

NADUR Local Council

Quarterly Financial Report

for the Period

1st January till End of September 2018 (Quarter 3)

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Overview and Summary

In the following pages, the Nadur Local Council is presenting the quarterly financial report for period January till September 2018, which depicts the financial status of the Local Council for this period. It is important to understand that the quarterly report was presented on the accruals principle. Such principle is highly prominent when considering expenses. This is so since when applying such principle not only the expenditure which was paid during the period is taken into consideration, but also those expenses which have been incurred by the Council during the period but were still due as at the end of this said period. In this way, income is matched with the corresponding expenditure, resulting in a more reliable and wholesome picture of the financial situation being considered.

As can be seen from the statement of income and expenditure, the Nadur Local Council ended up with a deficit of Euro 5,127 for this financial quarter. However, this does not imply that the Local Council increased its fiscal deficit. On the contrary, such fiscal deficit decreased when compared to the previous quarterly report, as also confirmed by the financial situation indicator (FSI). One must appreciate the fact that during the months of July to September 2018, the Nadur Local Council engaged in a lot of activities which are incorporated in the annual calendar of activities of the Local Council including amongst others the Delicata Wine Festival. In addition to that, at the end of July 2018, the Nadur Local Council also hosted the European Charter of Rural Communities, which although partly financed by the European Charter by means of a grant of Euro 15,000, such event was still an extraordinary burden on the Council's finances. In fact, the European Charter of Rural Communities is estimated to have amounted to around Euro 35,000 in cash outflows for the Nadur Local Council. This fact explains why expenditure up till end of September 2018 amounts to around 80% of budget.

However, it is vital to point out, that in spite of the day-to-day expenditure and all other activity related expenditure that the Council incurred including the European Charter of Rural Communities mentioned above, the Local Council still managed to repay part of its deficit as per planned repayment schedules. In addition, the Nadur Local Council also managed to apply for and get the necessary funding for the construction and laying with tarmac of Triq il-Qortin and the embellishment of various rural roads in Nadur. Thus, even though the financial position of the Nadur Local Council is of vital importance for the mayor and the councillors, as evidenced from the improvement in the deficit position and the FSI, the Nadur Local Council continuously strive to take every opportunity available to maximise returns for the Nadur community.

Mayor

Executive Secretary

Statement of Income and Expenditure

1st January till End of September 2018 (Quarter 3)

DESCRIPTION	Actual for the Period	Annual Budget 2018	Virements for the Period	Revised Annual Budget 2018
	€	€	€	€
Income				
Funds received from Central Government (1)	396,480	555,137	-	555,137
Income raised from Bye-Laws (2)	14,761	18,850	-	18,850
Income raised from LES (3)	1,280	2,593	-	2,593
Investment Income (4)	6	31	-	31
Other Income (5)	26,448	16,598	-	16,598
TOTAL	438,975	593,209	-	593,209
Expenditure				
Personal Emoluments (6)	63,342	86,801	-	86,801
Operations and Maintenance (7)	231,336	288,623	-	288,623
Administration (8)	51,173	47,929	-	47,929
Finance Cost (9)	866	1,987	-	1,987
Other Expenditure (10)	97,385	132,744	-	132,744
TOTAL	444,102	558,084	-	558,084
Surplus / Deficit	(5,127)	35,125	-	35,125

Statement of Financial Position as at end of September 2018 (Quarter 3)

DESCRIPTION

	Actual for the Period	Annual Budget 2018	Virements for the Period	Revised Annual Budget 2018
	€	€	€	€
Non-current Assets				
Property, Plant and Equipment (17)	1,410,236	1,373,001		1,373,001
Current Assets				
Inventories (11)	-	-	-	-
Receivables (12)	46,364	20,624	-	20,624
Cash and Cash Equivalents (13)	194,485	31,266	-	31,266
Total Current Assets	240,849	51,890	-	51,890
Current Liabilities				
Payables (14)	962,181	705,943	-	705,943
Total Current Liabilities	962,181	705,943	-	705,943
Net Current Assets	(721,332)	(654,053)	-	(654,053)
Non-current liabilities (15)	29,500	26,344	-	26,344
Net Assets	659,404	692,604	-	692,604
Reserves				
Retained Funds	659,404	692,604	-	692,604

Financial Situation Indicator

DESCRIPTION

Current Assets	240,849	51,890	-	51,890
Current Liabilities	962,181	705,943	-	705,943
Working Capital	(721,332)	(654,053)	-	(654,053)
Government Allocation	471,929	471,929	-	471,929
FSI	(153) %	(139) %		(139) %

Cash flow Statement

DESCRIPTION

	Actual for the Period	Annual Budget 2018	Virements for the Period	Revised Annual Budget 2018
	€	€	€	€
Cash flow from operating activities				
Surplus for the year	(5,127)	35,125	-	35,125
Adjustments for:				
Depreciation	97,385	132,744	-	132,744
Increase / (Decrease) in Allowance for Bad Debts	-	-	-	-
Interest receivable	(6)	(31)	-	(31)
Interest payable	866	1,987	-	1,987
(Profit) / Loss on disposal of asset	-	-	-	-
Transfer of Grants to Profit & Loss	-	5,109	-	5,109
Increase / (Decrease) in payables	-35,286	(322,944)	-	(322,944)
Increase / (Decrease) in accruals	-19,470	11,950	-	11,950
Decrease / (Increase) in receivables	-22,858	2,882	-	2,882
Decrease / (Increase) in inventories	-	-	-	-
Decrease / (Increase) in inventories	-	-	-	-
Cash generated from operations	15,504	(133,178)	-	(133,178)
Interest paid	-	-	-	-
<i>Net cash from operating activities</i>	15,504	(133,178)	-	(133,178)
Cash flows from investing activities				
Purchase of property, plant & equipment	-34,715	(45,000)	-	(45,000)
Proceeds from sale of property, plant & equipment	0	-	-	-
Grants received	0	-	-	-
Interest received	6	31	-	31
<i>Net cash used in investing activities</i>	(34,709)	(44,969)	-	(44,969)
Cash flows from financing activities				
Proceeds from long-term borrowings	0	-	-	-
Interest Paid	-866	(1,987)	-	(1,987)
Bank Loan Repayments	-5,434	(8,590)	-	(8,590)
<i>Net cash from financing activities</i>	(6,300)	(10,577)	-	(10,577)
Net increase/(decrease) in cash & cash equivalents	(25,505)	(188,724)	-	(188,724)
Cash & cash equivalents at beginning of year	219,990	219,990	-	219,990
Cash & cash equivalents at end of Quarter	194,485	31,266	-	31,266

Detailed Income

DESCRIPTION

		Actual for the Period	Annual Budget 2018	Virements for the Period	Revised Annual Budget 2018
		€	€	€	€
	Income				
1	Funds received from Cental Government:				
	0001 In terms of section 55 CAP 363	356,447	481,929	-	481,929
	0002-0004 In terms of section 58 CAP 363	37,033	63,208	-	63,208
	0005-0019 Other income	3,000	10,000	-	10,000
		396,480	555,137	-	555,137
2	Income raised from Bye-Laws				
	0021-0025 Community Services	636	2,815	-	2,815
	0026-0035 Income from Permits	14,125	16,035	-	16,035
		14,761	18,850	-	18,850
3	Local Enforcement Income				
	0037 Commission from Regional Committees	-	-	-	-
	0038-0055 Contraventions	1,280	2,593	-	2,593
		1,280	2,593	-	2,593
4	Investment Income				
	0091-0095 Bank interest	6	31	-	31
	0096-0099 Income received from Governmet Securities	-	-	-	-
		6	31	-	31
5	0056-0065 Sponsorships	10,000	2,700	-	2,700
	0066-0069 Documents & Information	11	139	-	139
	0070-0075 EU funds	-	-	-	-
	0076-0080 Twinning	-	-	-	-
	0081-0089 Insurance Claims	-	-	-	-
	0100-0109 Donations	-	-	-	-
	0110-0119 Contributions	-	-	-	-
	0120-0129 General Income	16,437	13,759	-	13,759
		26,448	16,598	-	16,598
	Total	438,975	593,209	-	593,209

Detailed Expenditure

DESCRIPTION		Actual for the Period	Annual Budget 2018	Virements for the Period	Revised Annual Budget 2018
		€	€	€	€
6 i)	Personal Emoluments				
	1100 Mayor's Allowance	8,798	13,864	-	13,864
	1200 Employees' Salaries & Wages	44,889	60,618	-	60,618
	1300 Bonuses	-	3,299	-	3,299
	1400 Income Supplements	819	-	-	-
	1500 Social Security Contributions	4,082	5,549	-	5,549
	1600 Allowances	858	880	-	880
	1700 Overtime	3,896	2,591	-	2,591
		63,342	86,801	-	86,801
DESCRIPTION		€	€	€	€
7	Operations and Maintenance				
	2100-2149 Public Utilities	8,038	6,493	-	6,493
	2200-2259 Public Materials & Supplies	6,906	6,691	-	6,691
	2300-2399 Repairs & upkeep	18,070	28,738	-	28,738
	2400-2449 Rent	2,144	2,530	-	2,530
	3010 Street Lightning	2,748	14,196	-	14,196
	3020 Lease of Equipment	34,155	35,735	-	35,735
	3030 Insurance	683	1,446	-	1,446
	3035 Bank Charges	132	230	-	230
	3038 Penalties	5	179	-	179
	3041 Refuse Collection	40,856	19,806	-	19,806
	3042 Bulky Refuse Collection	5,626	55,232	-	55,232
	3043 Bins on wheels	-	10,367	-	10,367
	3045 Bring in sites	-	-	-	-
	3051 Road & Street Cleaning	7,135	-	-	-
	3052 Cleaning & Maintenance of Non-Urban Areas	693	15,951	-	15,951
	3053 Cleaning of Public Conveniences	2,334	-	-	-
	3055 Cleaning of Council Premises	1,272	4,111	-	4,111
	3040 Waste Disposal	15,892	1,012	-	1,012
	3060 Cleaning & Maintenance of Parks & Gardens	5,110	5,621	-	5,621
	3061 Cleaning & Maintenance of Soft Areas	-	-	-	-
	3062 Cleaning & Maintenance of Beaches & CA	-	-	-	-
	3063 Cleaning & Maintenance of Country Non-Urban	-	-	-	-
	6064 Other Contractual Services	11,123	20,301	-	20,301
	3070-3090 Consultation Fees	9,041	11,703	-	11,703
	3100-3139 Contract & Project Management	5,717	5,147	-	5,147
	3300-3379 Hospitality	52,975	39,636	-	39,636
	3380-3389 Community	60	-	-	-
	3390-3394 Donations	-	-	-	-
	3600-3694 Local Enforcement Expenses	621	-	-	-
	3700-3799 EU Projects	-	3,500	-	3,500
	3800-3899 Twinning	-	-	-	-
		231,336	288,623	-	288,623
8	Administration				
	2150-2199 Office Utilities	1,858	2,238	-	2,238
	2260-2299 Office Materials & Supplies	-	-	-	-
	2450-2499 Office Rent	-	-	-	-
	2500-2599 National & International Memberships	1,683	1,583	-	1,583
	2600-2699 Office Services	4,725	7,412	-	7,412
	2700-2799 Transport	10,785	6,882	-	6,882
	2800-2899 Travel	2,531	5,377	-	5,377
	2900-2999 Information Services	10,908	7,286	-	7,286
	3050 Office Cleaning	2,574	-	-	-
	3410-3199 Professional Services	15,812	16,859	-	16,859
	3200-3299 Training	46	24	-	24
	3345 Office Hospitality	-	-	-	-
	3400-3499 Incidental Expenses	251	267	-	267
		51,173	47,929	-	47,929
9	Finance Costs				
	3036 Interest on Bank Loan	866	1,987	-	1,987
		866	1,987	-	1,987

Detailed Statment of Financial Position

DESCRIPTION

	Actual for the Period	Annual Budget 2018	Virements for the Period	Revised Annual Budget 2018
	€	€	€	€
10 Other Expenditure				
3500-3599 Loss / (Profit) on Disposal of asset	-	-	-	-
3695 Increase/(Decrease) in allowance for bad debts	-	-	-	-
8000-8099 Depreciation As at end of September 2018	97,385	132,744	-	132,744
Depreciation				
	97,385	132,744	-	132,744
Total	444,102	558,084	-	558,084
11 Inventories				
5201-5249 Stationery	-	-	-	-
5250-5299 Consumables	-	-	-	-
	-	-	-	-
12 Receivables				
0201-0209 Receivables	22,317	14,234	-	14,234
0210-0219 LES Receivables	-	-	-	-
0220-0229 Receivables from EU	-	-	-	-
0250 Prepayments & Accrued income	24,047	6,390	-	6,390
		-	-	-
	46,364	20,624	-	20,624
13 Cash & Equivalents				
5001-5099 Bank & Cash Balances	194,485	31,266	-	31,266
	194,485	31,266	-	31,266
14 Payables				
4000 Payables	227,251	141,993	-	141,993
4100 Accruals	15,647	47,068	-	47,068
4150 Deferred Income	709,835	507,434	-	507,434
Short-term Borrowings	9,448	9,448	-	9,448
		-	-	-
	962,181	705,943	-	705,943
15 Non Current Liabilities				
4200 Long Term Borrowing	29,500	26,344	-	26,344
		-	-	-
	29,500	26,344	-	26,344

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17 Depreciation of Property, Plant and Equipment

Asset

% of depreciation

Trees	Office Furniture / Fittings	Office & Computer Equipment	Plant & Machinery	Urban Improvements	New Street Signs	Construction	Special Programmes	Council Premises	Total
0%	8%	20% - 25%	20%	10%	0%	10%	10%	1%	
€	€	€	€	€	€	€	€	€	€

Cost

As at 1st January 2018

Additions

Disposals

As at end of September 2018

6,812	32,674	32,271	32,625	556,551	13,942	2,464,311	136,328	138,150	3,413,664
-	204	264	-	7,660	-	26,587	-	-	34,715
-	-	-	-	-	-	-	-	-	-
6,812	32,878	32,535	32,625	564,211	13,942	2,490,898	136,328	138,150	3,448,379

Grants/ other reimbursements

As at 1st January 2018

Additions

As at end of September 2018

-	-	-	-	-	-	229,616	68,341	-	297,957
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	229,616	68,341	-	297,957

Accumulated Depreciation

As at 1st January 2018

Charge for the period

Released on disposal

As at end of September 2018

-	21,695	24,657	30,017	366,817	13,942	1,122,070	54,835	8,768	1,642,801
-	548	1,269	430	13,785	-	79,786	601	966	97,385
-	-	-	-	-	-	-	-	-	-
-	22,243	25,926	30,447	380,602	13,942	1,201,856	55,436	9,734	1,740,186

NBV As at end of September 2018

6,812	10,635	6,609	2,178	183,609	-	1,059,426	12,551	128,416	1,410,236
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