

NADUR Local Council

Quarterly Financial Report

for the Period

1st January till End of June 2021 (Quarter 1)



Table of Contents

Overview and Summary

Statement of Income and Expenditure

Statement of Financial Position

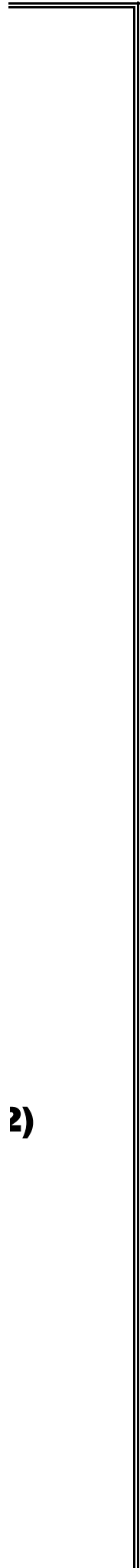
Cash flow Statement

Detailed Income

Detailed Expenditure

Detailed Statment of Financial Position

Depreciation of Property, Plant and Equipment



2)



Page 3

Page 4

Page 5

Page 6

Page 7

Page 8

Page 10

Page 11

Overview and Summary

In the following pages, the Nadur Local Council is presenting the quarterly financial report for period January till June 2021, 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 second quarter of 2021 with a surplus of Euro 30,334. This is however only an absolute figure and to better understand the overall financial situation of the Local Council, one needs to look at the wider picture. It is important to point out that when compared to budget, income was 50% of budgeted income whereas expenditure as at end of June 2021 was around 41% of the budgeted expenditure. Actual expenditure was by far lower than that budgeted mainly due to the fact that due to Covid-19 restrictions the Nadur Local Council was unable to proceed and organize its normal activities, amongst which was the Nadur Carnival and the Mnarja related activities. The Nadur Carnival more so than the Mnarja activities is usually one of the main events of the Nadur Local Council, which even though partially aided through grants by the Ministry for Gozo, usually absorbs a substantial amount of the finances of the Nadur Local Council.

In this quarterly report, it is important to point out that for the past years the Nadur Local Council had a deficit financial situation arising from projects which were carried out way back in 2014 and which were still unsettled and thus showing as liabilities in the financial records of the Council. It has always been a priority for this administration to tackle such debts and achieve a positive FSI. In fact, in the last few years the Local Council has always tried to reduce unnecessary expenditure and to always obtain funding prior to conducting any type of capital expenditure. In spite of this on some funded projects carried out by the Local Council in 2020, there arose several variations which unfortunately had to be wholly borne by the Local Council. Such variations amounted to approximately Euro 147,000. Up till the end of this quarter, the Nadur Local Council already managed to pay off Euro 50,000 from such variations. Such repayment of the variations and also a steady repayment each quarter of the previous debts enabled the Nadur Local Council to reduce the FSI from -23% as at end of Year 2020 to -8% as at end of June 2021. The Nadur Local Council remains committed to once more improve its deficit position and finally end up with a positive FSI.

Mr. Edward Said
Mayor

Ms. Sue Ellen Bugeja
Executive Secretary

Statement of Income and Expenditure
1st January till End of June 2021 (Quarter 2)

DESCRIPTION	Actual for the Period	Annual Budget 2021	Virements for the Period	Revised Annual Budget 2021
	€	€	€	€
Income				
Funds received from Central Government (1)	262,142	543,572	-	543,572
Income raised from Bye-Laws (2)	7,940	19,172	-	19,172
Income raised from LES (3)	1,330	1,505	-	1,505
Investment Income (4)	-	15	-	15
Other Income (5)	26,799	36,139	-	36,139
TOTAL	298,211	600,403	-	600,403
Expenditure				
Personal Emoluments (6)	58,835	102,860	-	102,860
Operations and Maintenance (7)	134,420	347,671	-	347,671
Administration (8)	23,148	77,486	-	77,486
Finance Cost (9)	372	990	-	990
Other Expenditure (10)	51,102	129,065	-	129,065
TOTAL	267,877	658,072	-	658,072
Surplus / Deficit	30,334	(57,669)	-	(57,669)

Statement of Financial Position as at end of June 2021 (Quarter 2)

DESCRIPTION	Actual for the Period €	Annual Budget 2021 €	Virements for the Period €	Revised Annual Budget 2021 €
Non-current Assets				
Property, Plant and Equipment (17)	561,446	345,299	-	345,299
Current Assets				
Inventories (11)	-	-	-	-
Receivables (12)	86,732	52,909	-	52,909
Cash and Cash Equivalents (13)	549,833	165,852	-	165,852
Total Current Assets	636,565	218,761	-	218,761
Current Liabilities				
Payables (14)	678,228	135,315	-	135,315
Total Current Liabilities	678,228	135,315	-	135,315
Net Current Assets	(41,663)	83,446	-	83,446
Non-current liabilities (15)	15,674	12,450	-	12,450
Net Assets	504,109	416,295	-	416,295
Reserves				
Retained Funds	504,109	416,295	-	416,295

Financial Situation Indicator

DESCRIPTION				
Current Assets	636,565	218,761	-	218,761
Current Liabilities	678,228	135,315	-	135,315
Working Capital	(41,663)	83,446	-	83,446
Government Allocation	524,284	513,572	-	513,572
FSI	(8) %	16 %		16 %

Cash flow Statement**DESCRIPTION**

	Actual for the Period	Annual Budget 2021	Virements for the Period	Revised Annual Budget 2021
	€	€	€	€
Cash flow from operating activities				
Surplus for the year	30,334	(57,669)	-	(57,669)
Adjustments for:				
Depreciation	51,102	129,065	-	129,065
Increase / (Decrease) in Allowance for Bad Debts	-	-	-	-
Interest receivable	-	(15)	-	(15)
Interest payable	372	990	-	990
(Profit) / Loss on disposal of asset	-	-	-	-
Transfer of Grants to Profit & Loss	-	-	-	-
Increase / (Decrease) in payables	93,313	(357,509)	-	(357,509)
Increase / (Decrease) in accruals	(57,850)	2,157	-	2,157
Decrease / (Increase) in receivables	36,772	39,751	-	39,751
Decrease / (Increase) in inventories	-	-	-	-
Decrease / (Increase) in inventories	-	-	-	-
Cash generated from operations	154,043	(243,230)	-	(243,230)
Interest paid	-	-	-	-
<i>Net cash from operating activities</i>	154,043	(243,230)	-	(243,230)
Cash flows from investing activities				
Purchase of property, plant & equipment	(1,647)	(667,959)	-	(667,959)
Proceeds from sale of property, plant & equipment	-	-	-	-
Grants received	(913)	667,959	-	667,959
Interest received	-	15	-	15
<i>Net cash used in investing activities</i>	(2,560)	15	-	15
Cash flows from financing activities				
Proceeds from long-term borrowings	-	-	-	-
Interest Paid	(372)	(990)	-	(990)
Bank Loan Repayments	(4,356)	(8,458)	-	(8,458)
<i>Net cash from financing activities</i>	(4,728)	(9,448)	-	(9,448)
Net increase/(decrease) in cash & cash equivalents	146,755	(252,663)	-	(252,663)
Cash & cash equivalents at beginning of year	403,078	418,515	-	418,515
Cash & cash equivalents at end of Quarter	549,833	165,852	-	165,852

Detailed Income

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2021	the Period	2021
	€	€	€	€
Income				
1 Funds received from Cental Government:				
0001 In terms of section 55 CAP 363	262,142	513,572	-	513,572
0002-0004 In terms of section 58 CAP 363	-	30,000	-	30,000
0005-0019 Other income	-	-	-	-
	262,142	543,572	-	543,572
2 Income raised from Bye-Laws				
0021-0025 Community Services	-	1,690	-	1,690
0026-0035 Income from Permits	7,940	17,482	-	17,482
	7,940	19,172	-	19,172
3 Local Enforcement Income				
0037 Commission from Regional Committees	-	-	-	-
0038-0055 Contraventions	1,330	1,505	-	1,505
	1,330	1,505	-	1,505
4 Investment Income				
0091-0095 Bank interest	-	15	-	15
0096-0099 Income received from Governnet Securities	-	-	-	-
	-	15	-	15
5				
0056-0065 Sponsorships	5,000	-	-	-
0066-0069 Documents & Information	-	-	-	-
0070-0075 EU funds	-	-	-	-
0076-0080 Twinning	-	-	-	-
0081-0089 Insurance Claims	-	-	-	-
0100-0109 Donations	-	-	-	-
0110-0119 Contributions	-	-	-	-
0120-0129 General Income	21,799	36,139	-	36,139
	26,799	36,139	-	36,139
Total	298,211	600,403	-	600,403

Detailed Expenditure

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2021	the Period	2021
	€	€	€	€
6 i) Personal Emoluments				
1100 Mayor's Allowance	11,786	23,404	-	23,404
1200 Employees' Salaries & Wages	40,297	63,232	-	63,232
1300 Bonuses	-	4,847	-	4,847
1400 Income Supplements	-	-	-	-
1500 Social Security Contributions	3,766	6,361	-	6,361
1600 Allowances	440	880	-	880
1700 Overtime	2,546	4,136	-	4,136
	58,835	102,860	-	102,860
7 Operations and Maintenance				
2100-2149 Public Utilities	5,251	14,514	-	14,514
2200-2259 Public Materials & Supplies	6,313	9,524	-	9,524
2300-2399 Repairs & upkeep	18,487	33,563	-	33,563
2400-2449 Rent	3,764	6,360	-	6,360
3010 Street Lightning	6,391	10,689	-	10,689
3020 Lease of Equipment	22,691	54,683	-	54,683
3030 Insurance	1,720	2,617	-	2,617
3035 Bank Charges	463	260	-	260
3038 Penalties	12	-	-	-
3041 Refuse Collection	30,815	61,619	-	61,619
3042 Bulky Refuse Collection	6,180	6,972	-	6,972
3043 Bins on wheels	-	-	-	-
3045 Bring in sites	-	-	-	-
3051 Road & Street Cleaning	4,017	19,658	-	19,658
3052 Cleaning & Maintenance of Non-Urban Areas	479	11,247	-	11,247
3053 Cleaning of Public Conveniences	1,623	3,280	-	3,280
3055 Cleaning of Council Premises	704	1,350	-	1,350
3040 Waste Disposal	9,202	22,273	-	22,273
3060 Cleaning & Maintenance of Parks & Gardens	4,934	9,648	-	9,648
3061 Cleaning & Maintenance of Soft Areas	-	-	-	-
3062 Cleaning & Maintenance of Beaches & CA	-	-	-	-
3063 Cleaning & Maintenance of Country Non-Urban	-	-	-	-
6064 Other Contractual Services	781	14,699	-	14,699
3070-3090 Consultation Fees	-	11,119	-	11,119
3100-3139 Contract & Project Management	2,714	4,783	-	4,783
3300-3379 Hospitality	7,861	47,714	-	47,714
3380-3389 Community	-	-	-	-
3390-3394 Donations	-	-	-	-
3600-3694 Local Enforcement Expenses	18	1,099	-	1,099
3700-3799 EU Projects	-	-	-	-
3800-3899 Twinning	-	-	-	-
	134,420	347,671	-	347,671
8 Administration				
2150-2199 Office Utilities	1,136	2,074	-	2,074
2260-2299 Office Materials & Supplies	-	-	-	-
2450-2499 Office Rent	-	-	-	-
2500-2599 National & International Memberships	1,685	2,207	-	2,207
2600-2699 Office Services	4,223	9,191	-	9,191
2700-2799 Transport	555	8,243	-	8,243
2800-2899 Travel	1,807	8,763	-	8,763
2900-2999 Information Services	1,947	18,335	-	18,335
3050 Office Cleaning	-	-	-	-
3410-3199 Professional Services	11,454	27,852	-	27,852
3200-3299 Training	-	271	-	271
3345 Office Hospitality	-	-	-	-
3400-3499 Incidental Expenses	341	550	-	550
	23,148	77,486	-	77,486
9 Finance Costs				
3036 Interest on Bank Loan	372	990	-	990
	372	990	-	990

Detailed Statment of Financial Position

DESCRIPTION

	Actual for the Period	Annual Budget 2021	Virements for the Period	Revised Annual Budget 2021
	€	€	€	€
10 Other Expenditure				
3500-3599 Loss / (Profit) on Disposal of asset	-	-	-	-
3695 Increase/(Decrease) in allowance for bad debts	-	-	-	-
8000-8099 Depreciation As at end of June 2021	51,102	129,065	-	129,065
Depreciation	51,102	129,065	-	129,065
Total	267,877	658,072	-	658,072
11 Inventories				
5201-5249 Stationery	-	-	-	-
5250-5299 Consumables	-	-	-	-
	-	-	-	-
12 Receivables				
0201-0209 Receivables	37,478	51,310	-	51,310
0210-0219 LES Receivables	-	-	-	-
0220-0229 Receivables from EU	-	-	-	-
0250 Prepayments & Accrued income	49,254	1,599	-	1,599
	86,732	52,909	-	52,909
13 Cash & Equivalents				
5001-5099 Bank & Cash Balances	549,833	165,852	-	165,852
	549,833	165,852	-	165,852
14 Payables				
4000 Payables	125,159	111,589	-	111,589
4100 Accruals	113,889	23,726	-	23,726
4150 Deferred Income	439,180	-	-	-
Short-term Borrowings	-	-	-	-
	678,228	135,315	-	135,315
15 Non Current Liabilities				
4200 Long Term Borrowing	15,674	12,450	-	12,450
	15,674	12,450	-	12,450

16 Total Commitments (Recurrent and Capital)

DESCRIPTION

€	€	€
---	---	---

Recurrent and Capital

-	-	-
-	-	-
-	-	-
-	-	-

Long Term Loans

-	-	-

Others

-	-	-

17 Depreciation of Property, Plant and Equipment

	Trees / Assets Under Construction	Office Furniture / Fittings	Office & Computer Equipment	Plant & Machinery	Urban Improvements	New Street Signs	Construction	Special Programmes	Council Premises	Total
Asset										
% of depreciation	0%	8%	20% - 25%	20%	10%	0%	10%	10%	1%	
	€	€	€	€	€	€	€	€	€	€
Cost										
As at 1st January 2021	154,951	34,072	34,555	32,625	707,468	13,942	2,247,142	136,328	138,150	3,499,233
Additions	(147,807)	-	-	260	1,387	-	147,807	-	-	1,647
Disposals	-	-	-	-	-	-	-	-	-	-
As at end of June 2021	7,144	34,072	34,555	32,885	708,855	13,942	2,394,949	136,328	138,150	3,500,880
Grants/ other reimbursements										
As at 1st January 2021	14,605	-	-	-	157,406	-	587,109	68,341	-	827,461
Additions	(14,273)	-	-	-	-	-	13,360	-	-	(913)
As at end of June 2021	332	-	-	-	157,406	-	600,469	68,341	-	826,548
Accumulated Depreciation										
As at 1st January 2021	-	29,266	31,705	32,625	519,092	13,942	1,354,249	67,987	12,918	2,061,784
Charge for the period	-	1,278	459	9	13,206	-	35,458	-	692	51,102
Released on disposal	-	-	-	-	-	-	-	-	-	-
As at end of June 2021	-	30,544	32,164	32,634	532,298	13,942	1,389,707	67,987	13,610	2,112,886
NBV As at end of June 2021	6,812	3,528	2,391	251	19,151	-	404,773	-	124,540	561,446