

# **Nadur Local Council**

**Quarterly Financial Report**

**for the Period**

**1st January till End of March 2017 (Quarter 1)**

# **Table of Contents**

**Overview on Financial Position, Performance, FSI and Cash Flow.**

**Statement of Income and Expenditure**

**Statement of Affairs**

**Cash flow Statement**

**Notes to the Accounts**

**Depreciation of Property, Plant and Equipment**

## ***Overview and Summary***

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In the following pages, the Nadur Local Council is presenting the quarterly financial report for period January till March 2017, 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.

Whilst keeping this point in mind, one can better appreciate the fact that the Nadur Local Council ended up with a surplus for the period January till March 2017. Such surplus is further substantiated by the fact that included with expenditure there is an amount of Euro 34,462 relating to depreciation, i.e. a portion of wear and tear of the fixed assets owned by the Local Council, which even though included as an expense in the 'Statement of Income and Expenditure', will not affect the cash flow of the Local Council. In fact, as can be seen from the 'Cash Flow Statement', the Nadur Local Council ended up with a positive cash flow of Euro 31,252. Such positive cash flow was obtained even after effecting several payments to address the fiscal deficit of the Nadur Local Council. Such positive performance of the Nadur Local Council during the quarter from January till March 2017 was also reflected in the financial situation indicator (FSI).

**Statement of Income and Expenditure****1st January till End of March 2017 (Quarter 1)****DESCRIPTION****Annual Budget  
2017**

€	€
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**Income**

Funds received from Central Government (1)	120,337	542,442
Income raised from Bye-Laws (2)	6,505	18,093
Income raised from LES (3)	1,111	1,757
Investment Income (4)	-	36
Other Income (5)	7,511	9,911
<b>TOTAL</b>	<b>135,464</b>	<b>572,239</b>

**Expenditure**

Personal Emoluments (6)	14,732	82,677
Operations and Maintenance (7)	67,763	277,327
Administration (8)	7,047	50,592
Finance Cost (9)	-	2,274
Other Expenditure (10)	34,462	139,173
<b>TOTAL</b>	<b>124,004</b>	<b>552,043</b>

**Surplus / Deficit**

<b>11,460</b>	<b>20,196</b>
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**Balance Sheet as at end of March 2017 (Quarter 1)**

DESCRIPTION	Annual Budget 2017	
	€	€
<b>Non-current Assets</b>		
Property, Plant and Equipment (17)	1,525,620	1,434,829
<b>Current Assets</b>		
Inventories (11)	-	-
Receivables (12)	11,655	7,410
Cash and Cash Equivalents (13)	31,252	15,158
<b>Total Current Assets</b>	<b>42,907</b>	22,568
<b>Current Liabilities</b>		
Payables (14)	873,875	758,821
Current portion of Long-Term Borrowings	9,448	9,448
<b>Total Current Liabilities</b>	<b>883,323</b>	768,269
<b>Net Current Assets</b>	<b>(840,416)</b>	- 745,701
<b>Non-current liabilities (15)</b>	40,055	35,243
<b>Net Assets</b>	<b>645,149</b>	<b>653,885</b>
<b>Reserves</b>		
Retained Funds	645,149	653,885

**Restricted Working Capital**

DESCRIPTION		
Prepaid Expenses and Accrued Income	4,863	
Cash and Cash Equivalents	31,252	36,115
Trade and Other Payables	312,270	
Accrued Expenses	11,921	324,191
<b>Restricted Working Capital</b>		<b>(288,076)</b>

**Cash Flow Statement**

	€
<b>Cash flow from operating activities</b>	
Surplus for the year	11,460
Adjustments for:	
Depreciation	34,462
Increase / (Decrease) in Allowance for Bad Debts	-
Interest receivable	-
Interest payable	-
(Profit) / Loss on disposal of asset	-
Increase / (Decrease) in payables	(17,163)
Increase / (Decrease) in accruals	(4,054)
Decrease / (Increase) in receivables	530
Decrease / (Increase) in inventories	-
Decrease / (Increase) in inventories	-
Cash generated from operations	25,235
Interest paid	-
<i>Net cash from operating activities</i>	<b>25,235</b>
<b>Cash flows from investing activities</b>	
Purchase of property, plant & equipment	(1,080)
Proceeds from sale of property, plant & equipment	-
Grants received	-
Interest received	-
<i>Net cash used in investing activities</i>	<b>-1080</b>
<b>Cash flows from financing activities</b>	
Proceeds from long-term borrowings	-
Interest Paid	-
Bank Loan Repayments	(2,362)
<i>Net cash from financing activities</i>	<b>-2362</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>21,793</b>
Cash & cash equivalents at beginning of year	9,459
<b>Cash &amp; cash equivalents at end of Quarter</b>	<b>31252</b>

DESCRIPTION	€
<b>Income</b>	
<b>1 Funds received from Central Government:</b>	
0001 In terms of section 55 CAP 363	120,337
0002-0004 In terms of section 58 CAP 363	-
0005-0019 Other income	-
	<b>120,337</b>
<b>2 Income raised from Bye-Laws</b>	
0021-0025 Community Services	612
0026-0035 Income from Permits	5,893
	<b>6,505</b>
<b>3 Local Enforcement Income</b>	
0037 Commission from Regional Committees	-
0038-0055 Contraventions	1,111
	<b>1,111</b>
<b>4 Investment Income</b>	
0091-0095 Bank interest	-
0096-0099 Income received from Government Securities	-
	-
<b>5 Sponsorships</b>	
0056-0065 Sponsorships	7,500
0066-0069 Documents & Information	11
0070-0075 EU funds	-
0076-0080 Twinning	-
0081-0089 Insurance Claims	-
0100-0109 Donations	-
0110-0119 Contributions	-
0120-0129 General Income	-
	<b>7,511</b>
<b>Total</b>	<b>135,464</b>
<b>6 i) Personal Emoluments</b>	
1100 Mayor's Allowance	1,811
1200 Employees' Salaries & Wages	11,681
1300 Bonuses	-
1400 Income Supplements	-
1500 Social Security Contributions	1,084
1600 Allowances	116
1700 Overtime	40
	<b>14,732</b>
<b>ii) Number of Employees</b>	
<b>Full time</b>	
<b>Executive Secretary</b>	1
<b>Clerk</b>	1
<b>General Hand</b>	1
	<b>3</b>
<b>Part time</b>	
<b>Mayor</b>	1
<b>Councillors</b>	4
	<b>5</b>
<b>Total number of employees</b>	<b>8</b>

DESCRIPTION	€
<b>7 Operations and Maintenance</b>	
2100-2149 Public Utilities	578
2200-2259 Public Materials & Supplies	845
2300-2399 Repairs & upkeep	2,901
2400-2449 Rent	802
3010 Street Lightning	1,557
3020 Lease of Equipment	8,272
3030 Insurance	1,149
3035 Bank Charges	119
3038 Penalties	-
3041 Refuse Collection	13,587
3042 Bulky Refuse Collection	2,250
3043 Bins on wheels	-
3045 Bring in sites	-
3051 Road & Street Cleaning	6,112
3052 Cleaning & Maintenance of Non-Urban Areas	-
3053 Cleaning of Public Conveniences	1,318
3055 Cleaning of Council Premises	179
3040 Waste Disposal	4,523
3060 Cleaning & Maintenance of Parks & Gardens	-
3061 Cleaning & Maintenance of Soft Areas	-
3062 Cleaning & Maintenance of Beaches & CA	-
3063 Cleaning & Maintenance of Country Non-Urban	-
6064 Other contractual Services	8,095
3070-3090 Consultation Fees	5,810
3100-3139 Contract & Project Management	975
3300-3379 Hospitality	8,691
3380-3389 Community	-
3390-3394 Donations	-
3600-3694 Local Enforcement Expenses	-
3700-3799 EU Projects	-
3800-3899 Twinning	-
	<b>67,763</b>
<b>8 Administration</b>	
2150-2199 Office Utilities	344
2260-2299 Office Materials & Supplies	-
2450-2499 Office Rent	-
2500-2599 National & International Memberships	670
2600-2699 Office Services	1,661
2700-2799 Transport	1,472
2800-2899 Travel	22
2900-2999 Information Services	756
3050 Office Cleaning	-
3410-3199 Professional Services	2,096
3200-3299 Training	-
3345 Office Hospitality	-
3400-3499 Incidental Expenses	26
	<b>7,047</b>
<b>9 Finance Costs</b>	
3036 Interest on Bank Loan	-
	-



DESCRIPTION	€
<b>10 Other Expenditure</b>	
1500-3599 Loss / (Profit) on Disposal of asset	-
3695 Increase/(Decrease) in allowance for bad debts	-
8000-8099 Depreciation	34,462
	<u>34,462</u>
<b>Total</b>	<b>124,004</b>
<b>11 Inventories</b>	
5201-5249 Stationery	-
5250-5299 Consumables	-
	-
	<u>-</u>
<b>12 Receivables</b>	
0201-0209 Receivables	6,792
0210-0219 LES Receivables	-
0220-0229 Receivables from EU	-
0250 Prepayments & Accrued income	4,863
	<u>11,655</u>
<b>13 Cash &amp; Equivalent</b>	
5001-5099 Bank & Cash Balances	31,252
	<u>31,252</u>
<b>14 Payables</b>	
4000 Payables	312,270
4100 Accruals	11,921
4150 Deferred Income	549,684
Current portion of long term borrowings	9,448
	<u>883,323</u>
<b>15 Non Current Liabilities</b>	
4200 Long Term Borrowing	40,055
	<u>40,055</u>

16

**Capital Commitments**

**DESCRIPTION**

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**Approved but not yet contracted for:**  
Embellishment of Nadur Square with Installation  
of New Flower Pots

10,000
10,000

**Contracted for but not provided for in Quarterly Financial Statements:**

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**Others**

**17 Depreciation of Property, Plant and Equipment**

<b>Asset</b>	Trees	Office Furniture / Fittings	Office & Computer Equipment	Plant & Machinery	Urban Improvements	New Street Signs	Construction	Special Programmes	Council Premises	<b>Total</b>
% of depreciation	0%	8%	20% - 25%	20%	10%	0%	10%	10%	1%	
<b>Cost</b>	€	€	€	€	€	€	€	€	€	
As at 1st January 2017	6,812	32,674	29,331	32,625	543,244	13,942	2,426,833	136,328	138,150	<b>3,359,939</b>
Additions	-	-	-	-	1,080	-	-	-	-	<b>1,080</b>
Disposals	-	-	-	-	-	-	-	-	-	<b>-</b>
As at end of March 2017	6,812	32,674	29,331	32,625	544,324	13,942	2,426,833	136,328	138,150	<b>3,361,019</b>
<b>Grants/ other reimbursements</b>										
As at 1st January 2017	-	-	-	-	-	-	229,616	68,341	-	<b>297,957</b>
Additions	-	-	-	-	-	-	-	-	-	<b>-</b>
As at end of March 2017	-	-	-	-	-	-	229,616	68,341	-	<b>297,957</b>
<b>Accumulated Depreciation</b>										
As at 1st January 2017	-	20,927	22,574	29,282	347,336	13,942	1,007,470	53,982	7,467	<b>1,502,980</b>
Charge for the period	-	194	367	180	4,695	-	28,479	222	325	<b>34,462</b>
Released on disposal	-	-	-	-	-	-	-	-	-	<b>-</b>
As at end of March 2017	-	21,121	22,941	29,462	352,031	13,942	1,035,949	54,204	7,792	<b>1,537,442</b>
<b>NBV</b> As at end of March 2017	6,812	11,553	6,390	3,163	192,293	-	1,161,268	13,783	130,358	1,525,620