

# **NADUR Local Council**

## **Quarterly Financial Report**

### **for the Period**

**1st January till End of September 2021 (Quarterly)**





# **Table of Contents**

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Overview and Summary

Statement of Income and Expenditure

Statement of Financial Position

Cash flow Statement

Detailed Income

Detailed Expenditure

Detailed Statment of Financial Position

Depreciation of Property, Plant and Equipment

**er 3)**





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*Page 3*

*Page 4*

*Page 5*

*Page 6*

*Page 7*

*Page 8*

*Page 10*

*Page 11*



***Overview and Summary***

In the following pages, the Nadur Local Council is presenting the quarterly financial report for period January till September 2021, 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 third quarter of 2021 with a deficit of Euro 7,416. This is however only an absolute figure and to better understand the overall financial situation of the Local Council, one needs to look at the wider picture. It is important to point out that when compared to budget, income was 74% of budgeted income whereas expenditure as at end of September 2021 was around 68% of the budgeted expenditure. Actual expenditure was lower than that budgeted mainly due to the fact that due to Covid-19 restrictions the Nadur Local Council was unable to proceed and organize its normal yearly activities, amongst which was the Nadur Carnival and the Mnarja related activities. In spite of this it is important to point out that the Nadur Local Council took the opportunity to utilise part of the expenditure previously allocated to these public activities to enhance the maintenance and upkeeping of the Nadur public property including amongst others the various gardens and monuments situated in the locality.

In this quarterly report, it is important to point out that for the past years the Nadur Local Council had a deficit financial situation arising from projects which were carried out way back in 2014 and which were still unsettled and thus showing as liabilities in the financial records of the Council. It has always been a priority for this administration to tackle such debts and achieve a positive FSI. In fact, in the last few years the Local Council has always tried to reduce unnecessary expenditure and to always obtain funding prior to conducting any type of capital expenditure. In spite of this, on some funded projects carried out by the Local Council in 2020, there arose several variations which unfortunately had to be wholly borne by the Local Council. Such variations amounted to approximately Euro 147,000. Up till the end of this quarter, the Nadur Local Council already managed to pay off Euro 100,000 from such variations. Such repayment of the variations and also a steady repayment each quarter of the previous debts enabled the Nadur Local Council to reduce the FSI from -23% as at end of Year 2020 to -8% as at end of September 2021. The Nadur Local Council remains committed to once more improve its deficit position and finally end up with a positive FSI.

Mr. Edward Said  
Mayor

Ms. Sue Ellen Bugeja  
Executive Secretary

**Statement of Income and Expenditure**  
**1st January till End of September 2021 (Quarter 3)**

DESCRIPTION	Actual for the Period	Annual Budget 2021	Virements for the Period	Revised Annual Budget 2021
	€	€	€	€
<b>Income</b>				
Funds received from Central Government (1)	393,213	543,572	-	543,572
Income raised from Bye-Laws (2)	11,088	19,172	-	19,172
Income raised from LES (3)	2,487	1,505	-	1,505
Investment Income (4)	-	15	-	15
Other Income (5)	36,258	36,139	-	36,139
<b>TOTAL</b>	<b>443,046</b>	<b>600,403</b>	<b>-</b>	<b>600,403</b>
<b>Expenditure</b>				
Personal Emoluments (6)	91,988	102,860	-	102,860
Operations and Maintenance (7)	224,413	347,671	-	347,671
Administration (8)	30,985	77,486	-	77,486
Finance Cost (9)	372	990	-	990
Other Expenditure (10)	102,704	129,065	-	129,065
<b>TOTAL</b>	<b>450,462</b>	<b>658,072</b>	<b>-</b>	<b>658,072</b>
<b>Surplus / Deficit</b>	<b>(7,416)</b>	<b>(57,669)</b>	<b>-</b>	<b>(57,669)</b>

## Statement of Financial Position as at end of September 2021 (Quarter 3)

DESCRIPTION	Actual for the Period €	Annual Budget 2021 €	Virements for the Period €	Revised Annual Budget 2021 €
<b>Non-current Assets</b>				
Property, Plant and Equipment (17)	523,189	345,299	(147,000)	492,299
<b>Current Assets</b>				
Inventories (11)	-	-	-	-
Receivables (12)	49,377	52,909	-	52,909
Cash and Cash Equivalents (13)	515,212	165,852	-	165,852
<b>Total Current Assets</b>	<b>564,589</b>	<b>218,761</b>	<b>-</b>	<b>218,761</b>
<b>Current Liabilities</b>				
Payables (14)	608,124	135,315	(147,000)	282,315
<b>Total Current Liabilities</b>	<b>608,124</b>	<b>135,315</b>	<b>(147,000)</b>	<b>282,315</b>
<b>Net Current Assets</b>	<b>(43,535)</b>	<b>83,446</b>	<b>147,000</b>	<b>(63,554)</b>
<b>Non-current liabilities (15)</b>	<b>13,296</b>	<b>12,450</b>	<b>-</b>	<b>12,450</b>
<b>Net Assets</b>	<b>466,358</b>	<b>416,295</b>	<b>-</b>	<b>416,295</b>
<b>Reserves</b>				
Retained Funds	466,358	416,295	-	416,295

## Financial Situation Indicator

DESCRIPTION				
Current Assets	564,589	218,761	-	218,761
Current Liabilities	608,124	135,315	(147,000)	282,315
<b>Working Capital</b>	<b>(43,535)</b>	<b>83,446</b>	<b>147,000</b>	<b>(63,554)</b>
Government Allocation	524,284	513,572	-	513,572
<b>FSI</b>	<b>(8) %</b>	<b>16 %</b>		<b>(12) %</b>

**Cash flow Statement****DESCRIPTION**

	Actual for the Period	Annual Budget 2021	Virements for the Period	Revised Annual Budget 2021
	€	€	€	€
<b>Cash flow from operating activities</b>				
Surplus for the year	(7,416)	(57,669)	-	(57,669)
Adjustments for:				
Depreciation	102,704	129,065	-	129,065
Increase / (Decrease) in Allowance for Bad Debts	-	-	-	-
Interest receivable	-	(15)	-	(15)
Interest payable	372	990	-	990
(Profit) / Loss on disposal of asset	-	-	-	-
Transfer of Grants to Profit & Loss	-	-	-	-
Increase / (Decrease) in payables	66,645	(357,509)	-	(357,509)
Increase / (Decrease) in accruals	(101,287)	2,157	-	2,157
Decrease / (Increase) in receivables	74,127	39,751	-	39,751
Decrease / (Increase) in inventories	-	-	-	-
Decrease / (Increase) in inventories	-	-	-	-
Cash generated from operations	135,145	(243,230)	-	(243,230)
Interest paid	-	-	-	-
<i>Net cash from operating activities</i>	135,145	(243,230)	-	(243,230)
<b>Cash flows from investing activities</b>				
Purchase of property, plant & equipment	(36,091)	(667,959)	-	(667,959)
Proceeds from sale of property, plant & equipment	-	-	-	-
Grants received	20,186	667,959	-	667,959
Interest received	-	15	-	15
<i>Net cash used in investing activities</i>	(15,905)	15	-	15
<b>Cash flows from financing activities</b>				
Proceeds from long-term borrowings	-	-	-	-
Interest Paid	(372)	(990)	-	(990)
Bank Loan Repayments	(6,734)	(8,458)	-	(8,458)
<i>Net cash from financing activities</i>	(7,106)	(9,448)	-	(9,448)
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	112,134	(252,663)	-	(252,663)
Cash & cash equivalents at beginning of year	403,078	418,515	-	418,515
<b>Cash &amp; cash equivalents at end of Quarter</b>	515,212	165,852	-	165,852

## Detailed Income

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2021	the Period	2021
	€	€	€	€
<b>Income</b>				
<b>1 Funds received from Cental Government:</b>				
0001 In terms of section 55 CAP 363	393,213	513,572	-	513,572
0002-0004 In terms of section 58 CAP 363	-	30,000	-	30,000
0005-0019 Other income	-	-	-	-
	<b>393,213</b>	<b>543,572</b>	<b>-</b>	<b>543,572</b>
<b>2 Income raised from Bye-Laws</b>				
0021-0025 Community Services	-	1,690	-	1,690
0026-0035 Income from Permits	11,088	17,482	-	17,482
	<b>11,088</b>	<b>19,172</b>	<b>-</b>	<b>19,172</b>
<b>3 Local Enforcement Income</b>				
0037 Commission from Regional Committees	-	-	-	-
0038-0055 Contraventions	2,487	1,505	-	1,505
	<b>2,487</b>	<b>1,505</b>	<b>-</b>	<b>1,505</b>
<b>4 Investment Income</b>				
0091-0095 Bank interest	-	15	-	15
0096-0099 Income received from Governnet Securities	-	-	-	-
	<b>-</b>	<b>15</b>	<b>-</b>	<b>15</b>
<b>5</b>				
0056-0065 Sponsorships	5,000	-	-	-
0066-0069 Documents & Information	-	-	-	-
0070-0075 EU funds	-	-	-	-
0076-0080 Twinning	-	-	-	-
0081-0089 Insurance Claims	-	-	-	-
0100-0109 Donations	-	-	-	-
0110-0119 Contributions	-	-	-	-
0120-0129 General Income	31,258	36,139	-	36,139
	<b>36,258</b>	<b>36,139</b>	<b>-</b>	<b>36,139</b>
<b>Total</b>	<b>443,046</b>	<b>600,403</b>	<b>-</b>	<b>600,403</b>

## Detailed Expenditure

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2021	the Period	2021
	€	€	€	€
<b>6 i) Personal Emoluments</b>				
1100 Mayor's Allowance	17,679	23,404	-	23,404
1200 Employees' Salaries & Wages	62,799	63,232	-	63,232
1300 Bonuses	-	4,847	-	4,847
1400 Income Supplements	630	-	-	-
1500 Social Security Contributions	5,994	6,361	-	6,361
1600 Allowances	660	880	-	880
1700 Overtime	4,226	4,136	-	4,136
	<b>91,988</b>	<b>102,860</b>	-	<b>102,860</b>
<b>7 Operations and Maintenance</b>				
2100-2149 Public Utilities	11,438	14,514	-	14,514
2200-2259 Public Materials & Supplies	12,611	9,524	-	9,524
2300-2399 Repairs & upkeep	35,741	33,563	-	33,563
2400-2449 Rent	5,518	6,360	-	6,360
3010 Street Lightning	6,764	10,689	-	10,689
3020 Lease of Equipment	31,544	54,683	-	54,683
3030 Insurance	1,364	2,617	-	2,617
3035 Bank Charges	526	260	-	260
3038 Penalties	13	-	-	-
3041 Refuse Collection	56,817	61,619	-	61,619
3042 Bulky Refuse Collection	9,452	6,972	-	6,972
3043 Bins on wheels	-	-	-	-
3045 Bring in sites	-	-	-	-
3051 Road & Street Cleaning	5,889	19,658	-	19,658
3052 Cleaning & Maintenance of Non-Urban Areas	701	11,247	-	11,247
3053 Cleaning of Public Conveniences	2,435	3,280	-	3,280
3055 Cleaning of Council Premises	1,062	1,350	-	1,350
3040 Waste Disposal	17,590	22,273	-	22,273
3060 Cleaning & Maintenance of Parks & Gardens	6,536	9,648	-	9,648
3061 Cleaning & Maintenance of Soft Areas	-	-	-	-
3062 Cleaning & Maintenance of Beaches & CA	-	-	-	-
3063 Cleaning & Maintenance of Country Non-Urban	-	-	-	-
6064 Other Contractual Services	781	14,699	-	14,699
3070-3090 Consultation Fees	5,626	11,119	-	11,119
3100-3139 Contract & Project Management	2,637	4,783	-	4,783
3300-3379 Hospitality	9,350	47,714	-	47,714
3380-3389 Community	-	-	-	-
3390-3394 Donations	-	-	-	-
3600-3694 Local Enforcement Expenses	18	1,099	-	1,099
3700-3799 EU Projects	-	-	-	-
3800-3899 Twinning	-	-	-	-
	<b>224,413</b>	<b>347,671</b>	-	<b>347,671</b>
<b>8 Administration</b>				
2150-2199 Office Utilities	1,629	2,074	-	2,074
2260-2299 Office Materials & Supplies	-	-	-	-
2450-2499 Office Rent	-	-	-	-
2500-2599 National & International Memberships	1,685	2,207	-	2,207
2600-2699 Office Services	6,977	9,191	-	9,191
2700-2799 Transport	1,300	8,243	-	8,243
2800-2899 Travel	198	8,763	-	8,763
2900-2999 Information Services	4,609	18,335	-	18,335
3050 Office Cleaning	-	-	-	-
3410-3199 Professional Services	14,175	27,852	-	27,852
3200-3299 Training	-	271	-	271
3345 Office Hospitality	-	-	-	-
3400-3499 Incidental Expenses	412	550	-	550
	<b>30,985</b>	<b>77,486</b>	-	<b>77,486</b>
<b>9 Finance Costs</b>				
3036 Interest on Bank Loan	372	990	-	990
	<b>372</b>	<b>990</b>	-	<b>990</b>

## Detailed Statment of Financial Position

## DESCRIPTION

	Actual for the Period	Annual Budget 2021	Virements for the Period	Revised Annual Budget 2021
	€	€	€	€
<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 September 2021	102,704	129,065	-	129,065
Depreciation	102,704	129,065	-	129,065
<b>Total</b>	<b>450,462</b>	<b>658,072</b>	<b>-</b>	<b>658,072</b>
<b>11 Inventories</b>				
5201-5249 Stationery	-	-	-	-
5250-5299 Consumables	-	-	-	-
	-	-	-	-
<b>12 Receivables</b>				
0201-0209 Receivables	7,538	51,310	-	51,310
0210-0219 LES Receivables	-	-	-	-
0220-0229 Receivables from EU	-	-	-	-
0250 Prepayments & Accrued income	41,839	1,599	-	1,599
	49,377	52,909	-	52,909
<b>13 Cash &amp; Equivalents</b>				
5001-5099 Bank & Cash Balances	515,212	165,852	-	165,852
	515,212	165,852	-	165,852
<b>14 Payables</b>				
4000 Payables	98,561	111,589	(147,000)	258,589
4100 Accruals	70,453	23,726	-	23,726
4150 Deferred Income	439,110	-	-	-
Short-term Borrowings	-	-	-	-
	608,124	135,315	(147,000)	282,315
<b>15 Non Current Liabilities</b>				
4200 Long Term Borrowing	13,296	12,450	-	12,450
	13,296	12,450	-	12,450

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 2021	154,951	34,072	34,555	32,625	707,468	13,942	2,247,142	136,328	138,150	3,499,233
Additions	(147,807)	-	977	260	34,854	-	147,807	-	-	36,091
Disposals	-	-	-	-	-	-	-	-	-	-
As at end of September 2021	<b>7,144</b>	<b>34,072</b>	<b>35,532</b>	<b>32,885</b>	<b>742,322</b>	<b>13,942</b>	<b>2,394,949</b>	<b>136,328</b>	<b>138,150</b>	<b>3,535,324</b>
<b>Grants/ other reimbursements</b>										
As at 1st January 2021	14,605	-	-	-	157,406	-	587,109	68,341	-	827,461
Additions	(14,273)	-	-	-	21,099	-	13,360	-	-	20,186
As at end of September 2021	<b>332</b>	-	-	-	<b>178,505</b>	-	<b>600,469</b>	<b>68,341</b>	-	<b>847,647</b>
<b>Accumulated Depreciation</b>										
As at 1st January 2021	-	29,266	31,705	32,625	519,092	13,942	1,354,249	67,987	12,918	2,061,784
Charge for the period	-	1,917	708	22	29,217	-	69,802	-	1,038	102,704
Released on disposal	-	-	-	-	-	-	-	-	-	-
As at end of September 2021	-	<b>31,183</b>	<b>32,413</b>	<b>32,647</b>	<b>548,309</b>	<b>13,942</b>	<b>1,424,051</b>	<b>67,987</b>	<b>13,956</b>	<b>2,164,488</b>
<b>NBV</b> As at end of September 20	<b>6,812</b>	<b>2,889</b>	<b>3,119</b>	<b>238</b>	<b>15,508</b>	-	<b>370,429</b>	-	<b>124,194</b>	<b>523,189</b>