

NADUR

Local Council

Quarterly Financial Report

for the Period

1st January till End of December 2022 (Quarter 4)



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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 December 2022, 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 last quarter of 2022 with a deficit. 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. In fact, a material expense which contributes to this deficit is the depreciation amounting to Euro 126,078. Depreciation is not actually a current financial expense but rather the apportionment of the fixed assets of the Council over time. In fact, when adding back the depreciation a surplus will result which means that the year's income of the Council exceeded the year's expenses. When comparing budgeted figures to actual figures, one will find several discrepancies. However it should be kept in mind that when preparing the budget for 2022, COVID was still very much an issue which reduced by far the Council's expenditure in view of the fact that activities were not carried out. On the other hand, in reality, in year 2022, all the activities usually undertaken by the Local Council were carried out and in addition to those the Council obtained funding from various governmental agencies to carry out new activities and initiatives during 2022. 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. Up till the end of the first quarter of 2022 the Local Council managed to pay off such variations. Such repayment of the variations and also a steady repayment each quarter of the previous debts enabled the Nadur Local Council to end up with a break-even FSI for year 2022. In fact, the Local Council transformed a negative 4.54% FSI as at end of Year 2021 to a 0% FSI as at end of this quarter.

Edward Said
Mayor

Sue-Ellen Bugeja
Executive Secretary

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Statement of Income and Expenditure

1st January till End of December 2022 (Quarter 4)

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2022	the Period	2022
	€	€	€	€
Income				
Funds received from Central Government (1)	624,408	561,810	-	561,810
Income raised from Bye-Laws (2)	23,177	14,403	-	14,403
Income raised from LES (3)	2,273	3,624	-	3,624
Investment Income (4)	-	-	-	-
Other Income (5)	63,887	47,038	-	47,038
TOTAL	713,745	626,875	-	626,875
Expenditure				
Personal Emoluments (6)	142,955	140,332	-	140,332
Operations and Maintenance (7)	436,499	309,359	-	309,359
Administration (8)	92,012	44,797	-	44,797
Finance Cost (9)	305	588	-	588
Other Expenditure (10)	126,078	129,300	-	129,300
TOTAL	797,849	624,376	-	624,376
Surplus / Deficit	(84,104)	2,499	-	2,499

Statement of Financial Position as at end of December 2022 (Quarter 4)

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2022	the Period	2022
	€	€	€	€
Non-current Assets				
Property, Plant and Equipment (17)	386,901	394,402		394,402
Current Assets				
Inventories (11)	-	-	-	-
Receivables (12)	90,370	41,091	-	41,091
Cash and Cash Equivalents (13)	493,394	159,646	-	159,646
Total Current Assets	583,764	200,737	-	200,737
Current Liabilities				
Payables (14)	583,526	120,451	-	120,451
Total Current Liabilities	583,526	120,451	-	120,451
Net Current Assets	238	80,286	-	80,286
Non-current liabilities (15)	2,068	3,014	-	3,014
Net Assets	385,071	471,674	-	471,674
Reserves				
Retained Funds	385,071	471,674		471,674

Financial Situation Indicator

DESCRIPTION				
Current Assets	583,764	200,737	-	200,737
Current Liabilities	583,526	120,451	-	120,451
Working Capital	238	80,286	-	80,286
Government Allocation	535,084	535,084	-	535,084
FSI	0 %	15 %		15 %

Cash flow Statement

DESCRIPTION	Actual for the Period €	Annual Budget 2022 €	Virements for the Period €	Revised Annual Budget 2022 €
Cash flow from operating activities				
Surplus for the year	(84,104)	2,499	-	2,499
Adjustments for:				
Depreciation	126,078	129,300	-	129,300
Increase / (Decrease) in Allowance for Bad Debts	-	-	-	-
Interest receivable	-	-	-	-
Interest payable	305	588	-	588
(Profit) / Loss on disposal of asset	-	-	-	-
Transfer of Grants to Profit & Loss	-	-	-	-
Increase / (Decrease) in payables	137,829	(311,286)	-	(311,286)
Increase / (Decrease) in accruals	(34,482)	(48,442)	-	(48,442)
Decrease / (Increase) in receivables	(31,156)	18,123	-	18,123
Decrease / (Increase) in inventories	-	-	-	-
Decrease / (Increase) in inventories	-	-	-	-
Cash generated from operations	114,470	(209,218)	-	(209,218)
Interest paid	-	-	-	-
<i>Net cash from operating activities</i>	114,470	(209,218)	-	(209,218)
Cash flows from investing activities				
Purchase of property, plant & equipment	(51,328)	(482,663)	-	(482,663)
Proceeds from sale of property, plant & equipment	-	-	-	-
Grants received	33,551	454,163	-	454,163
Interest received	-	-	-	-
<i>Net cash used in investing activities</i>	(17,777)	(28,500)	-	(28,500)
Cash flows from financing activities				
Proceeds from long-term borrowings	-	-	-	-
Interest Paid	(305)	(588)	-	(588)
Bank Loan Repayments	(9,162)	(8,216)	-	(8,216)
<i>Net cash from financing activities</i>	(9,467)	(8,804)	-	(8,804)
Net increase/(decrease) in cash & cash equivalents	87,226	(246,522)	-	(246,522)
Cash & cash equivalents at beginning of year	406,168	406,168	-	406,168
Cash & cash equivalents at end of Quarter	493,394	159,646	-	159,646

Detailed Income

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2022	the Period	2022
	€	€	€	€
Income				
1 Funds received from Cental Government:				
0001 In terms of section 55 CAP 363	535,084	535,084		535,084
0002-0004 In terms of section 58 CAP 363	3,203	3,203		3,203
0005-0019 Other income	86,121	23,523		23,523
	624,408	561,810	-	561,810
2 Income raised from Bye-Laws				
0021-0025 Community Services	120	-		-
0026-0035 Income from Permits	23,057	14,403		14,403
	23,177	14,403	-	14,403
3 Local Enforcement Income				
0037 Commission from Regional Committees	-	-		-
0038-0055 Contraventions	2,273	3,624		3,624
	2,273	3,624	-	3,624
4 Investment Income				
0091-0095 Bank interest	-	-		-
0096-0099 Income received from Governnet Securities	-	-		-
	-	-	-	-
5 Sponsorships				
0056-0065 Sponsorships	3,000	2,596		2,596
0066-0069 Documents & Information	1	-		-
0070-0075 EU funds	-	-		-
0076-0080 Twinning	-	-		-
0081-0089 Insurance Claims	-	-		-
0100-0109 Donations	-	-		-
0110-0119 Contributions	-	-		-
0120-0129 General Income	60,886	44,442		44,442
	63,887	47,038	-	47,038
Total	713,745	626,875	-	626,875

Detailed Expenditure

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2022	the Period	2022
	€	€	€	€
6 i) Personal Emoluments				
1100 Mayor's Allowance	23,742	23,742		23,742
1200 Employees' Salaries & Wages	83,444	91,889		91,889
1300 Bonuses	9,803	8,788		8,788
1400 Income Supplements	9,705	1,260		1,260
1500 Social Security Contributions	7,775	7,841		7,841
1600 Allowances	880	880		880
1700 Overtime	7,606	5,932		5,932
	142,955	140,332	-	140,332
7 Operations and Maintenance				
2100-2149 Public Utilities	16,843	13,735		13,735
2200-2259 Public Materials & Supplies	13,966	16,575		16,575
2300-2399 Repairs & upkeep	21,968	41,921		41,921
2400-2449 Rent	11,470	7,825		7,825
3010 Street Lighting	2,946	8,628		8,628
3020 Lease of Equipment	88,633	43,701		43,701
3030 Insurance	3,210	2,433		2,433
3035 Bank Charges	1,616	424		424
3038 Penalties	11	131		131
3041 Refuse Collection	95,325	78,623		78,623
3042 Bulky Refuse Collection	10,570	11,692		11,692
3043 Bins on wheels	-	-		-
3045 Bring in sites	-	-		-
3051 Road & Street Cleaning	19,173	7,571		7,571
3052 Cleaning & Maintenance of Non-Urban Areas	959	969		969
3053 Cleaning of Public Conveniences	3,247	3,159		3,159
3055 Cleaning of Council Premises	1,300	1,388		1,388
3040 Waste Disposal	21,335	23,442		23,442
3060 Cleaning & Maintenance of Parks & Gardens	7,481	10,254		10,254
3061 Cleaning & Maintenance of Soft Areas	-	-		-
3062 Cleaning & Maintenance of Beaches & CA	-	-		-
3063 Cleaning & Maintenance of Country Non-Urban	-	-		-
6064 Other Contractual Services	804	789		789
3070-3090 Consultation Fees	12,045	6,495		6,495
3100-3139 Contract & Project Management	4,432	5,960		5,960
3300-3379 Hospitality	99,140	23,554		23,554
3380-3389 Community	-	-		-
3390-3394 Donations	-	-		-
3600-3694 Local Enforcement Expenses	25	90		90
3700-3799 EU Projects	-	-		-
3800-3899 Twinning	-	-		-
	436,499	309,359	-	309,359
8 Administration				
2150-2199 Office Utilities	2,858	2,380		2,380
2260-2299 Office Materials & Supplies	-	-		-
2450-2499 Office Rent	-	-		-
2500-2599 National & International Memberships	2,976	1,724		1,724
2600-2699 Office Services	11,970	8,258		8,258
2700-2799 Transport	5,677	3,035		3,035
2800-2899 Travel	17,649	200		200
2900-2999 Information Services	19,169	7,858		7,858
3050 Office Cleaning	-	-		-
3410-3199 Professional Services	31,108	20,657		20,657
3200-3299 Training	-	-		-
3345 Office Hospitality	-	-		-
3400-3499 Incidental Expenses	605	685		685
	92,012	44,797	-	44,797
9 Finance Costs				
3036 Interest on Bank Loan	305	588		588
	305	588	-	588

Detailed Statment of Financial Position

DESCRIPTION	Actual for the Period €	Annual Budget 2022 €	Virements for the Period €	Revised Annual Budget 2022 €
10 Other Expenditure				
3500-3599 Loss / (Profit) on Disposal of asset	-	-		-
3695 Increase/(Decrease) in allowance for bad debts	-	-		-
8000-8099 Depreciation As at end of December 2022	126,078	129,300		129,300
Depreciation	126,078	129,300	-	129,300
Total	797,849	624,376	-	624,376
11 Inventories				
5201-5249 Stationery	-	-		-
5250-5299 Consumables	-	-		-
	-	-	-	-
12 Receivables				
0201-0209 Receivables	29,805	32,812		32,812
0210-0219 LES Receivables	-	-		-
0220-0229 Receivables from EU	-	-		-
0250 Prepayments & Accrued income	60,565	8,279		8,279
	-	-		-
	90,370	41,091	-	41,091
13 Cash & Equivalents				
5001-5099 Bank & Cash Balances	493,394	159,646		159,646
	493,394	159,646	-	159,646
14 Payables				
4000 Payables	115,490	95,576		95,576
4100 Accruals	38,835	24,875		24,875
4150 Deferred Income	429,201	-		-
Short-term Borrowings				-
	-	-		-
	583,526	120,451	-	120,451
15 Non Current Liabilities				
4200 Long Term Borrowing	2,068	3,014		3,014
	-	-		-
	2,068	3,014	-	3,014

16 Total Commitments (Recurrent and Capital)

DESCRIPTION

€	€	€
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Recurrent and Capital

-	-	-

Long Term Loans

-	-	-

Others

-	-	-

17 Depreciation of Property, Plant and Equipment

Asset	Trees / Assets Under Construction	Office Furniture / Fittings	Office & Computer Equipment	Plant & Machinery	Urban Improvements	New Street Signs	Construction	Special Programmes	Council Premises	Total
% of depreciation	0%	8%	20% - 25%	20%	10%	0%	10%	10%	1%	
	€	€	€	€	€	€	€	€	€	€
Cost										
As at 1st January 2022	7,144	34,072	36,916	32,625	750,110	13,942	2,394,949	136,328	138,150	3,544,236
Additions		2,446	6,478	1,930	40,474					51,328
Disposals										-
As at end of December 2022	7,144	36,518	43,394	34,555	790,584	13,942	2,394,949	136,328	138,150	3,595,564
Grants/ other reimbursements										
As at 1st January 2022	332	-	-	-	185,496	-	593,204	68,341	-	847,373
Additions	-	2,446	828	-	30,277	-				33,551
As at end of December 2022	332	2,446	828	-	215,773	-	593,204	68,341	-	880,924
Accumulated Depreciation										
As at 1st January 2022	-	31,822	32,714	32,625	537,325	13,942	1,470,944	67,987	14,302	2,201,661
Charge for the period	-	1,282	2,519	320	3,878	-	116,695	-	1,384	126,078
Released on disposal										-
As at end of December 2022	-	33,104	35,233	32,945	541,203	13,942	1,587,639	67,987	15,686	2,327,739
NBV As at end of December 2022	6,812	968	7,333	1,610	33,608	-	214,106	-	122,464	386,901