

# **Gharghur Local Council**

**Annual Budget  
For  
Financial Year  
2015**

## **Table of Contents**

<b>Overview and Summary</b>	<i>Page 3</i>
<b>Budgeted Statement of Income and Expenditure</b>	<i>Page 4</i>
<b>Budgeted Statement of Affairs</b>	<i>Page 5</i>
<b>Cash Budget</b>	<i>Page 6</i>
<b>Detailed Estimates Of Income</b>	<i>Page 7</i>
<b>Detailed Estimates Of Expenditure</b>	<i>Page 8</i>
<b>Detailed Estimates Of Statement of Affairs</b>	<i>Page 10</i>
<b>Depreciation of Property, Plant and Equipment</b>	<i>Page 11</i>

---

**Overview and Summary**

---

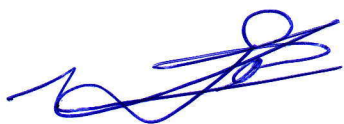
We are presenting the Local Council's Financial Estimates for the current year.

During 2015 the Council is projecting to have at its disposal total funds of €290K. The Council's Annual allocation amounts to €223K. A further €17K will be received from the Central Government representing its share towards the resurfacing of Triq Fra D. Mifsud. This resurfacing project is being implemented under a Public Private Partnership agreement. During the year we expect to generate c. €15K from operations. In addition, cash reserves of €35K have been brought forward from 2014.

Operational expenses are projected to amount to €224K which include Emoluments of €82K, Contractual Expenses of €75K and Community and Hospital Expenses of €12K. The Council's major expenses under Contractual expenses relate to contracts covering the collection and disposal of waste and the cleaning of roads which total amount to €60K. It is worth highlighting that the Service contracts which matured in 2014 have been renewed, following a public call for offers, at substantially higher rates. These increases will undoubtedly impact adversely on our financial resources in particular since the Annual allocation from the Government remained practically on the same level as that for 2014.

The sum of €62K is being earmarked to finance the projected capital expenditure for 2015. As mentioned above it is the Council's intention to finalise the resurfacing of Triq Fra D. Mifsud under a PPP agreement. The amount due to be paid in 2015 under this project will amount to €52K. Further capital expenditure amounting to €10K will be incurred during the year and this includes the Council's share of funding towards the resurfacing with concrete of Sqaq il-Mahruq.

These Financial Estimates have been approved by the Council following presentation to the public during our Annual Locality Meeting. Elections are due to be held on the 11 April 2015 and undoubtedly the newly elected Council will have the opportunity to review and confirm or otherwise these projections.



---

Mayor

**Budgeted Statement of Income and Expenditure****DESCRIPTION**

BUDGET	FORECAST	BUDGET	VARIANCE	VARIANCE
Jan-Dec	Jan-Dec	Jan-Dec		
2014	2014	2015	Bud-Bud	Bud-Act
€	€	€	€	€

**Income**

Funds received from Central Government (1)

Income raised from Bye-Laws (2)

Income raised from LES (3)

Investment Income (4)

Other Income (5)

**TOTAL**

267,500	245,180	275,435	7,935	30,255
2,500	8,671	8,000	5,500	(671)
-	5,227	2,000	2,000	(3,227)
500	400	500	-	100
10,000	9,941	4,000	(6,000)	(5,941)
<b>280,500</b>	<b>269,419</b>	<b>289,935</b>	<b>9,435</b>	<b>20,516</b>

**Expenditure**

Personal Emoluments (6)

Operations and Maintenance (7)

Administration (8)

Finance Cost (9)

Other Expenditure (10)

**TOTAL**

77,000	76,339	81,750	4,750	5,411
122,000	106,081	114,300	(7,700)	8,219
37,000	10,884	28,160	(8,840)	17,276
-	-	-	-	-
64,719	55,516	59,542	(5,177)	4,026
<b>300,719</b>	<b>248,820</b>	<b>283,752</b>	<b>(16,967)</b>	<b>34,932</b>

**Surplus / Deficit**

<b>(20,219)</b>	<b>20,598</b>	<b>6,183</b>	<b>26,402</b>	<b>(14,415)</b>
-----------------	---------------	--------------	---------------	-----------------



**Cash Budget**

DESCRIPTION	QTR 1	QTR 2	QTR 3	QTR 4	TOTAL
	JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC	
	2015	2015	2015	2015	
	€	€	€	€	
<b>Cash Inflows</b>					
<b>Government cash inflows</b>	55,921	55,921	55,921	55,921	223,685
<b>Cash flows from Bye-Laws &amp; L.N fees</b>	1,250	1,250	1,250	1,250	5,000
<b>Local Enforcement cash flows</b>	500	500	500	500	2,000
<b>Finance cash flows</b>					
Loan Proceeds	-	-	-	-	-
Investment income	-	-	-	500	500
	-	-	-	500	500
<b>Capital cash flow</b>					
Proceeds from disposal of assets	-	-	-	-	-
	-	-	-	-	-
<b>Cash received from EU funds</b>	-	-	-	-	-
<b>Cash received from Twinning</b>	-	-	-	-	-
<b>Cash from Community Services</b>	750	750	750	750	3,000
<b>Other Cash Inflows</b>	1,000	1,000	17,750	1,000	20,750
<b>TOTAL Inflows</b>	59,421	59,421	76,171	59,921	254,935
<b>Cash Outflows</b>					
<b>Personal Emoluments</b>	20,438	20,438	20,438	20,438	81,750
<b>Operations &amp; Maintenance</b>	28,575	28,575	28,575	28,575	114,300
<b>Administration</b>	7,040	7,040	7,040	7,040	28,160
<b>Finance</b>	-	-	-	-	-
<b>Capital</b>					
Acquisition of property	-	-	-	-	-
Construction	-	10,750	21,000	40,000	71,750
Improvements	-	-	-	-	-
Special programmes	-	-	-	-	-
office furniture and computer equipment	-	-	-	-	-
	-	10,750	21,000	40,000	71,750
<b>Cash outflows re EU projects</b>	-	-	-	-	-
<b>Cash outflows re Twinning</b>	-	-	-	-	-
<b>Cash outflows re Community Services</b>	-	-	-	-	-
	-	-	-	-	-
<b>TOTAL Outflows</b>	56,053	66,803	77,053	96,053	295,960
<b>SURPLUS / (DEFICIT)</b>	3,369	(7,381)	(881)	(36,131)	(41,025)
<b>Brought forward (Bank /Cash Bal.)</b>	119,031	122,400	115,019	114,137	119,031
<b>Carry forward</b>	122,400	115,019	114,137	78,006	78,006

**Budgeted Statement of Affairs****DESCRIPTION**

BUDGET as at 31 Dec 2014 €	FORECAST as at 31 Dec 2014 €	BUDGET as at 31 Dec 2015 €	VARIANCE Bud-Bud €	VARIANCE Bud-Act €
-------------------------------------	---------------------------------------	-------------------------------------	--------------------------	--------------------------

**Non-current Assets**

Property, Plant and Equipment (16)

658,933	676,157	688,365	29,432	12,208
---------	---------	---------	--------	--------

**Current Assets**

Inventories (11)

Receivables (12)

Cash and Cash Equivalents (13)

-	-	-	-	-
16,600	47,389	46,225	29,625	(1,164)
66,594	119,149	78,006	11,412	(41,143)

**Total Current Assets**

83,194	166,538	124,231	41,037	(42,307)
--------	---------	---------	--------	----------

**Current Liabilities (14)**

Payables

Current portion of Long-Term Borrowings

143,000	127,000	117,900	(25,100)	(9,100)
-	-	-	-	-

**Total Current Liabilities**

143,000	127,000	117,900	(25,100)	(9,100)
---------	---------	---------	----------	---------

**Net Current Assets**

(59,806)	39,538	6,331	66,137	(33,207)
----------	--------	-------	--------	----------

**Non-current liabilities (15)**

96,654	231,482	204,300	107,646	(27,182)
--------	---------	---------	---------	----------

**Net Assets**

502,473	484,213	490,396	(12,077)	6,183
---------	---------	---------	----------	-------

**Reserves**

Retained Funds

502,473	484,213	490,396	(12,077)	6,183
---------	---------	---------	----------	-------

**Financial Situation Indicator****DESCRIPTION**

BUDGET as at 31 Dec 2014 €	FORECAST as at 31 Dec 2014 €	BUDGET as at 31 Dec 2015 €
83,194	166,538	124,231
143,000	127,000	117,900
96,654	231,482	204,300
96,654	231,482	204,300
(59,806)	39,538	6,331

Government Allocation

267,500	245,180	275,435
---------	---------	---------

FSI

-22.36%	16.13%	2.30%
---------	--------	-------

**Detailed Estimates of Income****DESCRIPTION**

A	B	C	D (B + C)	E	F (E - A)	G (E - D)
BUDGET	ACTUAL	FORECAST	TOTAL	BUDGET	VARIANCE	VARIANCE
Jan-Dec	Jan-Sept	Oct-Dec	Jan-Dec	Jan-Dec	Bud-Bud	Bud-Act
2014	2014	2014	2014	2015		
€	€	€	€	€	€	€

**Income****1 Funds received form Cental Government:**

0001 In terms of section 55 CAP 363

0002-0004 In terms of section 58 CAP 363

0005-0019 Other Income

216,000	161,975	53,992	215,967	223,685	7,685	7,718
8,000	29,213	-	29,213	16,750	8,750	(12,463)
43,500	-	-	-	35,000	(8,500)	35,000
<b>267,500</b>	<b>191,188</b>	<b>53,992</b>	<b>245,180</b>	<b>275,435</b>	<b>7,935</b>	<b>30,255</b>

**2 Bye-Laws & Legal Fees**

0021-0025 Community Services

0026-0035 Income from Permits

2,000	2,486	829	3,315	3,000	1,000	(315)
500	4,017	1,339	5,356	5,000	4,500	(356)
<b>2,500</b>	<b>6,503</b>	<b>2,168</b>	<b>8,671</b>	<b>8,000</b>	<b>5,500</b>	<b>(671)</b>

**3 Local Enforcement Income**

0037 Share of Profit from Joint Committee

38-0055 Contraventions

-	-	-	-	-	-	-
-	4,727	500	5,227	2,000	2,000	(3,227)
<b>-</b>	<b>4,727</b>	<b>500</b>	<b>5,227</b>	<b>2,000</b>	<b>2,000</b>	<b>(3,227)</b>

**4 Investment Income**

0091-0095 Bank interest

0096-0099 Income received from Government Securities

500	-	400	400	500	-	100
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<b>500</b>	<b>-</b>	<b>400</b>	<b>400</b>	<b>500</b>	<b>-</b>	<b>100</b>

**5 0056-0065 Sponsorships**

0066-0069 Documents &amp; Information

0070-0075 EU Funds

0076-0080 Twinning

0081-0089 Insurance Claims

0100-0109 General Income

0110-0119 Donations

0120-0129 Contributions

-	-	-	-	-	-	-
2,500	1,897	632	2,529	2,000	(500)	(529)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
7,500	5,559	1,853	7,412	2,000	(5,500)	(5,412)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<b>10,000</b>	<b>7,456</b>	<b>2,485</b>	<b>9,941</b>	<b>4,000</b>	<b>(6,000)</b>	<b>(5,941)</b>

**Total**

<b>280,500</b>	<b>209,874</b>	<b>59,545</b>	<b>269,419</b>	<b>289,935</b>	<b>9,435</b>	<b>20,516</b>
----------------	----------------	---------------	----------------	----------------	--------------	---------------



**Detailed Estimates of Expenditure****DESCRIPTION**

A	B	C	D (B + C)	E	F (E - A)	G (E - D)
BUDGET	ACTUAL	FORECAST	TOTAL	BUDGET	VARIANCE	VARIANCE
Jan-Dec	Jan-Sept	Oct-Dec	Jan-Dec	Jan-Dec		
2014	2014	2014	2014	2015	Bud-Bud	Bud-Act
€	€	€	€	€	€	€

**6 Personal Emoluments**

1100 Mayor's Allowance	6,868	5,151	1,717	6,868	7,050	182	182
1200 Employees' Salaries & Wages	52,725	45,961	7,487	53,448	57,900	5,175	4,452
1300 Bonuses	5,607	2,385	795	3,180	5,000	(607)	1,820
1400 Income Supplements	-	-	-	-	-	-	-
1500 Social Security Contributions	5,400	3,961	924	4,885	5,400	-	515
1600 Allowances	6,400	3,760	2,640	6,400	6,400	-	-
1700 Overtime	-	1,042	516	1,558	-	-	(1,558)
	<b>77,000</b>	<b>62,260</b>	<b>14,079</b>	<b>76,339</b>	<b>81,750</b>	<b>4,750</b>	<b>5,411</b>

**7 Operations and Maintenance**

2100-2149 Public Utilities	4,000	-	-	-	3,800	(200)	3,800
2200-2259 Materials & Supplies	3,000	667	222	889	4,000	1,000	3,111
2300-2399 Repairs & Upkeep	12,500	3,357	1,119	4,476	12,500	-	8,024
400-2449 Rent	6,000	3,200	1,067	4,267	5,000	(1,000)	733
3010 Street Lighting	6,000	4,320	1,440	5,760	5,000	(1,000)	(760)
3020 Lease of Equipment	-	-	-	-	-	-	-
3030 Insurance	2,000	936	312	1,248	2,000	-	752
3035 Bank Charges	316	71	24	95	300	(16)	205
3038 Penalties	-	-	-	-	-	-	-
3040 Waste Disposal	-	-	-	-	-	-	-
3041 Refuse Collection	38,000	17,317	5,772	23,089	30,000	(8,000)	6,911
3042 Bulky Refuse Collection	3,000	1,825	608	2,433	3,000	-	567
3043 Bins on wheels	-	-	-	-	-	-	-
3045 Bring in sites	12,684	20,637	6,879	27,516	12,700	16	(14,816)
3050-3051 Road & Street Cleaning	15,000	11,708	3,903	15,611	15,000	-	(611)
3052 Cleaning & Maintenance of Non-Urban Areas	-	-	-	-	-	-	-
3053 Cleaning of Public Conveniences	2,500	2,134	711	2,845	3,000	500	155
3055 Cleaning of Council Premises	-	-	-	-	-	-	-
3060 Other Contractual Services	-	-	-	-	-	-	-
3061 Cleaning & Maintenance of Parks & Gardens	1,500	1,703	568	2,271	4,000	2,500	1,729
3062 Cleaning & Maintenance of Soft Areas	-	-	-	-	-	-	-
3063 Cleaning & Maintenance of Beaches & CA	-	-	-	-	-	-	-
3064 Cleaning & Maintenance of Country Non-Urban	-	173	58	231	-	-	(231)
370-3090 Consultation Fees	-	1,308	436	1,744	-	-	(1,744)
3100-3139 Contract & Project Management	-	395	132	527	-	-	(527)
3300-3379 Hospitality	-	-	-	-	-	-	-
3380-3389 Community	13,500	8,086	2,695	10,781	12,000	(1,500)	1,219
3390-3394 Donations	-	-	-	-	-	-	-
3600-3694 Local Enforcement Expenses	-	12	4	16	-	-	(16)
3700-3799 EU Projects	-	-	-	-	-	-	-
3800-3899 Twinning	-	-	-	-	-	-	-
eGovernment	2,000	1,712	571	2,283	2,000	-	(283)
	<b>122,000</b>	<b>79,561</b>	<b>26,520</b>	<b>106,081</b>	<b>114,300</b>	<b>(7,700)</b>	<b>8,219</b>



**Detailed Estimates of Expenditure (Continued)****DESCRIPTION**

A	B	C	D (B + C)	E	F (E - A)	G (E - D)
BUDGET	ACTUAL	FORECAST	TOTAL	BUDGET	VARIANCE	VARIANCE
Jan-Dec	Jan-Sept	Oct-Dec	Jan-Dec	Jan-Dec		
2014	2014	2014	2014	2015	Bud-Bud	Bud-Act
€	€	€	€	€	€	€

**8 Administration & Other Expenditure**

2150-2199 Office Utilities	4,000	2,259	753	3,012	4,000	-	988
2260-2299 Office Materials & Supplies	2,000	-	-	-	-	(2,000)	-
2450-2499 Office Rent	4,000	-	-	-	-	(4,000)	-
2500-2599 National & International Memberships	2,000	239	80	319	2,500	500	2,181
2600-2699 Office Services	2,700	1,063	354	1,417	3,000	300	1,583
2700-2799 Transport	500	(70)	(23)	(93)	500	-	593
2800-2899 Travel	3,000	900	300	1,200	3,000	-	1,800
2900-2999 Information Services	6,500	2,113	704	2,817	6,500	-	3,683
3140-3199 Professional Services	6,000	1,599	533	2,132	5,000	(1,000)	2,868
3200-3299 Training	1,000	60	20	80	1,000	-	920
3345 Office Hospitality	1,500	-	-	-	-	(1,500)	-
3400-3499 Incidental Expenses	800	-	-	-	660	(140)	660
ICT expenses & website	3,000	-	-	-	2,000	(1,000)	2,000
	<b>37,000</b>	<b>8,163</b>	<b>2,721</b>	<b>10,884</b>	<b>28,160</b>	<b>(8,840)</b>	<b>17,276</b>

**9 Finance Costs**

3036 Interest on Bank Loan	-	-	-	-	-	-	-
Capital Expenditure	-	-	-	-	-	-	-
(7100) Construction & Improvements	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

**# Other Expenditure**

3500-3599 Loss / (Profit) on Disposal of assets	-	-	-	-	-	-	-
3695 Increase/(Decrease) in allowance for bad debts	-	-	-	-	-	-	-
8000-8099 Depreciation	64,719	41,637	13,879	55,516	59,542	(5,177)	4,026
	<b>64,719</b>	<b>41,637</b>	<b>13,879</b>	<b>55,516</b>	<b>59,542</b>	<b>(5,177)</b>	<b>4,026</b>

**Total**

<b>300,719</b>	<b>191,621</b>	<b>57,199</b>	<b>248,820</b>	<b>283,752</b>	<b>(16,967)</b>	<b>34,932</b>
----------------	----------------	---------------	----------------	----------------	-----------------	---------------

**Detailed Estimates of Statement Of Affairs****DESCRIPTION**

A	B	C	D (B + C)	E	F (E - A)	G (E - D)
BUDGET Jan-Dec	ACTUAL as at 30-Sep	FORECAST changes from 30 Sep-31 Dec	TOTAL as at 31-Dec	BUDGET Jan-Dec	VARIANCE Bud-Bud	VARIANCE Bud-Act
2014	2014	2014	2014	2015		
€	€	€	€	€	€	€

# **Inventory**

5201-5249 Stationery  
5250-5299 Consumables

-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-

# **Receivables**

0201-0209 Receivables  
0210-0219 LES Receivables  
0220-0229 Receivables from EU  
0250 Prepayments & Accrued income  
Provisions

9,500	8,127	1,773	9,900	11,500	2,000	1,600
-	200	-	200	200	200	-
-	-	-	-	-	-	-
7,100	38,529	2,000	40,529	37,765	30,665	(2,764)
-	(3,240)	-	3,240	(3,240)	(3,240)	-
<b>16,600</b>	<b>43,616</b>	<b>3,773</b>	<b>47,389</b>	<b>46,225</b>	<b>29,625</b>	<b>(1,164)</b>

# **Cash & Equivalents**

5001-5099 Bank & Cash Balances

66,594	119,149	-	119,149	78,006	11,412	(41,143)
<b>66,594</b>	<b>119,149</b>	<b>-</b>	<b>119,149</b>	<b>78,006</b>	<b>11,412</b>	<b>(41,143)</b>

# **Payables**

4000 Payables  
4100 Accruals  
4150 Deferred Income  
Current portion of Long-Term Borrowings

75,000	39,953	5,047	45,000	41,000	(34,000)	(4,000)
23,000	16,416	4,584	21,000	18,900	(4,100)	(2,100)
45,000	62,623	(1,623)	61,000	58,000	13,000	(3,000)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<b>143,000</b>	<b>118,992</b>	<b>8,008</b>	<b>127,000</b>	<b>117,900</b>	<b>(25,100)</b>	<b>(9,100)</b>

# **Non Current Liabilities**

4200 Long Term Borrowings

96,654	173,276	-	173,276	152,000	55,346	(21,276)
-	58,206	-	58,206	52,300	52,300	(5,906)
<b>96,654</b>	<b>231,482</b>	<b>-</b>	<b>231,482</b>	<b>204,300</b>	<b>107,646</b>	<b>(27,182)</b>

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

Asset	Property	Construction & Street Paving	Office Furniture & Fixtures	Street Signs	Urban Improvements	Office/Computer Equipment	Plant & Machinery	Special Programmes	Assets under construction	Total
	1%	10%	10%	100%	10%	25%	20%	10%		€
<b>Cost</b>	€	€	€	€	€	€	€	€	€	€
As at 01 January 2015	107,992	187,736	29,313	14,908	120,272	21,382	31,624	1,208,482	81,862	1,803,571
Additions	-	71,750	-	-	-	-	-	-	-	71,750
Disposals	-	-	-	-	-	-	-	-	-	-
As at 31 December 2015	107,992	259,486	29,313	14,908	120,272	21,382	31,624	1,208,482	81,862	1,875,321
<b>Grants/ other reimbursements</b>										
As at 01 January 2015	-	-	-	-	-	-	-	479,906	-	479,906
Additions	-	-	-	-	-	-	-	-	-	-
As at 31 December 2015	-	-	-	-	-	-	-	479,906	-	479,906
<b>Accumulated Depreciation</b>										
As at 01 January 2015	9,377	108,036	16,935	14,908	66,699	16,285	21,122	394,146	-	647,508
Charge for the year	986	15,145	1,237	-	5,357	1,274	2,100	33,443	-	59,542
Released on disposal	-	-	-	-	-	-	-	-	-	-
As at 31 December 2015	10,363	123,181	18,172	14,908	72,056	17,559	23,222	427,589	-	707,050
<b>Budgeted NBV 31 Dec 2014</b>	100,610	83,074	14,254	0	53,322	5,105	15,246	387,322	0	658,933
<b>Forecasted NBV 1 Jan 2015</b>	98,615	79,700	12,378	-	53,573	5,097	10,502	334,430	81,862	676,157
<b>Budgeted NBV 31 Dec 2015</b>	97,629	136,305	11,141	-	48,216	3,823	8,402	300,987	81,862	688,365