Payables	241,853		(8,864)	232,989	(224,241)
(Increase)/Decrease in value of financial assets	-	(271,681)	-	(271,681)	(98,084)
<b>Cash (Inflow)/Outflow from Operating Activities</b>	<b>288,679</b>	<b>137,155</b>	<b>59,640</b>	<b>485,474</b>	<b>(169,715)</b>
<b>Net Cash Flows from Investing Activities</b>					
Payments to acquire fixed assets	(27,458)			(27,458)	(29,356)
Payments to acquire equity		(7,105,835)		(7,105,835)	(3,221,264)
Payments to acquire debt instruments		(2,882,630)		(2,882,630)	(1,509,506)
Receipts from debt instruments		1,590,399		1,590,399	975,931
Receipts from equity		546,401		546,401	316,702
<b>Net Cash Inflow from Investing Activities</b>	<b>(27,458)</b>	<b>(7,851,665)</b>		<b>(7,879,123)</b>	<b>(3,467,493)</b>
<b>Net Cash Flows from Financing Activities</b>					
Bank interest received		(6,964)		(6,964)	(2,984)
Dividends received					45,000
<b>Net Cash Inflow from Financing Activities</b>		<b>(6,964)</b>		<b>(6,964)</b>	<b>42,016</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>261,221</b>	<b>(7,721,474)</b>	<b>59,640</b>	<b>(7,400,613)</b>	<b>(3,595,192)</b>
<b>Cash and Cash Equivalents at 1 January</b>	<b>1,446,061</b>	<b>41,936,631</b>	<b>532,808</b>	<b>43,915,500</b>	<b>47,510,692</b>
<b>Cash and Cash Equivalents at 31 December</b>	<b>1,707,282</b>	<b>34,215,157</b>	<b>592,448</b>	<b>36,514,887</b>	<b>43,915,500</b>

## **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**

The Commission have prepared cash flow projections for the next twelve months which recognise the level of diversification in the Commission's business activities and indicate that the WDC will continue to meet its liabilities as they fall due over the next twelve months.

The continuing impact of COVID-19 on WDC Investments has been considered during the valuation assessment, budgets and cashflow projections of the investments. The Commission are satisfied, based on these measures, that it is appropriate for the financial statements to be prepared on a going concern basis. Further, The Commission believe a robust business model is in place which will be able to deal with the challenges that Covid-19 brings.

As WDC provides a public service that is funded by moneys provided by the Exchequer, via its parent department (Department of Rural and Community Development), it is appropriate to prepare the financial statements on a going concern basis.

Therefore, based on the above, WDC 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 2021 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.

Outlay relating to the operation of the Western Investment Fund is 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, 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.



Unrealised 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.

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

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.

#### **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.

#### **k) 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	2021 €	2020 €
<b>2. Oireachtas Grants</b>			
Department of Rural and Community Development		2,219,761	1,921,953
Employee Pension Contributions		(69,912)	(62,835)
Oireachtas Grant		<b>(2,149,849)</b>	<b>1,859,118</b>
<b>3. EU Income</b>			
EU Grant Income		281,975	359,945
EU Other Income 2,621		2,621	-
		<b>284,596</b>	<b>359,945</b>
<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>			
<b>4. Other Income</b>			
Other Income		45,210	10,087
DigiWest Hubs		256,132	210,427
AEC Hubs		611,081	454,587
Smart-Green Project		45,000	
		<b>957,423</b>	<b>675,101</b>
<b>5. Investment Income</b>			
Dividends received on equity investments		-	45,000
Interest received on loans		131,818	78,995
Interest received/(charged) on WIF cash at bank		(6,964)	(2,984)
Monitoring Fees		34,078	15,578
Outlay		(28,741)	(75,085)
		<b>130,191</b>	<b>61,504</b>
<b>6 a. Operating Costs The Western Development Commission</b>			
Salaries (including employers' PRSI)		1,482,271	1,272,474
Travel and Subsistence – Staff		10,992	16,958
Pension Costs	15A	494,088	405,165
Training & Development		18,139	22,588
Public Relations		55,855	58,962
Professional Fees		140,456	57,501

## Notes to the Financial Statements

Notes to the Financial Statements	Notes	2021 €	2020 €
Professional Fees – Western Investment Fund		71,000	28,043
Staff Recruitment		19,563	2,850
<b>Commission Members</b>			
Travel and Subsistence		2,217	1,181
Fees		51,681	30,808
Meetings & Seminars		4,217	3,973
<b>Commission Sub-committees / Advisory Panels</b>			
Travel and Subsistence		-	557
Printing & Design		24,789	9,878
Office Expenses		55,021	57,042
Light and Heat		5,276	4,727
Repairs and Maintenance		5,837	29,792
Insurance		19,413	14,976
Audit Fee		16,200	14,300
Accountancy and Internal Audit		27,429	27,253
Advertising, Marketing & Subscriptions		40,215	28,383
Telecommunications		27,767	26,913
Depreciation	9	24,471	31,100
Loss on disposal		2,904	1,185
Sponsorship and Projects		53,264	88,286
Sundry		(723)	13,220
Partner payments		-	(16,407)
Web & IT systems development		61,350	99,094
DigiWest Hubs		256,132	210,426
AEC Hubs		611,081	454,587
Smart Green Initiative		45,000	-
<b>Total</b>		<b>3,625,905</b>	<b>2,995,815</b>
<p>Direct Wages &amp; 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 €92,568 (2020: €195,006) are charged to the costs above.</p>			

## Notes to the Financial Statements

Notes to the Financial Statements		2021 €	2020 €
<b>6 b. Operating Costs – EU Grants/Projects</b>			
Salaries (including employers' PRSI)		142,338	155,437
Travelling and Subsistence – Staff		4,620	9,291
Professional Fees		64,219	100,357
Meetings and Conferences		-	669
Printing		910	4,061
Office expenses		-	688
Sundry		3,685	5,621
Regional Approaches to Stimulating Local Enterprise		78,979	139,819
		<b>294,751</b>	<b>415,943</b>
Direct Wages & Salaries for staff working fully on EU projects are charged to the financial statements under EU Project Expenditure.			
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.			
<b>6 c. Key Management personnel</b>			
Key management personnel in Western Development Commission consist of the CEO and members of the Commission. Total compensation paid to key management personnel, including Commission members' fees and expenses and total CEO remuneration, amounted to €153,454 (2020: €125,671).			
<b>6 d. Staff Costs</b>			
Salaries Western Development Commission (including employers' PRSI)		1,482,271	1,272,474
Salaries Western Development Commission – Hubs (including employers' PRSI)		30,298	47,755
Salaries Western Investment Fund (including employers' PRSI)		28,741	75,085
Salaries EU Grants Funding (including employers' PRSI)		142,338	155,437
		<b>1,683,648</b>	<b>1,550,751</b>
2021 28 Full time equivalent (FTE) = 27 2020 25 Full time equivalent (FTE) = 24.6			

The calculation of the Full Time Equivalent Employee numbers (FTE) is based on the number of permanent/ contracted staff engaged at the year end.

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

Salary Band (€) 2021	Staff Number	Salary Band (€) 2020	Staff Number
60,000 – 69,999	3	60,000 – 69,999	6
70,000 – 79,999	3	70,000 – 79,999	-
80,000 – 89,999	-	80,000 – 89,999	-
90,000 – 99,999	3	90,000 – 99,999	3
100,000 – 109,999	-	100,000 – 109,999	-

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

	2021 Salaries	2021 Travel & Subsistence	2020 Salaries	2020 Travel & Subsistence
<b>6 e. CEO Salary</b>				
Mr Tomás Ó Síocháin	98,408	1,146	92,352	1,330

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.

Tomas O Sfochain is a normal member of the Single Public Service Pension Scheme, and his pension rights do not extend beyond the standard entitlements.

### 6 f. Additional Superannuation Contribution (ASC)

In 2021, €37,354 was deducted from staff by way of pension levy (2020: €33,961) and was paid over to the Department of Rural and Community Development.

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

7. Change in value of financial assets	2021 €	2020 €
Decrease in impairment (net) against equity	(221,423)	62,545
Decrease in impairment against loans	301,386	18,837
Provision reclassified and written off investments & loans	(299,320)	-
Increase in Fair Value of Equity Investments	491,038	16,702
<b>Increase/(Decrease) in value of financial assets</b>	<b>271,681</b>	<b>98,084</b>
Investment Income (Note 5)	130,191	61,504
<b>Change in Value of Financial Assets</b>	<b>401,872</b>	<b>159,588</b>

Included in the change in the value of Financial Assets above is a realised gain of €491,038 (2020: gain €16,702) 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	2021 €	2020 €
Cost at 1 January	202,130	177,717
Additions	27,458	29,356
Disposals	(9,692)	(4,943)
<b>Balance at 31 December</b>	<b>219,896</b>	<b>202,130</b>
Accumulated Depreciation	163,974	136,632
Charge	24,471	31,100
Disposals	(6,788)	(3,758)
<b>Balance at 31 December</b>	<b>181,657</b>	<b>163,974</b>
<b>Net Book Value at 31 December</b>	<b>38,239</b>	<b>38,156</b>

Fixed Assets is comprised of Fixtures and Fittings NBV €16,655 (2020: €8,606) and Computer Equipment NBV €21,584 (2020: €29,550).



## Notes to the Financial Statements

10 Financial Assets	Notes	2021 €	2020 €
Equity Investments at fair value	10a	13,661,823	13,661,823
Equity Investments at cost less any impairment	10a	18,869,033	12,039,984
Loans	10b	6,383,456	5,089,159
Monitoring Fees and Outlay	10c	338,003	332,666
Cash balance available for reinvestment	10d	33,877,154	41,603,965
		<b>73,129,469</b>	<b>72,727,597</b>

10 a. Unquoted Equity Investments			
<b>At fair value</b>			
Balance at 31 December		13,661,823	13,661,823
<b>At cost</b>			
Opening Value at 1 January		14,429,368	11,508,104
Additions		7,105,835	3,221,264
Disposals		(55,363)	(300,000)
Balance at 31 December		21,479,840	14,429,368
<b>Impairment</b>			
Opening Value at 1 January		(2,389,384)	(2,451,929)
Reversal on Sale		(248,786)	(38,250)
Movement in Impairment		27,363	100,795
Balance at 31 December		(2,610,807)	(2,389,384)
<b>Net Cost</b>			
		18,869,033	12,039,984
<b>Valuation at 31 December</b>			
		32,530,856	25,701,807

## Notes to the Financial Statements

10 b. Loans	2021 €	2020 €
<b>Cost</b>		
Opening Value at 1 January	6,220,291	5,686,716
Additions	2,882,630	1,509,506
Loan Repayments	(1,590,399)	(975,931)
Loans write off	(299,320)	
<b>Cost at 31 December</b>	<b>7,213,202</b>	<b>6,220,291</b>
<b>Impairment</b>		
Opening Balance at 1 January	(1,131,132)	(1,149,969)
Movement in Impairment	301,386	18,837
<b>Balance at 31 December</b>	<b>(829,746)</b>	<b>(1,131,132)</b>
<b>Valuation at 31 December</b>	<b>6,383,456</b>	<b>5,089,159</b>
Receivable within 12 months	1,964,620	1,240,713
Receivable after 12 months	4,418,836	3,848,446
<b>10 c. Cash balance available for Administration</b>		
Fee income at 1 January	332,666	392,173
Monitoring Fees	34,078	15,578
Outlay	(28,741)	(75,085)
<b>Balance 31 December</b>	<b>338,003</b>	<b>332,666</b>
<p>Equity investments are made on a pari passu basis with private sector investors. Monitoring fees arise where a fee is charged by private sector investors as part of the terms and conditions of the investment. To obtain pari passu terms and conditions, the Western Development Commission also charges a monitoring fee.</p> <p>The balance of €338,003 as at 31st December 2021 (€332,666 at 31st December 2020) is available for use by the Western Investment Fund; is ringfenced from balances that may be used for reinvestment opportunities and reflects the cumulative monitoring fees collected less certain outlay incurred by the Western Investment Fund to 31st December 2021.</p>		
<b>10 d. Cash balances available for reinvestment</b>		
Cash balances at 1 January	41,603,965	44,921,090
Equity disposals/loan repayments in the period	2,136,800	1,292,633
Dividends received on equity investments	-	45,000
Interest received on loans	131,818	78,995
Interest received/ (charged) on WIF cash at bank	(6,964)	(2,984)
Amount reinvested in period – Equity	(7,105,835)	(3,221,264)
Amount reinvested in period – Loan	(2,882,630)	(1,509,506)
<b>Cash balances at 31 December</b>	<b>33,877,154</b>	<b>41,603,965</b>

## Notes to the Financial Statements

11. Receivables	2021 €	2020 €
Debtors	14,938	190
Prepayments	34,505	45,337
EU Grants/NPP Grants Receivable	290,348	369,007
	<b>339,791</b>	<b>414,534</b>

12. Payables		
Creditors & Accruals	333,194	230,891
Deferred Income	1,323,989	1,193,303
	<b>1,657,183</b>	<b>1,424,194</b>

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	2021 €	2021 €	2020 €	2020 €
Balance at 1 January		38,156		41,085
Transfer to Income and Expenditure Account:				
– Funds allocated to acquire Fixed Assets	27,458		29,356	
– Amount released on disposal	(2,904)		(1,185)	
– Amount amortised in line with asset depreciation	(24,471)		(31,100)	
		83		(2,929)
		<b>38,239</b>		<b>38,156</b>

14. Future Commitments – WIF	2021 Equities €	2021 Loans €	2020 Equities €	2020 Loans €
Opening Commitments	8,510,690	5,201,948	5,034,362	1,951,987
Reclassification	-	-	(1,267,001)	1,267,001
Approvals	7,675,000	3,118,330	9,053,879	3,977,534
De-commitments	-	-	(1,089,286)	(485,068)
Disbursals	(7,105,835)	(2,882,630)	(3,221,264)	(1,509,506)
<b>Closing Commitments</b>	<b>9,079,855</b>	<b>5,437,648</b>	<b>8,510,690</b>	<b>5,201,948</b>

## 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	2021 €	2020 €
Gross service cost	497,000	395,000
Net interest expense/(income)	67,000	73,000
Employee contributions	(69,912)	(62,835)
	<b>494,088</b>	<b>405,165</b>

b) Movement in net retirement benefit obligations during the financial year		
Net retirement benefit obligation at 1 January	7,925,000	6,950,000
Gross service cost	497,000	395,000
Interest cost	67,000	73,000
Actuarial loss/(gain)	1,253,000	528,000
Benefits paid	(22,000)	(21,000)
Net retirement benefit obligation at 31 December	<b>9,720,000</b>	<b>7,925,000</b>

### 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:

	2021 €	2020 €
Funding recoverable in respect of current year retirement benefit costs	564,000	468,000
State grant applied to pay retirement benefits	(22,000)	(21,000)
	<b>542,000</b>	<b>447,000</b>

The deferred funding asset for retirement benefits at 31st December 2021 amounts to €9.72M (2020: €7.925M).

d) History of defined benefit obligations	2021 €	2020 €	2019 €	2018 €	2017 €
Defined benefit obligations	9,720,000	7,925,000	6,950,000	5,170,000	5,120,000
Experience (loss)/gains on defined benefit scheme liabilities	(1,253,000)	(528,000)	(1,431,000)	294,000	(835,000)
Percentage of plan liabilities	12.9%	6.7%	20.6%	-5.7%	-16.3%

---

## 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 2021.

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:

	2021 €	2020 €
Rate of increase in salaries	3.50%	2.50%
Rate of increase in retirement benefits in payment	3%	2.00%
Discount rate	1.20%	0.80%
Inflation rate	2%	1.75%

Average future Life Expectancy	2021	2020
Male aged 65	21.8 years	21.7 years
Female aged 65	24.2 years	24.1 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. No interests were disclosed by Commission members in 2021.

The CEO was appointed on 4th September 2020 by the Commission as a non-executive director of a company limited by guarantee (i.e. not for profit social enterprise) to which the Western Development Commission provided loan finance to. His appointment was based on the strategic importance of the project to the Western Region. He will cease to hold this position upon resignation as CEO.

### 17. Events after the Reporting Date

There are no events between the reporting date and the date of the approval of these financial statements that require adjustment to the financial statements.

The Commission acknowledges that the Covid-19 pandemic continues to be a significant event. While the impact of Covid-19 on the Western Development Commission's financial position is uncertain at present, the Commission continues to monitor the situation with management.



---

## Notes to the Financial Statements

### 18. Going Concern

The Commission considers that as the entity provides a public service that is funded by moneys provided by the Exchequer, via its parent department (Department of Rural and Community Development), it is appropriate to prepare these financial statements 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 maybe up to eighteen months and even longer due to the Covid pandemic.

Reserves at 1 January 2021	222,102
Deficit for the current year	(10,155)
Reserves at 31 December 2021	211,947

### 20. Approval of financial statements

The Commission approved these Financial Statements for issue on 20th December 2022.



**WESTERN  
DEVELOPMENT  
COMMISSION**

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

Dillon House, Ballaghaderreen  
Co. Roscommon, F45 WY26

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

[westerndevelopment.ie](http://westerndevelopment.ie)