



Leitrim County Council

STATEMENT OF INTERNAL FINANCIAL CONTROL (SIFC)

Introduction

I, Joseph Gilhooly, Chief Executive (CE) of Leitrim County Council am responsible for the annual financial statement (AFS), prepared by the Head of Finance, in accordance with the accounting code of practice issued by the Minister under section 107 of the Local Government Act, 2001.

I certify that the unaudited financial statements of Leitrim County Council for the year ended 31 December 2024, are in agreement with the books of account and have been prepared in accordance with the accounting requirements of the Minister of Housing Local Government and Heritage.

The AFS is subject to external audit, by an auditor of the Local Government Audit Service, whose purpose is to form an independent opinion of the accounts and state whether the annual financial statement presents *fairly the financial position* of the local authority and of its income and expenditure for the period in question, and whether the transactions of the audited body conform with the statutory or other authorisation under which they purport to have been carried out.

The AFS reports on the day-to-day activity of Leitrim County Council in the form of the Statement of Comprehensive Income & Expenditure, summarised by Division. The Statement of Financial Position outlines the Leitrim County Council overall financial position as of the 31st of December 2024.

The *Statement of Comprehensive Income* represents expenditure and income on the day-to-day running of the Leitrim County Council.

The key sources of income for Leitrim County Council are as follows:

	Current Year	Previous Year
	€	€
Goods & Services	9,442,493	10,200,018
Grants & Subsidies	32,495,992	28,040,643
Other Contributions (as appropriate)	689,439	408,733
Rates	7,090,350	6,817,665
Local Property Tax	10,738,091	9,222,888



Activity on the Income and Expenditure account for 2024 is as follows:

	Current Year	Previous Year
	€	€
Income	60,456,364	54,689,947
Expenditure	61,173,374	54,242,820
Transfers to Capital	1,295,778	1,059,302
Exceptional Item	-	-
Surplus (Deficit) for	(1,401)	(1,385)
Prior Year Adjustment	-	-
Opening Revenue Reserve	(251,965)	(250,581)
Closing Revenue Reserve	(253,366)	(251,965)

Leitrim County Council has continued to implement a programme of monitoring and review of expenditure to ensure that budgetary limits are not exceeded. The effect of such tight budgetary management and control has resulted in a deficit of €1,401 in 2024, thereby increasing the cumulative revenue deficit to €253,366.

The *Statement of Financial Position (Balance Sheet)* represents the closing financial position of the council at year-end together with comparative year figures as appropriate.

The statement includes assets and liabilities as follows:

- Assets both recently constructed/purchased and historical assets
- Work in progress and preliminary schemes- mainly roads and housing
- Long Term Debtors – housing loans
- Current Assets- including Stock, Debtors, Cash at bank
- Current and long term liabilities- mortgage and non-mortgage loan borrowings
- Various Reserves/Balances



The Net Assets Leitrim County Council at the end of 2024 total € 9,407.48m and are as follows:

	Current Year	Previous Year
	€	€
Fixed Assets	909,102,867	897,782,226
Works in Progress	35,726,449	16,134,196
Long Term Debtors	6,347,630	6,152,128
Current Assets	21,011,732	18,208,795
Current Liabilities	6,257,205	4,880,431
Net Current Assets / (Liabilities)	14,754,527	13,328,365
Creditors (Amounts greater than 1 year)	25,183,027	20,285,494
Net Assets/(Liabilities)	940,748,446	913,111,420

A *Statement of Funds Flow* was introduced as part of AFS 2011. While the guidance of International Accounting Standard 7 Statement of Cash Flows has been followed, the business of local authorities is substantially different to most private sector organisations and therefore some minor changes to the format have been agreed to ensure the data displayed is meaningful and useful within the local government sector.

System of Internal Financial Controls

As Chief Executive of Leitrim County Council, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Leitrim County Council. This responsibility is exercised in the context of the resources available to Leitrim County Council. Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.



Financial control environment

As Chief Executive of Leitrim County Council, I confirm that a financial control environment containing the following elements is in place:

- Financial responsibilities have been assigned at management level with corresponding accountability.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.
- Formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action.
- There is an Audit Committee which as part of its work programme regularly review the internal financial control system.
- Procedures for all key business processes have been documented.
- There are systems in place to safeguard the assets.

Administrative Controls and Management Reporting

As Chief Executive of Leitrim County Council, I confirm that a framework of administrative procedures and regular management reporting is in place including segregation of duties and a system of delegation and accountability and, in particular, that:

- procedures for key business processes have been documented
- there are systems aimed at ensuring the security of the ICT systems
- there are systems in place to safeguard the assets of the local authority and
- there are appropriate capital investment control guidelines and formal project management disciplines in operation.

Procurement compliance

Leitrim County Council ensures that there is an appropriate and ongoing focus on good practice in tendering and purchasing and that procedures are in place to ensure compliance with all relevant procurement guidelines.

Internal audit and Audit Committee

As Chief Executive, I can confirm that Leitrim County Council has an outsourced internal audit function with appropriately trained personnel, which operates in accordance with a written charter. Its work is informed by analysis of the financial risks to which Leitrim County Council is exposed and its annual internal audit plans are based on this analysis. I am satisfied that there are procedures in place to ensure that the reports of the internal audit function are followed up.

I can confirm that Leitrim County Council has an effective audit committee which carries out an annual effectiveness review of their activities. I can also confirm that an Audit



Committee is in place in accordance with the requirements of Section 122 of the Local Government Act 2001 (as amended).

The statutory functions of audit committees as set out in section 59 and 60 of the Local Government Reform Act 2014 are as follows:

- i. to review financial and budgetary reporting practices and procedures within the local authority that has established it;
- ii. to foster the development of best practice in the performance by the local authority of its internal audit function;
- iii. to review any audited financial statement, auditor's report or auditor's special report in relation to the local authority and assess any actions taken within that authority by its chief executive in response to such a statement or report and to report to that authority on its findings;
- iv. to assess and promote efficiency and value for money with respect to the local authority's performance of its functions; and
- v. to review systems that are operated by the local authority for the management of risks.

I recognise that the audit committee plays a crucial role in the governance framework of local authorities, particularly in the context of increased public sector accountability. They have an independent role in advising the Council on financial reporting processes, internal control, risk management and audit matters as part of the systematic review of the control environment and governance procedures of the local authority.

I acknowledge the Audit Committee's role in the risk management process and in the continuing review of the control environment and governance procedures in Leitrim County Council.

Risk and control framework

Leitrim County Council has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, mitigate those risks.

A corporate risk register is in place which identifies the key risks and evaluates and grades them according to their significance. The register is reviewed and updated by the Management Team on a regular basis. There is also a risk register in place for each service division and these are also reviewed and updated on a regular basis.

The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level. The risk registers which detail the controls and



actions needed to mitigate risks and responsibilities for the operation of controls are assigned to specific staff.

As Chief Executive, I confirm that 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.

The Statement of Internal Financial Control will be included in the draft Annual Report submitted to Council members each year and thereafter included in the published Annual Report prepared and adopted by the Council by 30 June 2025 each year.

Signed by: 
Chief Executive

Dated: 6th May 2025