

Gharghur Local Council

**Annual Budget
For
Financial Year
2014**

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Overview and Summary

The Hal Gharghur Local Council is projecting a total income of €280K for the current financial year. Allocation from the Government for 2014 at €216,129 is slightly lower than that for 2013. During 2013 the Local Council finalised the installation of a new crash barrier in Triq Ghaxqet I-Ghajn and the installation of new playing equipment in Gnien il-Paci. These two projects were partly financed by the Department for Local Government and by MEPA, through the UIF, respectively. Reimbursement from the Department of Local Government and from MEPA totalling c. €32K will be received by the Local Council during Q114. The projections include also an income of €7K which will be received should our application to resurface Triq Sta Marija taz-Zellieqa under a PPP agreement is approved. Our general operations, including rent receivable, now that the Semaphore Tower has been rented out to third parties, are expected to generate a further €25K.

Personal emoluments are projected at €77K. We are currently operating with a full staff compliment and we do not envisage an increase in our workforce. The increase reflected in the budget for 2014 over the amount for 2013 arises from the fact that up to June 2013 we did not have an Executive Secretary on a full time basis. Practically the major contracts for the provision of services to the Council including that for the collection of household waste are due for renewal during this current year. We are prudently projecting a total expenditure in respect of Contractual obligations of €77K while further €6K are being earmarked for the repairs of street lighting and installation of new lamps.

Community and Hospitality expenses are projected at €15K. These include the activities normally held during the year by the Council, including those related with Jum Hal Gharghur, the sum of €3K being the Council's share for the organization of the Milkfest and the allocation to the various Sub-Committees of the Council. 2014 marks the 20th anniversary of the establishment of Local Government in our locality. To commemorate this anniversary it is our intention to hold a concert in our main square during which the ceremony to award 'Unur Excelsior' will be held. The expenditure related to this activity is also included in the Community and Hospitality budget. The sum of €84K will be utilized to finance capital expenditure. This includes the expenditure mentioned above with regards to Gnien il-Paci which has been incurred and the sum of €51K related to resurfacing of roads under two Public Private Partnership schemes.

After the charging depreciation of €64K, the budget for 2014 indicates that we will end the financial year with a deficit of €20K. We are not concerned given that depreciation is a non cash item and retained funds of over €85K have been brought over from 2013.

We will continue to monitor closely our financial position through the periodical Management accounts.

Mayor

Executive Secretary

Budgeted Statement of Income and Expenditure**DESCRIPTION**

BUDGET Jan-Dec 2013 €	FORECAST Jan-Dec 2013 €	BUDGET Jan-Dec 2014 €	VARIANCE Bud-Bud €	VARIANCE Bud-Act €
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Income

Funds received from Central Government (1)	235,000	226,073	267,500	32,500	41,427
Income raised from Bye-Laws (2)	-	2,234	2,500	2,500	266
Income raised from LES (3)	3,600	4,200	-	(3,600)	(4,200)
Investment Income (4)	150	154	500	350	346
Other Income (5)	30,000	6,009	10,000	(20,000)	3,991
TOTAL	268,750	238,670	280,500	11,750	41,830

Expenditure

Personal Emoluments (6)	66,850	64,657	77,000	10,150	12,343
Operations and Maintenance (7)	84,600	112,160	122,000	37,400	9,840
Administration (8)	39,450	45,862	37,000	(2,450)	(8,862)
Finance Cost (9)	142,300	39,288	-	(142,300)	(39,288)
Other Expenditure (10)	68,668	62,000	64,719	(3,949)	2,719
TOTAL	401,868	323,967	300,719	(101,149)	(23,248)

Surplus / Deficit

(133,118)	(85,297)	(20,219)	112,899	65,078
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Budgeted Statement of Affairs

DESCRIPTION	BUDGET as at 31 Dec 2013 €	FORECAST as at 31 Dec 2013 €	BUDGET as at 31 Dec 2014 €	VARIANCE Bud-Bud €	VARIANCE Bud-Act €
Non-current Assets					
Property, Plant and Equipment (16)	658,933	656,566	651,347	(7,586)	(5,219)
Current Assets					
Inventories (11)	-	-	-	-	-
Receivables (12)	12,000	14,912	16,600	4,600	1,688
Cash and Cash Equivalents (13)	-	86,236	66,594	66,594	(19,642)
Total Current Assets	12,000	101,148	83,194	71,194	(17,954)
Current Liabilities (14)					
Payables	97,586	133,014	143,000	45,414	9,986
Current portion of Long-Term Borrowings	-	-	-	-	-
Total Current Liabilities	97,586	133,014	143,000	45,414	9,986
Net Current Assets	(85,586)	(31,866)	(59,806)	25,780	(27,940)
Non-current liabilities (15)					
	180,400	109,594	96,654	(83,746)	(12,940)
Net Assets	392,947	515,106	494,887	101,940	(20,219)
Reserves					
Retained Funds	392,947	515,106	494,887	101,940	(20,219)

Financial Situation Indicator

DESCRIPTION	BUDGET as at 31 Dec 2013 €	FORECAST as at 31 Dec 2013 €	BUDGET as at 31 Dec 2014 €
Current Assets	12,000	101,148	83,194
Current Liabilities	97,586	133,014	143,000
Total Long Term Liabilities	180,400	109,594	96,654
Commitments approved by Ministry	180,400	150,470	96,654
	(85,586)	9,010	(59,806)
Government Allocation	235,000	226,073	267,500
FSI	-36.42%	3.99%	-22.36%

Cash Budget

DESCRIPTION	QTR 1	QTR 2	QTR 3	QTR 4	TOTAL
	JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC	
	2014	2014	2014	2014	
	€	€	€	€	€
Cash Inflows					
Government cash inflows	54,000	54,000	54,000	54,000	216,000
Cash flows from Bye-Laws & L.N fees	625	625	625	625	2,500
Local Enforcement cash flows	-	-	-	-	-
Finance cash flows					
Loan Proceeds	-	-	-	-	-
Investment income	-	-	-	500	500
	-	-	-	500	500
Capital cash flow					
Proceeds from disposal of assets	-	-	-	-	-
	-	-	-	-	-
Cash received from EU funds	-	-	24,500	-	24,500
Cash received from Twinning	-	-	-	-	-
Cash from Community Services	4,000	4,000	4,000	4,000	16,000
Other Cash Inflows	1,000	9,000	8,000	25,500	43,500
TOTAL Inflows	59,625	67,625	91,125	84,625	303,000
Cash Outflows					
Personal Emoluments	19,250	19,250	19,250	19,250	77,000
Operations & Maintenance	32,500	32,500	32,500	32,500	130,000
Administration	9,175	9,175	9,175	9,175	36,700
Finance	75	75	75	75	300
Capital					
Acquisition of property	-	-	-	-	-
Construction	-	16,000	35,000	28,000	79,000
Improvements	-	-	-	-	-
Special programmes	-	-	-	-	-
office furniture and computer equipment	-	5,000	-	1,000	6,000
	-	21,000	35,000	29,000	85,000
Cash outflows re EU projects	-	-	-	-	-
Cash outflows re Twinning	-	-	-	-	-
Cash outflows re Community Services	-	-	-	-	-
	-	-	-	-	-
TOTAL Outflows	61,000	82,000	96,000	90,000	329,000
SURPLUS / (DEFICIT)	(1,375)	(14,375)	(4,875)	(5,375)	(26,000)
Brought forward (Bank /Cash Bal.)	92,594	91,219	76,844	71,969	92,594
Carry forward	91,219	76,844	71,969	66,594	66,594

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		
2013	2013	2013	2013	2014	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

220,000	162,231	54,117	216,348	216,000	(4,000)	(348)
-	-	-	-	8,000	8,000	8,000
15,000	4,936	4,789	9,725	43,500	28,500	33,775
235,000	167,167	58,906	226,073	267,500	32,500	41,427

2 Bye-Laws & Legal Fees

0021-0025 Community Services

0026-0035 Income from Permits

-	1,614	300	1,914	2,000	2,000	86
-	170	150	320	500	500	180
-	1,784	450	2,234	2,500	2,500	266

3 Local Enforcement Income

0037 Share of Profit from Joint Committee

0038-0055 Contraventions

1,600	-	-	-	-	(1,600)	-
2,000	3,254	946	4,200	-	(2,000)	(4,200)
3,600	3,254	946	4,200	-	(3,600)	(4,200)

4 Investment Income

0091-0095 Bank interest

0096-0099 Income received from Government Securities

150	-	154	154	500	350	346
-	-	-	-	-	-	-
-	-	-	-	-	-	-
150	-	154	154	500	350	346

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

-	-	-	-	-	-	-
-	1,868	212	2,080	2,500	2,500	420
-	30	-	30	-	-	(30)
-	366	-	366	-	-	(366)
-	3,533	-	3,533	-	-	(3,533)
30,000	-	-	-	7,500	(22,500)	7,500
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
30,000	5,797	212	6,009	10,000	(20,000)	3,991

Total

268,750	178,002	60,668	238,670	280,500	11,750	41,830
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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		
	2013	2013	2013	2013	2014	Bud-Bud	Bud-Act
	€	€	€	€	€	€	€
6 Personal Emoluments							
1100 Mayor's Allowance	6,500	5,028	1,676	6,704	6,868	368	164
1200 Employees' Salaries & Wages	44,000	28,370	13,844	42,214	52,725	8,725	10,511
1300 Bonuses	5,350	2,783	1,700	4,483	5,607	257	1,124
1400 Income Supplements	-	-	-	-	-	-	-
1500 Social Security Contributions	3,500	2,924	1,203	4,127	5,400	1,900	1,273
1600 Allowances	7,500	4,107	2,293	6,400	6,400	(1,100)	-
1700 Overtime	-	729	-	729	-	-	(729)
	66,850	43,941	20,716	64,657	77,000	10,150	12,343
7 Operations and Maintenance							
2100-2149 Public Utilities	-	1,952	480	2,432	4,000	4,000	1,568
2200-2259 Materials & Supplies	-	2,506	625	3,131	3,000	3,000	(131)
2300-2399 Repairs & Upkeep	9,500	9,547	2,383	11,930	12,500	3,000	570
2400-2449 Rent	-	4,093	2,380	6,473	6,000	6,000	(473)
3010 Street Lighting	4,000	4,009	1,001	5,010	6,000	2,000	990
3020 Lease of Equipment	-	-	-	-	-	-	-
3030 Insurance	1,500	1,497	350	1,847	2,000	500	153
3035 Bank Charges	50	71	30	101	316	266	215
3038 Penalties	-	-	-	-	-	-	-
3040 Waste Disposal	-	-	-	-	-	-	-
3041 Refuse Collection	30,000	21,340	6,860	28,200	38,000	8,000	9,800
3042 Bulky Refuse Collection	2,600	2,296	765	3,061	3,000	400	(61)
3043 Bins on wheels	-	-	-	-	-	-	-
3045 Bring in sites	17,000	12,156	4,052	16,208	12,684	(4,316)	(3,524)
3050-3051 Road & Street Cleaning	11,000	10,266	3,405	13,671	15,000	4,000	1,329
3052 Cleaning & Maintenance of Non-Urban Areas	-	-	-	-	-	-	-
3053 Cleaning of Public Conveniences	3,000	2,134	712	2,846	2,500	(500)	(346)
3055 Cleaning of Council Premises	-	-	-	-	-	-	-
3060 Other Contractual Services	250	-	-	-	-	(250)	-
3061 Cleaning & Maintenance of Parks & Gardens	2,250	1,703	567	2,270	1,500	(750)	(770)
3062 Cleaning & Maintenance of Soft Areas	-	-	-	-	-	-	-
3063 Cleaning & Maintenance of Beaches & CA	-	-	-	-	-	-	-
3064 Cleaning & Maintenance of Country Non-Urban	1,300	173	27	200	-	(1,300)	(200)
3070-3090 Consultation Fees	-	1,308	-	1,308	-	-	(1,308)
3100-3139 Contract & Project Management	-	395	-	395	-	-	(395)
3300-3379 Hospitality	-	-	-	-	-	-	-
3380-3389 Community	-	8,086	2,694	10,780	13,500	13,500	2,720
3390-3394 Donations	-	-	-	-	-	-	-
3600-3694 Local Enforcement Expenses	150	12	-	12	-	(150)	(12)
3700-3799 EU Projects	-	-	-	-	-	-	-
3800-3899 Twinning	-	-	-	-	-	-	-
eGovernment	2,000	1,712	573	2,285	2,000	-	(285)
	84,600	85,256	26,904	112,160	122,000	37,400	9,840

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		
	2013	2013	2013	2013	2014	Bud-Bud	Bud-Act
	€	€	€	€	€	€	€
8 Administration & Other Expenditure							
2150-2199 Office Utilities	8,000	2,259	7,294	9,553	4,000	(4,000)	(5,553)
2260-2299 Office Materials & Supplies	1,500	-	1,514	1,514	2,000	500	486
2450-2499 Office Rent	4,000	-	3,950	3,950	4,000	-	50
2500-2599 National & International Memberships	-	239	-	239	2,000	2,000	1,761
2600-2699 Office Services	1,750	1,063	1,751	2,814	2,700	950	(114)
2700-2799 Transport	100	(70)	70	-	500	400	500
2800-2899 Travel	-	900	-	900	3,000	3,000	2,100
2900-2999 Information Services	3,400	2,113	3,236	5,349	6,500	3,100	1,151
3140-3199 Professional Services	9,000	1,599	7,117	8,716	6,000	(3,000)	(2,716)
3200-3299 Training	-	60	-	60	1,000	1,000	940
3345 Office Hospitality	10,000	-	11,087	11,087	1,500	(8,500)	(9,587)
3400-3499 Incidental Expenses	100	-	36	36	800	700	764
ICT expenses	1,600	-	1,644	1,644	3,000	1,400	1,356
	39,450	8,163	37,699	45,862	37,000	(2,450)	(8,862)
9 Finance Costs							
3036 Interest on Bank Loan	-	-	-	-	-	-	-
Capital Expenditure	-	-	-	-	-	-	-
(7100) Construction & Improvements	142,300	14,768	24,520	39,288	-	(142,300)	(39,288)
	142,300	14,768	24,520	39,288	-	(142,300)	(39,288)
# Other Expenditure							
3500-3599 Loss / (Profit) on Disposal of assets	-	-	-	-	-	-	-
3695 Increase/(Decrease) in allowance for bad debts	-	-	-	-	-	-	-
8000-8099 Depreciation	68,668	-	62,000	62,000	64,719	(3,949)	2,719
	68,668	-	62,000	62,000	64,719	(3,949)	2,719
Total	401,868	152,128	171,839	323,967	300,719	(101,149)	(23,248)

Detailed Estimates of Statement Of Affairs

DESCRIPTION	A	B	C	D (B + C)	E	F (E - A)	G (E - D)
	BUDGET	ACTUAL	FORECAST	TOTAL	BUDGET	VARIANCE	VARIANCE
	Jan-Dec	as at	changes from	as at	Jan-Dec	Bud-Bud	Bud-Act
	2013	2013	30 Sep-31 Dec	31-Dec	2014		
	€	€	2013	2013	€	€	€
# Inventory							
5201-5249 Stationery	-	-	-	-	-	-	-
5250-5299 Consumables	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
# Receivables							
0201-0209 Receivables	-	-	-	-	-	-	-
0210-0219 LES Receivables	6,000	8,883	-	8,883	9,500	3,500	617
0220-0229 Receivables from EU	-	-	-	-	-	-	-
0250 Prepayments & Accrued income	6,000	6,029	-	6,029	7,100	1,100	1,071
	-	-	-	-	-	-	-
	12,000	14,912	-	14,912	16,600	4,600	1,688
# Cash & Equivalents							
5001-5099 Bank & Cash Balances	-	86,236	-	86,236	66,594	66,594	(19,642)
	-	86,236	-	86,236	66,594	66,594	(19,642)
# Payables							
4000 Payables	60,800	71,605	-	71,605	75,000	14,200	3,395
4100 Accruals	24,000	18,697	-	18,697	23,000	(1,000)	4,303
4150 Deferred Income	12,786	42,712	-	42,712	45,000	32,214	2,288
Current portion of Long-Term Borrowings	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	97,586	133,014	-	133,014	143,000	45,414	9,986
# Non Current Liabilities							
4200 Long Term Borrowings	180,400	109,594	-	109,594	96,654	(83,746)	(12,940)
	-	-	-	-	-	-	-
	180,400	109,594	-	109,594	96,654	(83,746)	(12,940)

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	Total
% of depreciation	1%	10%	10%	100%	10%	25%	20%	10%	€
Cost	€	€	€	€	€	€	€	€	€
As at 01 January 2014	107,992	199,829	30,188	14,908	108,791	19,816	31,062	1,166,075	1,678,661
Additions	-	51,000	5,000	-	-	-	-	28,000	84,000
Disposals	-	-	-	-	-	-	-	-	-
As at 31 December 2014	107,992	250,829	35,188	14,908	108,791	19,816	31,062	1,194,075	1,762,661
Grants/ other reimbursements									
As at 01 January 2014	-	-	-	-	-	-	-	486,543	486,543
Additions	-	-	-	-	-	-	-	24,500	24,500
As at 31 December 2014	-	-	-	-	-	-	-	511,043	511,043
Accumulated Depreciation									
As at 01 January 2014	7,718	99,794	16,033	14,908	57,268	14,685	17,360	307,786	535,552
Charge for the year	1,002	15,103	1,915	-	5,152	1,282	2,740	37,525	64,719
Released on disposal	-	-	-	-	-	-	-	-	-
As at 31 December 2014	8,720	114,897	17,948	14,908	62,420	15,967	20,100	345,311	600,271
Budgeted NBV 31 Dec 2013	100,610	83,074	14,254	0	53,322	5,105	15,246	387,322	658,933
Forecasted NBV 1 Jan 2014	100,274	100,035	14,155	-	51,523	5,131	13,702	371,746	656,566
Budgeted NBV 31 Dec 2014	99,272	135,932	17,240	-	46,371	3,849	10,962	337,721	651,347

Bio Lifestyle Trading Limited

Date

Statement of Comprehensive Income
For the period May 2012 - 31 December 2012

Ref:
Prepared By: FM 11/03/2014
Reviewed By:

	May 2012- Dec 2012
	€
Turnover	-
Cost of Sales	-
	-
Operating Costs	(3,425.00)
Interest payable and similar charges	-
Operating loss	(3,425.00)
Interest receivable	-
Loss before taxation	(3,425.00)
Taxation	-
(Loss) for the year after taxation	(3,425.00)
Loss for the year	(3,425.00)
Loss carried forward	(3,425.00)

Bio Lifestyle Trading Limited

Statement of Comprehensive Income
For the period May 2012 - 31 December 2012

Date

Ref:
Prepared By: FM 11/03/2014
Reviewed By:

	May 2012- Dec 2012
	€
ADMINISTRATIVE EXPENSES	(3,425)
OPERATING PROFIT	<u>(3,425)</u>
Interest paid and other charges	-
Interest receivable	<u>-</u>
Loss for the period	<u>(3,425)</u>

31.12.2012		TRIAL BALANCE		ADJUSTMENTS		ADJT'D BALANCE		PROFIT & LOSS		BALANCE SHEET	
		€	€	€	€	€	€	€	€	€	€
INVESTMENT IN FINANCIAL ASSETS											
PROVISION IN DIMINUTION IN VALUE - BS											
CLOSING INVENTORY											
1101	CURRENT ACCOUNT - Shareholders			10,220.51	JE2	10,220.51				10,221.00	
1102	CURRENT ACCOUNT										
1104	CURRENT ACCOUNT- BDEL	1,030.00					1,030.00				1,030.00
1105	CURRENT A/C										
BANK CURRENT Fimbank a/c 828											
1200	BANK CURRENT HSBC	68.84					68.84				69.00
CREDITORS											
2100	CURRENT ACCOUNT	10,220.51					10,220.51				10,221.00
2109	ACCRUALS										
2202	VAT ACCOUNT			2,086.00	JE1		2,086.00				2,086.00
BANK LOAN ACCT - LONG TERM PORTION											
2304	LONG TERM LOAN - SHAREHOLDER										
2321	CORPORATION TAX										
3000	ORDINARY SHARES										
3200	P&L	240.00					240.00				240.00
REVENUE											
Materials Imported											
5001	SUNDRY EXPENSES	10,220.51			10,220.51	JE2					
6201	ADVERTISING										
7001	DIRECTORS SALARIES										
7010	WAGES										
7100	RENT										
7104	INSURANCE										
7200	WATER AND ELECTRICITY										
7300	FUEL										
7301	REP AND MAINT										
7304	MOTOR EXP										
7400	TRAVELLING AND ENT										
7502	TELEPHONES										
7504	OFFICE STATIONARY										
7605	FORMATION EXPENSES										
7602	CONSULTANCY FEES										
7603	PROFESSIONAL FEES	1,030.00		566.00	JE1	-	1,596.00		1,596.00		
AUDIT FEE											
7601	ACCOUNTANCY FEE			600.00	JE1		600.00		600.00		
7801	CLEANING			533.00	JE1		533.00		533.00		
7900	BANK INTEREST										
7903	BANK CHARGES	0.26				0.26					
8000	DEPRECIATION	308.58				308.58			309.00		
7605	REGISTRATION FEES			387.00	JE1		387.00		387.00		
Provision for Diminution in Value											
		11,559.35	11,559.35	12,306.51	12,306.51	13,645.35	13,645.35	3,425.00	-	10,221.00	13,646.00
PROFIT											
TAXATION											