

NADUR

Local Council

Quarterly Financial Report

for the Period

1st January till End of June 2017 (Quarter 2)

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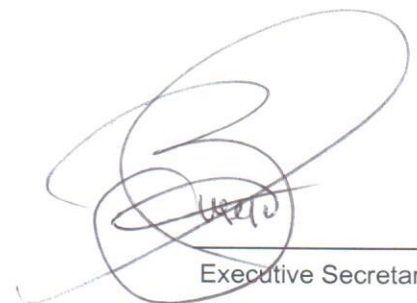
Overview and Summary

In the following pages, the Nadur Local Council is presenting the quarterly financial report for period January till June 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 of Euro 5,769 for the period January till June 2017. When comparing this surplus to the budgeted surplus, in absolute terms, such actual surplus is less than that expected. However, when further scrutinizing the different items of the surplus, i.e. the income and the expenditure, one can note that with respect to expenditure, the Local Council is highly within budget. With respect to income, there is a discrepancy between actual and budgeted income mainly arising due to the deferred income charge for the year which relates to income received from funds on capital items deferred to future years other than the year in which they were incurred. In order not to distort the actual results of the Local Council, such deferred income charge will be transferred as income in the statement of income and expenditure as at end of year in the financial statements. Such surplus is further substantiated by the fact that included with expenditure there is an amount of Euro 69,369 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 22,603. 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 period from January till June 2017 was also reflected in the financial situation indicator (FSI).



Mayor



Executive Secretary

Statement of Income and Expenditure**1st January till End of June 2017 (Quarter 2)****DESCRIPTION****Annual Budget
2017**

	€	€
Income		
Funds received from Central Government (1)	242,426	542,442
Income raised from Bye-Laws (2)	10,605	18,093
Income raised from LES (3)	2,250	1,757
Investment Income (4)	-	36
Other Income (5)	7,511	9,911
TOTAL	262,792	572,239
Expenditure		
Personal Emoluments (6)	36,506	82,677
Operations and Maintenance (7)	131,553	277,327
Administration (8)	19,595	50,592
Finance Cost (9)	-	2,274
Other Expenditure (10)	69,369	139,173
TOTAL	257,023	552,043
Surplus / Deficit	5,769	20,196

Balance Sheet as at end of June 2017 (Quarter 2)

DESCRIPTION	Annual Budget 2017	
	€	€
Non-current Assets		
Property, Plant and Equipment (17)	1,498,597	1,434,829
Current Assets		
Inventories (11)	-	-
Receivables (12)	12,297	7,410
Cash and Cash Equivalents (13)	22,603	15,158
Total Current Assets	34,900	22,568
Current Liabilities		
Payables (14)	846,899	758,821
Current portion of Long-Term Borrowings	9,448	9,448
Total Current Liabilities	856,347	768,269
Net Current Assets	(821,447)	- 745,701
Non-current liabilities (15)	37,692	35,243
Net Assets	639,458	653,885
Reserves		
Retained Funds	639,458	653,885

Financial Situation Indicator

DESCRIPTION		
Current Assets	34,900	22,568
Current Liabilities	856,347	768,269
Total Long Term Liabilities	37,692	35,243
Commitments approved by Ministry	(859,139)	(780,944)
Total Government Allocation	442,946	442,946
	-194%	-176.31%

Cash Flow Statement

	€
Cash flow from operating activities	
Surplus for the year	5,769
Adjustments for:	
Depreciation	69,369
Increase / (Decrease) in Allowance for Bad Debts	0
Interest receivable	-
Interest payable	0
(Profit) / Loss on disposal of asset	0
Increase / (Decrease) in payables	-37522
Increase / (Decrease) in accruals	-10672
Decrease / (Increase) in receivables	-111
Decrease / (Increase) in inventories	0
Decrease / (Increase) in inventories	0
Cash generated from operations	26,833
Interest paid	0
<i>Net cash from operating activities</i>	26,833
Cash flows from investing activities	
Purchase of property, plant & equipment	-8964
Proceeds from sale of property, plant & equipment	0
Grants received	0
Interest received	0
<i>Net cash used in investing activities</i>	-8964
Cash flows from financing activities	
Proceeds from long-term borrowings	0
Interest Paid	0
Bank Loan Repayments	-4725
<i>Net cash from financing activities</i>	-4725
Net increase/(decrease) in cash & cash equivalents	13,144
Cash & cash equivalents at beginning of year	9459
Cash & cash equivalents at end of Quarter	22603

DESCRIPTION	€
Income	
1 Funds received from Central Government:	
0001 In terms of section 55 CAP 363	231,473
0002-0004 In terms of section 58 CAP 363	2,577
0005-0019 Other income	8,376
	242,426
2 Income raised from Bye-Laws	
0021-0025 Community Services	892
0026-0035 Income from Permits	9,713
	10,605
3 Local Enforcement Income	
0037 Commission from Regional Committees	-
0038-0055 Contraventions	2,250
	2,250
4 Investment Income	
0091-0095 Bank interest	-
0096-0099 Income received from Government Securities	-
	-
5 Sponsorships	
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	-
	7,511
Total	262,792
6 i) Personal Emoluments	
1100 Mayor's Allowance	6,873
1200 Employees' Salaries & Wages	26,314
1300 Bonuses	-
1400 Income Supplements	-
1500 Social Security Contributions	2,429
1600 Allowances	240
1700 Overtime	650
	36,506
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	1,093
2200-2259 Public Materials & Supplies	2,686
2300-2399 Repairs & upkeep	11,720
2400-2449 Rent	985
3010 Street Lightning	2,255
3020 Lease of Equipment	13,730
3030 Insurance	1,149
3035 Bank Charges	188
3038 Penalties	-
3041 Refuse Collection	27,177
3042 Bulky Refuse Collection	4,431
3043 Bins on wheels	-
3045 Bring in sites	-
3051 Road & Street Cleaning	8,911
3052 Cleaning & Maintenance of Non-Urban Areas	-
3053 Cleaning of Public Conveniences	2,636
3055 Cleaning of Council Premises	334
3040 Waste Disposal	9,210
3060 Cleaning & Maintenance of Parks & Gardens	3,193
3061 Cleaning & Maintenance of Soft Areas	-
3062 Cleaning & Maintenance of Beaches & CA	-
3063 Cleaning & Maintenance of Country Non-Urban	-
6064 Other contractual Services	12,894
3070-3090 Consultation Fees	7,595
3100-3139 Contract & Project Management	2,197
3300-3379 Hospitality	19,169
3380-3389 Community	-
3390-3394 Donations	-
3600-3694 Local Enforcement Expenses	-
3700-3799 EU Projects	-
3800-3899 Twinning	-
	131,553
8 Administration	
2150-2199 Office Utilities	1,037
2260-2299 Office Materials & Supplies	-
2450-2499 Office Rent	-
2500-2599 National & International Memberships	742
2600-2699 Office Services	3,953
2700-2799 Transport	2,750
2800-2899 Travel	866
2900-2999 Information Services	2,327
3050 Office Cleaning	-
3410-3199 Professional Services	7,811
3200-3299 Training	-
3345 Office Hospitality	-
3400-3499 Incidental Expenses	109
	19,595
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	69,369
	69,369
Total	257,023
11 Inventories	
5201-5249 Stationery	-
5250-5299 Consumables	-
	-
12 Receivables	
0201-0209 Receivables	6,198
0210-0219 LES Receivables	-
0220-0229 Receivables from EU	-
0250 Prepayments & Accrued income	6,099
	12,297
13 Cash & Equivalents	
5001-5099 Bank & Cash Balances	22,603
	22,603
14 Payables	
4000 Payables	291,912
4100 Accruals	5,303
4150 Deferred Income	549,684
Current portion of long term borrowings	9,448
	856,347
15 Non Current Liabilities	
4200 Long Term Borrowing	37,692
	37,692

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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	€	€	€	€	€	€	€	€	€	€
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			1,158	7,806						8,964
Disposals										-
As at end of June 2017	6,812	32,674	30,489	32,625	551,050	13,942	2,426,833	136,328	138,150	3,368,903
Grants/ other reimbursements										
As at 1st January 2017	-	-	-	-	-	-	229,616	68,341	-	297,957
Additions										-
As at end of June 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		388	860	360	9,710	-	56,957	444	650	69,369
Released on disposal										-
As at end of June 2017	-	21,315	23,434	29,642	357,046	13,942	1,064,427	54,426	8,117	1,572,349
NBV										
As at end of June 2017	6,812	11,359	7,055	2,983	194,004	-	1,132,790	13,561	130,033	1,498,597