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## Chairman's Foreword

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### Building for the Future

I am pleased to report that 2006 has been another highly successful year for the National Roads Authority with schemes coming in "On Time and On Budget." Following on from last year's success story, the Authority once again delivered schemes below their collective pre-construction budget giving Taxpayers value for money.

Construction activity hit a record high this year with a total of 27 major road events, which saw 14 new national road schemes opened to traffic, a 19km section of the N6 Kinnegad to Kilbeggan scheme completed 12 months ahead of schedule, construction commenced on 12 schemes and 22 major schemes were under construction by the end of 2006.



Teamwork is the key to success and in this regard I would like to acknowledge the commitment and hard work of the NRA Board, Executive and staff, local authorities, EU, Department of Transport and in particular, Transport Minister, Mr Martin Cullen T.D., for his tenacity and vision in securing a multi-annual programme from Government. This will make it possible to maintain the current pace of the national roads programme which is unprecedented in the history of the State.

The ongoing development of the national road network is having a significant and positive impact across the economic and social strata of Ireland. High quality road infrastructure is the lifeblood of a buoyant and competitive economy. The investment in the network over the coming decade through Transport 21, including the Authority's Public Private Partnership programme, will facilitate the safe and efficient movement of people and goods throughout the country.

A competitive and knowledge based economy is the aspiration of all European countries. Ireland's cohesive national roads programme will further assist economic growth, tourism and regional development by connecting key population centres, while also improving the quality of life within towns that have been bypassed.

Peter Malone,  
Chairman



## Chief Executive's Statement

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2006 was the first year of Transport 21 and I am pleased to report that the NRA is meeting all of its commitments under this programme. It was a year when we commenced more road construction work than ever before in the State's history – we currently have 368km of new road construction underway.

Construction starts in 2007 will be focused primarily on Public Private Partnership (PPP) projects as the M50 Phase 2 Upgrade, Portlaoise to Cullahill/Castletown, Ballinasloe to Galway, and Clonee to North of Kells schemes are launched. We are confident of exceeding the €2 billion private funding target set for us in Transport 21.

As part of the Transport 21 work programme, two major consultation documents will shortly be issued to allow public debate and assist decision making on (a) a potential Dublin Eastern Bypass and (b) a potential Dublin Outer Orbital Bypass. Decisions on these projects are central to the development of the transportation system in the Eastern region.

Our Environmental Operations Plan for major construction projects will be launched in 2007, ensuring not only that environmental protection measures are implemented, but also that we get consistent analysis of the effectiveness of measures taken, allowing for continuous improvement in our practices.

We very much welcome the establishment of the Road Safety Authority, and will give it our full support. We have achieved all of the safety goals set out for the NRA in the Road Safety Strategy 2004-2006, and are now preparing our submission for the next safety strategy, 2007-2011. We are fully committed to playing our part in reducing road fatalities.

On behalf of the Board of the Authority and myself personally, many thanks to my colleagues in the NRA, the Department of Transport, local authorities and to those who work within the private sector, for the dedication and hard work that make our achievements possible.



Fred Barry,  
Chief Executive



# Cost Management of Capital Projects

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The Authority has placed great emphasis on improving the management of capital expenditure costs. Measures taken to improve our performance include:

## Organisation

The NRA has been reorganised to provide single-point responsibility for estimating, cost reporting, forecasting and for the management analysis of the cost database. Project managers retain responsibility for delivering their projects on budget, but the management system provides independent verification, analysis and reporting of costs.

## International Benchmarking

We are actively engaged with other European Road Authorities in detailed cost comparisons, which allow us to identify best practices and further opportunities for improvement.

## Lessons Learned

We continuously analyse cost performance to identify the most cost effective practices. Areas of particular interest include determining the appropriate scale of projects for differing road types, to achieve greatest economy of scale. We also compare performance on partnering contracts with more traditional contract types. Additionally, our estimates draw on the in-depth cost database available to the NRA from past and current projects.

## Estimating Practices

Capital cost estimates prepared by the Authority now include for all costs borne by the Authority, including execution risks and inflation. This ensures that there is a single, unambiguous cost target for any project approved for construction.

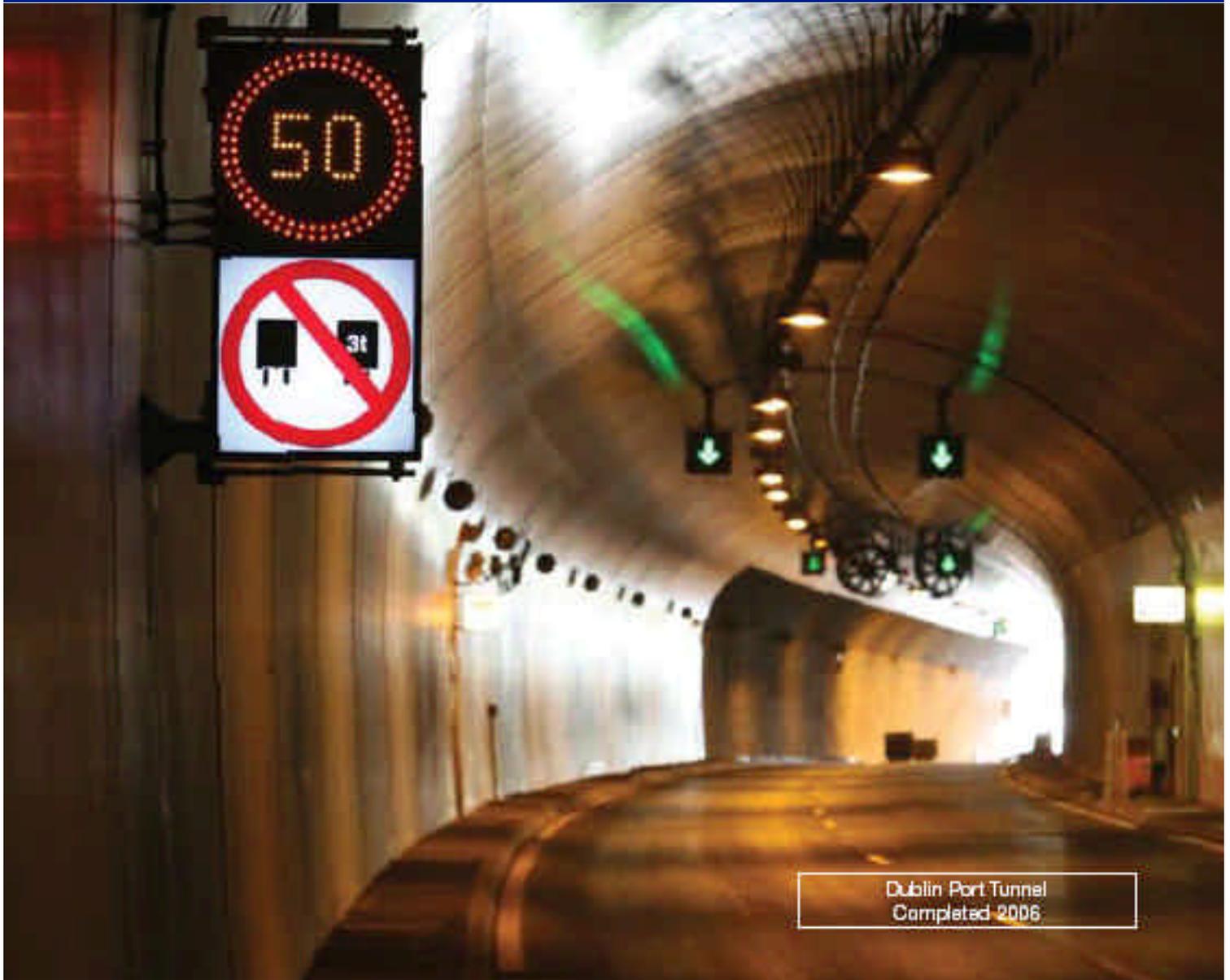
## Cost Trend Analysis

Cost trends are analysed on the major cost elements of all projects – particularly land acquisition and construction – to ensure that developments are consistent with the approved budget, and to allow corrective action to be taken if it is required.

## Expertise

The NRA has strengthened its in-house resources. Additionally, in order to avail of the best private sector capability available, we have, following a competitive tendering process, appointed specialist consultants on a three-year contract to provide construction cost management support.

The ability to manage costs on capital projects is a core competency for an organisation such as the NRA. At its most basic, public confidence is strengthened when the NRA demonstrates its ability to consistently deliver to budget. Due to stronger cost management on work in progress we are then able to allow available funds to be committed to additional necessary projects, rather than holding monies in reserve.



N52 Mullingar Bypass  
Completed 2006



N2 Ashbourne Bypass/  
M50 Junction Completed 2006



N7 Limerick Tunnel Under Construction

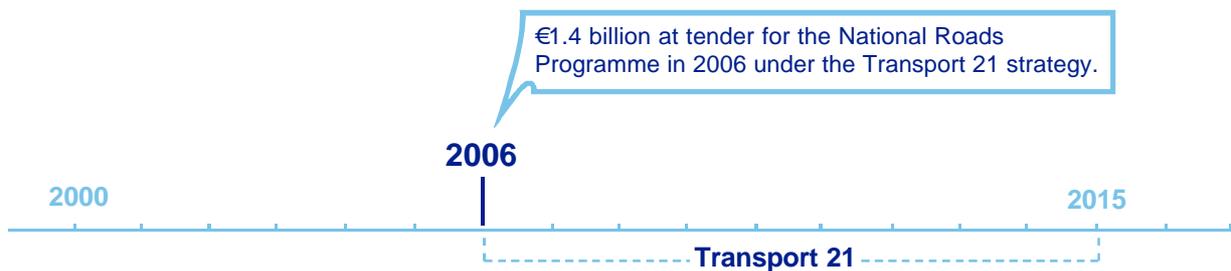


Transport 21 was launched at the end of 2005 and the first year of this 10-year programme has now been completed.

The NRA has performed well against its targets during this first year. All national road schemes scheduled to open this year did so and construction started on a record volume of work. These schemes are being delivered within the Transport 21 budget.

**The status of the output targets for the NRA under Transport 21 is as follows:**

Target	Status at End of Year 1 2006
Complete major Inter-Urban Routes by 2010, totalling 738km mainline route to motorway or equivalent standard	38% open to traffic 29% under construction 33% to start construction 2007 & 2008
Complete 150km High Quality Dual Carriageway additional to major Inter-Urban Routes by 2015	25km open to traffic in 2006 78km under construction
Complete 400km Two Plus One and Two Plus Two road type by 2015	34km under construction
Complete 300km Single Carriageway by 2015	52km open to traffic in 2006 39km under construction
Raise over €2 billion in private funding	€900 million committed €1.4 billion at tender



## NRA Accomplishments 2006



N55 Cavan Bypass  
Completed 2006



N2 Monaghan Town Bypass  
Completed 2006



N21 Castleisland/Abbeyfeale  
Completed 2006

» The level of new construction activity reached a peak this year made possible by record Exchequer funding of €1.6 billion, 25% higher than in 2005. Road construction tender price increases during the year were below inflation.

» Cost control was also very satisfactory and for the second successive year the major projects completed in 2006 have final costs below their collective outturn budgets.

» 14 major projects were completed this year, many of them well ahead of schedule. The 100km of new mainline road includes the Dublin Port Tunnel, which is the longest urban road tunnel in Europe. In addition, a 19km section of the N6 Kinnegad to Kilbeggan scheme opened from Kinnegad to Tyrellspass 12 months ahead of schedule.

» 12 new projects started construction in 2006, including a new immersed tube tunnel across the Shannon to bypass Limerick City and a 475m long cable stayed bridge forming part of the Waterford City Bypass. A total of 249km of new roads started construction this year.

» Policies published this year, available on the NRA website, [www.nra.ie](http://www.nra.ie), include:

- Provision of Service Areas and Rest Areas on Motorways & Dual Carriageways
- Provision of Tourist and Leisure Signage on National Roads
- Development Management and Access to National Roads

Additionally, the Authority has developed a strategy to improve integration of environmental issues into road scheme planning, construction and operations.

» Over 665 pavement improvement, traffic calming, safety barrier and other safety improvement schemes and bridge remedial works were carried out during the year.

» The Authority delivered on 100% of its goals as set out in the “Government’s Road Safety Strategy, 2004-2006”.

*The major projects completed in 2006 have final costs below their collective outturn budgets.*



**N15 Ballyshannon/Bundoran Bypass  
Completed 2006**



**N25 Kinsalebeg Completed 2006**



**N7 Naas Road Upgrade  
Completed 2006**

## NRA Goals 2007

- » With over 368kms of new road under construction at the start of the year and an additional 189kms due to start this year, effective management of major projects will continue to be a primary task in 2007.
- » We expect to achieve in excess of €2 billion private sector funding committed to the roads programme by the end of 2007 with the award of the following PPP projects:
  - M50 Upgrade Scheme Phase 2 (23kms)
  - M3 Clonee to North of Kells (60kms)
  - N6 Ballinasloe to Galway (56kms)
  - M7/M8 Portlaoise to Cullahill/Castletown (40kms)
- » Other major projects planned to start construction in 2007 include the widening of the Westlink section of the M50 and the upgrade of the N4 from the M50 to Leixlip.
- » Public consultation will be held on two major studies – Dublin Orbital Outer Bypass and the Dublin Eastern Bypass feasibility studies.
- » An Environmental Operating Plan will be launched in 2007 governing environmental measures required on large construction projects. It will also track their effectiveness.
- » Guidelines on the Use of Geophysical Surveying Techniques on the Archaeological Heritage for National Road Schemes and for the Assessment of Cultural Heritage Impact of National Roads Schemes will be published.
- » Approximately 481 pavement and minor alignment improvements, safety and bridge rehabilitation projects are planned for 2007.
- » Tourist and directional signage will be upgraded on the M1, M4, M7, N8 (Cork–Fermoy), N25 and N29 routes in 2007. National secondary routes to be completed include the N52, N59, N62, N63 and N65.

N25 Kinsale Road Interchange  
Completed 2006



M8 Fermoy Bypass  
Completed 2006



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## Road Safety



N78 Castlecomer  
Traffic Calming Gateway



2 Plus 1 Road – A positive  
measure towards safer motoring



N9 Knocktopher  
Right Lane Turn

The NRA achieved all of its goals for 2006 as included in the “Government’s Road Safety Strategy, 2004-2006” including construction of 150 accident remedial measures, 22 higher cost remedial measures and 25 traffic calming schemes.

Another Two Plus One road scheme opened as a pilot project on the N24 at Piltown/Fiddown. Monitoring continued on the first Two Plus One pilot scheme on the N20 Mallow to Rathduff.

A Roadside Protection survey was carried out on 2,000km of national roads under the EuroRAP programme, which is a star rating for safety on European roads. A report will be published in 2007 in conjunction with the Road Services Northern Ireland.

A pilot study on Collision Reporting Mechanisms was initiated in Kilkenny with the Garda National Traffic Bureau (GNTB), Kilkenny County Council and the NRA.

The NRA worked with An Garda Síochána to identify locations for Safety Camera speed checks as part of the Safety Camera Outsourcing project.

The first NRA Road Safety Conference was held this year. Arising from the discussions that took place, it was agreed that an Integrated & Comprehensive Road Safety Strategy be put in place for every organisation involved in Road Safety.

On 1st September 2006, Transport Minister, Mr Martin Cullen T.D., formally established the Road Safety Authority (RSA). The Minister signed the vesting order that establishes the RSA into law and transfers a number of statutory functions from the NRA to the RSA.



### Environmental Protection

In March, 2006, the National Roads Authority brought together over 250 specialists in engineering, environment and policy to discuss the approaches adopted by the Authority to protect the environment and mitigate unavoidable impacts in the implementation of the National Roads Programme.

*“Building a Better Road Environment”* was the Authority’s first ever national environmental conference where a series of best practice environmental planning and construction guidelines was launched by the Minister of Transport, Mr Martin Cullen T.D.

The Authority continues to build on the development of its four-stage environmental integration model, which was adopted for the incorporation of environmental issues into national road scheme planning, construction and operation. During 2006, the Authority commenced work on a number of new

environmental initiatives in a range of specialist areas.

### Environmental Guideline Documents

Currently the Authority is developing *Guidelines for the Creation and Maintenance of an Environmental Operating Plan*. The document outlines a new system, known as Environmental Operating Plans (EOPs), which will provide a mechanism to record and monitor compliance with environmental commitments entered into during the road scheme planning and approval process, as well as the manner in which other environmental issues encountered during the construction of national road schemes are addressed. EOPs will have to be produced, implemented and maintained by all contractors engaged in the construction of national road schemes.

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### Key elements of the EOP include:

- » appointment of an Environmental Manager by the main contractor;
- » detailing of environmental commitments and requirements;
- » outlining methods by which construction work will be managed to meet environmental commitments and requirements;
- » identification of roles and responsibilities of the main contractor's staff having regard to the contractor's organisational structure;
- » development of procedures for communicating with the public and within the main contractor's organisation;
- » detailing of procedures for environmental awareness training;
- » documentation of monitoring procedures and responses to the results of monitoring, where contractually required; and
- » provision of a system of audit and review with regard to the effectiveness of the plan.

### In addition to the EOP guidance document, the Authority is preparing the following new environmental planning guidelines:

- » *Guidelines for the Treatment of Geology, Hydrogeology, Hydrology and Geomorphology in National Road Schemes;*
- » *Guidelines for the Protection of Groundwater and Surface Water During the Construction of National Road Schemes; and*
- » *Guidelines on EIA Ecological Surveying Techniques for Protected Flora and Fauna.*

The geology, hydrogeology, hydrology and geomorphology document will address how these different disciplines should be treated during the Constraints Study, Route Corridor Selection and Environmental Impact Assessment stages of national road scheme development. These disciplines play a critical role in minimising environmental impacts, particularly in groundwater fed sensitive ecosystems and in limestone terrains where karst features are prevalent.

In order to implement the NRA's current guidelines, the Authority is developing an ecological surveying techniques guidance document for protected flora and fauna so that appropriate baseline studies can be prepared for the Environmental Impact Statement.



### Traffic Noise Mapping

Under the new Environmental Noise Regulations published in April 2006, the Authority has been identified as the competent authority to undertake strategic noise mapping on all major roads carrying an annual average daily traffic volume of greater than 16,500 vehicles. The first phase of the exercise, due for completion in June 2007, involves mapping approximately 600kms of the national road network.

The Authority has continued to carry out important work in relation to the archaeology uncovered on road schemes in 2006. The archaeological information being uncovered on NRA road schemes is providing a wealth of knowledge on Ireland's past and is changing long held theories in relation to archaeology.

**The key sites uncovered and excavated in 2006 were:**

- » An Iron Age trackway at Edercloon on the N4 Longford to Drumsna (Dromod to Rooskey Bypass);
- » Three early medieval enclosure sites at Castlefarm, near Dunboyne, Roestown and Boyerstown in County Meath on the M3 Clonee to North of Kells Motorway;
- » Two prehistoric burial sites at Ardsallagh and Grange, County Meath, on the M3 Clonee to North of Kells Motorway;
- » Bronze and Iron Age sites on the N8 Cashel to Mitchelstown scheme;
- » An early medieval ringfort at Ballybannon on the N9/N10 Kilcullen to Waterford Scheme on the Carlow Bypass section and
- » An unusual find consisting of an 8th-9th century bronze ladle or patera at Ballynapark, Co. Wicklow on the N11 Ashford/Rathnew Bypass.



Archaeologist excavating a burial at Faughart Lower on the N1 Dundalk/Newry

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## Guidelines and Research Publications

- » Preparation of Guidelines for the Assessment of Cultural Heritage Impacts of National Road Schemes;
- » Preparation of Guidelines on the Use of Geophysical Surveying Techniques on the Archaeological Heritage for National Road Schemes;
- » Research project on the medieval skeletal assemblage from Ballyhanna, Ballyshannon, Co. Donegal currently underway by Queens University Belfast, Institute of Technology Sligo and Donegal County Council;
- » Published Monograph No. 3 – Settlement, Industry and Ritual – Archaeological Discoveries on Road Schemes 2005;
- » Published Archaeological discovery series brochures and posters on 18 schemes;
- » Sponsored the Migrants, Mariners and Merchants Archaeological Discoveries on the N25 Waterford Bypass Exhibition in the Waterford Museum of Treasures;
- » Sponsored the exhibition on the archaeological discoveries on the N15 Ballyshannon/Bundoran Bypass in the Donegal County Museum in Letterkenny;
- » Launched Seanda Magazine – an annual magazine publication outlining archaeological discoveries on national road schemes;
- » Annual one day seminar – New Routes to the Past– held in The Chester Beatty Library, Dublin Castle in August to mark Heritage Week; and
- » One day seminar – Early Industry and Settlement: Recent Excavations in the Midlands – held in the Mullingar Arts Centre in November.



Bone artefacts uncovered during excavations at Clonfad on the N6 Kinnegad to Kilbeggan



Aerial view of enclosure excavated at Rochfort Demesne on the N52 Mullingar/Belvedere



Early medieval bone motif piece found at Roestown on the M3 Clonee to North of Kells



Medieval silver ring brooch showing inscription on front found at Boyerstown on the M3 Clonee to North of Kells



## Corporate Service

### Customer Service Charter

The National Roads Authority (NRA) is committed to providing a quality service to external and internal customers. We value our customers and local authority partners and we are committed to:

- » Providing a service that is accessible, courteous, responsive, timely and equitable and is given in the spirit of professionalism.
- » Fostering an environment that is open, co-operative and supportive and encourages teamwork, innovation, recognition, mutual respect and values public participation.

### Risk Management

It is the policy of the National Roads Authority (NRA) to comply with best practice governance and accountability standards appropriate to State agencies.

An NRA-wide risk analysis has been undertaken as part of a process of embedding risk management within the Authority. This risk management policy sets out how the NRA will ensure that its culture, processes and structures are directed towards the effective management of potential risks and opportunities.

Risk management is aligned with the mission, vision, objectives and priorities of the Authority and seeks to protect the standing and reputation of the NRA.

The risk management process will direct the work of each division and provide assurance on the reliability, robustness and appropriateness of NRA systems.

The risk management policies and plans of the NRA are regularly updated to provide risk assurance to management at all levels.



N15 Ballyshannon/Bundoran Bypass  
Completed 2006



N8/N73 Mitchelstown Western Relief Road  
Completed 2006



M8 Fermoy Bypass  
Completed 2006

## Prompt Payments of Accounts Act, 1997

Under Ministerial order of 4 June 1997 the Prompt Payment of Accounts Act came into operation on 2 January 1998. The National Roads Authority comes under the remit of the Act. The following is a report on the payment practices of the Authority for the year ended 31 December 2006 in accordance with the requirements as set out in Section 12 of the Act.

It is the policy of the National Roads Authority to ensure that all invoices are paid promptly. Specific systems and procedures have been put in place to enable all invoices to be tracked and to ensure that payments are made before their due date. Invoices are logged on a daily basis, and followed up systematically to ensure that they are certified and forwarded for payment without delay. Payments are made as required to ensure prompt payment.

These controls are designed to provide reasonable, and not absolute, assurance against material non-compliance with the Act.

During the year under review all the accounts of the Authority were paid on time, that is, within the time limits specified in the Act, and accordingly no interest was paid.

 Chief Executive

11 September 2007

## FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2006

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# REPORT OF THE COMPTROLLER AND AUDITOR GENERAL FOR PRESENTATION TO THE HOUSES OF THE OIREACHTAS

I have audited the financial statements of the National Roads Authority for the year ended 31 December 2006 under the Roads act, 1993.

The financial statements, which have been prepared under the accounting policies set out therein, comprise the Accounting Policies, the Road Development and Maintenance Income and Expenditure Account, the Administration Income and Expenditure Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Cash Flow Statement and the related notes.

## **Respective Responsibilities of the members of the Authority and the Comptroller and Auditor General**

The Authority is responsible for preparing the financial statements in accordance with the Roads Act 1993, and for ensuring the regularity of transactions. The Authority prepares the financial statements in accordance with General Accepted Accounting Practice in Ireland. The accounting responsibilities of the Members of the Authority are set out in the Statement of Responsibilities of the Authority.

My responsibility is to audit the financial statements in accordance with the relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report my opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland. I also report whether in my opinion proper books of account have been kept. In addition, I state whether the financial statements are in agreement with the books of account.

I report any material instance where moneys have not been applied for the purposes intended or where the transactions do not conform to the authorities governing them. I also report if I have not obtained all the information and explanations necessary for the purposes of my audit.

I review whether the Statement on Internal Financial Control reflects the Authority's compliance with the Code of Practice for the Governance of State Bodies and report any material instance where it does not do so, or if the statement is misleading or inconsistent with other information of which I am aware from my audit of the financial statements. I am not required to consider whether the Statement on Internal Financial Control covers all financial risks and controls, or to form an opinion on the effectiveness of the risk and control procedures.

I read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

## **Basis of Audit Opinion**

In the exercise of my function as Comptroller and Auditor General, I conducted my audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issue by the Auditing Practises Board and by reference to the special considerations which attach to State Bodies in relation to their management and operation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures and regularity of the financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Authority's circumstances, consistently applied and adequately disclosed.

I planned and preformed my audit so as to obtain all the information and explanations that I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluates the overall adequacy of the presentation of information in the financial statements.

## **Opinion**

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 Authority's affairs at 31 December 2006 and of its income and expenditure for the year then ended.

In my opinion, proper books of account have been by Authority. The financial statements are in agreement with the books of account.



**John Purcell**  
Comptroller and Auditor General  
17 September 2007

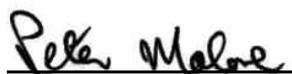
## STATEMENT OF RESPONSIBILITIES OF THE AUTHORITY

Paragraph 5(2) of the Third Schedule of the Roads Act, 1993, requires the Authority to prepare financial statements in such form as may be approved by the Minister for Transport with the consent of the Minister for Finance. In preparing those financial statements, the Authority is required to:

- select suitable accounting policies and then apply them consistently
- ensure that any judgements and estimates that are made are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures, disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Authority will continue in operation.

The Authority is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Authority and which enable it to ensure that the financial statements comply with Paragraph 5 of the Third Schedule of the Act. The Authority is also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Authority :

 Chairman

 Chief Executive

11 September 2007

# STATEMENT ON INTERNAL FINANCIAL CONTROL

## Responsibility for System of Internal Financial Control

On behalf of the Board of the National Roads Authority ( NRA ), 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 Board has taken steps to ensure an appropriate control environment is in place by :

- adopting a Code of Practice for the Governance of the National Roads Authority ;
- ensuring compliance with the Ethics in Public Office Acts requirements and Section 40 of the Roads Act 1993, relating to the Declaration of Interests ;
- holding regular Board meetings ;
- establishing various committees to monitor the activities of the organisation, and
- establishing procedures for reporting significant control failures and ensuring appropriate corrective action.

A formal risk assessment was undertaken by the Authority, with a view to identifying the main business risks facing the organisation. A corporate risk register has been prepared, along with an action plan to mitigate the impact of key controllable risks. A risk management policy has been approved by the NRA Board.

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:

- a comprehensive budgeting system with an annual budget which is reviewed and agreed by the Board ;
- regular reviews by the Board of periodic and annual financial reports which indicate financial performance against budgets ;
- restricting authority for authorising all disbursement of NRA monies to authorised signatories;
- computerised financial systems including accounting, payroll, expenses claim and fixed asset register ;
- clearly defined procedures for the appraisal and management of capital expenditure, and
- clearly defined policy on procurement.

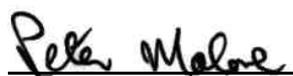
The NRA has an Internal Audit function, which operates in accordance with the Framework Code of Best Practice set out in the Code of Practice on the Governance of State Bodies for 2006. The work of Internal Audit is informed by analysis of the risk to which the body is exposed, and the annual audit plan for 2006 is based on this analysis. The analysis of risk and the internal audit plans are endorsed by the Audit Committee and approved by the Board of the NRA.

The Board's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of Internal Audit, the Audit Committee which oversees the work of Internal Audit, the Executive Team within the NRA 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 2006 the Audit Committee, on behalf of the Board, conducted a review of the effectiveness of the system of internal financial controls.

Signed on behalf of the Board

 Chairman

11 September 2007

# ACCOUNTING POLICIES

## 1 General

The National Roads Authority was formally established as an independent statutory body under the Roads Act, 1993, with effect from 1 January, 1994. The Authority's primary function, under section 17 of the Roads Act, is to secure the provision of a safe and efficient network of national roads.

## 2 Basis of Accounting

The financial statements are prepared on an accruals basis except as stated below, under the historical cost convention, and in accordance with generally accepted accounting practice. Financial Reporting Standards recommended by the recognised accountancy bodies are adopted as they become applicable. The financial statements are in the format approved by the Minister for Transport with the consent of the Minister for Finance.

## 3 Income Recognition

State Grants reflect the amounts received from the Department of Transport in the year.

## 4 Motorway Toll Income

Motorway Toll Income represents cash receivable, net of operating fees and VAT, in respect of the operation of toll plazas.

## 5 Road Grants

The figures shown are the actual grants paid in the year.

## 6 Public Private Partnership

The Authority has entered into a number of Public Private Partnership contracts under which it makes contributions to road construction and operation and under which it may become entitled to a share of the revenue earned by the road operator. Contributions are treated as expenditure in the years in which they fall due. Revenue shares are accounted for in the years in which they are earned.

## 7 Fixed Assets and Depreciation

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on a straight line basis at the rates stated below which are estimated to reduce the assets to their realisable values at the end of their expected working lives:

<b>Furniture and Fittings</b>	<b>10%</b>
<b>Equipment</b>	<b>15%</b>
<b>Computer Equipment</b>	<b>25%</b>
<b>Motor Vehicles</b>	<b>20%</b>

## 8 Stocks

All consumables are written off in the year of purchase.

## 9 Superannuation

The Authority operates a defined benefit pension scheme which is funded annually on a pay as you go basis from monies provided by the Department of Transport and from contributions deducted from staff salaries. Pension costs reflect pension benefits earned by employees in the period and are shown net of staff pension contributions which are retained by the Authority. 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 Total Recognised Gains and Losses and a corresponding adjustment is recognised in the amount recoverable from the Department of Transport.

Pension liabilities represent the present value of future pension payments earned by staff to date. Deferred pension funding represents the corresponding asset to be recovered in the future periods from the Department of Transport.

## 10 Capital Account

The Capital Account represents the unamortised amount of income used to purchase fixed assets.

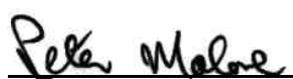
# ROAD DEVELOPMENT AND MAINTENANCE INCOME AND EXPENDITURE ACCOUNT

## YEAR ENDED 31 DECEMBER 2006

		2006	2005
Income	Notes	€	€
State Grants:			
Construction and Improvement of National Roads	1	1,582,500,000	1,263,636,304
Maintenance/Management of National Roads		55,064,000	53,394,000
Grant Refunds	2	1,034,566	3,766,981
Motorway Toll Income		2,914,344	11,452,553
Sundry Receipts	3	202,147	3,745,250
		<hr/>	<hr/>
		1,641,715,057	1,335,995,088
Transfer from Capital Account	4	0	3,949
		<hr/>	<hr/>
		1,641,715,057	1,335,999,037
		<hr/>	<hr/>
<b>Expenditure</b>			
Road Construction and Improvement Grants		1,521,396,448	1,173,195,351
Road Maintenance / Management Grants		55,272,153	53,394,000
Public Private Partnership	16	78,438,300	95,153,266
Special EU Programme Body		822,059	0
Depreciation	10	0	3,949
		<hr/>	<hr/>
		1,655,928,960	1,321,746,566
		<hr/>	<hr/>
(Deficit) / Surplus for Year		(14,213,903)	14,252,471
Surplus at Beginning of Year		14,774,243	521,772
		<hr/>	<hr/>
Surplus at End of Year		560,340	14,774,243
		<hr/>	<hr/>

The Accounting Policies, Cash Flow Statement and Notes 1-17 form part of these Financial Statements.

On behalf of the Authority :

 Chairman

 Chief Executive

11 September 2007

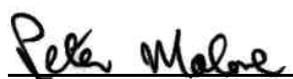
# ADMINISTRATION INCOME AND EXPENDITURE ACCOUNT

## YEAR ENDED 31 DECEMBER 2006

Income	Notes	2006	2005
		€	€
State Grant	1	13,080,000	8,688,000
Net deferred funding for pensions	6 (b)	1,845,417	1,360,888
Sundry Receipts	3	269,342	401,424
		<hr/>	<hr/>
		15,194,759	10,450,312
Transfer from Capital Account	4	(1,438,384)	93,585
		<hr/>	<hr/>
		13,756,375	10,543,897
		<hr/>	<hr/>
<b>Expenditure</b>			
Salaries and PRSI	5	7,918,760	5,600,658
Pension Costs	6 (c)	2,398,707	1,992,119
Travel	7	566,580	429,298
Other Administration Costs	8	921,341	871,182
Accommodation Costs	9	1,681,827	1,368,759
Depreciation	10	237,088	195,744
Directors' Fees and Expenses		123,359	90,572
(Profit) / Deficit on Trade-in of Equipment		(62,576)	523
		<hr/>	<hr/>
		13,785,086	10,548,855
		<hr/>	<hr/>
(Deficit) for Year		(28,711)	(4,958)
Surplus at Beginning of Year		50,983	55,941
		<hr/>	<hr/>
Surplus at End of Year		22,272	50,983
		<hr/>	<hr/>

The Accounting Policies, Cash Flow Statements and Notes 1-17 form part of these Financial Statements.

On behalf of the Authority :

 Chairman

 Chief Executive

11 September 2007

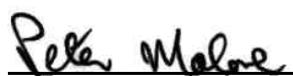
# STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

## YEAR ENDED 31 DECEMBER 2006

		2006	2005
	Notes	€	€
( Deficit ) / Surplus for the year			
- Road Development and Maintenance		(14,213,903)	14,252,471
- Administration		(28,711)	(4,958)
Actuarial (Loss) on Pension Liabilities	6 (e)	(2,340,561)	(5,306,700)
Adjustment to Deferred Pension Funding		2,340,561	5,306,700
		<hr/>	<hr/>
Total Recognised ( Loss ) / Gains for the Year		(14,242,614)	14,247,513
		<hr/>	<hr/>

The Accounting Policies, Cash Flow Statement and Notes 1-17 form part of these Financial Statements.

On behalf of the Authority :

 Chairman

 Chief Executive

11 September 2007

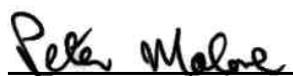
# BALANCE SHEET

## AS AT 31 DECEMBER 2006

	Notes	2006 €	2006 €	2005 €	2005 €
<b>Fixed Assets</b>					
Tangible Assets	10		1,726,678		288,294
<b>Current Assets</b>					
Debtors and Prepayments	11	142,033		415,888	
Cash on Hand and at Bank		838,639		14,781,745	
			<u>980,672</u>	<u>15,197,633</u>	
<b>Less Current Liabilities</b>					
Creditors: Amounts falling due within one year	12	(398,060)		(372,407)	
Net Current Assets			<u>582,612</u>	<u>14,825,226</u>	
Total Assets less Current Liabilities before Pensions			<u>2,309,290</u>	<u>15,113,520</u>	
Deferred pension funding			41,869,000	37,683,022	
Pension Liabilities	6(e)	(41,869,000)	<u>(41,869,000)</u>	<u>(37,683,022)</u>	
<b>Total Assets less Current Liabilities</b>			<u>2,309,290</u>	<u>15,113,520</u>	
<b>Represented by:</b>					
Capital Account	4		1,726,678		288,294
Income and Expenditure Accounts:					
Administration		22,272		50,983	
Road Development and Maintenance		560,340		14,774,243	
			<u>582,612</u>	<u>14,825,226</u>	
			<u>2,309,290</u>	<u>15,113,520</u>	

The Accounting Policies, Cash Flow Statement and Notes 1-17 form part of these Financial Statements.

On behalf of the Authority :

 Chairman

 Chief Executive

11 September 2007

# CASH FLOW STATEMENT

## FOR THE YEAR ENDED 31 DECEMBER 2006

### Reconciliation of Net Operating Surplus to Net Cash Inflow from Operating Activities

	Notes	2006 €	2006 €	2005 €	2005 €
(Deficit) / Surplus on Income and Expenditure Account					
–Road Development & Maintenance			(14,213,903)		14,252,471
Transfer (from) Capital Account - Road Development & Maintenance	4		0		(3,949)
(Deficit) on Income and Expenditure Account – Administration			(28,711)		(4,958)
Transfer to / (from) Capital Account – Administration	4		1,438,384		(93,585)
Bank Interest			(164,433)		(193,508)
Depreciation Charge	10		237,088		199,693
Decrease / (Increase) in Debtors	11		273,855		(19,621)
Increase in Creditors	12		25,653		13,448
( Surplus ) / Deficit on Sale of Fixed Assets			(62,576)		523
Net Cash Inflow from Operating Activities			(12,494,643)		14,150,514

### Cash Flow Statement

Net Cash Inflow from Operating Activities		(12,494,643)	14,150,514
-------------------------------------------	--	--------------	------------

### Return on Investment :

Bank Interest		164,433	193,508
---------------	--	---------	---------

### Capital Expenditure:

Acquisitions	10	(1,676,020)	(104,152)
Disposals		63,124	1,470
		(1,612,896)	(102,682)

### Management of Liquid Resources :

Decrease / (Increase) in Short Term Deposits		11,372,725	(18,021,238)
----------------------------------------------	--	------------	--------------

(Decrease ) in Cash		(2,570,381)	(3,779,898)
---------------------	--	-------------	-------------

### Reconciliation of Net Cash Flow to movement in Net Funds

(Decrease) in Cash in the period		(2,570,381)	(3,779,898)
(Decrease) / Increase in Short Term Deposits		(11,372,725)	18,021,238
Movement in Net Funds		(13,943,106)	14,241,340
Net Funds at 1 January 2006		14,781,745	540,405
Net Funds at 31 December 2006		838,639	14,781,745

The Accounting Policies and Notes 1-17 form part of these Financial Statements.

On behalf of the Authority : Peter Malone Chairman Yusuf Chief Executive

11 September 2007

# NOTES TO THE FINANCIAL STATEMENTS

## YEAR ENDED 31 DECEMBER 2006

### 1 State Grants

State grants voted by Dáil Eireann are part funded by certain EU funds. Of the total road development and maintenance programme of the Authority under the Economic and Social Infrastructure Operational Programme 2000 - 2006, the following elements are co-financed:

Source of Assistance:	€million
<b>National Primary</b>	
Expenditure co-financed by Regional Fund and national funds	869
Expenditure co-financed by Cohesion Fund and national funds	272
Expenditure co-financed by Trans European Network Transport Fund and national funds	165
Total	<u>1,306</u>

### 2 Grant Refunds

	2006	2005
	€	€
Construction and Improvement of National Roads	1,032,331	3,724,088
Maintenance / Management of National Roads	2,235	42,893
	<u>1,034,566</u>	<u>3,766,981</u>

### 3 Sundry Receipts

	2006	2005
	€	€
<b>Road Development and Maintenance :</b>		
Speed Metrification Signs	0	2,619,522
Special EU Programme Body	0	822,059
Deposit Interest	159,328	178,752
Sundry Income	42,819	124,917
	<u>202,147</u>	<u>3,745,250</u>
<b>Administration :</b>		
Deposit Interest	5,105	14,756
Road Material Testing	111,020	142,447
Sale of Publications	35,633	34,473
Sundry Income	117,584	209,748
	<u>269,342</u>	<u>401,424</u>

## 4 Capital Account

	€	€
At 1 January 2006		288,294
Income used to purchase Fixed Assets - Road Development and Maintenance	0	
Amortisation in line with asset depreciation	0	
	-----	
Income used to purchase Fixed Assets - Administration	1,676,020	
Amount released on disposal of Fixed Assets	(548)	
Amortisation in line with asset depreciation	(237,088)	
	-----	1,438,384
At 31 December 2006		----- 1,726,678

## 5 Salaries and PRSI

	2006 €	2005 €
Salaries	7,383,960	5,262,673
Employer's PRSI	534,800	337,985
	-----	-----
	7,918,760	5,600,658
	-----	-----

## 6 Pension Costs

### a) Pension Scheme

The Authority operates a defined benefits scheme which is un-funded. Superannuation entitlements of staff are paid out of current income and are charged to the Income and Expenditure Account in the year in which they become payable. Pension costs are shown net of staff pension contributions which are retained by the Authority.

The valuation used for FRS17 disclosures has been based on an actuarial valuation (April 2007) by a qualified independent actuary to take account of the requirements of FRS17 in order to assess the scheme liabilities at 31 December 2006. The financial assumptions used to calculate scheme liabilities under FRS17 are :

	2006 €	2005 €
Discount Rate	4.60%	4.00%
Inflation	2.25%	2.25%
Rate of Expected Salary Increases	3.50%	3.50%
Rate of increase in pension payment	3.50%	3.50%

### b) Net Deferred Funding for Pensions in Year

	2006 €	2005 €
Funding recoverable in respect of current year pension costs	2,734,000	2,214,000
State Grant applied to pay pensioners	(888,583)	(853,112)
	-----	-----
	1,845,417	1,360,888
	-----	-----

**c ) Analysis of total pension costs charged to Expenditure :**

	<b>2006</b>	<b>2005</b>
	€	€
Current Service Cost	1,227,000	812,000
Interest on Pension Scheme Liabilities	1,507,000	1,402,000
Employee Contributions	(335,293)	(221,881)
	<u>2,398,707</u>	<u>1,992,119</u>

**d ) Deferred Funding Asset for Pensions**

The Authority recognises amounts owing from the State for the unfunded deferred liability for pensions on the basis of a number of past events. These events include the statutory backing for the superannuation scheme, and the policy and practice in relation to funding public service pensions including the annual estimates process. Whilst there is no formal agreement and therefore no guarantee regarding these specific amounts with the Department of Transport, the Authority has no evidence that this funding policy will not continue to progressively meet this amount in accordance with current practice. The deferred funding asset for pensions as at 31 December 2006 amounted to €42 million ( 2005 : €38 million ).

**e) Movement in Net Pension Liability during the financial year :**

	<b>2006</b>	<b>2005</b>
	€	€
Net Pension Liability at 1 January	37,683,022	31,015,434
Current Service Cost	1,227,000	812,000
Interest Costs	1,507,000	1,402,000
Actuarial loss	2,340,561	5,306,700
Pensions paid in the year	(888,583)	(853,112)
<b>Net Pension Liability at 31 December</b>	<u>41,869,000</u>	<u>37,683,022</u>

**f) History of experience gains and losses**

	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
	€	€	€	€
Experience gains and (losses) on scheme liabilities	(6,074,561)	(2,069,700)	(2,498,000)	(685,000)
Expressed as a percentage of scheme liabilities	14.5%	5.5%	8.1%	3.1%
Total actuarial gains and (losses)	(2,340,561)	(5,306,700)	(8,104,000)	(816,000)
Expressed as a percentage of scheme liabilities	5.6%	14.1%	26.1%	3.6%

**7 Travel Expenses**

	<b>2006</b>	<b>2005</b>
	€	€
Travel and Subsistence	566,570	427,400
Motor Vehicle Expenses	10	1,898
	<u>566,580</u>	<u>429,298</u>

## 8 Other Administration Costs

	2006	2005
	€	€
Telephone and Postage	170,250	113,725
Printing and Stationery	110,127	116,959
Computer and Data Processing Charges	232,802	182,228
Audit Fees	14,400	17,250
Staff Appointment Costs	57,218	152,539
Books and Periodicals	43,165	38,590
Insurances	42,343	32,431
Repairs and Maintenance - Equipment	10,825	20,401
Advertising	4,719	8,983
Sundries	112,707	86,903
Staff Development / Courses	75,596	64,197
Consultancy Fees	45,139	0
Grants	0	12,697
Public Relations	2,050	24,279
	921,341	871,182

## 9 Accommodation Costs

	2006	2005
	€	€
Rent, Rates and Services	1,542,699	1,285,565
Power, Light and Heat, Cleaning	117,781	78,858
Repairs, Maintenance and Security	21,347	4,336
	1,681,827	1,368,759

## 10 Fixed Assets

	Total	Furniture, Fixtures and Fittings	Equipment	Motor Vehicles
	€	€	€	€
<b>COST</b>				
At 1 January 2006	2,080,139	263,922	1,789,751	26,466
Additions	1,676,020	1,436,036	239,984	0
Disposals	(406,132)	(2,048)	(377,618)	(26,466)
	3,350,027	1,697,910	1,652,117	0
<b>Depreciation</b>				
At 1 January 2006	1,791,845	188,483	1,576,896	26,466
Provided	237,088	161,564	75,524	0
Disposals	(405,584)	(2,048)	(377,070)	(26,466)
	1,623,349	347,999	1,275,350	0
<b>Net Book Value</b>				
<b>At 31 December 2006</b>	1,726,678	1,349,911	376,767	0
<b>Net Book Value</b>				
<b>at 31 December 2005</b>	288,294	75,439	212,855	0

## 11 Debtors and Prepayments

	2006	2005
	€	€
Debtors	3,769	10,317
Prepayments	138,264	405,571
	<u>142,033</u>	<u>415,888</u>

All debtors fall due within one year. The amount shown for Debtors is net of provision for doubtful debts.

## 12 Creditors and Accruals

	2006	2005
	€	€
Salaries	93,500	0
Trade and Other Expenses	304,560	372,407
	<u>398,060</u>	<u>372,407</u>

All creditors fall due within one-year.

## 13 Taxation

Section 32 of the Finance Act, 1994 exempts the Authority from further taxation on its interest and rental income in excess of that deducted at source. No further tax liability arose in the year.

## 14 Commitments

### a) Financial Commitments

- a. The Authority entered into a twenty-year lease from 1 January 1996 in respect of accommodation at Saint Martin's House, Waterloo Road, Dublin 4, subject to five year rent reviews. The rent due from 1st January 2006 is €1,075,000 per annum.
- b. The Authority has entered into a nine year eleven month lease in respect of accommodation at Kildress House, Pembroke Road, Dublin 2, subject to five year rent reviews and with a break clause at the end of the fifth year. The rent due from the 1st January 2006 is €11,826 per annum.
- c. The Authority entered into a twenty-year lease from 1 March 2004 with Donegal County Council in respect of accommodation for Donegal Regional Design Office. The rent is €226,648 per annum.
- d. The Authority entered into a four year and nine month lease from 24 July 2003 with Roscommon County Council in respect of accommodation for Roscommon Regional Design Office. The rent is €3,500 per annum.
- e. The Authority is committed to a fixed contribution of €183,200 to Cork County Council for a period of ten years from 1 January 2003 in respect of accommodation for Cork Regional Design Office.
- f. The Authority entered into a seven year lease from 1 July 2002 with Westmeath County Council in respect of accommodation for Westmeath Regional Design Office. The rent is €14,276 per annum.
- g. The Authority is committed to a fixed contribution of €64,380 to Kilkenny County Council in respect of accommodation provided during the lifetime of specific national road projects. This is expected to continue to 2010 and will be subject to approval of the Authority thereafter.
- h. The Authority is committed to a ten year agreement from 11 May 2001 with Mayo County Council in respect of accommodation for Mayo Regional Design Office. The rent is €2,800 per annum with a five year rent review.
- i. The Authority is committed to a fixed contribution of €9,835 to Waterford County Council for a period of eight years from 1 January 1999 in respect of accommodation for Waterford Regional Design Office.
- j. The Authority is committed to a fixed contribution of €4,200 to Meath County Council for a period of four years from January 2004 in respect of accommodation for Meath Regional Design Office.
- k. The Authority is committed to a fixed contribution of €19,049 to Kerry County Council for a period of three years from January 2005 in respect of accommodation for Kerry Regional Design Office.

## b) Forward Commitments

The Department of Finance, under the Capital Investment Framework, requires that a multi-annual funding plan be developed at the start of each year and that the forecasts contained within that plan shall be based upon the level of contractual commitments made in 2006 in respect of subsequent years not exceeding certain specified thresholds. The Authority has analysed forward commitments from contractual commitments made in 2006 and these are as follows :

Year	Commitment €million	Actual% (of 2006 Alloc)	Available % (of 2006 Alloc)
2007	1,019	75%	85%
2008	835	62%	75%
2009	569	42%	60%
2010	292	22%	45%

## 15 Board Members – Declaration of Interests

The Board of the National Roads Authority adopted procedures in accordance with section 40 of the Roads Act, 1993 in relation to the disclosure of interest by Board Members and these procedures have been adhered to in the year. There were no transactions in the year in relation to the National Roads Authority's activities in which Board member had any beneficial interest.

## 16 Public Private Partnership

		2006 €	2005 €
Ancillary costs	(a)	19,018,827	8,854,171
Construction payments	(b)	59,419,473	86,299,095
		<hr/>	<hr/>
		78,438,300	95,153,266
		<hr/>	<hr/>

- a) The Authority is developing a number of major road schemes under the Public Private Partnership initiative. Ancillary costs incurred relate to planning, toll scheme statutory procedures, toll scheme facilities, construction supervision, financial, legal and engineering advice received.
- b) Construction payments in 2006 relate to construction payments on the M8 Rathcormac / Fermoy, N25 Waterford Bypass and the N7 Limerick Tunnel PPP Projects.

### Kilcock / Kinnegad PPP Project

The contract was awarded to the Eurolink consortium which comprises SIAC Construction Ltd (Irl) and Cintra – Concesiones de Infraestructuras de Transporte S.A. (Spain). The contract was signed on the 24 March 2003 and will extend for 30 years from that date. The consortium is required to design, build, maintain, operate, re-invest and finance the contract. The scheme opened to traffic in December 2005.

### Rathcormac / Fermoy PPP Project

The contract was awarded to Direct Route (Fermoy) Ltd. consortium which comprises Kellogg Brown & Root Ltd, Strabag AG, John Sisk & Son (Holdings) Ltd, Lagan Holdings Ltd, Roadbridge Ltd. and the First Irish Infrastructure Fund (a joint AIB/European Investment Bank fund established for the purpose of investing in PPP projects and private sector infrastructure developments in Ireland and across Europe). The contract was signed on the 11 June 2004 and will extend for 30 years from that date.

The consortium is required to design, build, maintain, operate, re-invest and finance the contract. The scheme opened to traffic in October 2006.

### Dundalk Western Bypass

Celtic Roads Group (Dundalk) Ltd, (CRG) was awarded this contract on the 5 February 2004; the contract will extend for 30 years from that date. The CRG consortium comprises Dragados Concesiones de Infraestructuras SA (Spain), Edmund Nuttall Ltd (UK), HBG Ascon Ltd (Irl), and NTR plc (Irl).

The terms of the contract provide that the consortium will design, construct, finance, operate and maintain, a new 11 km section of motorway along with approximately 7 km of new link roads, 12 over / underbridges and a major railway overbridge all of which have now been completed.

In addition, the consortium took over the operation and maintenance of 43 km of existing motorway (including the recently constructed Boyne Bridge and an adjacent toll plaza) for a 30 year period. There were no subvention payments payable to the PPP Co on this scheme.

### **N25 Waterford City Bypass**

The Celtic Roads Group (Waterford) Ltd. consortium comprising Dragados (a Spanish company), NTR, and Royal BAM (Ascon) were awarded this contract on the 21st April 2006. The contract is for a 30 year concession period.

The scheme comprises the construction of an N25 Bypass extending from Kilmeaden in Co. Waterford to Slieverue in Co. Kilkenny. The route crosses the River Suir at Grannagh thus providing Waterford with a second major bridge over the Suir and allowing traffic on the N25 Cork–Rosslare route to bypass the city. More particularly, the scheme comprises approximately 23km of dual carriageway, a Suir bridge of approximately 475m length and approximately 4km of single carriageway construction. There is an additional 11km of side roads and tie-ins and a 2km railway realignment (narrow gauge excluding trackworks) in the area of the western link junction. Two grade separated junctions and two at-grade roundabouts are included in the main Bypass. A further five at-grade roundabouts are included in the link roads.

### **Limerick Tunnel PPP Scheme**

The Direct Route consortium comprising Strabag AG, John Sisk & Son (Holdings) Ltd, Lagan Holdings Ltd, Roadbridge Ltd (Mulcair), and two third party equity providers namely Meridiam Infrastructure Finance S.C.A. SICAR and Allied Irish Banks p.l.c. were awarded this contract, on a 35 year concession basis, with a commencement date of 18th August 2006.

The Limerick Tunnel PPP Scheme, which will incorporate a fourth crossing of the River Shannon in the environs of Limerick City, will involve the construction of approximately 10 km of new dual carriageway, along with associated link roads and side roads. This fourth crossing of the River Shannon will involve an immersed tube tunnel, approximately 900m in length, linking the townland of Coonagh, on the northern bank, with the townland of Bunlicky on the southern bank of the Shannon.

## **17 Approval of Financial Statements**

These financial statements were approved by the Board of Directors on 11 September 2007



# Appendix 1

## 2006 Road Grant Payments

Local Authority	Improvement €	Maintenance €	Total €
Carlow County Council	1,890,715	573,598	2,464,313
Cavan County Council	7,028,437	1,036,175	8,064,612
Clare County Council	63,988,153	1,976,970	65,965,123
Cork City Council	31,703,800	2,542,161	34,245,961
Cork County Council	38,654,012	4,406,222	43,060,234
Donegal County Council	36,917,465	2,319,441	39,236,906
Dublin City Council	66,669,306	1,213,422	67,882,728
Dun Laoghaire County Council	3,932,729	960,923	4,893,652
Fingal County Council	21,644,856	1,528,994	23,173,850
Galway City Council	330,000	470,000	800,000
Galway County Council	108,381,519	3,174,785	111,556,304
Kerry County Council	31,703,424	3,155,206	34,858,630
Kildare County Council	126,639,876	2,234,093	128,873,969
Kilkenny County Council	95,303,249	1,734,053	97,037,302
Laois County Council	40,791,698	1,715,401	42,507,099
Leitrim County Council	22,830,275	488,334	23,318,609
Limerick City Council	439,697	350,730	790,427
Limerick County Council	96,645,975	1,913,258	98,559,233
Longford County Council	8,796,169	682,185	9,478,354
Louth County Council	44,582,404	626,634	45,209,038
Mayo County Council	45,259,406	3,088,045	48,347,451
Meath County Council	82,458,308	1,427,002	83,885,310
Monaghan County Council	48,806,153	954,009	49,760,162
North Tipperary County Council	5,333,740	1,512,011	6,845,751
Offaly County Council	25,413,748	1,016,179	26,429,927
Roscommon County Council	8,074,968	1,939,730	10,014,698
Sligo County Council	12,301,240	1,589,925	13,891,165
South Dublin County Council	30,733,675	1,287,992	32,021,667
South Tipperary County Council	102,531,613	2,753,187	105,284,800
Waterford City Council	12,716,071	262,605	12,978,676
Waterford County Council	11,529,592	672,689	12,202,281
Westmeath County Council	149,695,038	1,643,046	151,338,084
Wexford County Council	93,131,362	1,495,124	94,626,486
Wicklow County Council	18,545,829	1,506,641	20,052,470
<b>Total Road Grant Payments</b>	<b>1,495,404,502</b>	<b>54,250,770</b>	<b>1,549,655,272</b>

## 2007 Road Grant Allocations

Local Authority	Improvement €	Maintenance €	Total €
Carlow County Council	2,295,000	616,871	2,911,871
Cavan County Council	9,323,000	1,066,737	10,389,737
Clare County Council	24,491,000	1,944,423	26,435,423
Cork City Council	3,150,000	2,710,000	5,860,000
Cork County Council	32,911,500	4,017,864	36,929,364
Donegal County Council	26,073,000	2,453,168	28,526,168
Dublin City Council	5,380,000	1,271,000	6,651,000
Dun Laoghaire County Council	250,000	917,098	1,167,098
Fingal County Council	15,200,000	1,510,215	16,710,215
Galway City Council	850,000	518,000	1,368,000
Galway County Council	81,260,664	3,255,560	84,516,224
Kerry County Council	19,416,000	2,865,980	22,281,980
Kildare County Council	84,596,000	2,103,789	86,699,789
Kilkenny County Council	173,538,000	1,800,784	175,338,784
Laois County Council	43,574,000	1,692,518	45,266,518
Leitrim County Council	22,798,000	494,697	23,292,697
Limerick City Council	1,120,000	344,000	1,464,000
Limerick County Council	102,752,500	1,817,936	104,570,436
Longford County Council	7,208,000	809,825	8,017,825
Louth County Council	34,640,000	791,977	35,431,977
Mayo County Council	40,923,500	2,995,510	43,919,010
Meath County Council	55,892,600	1,564,984	57,457,584
Monaghan County Council	51,685,000	868,778	52,553,778
North Tipperary County Council	4,740,000	1,343,293	6,083,293
Offaly County Council	6,633,000	1,026,454	7,659,454
Roscommon County Council	6,699,000	1,963,169	8,662,169
Sligo County Council	6,083,000	1,405,697	7,488,697
South Dublin County Council	74,537,600	1,328,794	75,866,394
South Tipperary County Council	110,155,000	1,374,696	111,529,696
Waterford City Council	10,200,000	417,000	10,617,000
Waterford County Council	4,738,000	772,161	5,510,161
Westmeath County Council	105,221,236	1,845,459	107,066,695
Wexford County Council	70,960,000	1,335,916	72,295,916
Wicklow County Council	22,290,000	1,082,647	23,372,647
<b>Total Road Grant Payments</b>	<b>1,261,584,600</b>	<b>52,327,000</b>	<b>1,313,911,600</b>

