

NADUR Local Council

**Annual Budget
For
Financial Year
2018**

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Overview and Summary

The Nadur Local Council based its forecasts for the annual budget for year 2018 primarily on the forecasted figures for year ended 31 December 2017. In relation to expenses as a whole, with the exception of personal emoluments, an allowance of 1% increase on 2017 actual figures was provided for in order to compensate for inflation and related increase in prices. The forecasted expenditure for personal emoluments was based on actual wages and salaries which will be paid by the Local Council in 2018 in accordance with the various laws and regulations governing this expenditure. With respect to income, it is important to point out that the annual allocation, being the main income for the Local Council, was provided for in the budget based on the actual allocation to be received in 2018 from the Central Government.

Over the last years, the Nadur Local Council's financial position was characterised by a fiscal deficit arising from several capital projects undertaken by past administrations which were not suitably financed. The current administration as it has been doing from its inception is continuously trying to address this situation mainly by:

(i) Giving particular attention to all recurrent expenditure and ensuring that all expenses made are necessary and give the best value added;

(ii) Not undertaking any capital expenditure unless such expenditure is mainly financed by alternative sources. With respect to capital expenditure, it is important to point out that as can be seen from the depreciation schedule on page 11, the Nadur Local Council allocated in total for year 2018 Euro 188,407 for the construction and resurfacing of various roads. One should note that Euro 143,407 of these funds will be obtained in 2018 directly from Central Government for Triq il-Qortin and in fact in the same depreciation schedule, under 'Grants / Other Reimbursements', an equivalent amount was allocated meaning that specific funds will be received for this particular capital expenditure and will thus not be a burden on the financial situation of the Local Council. The remaining Euro 45,000 were allocated from the Local Council own funds. However, such funds were already in the Local Council's possession in 2017 as can be seen from the 'Cash and Cash Equivalents' figure in the Budgeted Statement of Affairs under the column 'Forecast as at 31 December 2017' amounting to Euro 76,407. Thus, as can be seen from the annual budget, such provision for capital expenditure will not impair the financial situation of the Local Council; and

(iii) Providing in the annual budget for 2018, the repayment of part of the deficit of the Local Council. Such repayment portion was arrived at after considering the income and expenditure of the Local Council for the coming years. The Nadur Local Council forecasts to revert its financial deficit situation by the year 2020 as projected in the deficit plan made by the same Local Council.

Mayor

Executive Secretary

Budgeted Statement of Income and Expenditure**DESCRIPTION**

BUDGET Jan-Dec 2017 €	FORECAST Jan-Dec 2017 €	BUDGET Jan-Dec 2018 €	VARIANCE Bud-Bud €	VARIANCE Bud-Act €
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Income

Funds received from Central Government (1)	542,442	541,097	555,137	12,695	14,040
Income raised from Bye-Laws (2)	18,093	18,663	18,850	757	187
Income raised from LES (3)	1,757	2,567	2,593	836	26
Investment Income (4)	36	31	31	(5)	0
Other Income (5)	9,911	20,400	16,599	6,688	(3,801)
TOTAL	572,239	582,758	593,209	20,970	10,451

Expenditure

Personal Emoluments (6)	82,677	80,190	86,801	4,124	6,611
Operations and Maintenance (7)	277,327	277,375	285,123	7,796	7,748
Administration (8)	50,592	47,454	47,929	(2,663)	475
Finance Cost (9)	2,274	1,967	1,987	(287)	20
Other Expenditure (10)	152,507	151,982	132,744	(19,763)	(19,238)
TOTAL	565,377	558,968	554,584	(10,793)	(4,384)

Surplus / Deficit

6,862	23,790	38,625	31,763	14,835
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Budgeted Statement of Affairs

DESCRIPTION	BUDGET as at 31 Dec 2017 €	FORECAST as at 31 Dec 2017 €	BUDGET as at 31 Dec 2018 €	VARIANCE Bud-Bud €	VARIANCE Bud-Act €
Non-current Assets					
Property, Plant and Equipment (16)	1,434,829	1,460,745	1,373,001	(61,828)	(87,744)
Current Assets					
Inventories (11)	-	-	-	-	-
Receivables (12)	7,410	23,506	20,624	13,214	(2,882)
Cash and Cash Equivalents (13)	15,158	76,407	34,766	19,608	(41,641)
Total Current Assets	22,568	99,913	55,390	32,822	(44,523)
Current Liabilities (14)					
Payables	758,821	858,797	696,495	(62,326)	(162,302)
Current portion of Long-Term Borrowings	9,448	9,448	9,448	-	-
Total Current Liabilities	768,269	868,245	705,943	(62,326)	(162,302)
Net Current Assets	(745,701)	(768,332)	(650,553)	95,148	117,779
Non-current liabilities (15)	35,243	34,934	26,344	(8,899)	(8,590)
Net Assets	653,885	657,479	696,104	42,219	38,625
Reserves					
Retained Funds	653,885	657,479	696,104	42,219	38,625

Financial Situation Indicator

DESCRIPTION	BUDGET as at 31 Dec 2017 €	FORECAST as at 31 Dec 2017 €	BUDGET as at 31 Dec 2018 €
Current Assets	22,568	99,913	55,390
Current Liabilities	768,269	868,245	705,943
Total Long Term Liabilities	35,243	34,934	26,344
Commitments approved by Ministry	-	-	-
	(780,944)	(803,266)	(676,897)
Government Allocation	542,442	541,097	555,137
FSI	-143.97%	-148.45%	-121.93%

Cash Budget

DESCRIPTION	QTR 1	QTR 2	QTR 3	QTR 4	TOTAL
	JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC	
	2018	2018	2018	2018	
	€	€	€	€	€
Cash Inflows					
Government cash inflows	125,357	125,357	125,357	125,357	501,429
Cash flows from Bye-Laws & L.N fees	4,713	4,713	4,713	4,712	18,849
Local Enforcement cash flows	648	648	648	648	2,593
Finance cash flows					
Loan Proceeds	-	-	-	-	-
Investment income	8	8	8	8	31
	8	8	8	8	31
Capital cash flow					
Proceeds from disposal of assets	-	-	-	-	-
	-	-	-	-	-
Cash received from EU funds	-	-	-	-	-
Cash received from Twinning	-	-	-	-	-
Cash from Community Services	-	-	-	-	-
Other Cash Inflows	4,150	4,150	4,150	4,150	16,599
TOTAL Inflows	134,876	134,876	134,876	134,875	539,501
Cash Outflows					
Personal Emoluments	21,700	21,700	21,700	21,700	86,801
Operations & Maintenance	71,281	71,281	71,281	71,281	285,123
Administration	11,982	11,982	11,982	11,982	47,929
Finance	29,072	29,072	29,072	29,072	116,289
Capital					
Acquisition of property	-	-	-	-	-
Construction	11,250	11,250	11,250	11,250	45,000
Improvements	-	-	-	-	-
Special programmes	-	-	-	-	-
	11,250	11,250	11,250	11,250	45,000
Cash outflows re EU projects	-	-	-	-	-
Cash outflows re Twinning	-	-	-	-	-
Cash outflows re Community Services	-	-	-	-	-
	-	-	-	-	-
TOTAL Outflows	145,286	145,286	145,286	145,286	581,142
SURPLUS / (DEFICIT)	(10,410)	(10,410)	(10,410)	(10,411)	(41,641)
Brought forward (Bank /Cash Bal.)	76,407	65,997	55,587	45,177	76,407
Carry forward	65,997	55,587	45,177	34,766	34,766

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		
2017	2017	2017	2017	2018	Bud-Bud	Bud-Act
€	€	€	€	€	€	€

Income**1 Funds received form Central Government:**

0001 In terms of section 55 CAP 363	452,946	342,210	110,736	452,946	481,929	28,983	28,983
0002-0004 In terms of section 58 CAP 363	26,000	2,577	66,398	68,975	63,208	37,208	(5,767)
0005-0019 Other Income	63,496	19,176	-	19,176	10,000	(53,496)	(9,176)
	542,442	363,963	177,134	541,097	555,137	12,695	14,040

2 Bye-Laws & Legal Fees

0021-0025 Community Services	1,837	982	1,805	2,787	2,815	978	28
0026-0035 Income from Permits	16,256	13,096	2,780	15,876	16,035	(221)	159
	18,093	14,078	4,585	18,663	18,850	757	187

3 Local Enforcement Income

0037 Commission from Regional Committees	-	-	-	-	-	-	-
0038-0055 Contraventions	1,757	2,118	449	2,567	2,593	836	26
	1,757	2,118	449	2,567	2,593	836	26

4 Investment Income

0091-0095 Bank interest	36	-	31	31	31	(5)	0
0096-0099 Income received from Government Securities	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	36	-	31	31	31	(5)	0

5 General Income

0056-0065 Sponsorships	8,918	7,700	(2,500)	5,200	2,700	(6,218)	(2,500)
0066-0069 Documents & Information	993	11	127	138	139	(854)	1
0070-0075 EU Funds	-	-	-	-	-	-	-
0076-0080 Twinning	-	-	-	-	-	-	-
0081-0089 Insurance Claims	-	1,439	-	1,439	-	-	(1,439)
0100-0109 Donations	-	-	-	-	-	-	-
0110-0119 Contributions	-	-	-	-	-	-	-
0120-0129 General Income	-	-	-	-	-	-	-
	-	10,895	2,728	13,623	13,759	13,759	136
	9,911	20,045	355	20,400	16,599	6,688	(3,801)

Total

572,239	400,204	182,554	582,758	593,209	20,970	10,451
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Detailed Estimates of Expenditure**DESCRIPTION**

A	B	C	D (B + C)	E	F (E - A)	G (E - D)
BUDGET Jan-Dec	ACTUAL Jan-Sept	FORECAST Oct-Dec	TOTAL Jan-Dec	BUDGET Jan-Dec	VARIANCE	VARIANCE
2017	2017	2017	2017	2018	Bud-Bud	Bud-Act
€	€	€	€	€	€	€

6 Personal Emoluments

1100 Mayor's Allowance	13,644	8,709	5,036	13,745	13,864	220	119
1200 Employees' Salaries & Wages	58,915	40,790	14,525	55,315	60,618	1,703	5,303
1300 Bonuses	2,667	-	3,291	3,291	3,299	632	8
1400 Income Supplements	-	-	-	-	-	-	-
1500 Social Security Contributions	5,485	3,762	1,333	5,095	5,549	64	454
1600 Allowances	466	365	141	506	880	414	374
1700 Overtime	1,500	1,455	783	2,238	2,591	1,091	353
	82,677	55,081	25,109	80,190	86,801	4,124	6,611

7 Operations and Maintenance

2100-2149 Public Utilities	15,541	5,693	736	6,429	6,493	(9,048)	64
2200-2259 Public Materials & Supplies	6,501	4,928	1,697	6,625	6,691	190	66
2300-2399 Repairs & Upkeep	21,471	20,324	8,129	28,453	28,738	7,267	285
2400-2449 Rent	2,543	1,347	1,183	2,530	2,530	(13)	-
3010 Street Lighting	6,242	4,650	9,405	14,055	14,196	7,954	141
3020 Lease of Equipment	38,299	25,562	9,819	35,381	35,735	(2,564)	354
3030 Insurance	1,351	1,149	283	1,432	1,446	95	14
3035 Bank Charges	688	200	28	228	230	(458)	2
3038 Penalties	-	86	91	177	179	179	2
3040 Waste Disposal	25,799	14,915	4,695	19,610	19,806	(5,993)	196
3041 Refuse Collection	46,195	40,780	13,905	54,685	55,232	9,037	547
3042 Bulky Refuse Collection	5,954	7,897	2,367	10,264	10,367	4,413	103
3043 Bins on wheels	-	-	-	-	-	-	-
3045 Bring in sites	30,196	-	-	-	-	(30,196)	-
3051 Road & Street Cleaning	19,263	16,033	(240)	15,793	15,951	(3,312)	158
3052 Cleaning & Maintenance of Non-Urban Areas	-	-	-	-	-	-	-
3053 Cleaning of Public Conveniences	3,190	3,596	474	4,070	4,111	921	41
3055 Cleaning of Council Premises	804	676	326	1,002	1,012	208	10
3060 Cleaning & Maintenance of Parks & Gardens	259	4,485	1,080	5,565	5,621	5,362	56
3061 Cleaning & Maintenance of Soft Areas	-	-	-	-	-	-	-
3062 Cleaning & Maintenance of Beaches & CA	-	-	-	-	-	-	-
3063 Cleaning & Maintenance of Country Non-Urban	-	-	-	-	-	-	-
3064 Other Contractual Services	22,443	15,795	4,305	20,100	20,301	(2,142)	201
3070-3090 Consultation Fees	-	10,046	1,541	11,587	11,703	11,703	116
3100-3139 Contract & Project Management	-	2,198	2,898	5,096	5,147	5,147	51
3300-3379 Hospitality	30,092	28,120	6,173	34,293	39,636	9,544	5,343
3380-3389 Community	-	-	-	-	-	-	-
3600-3694 Local Enforcement Expenses	496	-	-	-	-	(496)	-
3700-3799 EU Projects	-	-	-	-	-	-	-
3800-3899 Twinning	-	-	-	-	-	-	-
	277,327	208,480	68,895	277,375	285,123	7,796	7,748

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		
	2017	2017	2017	2017	2018	Bud-Bud	Bud-Act
	€	€	€	€	€	€	€
8 Administration & Other Expenditure							
2150-2199 Office Utilities	-	1,547	669	2,216	2,238	2,238	22
2260-2299 Office Materials & Supplies	-	-	-	-	-	-	-
2450-2499 Office Rent	-	-	-	-	-	-	-
2500-2599 National & International Memberships	1,817	1,567	-	1,567	1,583	(234)	16
2600-2699 Office Services	8,685	5,058	2,281	7,339	7,412	(1,273)	73
2700-2799 Transport	4,546	4,581	2,233	6,814	6,882	2,336	68
2800-2899 Travel	7,518	3,051	2,273	5,324	5,377	(2,141)	53
2900-2999 Information Services	8,466	4,484	2,730	7,214	7,286	(1,180)	72
3050 Office Cleaning	-	-	-	-	-	-	-
3140-3199 Professional Services	19,424	10,718	5,974	16,692	16,859	(2,565)	167
3200-3299 Training	-	-	24	24	24	24	0
3345 Office Hospitality	-	-	-	-	-	-	-
3400-3499 Incidental Expenses	136	167	97	264	267	131	3
	-	-	-	-	-	-	-
	50,592	31,173	16,281	47,454	47,929	(2,663)	475
9 Finance Costs							
3036 Interest on Bank Loan	2,274	1,019	948	1,967	1,987	(287)	20
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	2,274	1,019	948	1,967	1,987	(287)	20
10 Other Expenditure							
3500-3599 Loss / (Profit) on Disposal of assets	-	-	-	-	-	-	-
3695 Increase/(Decrease) in allowance for bad debts	-	-	-	-	-	-	-
8000-8099 Depreciation	152,507	107,225	44,757	151,982	132,744	(19,763)	(19,238)
	152,507	107,225	44,757	151,982	132,744	(19,763)	(19,238)
Total	565,377	402,978	155,990	558,968	554,584	(10,793)	(4,384)

Detailed Estimates of Statement of Affairs

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
	2017	2017	2017	2017	2018		
	€	€	€	€	€	€	€
11 Inventory							
5201-5249 Stationery	-	-	-	-	-	-	-
5250-5299 Consumables	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
12 Receivables							
0201-0209 Receivables	5,735	13,726	3,172	16,898	14,234	8,499	(2,664)
0210-0219 LES Receivables	-	-	-	-	-	-	-
0220-0229 Receivables from EU	-	-	-	-	-	-	-
0250 Prepayments & Accrued income	1,675	7,252	(644)	6,608	6,390	4,715	(218)
	-	-	-	-	-	-	-
	7,410	20,978	2,528	23,506	20,624	13,214	(2,882)
13 Cash & Equivalents							
5001-5099 Bank & Cash Balances	15,158	(547)	76,954	76,407	34,766	19,608	(41,641)
	15,158	(547)	76,954	76,407	34,766	19,608	(41,641)
14 Payables							
4000 Payables	261,433	290,554	(42,849)	247,705	141,993	(119,440)	(105,712)
4100 Accruals	11,199	7,727	42,223	49,950	47,068	35,869	(2,882)
4150 Deferred Income	486,189	549,684	11,458	561,142	507,434	21,245	(53,708)
Current portion of Long-Term Borrowings	9,448			9,448	9,448	-	-
	-	-	-	-	-	-	-
	768,269	847,965	10,832	868,245	705,943	(62,326)	(162,302)
15 Non Current Liabilities							
4200 Long Term Borrowings	35,243	36,348	(1,414)	34,934	26,344	(8,899)	(8,590)
	-	-	-	-	-	-	-
	35,243	36,348	(1,414)	34,934	26,344	(8,899)	(8,590)

16 Depreciation of Property, Plant and Equipment

Asset		Trees	Office Furniture / Fittings	Office & Computer Equipment	Plant & Machinery	Urban Improvements	New Street Signs	Construction	Special Programmes	Council Premises	Total
% of depreciation		0%	8%	20% - 25%	20%	10%	0%	10%	10%	1%	
Cost		€	€	€	€	€	€	€	€	€	€
As at 01 January	2018	6,812	32,674	32,271	32,625	556,551	13,942	2,464,311	136,328	138,150	3,413,664
Additions		-	-	-	-	-	-	188,407	-	-	188,407
Disposals		-	-	-	-	-	-	-	-	-	-
As at 31 December	2018	6,812	32,674	32,271	32,625	556,551	13,942	2,652,718	136,328	138,150	3,602,071
Grants/ other reimbursements											
As at 01 January	2018	-	-	-	-	-	-	229,616	68,341	-	297,957
Additions		-	-	-	-	-	-	143,407	-	-	143,407
As at 31 December	2018	-	-	-	-	-	-	373,023	68,341	-	441,364
Accumulated Depreciation											
As at 01 January	2018	-	21,695	24,657	30,017	368,766	13,942	1,133,221	54,835	7,829	1,654,962
Charge for the year		-	724	1,655	562	17,901	-	109,771	834	1,297	132,744
Released on disposal		-	-	-	-	-	-	-	-	-	-
As at 31 December	2018	-	22,419	26,312	30,579	386,667	13,942	1,242,992	55,669	9,126	1,787,706
Budgeted NBV 31 Dec	2017	6,812	10,972	5,288	2,622	190,803	0	1,075,833	13,117	129,382	1,434,829
Forecasted NBV 1 Jan	2018	6,812	10,979	7,614	2,608	187,785	-	1,101,474	13,152	130,321	1,460,745
Budgeted NBV 31 Dec	2018	6,812	10,255	5,959	2,046	169,884	-	1,036,703	12,318	129,024	1,373,001