

# **Gharghur Local Council**

**Annual Budget  
For  
Financial Year  
2021**

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**Overview and Summary**

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The Local Council of Gharghur is projecting income of €425k in 2021 - with the main sources of income being government allocation of €300k, revenue grants of €56k and permits amounting to €34k. Total expenditure is projected at €506.6k. Thus council is projecting a deficit of €86.6k and this after amortisation of €43k. Council is expecting increases in upkeep, IT, car leasing and also community expenses. Net current assets is projected at €43k which will lead to the council register a Financial Situation Indicator of 12.5%. Capital expenditure on lighting system and playing ground at Gnien il-Paci will amount to €111k which will be mainly financed at €98k by UIF and other grants. At year end 2021 Council will report a cash balance of €47k.

  
\_\_\_\_\_  
Mayor  
\_\_\_\_\_  
Executive Secretary

## Budgeted Statement of Income and Expenditure

## DESCRIPTION

BUDGET Jan-Dec 2020	FORECAST Jan-Dec 2020	BUDGET Jan-Dec 2021	VARIANCE Bud-Bud	VARIANCE Bud-Act
€	€	€	€	€

## Income

Funds received from Central Government (1)	324,717	323,541	386,206	61,489	62,665
Income raised from Bye-Laws (2)	40,000	31,058	36,000	(4,000)	4,942
Income raised from LES (3)	3,500	800	1,000	(2,500)	200
Investment Income (4)	12	12	12	-	-
Other Income (5)	2,864	1,510	1,800	(1,064)	290
<b>TOTAL</b>	<b>371,093</b>	<b>356,921</b>	<b>425,018</b>	<b>53,925</b>	<b>68,097</b>

## Expenditure

Personal Emoluments (6)	102,102	94,980	97,656	(4,446)	2,676
Operations and Maintenance (7)	158,316	249,154	322,940	164,624	73,786
Administration (8)	30,360	22,712	42,540	12,180	19,828
Finance Cost (9)	-	-	-	-	-
Other Expenditure (10)	72,964	97,285	43,484	(29,480)	(53,801)
<b>TOTAL</b>	<b>363,742</b>	<b>464,131</b>	<b>506,620</b>	<b>142,878</b>	<b>42,489</b>

## Surplus / Deficit

<b>7,351</b>	<b>(107,210)</b>	<b>(81,602)</b>	<b>(88,953)</b>	<b>25,608</b>
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**Budgeted Statement of Affairs**

DESCRIPTION	BUDGET as at 31 Dec 2020 €	FORECAST as at 31 Dec 2020 €	BUDGET as at 31 Dec 2021 €	VARIANCE Bud-Bud €	VARIANCE Bud-Act €
<b>Non-current Assets</b>					
Property, Plant and Equipment (16)	366,872	259,878	228,914	(137,958)	(30,964)
<b>Current Assets</b>					
Inventories (11)	2,100	560	560	(1,540)	-
Receivables (12)	25,800	71,884	71,000	45,200	(884)
Cash and Cash Equivalents (13)	214,698	97,762	47,624	(167,074)	(50,138)
<b>Total Current Assets</b>	<b>242,598</b>	<b>170,206</b>	<b>119,184</b>	<b>(123,414)</b>	<b>(51,022)</b>
<b>Current Liabilities (14)</b>					
Payables	73,864	73,339	70,955	(2,909)	(2,384)
Current portion of Long-Term Borrowings	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>73,864</b>	<b>73,339</b>	<b>70,955</b>	<b>(2,909)</b>	<b>(2,384)</b>
<b>Net Current Assets</b>	<b>168,734</b>	<b>96,867</b>	<b>48,229</b>	<b>(120,505)</b>	<b>(48,638)</b>
<b>Non-current liabilities (15)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>535,606</b>	<b>356,745</b>	<b>277,143</b>	<b>(258,463)</b>	<b>(79,602)</b>
<b>Reserves</b>					
Retained Funds	535,606	358,745	277,143	(258,463)	(81,602)

**Financial Situation Indicator**

DESCRIPTION	BUDGET as at 31 Dec 2020 €	FORECAST as at 31 Dec 2020 €	BUDGET as at 31 Dec 2021 €
Current Assets	242,598	170,206	119,184
Current Liabilities	73,864	73,339	70,955
Total Long Term Liabilities	-	-	-
Commitments approved by Ministry	-	-	-
	168,734	96,867	48,229
Government Allocation	324,717	323,541	386,206
FSI	51.96%	29.94%	12.49%

**Cash Budget**

DESCRIPTION	QTR 1	QTR 2	QTR 3	QTR 4	TOTAL
	JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC	
	2021	2021	2021	2021	
	€	€	€	€	
<b>Cash Inflows</b>					
Government cash inflows	96,552	96,552	96,552	96,552	386,206
Cash flows from Bye-Laws & L.N fees	8,500	8,500	8,500	8,500	34,000
Local Enforcement cash flows	250	250	250	250	1,000
<b>Finance cash flows</b>					
Loan Proceeds	-	-	-	-	-
Investment income	-	-	-	12	12
	-	-	-	12	12
<b>Capital cash flow</b>					
Proceeds from disposal of assets	-	-	-	-	-
	-	-	-	-	-
Cash received from EU funds	30,000	-	8,369	60,000	98,369
Cash received from Twinning	-	-	-	-	-
Cash from Community Services	500	500	500	500	2,000
Other Cash Inflows	450	450	450	450	1,800
<b>TOTAL Inflows</b>	<b>136,252</b>	<b>106,252</b>	<b>114,621</b>	<b>166,264</b>	<b>523,387</b>
<b>Cash Outflows</b>					
Personal Emoluments	24,414	24,414	24,414	24,414	97,656
Operations & Maintenance	80,610	80,610	80,610	80,610	322,440
Administration	10,635	10,635	10,635	10,635	42,540
<b>Finance</b>	-	-	-	-	-
<b>Capital</b>					
Acquisition of property	-	-	-	-	-
Construction	-	-	-	-	-
Improvements	-	-	-	-	-
Special programmes	-	-	-	-	-
Urban improvements	20,000	12,344	40,000	38,545	110,889
	20,000	12,344	40,000	38,545	110,889
Cash outflows re EU projects	-	-	-	-	-
Cash outflows re Twinning	-	-	-	-	-
Cash outflows re Community Services	-	-	-	-	-
	-	-	-	-	-
<b>TOTAL Outflows</b>	<b>135,659</b>	<b>128,003</b>	<b>155,659</b>	<b>154,204</b>	<b>573,525</b>
<b>SURPLUS / (DEFICIT)</b>	<b>593</b>	<b>(21,752)</b>	<b>(41,039)</b>	<b>12,060</b>	<b>(50,138)</b>
Brought forward (Bank /Cash Bal.)	97,762	98,355	76,603	35,565	97,762
Carry forward	98,355	76,603	35,565	47,624	47,624

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		
2020	2020	2020	2020	2021	Bud-Bud	Bud-Act
€	€	€	€	€	€	€

## Income

## 1 Funds received from Cental Government:

0001 In terms of section 55 CAP 363	286,118	216,131	71,706	287,837	300,093	13,975	12,256
0002-0004 In terms of section 58 CAP 363	14,912	-	8,000	8,000	56,113	41,201	48,113
0005-0019 Other Income	23,687	20,204	7,500	27,704	30,000	6,313	2,296
	<b>324,717</b>	<b>236,335</b>	<b>87,206</b>	<b>323,541</b>	<b>386,206</b>	<b>61,489</b>	<b>62,665</b>

## 2 Bye-Laws &amp; Legal Fees

0021-0025 Community Services	4,000	1,343	407	1,750	2,000	(2,000)	250
0026-0035 Income from Permits	36,000	22,008	7,300	29,308	34,000	(2,000)	4,692
	<b>40,000</b>	<b>23,351</b>	<b>7,707</b>	<b>31,058</b>	<b>36,000</b>	<b>(4,000)</b>	<b>4,942</b>

## 3 Local Enforcement Income

0037 Share of Profit from Joint Committee	3,500	590	210	800	1,000	(2,500)	200
0038-0055 Contraventions	-	-	-	-	-	-	-
	<b>3,500</b>	<b>590</b>	<b>210</b>	<b>800</b>	<b>1,000</b>	<b>(2,500)</b>	<b>200</b>

## 4 Investment Income

0091-0095 Bank Interest	12	-	12	12	12	-	-
0096-0099 Income received from Government Securities	-	-	-	-	-	-	-
	<b>12</b>	<b>-</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>-</b>	<b>-</b>

## 5 0056-0065 Sponsorships

0066-0069 Documents & Information	-	10	-	10	-	-	(10)
0070-0075 EU Funds	-	-	-	-	-	-	-
0076-0080 Twinning	-	-	-	-	-	-	-
0081-0089 Insurance Claims	-	-	-	-	-	-	-
0100-0109 General Income	2,664	258	142	400	600	(2,064)	200
0110-0119 Donations	-	-	-	-	-	-	-
0120-0129 Contributions	-	-	-	-	-	-	-
	<b>2,664</b>	<b>1,243</b>	<b>267</b>	<b>1,510</b>	<b>1,800</b>	<b>(1,064)</b>	<b>290</b>

## Total

<b>371,093</b>	<b>261,519</b>	<b>95,402</b>	<b>356,921</b>	<b>425,018</b>	<b>53,925</b>	<b>68,097</b>
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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		
	2020	2020	2020	2020	2021	Bud-Bud	Bud-Act
	€	€	€	€	€	€	€
<b>6 Personal Emoluments</b>							
1100 Mayor's Allowance	8,461	9,003	3,001	12,004	12,171	3,710	167
1200 Employees' Salaries & Wages	67,804	44,234	14,745	58,979	60,850	(6,954)	1,871
1300 Bonuses	6,509	4,349	1,450	5,799	6,000	(509)	201
1400 Income Supplements	-	-	-	-	-	-	-
1500 Social Security Contributions	6,292	4,094	1,205	5,299	5,435	(857)	136
1600 Allowances	12,036	7,950	4,250	12,200	12,200	164	-
1700 Overtime	1,000	506	194	700	1,000	-	300
	<b>102,102</b>	<b>70,136</b>	<b>24,844</b>	<b>94,980</b>	<b>97,656</b>	<b>(4,446)</b>	<b>2,676</b>
<b>7 Operations and Maintenance</b>							
2100-2149 Public Utilities	-	-	-	-	-	-	-
2200-2259 Materials & Supplies	-	-	-	-	-	-	-
2300-2399 Repairs & Upkeep	27,040	39,888	13,296	53,184	80,000	52,960	26,816
2400-2449 Rent	3,300	2,284	761	3,045	3,000	(300)	(45)
3010 Street Lighting	10,400	15,730	5,243	20,973	22,000	11,600	1,027
3020 Lease of Equipment	-	-	-	-	-	-	-
3030 Insurance	1,700	2,121	707	2,828	2,600	900	(228)
3035 Bank Charges	520	137	46	183	300	(220)	117
3038 Penalties	-	-	-	-	-	-	-
3040 Waste Disposal	-	-	-	-	-	-	-
3041 Refuse Collection	28,080	41,216	13,739	54,955	55,500	27,420	545
3042 Bulky Refuse Collection	4,600	3,717	1,239	4,956	5,000	400	44
3043 Bins on wheels	-	-	-	-	-	-	-
3045 Bring in sites	33,280	24,989	8,330	33,319	33,000	(280)	(319)
3050-3051 Road & Street Cleaning	12,480	11,227	3,742	14,969	44,454	31,974	29,485
3052 Cleaning & Maintenance of Non-Urban Areas	-	-	-	-	-	-	-
3053 Cleaning of Public Conveniences	4,160	3,600	1,200	4,800	4,800	640	-
3055 Cleaning of Council Premises	-	872	291	1,163	1,200	1,200	37
3060 Other Contractual Services	-	-	-	-	-	-	-
3061 Cleaning & Maintenance of Parks & Gardens	2,600	1,703	568	2,271	2,400	(200)	129
3062 Cleaning & Maintenance of Soft Areas	-	-	-	-	-	-	-
3063 Cleaning & Maintenance of Beaches & CA	-	-	-	-	-	-	-
3064 Cleaning & Maintenance of Country Non-Urban	-	-	-	-	-	-	-
3070-3090 Consultation Fees	-	-	-	-	-	-	-
3100-3139 Contract & Project Management	5,200	11,578	3,859	15,437	18,000	12,800	2,563
3300-3379 Hospitality	-	-	-	-	-	-	-
3380-3389 Community	14,000	19,144	16,383	35,527	49,836	35,836	14,309
3390-3394 Donations	-	-	-	-	-	-	-
3600-3694 Local Enforcement Expenses	156	258	86	344	350	194	6
3700-3799 EU Projects	-	-	-	-	-	-	-
3800-3899 Twinning	10,000	-	-	-	-	(10,000)	-
grants amortisation	800	900	300	1,200	500	(300)	(700)
	<b>158,316</b>	<b>179,364</b>	<b>69,790</b>	<b>249,154</b>	<b>322,940</b>	<b>164,624</b>	<b>73,786</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		
	2020	2020	2020	2020	2021	Bud-Bud	Bud-Act
	€	€	€	€	€	€	€
<b>3 Administration &amp; Other Expenditure</b>							
2150-2199 Office Utilities	7,280	2,701	900	3,601	3,600	(3,680)	(1)
2260-2299 Office Materials & Supplies	2,080	932	311	1,243	1,250	(830)	7
2450-2499 Office Rent	-	-	-	-	-	-	-
2500-2599 National & International Memberships	1,560	461	154	615	411	(1,149)	(204)
2600-2699 Office Services	3,120	6,520	2,173	8,693	8,800	5,680	107
2700-2799 Transport	500	96	32	128	250	(250)	122
2800-2899 Travel	3,120	-	-	-	-	(3,120)	-
2900-2999 Information Services	6,000	2,292	764	3,056	18,000	12,000	14,944
3140-3199 Professional Services	5,200	2,633	878	3,511	4,000	(1,200)	489
3200-3299 Training	1,000	-	-	-	-	(1,000)	-
3345 Office Hospitality	-	-	-	-	-	-	-
3400-3499 Incidental Expenses	500	138	46	184	140	(360)	(44)
Other - vehicle leasing		1,681	-	1,681	6,089	6,089	4,408
	<b>30,360</b>	<b>17,454</b>	<b>5,258</b>	<b>22,712</b>	<b>42,540</b>	<b>12,180</b>	<b>19,828</b>
<b>9 Finance Costs</b>							
3036 Interest on Bank Loan	-	-	-	-	-	-	-
Fines and penalties	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b># Other Expenditure</b>							
3500-3599 Loss / (Profit) on Disposal of assets	-	-	-	-	-	-	-
3695 Increase/(Decrease) in allowance for bad debts	-	-	-	-	-	-	-
8000-8099 Depreciation	72,964	72,964	24,321	97,285	43,484	(29,480)	(53,801)
	<b>72,964</b>	<b>72,964</b>	<b>24,321</b>	<b>97,285</b>	<b>43,484</b>	<b>(29,480)</b>	<b>(53,801)</b>
<b>Total</b>	<b>363,742</b>	<b>339,918</b>	<b>124,213</b>	<b>464,131</b>	<b>506,620</b>	<b>142,878</b>	<b>42,489</b>

**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
	2020	30-Sep	30 Sep-31 Dec	31-Dec	2021		
	€	€	€	€	€	€	€
# <b>Inventory</b>							
5201-5249 Stationery	2,100	-	-	-	-	(2,100)	-
5250-5299 Consumables	-	-	-	-	-	-	-
Books	-	560	-	560	560	560	-
	<b>2,100</b>	<b>560</b>	<b>-</b>	<b>560</b>	<b>560</b>	<b>(1,540)</b>	<b>-</b>
# <b>Receivables</b>							
0201-0209 Receivables	2,000	60,338	(40)	60,298	60,000	58,000	(298)
0210-0219 LES Receivables	-	-	-	-	-	-	-
0220-0229 Receivables from EU	-	-	-	-	-	-	-
0250 Prepayments & Accrued income	22,000	12,183	(597)	11,586	11,000	(11,000)	(586)
Deferred Expenditure - own grants	1,800	-	-	-	-	(1,800)	-
	<b>25,800</b>	<b>72,521</b>	<b>(637)</b>	<b>71,884</b>	<b>71,000</b>	<b>45,200</b>	<b>(884)</b>
# <b>Cash &amp; Equivalents</b>							
5001-5099 Bank & Cash Balances	214,698	177,658	(79,896)	97,762	47,624	(167,074)	(50,138)
	<b>214,698</b>	<b>177,658</b>	<b>(79,896)</b>	<b>97,762</b>	<b>47,624</b>	<b>(167,074)</b>	<b>(50,138)</b>
# <b>Payables</b>							
4000 Payables	58,864	32,187	500	32,687	30,955	(27,909)	(1,732)
4100 Accruals	15,000	13,117	-	13,117	14,000	(1,000)	883
4150 Deferred Income	-	103,241	(75,706)	27,535	26,000	26,000	(1,535)
Current portion of Long-Term Borrowings	-	-	-	-	-	-	-
Capital Creditors	-	-	-	-	-	-	-
	<b>73,864</b>	<b>148,545</b>	<b>(75,206)</b>	<b>73,339</b>	<b>70,955</b>	<b>(2,909)</b>	<b>(2,384)</b>
# <b>Non Current Liabilities</b>							
4200 Long Term Borrowings	-	-	-	-	-	-	-
Deferred Income - Grants	-	-	-	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 16 Depreciation of Property, Plant and Equipment

Asset % of depreciation	1%	Property €	Construction & Street Paving 10%	Office Furniture & Fixtures Fittings 7.50%	Street Signs 100%	Urban Improvements 10%	Office/Comput er Equipment 25%	Plant & Machinery 20%	Special Programmes 10%	Assets under construction 0%	Total €
<b>Cost</b>											
As at 01 January 2021	120,927		369,524	33,941	14,908	152,620	28,473	32,049	1,257,634	27,397	2,037,473
Additions	-		-	-	-	110,889	-	-	-	-	110,889
Disposals	-		-	-	-	-	-	-	-	-	-
As at 31 December 2021	120,927		369,524	33,941	14,908	263,509	28,473	32,049	1,257,634	27,397	2,148,362
<b>Grants/ other reimbursements</b>											
As at 01 January 2021	4,669		63,937	843	-	36,686	1,328	-	716,224	-	823,687
Additions	-		-	-	-	98,369	-	-	-	-	98,369
As at 31 December 2021	4,669		63,937	843	-	135,055	1,328	-	716,224	-	922,056
<b>Accumulated Depreciation</b>											
As at 01 January 2021	13,332		213,238	26,533	14,908	104,673	22,835	32,064	526,325	-	953,908
Charge for the year	1,163		31,035.00	2,498	-	3,079	1,472	41	4,196	-	43,484
Released on disposal	-		-	-	-	-	-	-	-	-	-
As at 31 December 2021	14,495		244,273	29,031	14,908	107,752	24,307	32,105	530,521	-	997,392
<b>Budgeted NBV 31 Dec 2020</b>	104,087		220,456	3,794	-	25,045	-	-	13,490	-	366,872
<b>Forecasted NBV 1 Jan 2021</b>	102,926		92,349	6,565	-	11,261	4,310	(15)	15,085	27,397	259,878
<b>Budgeted NBV 31 Dec 2021</b>	101,763		61,314	4,067	-	20,702	2,838	(56)	10,889	27,397	228,914