

**Hal Gharghur Local Council**  
**Unaudited Financial Statements**  
**For the period ending 31 March 2019**

**Prepared By: Mr. Michael Debono**  
**obo DConsulta Limited**

**Hal Gharghur Local Council**  
**Unaudited Financial Statements**  
**For the period ending 31 March 2019**

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Statement of the Local Council Members and Executive Secretary's  
Responsibilities

The Local Councils (Financial) Regulations, require the Executive Secretary to prepare a detailed annual administrative report which the Local council's Statement of Comprehensive Income and Statement of Financial Position on an annual basis. The Executive Secretary is to ensure that the Financial Statements forming part of the report present fairly in accordance with International Financial Reporting Standards (IFRSs); and that the financial statements comply with the Local Councils Act, the Local Councils (Financial) Regulations; and the Local Councils (Financial) Procedures issued in terms of the said Act.

The Executive Secretary is responsible to maintain a continuous internal control to ascertain that the accounting, recording and other financial operations are properly conducted in accordance with the Local Councils Act, the Local Councils (Financial) Regulations; and the Local Councils (Financial) Procedures. The Executive Secretary is also responsible for safeguarding the assets of the Local Council and hence for taking reasonable steps for the prevention and detection of fraud and irregularities.

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Ms. Maria Tanti  
Executive Secretary  
24-May-19

**Hal Gharghur Local Council**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**For the period ending 31 March 2019**

	<i>Notes</i>	<b>2019 Jan-March €</b>
<b>INCOME</b>		
Funds received from Government	<b>4</b>	<b>70,704</b>
Local enforcement income	<b>5</b>	<b>438</b>
General income	<b>7</b>	<b>16,339</b>
Income from Bye Laws		<b>-</b>
		<hr/> <b>87,482</b> <hr/>
<b>EXPENDITURE</b>		
Personel emoluments	<b>8</b>	<b>20,868</b>
Operations and maintenance	<b>9</b>	<b>33,200</b>
Administrative and other expenses	<b>10</b>	<b>33,370</b>
		<hr/> <b>87,437</b> <hr/>
<b>OPERATING SURPLUS FOR THE YEAR</b>		<b>44</b>
Investment income	<b>6</b>	<hr/> <b>-</b> <hr/>
<b>SURPLUS FOR THE PERIOD</b>		<hr/> <b>44</b> <hr/>
<b>Add back depreciation charge</b>		<b>24,246</b>
<b>Cash Surplus</b>		<hr/> <b>24,291</b> <hr/>

**Hal Gharghur Local Council**  
**STATEMENT OF FINANCIAL POSITION**  
**For the period ending 31 March 2019**

		<b>2019</b>
		<b>Jan-March</b>
	<i>Notes</i>	<b>€</b>
<b>NON-CURRENT ASSETS</b>		
Property, Plant and equipment	<i>11</i>	375,470
Intangible Assets	<i>11.2</i>	206
Deferred Expenditure		-
		<b>375,676</b>
<b>CURRENT ASSETS</b>		
Inventories	<i>12</i>	2,289
Receivables	<i>13</i>	36,650
Cash and cash equivalents	<i>15.2</i>	299,830
		<b>338,769</b>
<b>Total Assets</b>		<b>714,445</b>
<b>RESERVES</b>		
Retained Funds		545,849
<b>NON-CURRENT LIABILITIES</b>		
Deferred Income	<i>16.2</i>	-
Long Term Borrowing		-
		-
<b>CURRENT LIABILITIES</b>		
Payables	<i>14.1</i>	168,595
Bank balance overdrawn		-
		<b>168,595</b>
<b>Total Equity and Liabilities</b>		<b>714,444</b>
<b>Working Capital</b>		<b>170,174</b>

**These financial statements were approved by the Local council on**  
**and were signed on behalf of the council by:**

\_\_\_\_\_  
**Mayor**

\_\_\_\_\_  
**Maria Tanti**  
**Executive Secretary**

**Hal Gharghur Local Council**  
**STATEMENT OF CHANGES IN EQUITY**  
**For the period ending 31 March 2019**

	<b>Retained Funds €</b>
<b>At 01 January 2018</b>	586,431
Retained surplus for the year	-40,626
Prior year adjustment	
<b>At 31 December 2018</b>	<u>545,805</u>
 <b>At 01 January 2019</b>	 545,805
<b>Prior year adjustment</b>	
Retained surplus for the year	<u>44</u>
 <b>For the period ending 31 March 2019</b>	 <u><b>545,849</b></u>
 <b>Equity interest</b>	 <u><b>545,849</b></u>

**Hal Gharghur Local Council**  
**STATEMENT OF CASHFLOWS**  
**For the period ending 31 March 2019**

		<b>2019</b>
	<i>Notes</i>	<b>Jan-March</b>
		<b>€</b>
<b>Operating Activities</b>		
<b>Profit for the year</b>		<b>44</b>
Adjustments to reconcile profit with net cash flows		
Depreciation & amortisation of intangibles		<b>24,371</b>
Amortisation of grants made by council		<b>300</b>
Bad Debts written off		-
(Decrease)/Increase in provision for LES debtors		-
		-
		-
Interest receivable		-
	<b>16.1</b>	
<b>Surplus before working capital movements</b>		<b>24,716</b>
Movement in Inventories		-
Movement in Receivables	-	<b>8,757</b>
Movement in Payables	-	<b>4,275</b>
<b>Net cashflows from operating activities</b>		<b>11,684</b>
<b>Cashflows from investing activities</b>		
Purchase of property, plant and equipment	<b>15.1</b>	- <b>10,283</b>
Sale of financial assets		
Interest paid		
Interest Received		-
<b>Net cashflows from investing activities</b>	-	<b>10,283</b>
<b>Cashflows from financing activities</b>		
Capital Grants Received		-
Advance payment on grants from ARPA		-
<b>Net cashflows from financing activities</b>		-
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>1,401</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>15.2</b>	<b>298,429</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>15.2</b>	<b>299,830</b>

**Hal Gharghur Local Council**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the period ending 31 March 2019**

**4. FUNDS RECEIVED FROM GOVERNMENT**

**2019**

€

Annual Government Allocation:

- In terms of Section 55 of the Local Councils Act, 1993

**68,778**

Supplementary income

**1,925**

Grants released to income during the year

-

Special Project Allocation

-

Other Supplimentary Government Income

-

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**70,704**

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**5. LOCAL ENFORCEMENT INCOME**

**2019**

€

LES Share of Joint Committee Results

-

Contraventions

-

Income from Regional Committees

**438**

Over provision of accrued income in previous years

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**438**

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**6. INVESTMENT INCOME**

**2019**

€

Bank interest on current and savings accounts

-

Bank interest on term deposits

-

Disposal of financial asset

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-

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**Hal Gharghur Local Council**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the period ending 31 March 2019**

**INCOME FROM BYE LAWS**

**2019**

€

Income from bye laws

-

**0**

**8. PERSONEL EMOLUMENTS**

**2019**

€

Mayor's Honoraria

**1,896**

Councillors' Allowance

**1,600**

Executive Secretary Salary & Allowances

**7,831**

Employees' Salaries & Allowances

**7,813**

Social Security Contributions

**1,205**

Overtime

**524**

**20,868**

**9. OPERATIONS AND MAINTENANCE**

**2019**

€

***REPAIRS AND UPKEEP***

Roads and street pavements - patching works

**3,164**

Road signs and markings

**899**

Public property

-

Council property

-

Office furniture & equipment

-

Plant & machinery

**3,473**

Sundry repairs

-

Other repairs & upkeep

**2,196**

Handyman repairs & upkeep

-

Restoration works

-

**9,733**

**Hal Gharghur Local Council**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the period ending 31 March 2019**

**9. OPERATIONS AND MAINTENANCE (continued)**

	<b>2019</b>
	<b>€</b>
<b><i>CONTRACTUAL SERVICES</i></b>	
Refuse collection	<b>11,072</b>
Bulky refuse collection	<b>1,131</b>
Hire of skips	-
Bring in sites/tipping fees	<b>6,020</b>
Road and street cleaning	<b>3,151</b>
Cleaning and maintenance public conveniences	<b>1,200</b>
Cleaning and maintenance council premises	-
Studies & consultations	-
Cleaning and maintenance parks and gardens	<b>568</b>
Cleaning and maintenance non-urban	-
LES related expenditure & Local Wardens	<b>27</b>
PPP Contracts	-
Other contractual service	<b>298</b>
	<hr/>
	<b>23,467</b>
	<hr/>
<b>TOTAL OPERATIONS AND MAINTENANCE</b>	<b>33,200</b>
	<hr/> <hr/>

**Hal Gharghur Local Council**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the period ending 31 March 2019**

	<b>2019</b>	<b>2018</b>
	<b>Jan-March</b>	<b>Jan-Dec</b>
	<b>€</b>	<b>€</b>
<b>10. ADMINISTRATIVE AND OTHER EXPENSES</b>		
Operating materials and supplies	146	854
Street lightning	1,914	14,034
e-government services	30	1,186
Insurance coverage	622	1,916
Bank charges	71	235
Utilities	1,254	5,742
Cleaning materials and supplies	124	745
Rent	746	3,794
National and International memberships	123	
Advertising and public relations expenses	260	3,391
Community services and Social events (see note 10.1)	659	17,354
Printing, stationery and postages	684	
Hire of equipment	-	
Travel and entertainment	-	
ICT expenses	316	846
Conference and participation expenses	-	
Legal and professional fees	1,091	5,686
Other minor expenses	-	
Movement in Provisions on Bad Debts	- 143	104
Fines, penalties and late payment interest	101	1,192
Depreciation & amortisation of intangibles	24,246	102,628
Amortisation of intangibles	125	440
Library expenses	385	1,415
Licences	-	
Staff Training	-	
Participation fees	300	418
Training Courses	-	
Transport Costs	13	
Amortisation of grants made by council	300	1,200
(Decrease) /Increase Provision for Doubtful Debtors	-	
Bad debts written off	-	
Movement in inventory of books	-	104
	<b>33,370</b>	<b>163,284</b>
<b>10.1 COMMUNITY SERVICES AND SOCIAL EVENTS</b>		
Hospitality - Entertainment and visits	-	
Social Events Various costs	1	
Social Events - SK Qasam Socjali	306	
Social Events - SK Relazzjonijiet Pubblici	353	
Social Events - SKZS - Youths	-	
Social Events - SKE - Culture	-	
Social Events - Cultural	-	-
Milk Festival	-	-
Admin Expenses- Community services	-	
<b>Total Community Services &amp; Social Events</b>	<b>659</b>	<b>-</b>

**Hal Gharghur Local Council****Fixed asset Schedule****As at 31 March 2019****Month  
Factor****3**

	Council Premises	Constructio n & Street Paving	Office Furniture Fixtures &	Street Signs	Urban Improvemen ts	Office/ Computer Equipment	Plant & Machinery	Special Programmes	Assets under Construction	Total
Cost	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
At 01 January 2019	120,927	345,529	30,979	14,908	145,898	23,377	31,846	1,257,634	5,066	1,976,164
Additions	-	-	-	-	944	380	-	-	-	1,324
Disposals								-		-
<b>At 31 March 2019</b>	<b>120,927</b>	<b>345,529</b>	<b>30,979</b>	<b>14,908</b>	<b>146,842</b>	<b>23,757</b>	<b>31,846</b>	<b>1,257,634</b>	<b>5,066</b>	<b>1,977,488</b>
<b>Grant</b>										
At 01 January 2019	- 4,669	- 61,451	- 843	-	- 36,686	- 1,328	-	- 716,224	-	- 821,201
Allocation for the year	-	-	-	-	-	-	-	-	-	-
<b>At 31 March 2019</b>	<b>- 4,669</b>	<b>- 61,451</b>	<b>- 843</b>	<b>-</b>	<b>- 36,686</b>	<b>- 1,328</b>	<b>-</b>	<b>- 716,224</b>	<b>-</b>	<b>- 821,201</b>
<b>Depreciation</b>										
At 01 January 2019	- 9,844	- 155,541	- 21,790	- 14,908	- 79,562	- 21,444	- 30,752	- 422,730	-	- 756,571
Charge for the year	- 291	- 6,990	- 569	-	- 3,108	- 65	- 274	- 12,950	-	- 24,246
Release on disposal										-
<b>At 31 March 2019</b>	<b>- 10,135</b>	<b>- 162,531</b>	<b>- 22,359</b>	<b>- 14,908</b>	<b>- 82,670</b>	<b>- 21,509</b>	<b>- 31,026</b>	<b>- 435,680</b>	<b>-</b>	<b>- 780,817</b>

**Carrying Amount**

**At 31 March 2019**

<b>106,123</b>	<b>121,547</b>	<b>7,777</b>	<b>-</b>	<b>27,486</b>	<b>920</b>	<b>821</b>	<b>105,730</b>	<b>5,066</b>	<b>375,470</b>
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**Hal Gharghur Local Council**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the period ending 31 March 2019**

**11.2 Intangible Asset**

	<b>Office/ Computer Equipment 2019 € 25%</b>
<b>Depreciation Rate</b>	
<b>Cost</b>	
Opening Balances	2,300
Additions during the year	0
Disposals	0
Closing Balance	<u>2,300</u>
<b>Depreciation</b>	
Opening Balances	1,969
Charge for the period	125
	0
Closing Balance	<u>2,094</u>
<b>Grants</b>	
Opening Balances	0
Received for the year	0
	<u>0</u>
<b>Net Book Value</b>	
Opening for the year	331
Closing for the year	<b>206</b>