

**Local Council Naxxar**

**Report & Financial Statements**

**for the year ended 31 December 2016**



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Statement of Local Council Members' and Executive Secretary's Responsibilities  
for the year ended 31 December 2016

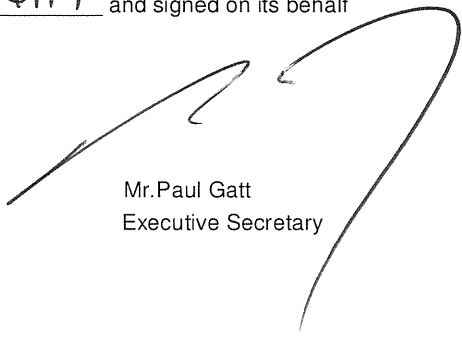
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The Local Councils (Financial) Regulations require the Executive Secretary to prepare a detailed annual administrative report which includes a statement of the Local Council's comprehensive income for the year, and of the Council's retained funds at the end of year. By virtue of the same regulations it is the duty of the Local Council and the Executive Secretary to ensure that the financial statements forming part of the report present fairly, in accordance with the accounting policies applicable to Local Councils, the income and expenditure of the Local Council for the year and its retained funds as at the year end, and that they comply with the Act, the Local Council (Financial) Regulations, and the Local Council (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, Local Council (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 other irregularities.

This statement was approved by the Council on 25/4/17 and signed on its behalf  
by:

  
Dr. Maria F. Deguara  
Mayor

  
Mr. Paul Gatt  
Executive Secretary

**LOCAL COUNCIL NAXXAR**  
**Report of the Local Government Auditors to the Auditor General**

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**Report on the Audit of the Financial Statements**

We have audited the financial statements of LOCAL COUNCIL NAXXAR, set out on pages 4 to 27, which comprise the statement of financial position as at 31 December 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

**Qualified Opinion**

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of LOCAL COUNCIL NAXXAR as at 31 December 2016, and its financial performance for the year then ended in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

**Basis for Qualified Opinion**

In accordance with the Local Enforcement System (LES) issued by the Ministry by virtue of Article 72 of the Local Councils Act, 1993, the income relating to contraventions was delegated to the local councils through Legal Notice 32 of 2000. The Council entered into a pooling agreement with a number of local councils within the Local Enforcement System and formed a Joint Committee to manage and administer this function up to September 2011, when this was delegated to Regional Committees. In view that no proper audited financial statements have been prepared by the Joint Committee, we could not obtain reasonable assurance on the completeness of the share of income, which amounted to €2,856 for the year under review, which has been recorded in the financial statements as well as on any possible accrued income or liabilities present as at end of the current financial year.

The Council maintains a fixed asset register to record fixed assets acquired by it. However, a number of assets have been incorrectly categorized with the consequence that an incorrect depreciation rate has been applied and recognised in the financial statements. Whilst we believe that there may be material misstatements in the depreciation provision and charge for the year, there were no practicable procedures to arrive to the exact amount of misstatement in the depreciation provision and depreciation charge for the year.

The Council received a number of government grants with respect of various capital projects. The Council's policy in this respect is to apply IAS 20 – Accounting for Government Grants and Disclosure of Government Assistance using the income approach in relation to such grants. The amount recognised by the Council as deferred income liability at year end amounted to €430,079. In view of a substantial number of errors and inconsistencies in the workings provided by the Council, we could not reconcile and agree with the grant workings provided by Council with those reflected in the financial statements. Based on these findings we believe there may be material misstatements in the deferred income liability recognised by the Council but there were no practicable procedures to arrive to the exact amount of misstatement in relation to the deferred income liability and release to comprehensive income statement for the year.

International Financial Reporting Standards require that all applicable standards and their disclosure requirements are complied with in the preparation of financial statements. These financial statements lack proper disclosures emanating from IAS 38-Intangible Assets in relation to the proper recognition and disclosure of computer software/website applications. Furthermore, there is also a lack disclosure emanating from IAS 1 – Presentation of Financial Statements in relation to the full disclosures of accounting policies, new and revised standards applicable from 2016 and those issued but not yet applicable; from IAS 24-Related Parties in view that note 20 to the financial statements does not reflect the requirement of articles 18, 25 and 26 of the said standard. These financial statements also have omitted disclosure with respect to capital commitments of the Council amounting to €393,152 in line with the requirements of IAS 16-Property, Plant and Equipment and contingent liabilities amounting to €8,100 in line with the requirements of IAS 37-Provisions, Contingent Liabilities and Contingent Assets.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Council in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

#### **Other Information**

The Council is responsible for the other information. The other information comprises the Statement of Local Council Members' and Executive Secretary's Responsibilities. Our opinion on the financial statements does not cover this information, including the Statement of Local Council Members' and Executive Secretary's Responsibilities. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. We have nothing to report in this regard.

#### **Council's Responsibility for the Financial Statements**

The Council Members and the Executive Secretary are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

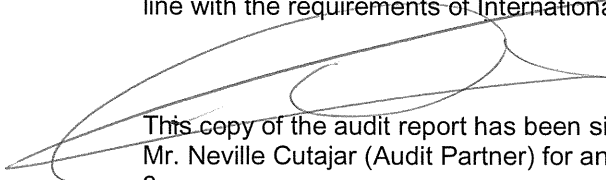
In preparing the financial statements, the management are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intend to cease operations, or has no realistic alternative but to do so.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

#### **Report on Other Legal and Regulatory Requirements**

The Local Council (Financial) Procedures, 1996, require that the financial statements should be prepared in accordance with the International Financial Reporting Standards. In view of the matters set out under the basis for qualified opinion section of this report, these financial statements have not been prepared in line with the requirements of International Financial Reporting Standards.



This copy of the audit report has been signed by  
Mr. Neville Cutajar (Audit Partner) for and on behalf of  
3a  
Certified Public Accountants  
Level 2, Palazzo Ca Brugnara',  
Valley Road, Birkirkara

Date: 25<sup>th</sup> April 2017

Local Council Naxxar

Statement of Profit or Loss and Other Comprehensive Income  
for the year ended 31 December 2016

	Notes	2016 €	2015 €
<b>Revenue</b>			
Funds received from Central Government	3	1,047,766	920,438
Income raised under Local Council Bye-Laws	4	50,911	39,125
Income raised under Local Enforcement System	5	14,650	11,908
General Income	6	8,993	9,440
		1,122,319	980,911
<b>Expenditure</b>			
Personal Emoluments	7	(166,212)	(154,289)
Operations and maintenance	8	(387,503)	(426,132)
Administration and other expenditure	9	(372,390)	(311,308)
		(926,105)	(891,729)
<b>Operating profit for the year</b>		196,214	89,182
Finance income	10	1,749	1,262
<b>Profit for the year</b>	7	197,963	90,444
<b>Total comprehensive income for the year</b>		197,963	90,444

The notes on pages 8 to 31 form an integral part of these financial statements.

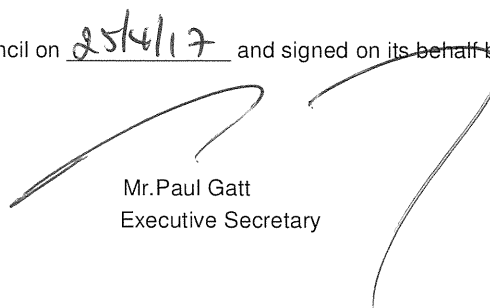
Statement of Financial Position  
as at 31 December 2016

		2016	2015
	Notes	€	€
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Intangible Assets		179,174	225,270
Property, plant and equipment	11	1,286,713	1,220,985
		1,465,887	1,446,255
<b>Current Assets</b>			
Inventories	12	864	810
Receivables	13	53,512	77,871
Cash at bank and in hand	14	830,060	760,288
		884,436	838,969
<b>Total Assets</b>		<b>2,350,323</b>	<b>2,285,224</b>
<b>RESERVES</b>			
Retained earnings		1,760,503	1,562,540
<b>Total reserves</b>		<b>1,760,503</b>	<b>1,562,540</b>
<b>Non-Current Liabilities</b>			
Deferred income	16	299,600	429,689
		299,600	429,689
<b>Current Liabilities</b>			
Payables	15	231,241	222,994
Deferred Income		58,979	70,001
		290,220	292,995
<b>Total Liabilities</b>		<b>589,820</b>	<b>722,684</b>
<b>Total reserves and liabilities</b>		<b>2,350,323</b>	<b>2,285,224</b>

These financial statements were approved by the Local Council on 25/4/17 and signed on its behalf by:



Dr. Maria F. Deguara  
Mayor



Mr. Paul Gatt  
Executive Secretary

Statement of Changes in Equity  
for the year ended 31 December 2016

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	Retained Funds
	€
At 1 January 2015	1,472,096
Profit for the year	90,444
At 31 December 2015	<u>1,562,540</u>
At 1 January 2016	1,562,540
Profit for the year	197,963
Total comprehensive income for the year	197,963
At 31 December 2016	<u>1,760,503</u>



Statement of Cash Flows  
for the year ended 31 December 2016

	2016	2015
	€	€
Net profit / (loss) for the year	197,963	90,444
Reconciliation to cash generated from operations:		
Depreciation	177,592	128,807
Movement in Provision for Doubtful Debts	1,341	-
Movement in Provision for Court Case	392	2,608
Interest receivable	(1,749)	(1,262)
Operating profit before working capital changes	375,539	220,597
(Decrease)/Increase in inventories	54	104
Decrease in receivables	(46,440)	38,603
Increase in payables	8,247	(27,621)
Government grant released	(72,928)	(25,317)
Cash generated in operating activities	264,472	206,366
Cash flow from investing activities		
Interest received	1,749	1,262
Purchase of property, plant & equipment	(197,225)	(317,123)
Receipt of grant	-	208,361
Cash (used in) investing activities	(195,476)	(107,500)
Net Increase in cash in the year	69,772	98,866
Cash at bank and in hand at beginning of year	760,288	661,422
Cash at bank and in hand at end of year	830,060	760,288

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**1. General Information**

The Naxxar Local Council is the local authority of Malta set up in accordance with the Local Councils Act(1993). The office of the Local Council is situated at Civic Centre, 21<sup>st</sup> September Avenue Street, Naxxar. These financial statements were approved for issue by the Council Members on \_\_\_\_\_. The Local Council's presentation as well as functional currency are denominated in €.

**2. Accounting Policies and Reporting Procedures**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

***Accounting convention***

These financial statements are prepared under the historical cost convention, as modified to include fair values where it is stated in the accounting policies below. These financial statements are prepared in accordance with the provisions of the Local Councils Act Cap. 363, the Financial Regulations issued in terms of this Act and the Local Councils (Financial) Procedures 1996 enacted in Malta and with the requirements of the International Financial Reporting Standards.

These financial statements have been drawn up in accordance with the accounting policies and reporting procedures prescribed for Local Councils in the Financial Regulations issued by the Minister of Finance in conjunction with the Minister responsible for Local Government in terms of section 67 of the Local Councils Act (Cap. 363).

***New and amended standards adopted by the Local Council***

During the year under review, the Council has applied the following International Financial Reporting Standards as adopted by the EU:

Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32) was issued in December 2011. The amendments clarify (a) the meaning of 'currently has a legally enforceable right of set-off'; and (b) that some gross settlement systems would be considered equivalent to net settlement if they eliminate or result in insignificant credit and liquidity risk and process receivables and payables in a single settlement process or cycle. The amendment is required to be applied for annual periods beginning on or after 1 January 2014.

***New important standards and amendments not yet adopted by EU***

A number of new International Financial Reporting Standards and amendments and revisions thereto were in issue but not yet adopted by the EU during the financial year under review. These include the following:

IFRS 9 Financial Instruments is applicable for annual periods beginning on or after 1 January 2018. This Standard represents the completion of the classification and measurement part of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. This Standard addresses the classification and measurement of certain financial assets and financial liabilities. IFRS 9 requires financial assets that fall within its scope to be classified on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The Standard requires financial assets to be subsequently measured at amortised cost or at fair value. The new requirements in relation to financial liabilities address the problem of volatility in profit or loss arising from an issuer to measure its own debt at fair value. With the new requirements, any entity choosing to measure a liability at fair value will present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income rather than within profit or loss.

In December 2013, the IASB issued Annual Improvements to IFRSs 2010-2012 Cycle, a collection of amendments to IFRSs, in response to eight issues addressed during the 2010-2012 cycle. The amendments reflect issues discussed by the IASB during the project cycle that began in 2010, and that were subsequently included in the exposure draft of proposed amendments to IFRSs Annual Improvements to IFRSs 2010-2012 Cycle (published in May 2012). The issues included in this cycle are: Short term receivables and payables (IFRS 13); Interest paid that is capitalised (IAS 7); Revaluation method - proportionate restatement of accumulated depreciation (IAS 16 and IAS 38); an Key management personnel services (IAS 24). The amendments are effective for annual periods beginning on or after 1 July 2014.

In September 2014, the IASB issued Annual Improvements to IFRSs 2012-2014 Cycle. The issues included in this cycle are: Changes in methods of disposal (IFRS 5), Servicing Contracts and the Applicability of the amendments to IFRS 7, the amendments are effective from 1 January 2016.

On 12 May 2014 the IASB published amendments to IAS 16 and IAS 38. These amendments clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. Furthermore, it clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances. These amendments are effective for annual periods beginning on or after 1 January 2016.

The Councilors are assessing the impact that the adoption of these International Financial Reporting Standards will have on the financial statements in the period of initial application. The Councilors anticipate that the adoption of other International Financial Reporting Standards that were in issue at the date of authorisation of these financial statements, but not yet effective will have no material impact on the financial statements in the period of initial application.

**Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses to date. Depreciation is calculated on a monthly basis using the reducing balance method at rates calculated to write off the cost less residual value of each asset over its expected useful life as follows:

	%
Land	0
Trees	0
Buildings	1
Office Furniture and Fittings	7.5
Construction Works	10
Urban Improvements (Street Furniture)	10
Special Projects	10
Office Equipment	20
Motor Vehicles	20
Plant and Machinery	20
Computer Equipment	25
Plants	100
Litter Bins	Replacement Basis
Playground Furniture	100
Traffic Signs	Replacement Basis
Road Signs	Replacement Basis
Street Mirrors	Replacement Basis
Street Lights	100

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit. The residual values and useful lives of the assets are reviewed and adjusted as appropriate, at each Statement of Financial Position date. The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

Subsequent costs are included in the carrying amount of the asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

**Impairment of Assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the fair value of the asset less costs to sell and the value in use. Impairment losses are immediately recognised as an expense in the Statement of Comprehensive Income.

***Leases***

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of comprehensive income on a straight-line basis over the period of the lease.

***Inventories***

Inventories are valued at the lower of cost and net realisable value.

***Amounts receivable***

Amounts receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of amounts receivable is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount of the asset and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the Statement of comprehensive income.

***Related parties***

Related parties are those persons or bodies of persons having relationships with the Council as defined in International Accounting Standard No. 24.

***Borrowings***

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, any difference between the proceeds and the redemption value is recognised in the income and expenditure account over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Local Council has an unconditional right to defer settlement of the liability for at least 12 months after the Statement of Financial Position date.

***Revenue***

Revenue is recognised when there are no significant uncertainties concerning the derivation of consideration or associated costs. Interest income is recognised in the statement of comprehensive income as it accrues.

Income from central government is not recognised until there is reasonable assurance that the Council will comply with any conditions attached to it, and that the income will be received. The received income is to be recorded gross and any deductions made for non-compliance are to be disclosed separately with expenses.

***Government grants***

Government grants relating to costs are deferred and recognised in the statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the income statement over the expected lives of the related assets.

***Foreign currencies***

Items included in the financial statements are measured using the currency of the primary economic environment in which the Local Council operates. These financial statements are presented in €, which is the Council's functional and presentation currency.

Transactions denominated in foreign currencies are translated into € at the rates of exchange in operation on the dates of the transactions. Monetary assets and liabilities expressed in foreign currencies are translated into € at the rates of exchange prevailing at the date of the Statement of Financial Position.

***Borrowing costs***

Borrowing costs are recognised as an expense in the period in which they are incurred.

***Profits and losses***

Only profits that were realised at the date of the Statement of Financial Position are recognised in these financial statements. All foreseeable liabilities and potential losses arising up to the said date are accounted for even if they become apparent between the said date and the date on which the financial statements are approved.

***Cash and Cash Equivalents***

Cash and Cash Equivalents are carried in the Statement of Financial Position at face value. For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise cash in hand and balances held with banks.

***Critical Accounting Estimates and Judgements***

Estimates and judgements are continually evaluated and based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. In the opinion of the Executive Secretary, the accounting estimates and judgements made in the preparation of the Financial Statements are not difficult, subjective or complex, to a degree that would warrant their description as critical in terms of the requirements of IAS1 (revised) - 'Presentation of Financial Statements'.

***Capital Management***

The Council's capital consists of its net assets, including working capital, represented by its retained funds. The Council's management objectives are to ensure:

- that the Council's ability to continue as a going concern is still valid and
- that the Council maintains a positive working capital ratio.

To achieve the above, the Council carries out a quarterly review of the working capital ratio ("Financial Situation Indicator"). This ratio was positive at the reporting date and has not changed significantly from the previous year. The Council also uses budgets and business plans to set its strategy to optimise its use of available funds and implement its commitments to the locality.

***Financial instruments***

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value plus transactions costs. They are measured subsequently as described below.

***Financial assets***

For the purpose of subsequent measurement, financial assets of the Council are classified into loans and receivables upon initial recognition.

Receivables are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

All income and expenses relating to loans and receivables are presented within 'finance income' or 'finance costs', except for impairment of receivables which is presented within 'administration and other expenditure'.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Council's other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other available features of shared credit risk characteristics. The percentage of the write down is then based on recent historical counterparty default rates for each identified group.

***Financial liabilities***

The Council's financial liabilities include other payables. These are stated at their nominal amount which is a reasonable approximation of fair value.

All interest-related charges are included within 'finance costs'.

**3. Funds received from central government**

	2016 €	2015 €
In terms of section 55 of the Local Councils Act	878,622	852,796
Supplementary Government Income	72,359	30,046
Other Government Income	96,785	37,596
	1,047,766	920,438

**4. Income raised from Bye-Laws**

	2016 €	2015 €
Media Advertising	5,546	(247)
Income from Permits	39,918	35,343
Community Services incl. organization of courses	5,447	4,029
	50,911	39,125

**5. Local Enforcement System**

	2016 €	2015 €
Contraventions	2,856	454
Admin Fee re Regional Committees	11,794	11,454
	14,650	11,908

**6. General Income**

	2016 €	2015 €
Library Services	598	600
Bye-Law - Signs	(36,486)	1,433
Cultural Events	-	195
Penalties from Contactor Guarantees	-	698
Hire of Council Hall	512	576
General Income	40,126	1,513
Tables & Chairs	2,451	2,066
Tender Documents / Info Charges	82	693
Contributions & Donations	1,710	1,666
	8,993	9,440



**7. Profit/(loss) for the year**

		<b>2016</b>	<b>2015</b>
		<b>€</b>	<b>€</b>
Profit/(loss) for the year is stated after charging:			
Staff salaries	<i>Note</i>	166,212	154,289
Depreciation of assets		<u>177,592</u>	<u>128,807</u>

**Staff salaries**

	<b>2016</b>	<b>2015</b>
	<b>€</b>	<b>€</b>
Mayor's Remuneration	10,875	9,535
Councillors' Allowances	11,114	10,320
Executive Secretary Salary and Allowances	34,164	33,357
Employees' Salaries	99,059	90,987
Social Security Contributions	11,001	10,090
	<u>166,212</u>	<u>154,289</u>

**Average number of people employed**

Employees	7	6
Mayor & Councillors	<u>10</u>	<u>10</u>

**8. Operations and Maintenance**

	<b>2016</b>	<b>2015</b>
	<b>€</b>	<b>€</b>
<i>Repairs and Upkeep:</i>		
Repairs to Public Property	2,580	4,204
Road / Street Pavements	2,646	4,305
Signs	5,829	5,435
Road Markings	2,794	1,772
Office Furniture & Equipment	1,283	290
Bus Shelters	-	-
Council Property	1,495	2,357
Repairs & Upkeep	354	358
Litter Bins	2,000	1,441
	<u>18,981</u>	<u>20,162</u>

**8. Operation & Maintenance (Continued)***Contractual Services:*

Refuse Collection	80,293	82,759
Bulky Refuse Collection	39,929	38,394
Separated Waste Collection	107,822	147,095
Open Skips	478	217
Road & Street Cleaning	60,404	65,000
Cleaning & Maint. Non-Urban	16,641	18,525
Cleaning & Maint - Public Conveniences	5,595	5,595
Cleaning - Council Premises	5,060	4,870
Clean. & Maint. Parks & Gardens	37,275	38,562
Street Lighting	13,254	5,492
Lease of Equipment	-	(20)
Bring in sites	448	-
Local Enforcement Expenses	1,323	(519)
	<u>368,522</u>	<u>405,970</u>

Total Operations and Maintenance Costs	<u>387,503</u>	<u>426,132</u>
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**9. Administration and other expenditure**

	<b>2016</b>	<b>2015</b>
	<b>€</b>	<b>€</b>
Utilities	19,422	17,988
Other repairs and upkeep	3,067	4,621
Rent	1,780	1,413
National and International Memberships	4,757	583
Office Services	5,182	4,351
Transport	3,606	3,466
Settlement of Court Disputes	42,461	3,006
Information Services	5,293	7,760
Insurance Coverage	1,665	1,376
Bank Charges	83	129
Professional Services	57,114	61,468
Tuition for Courses & Expenses	6,933	8,020
Conference Expenses	984	1,410
Entertainment	-	(800)
Visits Foreign Delegations	2,363	1,939
Social Events	445	1,424
Twinning Expenses	594	22,175
Cultural Events	26,567	26,243
Christmas Lightening & Decorations	5,994	7,845
Community Services	-	2,150
Staff Training	-	-
Sundry Minor Expenses	3,672	2,614
Other Hospitality Costs	79	485
Provision for Court case	392	2,608
Annual General Meeting	1,004	227
Provision for Doubtful Debtors	1,341	-
Loss on Disposal of Assets	-	-
Depreciation	177,592	128,807
	<u>372,390</u>	<u>311,308</u>

10. Finance Income

	2016 €	2015 €
Bank Interest Receivable	1,749	1,262
	<u>1,749</u>	<u>1,262</u>

Notes to the Financial Statements  
for the year ended 31 December 2016

## 11. Property, plant and equipment

	Property	Assets under construction	New Street Signs	Urban Improvements & Construction	Plant, machinery & equipment	Office Furniture & fittings	Trees	Special Programmes	Total
Cost	€	€	€	€	€	€	€	€	€
At 1 January 2016	23,296	52,754	11,138	517,998	283,788	46,220	47,806	3,023,639	4,006,639
Additions / Capitalisations	-	-	-	1,666	2,613	966	-	191,980	197,225
Reclassification	-	-	-	-	-	-	-	-	-
Disposals / Capitalisations	-	-	-	-	-	-	-	-	-
At 31 December 2016	23,296	52,754	11,138	519,664	286,401	47,186	47,806	3,215,619	4,203,864
Depreciation									
At 1 January 2016	1,901	-	11,138	348,182	44,956	26,410	-	1,230,970	1,663,557
Reclassification	-	-	-	-	-	-	-	-	-
Charge for the year	215	-	-	18,237	48,798	1,496	-	108,847	177,593
Released on Disposals	-	-	-	-	-	-	-	-	-
At 31 December 2016	2,116	-	11,138	366,419	93,754	27,906	-	1,339,817	1,841,150
Grants									
At 1 January 2016	-	-	-	-	-	-	-	(896,827)	(896,827)
At 31 December 2016	-	-	-	-	-	-	-	(896,827)	(896,827)
Net book values									
At 31 December 2016	21,180	52,754	-	153,245	192,647	19,280	47,806	978,975	1,465,887

Notes to the Financial Statements  
for the year ended 31 December 2016

**11. Property, plant and equipment**

	Property	Assets under construction	New Street Signs	Urban Improvements & Construction	Plant, machinery & equipment	Office Furniture & fittings	Trees	Special Programmes	Total
Cost	€	€	€	€	€	€	€	€	€
At 1 January 2015	23,296	53,584	11,138	506,750	56,033	45,706	47,806	2,944,933	3,689,516
Additions / Capitalisations	-	-	-	11,248	227,755	514	-	78,706	318,223
Reclassification	-	-	-	-	-	-	-	-	-
Disposals / Capitalisations	-	(1,100)	-	-	-	-	-	-	(1,100)
At 31 December 2015	23,296	52,754	11,138	517,998	283,788	46,220	47,806	3,023,639	4,006,639
Depreciation									
At 1 January 2015	1,685	-	11,138	329,258	35,160	24,803	-	1,132,706	1,534,750
Reclassifications	-	-	-	-	-	-	-	-	-
Charge for the year	216	-	-	18,294	9,796	1,607	-	98,264	128,807
Released on Disposal	-	-	-	-	-	-	-	-	-
At 31 December 2015	1,901	-	11,138	348,182	44,956	26,410	-	1,230,970	1,663,557
Grants									
At 1 January 2015	-	-	-	-	-	-	-	(896,827)	(896,827)
At 31 December 2015	-	-	-	-	-	-	-	(896,827)	(896,827)
Net book values									
At 31 December 2015	21,395	52,754	-	169,816	238,832	19,810	47,806	895,842	1,446,255

**12. Inventories**

	2016	2015
	€	€
Books	864	810
	<u>864</u>	<u>810</u>

**13. Receivables**

	2016	2015
	€	€
Receivables	22,075	26,557
Provision for Bad Debts	(20,892)	(19,551)
Provision for Court Case	(3,000)	(2,608)
Prepayments & Accrued income	55,329	73,473
<b>Financial assets</b>	<u>53,512</u>	<u>77,871</u>

**Receivables**

General receivables are analysed as follows:

	2016	2015
	€	€
Within credit period	2,201	8,347
Exceeded credit period but not impaired	1,664	18,210
Provision for doubtful debts	18,210	-
	<u>22,075</u>	<u>26,557</u>

