

NADUR

Local Council

Quarterly Financial Report

for the Period

1st January till End of December 2017 (Quarter 4)

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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 December 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.

As evidenced from the statement of income and expenditure, the Nadur Local Council ended up the year 2017 with a surplus of Euro 23,790. This surplus however, includes both depreciation and deferred income which are essentially non-cash items which substantially decrease and increase surplus respectively. It is important to note that in the last quarter, i.e. October to December 2017, the Local Council received Euro 60,000 as income from the Capital Projects Fund. This cash inflow also features in the balance sheet under cash and cash equivalents. In fact, as at end of December 2017, the Local Council in its bank accounts had a net balance of approximately Euro 76,000. Such funds will be subsequently incorporated in the budget for 2018 and expensed according to how the Local Council deems fit after accurately considering and examining the priorities and necessities of the Nadur community.

Another important factor to point out emerging from this quarterly report relates to the fact that the Nadur Local Council managed to keep in line with the financial situation indicator (FSI) as targeted in the budgeted figures by end of December 2017. The FSI is an important measure since it monitors the deficit level of the Local Council. The achievement of following such measure effectively implies that the Local Council is efficiently addressing its deficit situation not only through well planned budgets but also through good courses of action.

Statement of Income and Expenditure**1st January till End of December 2017 (Quarter 4)**

DESCRIPTION	Annual Budget 2017	
	€	€
Income		
Funds received from Central Government (1)	541,097	542,442
Income raised from Bye-Laws (2)	18,663	18,093
Income raised from LES (3)	2,567	1,757
Investment Income (4)	31	36
Other Income (5)	20,400	9,911
TOTAL	582,758	572,239
Expenditure		
Personal Emoluments (6)	80,190	82,677
Operations and Maintenance (7)	277,375	277,327
Administration (8)	47,454	50,592
Finance Cost (9)	1,967	2,274
Other Expenditure (10)	151,982	139,173
TOTAL	558,968	552,043
Surplus / Deficit	23,790	20,196

Balance Sheet as at end of December 2017 (Quarter 4)

DESCRIPTION	Annual Budget 2017	
	€	€
Non-current Assets		
Property, Plant and Equipment (17)	1,460,745	1,434,829
Current Assets		
Inventories (11)	-	-
Receivables (12)	23,506	7,410
Cash and Cash Equivalents (13)	76,407	15,158
Total Current Assets	99,913	22,568
Current Liabilities		
Payables (14)	858,797	758,821
Current portion of Long-Term Borrowings	9,448	9,448
Total Current Liabilities	868,245	768,269
Net Current Assets	(768,332)	- 745,701
Non-current liabilities (15)	34,934	35,243
Net Assets	657,479	653,885
Reserves		
Retained Funds	657,479	653,885

Financial Situation Indicator

DESCRIPTION		
Current Assets	99,913	22,568
Current Liabilities	868,245	768,269
Total Long Term Liabilities	34,934	35,243
Commitments approved by Ministry	(803,266)	(780,944)
Total Government Allocation	452,946	452,946
	-177%	-172.41%

Cash Flow Statement

	€
Cash flow from operating activities	
Surplus for the year	23,790
Adjustments for:	
Depreciation	151,982
Increase / (Decrease) in Allowance for Bad Debts	-
Interest receivable	(31)
Interest payable	2,144
(Profit) / Loss on disposal of asset	-
Deferred income amortised	-59403
Increase / (Decrease) in payables	-81728
Increase / (Decrease) in accruals	33975
Decrease / (Increase) in receivables	-11320
Decrease / (Increase) in inventories	-
Decrease / (Increase) in inventories	-
Cash generated from operations	59,409
Interest paid	0
<i>Net cash from operating activities</i>	59,409
Cash flows from investing activities	
Purchase of property, plant & equipment	-53725
Proceeds from sale of property, plant & equipment	0
Grants received	70860
Interest received	31
<i>Net cash used in investing activities</i>	17166
Cash flows from financing activities	
Proceeds from long-term borrowings	
Interest Paid	-2144
Bank Loan Repayments	-7483
<i>Net cash from financing activities</i>	-9627
Net increase/(decrease) in cash & cash equivalents	66,948
Cash & cash equivalents at beginning of year	9459
Cash & cash equivalents at end of Quarter	76407

DESCRIPTION	€
Income	
1 Funds received from Central Government:	
0001 In terms of section 55 CAP 363	452,946
0002-0004 In terms of section 58 CAP 363	68,975
0005-0019 Other income	19,176
	541,097
2 Income raised from Bye-Laws	
0021-0025 Community Services	2,787
0026-0035 Income from Permits	15,876
	18,663
3 Local Enforcement Income	
0037 Commission from Regional Committees	-
0038-0055 Contraventions	2,567
	2,567
4 Investment Income	
0091-0095 Bank interest	31
0096-0099 Income received from Government Securities	-
	31
5	
0056-0065 Sponsorships	5,200
0066-0069 Documents & Information	138
0070-0075 EU funds	-
0076-0080 Twinning	-
0081-0089 Insurance Claims	1,439
0100-0109 Donations	-
0110-0119 Contributions	-
0120-0129 General Income	13,623
	20,400
Total	582,758
6 i) Personal Emoluments	
1100 Mayor's Allowance	13,745
1200 Employees' Salaries & Wages	55,315
1300 Bonuses	3,291
1400 Income Supplements	-
1500 Social Security Contributions	5,095
1600 Allowances	506
1700 Overtime	2,238
	80,190
ii) Number of Employees	
Full time	
Executive Secretary	1
Clerk	1
General Hand	1
	3
Part time	
Mayor	1
Councillors	4
	5
Total number of employees	8

DESCRIPTION	€
7 Operations and Maintenance	
2100-2149 Public Utilities	6,429
2200-2259 Public Materials & Supplies	6,625
2300-2399 Repairs & upkeep	28,453
2400-2449 Rent	2,530
3010 Street Lightning	14,055
3020 Lease of Equipment	35,381
3030 Insurance	1,432
3035 Bank Charges	228
3038 Penalties	177
3041 Refuse Collection	54,685
3042 Bulky Refuse Collection	10,264
3043 Bins on wheels	-
3045 Bring in sites	-
3051 Road & Street Cleaning	15,793
3052 Cleaning & Maintenance of Non-Urban Areas	-
3053 Cleaning of Public Conveniences	4,070
3055 Cleaning of Council Premises	1,002
3040 Waste Disposal	19,610
3060 Cleaning & Maintenance of Parks & Gardens	5,565
3061 Cleaning & Maintenance of Soft Areas	-
3062 Cleaning & Maintenance of Beaches & CA	-
3063 Cleaning & Maintenance of Country Non-Urban	-
6064 Other contractual Services	20,100
3070-3090 Consultation Fees	11,587
3100-3139 Contract & Project Management	5,096
3300-3379 Hospitality	34,293
3380-3389 Community	-
3390-3394 Donations	-
3600-3694 Local Enforcement Expenses	-
3700-3799 EU Projects	-
3800-3899 Twinning	-
	277,375
8 Administration	
2150-2199 Office Utilities	2,216
2260-2299 Office Materials & Supplies	-
2450-2499 Office Rent	-
2500-2599 National & International Memberships	1,567
2600-2699 Office Services	7,339
2700-2799 Transport	6,814
2800-2899 Travel	5,324
2900-2999 Information Services	7,214
3050 Office Cleaning	-
3410-3199 Professional Services	16,692
3200-3299 Training	24
3345 Office Hospitality	-
3400-3499 Incidental Expenses	264
	47,454
9 Finance Costs	
3036 Interest on Bank Loan	1,967
	1,967

DESCRIPTION	€
10 Other Expenditure	
1500-3599 Loss / (Profit) on Disposal of asset	-
3695 Increase/(Decrease) in allowance for bad debts	-
8000-8099 Depreciation	151,982
	151,982
Total	558,968
11 Inventories	
5201-5249 Stationery	-
5250-5299 Consumables	-
	-
12 Receivables	
0201-0209 Receivables	16,898
0210-0219 LES Receivables	-
0220-0229 Receivables from EU	-
0250 Prepayments & Accrued income	6,608
	23,506
13 Cash & Equivalents	
5001-5099 Bank & Cash Balances	76,407
	76,407
14 Payables	
4000 Payables	247,705
4100 Accruals	49,950
4150 Deferred Income	561,142
Current portion of long term borrowings	9,448
	868,245
15 Non Current Liabilities	
4200 Long Term Borrowing	34,934
	34,934

16 Capital Commitments

DESCRIPTION

€

Approved but not yet contracted for:

-

Contracted for but not provided for in Quarterly Financial Statements:

-

Others

17 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 1st January 2017	6,812	32,674	29,331	32,625	543,244	13,942	2,426,833	136,328	138,150	3,359,939
Additions	-	-	2,940	-	13,307	-	37,478	-	-	53,725
Disposals	-	-	-	-	-	-	-	-	-	-
As at end of December 2017	6,812	32,674	32,271	32,625	556,551	13,942	2,464,311	136,328	138,150	3,413,664
Grants/ other reimbursements										
As at 1st January 2017	-	-	-	-	-	-	229,616	68,341	-	297,957
Additions	-	-	-	-	-	-	-	-	-	-
As at end of December 2017	-	-	-	-	-	-	229,616	68,341	-	297,957
Accumulated Depreciation										
As at 1st January 2017	-	20,927	22,574	29,282	347,336	13,942	1,007,470	53,982	7,467	1,502,980
Charge for the period	-	768	2,083	735	21,430	-	125,751	853	362	151,982
Released on disposal	-	-	-	-	-	-	-	-	-	-
As at end of December 2017	-	21,695	24,657	30,017	368,766	13,942	1,133,221	54,835	7,829	1,654,962
NBV As at end of December 2017	6,812	10,979	7,614	2,608	187,785	-	1,101,474	13,152	130,321	1,460,745