

NADUR

Local Council

Quarterly Financial Report

for the Period

1st January till End of March 2018 (Quarter 1)

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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 March 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 Local Council ended the first quarter with a deficit of Euro 6,300. However, this is only an absolute figure and to better understand the overall financial situation of the Local Council, one needs to look at the wider picture whilst keeping in mind the activities undertaken by the Council during this quarter. In fact, the key activity for the first quarter for the Nadur locality is the Nadur Carnival. As from this year, the Nadur Local Council to have better control of the carnival activity, undertook under its wing and inputted more effort in the organisation of the bands and sound systems thereof. Such control created some extra costs which though partially aided with governmental funds were mainly borne by the Nadur Local Council. This explains the deficit figure for this quarter. In fact, the expenditure for the current quarter amounts to approximately 27% of the annual budget. Such deficit is however expected to be set-off and reversed to surplus in the coming quarters.

Another important fact to point out is that in spite of the day-to-day expenditure and all other activity related expenditure that the Council incurs, the Local Council still managed to repay part of its deficit as per planned repayment schedules. In fact, even though when comparing to 2017, creditors in absolute terms increased, such increase arose from day-to-day and activity related suppliers whilst amounts owed to deficit suppliers decreased. Such day-to-day and activity related suppliers were eventually paid after the end of quarter from funds which the Local Council held at bank as at the end of March 2018 which funds are shown in the Statement of Affairs under Cash and Cash Equivalents.

Such effective management of the Local Council's finances were also reflected in the Financial Situation Indicator (FSI) since in spite of the vast expenditure during this quarter, the FSI remained stable as expected and in line with that as at end of year 2017.

Statement of Income and Expenditure**1st January till End of March 2018 (Quarter 1)****DESCRIPTION****Annual Budget
2018**

€

€

Income

Funds received from Central Government (1)

132,031

555,137

Income raised from Bye-Laws (2)

5,482

18,850

Income raised from LES (3)

400

2,593

Investment Income (4)

6

31

Other Income (5)

6,953

16,599

TOTAL**144,872****593,210****Expenditure**

Personal Emoluments (6)

20,284

86,801

Operations and Maintenance (7)

82,615

288,623

Administration (8)

15,369

47,929

Finance Cost (9)

-

1,987

Other Expenditure (10)

32,905

132,744

TOTAL**151,173****558,084****Surplus / Deficit****(6,301)****35,126**

Balance Sheet as at end of March 2018 (Quarter 1)**DESCRIPTION****Annual Budget
2018**

€

€

Non-current Assets

Property, Plant and Equipment (17)

1,473,808

1,373,001

Current Assets

Inventories (11)

-

-

Receivables (12)

28,794

20,624

Cash and Cash Equivalents (13)

175,266

31,266

Total Current Assets**204,060**

51,890

Current Liabilities

Payables (14)

976,831

696,495

Current portion of Long-Term Borrowings

9,448

9,448

Total Current Liabilities**986,279**

705,943

Net Current Assets

(782,219)

- 654,053

Non-current liabilities (15)

33,359

26,344

Net Assets**658,230****692,604****Reserves**

Retained Funds

658,230

692,604

Financial Situation Indicator**DESCRIPTION**

Current Assets

204,060

51,890

Current Liabilities

986,279

705,943

Total Long Term Liabilities

33,359

26,344

Commitments approved by Ministry

(815,578)

(680,397)

Total Government Allocation

471,929

471,929

-173%

-144.17%

Cash Flow Statement

	€
Cash flow from operating activities	
Surplus for the year	(6,301)
Adjustments for:	
Depreciation	32,905
Increase / (Decrease) in Allowance for Bad Debts	-
Interest receivable	(6)
Interest payable	-
(Profit) / Loss on disposal of asset	-
Increase / (Decrease) in payables	4664
Increase / (Decrease) in accruals	-35323
Decrease / (Increase) in receivables	-5288
Decrease / (Increase) in inventories	-
Decrease / (Increase) in inventories	-
Cash generated from operations	(9,349)
Interest paid	0
<i>Net cash from operating activities</i>	(9,349)
Cash flows from investing activities	
Purchase of property, plant & equipment	-33807
Proceeds from sale of property, plant & equipment	0
Grants received	-1574
Interest received	6
<i>Net cash used in investing activities</i>	-35375
Cash flows from financing activities	
Proceeds from long-term borrowings	0
Interest Paid	0
Bank Loan Repayments	0
<i>Net cash from financing activities</i>	0
Net increase/(decrease) in cash & cash equivalents	(44,724)
Cash & cash equivalents at beginning of year	219990
Cash & cash equivalents at end of Quarter	175266

DESCRIPTION	€
Income	
1 Funds received from Central Government:	
0001 In terms of section 55 CAP 363	125,482
0002-0004 In terms of section 58 CAP 363	6,549
0005-0019 Other income	-
	132,031
2 Income raised from Bye-Laws	
0021-0025 Community Services	372
0026-0035 Income from Permits	5,110
	5,482
3 Local Enforcement Income	
0037 Commission from Regional Committees	-
0038-0055 Contraventions	400
	400
4 Investment Income	
0091-0095 Bank interest	6
0096-0099 Income received from Government Securities	-
	6
5 Sponsorships	
0056-0065 Sponsorships	1,500
0066-0069 Documents & Information	5
0070-0075 EU funds	-
0076-0080 Twinning	-
0081-0089 Insurance Claims	-
0100-0109 Donations	-
0110-0119 Contributions	-
0120-0129 General Income	5,448
	6,953
Total	144,872
6 i) Personal Emoluments	
1100 Mayor's Allowance	1,866
1200 Employees' Salaries & Wages	14,975
1300 Bonuses	-
1400 Income Supplements	819
1500 Social Security Contributions	1,357
1600 Allowances	491
1700 Overtime	776
	20,284
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	434
2200-2259 Public Materials & Supplies	1,967
2300-2399 Repairs & upkeep	7,503
2400-2449 Rent	636
3010 Street Lightning	1,167
3020 Lease of Equipment	18,752
3030 Insurance	877
3035 Bank Charges	35
3038 Penalties	
3041 Refuse Collection	13,409
3042 Bulky Refuse Collection	1,701
3043 Bins on wheels	-
3045 Bring in sites	-
3051 Road & Street Cleaning	786
3052 Cleaning & Maintenance of Non-Urban Areas	104
3053 Cleaning of Public Conveniences	522
3055 Cleaning of Council Premises	464
3040 Waste Disposal	4,468
3060 Cleaning & Maintenance of Parks & Gardens	1,724
3061 Cleaning & Maintenance of Soft Areas	-
3062 Cleaning & Maintenance of Beaches & CA	-
3063 Cleaning & Maintenance of Country Non-Urban	-
6064 Other contractual Services	4,377
3070-3090 Consultation Fees	3,324
3100-3139 Contract & Project Management	5,307
3300-3379 Hospitality	14,377
3380-3389 Community	60
3390-3394 Donations	
3600-3694 Local Enforcement Expenses	621
3700-3799 EU Projects	
3800-3899 Twinning	
	82,615
8 Administration	
2150-2199 Office Utilities	558
2260-2299 Office Materials & Supplies	-
2450-2499 Office Rent	-
2500-2599 National & International Memberships	1,236
2600-2699 Office Services	1,765
2700-2799 Transport	2,788
2800-2899 Travel	1,521
2900-2999 Information Services	1,341
3050 Office Cleaning	747
3410-3199 Professional Services	5,320
3200-3299 Training	-
3345 Office Hospitality	-
3400-3499 Incidental Expenses	93
	15,369
9 Finance Costs	
3036 Interest on Bank Loan	
	-

DESCRIPTION	€
10 Other Expenditure	
1500-3599 Loss / (Profit) on Disposal of asset	-
3695 Increase/(Decrease) in allowance for bad debts	-
8000-8099 Depreciation	32,905
	32,905
Total	151,173
11 Inventories	
5201-5249 Stationery	-
5250-5299 Consumables	-
	-
12 Receivables	
0201-0209 Receivables	20,635
0210-0219 LES Receivables	-
0220-0229 Receivables from EU	-
0250 Prepayments & Accrued income	8,159
	28,794
13 Cash & Equivalents	
5001-5099 Bank & Cash Balances	175,266
	175,266
14 Payables	
4000 Payables	252,369
4100 Accruals	14,627
4150 Deferred Income	709,835
Current portion of long term borrowings	9,448
	986,279
15 Non Current Liabilities	
4200 Long Term Borrowing	33,359
	33,359

16 Capital Commitments

DESCRIPTION

€

Approved but not yet contracted for:

Embellishment of Playing Fields
Restructuring of Roads
Other Projects

25,000
161,000
100,000
286,000

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 2018	6,812	32,674	32,271	32,625	556,551	13,942	2,464,311	136,328	138,150	3,413,664
Additions					7,220		26,587			33,807
Disposals										-
As at end of March 2018	6,812	32,674	32,271	32,625	563,771	13,942	2,490,898	136,328	138,150	3,447,471
Grants/ other reimbursements										
As at 1st January 2018	-	-	-	-	-	-	229,616	68,341	-	297,957
Additions										-
As at end of March 2018	-	-	-	-	-	-	229,616	68,341	-	297,957
Accumulated Depreciation										
As at 1st January 2018	-	21,695	24,657	30,017	366,817	13,942	1,122,070	54,835	8,768	1,642,801
Charge for the period		180	409	143	5,056	-	26,595	200	322	32,905
Released on disposal										-
As at end of March 2018	-	21,875	25,066	30,160	371,873	13,942	1,148,665	55,035	9,090	1,675,706
NBV As at end of March 2018	6,812	10,800	7,205	2,465	191,899	-	1,112,617	12,952	129,060	1,473,808