



## **Nadur Local Council**

### **Annual Administrative Report**

**2012**

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### *1.0 Mayor's Introduction*

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The year 2012 included the end of the sixth council legislature and the beginning of the seventh council legislature. Thus we had 2 different mayors and a change in councillors during this year. Despite this the council carried on with its rigorous works.

Resurfacing works under the Public Private Partnership Scheme and Eco Gozo project were completed. These were major projects and are thus reflected in the financial statements.

This year the council continued with its many cultural and social activities. Events organised by the council were: Carnival Activities; Imnarja Activities; Wine Festival, Council Day activities. Besides these the council also organised outings for the elderly and for school Children.

The Council also took care to continue organising the child day care centre during the summer months and an elderly day care centre throughout the year as well as various courses.

All this work is in addition to the council's normal obligations and contractual works.

Charles Said  
Mayor

**2.0 The Council**

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**2.1 The Council****From 1/1/2012 – till 31/3/2012**

Mayor	Miriam Portelli	Attended 100% of council meetings
Deputy Mayor	Charles Said	Attended 100% of council meetings
Councillor	Maria Natoli	Attended 100% of council meetings
Councillor	Jonathan Buttigieg	Attended 60% of council meetings
Councillor	Dr. Rita Mifsud	Attended 80% of council meetings

**From 1/4/2012 – till 31/12/2012**

Mayor	Charles Said	Attended 100% of council meetings
Deputy Mayor	Eucharist Camilleri	Attended 100% of council meetings
Councillor	Josianne Cutajar	Attended 92% of council meetings
Councillor	Miriam Portelli	Attended 54% of council meetings
Councillor	Maria Natoli	Attended 100% of council meetings
Executive Secretary	Rita Mifsud Attard	Attended 100% of council meetings.

*3.0 Financial and Operations review*

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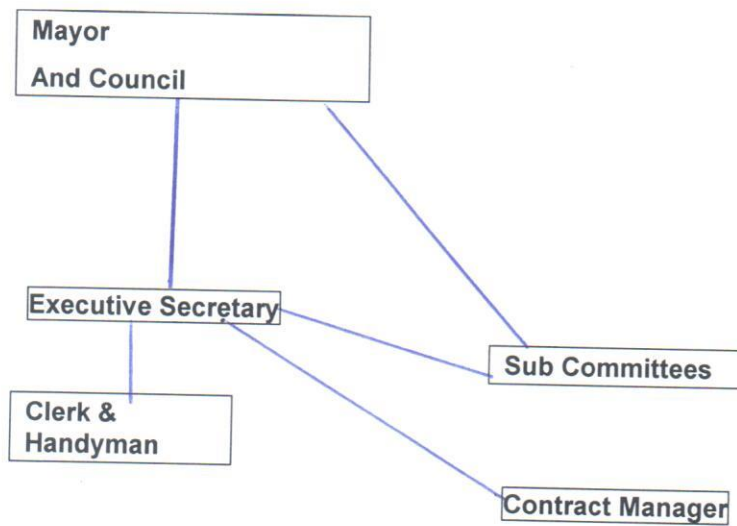
**3.1 Financial Review**

During this financial year the council received €430422 from the central government and collected an additional 28010. The total income was €458432. The council had a cash balance brought forward of €148471. Whilst at the end of this year the cash balance is €66575. The auditor's report also includes €72892 as an expense that are depreciation costs.

Rita Mifsud Attard  
Executive Secretary



### 3.2 Organization



## 4.1 Consolidated Income and Expenditure Variations Schedule

DESCRIPTION	a	b	c	a-b/b-a	a-c/c-a
	2012 ACTUAL Euro	2012 BUDGET Euro	2011 ACTUAL Euro	2011-2012 BUDGET VAR Euro	2011-2012 ACTUAL VAR Euro
<b>Income</b>					
Government	430,422.00	479,002.00	421,852.00	(48,580.00)	8,570.00
Bye-laws	28,010.00	25,000.00	7,455.00	3,010.00	20,555.00
Investment	1,421.00	500.00	561.00	921.00	860.00
<b>TOTAL</b>	<b>459,853.00</b>	<b>504,502.00</b>	<b>429,868.00</b>	<b>(44,649.00)</b>	<b>29,985.00</b>
<b>Expenditure</b>					
Personal emoluments	64,075.00	71,218.00	68,955.00	7,143.00	4,880.00
Operations and maintenance	273,660.00	233,550.00	259,912.00	(40,110.00)	(13,748.00)
Capital Expenditure	138,805.00	201,000.00	546,252.86	62,195.00	407,447.86
<b>TOTAL</b>	<b>476,540.00</b>	<b>505,768.00</b>	<b>875,119.86</b>	<b>29,228.00</b>	<b>398,579.86</b>
<b>Balance</b>	<b>(16,687.00)</b>	<b>(1,266.00)</b>	<b>(445,251.86)</b>	<b>(73,877.00)</b>	<b>(368,594.86)</b>

## 4.2 Detailed Income Variations Schedule

DESCRIPTION	a	b	c	a-b	a-c
	2012 ACTUAL Euro	2012 BUDGET Euro	2011 ACTUAL Euro	2011-2012 BUDGET VAR Euro	2011-2012 ACTUAL VAR Euro
<b>Income</b>					
Government					
Annual	414,002.00	414,002.00	396,679.00		17,323.00
Supplementary	16,420.00	45,000.00	10,503.00		5,917.00
Special needs		5,000.00		(5,000.00)	
Public/government entities		5,000.00	4,564.00	(5,000.00)	(4,564.00)
Other		10,000.00	10,106.00	(10,000.00)	(10,106.00)
	<b>430,422.00</b>	<b>479,002.00</b>	<b>421,852.00</b>	<b>(20,000.00)</b>	<b>8,570.00</b>
Bye-Laws					
Community Services	12,948.00	10,000.00	12,625.00	2,948.00	323.00
Contravention of bye-laws	2,177.00	5,000.00	14,386.00	(2,823.00)	(12,209.00)
Contributions and donations	10,360.00	5,000.00	7,340.00	5,360.00	3,020.00
General	2,525.00	5,000.00	5,929.00	(2,475.00)	(3,404.00)
	<b>28,010.00</b>	<b>25,000.00</b>	<b>7,455.00</b>	<b>3,010.00</b>	<b>(12,270.00)</b>
Investment					
Bank interest	1,421.00	500.00	561.00	921.00	860.00
Government securities					
	<b>1,421.00</b>	<b>500.00</b>	<b>561.00</b>	<b>921.00</b>	<b>860.00</b>
<b>TOTAL</b>	<b>459,853.00</b>	<b>504,502.00</b>	<b>429,868.00</b>	<b>(16,069.00)</b>	<b>(2,840.00)</b>

## 4.3 Detailed Expenditure Variations Schedule

DESCRIPTION	a	b	c	b-a	c-a
	2012	2012	2011	2011-2012	2011-2012
	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
	Euro	Euro	Euro	VAR	VAR
				Euro	Euro
<b>Expenditure</b>					
Personal Emoluments					
Mayor's allowance	12,939.00	12,000.00	10,204.00	(939.00)	(2,735.00)
Employee salaries and wages	42,165.00	46,500.00	48,583.00	4,335.00	6,418.00
Bonuses	2,804.00	3,700.00	3,875.00	896.00	1,071.00
Income supplements	595.00	728.00	727.00	133.00	132.00
Social Security contributions	3,985.00	4,550.00	4,535.00	565.00	550.00
Allowances	330.00	3,040.00	466.00	2,710.00	136.00
Overtime	1,257.00	700.00	565.00	(557.00)	(692.00)
	<b>64,075.00</b>	<b>71,218.00</b>	<b>68,955.00</b>	<b>7,143.00</b>	<b>4,880.00</b>
Operations and maintenance					
Utilities	13,899.00	12,000.00	13,224.00	(1,899.00)	(675.00)
Materials and supplies	5,952.00	5,500.00	5,604.00	(452.00)	(348.00)
Repair and upkeep	40,909.00	26,000.00	35,894.00	(14,909.00)	(5,015.00)
Rent	3,341.00	2,000.00	1,912.00	(1,341.00)	(1,429.00)
International memberships	1,036.00	4,000.00	10,528.00	2,964.00	9,492.00
Office services	5,235.00	3,000.00	3,338.00	(2,235.00)	(1,897.00)
Transport	2,595.00	4,000.00	3,714.00	1,405.00	1,119.00
Travel	1,911.00	3,000.00	3,884.00	1,089.00	1,973.00
Information services	25,437.00	14,000.00	15,358.00	(11,437.00)	(10,079.00)
Contractual services	136,623.00	120,000.00	118,210.00	(16,623.00)	(18,413.00)
Professional services	11,176.00	19,000.00	23,304.00	7,824.00	12,128.00
Training	95.00	100.00		5.00	(95.00)
Community and hospitality	23,791.00	20,000.00	24,048.00	(3,791.00)	257.00
Bad debts prov'n and Bad debts					
Incidental expenses	434.00	100.00	39.00	(334.00)	(395.00)
Local Enforcement expenses	1,226.00	850.00	855.00	(376.00)	(371.00)
	<b>273,660.00</b>	<b>233,550.00</b>	<b>259,912.00</b>	<b>(40,110.00)</b>	<b>(13,748.00)</b>
Capital Expenditure					
Acquisition of property		7,000.00		7,000.00	
Construction	137,710.00	190,000.00	438,210.00	52,290.00	300,500.00
Improvements	1,095.00	4,000.00	680.00	2,905.00	(415.00)
Equipment			617.00		617.00
Special programmes			106,745.86		106,745.86
	<b>138,805.00</b>	<b>201,000.00</b>	<b>546,252.86</b>	<b>62,195.00</b>	<b>407,447.86</b>
<b>TOTAL</b>	<b>476,540.00</b>	<b>505,768.00</b>	<b>875,119.86</b>	<b>29,228.00</b>	<b>398,579.86</b>

**Bank of Valletta Current Account**

<b>Bank statement balance</b>	<b>683.13</b>
Plus deposits made by 31/12/12 not appearing on bank statement	
Less withdrawals made by not appearing on bank statement	0.00
<b>Net bank balance</b>	<b>683.13</b>

**Bank of Valletta Savings Account**

<b>Bank statement balance</b>	<b>34,610.43</b>
Plus deposits made by 31/12/12 not appearing on bank statement	0.00
Less unpresented cheques	0.00
<b>Net bank balance</b>	<b>34,610.43</b>

<b>Bank Book balance as of 31/12/2012</b>	<b>683.13</b>
Plus interest paid by 31/12/12	
Less charges paid by 31/12/12	0.00
<b>Net bank book balance</b>	<b>683.13</b>

<b>Bank book balance as of 31 December 2010</b>	<b>34,610.43</b>
Plus interest paid by 31/12/12	
Less charges paid by 31/12/12	
<b>Net bank book balance</b>	<b>34,610.43</b>



**APS Savings Account**

<b>Bank statement balance</b>	<b>1,442.07</b>
Plus deposits made by 31/12/12 not appearing on bank statement	
Less withdrawals made by not appearing on bank statement	0.00
<b>Net bank balance</b>	<b>1,442.07</b>

**Bank of Valletta Fixed Deposit**

<b>Bank statement balance</b>	<b>40,000.00</b>
Plus deposits made by 31/12/12 not appearing on bank statement	0.00
Less unpresented cheques	0.00
<b>Net bank balance</b>	<b>40,000.00</b>

<b>Bank Book balance as of 31/12/2012</b>	<b>1,442.07</b>
Plus interest paid by 31/12/12	0.00
Less charges paid by 31/12/12	
<b>Net bank book balance</b>	<b>1,442.07</b>

<b>Bank book balance as of 31 December 2010</b>	<b>40,000.00</b>
Plus interest paid by 31/12/12	
Less charges paid by 31/12/12	
<b>Net bank book balance</b>	<b>40,000.00</b>

**BOV LES Account**

<b>Bank statement balance</b>	<b>919.32</b>
Plus deposits made by 31/12/12 not appearing on bank statement	
Less withdrawals made by not appearing on bank statement	0.00
<b>Net bank balance</b>	<b>919.32</b>

<b>Bank statement balance</b>	<b>0.00</b>
Plus deposits made by 31/12/12 not appearing on bank statement	0.00
Less unpresented cheques	0.00
<b>Net bank balance</b>	<b>0.00</b>

<b>Bank Book balance as of 31/12/2012</b>	<b>919.32</b>
Plus interest paid by 31/12/12	0.00
Less charges paid by 31/12/12	
<b>Net bank book balance</b>	<b>919.32</b>

<b>Bank book balance as of 31 December 2010</b>	<b>0.00</b>
Plus interest paid by 31/12/12	
Less charges paid by 31/12/12	
<b>Net bank book balance</b>	<b>0.00</b>

Date: 08/01/2013

Time: 14:10:20

5001

Bank of Valletta Certificate

Currency: Euro

Page: 1

Bank Statement

NADUR LC 2012

Book Balance: € 40000.00

Date From: 01/12/2012

Date To: 08/01/2013

No	Date	Ref	Details	Payments	€	Receipts	€	Balance	€
			B/Fwd Balance					75,000.00	
46193	20/12/2012	TRANS	Bank Transfer	35,000.00				40,000.00	



# **Ċertifikat ta' Depożitu Fiss** **Certificate of a Fixed Deposit**

1

KUNSILL LOKALI - NADUR  
TRIQ IT-TRAMUNTANA  
NADUR  
GHAWDEX  
NDR 1222  
MALTA

24

**DATA** Dec 2012  
Date

**FERGHA** GOZO  
Branch

**MUNITA** EUR  
Currency

**TIP** TERM DEPOSIT  
Type

**NRU. TAL-KONT** 0020787826  
Account No.

<b>KAPITAL</b> Capital	<b>DATA MINN</b> Start Date	<b>JAGHLAQ</b> End Date	<b>PERJODU</b> Term	<b>RATA</b> Rate
40,000.00	19 DEC 2012	19 JAN 2013	1 MONTH	1.5000

**STRUZZJONIJIET PREŻENTI DWAR IL-KONT** Present account instructions  
A JUNT WILL BE RENEWED AT THE PREVAILING RATE OF INTEREST

**STRUZZJONIJIET PREŻENTI DWAR L-IMGHAX** Present interest instructions  
INTEREST WILL BE PAID ON MATURITY AND WILL BE TRANSFERRED TO ACCOUNT NUMBER 12414448013

DATA Date	DESKRIZZJONI TAT-TRANSAZZJONI Transaction Description	HRUĠ Withdrawals	DHUL Deposits	BILANĊ Balance
DEC18	OPENING BALANCE			75,000.00
DEC18	INTEREST EARNED		93.75	75,093.75
DEC19	AUTOMATIC TRANSFER TO ACC 12414448013	93.75		75,000.00
DEC19	CLOSE/RENEW TERM NON-CASH	75,000.00		0.00
DEC19	NEW/RENEW TERM NON-CASH		75,000.00	75,000.00
DEC19	NON CASH PARTIAL WITHDRAWAL	35,000.00		40,000.00
DEC19	BALANCE CARRIED FORWARD		EUR	40,000.00

PLEASE IGNORE EMAILS CLAIMING TO ORIGINATE FROM BOV ASKING FOR PERSONAL DETAILS SUCH AS YOUR PIN, USER ID & CREDIT CARD NUMBER. IT IS NOT THE BANK'S POLICY TO REQUEST SUCH INFO.

**Skond l-ahhar struzzjonijiet tieghek**  
According to your latest instructions

TNAQQASX IT-TAXXA  
DO NOT WITHHOLD TAX

Date: 16/01/2013

Time: 12:28:08

Page: 1

Bank Statement

5003

BOV Savings Account

Currency: Euro

NADUR LC 2012

Book Balance: € 34610.43

Date From: 01/12/2012

Date To: 31/12/2012

No	Date	Ref	Details	Payments	€	Receipts	€	Balance	€
			B/Fwd Balance					49,353.00	
46129	12/12/2012	1906897	Abba Gold	2,500.00	✓			46,853.00	
46130	12/12/2012		Abba Gold	35.00	✓			46,818.00	
46180	19/12/2012	9797	Sales Receipt			250.00	✓	47,068.00	
46194	20/12/2012	TRANS	Bank Transfer			35,000.00	✓	82,068.00	
46294	19/12/2012					93.75	✓	82,161.75	
46295	22/12/2012					202.13	✓	82,363.88	
46296	01/12/2012	TRANS	Bank Transfer	2,329.38	✓			80,034.50	
46298	05/12/2012	TRANS	Bank Transfer	1,164.69	✓			78,869.81	
46300	06/12/2012	TRANS	Bank Transfer	1,164.69	✓			77,705.12	
46302	12/12/2012	TRANS	Bank Transfer	1,164.69	✓			76,540.43	
46304	14/12/2012	TRANS	Bank Transfer	1,164.69	✓			75,375.74	
46306	14/12/2012	TRANS	Bank Transfer	1,164.69	✓			74,211.05	
46308	15/12/2012	TRANS	Bank Transfer	2,329.38	✓			71,881.67	
46310	15/12/2012	TRANS	Bank Transfer	2,329.38	✓			69,552.29	
46312	15/12/2012	TRANS	Bank Transfer	2,329.38	✓			67,222.91	
46314	18/12/2012	TRANS	Bank Transfer	1,164.69	✓			66,058.22	
46316	18/12/2012	TRANS	Bank Transfer	1,164.69	✓			64,893.53	
46318	18/12/2012	TRANS	Bank Transfer	3,494.07	✓			61,399.46	
20	19/12/2012	TRANS	Bank Transfer	15,140.97	✓			46,258.49	
46322	20/12/2012	TRANS	Bank Transfer	1,164.69	✓			45,093.80	
46324	20/12/2012	TRANS	Bank Transfer	2,329.38	✓			42,764.42	
46326	22/12/2012	TRANS	Bank Transfer	1,164.69	✓			41,599.73	
46328	24/12/2012	TRANS	Bank Transfer	2,329.38	✓			39,270.35	
46330	27/12/2012	TRANS	Bank Transfer	1,164.69	✓			38,105.66	
46332	28/12/2012	TRANS	Bank Transfer	1,164.69	✓			36,940.97	
46334	31/12/2012	TRANS	Bank Transfer	1,164.69	✓			35,776.28	
46336	01/12/2012			1.16	✓			35,775.12	
46337	05/12/2012	TRANS	Bank Transfer	1,164.69				34,610.43	





Bank of Valletta p.l.c.

Registered Office: 58, Zachary Street, Valletta VLT 1130 - Malta

Registration Number: C 2833

# Rendikont SCHEDULED Statement of Account

DATA Date

Bank's BIC

01 DEC 12 - 31 DEC 12

VALLMTMT

FERGHA Branch

GOZO

MUNITA Currency

TIP Type

EUR

SAVINGS NAMED

NRU. TAL-KONT Account No. - IBAN

12414448013

MT97VALL22013000000012414448013

KUNSILL LOKALI NADUR  
TRI Q IT-TRAMUNTANA  
NADUR  
GHAWDEX  
NDR 1222  
MALTA

24

DATA Date	DESKRIZZJONI TAT-TRANSAZZJONI Transaction Description	HRUG Withdrawals	DHUL Deposits	BILANC Balance
30NOV12	BALANCE BROUGHT FORWARD			49,353.00
01DEC12	STATEMENT ISSUED	1.16		49,351.84
	STATEMENT ISSUED 30/11/2012			
01DEC12	AUTOTRF 12414448026	2,329.38		47,022.46
05DEC12	AUTOTRF 12414448026	1,164.69		45,857.77
05DEC12	AUTOTRF 12414448026	1,164.69		44,693.08
06DEC12	AUTOTRF 12414448026	1,164.69		43,528.39
11DEC12	PO ISSUE 1906897	2,535.00		40,993.39
	MR GARY JONES			
	EUR2500.00 ABBA GOLD CONCERT			
	NADUR GOZO			
12DEC12	AUTOTRF 12414448026	1,164.69		39,828.70
14DEC12	AUTOTRF 12414448026	1,164.69		38,664.01
14DEC12	AUTOTRF 12414448026	1,164.69		37,499.32
15DEC12	AUTOTRF 12414448026	2,329.38		35,169.94
15DEC12	AUTOTRF 12414448026	2,329.38		32,840.56
15DEC12	AUTOTRF 12414448026	2,329.38		30,511.18
18DEC12	AUTOTRF 12414448026	1,164.69		29,346.49
18DEC12	AUTOTRF 12414448026	1,164.69		28,181.80
18DEC12	AUTOTRF 12414448026	3,494.07		24,687.73
	DEPOSIT		250.00	24,937.73
	RICHARD CAUCHI - ABBA GOLD SPO			
19DEC12	INTEREST DISPOSAL		93.75	25,031.48
	FROM ACC 40020787826			
01DEC12	DEPOSIT		35,000.00	60,031.48
13DEC12	AUTOTRF 12414448026	15,140.97		44,890.51
20DEC12	AUTOTRF 12414448026	1,164.69		43,725.82
20DEC12	AUTOTRF 12414448026	2,329.38		41,396.44
22DEC12	AUTOTRF 12414448026	1,164.69		40,231.75
22DEC12	INTEREST		202.13	40,433.88
	VALUE DATE - 23/12/2012			
24DEC12	AUTOTRF 12414448026	2,329.38		38,104.50
27DEC12	AUTOTRF 12414448026	1,164.69		36,939.81
28DEC12	AUTOTRF 12414448026	1,164.69		35,775.12
31DEC12	AUTOTRF 12414448026	1,164.69		34,610.43
31DEC12	BALANCE CARRIED FORWARD		EUR	34,610.43

CHARGES: 1.16

INTEREST PAID: 0.00

INTEREST RECEIVED: 202.13

PLEASE IGNORE EMAILS CLAIMING TO ORIGINATE FROM BOV ASKING FOR PERSONAL DETAILS SUCH AS YOUR PIN, USER ID & CREDIT CARD NUMBER. IT IS NOT THE BANK'S POLICY TO REQUEST SUCH INFO.

Il-koll b'zonn dan id-dokument għall-finijiet ta' taxxa. Please retain this statement in support of any tax claims.  
Ani li jidher fuq dan ir-rendikont għandu jiġi verifikat u int mitlub/a tgharraf lill-manager immedjatament f'każ ta' diskrepanza. (-) bilanċ dovut lill-Bank.  
balance shown on the statement should be verified promptly and any discrepancy notified to the manager immediately. (-) denotes debit balance.

Skond struzzjonijiet tiegħek sad-data ta' dan ir-rendikont:  
According to your instructions as at date of this statement:

TNAQQASX TAXXA  
DO NOT WITHHOLD TAX

NIXTIEQ NIRCIEVI REKLAMAR  
CONSENT TO DIRECT MARKETING

COM 17 (10/2010)

Date: 11/02/2013

Page: 1

Time: 09:27:40

Bank Statement

5007

BOV LES Account

NADUR LC 2012

Currency: Euro

Book Balance: 919.32

Date From: 01/01/2012

Date To: 11/02/2013

No	Date	Ref	Details	Payments	Receipts	Balance
			B/Fwd Balance			67,861.95
44093	04/05/2012	TRANS	Bank Transfer	65,000.00		2,861.95
44669	13/07/2012	TRANS	Bank Transfer	2,000.00		861.95
75	22/12/2012				57.37	919.32



Bank of Valletta p.l.c.

Registered Office: 58, Zachary Street,  
Valletta, VLT1130-Malta

Registration Number: C 2833

## Statement of Account

KUNSILL LOKALI NADUR  
TRIQ IT-TRAMUNTANA  
NADUR  
GHAWDEX  
NDR 1222  
MALTA

**Date**

01-Jan-2012 - 31-Dec-2012

**Branch**

GOZO

**Currency**      **Type**

EUR              SAVINGS NAMED ACCOUNT

**Account Number**

12414448039

**IBAN**

MT74VALL22013000000012414448039

Date	Transaction Description	Withdrawals	Deposits	Balance
	BALANCE BROUGHT FORWARD			67,861.95
17/Apr/2012	WITHDRAWAL REF : 24-17/04/2012-3925-41-1	65,000.00		2,861.95
13/Jul/2012	WITHDRAWAL KUNSILL LOKALI NADUR EUR 2,000.00 REF : 24-13/07/2012-8252-12-1	2,000.00		861.95
22/Dec/2012	INTEREST REF : 358-22/12/2012-9627-31216-1		57.37	919.32
	BALANCE CARRIED FORWARD			919.32



Date: 16/01/2013

Time: 14:04:24

Bank Statement

Page: 1

5002

BOV Current Account

Currency: Euro

NADUR LC 2012

Book Balance: -9000.80

Date From: 01/12/2012

Date To: 16/01/2013

No	Date	Ref	Details	Payments	Receipts	Balance
			B/Fwd Balance			-13,864.82
46032	05/12/2012	11459	Purchase Payment			
46041	06/12/2012	9763	John Said, Bonanno, grixti, dimecl	130.00		-13,994.82
46042	06/12/2012	9764	crane permits		60.00	-13,934.82
46043	06/12/2012	9766	Kummissjoni Zghazagh		23.30	-13,911.52
46044	06/12/2012	9769	Peter Paul Vella		100.00	-13,811.52
46045	06/12/2012	9772	Sales Receipt		23.29	-13,788.23
46095	12/12/2012	11460	Purchase Payment		250.00	-13,538.23
46096	12/12/2012	11461	Purchase Payment	104.50		-13,642.73
46097	12/12/2012	11462	Purchase Payment	161.50		-13,804.23
46098	12/12/2012	11463	Purchase Payment	155.36		-13,959.59
46099	12/12/2012	11464	Purchase Payment	156.11		-14,115.70
46100	12/12/2012	11465	Purchase Payment	121.54		-14,237.24
46101	12/12/2012	11466	Purchase Payment	156.00		-14,393.24
46102	12/12/2012	11467	Purchase Payment	105.00		-14,498.24
46103	12/12/2012	11468	Purchase Payment	125.00		-14,623.24
46104	12/12/2012	11469	Purchase Payment	817.50		-15,440.74
46105	12/12/2012	11470	Purchase Payment	50.00		-15,490.74
46106	12/12/2012	11471	Purchase Payment	2,403.39		-17,894.13
46107	12/12/2012	11473+	Purchase Payment	27.49		-17,921.62
46108	12/12/2012	11475	Purchase Payment	185.25		-18,106.87
46110	12/12/2012	11477	Purchase Payment	1,107.67		-19,214.54
46111	12/12/2012	11478	Purchase Payment	96.62		-19,311.16
46113	12/12/2012	11480	Purchase Payment	150.00		-19,461.16
46114	12/12/2012	11481	Purchase Payment	141.16		-19,602.32
46115	12/12/2012	11482	Purchase Payment	174.50		-19,776.82
46116	12/12/2012	11483	Purchase Payment	180.00		-19,956.82
46117	12/12/2012	11484	Purchase Payment	190.00		-20,146.82
46118	12/12/2012	11485	Purchase Payment	1,845.00		-21,991.82
46119	12/12/2012	11486	Purchase Payment	40.69		-22,032.51
46120	12/12/2012	11487	Purchase Payment	11.80		-22,044.31
46121	12/12/2012	11488	fabric label & dvd	240.00		-22,284.31
46122	12/12/2012	11489	Purchase Payment	27.00		-22,311.31
46123	12/12/2012	11490	Purchase Payment	39.48		-22,350.79
46124	12/12/2012	11491	Purchase Payment	2,363.78		-24,714.57
46125	12/12/2012	11492	Purchase Payment	50.00		-24,764.57
				102.35		-24,866.92

Date: 16/01/2013

Time: 14:04:24

Page: 2

Bank Statement

5002

BOV Current Account

Currency: Euro

NADUR LC 2012

Book Balance: € -9000.80

Date From: 01/12/2012

Date To: 16/01/2013

No	Date	Ref	Details	Payments	€	Receipts	€	Balance	€
46128	12/12/2012	11494	Purchase Payment	1,000.00				-25,866.92	
46135	12/12/2012	11499	Purchase Payment	14,914.00				-40,780.92	
46137	12/12/2012	11496	Purchase Payment	120.00				-40,900.92	
46138	12/12/2012	11497	Purchase Payment	175.00				-41,075.92	
46140	14/12/2012	9780	open market Christmas			70.00		-41,005.92	
46141	14/12/2012	9781	crane permits			13.64		-40,987.28	
46142	14/12/2012	9784				6.90		-40,980.38	
46143	14/12/2012	9783	Sales Receipt			100.00		-40,880.38	
46144	15/12/2012	11500	Josianne Cutajar July-Dec	480.00				-41,360.38	
46148	28/12/2012	11501	Charles Said December	873.90				-42,234.28	
46156	28/12/2012	11506	Therese Finger December	1,024.57				-43,258.85	
46158	27/12/2012	11506	efficiency bonus Therese	309.27				-43,568.12	
46159	24/12/2012	11507	Rita December	1,560.77				-45,128.89	
46161	28/12/2012	11508	Saviour Xiberras December	1,226.42				-46,355.31	
46182	19/12/2012	9706	Sales Receipt			100.00		-46,255.31	
46183	19/12/2012	9706	crane permits			30.29		-46,225.02	
46184	19/12/2012	9704	photocopies			0.24		-46,224.78	
46185	19/12/2012	9800	Spiteri			20.00		-46,204.78	
46187	19/12/2012	9707	Sales Receipt			396.00		-45,808.78	
202	27/12/2012	9718	crane permits			23.30		-45,785.48	
46203	27/12/2012	9716	actinity paermit			7.00		-45,778.48	
46204	27/12/2012		Sales Receipt			10.48		-45,768.00	
46297	01/12/2012	TRANS	Bank Transfer			2,329.38		-43,438.62	
46299	05/12/2012	TRANS	Bank Transfer			1,164.69		-42,273.93	
46301	06/12/2012	TRANS	Bank Transfer			1,164.69		-41,109.24	
46303	12/12/2012	TRANS	Bank Transfer			1,164.69		-39,944.55	
46305	14/12/2012	TRANS	Bank Transfer			1,164.69		-38,779.86	
46307	14/12/2012	TRANS	Bank Transfer			1,164.69		-37,615.17	
46309	15/12/2012	TRANS	Bank Transfer			2,329.38		-35,285.79	
46311	15/12/2012	TRANS	Bank Transfer			2,329.38		-32,956.41	
46313	15/12/2012	TRANS	Bank Transfer			2,329.38		-30,627.03	
46315	18/12/2012	TRANS	Bank Transfer			1,164.69		-29,462.34	
46317	18/12/2012	TRANS	Bank Transfer			1,164.69		-28,297.65	
46319	18/12/2012	TRANS	Bank Transfer			3,494.07		-24,803.58	
46321	19/12/2012	TRANS	Bank Transfer			15,140.97		-9,662.61	
46323	20/12/2012	TRANS	Bank Transfer			1,164.69		-8,497.92	
46325	20/12/2012	TRANS	Bank Transfer			2,329.38		-6,168.54	

Bank Statement

Current Account  
 Currency: Euro

NADUR LC 2012

Book Balance: -9000.80

Date From: 01/12/2012

Date To: 16/01/2013

No	Date	Ref	Details	Payments	Receipts	Balance
46327	22/12/2012	TRANS	Bank Transfer		1,164.69	-5,003.85
46329	24/12/2012	TRANS	Bank Transfer		2,329.38	-2,674.47
46331	27/12/2012	TRANS	Bank Transfer		1,164.69	-1,509.78
46333	28/12/2012	TRANS	Bank Transfer		1,164.69	-345.09
46335	31/12/2012	TRANS	Bank Transfer		1,164.69	819.60
46338	05/12/2012	TRANS	Bank Transfer		1,164.69	1,984.29
46339	01/12/2012		statement fee	1.16		1,983.13
46345	18/12/2012	11510	concert fee	1,300.00		683.13



# Rendikont SCHEDULED Statement of Account

DATA Date

25 DEC 12 - 31 DEC 12

Bank's BIC

VALLMTMT

FERGHA Branch

GOZO

MUNITA Currency

EUR

TIP Type

CURRENT ACCOUNT

NRU. TAL-KONT Account No. - IBAN

12414448026

MT37VALL22013000000012414448026

KUNSILL LOKALI NADUR  
TRIQ IT-TRAMUNTANA  
NADUR  
GHAWDEX  
NDR 1222  
MALTA

24

DATA Date	DESKRIZZJONI TAT-TRANSAZZJONI Transaction Description	HRUG Withdrawals	DHUL Deposits	BILANC Balance
DEC12	BALANCE BROUGHT FORWARD			902.44
DEC12	DEPOSIT		40.78	943.22
27DEC12	AUTOTRF 12414448013		1,164.69	2,107.91
27DEC12	CHEQUE 11506	1,333.84		774.07
28DEC12	AUTOTRF 12414448013		1,164.69	1,938.76
28DEC12	CHEQUE 11501	873.90		1,064.86
29DEC12	CHEQUE 11432	320.00		744.86
31DEC12	AUTOTRF 12414448013		1,164.69	1,909.55
31DEC12	CHEQUE 11508	1,226.42		683.13
31DEC12	BALANCE CARRIED FORWARD		EUR	683.13

CHARGES: 0.00

INTEREST PAID: 0.00

INTEREST RECEIVED: 0.00

PLEASE IGNORE EMAILS CLAIMING TO ORIGINATE FROM BOV ASKING FOR PERSONAL DETAILS SUCH AS YOUR PIN, USER ID & CREDIT CARD NUMBER. IT IS NOT THE BANK'S POLICY TO REQUEST SUCH INFO.

Skond struzzjonijiet tieghek sad-data ta' dan ir-rendikont:  
According to your instructions as at date of this statement:

TNAQQASX TAXXA  
DO NOT WITHHOLD TAX

NIXTIEQ NIRCIEVI REKLAMAR  
CONSENT TO DIRECT MARKETING

COM 17 (10/2010)

sta jkollok b'zonn dan id-dokument għall-finijiet ta' taxxa. Please retain this statement in support of any tax claims.

bilanc li jidher fuq dan ir-rendikont għandu jigi verifikat u int mitlub/a tgharraf lill-manager immedjatament f'kaz ta' diskrepanza. (-) bilanc dovut lill-Bank.

the balance shown on the statement should be verified promptly and any discrepancy notified to the manager immediately. (-) denotes debit balance.

Nadur Local Council

Annual Report  
and  
Financial Statements

1 January – 31 December 2012

Prepared by  
JCA Limited



**ANNUAL REPORT AND FINANCIAL STATEMENTS  
31 DECEMBER 2012**

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Statement of changes in equity	6
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Independent auditors' report	22

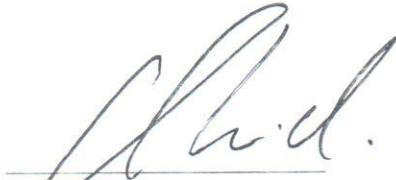
**Financial Statements for the year ended 31 December 2012**

**Statement of Local Council Members' and Executive Secretary's Responsibilities**

The Local Councils (Financial) Regulations require the Executive Secretary to prepare a detailed annual administrative report which includes the Local Council's Statement of 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 Councils (Financial) Regulations, and the Local Councils (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 Councils (Financial) Regulations, and the Local Councils (Financial) Procedures. The Executive Secretary is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Council and signed on its behalf on the 18 April 2013 by:

  
Charles Said  
Mayor  
Rita Mifsud Attard  
Executive Secretary


## STATEMENT OF FINANCIAL POSITION

As at 31 December 2012

	Notes	31 December 2012 €	31 December 2011 €
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	1,334,385	1,326,004
		<u>1,334,385</u>	<u>1,326,004</u>
<b>Current Assets</b>			
Receivables	4	59,290	73,112
Cash and Cash Equivalents	5	76,972	159,779
		<u>136,262</u>	<u>232,891</u>
<b>Total Assets</b>		<u><u>1,470,647</u></u>	<u><u>1,558,895</u></u>
<b>RESERVES AND LIABILITIES</b>			
<b>Reserves</b>			
Retained Fund		808,592	805,802
<b>Non-current liabilities</b>			
Long term borrowings	6	70,180	76,204
Non current deferred income	6	159,871	209,612
Deferred income grants	7	143,468	116,127
<b>Current liabilities</b>			
Payables	8	288,536	351,150
<b>Total reserves and liabilities</b>		<u><u>1,470,647</u></u>	<u><u>1,558,895</u></u>

The notes on pages 8 to 21 are an integral part of the financial statements.

These Financial Statements were approved by the Local Council on the 18 April 2013 and signed on its behalf by:

  
 Charles Said  
 Mayor

  
 Rita Mifsud Attard  
 Executive Secretary

# STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2012

	Notes	2012 €	2011 €
<b>REVENUE</b>			
Funds received from central government	9	430,422	428,852
Funds raised under Local Enforcement System	10	2,177	295
General Income	11	25,833	32,987
		<u>458,432</u>	<u>462,134</u>
<b>EXPENDITURE</b>			
Personal emoluments	12	(64,075)	(68,955)
Operations and maintenance	13	(171,505)	(147,341)
Administration and other expenditure	14	(218,060)	(197,746)
		<u>(453,640)</u>	<u>(414,042)</u>
<b>Operating Surplus for the year</b>		4,792	48,092
Investment income	15	1,421	561
Finance cost	16	(3,423)	(3,656)
<b>Total Comprehensive Income for the year</b>		<u><u>2,790</u></u>	<u><u>44,997</u></u>

The notes on pages 8 to 21 are an integral part of the financial statements.



# STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2012

	Retained Earnings 2012 €	Retained Earnings 2011 €
At 1 January	805,802	760,805
Total Comprehensive Income for the year	2,790	44,997
	<hr/>	<hr/>
At 31 December	808,592	805,802

The notes on pages 8 to 21 are an integral part of the financial statements.

**STATEMENT OF CASH FLOWS**

Year ended 31 December 2012

	Note	2012 €	2011 €
<b>Cash Flows from Operating Activities</b>			
Total Comprehensive Income for the year		2,790	44,997
Adjustments for:			
Depreciation		119,340	88,829
Deferred income amortised		(13,223)	(4,564)
Investment Income		(1,421)	(561)
Interest on loan		3,423	3,656
Operating Profit before Working Capital Changes		110,909	132,357
Decrease in receivables		13,822	10,084
(Decrease)/Increase in payables		(62,257)	221,201
Net Cash inflows from operating Activities		62,474	363,642
<b>Cash flows from Investing Activities</b>			
Purchase of property, plant and equipment		(127,721)	(632,245)
New grants received		41,118	20,830
Investment Income		1,421	561
Interest on loan		(3,423)	(3,656)
Cash Flow used in investing activities		(88,605)	(614,510)
<b>Cash flows from Financing Activities</b>			
Net movement in bank loan		(55,765)	203,820
Net Cash (used in)/generated from financing activities		(55,765)	203,820
Net Decrease in Cash and Cash Equivalents		(81,896)	(47,048)
Cash and Cash Equivalents at the Beginning of Year		148,471	195,519
Cash and Cash Equivalents at the End of Year	5	66,575	148,471

The notes on pages 8 to 21 are an integral part of the financial statements.



**Notes to the Financial Statements for the year ended 31 December 2012**

**1. General Information**

Nadur Local Council is the local Authority of Nadur setup in accordance with the Local Council's Act. The office of the Local Council is situated at North Street, Nadur NDR1222, Gozo.

Nadur Local Council started to form part of the Gozo Regional Committee in September 2011.

**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.

**a. Accounting convention**

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).

The financial statements are prepared under the historical cost convention as modified to include fair values stated in the accounting policies below. These Financial Statements are prepared in accordance to the requirements of International Financial Reporting Standards as adopted by the EU and comply with the Local Councils Act Cap 363, the Financial Regulations issued in terms of this Act and the Local Councils (Financial) Procedures 1996.

**b. Standards, amendments and interpretations to existing standards**

**Annual Improvements:** 2012 made several minor amendments to a number of IFRSs. None of the changes to IFRSs and interpretations has had, or is expected to have, a material impact on the council's financial statements.

**Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the council**

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the council.

Council members anticipate that all of the relevant pronouncements will be adopted in the council's accounting policies for the first period beginning after the effective date of the pronouncement.

Information on new standards, amendments and interpretations that are expected to be relevant to the Council's financial statements is provided below. Certain other new standards and interpretations have been issued but are not relevant and therefore are not expected to have a material impact on the council's financial statements.

**IFRS 9 Financial Instruments (effective from 1 January 2013)**

The IASB aims to replace IAS 39 Financial Instruments: Recognition and Measurement in its entirety. IFRS 9 is being issued in phases. To date, the chapters dealing with recognition, classification, measurement and derecognition of financial assets and liabilities have been issued. These chapters are effective for annual periods beginning 1 January 2013. Further chapters dealing with impairment methodology and hedge accounting are still being developed.

Council members have yet to assess the impact that this amendment is likely to have on the financial statements of the council. However, they do not expect to implement the amendments until all chapters of IFRS 9 have been published and they can comprehensively assess the impact of all changes.

**Notes to the Financial Statements for the year ended 31 December 2012 – continued**

**c. Revenue recognition**

Revenue is recognised when the amount of revenue and the associated costs can be measured reliably. Interest income is recognised in the statement of comprehensive income as it accrues.

**d. Local Enforcement System**

Nadur Local Council formed part of Gozo Joint Committee until the 30<sup>th</sup> September 2011. After this date the Local Enforcement System was taken over by the Regional committees. During 2012 the amount disclosed in the financial statements under Local Enforcement Income represents the administrative fee of 10% that is now chargeable to the Regional Committees for contraventions paid at the Council.

**e. Property, Plant and Equipment**

Property, plant and equipment is stated at cost less accumulated depreciation and impairment loss 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
Road and traffic 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 financial reporting 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.

**f. Government Grants**

Government grants are accounted for on the Income Approach according to IAS 20. They are accounted for on a systematic basis in the Statement of Comprehensive Income over the periods necessary to match them with the related costs which they are intended to compensate. If such costs have already been incurred when the grant is made, or if there are no related cost, then the grant is accounted for when it becomes receivable.



**Notes to the Financial Statements for the year ended 31 December 2012 (cont)**

**g. 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 cost to sell and the value in use. Impairment losses are immediately recognised as an expense in the Statement of Comprehensive Income.

**h. 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 amounts of the asset in 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.

**i. 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 Euro, which is the Council's functional and present currency.

**j. Surplus and deficits**

Only surpluses that were realised at the date of the Statement of Financial Position are recognised in these Financial Statements. All foreseeable liabilities and potential deficits 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.

**k. Cash and 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.

**l. Related parties**

Related parties are those persons or bodies of persons having relationships with the Council as defined in IAS 24.

During the year under review, the Local Council's related party that exercises a significant control was the Department for Local Government. The parties that exercise no control were Water Services Corporation and Malta Environment and Planning Authority whereas there was joint control with the Gozo Joint Committee.

**m. Payables**

Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not they are presented as non-current liabilities.

Amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the council.

**Notes to the Financial Statements for the year ended 31 December 2012 – continued**

**n. 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 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'.

**Notes to the Financial Statements for the year ended 31 December 2012 – continued**

**o. Critical accounting estimates and judgements**

The preparation of financial statements in conformity with IFRS requires council members to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Use of available information and application of judgement are inherent in making estimates. Actual results in future could differ from such estimates and the differences may be material to the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

In the opinion of the council members, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1 (revised).

**p. Borrowings**

Borrowings are initially recognised at cost, being the fair value of the consideration received and including acquisition charges associated with the borrowing.

Subsequent to initial recognition, all interest-bearing borrowings, other than liabilities held for trading, are subsequently measured at amortised cost, using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on settlement. Liabilities which are held for trading are subsequently measured at fair value.

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



## Notes to the Financial Statements for the year ended 31 December 2012 (cont)

## 3a Property, Plant and Equipment

Cost	Trees & Plants	Office Furniture /fittings	Office & Computer Equipment	Plant & Machinery	Urban Improvements	New Street Signs	Construction	Special Programmes	Council Assets under Premises construction	Total
€	€	€	€	€	€	€	€	€	€	€
At 1 January 2012	5,840	28,745	16,749	27,954	443,985	13,942	1,660,680	136,328	138,150	2,472,373
Additions this year	-	1,301	4,582	4,913	28,868	-	86,457	1,600	-	127,721
At 31 December 2012	5,840	30,046	21,331	32,867	472,853	13,942	1,747,137	137,928	138,150	2,600,094
<b>Grants and other reimbursements</b>										
At 1 January 2012	-	-	-	-	-	-	(229,616)	(68,341)	-	(297,957)
Additions this year	-	-	-	-	-	-	-	-	-	-
At 31 December 2012	-	-	-	-	-	-	(229,616)	(68,341)	-	(297,957)
<b>Accumulated Depreciation</b>										
At 1 January 2012	-	(16,402)	(15,541)	(25,414)	(215,457)	(13,942)	(510,682)	(47,560)	(3,414)	(848,412)
Charge this year	-	(941)	(744)	(464)	(23,116)	-	(91,462)	(1,952)	(661)	(119,340)
At 31 December 2012	-	(17,343)	(16,285)	(25,878)	(238,573)	(13,942)	(602,144)	(49,512)	(4,075)	(967,752)
<b>Net book value</b>										
At 31 December 2012	5,840	12,703	5,046	6,989	234,280	-	915,377	20,075	134,075	1,334,385

## Notes to the Financial Statements for the year ended 31 December 2012 (cont)

## 3b Property, Plant and Equipment

	Trees & Plants	Office Furniture /fittings	Office & Computer Equipment	Plant & Machinery	Urban Improvements	New Street Signs	Construction	Special Programmes	Council Premises	Assets under construction	Total
Cost	€	€	€	€	€	€	€	€	€	€	€
At 1 January 2011	5,840	28,182	16,132	27,617	418,532	13,942	1,027,636	136,328	138,150	27,769	1,840,128
Additions this year	-	563	617	337	25,453	-	605,275	-	-	-	632,245
Reclassifications	-	-	-	-	-	-	27,769	-	-	(27,769)	-
At 31 December 2011	5,840	28,745	16,749	27,954	443,985	13,942	1,660,680	136,328	138,150	-	2,472,373
<b>Grants and other reimbursements</b>											
At 1 January 2011	-	-	-	-	-	-	(229,616)	(68,341)	-	-	(297,957)
Additions this year	-	-	-	-	-	-	-	-	-	-	-
At 31 December 2011	-	-	-	-	-	-	(229,616)	(68,341)	-	-	(297,957)
<b>Accumulated Depreciation</b>											
At 1 January 2011	-	(14,690)	(14,432)	(24,066)	(200,685)	(13,942)	(444,533)	(43,953)	(3,282)	-	(759,583)
Charge this year	-	(1,712)	(1,109)	(1,348)	(14,772)	-	(66,149)	(3,607)	(132)	-	(88,829)
At 31 December 2011	-	(16,402)	(15,541)	(25,414)	(215,457)	(13,942)	(510,682)	(47,560)	(3,414)	-	(848,412)
<b>Net book value</b>											
At 31 December 2011	5,840	12,343	1,208	2,540	228,528	-	920,382	20,427	134,736	-	1,326,004

**Notes to the Financial Statements for the year ended 31 December 2012 (cont)**

	2012	2011
	€	€
<b>4 Receivables</b>		
Receivables	8,339	4,136
Accrued income	49,093	62,736
Prepayments	1,858	6,240
	<u>59,290</u>	<u>73,112</u>

**Trade receivables**

Within the current period	57,944	67,779
Exceeded credit period but not yet impaired	1,346	5,333
	<u>59,290</u>	<u>73,112</u>

**5 Cash and Cash Equivalents**

Cash and cash equivalents consist of cash in hand and balance with banks. Cash and cash equivalents included in the statement of cash flows comprise the following amounts in the Local Council's statement of financial position:

	2012	2011
	€	€
Bank Balances:		
Ordinary funds	76,971	159,759
Cash in hand	1	20
Overdrawn balances	<u>(10,397)</u>	<u>(11,308)</u>
	66,575	148,471
Transfer to payables	10,397	11,308
	<u>76,972</u>	<u>159,779</u>
Cash at bank and in hand		

**6 Non-current Liabilities**

	2012	2011
	€	€
Borrowings	70,180	76,204
Non current liability	<u>159,871</u>	<u>209,612</u>
	<u>230,051</u>	<u>285,816</u>

The Council has a loan facility of Euro 91,444 with APS Bank Limited, in connection with the construction and finishing costs of the new premises to house the administrative offices of the Council and a public convenience at North Street, Nadur. This loan is repayable in monthly instalments of Euro 787.33, bears interest of 1.75% over the Central Bank Intervention rate, currently 3.75% per annum and is repayable in full by June 2026.

The facility is secured by:

(a) First General Hypothec over the Council's assets for Euro 116,469.

(b) First Special Hypothec for Euro 116,469 on a piece of land covering an area of 3,372 sq.mts situated at Our Lady of Fatima Street, Nadur.

The instalments falling due within one year are being disclosed with Current Liabilities while the balance is separately disclosed as falling due after one year.



**Notes to the Financial Statements for the year ended 31 December 2011 (cont)**

<b>Non-current payables (Cont.)</b>	<b>2012</b>	<b>2011</b>
	<b>€</b>	<b>€</b>

Non-current liabilities may be analysed as follows:

Due between 1 to 2 years	36,093	61,851
Due between 2 to 5 years	108,279	106,948
Due after 5 years	85,679	117,017
	<u>230,051</u>	<u>285,816</u>

<b>7 Deferred Income Grants</b>	<b>2012</b>	<b>2011</b>
	<b>€</b>	<b>€</b>
Deferred Income 1 to 2 years	13,693	11,095
Deferred Income 2 to 5 years	33,357	26,879
Deferred Income over 5 years	96,418	78,153
	<u>143,468</u>	<u>116,127</u>

	<b>2012</b>	<b>2011</b>
	<b>€</b>	<b>€</b>
Opening balance	130,737	114,471
Increase in grants	41,118	20,830
Release of grants	13,223	4,564
Closing balance	<u>158,632</u>	<u>130,737</u>
Less Current portion	<u>15,164</u>	<u>14,610</u>
Non-current portion	<u>143,468</u>	<u>116,127</u>

<b>8 Payables</b>	<b>2012</b>	<b>2011</b>
	<b>€</b>	<b>€</b>
Payables	93,773	66,949
Unspent Funds	-	1,301
Accruals	159,754	247,534
Deferred income grants within one year	15,164	14,610
Borrowings	9,448	9,448
Overdrawn balances	10,397	11,308
	<u>288,536</u>	<u>351,150</u>

<b>9 Funds received from Central Government</b>	<b>2012</b>	<b>2011</b>
	<b>€</b>	<b>€</b>
In terms of section 55 of the Local Councils Act (CAP 363)	414,002	396,679
Other Government Income	16,420	32,173
	<u>430,422</u>	<u>428,852</u>

**10 Income raised from Local Enforcement System**

Income from Contraventions	2,177	295
	<u>2,177</u>	<u>295</u>

Notes to the Financial Statements for the year ended 31 December 2012 (cont)

<b>11 General Income</b>	2012	2011
	€	€
Cultural activities	8,418	7,544
Community services	4,530	4,994
Contributions and donations	8,228	7,340
Income from tender documents	1,868	1,458
Income from permits	2,789	1,888
Other income	-	9,763
	<u>25,833</u>	<u>32,987</u>
<b>12 Personal Emoluments</b>	2012	2011
	€	€
Personal emoluments include, inter alia:		
Mayor's Allowance	6,539	3,804
Councillors' Allowance	6,400	6,400
Executive Secretary salary and allowances	25,655	25,012
Employees' Salaries	21,496	29,204
Social Security Contributions	3,985	4,535
	<u>64,075</u>	<u>68,955</u>
<b>13 Operations and Maintenance</b>	2012	2011
	€	€
Operations and maintenance includes, inter alia:		
Repairs and Upkeep:		
Road and street pavements	23,944	10,712
Street signs and road markings	2,396	1,513
Public property	4,587	5,966
Other	9,982	17,703
Total	<u>40,909</u>	<u>35,894</u>
<b>Contractual Services:</b>		
Refuse Collection (including bins on wheels)	59,572	48,554
Bulky Refuse Collection (incl open skips)	12,528	11,038
Road and Street Cleaning (mechanical and manual)	14,812	16,014
Cleaning and Maintenance of Public Conveniences	3,799	3,094
Cleaning and maintenance - parks and gardens	7,989	6,287
Cleaning and maintenance - non- urban	5,146	1,182
Clean.&Maint-Beaches and coastal areas	-	312
Local Enforcement System - expenses	1,227	1,051
Street lighting	7,726	10,738
Other	17,797	13,177
	<u>130,596</u>	<u>111,447</u>
Total Operations and Maintenance Expenses	<u>171,505</u>	<u>147,341</u>

Notes to the Financial Statements for the year ended 31 December 2012 (cont)

<b>14 Administration and other expenditure</b>	2012	2011
	€	€
Utilities	13,795	13,224
Other repairs and upkeep	5,952	5,604
National and International Memberships	1,036	10,528
Rent	3,431	1,913
Office Services	5,236	3,338
Travel	1,911	3,884
Transport	2,595	3,713
Information services	25,437	15,358
Other contractual services	3,831	3,964
Professional Services	11,176	21,678
Community and Hospitality	24,225	24,087
Training	95	-
Penalty	-	1,626
Depreciation	119,340	88,829
	<u>218,060</u>	<u>197,746</u>

<b>15 Investment income</b>	2012	2011
	€	€
Bank Interest Receivable	1,421	561
	<u>1,421</u>	<u>561</u>

<b>16 Finance cost</b>	2012	2011
	€	€
Interest on bank loan	3,423	3,656

<b>17 Capital Commitments</b>	2012	2011
	€	€
Capital expenditure approved but not yet contracted for	<u>333,516</u>	<u>7,000</u>

Further analysis as follows:

Capital expenditure approved but not yet contracted for:		
Resurfacing of Madre Gemma Camilleri and Rakela Camilleri Streets	64,280	-
Resurfacing of Ramla Road and Dun Anton Tabone Street	252,736	-
Works on Alleys	16,500	-
Acquisition of property	-	7,000
	<u>333,516</u>	<u>7,000</u>

**18 Contingent gain**

The Council forms part of a Local Enforcement Pooling System, profits or losses generated from which system cannot be quantified at year end and have been excluded from these financial statements.

Notes to the Financial Statements for the year ended 31 December 2012 (cont)**19 Contingent Liability**

- i) The Council has an amount due to a supplier amounting to Euro 13,819 which amount is not included as a liability in the accounts. The Council is not recognizing the liability since it is claiming that there were works which have not been carried out correctly and amounts charged which are not approved. Furthermore, there is an amount which the Local Council is objecting since rates charged were not as per contract.
- ii) The Council has an outstanding balance with a supplier amounting to Euro 9,390 which is not included as a liability in the accounts. The Council has instruction from the Local Councils Association not to pay this amount since it exceeds the government allocation for this expense. There are discussions between the Local Councils Association, Department for Local Government and the Contractor regarding this issue which is common to all the Local Councils.
- iii) There is a dispute between the Local Council and the Koperattiva Ghawdex Indafa Pubblika whereby the supplier is appealing a decision already taken in favour of the Local Council. Should the appeal be decided in favour of the supplier the Local Council might be asked to pay a sum of between Euro 42,000 and Euro 58,000.

**20 Related Parties Disclosures**

During the year under review, the Council carried out transactions with the following related parties:

Name of entity	Nature of relationship
Department of Local Councils	Significant control
Regional Committees	No control
Ministry for Gozo	No control
Water Services Corporation	No control

The following were the significant transactions carried out by the Council with related parties having:

	2012	2011
Significant control:		
Revenue	€	€
Annual financial allocation	<u>414,002</u>	<u>396,679</u>

The ultimate controlling party of the Local Council is Central Government since the Council's main revenue is from the Government allocation received every quarter. Apart from the normal funds received from Government, Councils also receive funds relating to specific projects as well as other funds for the improvement and betterment of the locality.

The Council also receives revenue from other Government entities such as Water Services Corporation for trenching works carried out in the locality, and for the reinstatement of roads as a result of the trenching works.



Notes to the Financial Statements for the year ended 31 December 2012 (cont)**21 Risk management objectives and policies**

The Council's activities expose it to credit risk and liquidity risk through its use of financial instruments which result from its operating activities. The Council is not exposed to any market risk. The Council's risk management is coordinated by the council members and focuses on actively securing the council's short to medium term cash flow by minimising exposure to financial risks.

The most significant financial risks to which the council is exposed are described below.

**21.1 Credit risk**

The council's exposure to credit risk is limited to the carrying amount of financial assets recognised at the end of the reporting period, as summarised below:

	2012	2011
Class of financial assets – carrying amounts	€	€
Trade and other receivables	59,290	73,112
Cash and Cash Equivalents	76,972	159,779
	<u>136,262</u>	<u>232,891</u>

The council continuously monitors defaults of counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. The council's policy is to deal with only creditworthy counterparties.

The council considers that the above financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due. See notes 4 and 5 for further information on impairment or financial assets that are past due.

None of the council's financial assets is secured by collateral or other credit enhancements

The credit risk for liquid funds is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

**21.2 Liquidity risk**

The council's exposure to liquidity risk arises from its obligations to meet its financial liabilities which comprise payables. Prudent liquidity risk management includes maintaining sufficient cash and committed credit facilities to ensure the availability of an adequate amount of funds to meet the council's obligations when they become due.

The council manage its liquidity needs through yearly budgets and business plans by carefully monitoring expected cash inflows and outflows on a daily basis. The council's liquidity is deemed to be sufficient in view of an excess of financial assets.

	2012	2011
	€	€
Payables	288,536	351,150
	<u>288,536</u>	<u>351,150</u>



Notes to the Financial Statements for the year ended 31 December 2012 (cont)

**21.3 Summary of the financial assets and liabilities by category**

The carrying amounts of the council's financial assets and liabilities as recognised at the reporting dates under review are categorised as follows:

	2012 €	2011 €
<b>Current Assets</b>		
Loans and receivables:		
Trade and other receivables	59,290	73,112
Cash and Cash Equivalents	76,972	159,779
	<u>136,262</u>	<u>232,891</u>
<b>Non-current Liabilities</b>		
Financial liabilities measured at amortised costs:		
Borrowings	70,180	76,204
<b>Current Liabilities</b>		
Financial liabilities measured at amortised costs:		
Payables	279,088	341,702
Borrowings	9,448	9,448
	<u>358,716</u>	<u>427,354</u>



**Spiteri Bailey & Co.**

Accountancy Audit Advisory

## **LOCAL COUNCIL NADUR**

### **Report of the Local Government Auditor to the Auditor General**

We have audited the accompanying financial statements of Local Council Nadur set out on pages 4 to 21, which comprise the statement of financial position as at 31<sup>st</sup> December 2012, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows of the Local Council for the year then ended, and a summary of significant accounting policies and other explanatory notes.

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### **Council Responsibilities for the Financial Statements**

As described on page 3, the Executive Secretary and the Council are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards as adopted by the EU and for such internal control as the Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Local Government Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Local Council. An audit also includes evaluating the appropriateness of accounting policies and the reasonableness of the accounting estimates made by the Executive Secretary and the Council, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Partners:

William Spiteri Bailey  
F.I.A., M.I.M., C.S.A., C.P.A.  
Registered Auditor

Karen Spiteri Bailey  
B.A. Hons. (Accty.), F.I.A., A.M.I.T., C.P.A.  
Registered Auditor

### **Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of the Council as of 31 December 2012 and of the Council's financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the EU.

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

In our opinion, the financial statements have been properly prepared in accordance with the Local Councils Act, (CAP 363); the Financial Regulations issued in terms of the said Act; and the Local Councils (Financial) Procedures.

### **Emphasis of Matter**

Without qualifying our audit opinion, we would like to bring your attention to the fact that as at 31<sup>st</sup> December 2012, the current liabilities of the Local Council exceeded its current assets by Euro 152,274 indicating possible liquidity problems.



This copy of the audit report has been signed by  
**Conrad Borg FCCA FIA DipIFR CPA (Partner)** for and on behalf of  
**Spiteri Bailey & Co.**  
Certified Public Accountants  
Members of PrimeGlobal  
Dun Karm Street,  
Birkirkara By-pass,  
Birkirkara BKR 9038,  
Malta.

18/04/13