



## Annual Report & Financial Statements 2011



Ireland's EU Structural Funds  
Programmes 2007 - 2013

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## Board Membership And General Information

**As at 31st December 2011**

**Board Members:**

Mr. Joe Crockett, Chairman

Cllr. Tom Maher

Cllr. Martin Brett

Cllr. Andrew Mc Guinness

Cllr. Thomas Prendergast

Mr. Phil Funchion

Ms. Alison McGrath

Ms. Yvonne Moriarty

Mr. Declan Rice

Mr. Jerry Moloney

Ms. Virginia Bohan

Mr. James Healy

Ms. Kathleen Moran

Ms. Trish Finegan

**Acting Chief Executive & Company Secretary:**

Ms. Fiona Deegan

**Business Advisor:**

Ms. Catherine Hennessy

**Office Administrator:**

Ms. Ailish Scott

**Registered Office:**

42 Parliament Street, Kilkenny

**Auditors:**

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

**Bankers:**

Bank of Ireland, Parliament Street, Kilkenny.

**Solicitors:**

James Harte & Son, 39 Parliament Street, Kilkenny.

**Company No.:** 231759

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## Chairman's Address



It gives me great pleasure to present this annual report, which provides a summary of the activity with which the Kilkenny CEB was involved in 2011. The demand for support services continued to increase, with the profile of clients mainly split between on the one hand an increasing number of people now considering self-employment and in need of help to develop their business idea, to on the other hand more owner-managers in need of help to overcome the various challenges and issues they face in the current economic climate.

The Board delivered 326 business advisory sessions in 2011. The numbers completing Start Your Own Business (SYOB) Training (at 87) remained high. The SYOB Programme give participants an introduction to all of the main issues encountered when starting

and running a business, from researching and planning their idea through to developing a sales strategy and preparing financial projections. The numbers participating in enterprise training, management development programmes, business seminars and workshops organised and delivered by the Board (at 527) rose significantly in comparison to 2010. This can be explained by the introduction of Taster Sessions, a new approach taken in 2011 to ensure that supports remain targeted and responsive to client needs. The numbers availing of the Board's mentoring service (at 435) also increased. Much of this demand persists from owner-managers in need of help to overcome issues threatening their very survival.

In 2011, the Board approved €448,633 to 24 businesses. A total of 18 of the business projects approved were start-ups and the remaining 6 were expansions of existing businesses. These projects combined have the potential to create an additional 49 full-time job equivalents when fully implemented. This brings the total number of jobs assisted by the Board since it was established in 1993 to 1,286. The Board also continued its partnership (begun in 2009) with St. Canice's Kilkenny Credit Union in the promotion and delivery of the Small Business Support Loan Scheme. Many of these projects were unable to secure loan finance from the mainstream banks.

I would like to thank my fellow Board members for their continued dedication to the work of the Board. I wish to thank the members of the Evaluation Committee for their thoroughness and efficiency in project evaluation; the Minister and his officials in the Department, the staff of the CEB Central Co-ordination Unit for their advice and guidance; and to the Chief Executive and staff for their diligent work and enthusiasm throughout the year and look forward to continuing to meet the needs of existing and intending entrepreneurs throughout County Kilkenny.

A handwritten signature in black ink, appearing to read 'Joe Crockett', written in a cursive style.

**Mr. Joe Crockett**  
Chairman

# Directors' Report

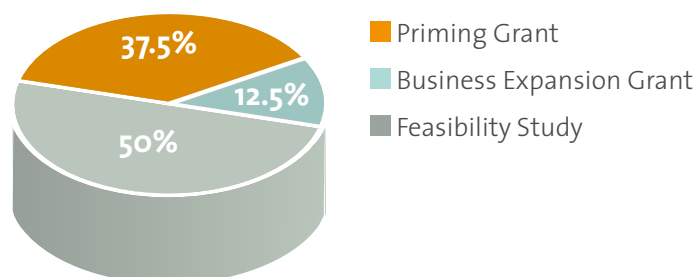
1st January, 2011 to 31st December, 2011

## MEASURE 1: Selective Financial Intervention

### Project Approvals

A total of 28 applications for financial assistance were considered in 2011, and 24 (or 86%) of these were approved. Financial assistance totalling €448,633 was committed to the 24 projects approved in the form of Priming Grants (aimed at start-ups trading for less than 18 months), Business Expansion Grants (aimed at businesses trading for more than 18 months) and Feasibility/Innovation Grants (see Appendix 1 for further details). The distribution of financial assistance approved in 2011 between the various types of grant is illustrated in Figure 1.

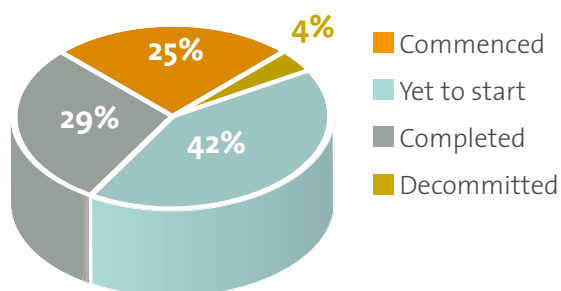
Figure 1: Distribution of Grant-Aid Approved in 2011 by Grant Type



### Project Status at Year End

As at 31st December 2011, the status of the projects approved was as follows: 7 projects were fully complete; 6 projects had commenced and were partially paid; 1 project had been withdrawn and decommitted and the remaining 10 projects had yet to start (Figure 2.) A total of €137,466 of the grant-aid approved in 2011 is refundable. The Board made payments totalling €256,472 in 2011. This expenditure comprised Priming Grants totalling €113,089, Business Expansion Grants totalling €22,654, Feasibility/Innovation Grants totalling €38,361 and Repayable Grants totalling €82,368.

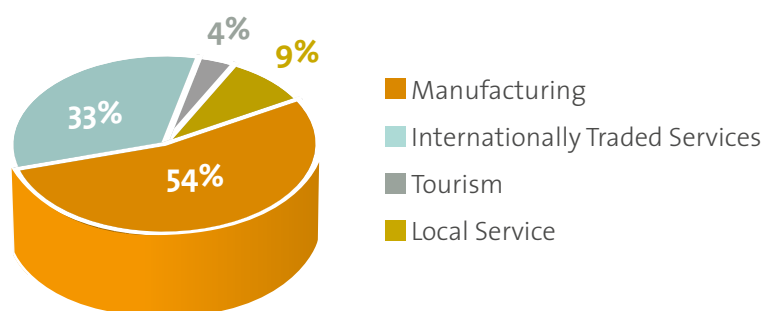
Figure 2: Status of Projects Approved at Year End



## Profile of Approvals

The sectoral distribution of the projects approved in 2011 is as follows: 13 are manufacturing operations; 8 have the capacity to become Internationally Traded Services (ITS); 1 is a tourism project; and 2 are local services. The distribution of grant-aid across sectors is illustrated in Figure 3.

Figure 3: Sectoral Distribution of Projects Approved 2011



## Jobs Assisted

The 24 'live' projects approved during 2011 have the potential to create an additional 49 full-time job equivalents when fully implemented (apart from the number of jobs that will be sustained in existing businesses supported.) This brings the total number of new jobs assisted by the Board since it was established in 1993 to 1,286 at a cost per job of circa €6,641 (Table 1.) The total amount of grant-aid approved by the Board between 1993 and 2011 increased to €8,540,851 by the end of the year.

Table 1: Jobs Assisted by the Board 1993-2011

Year	No. of Jobs Created*	(€) Approvals	(€) Cost Per Job
1993-1995	114	1,202,954	10,552
1996	80	423,089	5,289
1997	126	480,346	3,812
1998	103	457,160	4,438
1999	88	407,587	4,632
2000	82	405,731	4,948
2001	97	750,072	7,733
2002	74	447,927	6,053
2003	43	285,288	6,635
2004	60	341,100	5,685
2005	60	466,473	7,774
2006	58	425,370	7,334
2007	68	366,569	5,391
2008	78	587,853	7,536
2009	58	568,429	9,972
2010	48	476,271	9,922
2011	49	448,633	9,156
<b>Totals</b>	<b>1,286</b>	<b>8,540,851</b>	<b>6,641</b>

\* Full-Time Job Equivalents where 2 P/T jobs equate to 1 F/T job.

## MEASURE 2: Entrepreneurial & Capability Development

### Summary

The Board is the first point of contact for small businesses in County Kilkenny, providing a range of information, advisory, training, mentoring and management development supports to clients, in addition to a business referral service. A total of €269,236 was expended by the Board on Measure 2 related activity in 2011.

### Enterprise Training & Management Development Programmes

A total of 60 Seminars, Workshops, Enterprise Training & Management Development Programmes were organised and delivered by the Board during 2011, with 614 people completing same. The Programmes run in 2011 ranged from 'Start Your Own Business (SYOB)' through to 'Financial Training' and 'Sales & Marketing'. Table 2 below provides a summary breakdown of the enterprise training and management development programmes delivered in 2011.

**Table 2: Enterprise Training and Management Development Summary, 2011**

Programme	Numbers Completing
SYOB	87
Financial Training	61
Sales & Marketing	142
ICT & Website	140
Management Development	13
Other Business Training	171
<b>Total</b>	<b>614</b>

### Student Enterprise Awards

The Board continued to contract a Project Worker, namely Ms. Bernie McCoy, to undertake the promotion and oversee the co-ordination of the Student Enterprise Awards (SEA) competition in all second level schools in the County and to secure maximum participation in same. The SEA competition provides second level students with practical knowledge and experience of what it is really like to run a business including: finding the business idea; doing the market research; preparing the business plan; selling the products or services; managing the business; maintaining proper books of accounts; and hopefully making some money and having some fun along the way. Over 400 students from 12 second level schools throughout the County participated in the SEA in 2011. The SEA competition plays an important role in exposing young people to a spirit of enterprise. At national level, the Kilkenny entrants in the Junior Category, 'Sensory Sensations', Colaiste Pobal Osrai, were awarded "Best Display" at the National Finals held in Croke Park.





## South East Women in Business Conference

The Board in conjunction with the other CEBs in the south east region held another very successful 'South East Women in Business Conference' in 2011. The conference was held this year in Ballykisteen Hotel, Co. Tipperary and the theme of the conference was entitled: 'your country needs you.' Speakers included Maureen Gaffney & Jill Kirby, and there were over 200 female business owners in attendance at the Conference.

## Mentoring & Specialist Supports

**Mentor Service:** The Board's mentoring service is designed to complement the enterprise training and management development supports it offers. The panel of mentors comprises of experienced business advisors across a wide range of management disciplines. Their role is to act as a confidential 'sounding board' by listening, advising and suggesting solutions to problems encountered by the owner-managers of small business. The demand for mentoring support during the year maintained at the high levels experienced in 2010, as the number of businesses struggling to survive in the present climate continued to rise. 435 clients availed of mentoring support in 2011, and the assistance being sought related mainly to difficulties arising in the areas of finance, sales and marketing.

**Specialist Support Scheme:** The Specialist Support Scheme was set-up in 2001 to cater for specialist support to meet client development needs. The Scheme enables the Board to offer customized forms of support to individual small businesses. Typical forms of support include enabling small producers to attend or exhibit at trade fairs or carry out market visits. The Board is particularly keen to support clients research and access export markets for their products and services. A total of 22 businesses received support under the Specialist Support Scheme in 2011 (Table 3).

**Table 3: Specialist Supports Approved, 2011**

Scheme	No. of Businesses Availing of Scheme
Mini-Mentor Panel	435
Specialist Support Scheme	22
<b>TOTAL</b>	<b>457</b>

## National Enterprise Awards

The National Enterprise Awards are sponsored by the network of 35 County & City Enterprise Boards (CEBs). The Awards are confined to clients of the CEBs and are aimed at helping raise the profile of micro-enterprises in particular at local and national level. Anselm Molloy, Paragon Business Systems Ltd. was nominated by Kilkenny CEB to represent the County in the Awards in 2011.



# Administration

## Summary

A total of €328,456 was expended by the Board on Administration in 2011.

## Health and Safety

The well-being of the Board's employees is safeguarded by reference to the requirements of the Safety, Health & Welfare at Work Act 2005.

## ISO 9001:2008

The Kilkenny County Enterprise Board Ltd. continues to operate in accordance with the ISO 9001:2008 standard. Audits were carried out during the year and the systems being operated by the Board were deemed to be satisfactory.

## Internal Auditor

The Board re-appointed Mr. Michael Shortall as Internal Auditor during 2011 to carry out internal audit functions for the company. The Board's internal audit committee reviewed the adequacy of the internal controls in mitigating business risk in conjunction with the internal auditor.

## Board of Directors

The Board of Directors serve in an entirely voluntary capacity and receive no remuneration and/or travel expenses from the Board to attend meetings. The average attendance at Board Meetings during the year was 8. The names of persons who were Directors during the period 1st January, 2011 to 31st December, 2011 and their respective attendance record during the year are set out below.

Mr. Joe Crockett (5 out of 8 meetings); Cllr. Martin Brett (5 out of 8 meetings); Cllr. Tom Maher (7 out of 8 meetings); Cllr. Andrew McGuinness (4 out of 8 meetings); Cllr. Tom Prendergast (4 out of 7 meetings); Mr. Declan Rice (6 out of 8 meetings); Ms. Alison Mc Grath (5 out of 8 meetings); Ms. Yvonne Moriarty (6 out of 8 meetings); Mr. Phil Funchion (7 out of 8 meetings); Ms. Trish Finegan (6 out of 8 meetings); Ms. Kathleen Moran (6 out of 8 meetings); Ms. Virginia Bohan (5 out of 7 meetings); Mr. Martin Doyle (0 out of 1 meeting); Mr. Jerry Moloney (2 out of 6 meetings) and Mr. James Healy (7 out of 8 meetings).

### The following Directors resigned during the year:

Mr. Martin Doyle (25th February 2011);  
Mr. James Healy (31st December 2011).

### The following Directors were appointed / reappointed:

Mr. Jerry Moloney (23rd May 2011);  
Ms. Virginia Bohan (28th February 2011);  
Mr. Phil Funchion (26th May 2011);  
Mr. Declan Rice (28th February 2011);  
Cllr. Thomas Prendergast (11th April 2011).

There was one vacancy on the Board at year end, arising under Category 8 nominations.

## Directors who served in the Chair

The following Directors served in the Chair during 2011: Mr. Joe Crockett (5 Meetings), Mr. Declan Rice (2 Meetings) and Ms. Alison Mc Grath (1 Meeting).

**Results**

Details of the results for the year ended 31st December 2011 are set out in the attached financial statements and the notes thereto.

**Post balance sheet events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in financial years subsequent to the financial year ended 31st December 2011.

# Client Charter

## Introduction:

The Kilkenny County Enterprise Board discharges the duties and functions entrusted to it by the Minister for Jobs, Enterprise and Innovation in accordance with the Operating Agreement signed between the County Enterprise Board and the Minister for Jobs, Enterprise and Innovation in an efficient and professional manner. The County Enterprise Board is governed by the “Code of Practice for the Governance of State Bodies” which ensures that CEB customers and the public in general are afforded an excellent service, decisions are made fairly without bias, CEB staff observe the highest standard of business ethics and ensure no actions of the CEB staff shall ever weaken the public's faith in the integrity of the CEB. This Code applies to Directors of the Board, Evaluation Committee members and employees of the Board. When you are dealing with the Board, staff will seek to ensure that you are fully informed of all services and supports and that you are facilitated in gaining proper access to these services and supports.

## Courtesy and Helpfulness:

You can expect that in all your contacts and dealings with the County Enterprise Board to be:

- at all times dealt with by the staff in a courteous and helpful manner;
- given the name of the staff member with whom you are dealing;
- directed to the appropriate staff member dealing with your enquiry.

## Information:

You can expect that in all your contacts and dealings with the County Enterprise Board to be:

- given full and accurate information in simple language in relation to any query you may raise.

## Efficiency:

You can expect that in all your contacts and dealings with the County Enterprise Board to have:

- your query dealt with in a speedy and efficient manner, while recognising the need to keep to the minimum any cost which you might necessarily have to incur.

## Privacy and Confidentiality:

You can expect that in all your contacts and dealings with the County Enterprise Board to have:

- all information, both personal and business, provided by you dealt with in total confidence.

## Redress:

You can expect that in all your contacts and dealings with the County Enterprise Board that any legitimate complaint regarding to:

- (a) the improper administration of the functions entrusted to this Board; or
- (b) the manner in which an enquiry was processed;  
will be dealt with speedily and sympathetically and in accordance with the Board's Client Care and Complaints Procedures. These procedures are without prejudice to an individual's normal rights in law or to any independent review systems that might be put in place.

The Kilkenny County Enterprise Board operates a Client Care and Complaints Procedure. There were no issues or matters arising during 2011, which required invoking of the Procedure.

# Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the income and expenditure for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the statements on a going concern basis unless that basis is inappropriate;
- state where applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements.

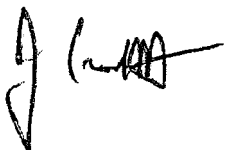
The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Acts 1963 to 2009. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the detection of fraud and other irregularities.

## Books of Account

To ensure that proper books and records are kept in accordance with Section 202 of the Companies Act 2009, the Company engaged the services of a firm of qualified accountants and maintained appropriate accounting systems. The Books of Account are located at the Company's Registered Office.

## Auditors

The Comptroller and Auditor General is responsible for the audit of the Board in accordance with Section 5 of the Comptroller and Auditor General (Amendment) Act, 1993.



**Mr. Joe Crockett**  
Chairman



**Mr. Declan Rice**  
Director

# Comptroller and Auditor General Report for presentation to the Houses of the Oireachtas Kilkenny County Enterprise Board Limited

I have audited the financial statements of Kilkenny County Enterprise Board Limited for the year ended 31 December 2011 under the Comptroller and Auditor General (Amendment) Act 1993. The financial statements, which have been prepared under the accounting policies set out therein, comprise the Statement of Accounting Policies, the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Generally Accepted Accounting Practice in Ireland.

## Responsibilities of the Directors

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

## Responsibilities of the Comptroller and Auditor General

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

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

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

## Scope of Audit of the Financial Statements

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

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

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

In addition, I read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Without qualifying my opinion, I draw attention to the Accounting Policy on pensions which explains why the provisions of Financial Reporting Standard 17 have not been implemented.

## Opinion on the Financial Statements

In my opinion, the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs at 31 December 2011 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Companies Acts 1963 to 2009.

I have obtained all the information and explanations that I consider necessary for the purpose of my audit. In my opinion proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In my opinion, the information given in the Directors' Report is consistent with the financial statements.

# Comptroller and Auditor General Report for presentation to the Houses of the Oireachtas Kilkenny County Enterprise Board Limited (continued)

## Matters on which I Report by Exception

I report by exception if

- my audit noted any material instance where moneys have not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the information given in the Annual Report for the year for which the financial statements are prepared is not consistent with the financial statements, or
- the Statement on Internal Financial Control does not reflect the company's compliance with the Code of Practice for the Governance of State Bodies, or
- I find there are other material matters relating to the manner in which public business has been conducted.

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



**Andrew Harkness**

For and on behalf of the Comptroller  
and Auditor General

# Statement on Internal Financial Controls

On behalf of the Board of Directors of the Kilkenny County Enterprise Board I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.

The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.

## Key Control Procedures

The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. In particular it includes:

- comprehensive budgeting system with an annual budget which is agreed by the Board of Directors;
- regular reviews by the Board of Directors of periodic and annual financial reports which indicate financial performance against forecasts;
- setting targets to measure financial and other performance;
- clearly defined capital investment control guidelines;
- regular reviews undertaken by the Internal Auditor and the Internal Audit Committee.

The Board has also established procedures to identify and evaluate business risks by

- (i.) identifying the nature, extent and financial implication of risks facing the body including the extent and categories which it regards as acceptable;
- (ii.) assessing the likelihood of identified risks occurring;
- (iii.) assessing the body's ability to manage and mitigate the risks that do occur;
- (iv.) assessing the costs of operating particular controls relative to the benefit obtained.

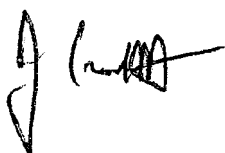
The Kilkenny County Enterprise Board has engaged the services of an Internal Auditor to provide it with internal audit services. The work of internal audit is informed by analysis of the risk to which the body is exposed, and annual internal audit plans are based on this analysis. The analysis of risk and the internal audit plans are approved by the Internal Audit Committee and by the Board of Directors. At least annually, the Internal Control Auditor and the Internal Audit Committee provide the Board with a report of internal audit activity. The report includes the Internal Auditor's opinion on the adequacy and effectiveness of the system of internal financial control.

The Board's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the Internal Audit Committee, Internal Auditor, the executives within the Kilkenny County Enterprise Board who have responsibility for the development and maintenance of the financial control framework, and comments made by the Comptroller and Auditor General in his management letter or other reports.

## Annual Review of Controls

I confirm that for the year ended 31 December 2011 the Board conducted a review of the effectiveness of the system of internal financial controls.

Signed on behalf of the Board:



**Mr. Joe Crockett**  
Chairman



# Statement of Accounting Policies

## 1. Basis of Accounting

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

## 2. Fixed Assets and Depreciation

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

Furniture	12 1/2 %
Office Equipment	20%
Computer Equipment	33 1/3 %

## 3. Oireachtas Grants

Oireachtas Grants are accounted for on an accruals basis. Oireachtas Grants are provided by Enterprise Ireland on behalf of the Minister for Jobs, Enterprise and Innovation.

## 4. Grants Payable

Grants are accrued in the financial statements when the grantees have complied with stipulated conditions.

## 5. Capital Account

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

## 6. Deferred Income

Repayments of refundable aid are recognised as income when applied as financial assistance to other enterprises. Deferred income represents refundable aid received from assisted enterprises but not yet applied.

## 7. Superannuation and FRS17:Pensions

Section 10 (4)(g) of The Industrial Development Act 1995 provides that County Enterprise Boards may employ such personnel (including a chief executive officer) in such manner and on such terms as have been approved by the Minister (with the consent of the Minister for Finance) as the Board may think desirable or necessary for the furtherance of its objectives.

The Minister for Jobs, Enterprise and Innovation, with the consent of the Minister for Finance, approved the introduction of Superannuation and associated Spouses and Children's Superannuation Schemes for the Board. Superannuation Schemes for staff of the Board were introduced in 2008 and pending formal approval, the Minister for Jobs, Enterprise and Innovation, with the consent of the Minister for Finance, has authorised the Board to operate the schemes, based on the Model Superannuation Scheme for Civil Servants, on an administrative basis.

The schemes operate on a "pay-as-you-go" basis which means that benefits are not prefunded through the making of contributions to a separate fund controlled by trustees. The arrangements involve the payment of employee contributions to Enterprise Ireland and the Department of Jobs, Enterprise and Innovation with the Department of Jobs, Enterprise and Innovation making funds available to the Board, through Enterprise Ireland, to meet the cost of benefits as they fall due. The Department is currently considering the possibility of restructuring the schemes to ones which incorporate all of the County Enterprise Boards.

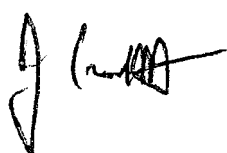
Pending resolution of these uncertainties about the schemes, the Board has not implemented the defined benefit scheme disclosure provisions of FRS17.

## Income and expenditure account

### For the year ended 31 December 2011

	Notes	2011 €	2010 €
<b>Income</b>			
Oireachtas grants	1	735,340	758,724
Transfer from deferred income		81,951	22,610
Other income	1	34,545	36,033
		851,836	817,367
Transfer (to)/from capital account		(2,328)	(7,503)
<b>Total</b>		<b>854,164</b>	<b>809,864</b>
<b>Expenditure</b>			
Selective financial assistance	2	256,472	252,228
Entrepreneurial and capability development	4	269,236	232,506
Administration	5	328,456	325,130
<b>Total</b>		<b>854,164</b>	<b>809,864</b>
<b>Surplus/(deficit) for year</b>		<b>—</b>	<b>—</b>

The statement of accounting policies together with notes 1 to 15 form part of these financial statements. The Board had no gains or losses in the financial year or the preceding financial year, other than those dealt with in the Income and Expenditure Account. The results for the year relate to continuing activities.



**Mr. Joe Crockett**  
Chairman



**Mr. Declan Rice**  
Director



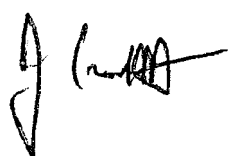
**Ms. Fiona Deegan**  
Acting Chief Executive Officer

# Balance sheet

## As at 31 December 2011

	Notes	2011 €	2010 €
<b>Fixed assets</b>			
Tangible assets	9	11,447	13,775
<b>Current assets</b>			
Debtors and prepayments		25,077	37,381
Bank and cash		289,980	290,576
		315,057	327,957
<b>Current liabilities</b>			
Oireachtas Grants paid in advance		(43,450)	(40,407)
Deferred income		(259,866)	(274,207)
Creditors and accruals		(11,741)	(13,343)
		(315,057)	(327,957)
<b>Net current assets</b>		—	—
<b>Net assets</b>		<b>11,447</b>	<b>13,775</b>
 Financed by:			
Capital account	10	11,447	13,775

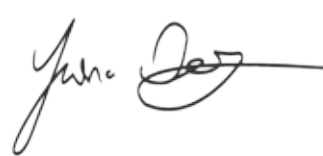
The statement of accounting policies together with notes 1 to 15 form part of these financial statements.



**Mr. Joe Crockett**  
Chairman



**Mr. Declan Rice**  
Director



**Ms. Fiona Deegan**  
Acting Chief Executive Officer

# Notes to the Financial Statements

## 1 Funding and expenditure of the Board

### (a) Local Enterprise

Section 10 (2) of the Industrial Development Act, 1995 provides for payment of grants by the Minister for Jobs, Enterprise and Innovation to the Board. Expenditure by the Board is applied on measures under the Innovation & the Knowledge Economy sub-programme of the Southern & Eastern Regional Operational Programme 2007–2013.

The measures are as follows:

Measure 1 – Selective Financial Assistance;

Measure 2 – Entrepreneurial and Capability Development.

### (b) Other Income

Other income comprises of the following:

	€
Course fees	29,229
Miscellaneous refunds	5,316
	<u>34,545</u>

## 2 Financial assistance – grants

The Board makes offers of grant assistance, which, if accepted, remain valid as commitments of the Board for a specified period or in the circumstances specified on approval. Funding provided by the Department of Jobs, Enterprise and Innovation for payment of selective financial assistance in 2011 was €200,649 (2010: €244,658). The outstanding commitments of the Board at 31 December 2011 arose as follows:

	Grants 2011 €	Repayable grant aid 2011 €	Total €
Grant commitments at 1 January	140,285	112,270	252,555
Grant approvals	311,167	137,466	448,633
	<u>451,452</u>	<u>249,736</u>	<u>701,188</u>
Grants decommitted			
– 2011 approvals	(25,512)	(17,614)	(43,126)
– pre 2011 approvals	(57,391)	(45,236)	(102,627)
	<u>368,549</u>	<u>186,886</u>	<u>555,435</u>
Grant expenditure	(174,104)	(82,368)	(256,472)
<b>Grant commitments at 31 December 2011</b>	<b><u>194,445</u></b>	<b><u>104,518</u></b>	<b><u>298,963</u></b>

## 2 Financial assistance – grants – continued

Expenditure of €256,472 comprises business expansion grants €22,654, priming grants €113,089, feasibility grants €38,361 and repayable grants €82,368. This expenditure was funded by Measure 1 grants of €174,521 and transfers from deferred income of €81,951. Outstanding commitments at 31 December were entered as follows

	€
Prior to 31 December 2010	76,568
After 1 January 2011	222,395
	<u>298,963</u>

	2011 €	2010 €
<b>3a Repayable grant aid</b>		
Balance at 1 January	393,621	401,864
Issued in year (see note 2)	82,368	80,263
Repaid in year	(70,676)	(77,346)
Written off in year	(2,549)	(11,160)
<b>Balance at 31 December</b>	<b><u>402,764</u></b>	<b><u>393,621</u></b>
Due within 12 months	97,829	98,238
Due after 12 months	304,935	295,383
	<b><u>402,764</u></b>	<b><u>393,621</u></b>

As repayments are dependant upon the performance of these enterprises, the amount outstanding is not included as a debtor on the balance sheet. Repayments received are taken into account on a cash basis. Such receipts may be used by the Enterprise Board to fund further grants. Amounts totalling €2,549 were written off by the Board during 2011.

	2011 €	2010 €
<b>3b Reallocation of refundable aid receipts</b>		
Balance of refundable aid on hand at 1 January	274,207	216,119
Transfer to income to fund further grants	(81,951)	(22,610)
	<u>192,256</u>	<u>193,509</u>
Refundable aid receipts:		
Repayments	70,676	77,346
Overpayment by grantees	(2,526)	-
Adjustment to prior year repayments	(2,900)	-
Interest, net of bank charges	2,360	3,352
	<u>67,610</u>	<u>80,698</u>
Balance of refundable aid on hand at 31 December	<b><u>259,866</u></b>	<b><u>274,207</u></b>

# Notes to the Financial Statements (Continued)

## 4 Entrepreneurial and capability development

Entrepreneurial and capability development consists of the following categories:

	2011	2010
	€	€
Management development programmes	32,816	26,125
Training	83,725	71,571
Mentoring	62,753	46,679
Enterprise education	17,836	16,275
Enterprise Promotion	44,486	30,856
Other	27,620	41,000
<b>Total</b>	<b>269,236</b>	<b>232,506</b>

	2011	2010
	€	€
<b>5 Administration costs</b>		
Salaries (see note 7)	230,352	225,900
Travel expenses	5,782	9,175
Accommodation	20,537	20,540
Office expenses	54,173	42,546
Audit fees	6,392	6,392
Insurance	1,200	5,837
Staff training	412	1,523
Advertising	484	194
External Opportunities Committee	3,282	5,066
Depreciation	5,724	7,957
Loss on disposal	118	-
	<b>328,456</b>	<b>325,130</b>

## 6 Taxation

No provision has been made for taxation in the financial statements.

## 7 Employees and remuneration

Remuneration costs of the Board amounted to a total of €230,352 which has been charged in the Income and Expenditure account as follows:

	2011	2010
	€	€
Administration	<b>230,352</b>	<b>225,900</b>

The average number of staff during the period was 4 (2010: 4). All staff are employed on a secondment or contract basis. One of the members of staff on the Board is an employee of Kilkenny County Council and is seconded to the Board from the Council.

## 8 Superannuation

The salaries of seconded staff are reimbursed to Kilkenny County Council. This includes an element of superannuation. In respect of other staff, the Superannuation and associated Spouses' and Children's Superannuation Schemes introduced in July 2008 are in operation.

	<b>Furniture</b> €	<b>Equipment</b> €	<b>Computer equipment</b> €	<b>Total</b> €
<b>9 Fixed assets</b>				
<b>Cost/valuation</b>				
Balance at 1 January	49,534	44,948	63,381	157,863
Additions	-	330	3,184	3,514
Disposals	(235)	(5,230)	(49,669)	(55,134)
Balance at 31 December	49,299	40,048	16,896	106,243
 Accumulated depreciation				
Balance at 1 January	43,494	44,524	56,070	144,088
Disposals	(117)	(5,230)	(49,669)	(55,016)
Charge for year	841	171	4,712	5,724
Balance at 31 December	44,218	39,465	11,113	94,796
 <b>Net book value at 31 December 2011</b>	<b>5,081</b>	<b>583</b>	<b>5,783</b>	<b>11,447</b>
 <b>Net book value at 31 December 2010</b>	<b>6,040</b>	<b>424</b>	<b>7,311</b>	<b>13,775</b>

	<b>2011</b> €	<b>2010</b> €
<b>10 Capital account</b>		
Balance at 1 January	13,775	6,272
 Transfer from/(to) income and expenditure account:		
– funds allocated to acquire fixed assets	3,514	15,460
– amount amortised in line with asset depreciation	(5,724)	(7,957)
– amount released on disposal of fixed assets	118	-
	(2,328)	7,503
Balance at 31 December	<b>11,447</b>	<b>13,775</b>

## 11 Board members – disclosure of transactions

The Board adopted procedures in accordance with guidelines issued by the Department of Finance in relation to the disclosure of interests by Board Members and these procedures have been adhered to in the year. There are no transactions in the year in relation to the Board's activities in which the Board Members had any beneficial interest.

## **12 Directors' fees and CEO Salary**

The Board operates on a voluntary basis and no payments were made to the Board members in 2011. The CEO's salary is €91,267. No bonus payments were made to the CEO. The CEO also received an amount of €3,477 in respect of Travel and Subsistence Costs. The CEO is a member of an unfunded defined benefit public sector scheme and his pension entitlements do not extend beyond the standard entitlements in the public sector defined benefit superannuation scheme. The CEO was placed on secondment from 3 October 2011. An Acting CEO was appointed internally as of that date. The Acting CEO did not receive additional salary for this appointment.

## **13 Going Concern**

In February 2012, the Government announced its intention to dissolve the County Enterprise Boards and create a new Micro-Enterprise and Small Business Unit in Enterprise Ireland that will work with Local Authorities to establish a new network of Local Enterprise Offices in each Local Authority. The Board assumes that all existing activities will continue to be carried out by the new Local Enterprise Offices with its assets and liabilities likely to be transferred to Enterprise Ireland. In the circumstances, it does not believe that any adjustment is needed to the financial statements to reflect any possible restructuring and it has prepared these accounts on a going concern basis.

## **14 Board Premises**

The Board occupies premises at 42 Parliament Street, Kilkenny under a sub lease agreement with Kilkenny County Council. This agreement, which commenced in 1997, is for a term of 25 years.

## **15 Approval of financial statements**

The financial statements were approved by the directors on 28th May 2012.



# APPENDIX 1

## Measure 1: Details of Projects Approved Financial Assistance in 2011

Project Promoter	Project Type	Gender	Project Class	Board Approval	Grant Type	Amount Approved	Repayable Grant	Non Repayable Grant	Total Paid	Amount D'mmitted	Balance to be Paid
James Byrne, Hillwalk Ireland	Tourism	Male	Expansion	28.02.11	BEG	16,875	8,438	8,438	16,875	0	0
Thomas Farrell & Mary Moynihan	Manu.	Male/ Female	Start-up	28.02.11	F/S	5,000	0	5,000	0	0	5,000
Tom Farrell	ITS	Male	Start-up	11.04.11	F/S	0	9,950	0	9,950	0	0
Tom Hughes	Manu.	Male	Expansion	11.04.11	F/s	10,000	0	10,000	10,000	0	0
Sean Fleming, PBTS Ltd	ITS	Male	Expansion	23.5.11	F/s	5,000	0	5,000	2,436	2,564	0
Denis Treacy	Manu.	Male	Start-up	23.5.11	F/s	6,000	0	6,000	6,000	0	0
Pat Carrigan	Manu.	Male	Start-up	13.5.11	F/s	5,000	0	5,000	3,780	1,200	0
Peter Lazarus, Recoup Ltd	ITS	Male	Expansion	23.5.11	BEG	38,000	19,000	19,000	5,364	27,000	5,636
Clare Hughes, Animal Farmacy Ltd.	ITS	Female	Start-up	11.7.11	Priming	21,555	7,185	14,370	7,755	0	13,821
John Hoyne	Manu.	Male	Start-up	11.7.11	Priming	45,909	15,303	30,606	9,960	0	35,949
Mary Liz Lenihan	ITS	Female	Start-up	11.7.11	F/S	5000	0	5,000	0	0	5,000
Olivia Goodwillie, Lavistown Gourmet Sausages	Manu.	Female	Expansion	11.7.11	BEG	7,204	3,602	3,602	7,204	0	0
Jamie Connery, Bespoke & Co Ltd.	ITS	Male	Start-up	11.7.11	Priming	42,000	14,000	28,000	21,000	0	21,000
Margaret Walsh	Childcare	Female	Start-up	26.9.11	Priming	10,440	3,480	6,960	4,628	592	5,220
Deirdre McCourt	Manu.	Female	Start-up	26.9.11	F/s	2,000	0	2,000	0	0	2,000
Mary Byrne	Local Service	Female	Start-up	12.12.11	Priming	5,000	1,667	3,333	0	0	5,000
Gary Fitzpatrick, Sapien Developments Ltd	Manu.	Male	Start-up	28.02.11	F/s	20,000	0	20,000	0	0	20,000
Ivan Sheridan, Kilkenny City Tours Ltd.	ITS	Male	Start-up	11.4.11	Priming	33,575	11,192	22,383	18,679	5,000	9,896
Michael Moran	Manu.	Male	Start-up	11.4.11	Priming	6,750	2,250	4,500	0	6,750	0
Dean Smithwick, Alan Smithwick, John McGrath, Envirocrest	Manu.	Male	Start-up	11.7.11	Priming	78,375	31,350	47,025	0	0	78,375
Callan Joinery Ltd	Manu.	Male	Start-up	26.9.11	F/s	5,000	0	5,000	0	0	5,000
Greensbridge Engineering Ltd	Manu.	Male	Start-up	26.9.11	Priming	60,000	20,000	40,000	0	0	60,000
Eamon Kelsey	Manu.	Male	Start-up	12.12.11	F/S	5,000	0	5,000	0	0	5,000
Paraic Kelly	ITS	Male	Expansion	12.12.11	F/S	5,000	0	5,000	0	0	5,000
<b>TOTALS</b>					<b>24</b>	<b>448,633</b>	<b>137,466</b>	<b>311,167</b>	<b>123,610</b>	<b>43,126</b>	<b>281,897</b>

