

# **NADUR**

# **Local Council**

## **Quarterly Financial Report**

### **for the Period**

**1st January till End of March 2019 (Quarter 1)**



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***Overview and Summary***

In the following pages, the Nadur Local Council is presenting the quarterly financial report for period January till March 2019, which depicts the financial status of the Local Council for this period. It is important to understand that the quarterly report was presented on the accruals principle. Such principle is highly prominent when considering expenses. This is so since when applying such principle not only the expenditure which was paid during the period is taken into consideration, but also those expenses which have been incurred by the Council during the period but were still due as at the end of this said period. In this way, income is matched with the corresponding expenditure, resulting in a more reliable and wholesome picture of the financial situation being considered.

As can be seen from the Statement of Income and Expenditure, the Local Council ended the first quarter with a deficit of Euro 8,330. However, this is only an absolute figure and to better understand the overall financial situation of the Local Council, one needs to look at the wider picture whilst keeping in mind the activities undertaken by the Council during this quarter. In fact, the key activity for the first quarter for the Nadur locality is the Nadur Carnival. As was done last year, the Nadur Local Council to have better control of the carnival activity, undertook under its wing and inputted more effort in the organisation of the bands and sound systems thereof. Such control created some extra costs which though partially aided with governmental funds were mainly borne by the Nadur Local Council. This partly explains the deficit figure for this quarter. In fact, the expenditure for the current quarter amounts to approximately 29% of the annual budget. It should also be pointed out that the deficit figure includes depreciation for the quarter amounting to Euro 40,133. Such depreciation is not an actual expense but rather an apportionment of the wear and tear costs of the fixed assets of the Local Council purchased over the years. In fact, if such depreciation cost is reversed the Local Council would end up with a surplus for the quarter.

Another important fact to point out is that in spite of the day-to-day expenditure and all other activity related expenditure that the Council incurs, the Local Council still managed to improve its deficit position. In fact, such effective management of the Local Council's finances was also reflected in the Financial Situation Indicator (FSI) since in spite of the vast expenditure during this quarter, the FSI improved as expected and is almost already in line with that predicted in the annual budget for the year 2019.

Mr. Edward Said  
**Mayor**

Ms. Sue Ellen Bugeja  
**Executive Secretary**

**Statement of Income and Expenditure**  
**1st January till End of March 2019 (Quarter 1)**

DESCRIPTION	Actual for the Period €	Annual Budget 2019 €	Virements for the Period €	Revised Annual Budget 2019 €
<b>Income</b>				
Funds received from Central Government (1)	157,810	514,041	-	514,041
Income raised from Bye-Laws (2)	6,906	16,635	-	16,635
Income raised from LES (3)	282	1,685	-	1,685
Investment Income (4)	1	85	-	85
Other Income (5)	9,862	34,887	-	34,887
<b>TOTAL</b>	<b>174,861</b>	<b>567,333</b>	<b>-</b>	<b>567,333</b>
<b>Expenditure</b>				
Personal Emoluments (6)	20,651	92,388	-	92,388
Operations and Maintenance (7)	102,076	300,828	-	300,828
Administration (8)	19,970	78,256	-	78,256
Finance Cost (9)	361	1,641	-	1,641
Other Expenditure (10)	40,133	160,009	-	160,009
<b>TOTAL</b>	<b>183,191</b>	<b>633,122</b>	<b>-</b>	<b>633,122</b>
<b>Surplus / Deficit</b>	<b>(8,330)</b>	<b>(65,789)</b>	<b>-</b>	<b>(65,789)</b>

## Statement of Financial Position as at end of March 2019 (Quarter 1)

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2019	the Period	2019
	€	€	€	€
<b>Non-current Assets</b>				
Property, Plant and Equipment (17)	779,586	712,635	-	712,635
<b>Current Assets</b>				
Inventories (11)	-	-	-	-
Receivables (12)	58,209	32,309	-	32,309
Cash and Cash Equivalents (13)	412,772	290,323	-	290,323
<b>Total Current Assets</b>	<b>470,981</b>	<b>322,632</b>	<b>-</b>	<b>322,632</b>
<b>Current Liabilities</b>				
Payables (14)	663,979	511,941	-	511,941
<b>Total Current Liabilities</b>	<b>663,979</b>	<b>511,941</b>	<b>-</b>	<b>511,941</b>
<b>Net Current Assets</b>	<b>(192,998)</b>	<b>(189,309)</b>	<b>-</b>	<b>(189,309)</b>
<b>Non-current liabilities (15)</b>	<b>34,587</b>	<b>28,783</b>	<b>-</b>	<b>28,783</b>
<b>Net Assets</b>	<b>552,001</b>	<b>494,543</b>	<b>-</b>	<b>494,543</b>
<b>Reserves</b>				
Retained Funds	552,001	494,543	-	494,543

## Financial Situation Indicator

DESCRIPTION				
Current Assets	470,981	322,632	-	322,632
Current Liabilities	663,979	511,941	-	511,941
<b>Working Capital</b>	<b>(192,998)</b>	<b>(189,309)</b>	<b>-</b>	<b>(189,309)</b>
Government Allocation	497,241	497,241	-	497,241
<b>FSI</b>	<b>(39) %</b>	<b>(38) %</b>		<b>(38) %</b>

## Cash flow Statement

## DESCRIPTION

	Actual for the Period	Annual Budget 2019	Virements for the Period	Revised Annual Budget 2019
	€	€	€	€
<b>Cash flow from operating activities</b>				
Surplus for the year	(8,330)	(65,789)	-	(65,789)
Adjustments for:				
Depreciation	40,133	160,009	-	160,009
Increase / (Decrease) in Allowance for Bad Debts	-	-	-	-
Interest receivable	(1)	(85)	-	(85)
Interest payable	361	1,641	-	1,641
(Profit) / Loss on disposal of asset	-	-	-	-
Trasfer of Grants to Profit & Loss	-	-	-	-
Increase / (Decrease) in payables	7752	(134,075)	-	(134,075)
Increase / (Decrease) in accruals	10487	275	-	275
Decrease / (Increase) in receivables	-9473	16,428	-	16,428
Decrease / (Increase) in inventories	-	-	-	-
Decrease / (Increase) in inventories	-	-	-	-
Cash generated from operations	40,929	(21,596)	-	(21,596)
Interest paid	-	-	-	-
<i>Net cash from operating activities</i>	40,929	(21,596)	-	(21,596)
<b>Cash flows from investing activities</b>				
Purchase of property, plant & equipment	-675	(432,832)	-	(432,832)
Proceeds from sale of property, plant & equipment	0	-	-	-
Grants received	0	379,232	-	379,232
Interest received	1	85	-	85
<i>Net cash used in investing activities</i>	(674)	(53,515)	-	(53,515)
<b>Cash flows from financing activities</b>				
Proceeds from long-term borrowings	0	-	-	-
Interest Paid	-361	(1,641)	-	(1,641)
Bank Loan Repayments	-2003	(7,807)	-	(7,807)
<i>Net cash from financing activities</i>	(2,364)	(9,448)	-	(9,448)
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	37,891	(84,559)	-	(84,559)
Cash & cash equivalents at beginning of year	374,881	374,881	-	374,881
<b>Cash &amp; cash equivalents at end of Quarter</b>	412,772	290,322	-	290,322

## Detailed Income

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2019	the Period	2019
	€	€	€	€
<b>Income</b>				
<b>1 Funds received from Cental Government:</b>				
0001 In terms of section 55 CAP 363	131,810	497,241	-	497,241
0002-0004 In terms of section 58 CAP 363	26,000	13,300	-	13,300
0005-0019 Other income	-	3,500	-	3,500
	<b>157,810</b>	<b>514,041</b>	-	<b>514,041</b>
<b>2 Income raised from Bye-Laws</b>				
0021-0025 Community Services	1,594	645	-	645
0026-0035 Income from Permits	5,312	15,990	-	15,990
	<b>6,906</b>	<b>16,635</b>	-	<b>16,635</b>
<b>3 Local Enforcement Income</b>				
0037 Commission from Regional Committees	-	-	-	-
0038-0055 Contraventions	282	1,685	-	1,685
	<b>282</b>	<b>1,685</b>	-	<b>1,685</b>
<b>4 Investment Income</b>				
0091-0095 Bank interest	1	85	-	85
0096-0099 Income received from Governnet Securities	-	-	-	-
	<b>1</b>	<b>85</b>	-	<b>85</b>
<b>5</b>				
0056-0065 Sponsorships	1,500	10,500	-	10,500
0066-0069 Documents & Information	5	11	-	11
0070-0075 EU funds	-	-	-	-
0076-0080 Twinning	-	-	-	-
0081-0089 Insurance Claims	-	-	-	-
0100-0109 Donations	-	-	-	-
0110-0119 Contributions	-	-	-	-
0120-0129 General Income	8,357	24,376	-	24,376
	<b>9,862</b>	<b>34,887</b>	-	<b>34,887</b>
<b>Total</b>	<b>174,861</b>	<b>567,333</b>	-	<b>567,333</b>



## Detailed Expenditure

DESCRIPTION		Actual for the Period	Annual Budget 2019	Virements for the Period	Revised Annual Budget 2019
		€	€	€	€
<b>6 i)</b>	<b>Personal Emoluments</b>				
1100	Mayor's Allowance	1,896	13,984	-	13,984
1200	Employees' Salaries & Wages	15,276	61,754	-	61,754
1300	Bonuses	-	3,669	-	3,669
1400	Income Supplements	841	865	-	865
1500	Social Security Contributions	1,404	5,703	-	5,703
1600	Allowances	220	880	-	880
1700	Overtime	1,014	5,534	-	5,534
		<b>20,651</b>	<b>92,388</b>	-	<b>92,388</b>
	<b>DESCRIPTION</b>	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
<b>7</b>	<b>Operations and Maintenance</b>				
2100-2149	Public Utilities	4,718	9,186	-	9,186
2200-2259	Public Materials & Supplies	2,141	8,131	-	8,131
2300-2399	Repairs & upkeep	7,802	30,602	-	30,602
2400-2449	Rent	2,237	2,544	-	2,544
3010	Street Lightning	1,426	7,151	-	7,151
3020	Lease of Equipment	26,861	50,631	-	50,631
3030	Insurance	320	1,610	-	1,610
3035	Bank Charges	40	185	-	185
3038	Penalties	5	-	-	-
3041	Refuse Collection	13,857	22,742	-	22,742
3042	Bulky Refuse Collection	2,604	53,929	-	53,929
3043	Bins on wheels	-	9,071	-	9,071
3045	Bring in sites	-	-	-	-
3051	Road & Street Cleaning	11,266	18,968	-	18,968
3052	Cleaning & Maintenance of Non-Urban Areas	171	-	-	-
3053	Cleaning of Public Conveniences	769	469	-	469
3055	Cleaning of Council Premises	176	3,048	-	3,048
3040	Waste Disposal	3,668	1,434	-	1,434
3060	Cleaning & Maintenance of Parks & Gardens	760	6,311	-	6,311
3061	Cleaning & Maintenance of Soft Areas	-	-	-	-
3062	Cleaning & Maintenance of Beaches & CA	-	-	-	-
3063	Cleaning & Maintenance of Country Non-Urban	-	-	-	-
6064	Other Contractual Services	4,491	14,846	-	14,846
3070-3090	Consultation Fees	6,015	11,631	-	11,631
3100-3139	Contract & Project Management	1,952	8,135	-	8,135
3300-3379	Hospitality	10,664	38,854	-	38,854
3380-3389	Community	-	61	-	61
3390-3394	Donations	-	-	-	-
3600-3694	Local Enforcement Expenses	133	1,290	-	1,290
3700-3799	EU Projects	-	-	-	-
3800-3899	Twinning	-	-	-	-
		<b>102,076</b>	<b>300,828</b>	-	<b>300,828</b>
<b>8</b>	<b>Administration</b>				
2150-2199	Office Utilities	597	2,425	-	2,425
2260-2299	Office Materials & Supplies	-	-	-	-
2450-2499	Office Rent	-	-	-	-
2500-2599	National & International Memberships	1,283	1,818	-	1,818
2600-2699	Office Services	2,309	7,852	-	7,852
2700-2799	Transport	693	16,812	-	16,812
2800-2899	Travel	1,960	7,980	-	7,980
2900-2999	Information Services	5,565	17,110	-	17,110
3050	Office Cleaning	-	-	-	-
3410-3199	Professional Services	7,174	23,739	-	23,739
3200-3299	Training	367	256	-	256
3345	Office Hospitality	-	-	-	-
3400-3499	Incidental Expenses	22	264	-	264
		<b>19,970</b>	<b>78,256</b>	-	<b>78,256</b>
<b>9</b>	<b>Finance Costs</b>				
3036	Interest on Bank Loan	361	1,641	-	1,641
		<b>361</b>	<b>1,641</b>	-	<b>1,641</b>

## Detailed Statment of Financial Position

## DESCRIPTION

	Actual for the Period	Annual Budget 2019	Virements for the Period	Revised Annual Budget 2019
	€	€	€	€
<b>10 Other Expenditure</b>				
3500-3599 Loss / (Profit) on Disposal of asset	-	-	-	-
3695 Increase/(Decrease) in allowance for bad debts	-	-	-	-
8000-8099 Depreciation As at end of March 2019	40,133	160,009	-	160,009
Depreciation	40,133	160,009	-	160,009
<b>Total</b>	<b>183,191</b>	<b>633,122</b>	<b>-</b>	<b>633,122</b>
<b>11 Inventories</b>				
5201-5249 Stationery	-	-	-	-
5250-5299 Consumables	-	-	-	-
	-	-	-	-
<b>12 Receivables</b>				
0201-0209 Receivables	57,041	25,428	-	25,428
0210-0219 LES Receivables	-	-	-	-
0220-0229 Receivables from EU	-	-	-	-
0250 Prepayments & Accrued income	1,168	6,881	-	6,881
	-	-	-	-
	<b>58,209</b>	<b>32,309</b>	<b>-</b>	<b>32,309</b>
<b>13 Cash &amp; Equivalents</b>				
5001-5099 Bank & Cash Balances	412,772	290,323	-	290,323
	<b>412,772</b>	<b>290,323</b>	<b>-</b>	<b>290,323</b>
<b>14 Payables</b>				
4000 Payables	328,142	186,316	-	186,316
4100 Accruals	37,977	27,765	-	27,765
4150 Deferred Income	297,860	297,860	-	297,860
Short-term Borrowings	-	-	-	-
	<b>663,979</b>	<b>511,941</b>	<b>-</b>	<b>511,941</b>
<b>15 Non Current Liabilities</b>				
4200 Long Term Borrowing	34,587	28,783	-	28,783
	<b>34,587</b>	<b>28,783</b>	<b>-</b>	<b>28,783</b>

16	Total Commitments (Recurrent and Capital)			
	DESCRIPTION	€	€	€
	Recurrent and Capital	-	-	-
		-	-	-
		-	-	-
		-	-	-
	Long Term Loans			
		-	-	-
	Others			
		-	-	-

**17 Depreciation of Property, Plant and Equipment**

	Trees / Assets Under Construction	Office Furniture / Fittings	Office & Computer Equipment	Plant & Machinery	Urban Improvements	New Street Signs	Construction	Special Programmes	Council Premises	<b>Total</b>
<b>Asset</b>										
% of depreciation	0%	8%	20% - 25%	20%	10%	0%	10%	10%	1%	
	€	€	€	€	€	€	€	€	€	€
<b>Cost</b>										
As at 1st January 2019	86,204	32,878	32,026	32,625	539,838	13,942	1,854,500	136,328	138,150	2,866,491
Additions	-	-	-	-	675	-	-	-	-	675
Disposals										-
As at end of March 2019	<b>86,204</b>	<b>32,878</b>	<b>32,026</b>	<b>32,625</b>	<b>540,513</b>	<b>13,942</b>	<b>1,854,500</b>	<b>136,328</b>	<b>138,150</b>	<b>2,867,166</b>
<b>Grants/ other reimbursements</b>										
As at 1st January 2019	-	-	-	-	-	-	229,616	68,341	-	297,957
Additions	-	-	-	-	-	-	-	-	-	-
As at end of March 2019	-	-	-	-	-	-	<b>229,616</b>	<b>68,341</b>	-	<b>297,957</b>
<b>Accumulated Depreciation</b>										
As at 1st January 2019	-	24,157	29,416	32,625	418,696	13,942	1,152,517	67,987	10,150	1,749,490
Charge for the period	-	617	1,932	-	12,486	-	24,752	-	346	40,133
Released on disposal										-
As at end of March 2019	-	<b>24,774</b>	<b>31,348</b>	<b>32,625</b>	<b>431,182</b>	<b>13,942</b>	<b>1,177,269</b>	<b>67,987</b>	<b>10,496</b>	<b>1,789,623</b>
<b>NBV As at end of March 2019</b>	<b>86,204</b>	<b>8,104</b>	<b>678</b>	<b>-</b>	<b>109,331</b>	<b>-</b>	<b>447,615</b>	<b>-</b>	<b>127,654</b>	<b>779,586</b>