



Year

Il-Mellieħa Local Council

**Annual Budget
For
Financial Year
2019**

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Overview and Summary

By the end of the financial year 2018, the Seventh Council has come close to the end of its six-year term. At the earlier stage of its term, the Council went through the planning of new projects and initiatives and managed to implement most of them, however there were others which have not reached this stage due to reasons beyond its control. Circumstances are such that the Council is experiencing lack of response on the part of contractors when it comes to tendering. There were cases where repeated calls have been issued, which ultimately would result in delayed implementation.

The Council continued to honour its financial commitments related to the resurfacing of Triq l-Armier under a public private partnership, which would come to an end in 2020. Another significant commitment is related to the reconstruction of Triq il-Qortin, where 18% of the costs are still due to the contractor concerned. However, in the latter case, the outstanding amount will be reimbursed by Transport Malta in virtue of an agreement reached with the same authority.

In 2018, the Council planned to implement the resurfacing of ix-Xatt ta' Santa Marija, which unfortunately did not materialise as the contractor concerned was engaged on major road projects assigned to them by Infrastructure Malta.

The Council has entered into an agreement with the Planning Authority which provides for to grant of €82 200 under the Planning Development Fund, aimed at the installation of twenty-eight new whip type lamps at the upper part of Triq Għajn Żejtuna. The Council is also planning to replace existing lights with ornamental ones in the older urban part of Mellieħa, namely along Triq it-Tramuntana, Triq San Pawl and a section of Triq il-Madonna tal-Għar. This is a continuation of previous similar initiatives involving Triq il-Parroċċa, Misraħ il-Parroċċa, and Triq San Publiju.

A grant involving 85% cofinancing of costs related to the restoration of a rubble wall at Selmun Hill was granted under Measure 4.4 of the European Agricultural Fund for Rural Development. The Council would also be benefitting of an 80% co-financing under the European Regional Development Fund for the restoration and upgrading of Westreme Battery and the Tunnara Museum housed within.

A contract is in place providing for the installation of play equipment and safety rubber flooring at Ġnien Dun Anton Debono and Misraħ tas-Salib Playing Fields. The Council intends to develop another recreational area at Mellieħa Heights, precisely in the plot adjacent to the building MUSEUM. €100,000 have been allocated to this project to finance rock excavation and leveling of site. This project would conclude the development of all public open spaces within the Mellieħa Heights zone.

John Buttigieg
Mayor

Carmel Debono
Executive Secretary

Statement of Income and Expenditure

DESCRIPTION

BUDGET Jan-Dec 2018 €	ACTUAL Jan-Dec 2018 €	BUDGET Jan-Dec 2019 €	VARIANCE Bud-Bud €	VARIANCE Bud-Act €
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Income

Funds received from Central Government (1)	1,193,885	1,176,295	1,395,981	202,096	219,686
Income raised from Bye-Laws (2)	44,420	81,012	78,900	34,480	(2,112)
Income raised from LES (3)	8,000	6,891	7,500	(500)	609
Investment Income (4)	1,400	541	800	(600)	259
Other Income (5)	102,700	6,820	250	(102,450)	(6,570)
TOTAL	1,350,405	1,271,559	1,483,431	133,026	211,872

Expenditure

Personal Emoluments (6)	167,691	156,758	191,264	23,573	34,506
Operations and Maintenance (7)	785,316	709,765	837,962	52,646	128,197
Administration (8)	94,628	41,248	81,817	(12,811)	40,569
Finance Cost (9)	-	-	-	-	-
Other Expenditure (10)	271,005	282,859	367,287	96,282	84,428
TOTAL	1,318,640	1,190,630	1,478,330	159,690	287,700

Surplus / Deficit

31,765	80,929	5,101	(26,664)	(75,828)
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Statement of Financial Position

DESCRIPTION	BUDGET as at 31 Dec 2018 €	ACTUAL as at 31 Dec 2018 €	BUDGET as at 31 Dec 2019 €	VARIANCE Bud-Bud €	VARIANCE Bud-Act €
Non-current Assets					
Property, Plant and Equipment (16)	3,995,774	6,456,979	6,796,551	2,800,777	339,572
Current Assets					
Inventories (11)	20,000	12,028	12,000	(8,000)	(28)
Receivables (12)	96,000	109,935	105,000	9,000	(4,935)
Cash and Cash Equivalents (13)	362,064	842,799	508,428	146,364	(334,371)
Total Current Assets	478,064	964,762	625,428	147,364	(339,334)
Current Liabilities (14)					
Payables	335,817	471,326	473,477	137,660	2,151
Total Current Liabilities	335,817	471,326	473,477	137,660	2,151
Net Current Assets	142,247	493,436	151,951	9,704	(341,485)
Non-current liabilities (15)					
	17,425	14,014	7,000	(10,425)	(7,014)
Net Assets	4,120,596	6,936,401	6,941,502	2,820,906	5,101
Reserves					
Retained Funds	4,120,596	4,070,563	4,075,664	(44,932)	5,101

Financial Situation Indicator

DESCRIPTION	BUDGET as at 31 Dec 2018 €	ACTUAL as at 31 Dec 2018 €	BUDGET as at 31 Dec 2019 €
Current Assets	478,064	964,762	625,428
Current Liabilities	335,817	471,326	473,477
Working Capital	142,247	493,436	151,951
Government Allocation	1,099,031	1,099,031	1,159,252
FSI	13 %	45 %	13 %

Cash Budget

	QTR 1	QTR 2	QTR 3	QTR 4	
DESCRIPTION	JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC	TOTAL
	2019	2019	2019	2019	2019
	€	€	€	€	€
Cash Inflows					
Government cash inflows	348,995	348,995	348,995	348,996	1,395,981
Cash flows from Bye-Laws & L.N fees	19,725	19,725	19,725	19,725	78,900
Local Enforcement cash flows	1,875	1,875	1,875	1,875	7,500
Finance cash flows					
Loan Proceeds					-
Investment income		400		400	800
	-	400	-	400	800
Capital cash flow					
Proceeds from disposal of assets					-
	-	-	-	-	-
Cash received from EU funds					-
Cash received from Twinning					-
Cash from Community Services					-
Other Cash Inflows	383,887	63	383,887	63	767,900
TOTAL Inflows	754,482	371,058	754,482	371,059	2,251,081
Cash Outflows					
Personal Emoluments	47,816	47,816	47,816	47,816	191,264
Operations & Maintenance	209,490	209,491	209,490	209,491	837,962
Administration	20,454	20,454	20,455	20,454	81,817
Finance					-
Capital					
Acquisition of property					-
Construction					-
Improvements	47,807	47,807	47,807	47,808	191,229
Special programmes	154,877	164,377	184,877	767,549	1,271,680
Office Furniture/Equipment	2,875	2,875	2,875	2,875	11,500
	205,559	215,059	235,559	818,232	1,474,409
Cash outflows re EU projects					-
Cash outflows re Twinning					-
Cash outflows re Community Services					-
	-	-	-	-	-
TOTAL Outflows	483,319	492,820	513,320	1,095,993	2,585,452
SURPLUS / (DEFICIT)	271,163	(121,762)	241,162	(724,934)	(334,371)
Brought forward (Bank /Cash Bal.)	842,799	1,113,962	992,200	1,233,362	842,799
Carry forward	1,113,962	992,200	1,233,362	508,428	508,428

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
2018	2018	2018	2018	2019		
€	€	€	€	€	€	€

Income

1 Funds received form Central Government:

0001 In terms of section 55 CAP 363

0002-0004 In terms of section 58 CAP 363

0005-0019 Other Income

1,099,031	854,621	244,410	1,099,031	1,159,252	60,221	60,221
94,854	2,312	771	3,083	224,578	129,724	221,495
-	55,636	18,545	74,181	12,151	12,151	(62,030)
1,193,885	912,569	263,726	1,176,295	1,395,981	202,096	219,686

2 Bye-Laws & Legal Fees

0021-0025 Community Services

0026-0035 Income from Permits

-	160		160	1,900	1,900	1,740
44,420	60,639	20,213	80,852	77,000	32,580	(3,852)
44,420	60,799	20,213	81,012	78,900	34,480	(2,112)

3 Local Enforcement Income

0037 Commission from Regional Committees

0038-0055 Contraventions

8,000	5,168	1,723	6,891	7,500	(500)	609
-	-	-	-	-	-	-
8,000	5,168	1,723	6,891	7,500	(500)	609

4 Investment Income

0091-0095 Bank interest

0096-0099 Income received from Government Securities

1,400	406	135	541	800	(600)	259
-			-		-	-
-			-		-	-
1,400	406	135	541	800	(600)	259

5 General Income

0056-0065 Sponsorships

0066-0069 Documents & Information

0070-0075 EU Funds

0076-0080 Twinning

0081-0089 Insurance Claims

0100-0109 Donations

0110-0119 Contributions

0120-0129 General Income

-	-		-	-	-	-
-	-		-		-	-
102,000	-		-		(102,000)	-
-			-		-	-
-	2,466	822	3,288		-	(3,288)
-			-		-	-
-			-	-	-	-
700	2,649	883	3,532	250	(450)	(3,282)
-			-		-	-
102,700	5,115	1,705	6,820	250	(102,450)	(6,570)

Total

1,350,405	984,057	287,502	1,271,559	1,483,431	133,026	211,872
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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		
2018	2018	2018	2018	2019	Bud-Bud	Bud-Act
€	€	€	€	€	€	€

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Personal Emoluments

1100 Mayor's Allowance	11,196	8,366	2,830	11,196	11,226	30	30
1200 Employees' Salaries & Wages	121,492	88,215	29,405	117,620	136,484	14,992	18,864
1300 Bonuses	9,786	811	270	1,081	11,150	1,364	10,069
1400 Income Supplements	1,454	1,454	-	1,454	1,454	(0)	(0)
1500 Social Security Contributions	10,763	8,055	2,685	10,740	12,569	1,806	1,829
1600 Allowances	11,200	7,936	2,645	10,581	14,382	3,182	3,801
1700 Overtime	1,800	3,064	1,021	4,085	4,000	2,200	(85)
	167,691	117,901	38,857	156,758	191,264	23,573	34,506

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Operations and Maintenance

2100-2149 Public Utilities	10,998	5,933	1,978	7,911	5,537	(5,461)	(2,374)
2200-2259 Public Materials & Supplies	2,200	1,903	634	2,537	2,277	77	(260)
2300-2399 Repairs & Upkeep	112,900	98,528	32,843	131,371	109,400	(3,500)	(21,971)
2400-2449 Rent	4,250	1,300	433	1,733	4,250	-	2,517
3010 Street Lighting	27,000	19,004	6,335	25,339	27,000	-	1,661
3020 Lease of Equipment	-	-	-	-	-	-	-
3030 Insurance	8,500	5,924	1,975	7,899	7,000	(1,500)	(899)
3035 Bank Charges	300	293	98	391	350	50	(41)
3038 Penalties	-	-	-	-	-	-	-
3040 Waste Disposal	400	-	-	-	131,000	130,600	131,000
3041 Refuse Collection	165,000	149,529	49,843	199,372	102,448	(62,552)	(96,924)
3042 Bulky Refuse Collection	11,000	18,886	6,295	25,181	21,000	10,000	(4,181)
3043 Bins on wheels	-	-	-	-	-	-	-
3045 Bring in sites	2,000	389	130	519	3,000	1,000	2,481
3051 Road & Street Cleaning	45,000	25,792	8,597	34,389	35,000	(10,000)	611
3052 Cleaning & Maintenance of Non-Urban Areas	27,000	18,227	6,076	24,303	25,000	(2,000)	697
3053 Cleaning of Public Conveniences	78,000	39,943	13,314	53,257	90,000	12,000	36,743
3055 Cleaning of Council Premises	4,000	10,605	3,535	14,140	3,000	(1,000)	(11,140)
3060 Cleaning & Maintenance of Parks & Gardens	-	-	-	-	-	-	-
3061 Cleaning & Maintenance of Soft Areas	54,575	40,338	13,446	53,784	57,000	2,425	3,216
3062 Cleaning & Maintenance of Beaches & CA	500	-	-	-	500	-	500
3063 Cleaning & Maintenance of Country Non-Urban	1,000	-	-	-	1,000	-	1,000
3064 Other Contractual Services	-	-	-	-	-	-	-
3070-3090 Consultation Fees	2,000	1,085	362	1,447	3,000	1,000	1,553
3100-3139 Contract & Project Management	15,000	11,807	3,936	15,743	17,600	2,600	1,857
3300-3379 Hospitality	99,194	63,900	21,300	85,200	99,000	(194)	13,800
3380-3389 Community	18,899	10,559	3,520	14,079	21,000	2,101	6,921
3600-3694 Local Enforcement Expenses	100	113	38	151	100	-	(51)
3700-3799 EU Projects	85,000	2,833	944	3,777	62,000	(23,000)	58,223
3800-3899 Twinning	10,500	5,433	1,811	7,244	10,500	-	3,256
	-	-	-	-	-	-	-
	785,316	532,324	177,441	709,765	837,962	52,646	128,197

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	Bud-Bud	Bud-Act
2018	2018	2018	2018	2019		
€	€	€	€	€	€	€

8 Administration & Other Expenditure

2150-2199 Office Utilities	8,338	5,886	1,962	7,848	8,689	351	841
2260-2299 Office Materials & Supplies	-	-	-	-	-	-	-
2450-2499 Office Rent	-	-	-	-	-	-	-
2500-2599 National & International Memberships	1,300	1,258	419	1,677	1,900	600	223
2600-2699 Office Services	6,900	4,713	1,571	6,284	6,850	(50)	566
2700-2799 Transport	11,240	1,667	556	2,223	14,700	3,460	12,477
2800-2899 Travel	3,300	891	297	1,188	3,300	-	2,112
2900-2999 Information Services	42,200	8,868	2,956	11,824	25,478	(16,722)	13,654
3050 Office Cleaning	400	-	-	-	400	-	400
3140-3199 Professional Services	12,700	3,431	1,144	4,575	11,500	(1,200)	6,925
3200-3299 Training	6,000	3,450	1,150	4,600	4,250	(1,750)	(350)
3345 Office Hospitality	-	-	-	-	-	-	-
3400-3499 Incidental Expenses	2,250	772	257	1,029	4,750	2,500	3,721
				-		-	-
Total	94,628	30,936	10,312	41,248	81,817	(12,811)	40,569

9 Finance Costs

3036 Interest on Bank Loan

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

10 Other Expenditure

3500-3599 Loss / (Profit) on Disposal of assets
 3695 Increase/(Decrease) in allowance for bad debts
 8000-8099 Depreciation (Charge for the Year)

			-		-	-
			-		-	-
271,005	212,144	70,715	282,859	367,287	96,282	84,428
271,005	212,144	70,715	282,859	367,287	96,282	84,428

Total

1,318,640	893,305	297,325	1,190,630	1,478,330	159,690	287,700
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Detailed Estimates of Statement of Financial Position

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
	2018	2018	2018	2018	2019		
	€	€	€	€	€	€	€
11 Inventory							
5201-5249 Stationery	20,000	10,813	1,215	12,028	12,000	(8,000)	(28)
5250-5299 Consumables				-		-	-
				-		-	-
	20,000	10,813	1,215	12,028	12,000	(8,000)	(28)
12 Receivables							
0201-0209 Receivables	20,000	67,200	(12,152)	55,048	55,000	35,000	(48)
0210-0219 LES Receivables	-	-		-		-	-
0220-0229 Receivables from EU	-			-		-	-
0250 Prepayments & Accrued income	76,000	19,634	35,253	54,887	50,000	(26,000)	(4,887)
	-			-		-	-
	96,000	86,834	23,101	109,935	105,000	9,000	(4,935)
13 Cash & Equivalents							
5001-5099 Bank & Cash Balances	362,064	872,349	(29,550)	842,799	508,428	146,364	(334,371)
	362,064	872,349	(29,550)	842,799	508,428	146,364	(334,371)
14 Payables							
4000 Payables	200,000	350,108	14,283	364,391	352,477	152,477	(11,914)
4100 Accruals	100,000	120,725	(21,743)	98,982	100,000	-	1,018
4150 Deferred Income	-			-		-	-
Current portion of Long-Term Borrowings	-			-	-	-	-
Current portion of Long-Term Borrowings	35,817	11,365	(3,412)	7,953	21,000	(14,817)	13,047
	335,817	482,198	(10,872)	471,326	473,477	137,660	2,151
15 Non Current Liabilities							
4200 Long Term Borrowings	17,425	45,496	(31,482)	14,014	7,000	(10,425)	(7,014)
				-		-	-
	17,425	45,496	(31,482)	14,014	7,000	(10,425)	(7,014)

16 Depreciation of Property, Plant and Equipment

Asset									
	Property	Special Programmes	Assets under Const	Street Signs	Urban Improvements	Plant & Machinery	Office Furniture		Total
% of depreciation	1%	10%	0%	100%	10%	20%	7.5%		
	€	€	€	€	€	€	€	€	€
Cost									
As at 01 January 2019	568,224	9,748,703	569,732	73,322	545,142	47,996	189,613		11,742,732
Additions		1,271,780			191,229	11,500			1,474,509
Disposals									-
As at 31 December 2019	568,224	11,020,483	569,732	73,322	736,371	59,496	189,613	-	13,217,241
Grants/ other reimbursements									
As at 01 January 2019			358,902						358,902
Additions		767,650	-		-				767,650
As at 31 December 2019	-	767,650	358,902	-	-	-	-	-	1,126,552
Accumulated Depreciation									
As at 01 January 2019	19,933	4,175,101	-	73,322	542,801	40,212	75,482	-	4,926,851
Charge for the year	5,483	330,030			19,357	3,857	8,560		367,287
Released on disposal									-
As at 31 December 2019	25,416	4,505,131	-	73,322	562,158	44,069	84,042	-	5,294,138
Budgeted NBV 31 Dec 2018	544,739	2,621,597	592,808	-	122,770	2,806	111,054	-	3,995,774
Forecasted NBV 1 Jan 2019	548,291	5,573,602	210,830	-	2,341	7,784	114,131	-	6,456,979
Budgeted NBV 31 Dec 2019	542,808	5,747,702	210,830	-	174,213	15,427	105,571	-	6,796,551