



Hal Gharghur Local Council

**Annual Budget
For
Financial Year
2013**

Table of Contents

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

Overview and Summary

For the Financial Year ending 31DEC2013 we are projecting a total income of c. €340K. Annual allocation from the Government is estimated at €220K and this is based on the provisional allocation allowed for the first four months of the year pending approval of the Government budget. The sum of €10K is expected to be generated from the day to day operations of the Council. €70K and €13K will be reimbursed to us under Measure 313, once the Gnien tal-Ponta Project is finalised, and by way of Special funds for the installation of a new crash barrier in Triq Ghaxqet l-Ghajj respectively. A further €27K will emanate from MEPA's UIF to finance the upgrading of Gnien il-Paci playing field.

Personal emoluments are projected at €75K. We do not envisage an increase in our workforce and this amount includes the salary which would be payable to an Executive Secretary on a full time basis even if, at this stage, the possibility of such option seems remote and we continue to operate using the services of an Acting Executive Secretary.

Contractual Expenses at €80K are expected represent c. 36% of our annual allocation. We do not have any major contracts due for renewal during 2013 and therefore the expenditure in this regard is expected to be similar to that for 2012.

Other operational and administrative expenses are projected to amount to c. €50K. These include the sum of €11K being allocated to finance Community and Hospitality expenses including the operations of the 3 Sub-Committees.

Capital expenditure during the year is projected at €135K. This includes the sum of €25K representing the repayment instalment due in 2013 under the first PPP Resurfacing Project finalised in 2011. Works on the re-development of Gnien tal-Ponta are progressing at a steady rate and the total cost, estimated to amount to €70K, will be reimbursed to us from Measure 313. We are currently in the process of issuing a call for offers to upgrade the equipment in Gnien il-Paci. Circa 90% of the total cost will be financed by MEPA through a grant from the UIF. This project involves mainly the replacement of existing equipment with more modern equipment which conforms to EU safety standards. Capital expenditure includes also the installation of a new crash barrier along part of Triq Ghaxqet l-Ghajj. The total cost of €13K will be funded by the Government by way of Special Funds.

We will continue to monitor closely our financial position to ensure that the Council has the sufficient liquidity to meet its commitments as these falls due. Our track record in this regard is very good. 2012 was a challenging year given the hefty payments the Council had to meet under the PPP Project. We are now in a much healthier position and I am confident that during the year we should be in a position to undertake further commitments, apart from those mentioned above, including, possibly, a fresh PPP project covering the resurfacing of another 2 roads.

Mario Gauci

Mayor



Budgeted Statement of Income and Expenditure

DESCRIPTION

BUDGET	FORECAST	BUDGET	VARIANCE	VARIANCE
Jan-Dec	Jan-Dec	Jan-Dec		
2012	2012	2013	Bud-Bud	Bud-Act
€	€	€	€	€

Income

Funds received from Central Government (1)	273,112	237,791	230,000	(43,112)	(7,791)
Income raised from Bye-Laws (2)	7,000	-	-	(7,000)	-
Income raised from LES (3)	-	3,532	-	-	(3,532)
Investment Income (4)	500	163	200	(300)	37
Other Income (5)	-	35,063	110,000	110,000	74,937
TOTAL	280,612	276,549	340,200	59,588	63,651

Expenditure

Personal Emoluments (6)	75,500	56,426	75,000	(500)	18,574
Operations and Maintenance (7)	106,500	84,324	102,000	(4,500)	17,676
Administration (8)	28,200	37,699	28,200	-	(9,499)
Finance Cost (9)	142,300	24,520	135,000	(7,300)	110,480
Other Expenditure (10)	-	61,985	89,268	89,268	27,283
TOTAL	352,500	264,954	429,468	76,968	164,514

Surplus / Deficit	(71,888)	11,595	(89,268)	(17,380)	(100,863)
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Budgeted Statement of Affairs**DESCRIPTION**

BUDGET as at 31 Dec 2012	FORECAST as at 31 Dec 2012	BUDGET as at 31 Dec 2013	VARIANCE Bud-Bud	VARIANCE Bud-Act
€	€	€	€	€

Non-current Assets

Property, Plant and Equipment (16)

658,933	721,123	767,855	108,922	46,732
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Current Assets

Inventories (11)

Receivables (12)

Cash and Cash Equivalents (13)

-	-	-	-	-
-	12,330	12,000	12,000	(330)
-	90,989	101,696	101,696	10,707

Total Current Assets

-	103,319	113,696	113,696	10,377
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Current Liabilities (14)

Payables

Current portion of Long-Term Borrowings

-	79,649	97,586	97,586	17,937
-	-	-	-	-

Total Current Liabilities

-	79,649	97,586	97,586	17,937
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Net Current Assets

-	23,670	16,110	16,110	(7,560)
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Non-current liabilities (15)

-	150,470	180,400	180,400	29,930
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Net Assets

658,933	594,323	603,565	(55,368)	9,242
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Reserves

Retained Funds

532,958	532,958	443,690	(89,268)	(89,268)
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Financial Situation Indicator**DESCRIPTION**

BUDGET as at 31 Dec 2012	FORECAST as at 31 Dec 2012	BUDGET as at 31 Dec 2013
€	€	€
-	103,319	113,696
-	79,649	97,586
-	150,470	180,400
-	150,470	180,400
-	23,670	16,110

Government Allocation

273,112	237,791	230,000
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FSI

0.00%	9.95%	7.00%
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Cash Budget

DESCRIPTION	QTR 1	QTR 2	QTR 3	QTR 4	TOTAL
	JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC	
	2013	2013	2013	2013	2013
	€	€	€	€	€
Cash Inflows					
Government cash inflows	55,000	55,000	55,000	55,000	220,000
Cash flows from Bye-Laws & L.N fees	2,500	2,500	2,500	2,500	10,000
Local Enforcement cash flows	-	-	-	-	-
Finance cash flows					
Loan Proceeds	-	-	-	-	-
Investment income	-	-	-	200	200
	-	-	-	200	200
Capital cash flow					
Proceeds from disposal of assets	-	-	-	-	-
	-	-	-	-	-
Cash received from EU funds	-	-	70,000	-	70,000
Cash received from Twinning	-	-	-	-	-
Cash from Community Services	-	-	-	-	-
Other Cash Inflows	-	-	40,000	-	40,000
TOTAL Inflows	57,500	57,500	167,500	57,700	340,200
Cash Outflows					
Personal Emoluments	18,750	18,750	18,750	18,750	75,000
Operations & Maintenance	28,550	28,550	28,550	28,550	114,200
Administration	4,000	4,000	4,000	4,000	16,000
Finance	-	-	-	-	-
Capital					
Acquisition of property	-	-	-	-	-
Construction	25,000	13,000	-	-	38,000
Improvements	-	27,000	-	-	27,000
Special programmes	-	-	70,000	-	70,000
office furniture and computer equipment	-	-	-	-	-
	25,000	40,000	70,000	-	135,000
Cash outflows re EU projects	-	-	-	-	-
Cash outflows re Twinning	-	-	-	-	-
Cash outflows re Community Services	-	-	-	-	-
	-	-	-	-	-
TOTAL Outflows	76,300	91,300	121,300	51,300	340,200
SURPLUS / (DEFICIT)	(18,800)	(33,800)	46,200	6,400	-
Brought forward (Bank /Cash Bal.)	90,989	72,189	38,389	84,589	90,989
Carry forward	72,189	38,389	84,589	90,989	90,989

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		
2012	2012	2012	2012	2013	Bud-Bud	Bud-Act
€	€	€	€	€	€	€

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

222,112	-	220,451	220,451	220,000	(2,112)	(451)
47,500	-	-	-	-	(47,500)	-
3,500	-	17,340	17,340	10,000	6,500	(7,340)
273,112	-	237,791	237,791	230,000	(43,112)	(7,791)

2 Bye-Laws & Legal Fees

- 0021-0025 Community Services
0026-0035 Income from Permits

7,000	-	-	-	-	(7,000)	-
-	-	-	-	-	-	-
7,000	-	-	-	-	(7,000)	-

3 Local Enforcement Income

- 0037 Share of Profit from Joint Committee
0038-0055 Contraventions

-	-	1,560	1,560	-	-	(1,560)
-	-	1,972	1,972	-	-	(1,972)
-	-	3,532	3,532	-	-	(3,532)

4 Investment Income

- 0091-0095 Bank interest
0096-0099 Income received from Government Securities

500	-	163	163	200	(300)	37
-	-	-	-	-	-	-
500	-	163	163	200	(300)	37

- 5 0056-0065 Sponsorships
0066-0069 Documents & Information
0070-0075 EU Funds
0076-0080 Twinning
0081-0089 Insurance Claims
0100-0109 General Income
0110-0119 Donations
0120-0129 Contributions

-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	70,000	70,000	70,000
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	35,063	35,063	40,000	40,000	4,937
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	35,063	35,063	110,000	110,000	74,937

Total

280,612	-	276,549	276,549	340,200	59,588	63,651
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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		
	2012	2012	2012	2012	2013	Bud-Bud	Bud-Act
	€	€	€	€	€	€	€
6 Personal Emoluments							
1100 Mayor's Allowance	6,500	-	6,479	6,479	6,500	-	21
1200 Employees' Salaries & Wages	48,600	-	39,427	39,427	50,000	1,400	10,573
1300 Bonuses	5,350	-	-	-	6,000	650	6,000
1400 Income Supplements	-	-	-	-	-	-	-
1500 Social Security Contributions	5,400	-	3,014	3,014	5,000	(400)	1,986
1600 Allowances	8,150	-	7,506	7,506	7,500	(650)	(6)
1700 Overtime	1,500	-	-	-	-	(1,500)	-
	75,500	-	56,426	56,426	75,000	(500)	18,574
7 Operations and Maintenance							
2100-2149 Public Utilities	7,000	-	-	-	7,000	-	7,000
2200-2259 Materials & Supplies	4,000	-	-	-	1,500	(2,500)	1,500
2300-2399 Repairs & Upkeep	8,500	-	9,538	9,538	7,500	(1,000)	(2,038)
2400-2449 Rent	-	-	-	-	4,000	4,000	4,000
3010 Street Lighting	5,000	-	4,167	4,167	4,000	(1,000)	(167)
3020 Lease of Equipment	-	-	-	-	-	-	-
3030 Insurance	3,000	-	1,504	1,504	2,000	(1,000)	496
3035 Bank Charges	300	-	40	40	-	(300)	(40)
3038 Penalties	-	-	-	-	-	-	-
3040 Waste Disposal	-	-	-	-	16,000	16,000	16,000
3041 Refuse Collection	27,000	-	29,920	29,920	30,000	3,000	80
3042 Bulky Refuse Collection	3,000	-	2,601	2,601	3,000	-	399
3043 Bins on wheels	-	-	-	-	-	-	-
3045 Bring in sites	-	-	16,629	16,629	-	-	(16,629)
3050-3051 Road & Street Cleaning	10,000	-	10,971	10,971	15,000	5,000	4,029
3052 Cleaning & Maintenance of Non-Urban Areas	-	-	-	-	1,300	1,300	1,300
3053 Cleaning of Public Conveniences	3,000	-	3,112	3,112	3,000	-	(112)
3055 Cleaning of Council Premises	-	-	-	-	-	-	-
3060 Other Contractual Services	-	-	180	180	1,400	1,400	1,220
3061 Cleaning & Maintenance of Parks & Gardens	4,000	-	2,271	2,271	2,300	(1,700)	29
3062 Cleaning & Maintenance of Soft Areas	-	-	-	-	-	-	-
3063 Cleaning & Maintenance of Beaches & CA	-	-	-	-	-	-	-
3064 Cleaning & Maintenance of Country Non-Urban	-	-	1,283	1,283	-	-	(1,283)
3070-3090 Consultation Fees	16,200	-	-	-	-	(16,200)	-
3100-3139 Contract & Project Management	-	-	-	-	-	-	-
3300-3379 Hospitality	-	-	-	-	-	-	-
3380-3389 Community	11,500	-	-	-	-	(11,500)	-
3390-3394 Donations	-	-	-	-	-	-	-
3600-3694 Local Enforcement Expenses	-	-	106	106	-	-	(106)
3700-3799 EU Projects	-	-	-	-	-	-	-
3800-3899 Twinning	-	-	-	-	2,000	2,000	2,000
eGovernment	4,000	-	2,002	2,002	2,000	(2,000)	(2)
	106,500	-	84,324	84,324	102,000	(4,500)	17,676

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		
	2012	2012	2012	2012	2013	Bud-Bud	Bud-Act
	€	€	€	€	€	€	€
8 Administration & Other Expenditure							
2150-2199 Office Utilities	500	-	7,294	7,294	-	(500)	(7,294)
2260-2299 Office Materials & Supplies	1,000	-	1,514	1,514	-	(1,000)	(1,514)
2450-2499 Office Rent	4,000	-	3,950	3,950	-	(4,000)	(3,950)
2500-2599 National & International Memberships	2,500	-	-	-	3,500	1,000	3,500
2600-2699 Office Services	2,500	-	1,751	1,751	2,000	(500)	249
2700-2799 Transport	200	-	70	70	1,000	800	930
2800-2899 Travel	3,000	-	-	-	-	(3,000)	-
2900-2999 Information Services	5,500	-	3,236	3,236	2,700	(2,800)	(536)
3140-3199 Professional Services	7,500	-	7,117	7,117	7,000	(500)	(117)
3200-3299 Training	1,000	-	-	-	-	(1,000)	-
3345 Office Hospitality	-	-	11,087	11,087	11,000	11,000	(87)
3400-3499 Incidental Expenses	500	-	36	36	1,000	500	964
ICT expenses	-	-	1,644	1,644	-	-	(1,644)
	28,200	-	37,699	37,699	28,200	-	(9,499)
9 Finance Costs							
3036 Interest on Bank Loan	-	-	-	-	-	-	-
Capital Expenditure	-	-	-	-	-	-	-
(7100) Construction & Improvements	142,300	-	24,520	24,520	135,000	(7,300)	110,480
	142,300	-	24,520	24,520	135,000	(7,300)	110,480
10 Other Expenditure							
3500-3599 Loss / (Profit) on Disposal of assets	-	-	-	-	-	-	-
3695 Increase/(Decrease) in allowance for bad debts	-	-	-	-	-	-	-
8000-8099 Depreciation	-	-	61,985	61,985	89,268	89,268	27,283
	-	-	61,985	61,985	89,268	89,268	27,283
Total	352,500	-	264,954	264,954	429,468	76,968	164,514

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 2012	FORECAST changes from 30 Sep-31 Dec 2012	TOTAL as at 31-Dec 2012	BUDGET Jan-Dec 2013	VARIANCE Bud-Bud	VARIANCE Bud-Act
€	€	€	€	€	€	€

11 Inventory

5201-5249 Stationery
5250-5299 Consumables

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

12 Receivables

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

-	-	-	-	-	-	-
-	-	6,269	6,269	6,000	6,000	(269)
-	-	-	-	-	-	-
-	-	6,061	6,061	6,000	6,000	(61)
-	-	-	-	-	-	-
-	-	12,330	12,330	12,000	12,000	(330)

13 Cash & Equivalents

5001-5099 Bank & Cash Balances

-	-	90,989	90,989	101,696	101,696	10,707
-	-	90,989	90,989	101,696	101,696	10,707

14 Payables

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

-	-	47,630	47,630	60,800	60,800	13,170
-	-	19,919	19,919	24,000	24,000	4,081
-	-	12,100	12,100	12,786	12,786	686
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	79,649	79,649	97,586	97,586	17,937

15 Non Current Liabilities

4200 Long Term Borrowings

-	-	150,470	150,470	180,400	180,400	29,930
-	-	-	-	-	-	-
-	-	150,470	150,470	180,400	180,400	29,930

16 Depreciation of Property, Plant and Equipment

Asset	Property	Construction & Street Paving	Office Furniture & Fixtures Fittings	Street Signs	Urban Improvements	Office/Computer Equipment	Plant & Machinery	Special Programmes	Total
	1%	10%	100%	10%	25%	20%	10%	10%	€
Cost	€	€	€	€	€	€	€	€	€
As at 01 January 2013	107,992	174,829	29,188	14,908	108,791	18,816	31,062	1,166,075	1,651,661
Additions	-	25,000	-	13,000	97,000	1,000	-	-	136,000
Disposals	-	-	-	-	-	-	-	-	-
As at 31 December 2013	107,992	199,829	29,188	27,908	205,791	19,816	31,062	1,166,075	1,787,661
Grants/ other reimbursements									
As at 01 January 2013	-	-	-	-	-	-	-	486,543	486,543
Additions	-	-	-	-	-	-	-	-	-
As at 31 December 2013	-	-	-	-	-	-	-	486,543	486,543
Accumulated Depreciation									
As at 01 January 2013	6,363	84,405	13,856	14,908	49,341	12,119	12,409	250,594	443,995
Charge for the year	1,016	11,542	1,633	13,000	13,545	1,925	3,713	42,894	89,268
Released on disposal	-	-	-	-	-	-	-	-	-
As at 31 December 2013	7,379	95,947	15,489	27,908	62,886	14,044	16,122	293,488	533,263
Budgeted NBV 31 Dec 2012	100,610	83,074	14,254	0	53,322	5,105	15,246	387,322	658,933
Forecasted NBV 1 Jan 2013	101,629	90,424	15,332	-	59,450	6,697	18,653	428,938	721,123
Budgeted NBV 31 Dec 2013	100,613	103,882	13,699	-	142,905	5,772	14,940	386,044	767,855