

Notes to the Financial Statements for the year ended 31 December 2015 (cont.)**9. Operations and Maintenance**

	2015	2014
	€	€
<i>Repairs and Upkeep:</i>		
Road/Street Pavements (patching works)	17,203	12,311
Signs and Road Markings	4,121	3,540
Council premises	266	346
Xlendi maintenance and upkeep	6,831	1,700
Restoration work - underground mill	-	4,155
Restoration works - Mithna	-	826
Other repairs and Upkeep	13,002	1,024
Public Property	367	642
	<u>41,790</u>	<u>24,544</u>
<i>Contractual Services:</i>		
Refuse Collection	20,487	20,622
Bulky Refuse Collection	643	524
Road & Street Cleaning	4,612	9,752
Cleaning - Public Conveniences	7,192	6,775
Cleaning & Maintaining Parks & Gardens	1,152	340
Cleaning & Maintenance of verges	1,801	484
Cleaning & Maintenance of Council premises	1,373	1,299
Tipping fees	9,920	10,743
Insurance	1,707	1,813
Local Enforcement System expenses	715	1,032
Street Lighting	8,291	4,577
Other contractual services	-	272
	<u>57,893</u>	<u>58,233</u>
Total Operations and Maintenance Costs	<u>99,683</u>	<u>82,777</u>

Notes to the Financial Statements for the year ended 31 December 2015 (cont.)**10. Administration and other expenditure**

	2015	2014
	€	€
Utilities	7,177	6,898
Materials and supplies	788	249
Rent	2,446	3,412
Office repair and upkeep	781	838
Office Services	5,158	5,787
Transport	398	480
Information Services	1,225	307
Training	-	830
Professional Services	6,580	4,943
Community services and events	20,200	23,310
Increase in provision for doubtful debts	-	3,986
Bad Debts written off	136	-
Sundry expenses	33	-
Depreciation	122,439	98,380
	<u>167,361</u>	<u>149,420</u>

11. Finance Income

	2015	2014
	€	€
Bank Interest Receivable	90	22
	<u>90</u>	<u>22</u>

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Notes to the Financial Statements for the year ended 31 December 2015 (cont.)

12. Property, plant and equipment

	Buildings & Improv €	Office Furniture & Fittings €	Computer & Office Equipment €	Plant & Machinery €	New Street Signs €	Urban Improv €	Const €	Assets under const €	Special Progr €	Total €
Cost										
At 1 January 2014	3,736	15,223	41,794	1,210	3,785	91,581	142,060	52,170	821,503	1,173,062
Additions	-	360	2,662	-	-	-	22,682	-	473,935	499,639
Disposals	-	-	-	-	-	-	-	(52,170)	52,170)	-
At 31 December 2014	3,736	15,583	44,456	1,210	3,785	91,581	164,742	-	1,347,608	1,672,701
Depreciation										
At 1 January 2014	533	9,173	33,535	788	3,785	23,989	65,774	-	244,125	381,702
Charge for the year	32	462	2,208	84	-	7,280	8,085	-	80,229	98,380
On disposal	-	-	-	-	-	-	-	-	-	-
At 31 December 2014	565	9,635	35,743	872	3,785	31,269	73,859	-	324,354	480,082
Grants										
At 1 January 2014	-	-	-	-	-	-	-	-	-	-
At 31 December 2014	-	-	-	-	-	-	-	-	202,470	202,470
Net Book values										
At 31 December 2014	3,171	5,948	8,713	338	-	60,312	90,883	-	820,784	990,149

MUNXAR LOCAL COUNCIL

Notes to the Financial Statements for the year ended 31 December 2015 (cont.)

12. Property, plant and equipment (cont.)

	Buildings & Improvement €	Office Furniture & Fittings €	Computer & Office Equipment €	Plant & Machinery €	New Street Signs €	Urban Improvement €	Const €	Assets under constr €	Special Program €	Total €
Cost										
At 1 January 2015	3,736	15,583	44,456	1,210	3,785	91,581	164,742	-	1,347,608	1,672,701
Additions	-	-	-	-	-	37,186	6,283	187,088	98,124	328,681
Reclassification	-	-	-	-	-	-	-	-	-	-
At 31 December 2015	3,736	15,583	44,456	1,210	3,785	128,767	171,025	187,088	1,445,732	2,001,382
Depreciation										
At 1 January 2015	565	9,635	35,743	872	3,785	31,269	73,859	-	324,354	480,082
Charge for the year	32	431	1,669	62	-	7,082	8,684	-	104,479	122,439
At 31 December 2015	597	10,066	37,412	934	3,785	38,351	82,543	-	428,833	602,521
Grants										
At 1 January 2015	-	-	-	-	-	-	-	-	202,470	202,470
At 31 December 2015	-	-	-	-	-	-	-	-	-	-
Net Book values										
At 31 December 2015	3,139	5,517	7,044	276	-	90,416	88,482	187,088	814,429	1,196,391

Notes to the Financial Statements for the year ended 31 December 2015 (cont.)**13. Receivables**

	2015	2014
	€	€
Accounts receivable	1,881	5,466
Prepayments and accrued income	45,472	143,939
	<u>47,353</u>	<u>149,405</u>

Receivables

General receivables are analysed as follows:

	2015	2014
	€	€
Within credit period	45,682	147,905
Exceeded credit period but not impaired	1,671	1,500
Impaired and provided for	-	-
Provision for doubtful debts	-	-
	<u>47,353</u>	<u>149,405</u>

Included in the accounts receivable are amounts due from related parties amounting to €1,831 (2014 : €1,260). These amounts are unsecured, interest free and repayable on demand.

14. Cash & cash equivalents

Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts.

	2015	2014
	€	€
Cash at Bank	183,880	296,538
Cash in Hand	317	317
	<u>184,197</u>	<u>296,855</u>

Notes to the Financial Statements for the year ended 31 December 2015 (cont.)**15. Payables**

	2015	2014
	€	€
Payables	111,518	233,335
Other payables	7,312	170
Deferred Income	84,434	44,040
Accruals	49,842	34,256
	<u>253,106</u>	<u>311,801</u>

Included in the accounts payable are amounts due to related parties amounting to €5,507 (2014 : €3,398). These amounts are unsecured, interest free and repayable on demand.

16. Deferred Income

	2015	2014
	€	€
Government grants		
At 1 January	793,761	416,961
Increase in year	181,399	440,636
	<u>975,160</u>	<u>857,597</u>
Released in year	(80,373)	(63,836)
At 31 December	<u>894,787</u>	<u>793,761</u>
 Current Deferred Income	 <u>84,434</u>	 <u>44,040</u>
 Non-Current Deferred Income	 <u>810,353</u>	 <u>749,721</u>
 Deferred Government Grants		
Deferred between one and two years	62,306	42,372
Deferred between two and five years	191,511	98,884
Deferred in five years or more	556,536	608,465
	<u>810,353</u>	<u>749,721</u>
 Deferred after five years or more	 <u>556,536</u>	 <u>608,465</u>

Notes to the Financial Statements for the year ended 31 December 2015 (cont.)**17. Capital Commitments**

	2015	2014
	€	€
Details of capital commitments at the accounting date are as follows:		
- Approved but not yet contracted for	-	282,895
- Contracted for but not provided in the financial statements	12,363	-
(i) Approved but not yet contracted for:		
Pjazza tal-Munxar	-	64,546
Ticketing system at Mithna	-	13,970
Upgrading of Triq Zghawri Nature Walk	-	204,379
	-	282,895
(i) Contracted for but not provided in the Financial Statements:		
Decorative luminaries	-	-
Special Programmes - PPP	-	-
Pavements - Pathways - Xlendi	12,363	-
	12,363	-

18. Ultimate controlling party

The ultimate controlling party of the local council is Central Government since the Council's main revenue is from the Government allocation received every quarter. Apart from the normal funds received from Government, Councils also receive funds relating to specific projects as well as other funds for the improvement and betterment of the locality.

19. Financial Risk Management

The Council's activities expose it to credit risk and liquidity risk through its use of financial instruments which result from its operating activities. The Council is not exposed to any market risk. The Council's risk management is coordinated by the council members and focuses on actively securing the council's short to medium term cash flow by minimising exposure to financial risks.

The most significant financial risks to which the council is exposed are described below.

Credit risk

Financial assets which potentially subject the Council to concentrations of credit risk consist principally of cash at bank and debtors. The Council's cash is placed with quality financial institutions as well as it limits the amount of credit exposure with any one financial institution. The Council has appropriate policies to ensure that income is received from sources with appropriate credit history. In this respect, credit risk with respect to debtors is monitored continuously and the Council places a provision on any debt on which there is doubt of recoverability. Bad debts are therefore negligible and in this respect the Council has no significant concentration of credit risk.