

NADUR
Local Council

Annual Budget
For
Financial Year
2020



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Overview and Summary

The Nadur Local Council based its forecasts for the annual budget for year 2020 primarily on the figures for year ended 31 December 2019. In relation to expenses as a whole, with the exception of personal emoluments, an allowance of 1% increase on 2019 actual figures was provided for in order to compensate for inflation and related increase in prices. The forecasted expenditure for personal emoluments was based on actual wages and salaries which will be paid by the Local Council in 2020 in accordance with the various laws and regulations governing this expenditure. With respect to income, it is important to point out that the annual allocation, being the main income for the Local Council, was provided for in the budget based on the actual allocation to be received in 2020 from the Central Government.

Over the last years, the Nadur Local Council's financial position was characterised by a fiscal deficit arising from several capital projects undertaken by past administrations which were not suitably financed. The current administration as it has been doing from its inception is continuously trying to address this situation mainly by:

(i) Giving particular attention to all recurrent expenditure and ensuring that all expenses made are necessary and give the best value added;

(ii) Not undertaking any capital expenditure unless such expenditure is mainly financed by alternative sources. With respect to capital expenditure, it is important to point out that as can be seen from the depreciation schedule on page 11, the Nadur Local Council allocated in total for year 2020, Euro 609,726 for the construction and resurfacing of Old Ramla Road, Euro 58,233 for the replacement of various steel railings in Nadur and Euro 30,000 for the implantation of trees and plants in various gardens and areas in Nadur. One should note that all the capital expenditure for all the various capital projects to be undertaken in year 2020 are to be wholly financed by alternative sources. In fact, the Euro 609,726 will be obtained from the Ministry for Gozo, the Euro 58,233 for the replacement of the steel railings will be obtained from the Development Planning Fund whereas the Euro 30,000 will be obtained from Ambjent Malta for the Greeing Urban Areas Project. This fact is also evidenced on page 11, in the depreciation schedule, under 'Grants / Other Reimbursements', where an total amount equivalent to Euro 697,959 were allocated meaning that specific funds will be received for these particular capital expenditures and will thus not be a burden on the financial situation of the Local Council; and

(iii) Providing in the annual budget for 2020, the repayment of part of the deficit of the Local Council. Such repayment portion was arrived at after considering the income and expenditure of the Local Council for the coming years. The Nadur Local Council forecasts to revert its financial deficit situation in the nearby future whilst still maintaining its continuous work for the community.

Edward Said
Mayor

Sue Ellen Bugeja
Executive Secretary

Statement of Income and Expenditure

DESCRIPTION	BUDGET	ACTUAL	BUDGET	VARIANCE	VARIANCE
	Jan-Dec	Jan-Dec	Jan-Dec		
	2019	2019	2020	Bud-Bud	Bud-Act
	€	€	€	€	€
Income					
Funds received from Central Government (1)	514,041	532,977	552,585	38,544	19,608
Income raised from Bye-Laws (2)	16,635	19,172	19,364	2,729	192
Income raised from LES (3)	1,685	1,505	1,520	(165)	15
Investment Income (4)	85	56	57	(28)	1
Other Income (5)	34,887	51,154	42,362	7,475	(8,792)
TOTAL	567,333	604,864	615,887	48,554	11,023
Expenditure					
Personal Emoluments (6)	92,389	97,110	102,812	10,423	5,702
Operations and Maintenance (7)	300,827	345,099	348,479	47,652	3,380
Administration (8)	78,255	82,463	77,432	(823)	(5,031)
Finance Cost (9)	1,641	1,340	1,206	(435)	(134)
Other Expenditure (10)	85,050	155,161	155,202	70,152	41
TOTAL	558,162	681,173	685,131	126,969	3,958
Surplus / Deficit	9,171	(76,309)	(69,244)	(78,415)	7,065

Statement of Financial Position

DESCRIPTION	BUDGET	ACTUAL	BUDGET	VARIANCE	VARIANCE
	as at 31 Dec	as at 31 Dec	as at 31 Dec		
	2019	2019	2020	Bud-Bud	Bud-Act
	€	€	€	€	€
Non-current Assets					
Property, Plant and Equipment (16)	795,288	606,021	450,819	(344,469)	(155,202)
Current Assets					
Inventories (11)	-	-	-	-	-
Receivables (12)	32,308	95,709	48,173	15,865	(47,536)
Cash and Cash Equivalents (13)	71,395	431,199	146,882	75,487	(284,317)
Total Current Assets	103,703	526,908	195,055	91,352	(331,853)
Current Liabilities (14)					
Payables	214,081	620,430	210,861	(3,220)	(409,569)
Total Current Liabilities	214,081	620,430	210,861	(3,220)	(409,569)
Net Current Assets	(110,378)	(93,522)	(15,806)	94,572	77,716
Non-current liabilities (15)					
	28,782	28,476	20,234	(8,548)	(8,242)
Net Assets	656,128	484,023	414,779	(241,349)	(69,244)
Reserves					
Retained Funds	656,128	484,023	414,779	(241,349)	(69,244)

Financial Situation Indicator

DESCRIPTION	BUDGET	ACTUAL	BUDGET
	as at 31 Dec	as at 31 Dec	as at 31 Dec
	2019	2019	2020
	€	€	€
Current Assets	103,703	526,908	195,055
Current Liabilities	214,081	620,430	210,861
Working Capital	(110,378)	(93,522)	(15,806)
Government Allocation	497,241	497,241	514,585
FSI	(22) %	(19) %	(3) %

Cash Budget

DESCRIPTION	QTR 1	QTR 2	QTR 3	QTR 4	TOTAL
	JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC	
	2020	2020	2020	2020	
	€	€	€	€	€
Cash Inflows					
Government cash inflows	138,146	138,146	138,146	138,146	552,585
Cash flows from Bye-Laws & L.N fees	4,841	4,841	4,841	4,841	19,364
Local Enforcement cash flows	380	380	380	380	1,520
Finance cash flows					
Loan Proceeds	-	-	-	-	-
Investment income	14	14	14	14	57
	14	14	14	14	57
Capital cash flow					
Proceeds from disposal of assets	-	-	-	-	-
	-	-	-	-	-
Cash received from EU funds	-	-	-	-	-
Cash received from Twinning	-	-	-	-	-
Cash from Community Services	-	-	-	-	-
Other Cash Inflows	22,475	22,475	22,475	22,474	89,897
TOTAL Inflows	165,856	165,856	165,856	165,855	663,423
Cash Outflows					
Personal Emoluments	25,703	25,703	25,703	25,703	102,812
Operations & Maintenance	87,120	87,120	87,120	87,120	348,479
Administration	19,358	19,358	19,358	19,358	77,432
Finance	104,754	104,754	104,754	104,754	419,017
Capital					
Acquisition of property	-	-	-	-	-
Construction	-	-	-	-	-
Improvements	-	-	-	-	-
Special programmes	-	-	-	-	-
	-	-	-	-	-
Cash outflows re EU projects	-	-	-	-	-
Cash outflows re Twinning	-	-	-	-	-
Cash outflows re Community Services	-	-	-	-	-
	-	-	-	-	-
TOTAL Outflows	236,935	236,935	236,935	236,935	947,740
SURPLUS / (DEFICIT)	(71,079)	(71,079)	(71,079)	(71,080)	(284,317)
Brought forward (Bank /Cash Bal.)	431,199	360,120	289,041	217,962	431,199
Carry forward	360,120	289,041	217,962	146,882	146,882

Detailed Estimates of Income

DESCRIPTION	A	B	C	D (B + C)	E	F (E - A)	G (E - D)
	BUDGET	ACTUAL	FORECAST	TOTAL	BUDGET	VARIANCE	VARIANCE
	Jan-Dec 2019	Jan-Sept 2019	Oct-Dec 2019	Jan-Dec 2019	Jan-Dec 2020	Bud-Bud	Bud-Act
	€	€	€	€	€	€	€
Income							
1 Funds received form Central Government:							
0001 In terms of section 55 CAP 363	497,241	375,431	121,810	497,241	514,585	17,344	17,344
0002-0004 In terms of section 58 CAP 363	13,300	26,000	4,000	30,000	30,000	16,700	-
0005-0019 Other Income	3,500	3,000	2,736	5,736	8,000	4,500	2,264
	514,041	404,431	128,546	532,977	552,585	38,544	19,608
2 Bye-Laws & Legal Fees							
0021-0025 Community Services	645	770	920	1,690	1,707	1,062	17
0026-0035 Income from Permits	15,990	14,768	2,714	17,482	17,657	1,667	175
	16,635	15,538	3,634	19,172	19,364	2,729	192
3 Local Enforcement Income							
0037 Commission from Regional Committees	-	-	-	-	-	-	-
0038-0055 Contraventions	1,685	1,038	467	1,505	1,520	(165)	15
	1,685	1,038	467	1,505	1,520	(165)	15
4 Investment Income							
0091-0095 Bank interest	85	1	55	56	57	(28)	1
0096-0099 Income received from Government Securities	-	-	-	-	-	-	-
	85	1	55	56	57	(28)	1
5 General Income							
0056-0065 Sponsorships	10,500	5,200	-	5,200	5,200	(5,300)	-
0066-0069 Documents & Information	11	5	-	5	5	(6)	0
0070-0075 EU Funds	-	9,160	-	9,160	-	-	(9,160)
0076-0080 Twinning	-	-	-	-	-	-	-
0081-0089 Insurance Claims	-	-	-	-	-	-	-
0100-0109 Donations	-	-	-	-	-	-	-
0110-0119 Contributions	-	-	-	-	-	-	-
0120-0129 General Income	24,376	27,554	9,235	36,789	37,157	12,781	368
	34,887	41,919	9,235	51,154	42,362	7,475	(8,792)
Total	567,333	462,927	141,937	604,864	615,887	48,554	11,023

Detailed Estimates of Expenditure

DESCRIPTION	A	B	C	D (B + C)	E	F (E - A)	G (E - D)
	BUDGET	ACTUAL	FORECAST	TOTAL	BUDGET	VARIANCE	VARIANCE
	Jan-Dec	Jan-Sept	Oct-Dec	Jan-Dec	Jan-Dec		
	2019	2019	2019	2019	2020	Bud-Bud	Bud-Act
€	€	€	€	€	€	€	
6 Personal Emoluments							
1100 Mayor's Allowance	13,984	13,080	6,010	19,090	23,404	9,420	4,314
1200 Employees' Salaries & Wages	61,754	46,286	15,467	61,753	63,601	1,847	1,848
1300 Bonuses	3,669	-	4,707	4,707	4,847	1,178	140
1400 Income Supplements	865	841	-	841	-	(865)	(841)
1500 Social Security Contributions	5,703	4,368	1,335	5,703	5,903	200	200
1600 Allowances	880	577	303	880	880	-	-
1700 Overtime	5,534	3,285	851	4,136	4,177	(1,357)	41
	92,389	68,437	28,673	97,110	102,812	10,423	5,702
7 Operations and Maintenance							
2100-2149 Public Utilities	9,186	12,200	2,314	14,514	14,659	5,473	145
2200-2259 Public Materials & Supplies	8,131	7,419	2,105	9,524	9,619	1,488	95
2300-2399 Repairs & Upkeep	30,602	27,909	10,321	38,230	38,612	8,010	382
2400-2449 Rent	2,544	3,769	617	4,386	4,400	1,856	14
3010 Street Lighting	7,151	3,586	6,892	10,478	10,583	3,432	105
3020 Lease of Equipment	50,628	44,344	10,339	54,683	55,230	4,602	547
3030 Insurance	1,610	1,538	319	1,857	1,876	266	19
3035 Bank Charges	185	180	80	260	263	78	3
3038 Penalties	-	-	41	41	-	-	(41)
3040 Waste Disposal	22,742	14,779	5,113	19,892	20,091	(2,651)	199
3041 Refuse Collection	53,930	45,751	15,767	61,518	62,133	8,203	615
3042 Bulky Refuse Collection	9,071	6,963	2,142	9,105	9,196	125	91
3043 Bins on wheels	-	-	-	-	-	-	-
3045 Bring in sites	-	-	-	-	-	-	-
3051 Road & Street Cleaning	18,968	28,931	4,148	33,079	33,410	14,442	331
3052 Cleaning & Maintenance of Non-Urban Areas	469	1,442	260	1,702	1,719	1,250	17
3053 Cleaning of Public Conveniences	3,048	2,392	812	3,204	3,236	188	32
3055 Cleaning of Council Premises	1,434	711	334	1,045	1,055	(379)	10
3060 Cleaning & Maintenance of Parks & Gardens	6,311	3,163	1,417	4,580	4,626	(1,685)	46
3061 Cleaning & Maintenance of Soft Areas	-	-	-	-	-	-	-
3062 Cleaning & Maintenance of Beaches & CA	-	-	-	-	-	-	-
3063 Cleaning & Maintenance of Country Non-Urban	-	-	-	-	-	-	-
3064 Other Contractual Services	14,846	10,677	3,957	14,634	14,780	(66)	146
3070-3090 Consultation Fees	11,631	9,231	2,746	11,977	12,097	466	120
3100-3139 Contract & Project Management	8,135	3,592	185	3,777	3,815	(4,320)	38
3300-3379 Hospitality	38,854	29,289	16,225	45,514	45,969	7,115	455
3380-3389 Community	61	-	-	-	-	(61)	-
3600-3694 Local Enforcement Expenses	1,290	853	246	1,099	1,110	(180)	11
3700-3799 EU Projects	-	-	-	-	-	-	-
3800-3899 Twinning	-	-	-	-	-	-	-
	300,827	258,719	86,380	345,099	348,479	47,652	3,380

Detailed Estimates of Expenditure (Continued)

DESCRIPTION	A	B	C	D (B + C)	E	F (E - A)	G (E - D)
	BUDGET	ACTUAL	FORECAST	TOTAL	BUDGET	VARIANCE	VARIANCE
	Jan-Dec	Jan-Sept	Oct-Dec	Jan-Dec	Jan-Dec	Bud-Bud	Bud-Act
	2019	2019	2019	2019	2020		
€	€	€	€	€	€	€	
8 Administration & Other Expenditure							
2150-2199 Office Utilities	2,425	1,757	680	2,437	2,461	36	24
2260-2299 Office Materials & Supplies	-	-	-	-	-	-	-
2450-2499 Office Rent	-	-	-	-	-	-	-
2500-2599 National & International Memberships	1,818	1,703	491	2,194	2,216	398	22
2600-2699 Office Services	7,852	6,102	2,629	8,731	8,818	966	87
2700-2799 Transport	16,812	5,078	3,165	8,243	8,325	(8,487)	82
2800-2899 Travel	7,980	11,785	2,603	14,388	8,677	697	(5,711)
2900-2999 Information Services	17,110	13,574	4,761	18,335	18,518	1,408	183
3050 Office Cleaning	-	-	-	-	-	-	-
3140-3199 Professional Services	23,739	17,501	10,351	27,852	28,131	4,392	279
3200-3299 Training	256	367	(96)	271	274	18	3
3345 Office Hospitality	-	-	-	-	-	-	-
3400-3499 Incidental Expenses	263	59	(47)	12	12	(251)	0
	-	-	-	-	-	-	-
	78,255	57,926	24,537	82,463	77,432	(823)	(5,031)
9 Finance Costs							
3036 Interest on Bank Loan	1,641	710	630	1,340	1,206	(435)	(134)
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	1,641	710	630	1,340	1,206	(435)	(134)
10 Other Expenditure							
3500-3599 Loss / (Profit) on Disposal of assets	-	-	-	-	-	-	-
3695 Increase/(Decrease) in allowance for bad debts	-	-	-	-	-	-	-
8000-8099 Depreciation (Charge for the Year)	85,050	115,659	39,502	155,161	155,202	70,152	41
	85,050	115,659	39,502	155,161	155,202	70,152	41
Total	558,162	501,451	179,722	681,173	685,131	126,969	3,958

Detailed Estimates of Statement of Financial Position

DESCRIPTION	A	B	C	D (B + C)	E	F (E - A)	G (E - D)
	BUDGET Jan-Dec	ACTUAL as at 30-Sep 2019	FORECAST changes from 30 Sep-31 Dec 2019	TOTAL as at 31-Dec 2019	BUDGET Jan-Dec 2020	VARIANCE Bud-Bud	VARIANCE Bud-Act
	€	€	€	€	€	€	€
11 Inventory							
5201-5249 Stationery	-	-	-	-	-	-	-
5250-5299 Consumables	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
12 Receivables							
0201-0209 Receivables	25,427	78,289	15,966	94,255	45,992	20,565	(48,263)
0210-0219 LES Receivables	-	-	-	-	-	-	-
0220-0229 Receivables from EU	-	-	-	-	-	-	-
0250 Prepayments & Accrued income	6,881	808	646	1,454	2,181	(4,700)	727
	-	-	-	-	-	-	-
	32,308	79,097	16,612	95,709	48,173	15,865	(47,536)
13 Cash & Equivalents							
5001-5099 Bank & Cash Balances	71,395	331,845	99,354	431,199	146,882	75,487	(284,317)
	71,395	331,845	99,354	431,199	146,882	75,487	(284,317)
14 Payables							
4000 Payables	186,316	236,600	(4,487)	232,113	184,434	(1,882)	(47,679)
4100 Accruals	27,765	18,812	17,172	35,984	26,427	(1,338)	(9,557)
4150 Deferred Income	-	278,914	73,419	352,333	-	-	(352,333)
Current portion of Long-Term Borrowings	-	-	-	-	-	-	-
	214,081	534,326	86,104	620,430	210,861	(3,220)	(409,569)
15 Non Current Liabilities							
4200 Long Term Borrowings	28,782	30,209	(1,733)	28,476	20,234	(8,548)	(8,242)
	28,782	30,209	(1,733)	28,476	20,234	(8,548)	(8,242)

16 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 01 January 2020	6,812	33,008	32,241	32,625	634,544	13,942	2,208,903	136,328	138,150	3,236,553
Additions	30,000	-	-	-	58,233	-	609,726	-	-	697,959
Disposals										-
As at 31 December 2020	36,812	33,008	32,241	32,625	692,777	13,942	2,818,629	136,328	138,150	3,934,512
Grants/ other reimbursements										
As at 01 January 2020	-	-	-	-	92,444	-	565,096	68,341	-	725,881
Additions	30,000	-	-	-	58,233	-	609,726	-	-	697,959
As at 31 December 2020	30,000	-	-	-	150,677	-	1,174,822	68,341	-	1,423,840
Accumulated Depreciation										
As at 01 January 2020	-	26,630	31,029	32,625	468,747	13,942	1,252,157	67,987	11,534	1,904,651
Charge for the year	-	2,476	339	-	50,102	-	100,901	-	1,384	155,202
Released on disposal										-
As at 31 December 2020	-	29,106	31,368	32,625	518,849	13,942	1,353,058	67,987	12,918	2,059,853
Budgeted NBV 31 Dec 2019	6,812	9,505	3,827	1,564	140,078	-	496,186	10,522	126,794	795,288
Forecasted NBV 1 Jan 2020	6,812	6,378	1,212	-	73,353	-	391,650	-	126,616	606,021
Budgeted NBV 31 Dec 2020	6,812	3,902	873	-	23,251	-	290,749	-	125,232	450,819