

NADUR Local Council

Quarterly Financial Report

for the Period

1st January till End of June 2022 (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 to June 2022 which depicts the financial status of the Local Council for this period. It is important to understand that this report was presented on the accruals principle. Such principle is highly prominent when considering expenses. When applying such principle not only the expenditure which was paid during the period is taken into consideration but also expenses which have been incurred by the Council during the period but were still due as at the end of the period. In this way, income is matched with the corresponding expenditure, resulting in a more reliable and wholesome financial situation being considered.

As can be seen from the Statement of Income and Expenditure, the Local Council ended the second quarter with a surplus of Euro 12,991. This is however only an absolute figure and to better understand the overall financial position of the Local Council, one needs to look at the wider picture. It is important to point out that when compared to budget, income amounted to 58% of budget. Actual expenditure also exceeded that budgeted and in fact amounted to 105% of budget. One of the reasons for the excess expenditure relates mainly to higher administrative expenses and arrears due paid in the first quarter of 2022. Even though such administrative expenses are provided for in the budget as a yearly allowance, only half of such provision was actually received up till the end of the second quarter. In addition, the increase in expenditure when compared to budget also arose due to a higher provision for depreciation. It is important to point out that the additional income over budget portrays the Council's ability to obtain additional income to fund the majority of the activities and events it organizes over the year.

It is important to point out that for the past years the Nadur Local Council had a deficit financial situation which were carried out way back in 2014 and which were still unsettled and thus showing as liabilities in the Statement of Financial Position of the Council. It has always been a priority for this administration to tackle such debts and achieve a positive Financial Sustainability Index (FSI) for the Council. In the last few years the Local Council has always tried to reduce unnecessary expenditure and to always obtain a positive FSI before conducting any type of capital expenditure. In spite of this, on some funded projects carried out by the Local Council there arose several variations which unfortunately had to be wholly borne by the Local Council. Up till the end of the second quarter the Local Council managed to pay off such variations. Such repayment of the variations and also the repayment of each quarter of the previous debts enabled the Nadur Local Council to achieve a positive FSI for the first time in 10 years. In fact, the Local Council transformed a negative 4.54% FSI as at end of Year 2021 to a positive 4% FSI at the end of the second quarter.

Edward Said
Mayor

Sue-Ellen Bugeja
Executive Secretar

**Quarterly Financial Report
June 2022 (Quarter 2)**

January till June 2022,
the quarterly report
This is so since when
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the financial records
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FSI as at end of this

Quarterly Financial Report
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Statement of Income and Expenditure
1st January till End of June 2022 (Quarterly)

DESCRIPTION	Actual for the Period
	€
Income	
Funds received from Central Government (1)	292,715
Income raised from Bye-Laws (2)	13,407
Income raised from LES (3)	1,237
Investment Income (4)	-
Other Income (5)	29,636
TOTAL	336,995
Expenditure	
Personal Emoluments (6)	71,309
Operations and Maintenance (7)	170,306
Administration (8)	40,746
Finance Cost (9)	190
Other Expenditure (10)	70,973
TOTAL	353,524
Surplus / Deficit	(16,529)

Statement of Financial Position as at end of June

DESCRIPTION	Actual for the Period
	€
Non-current Assets	
Property, Plant and Equipment (17)	438,736
Current Assets	
Inventories (11)	-
Receivables (12)	80,873
Cash and Cash Equivalents (13)	525,654
Total Current Assets	606,527
Current Liabilities	
Payables (14)	585,923
Total Current Liabilities	585,923
Net Current Assets	20,604
Non-current liabilities (15)	6,694
Net Assets	452,646
Reserves	
Retained Funds	452,646

Financial Situation Indicator

DESCRIPTION	
Current Assets	606,527
Current Liabilities	585,923
Working Capital	20,604
Government Allocation	535,084

FSI

4 %

Cash flow Statement

DESCRIPTION

Actual for
the Period

€

Cash flow from operating activities

Surplus for the year

(16,529)

Adjustments for:

Depreciation

70,973

Increase / (Decrease) in Allowance for Bad Debts

-

Interest receivable

-

Interest payable

190

(Profit) / Loss on disposal of asset

-

Trasfer of Grants to Profit & Loss

-

Increase / (Decrease) in payables

154,819

Increase / (Decrease) in accruals

(49,075)

Decrease / (Increase) in receivables

(21,659)

Decrease / (Increase) in inventories

-

Decrease / (Increase) in inventories

-

Cash generated from operations

138,719

Interest paid

-

Net cash from operating activities

138,719

Cash flows from investing activities

Purchase of property, plant & equipment

(18,007)

Proceeds from sale of property, plant & equipment

-

Grants received

3,500

Interest received

-

-

Net cash used in investing activities

(14,507)

Cash flows from financing activities

Proceeds from long-term borrowings

-

Interest Paid

(190)

Bank Loan Repayments

(4,536)

Net cash from financing activities

(4,726)

Net increase/(decrease) in cash & cash equivalents

119,486

Cash & cash equivalents at beginning of year

406,168

Cash & cash equivalents at end of Quarter

525,654

Detailed Income

DESCRIPTION		Actual for the Period
		€
Income		
1	Funds received from Cental Government:	
	0001 In terms of section 55 CAP 363	267,542
	0002-0004 In terms of section 58 CAP 363	3,203
	0005-0019 Other income	21,970
		292,715
2	Income raised from Bye-Laws	
	0021-0025 Community Services	120
	0026-0035 Income from Permits	13,287
		13,407
3	Local Enforcement Income	
	0037 Commission from Regional Committees	-
	0038-0055 Contraventions	1,237
		1,237
4	Investment Income	
	0091-0095 Bank interest	-
	0096-0099 Income received from Governmet Securities	-
		-
5		
	0056-0065 Sponsorships	3,000
	0066-0069 Documents & Information	1
	0070-0075 EU funds	-
	0076-0080 Twinning	-
	0081-0089 Insurance Claims	-
	0100-0109 Donations	-
	0110-0119 Contributions	-
	0120-0129 General Income	26,635
		29,636
	Total	336,995

Detailed Expenditure

DESCRIPTION		Actual for the Period
		€
6 i)	Personal Emoluments	
	1100 Mayor's Allowance	11,871
	1200 Employees' Salaries & Wages	41,722
	1300 Bonuses	2,846
	1400 Income Supplements	7,037
	1500 Social Security Contributions	3,888
	1600 Allowances	440
	1700 Overtime	3,505
		71,309
DESCRIPTION		€
7	Operations and Maintenance	
	2100-2149 Public Utilities	4,348
	2200-2259 Public Materials & Supplies	7,040
	2300-2399 Repairs & upkeep	13,905
	2400-2449 Rent	6,274
	3010 Street Lighting	2,311
	3020 Lease of Equipment	25,766
	3030 Insurance	1,072
	3035 Bank Charges	1,439
	3038 Penalties	6
	3041 Refuse Collection	44,859
	3042 Bulky Refuse Collection	4,790
	3043 Bins on wheels	-
	3045 Bring in sites	-
	3051 Road & Street Cleaning	12,692
	3052 Cleaning & Maintenance of Non-Urban Areas	387
	3053 Cleaning of Public Conveniences	1,623
	3055 Cleaning of Council Premises	557
	3040 Waste Disposal	9,685
	3060 Cleaning & Maintenance of Parks & Gardens	4,096
	3061 Cleaning & Maintenance of Soft Areas	-
	3062 Cleaning & Maintenance of Beaches & CA	-
	3063 Cleaning & Maintenance of Country Non-Urban	-
	6064 Other Contractual Services	804
	3070-3090 Consultation Fees	4,990
	3100-3139 Contract & Project Management	1,935
	3300-3379 Hospitality	21,702
	3380-3389 Community	-
	3390-3394 Donations	-
	3600-3694 Local Enforcement Expenses	25
	3700-3799 EU Projects	-
	3800-3899 Twinning	-

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		170,306
8	Administration	
	2150-2199 Office Utilities	1,255
	2260-2299 Office Materials & Supplies	-
	2450-2499 Office Rent	-
	2500-2599 National & International Memberships	2,275
	2600-2699 Office Services	6,329
	2700-2799 Transport	1,155
	2800-2899 Travel	8,399
	2900-2999 Information Services	10,318
	3050 Office Cleaning	-
	3410-3199 Professional Services	10,652
	3200-3299 Training	-
	3345 Office Hospitality	-
	3400-3499 Incidental Expenses	363
		40,746
9	Finance Costs	
	3036 Interest on Bank Loan	190
		190

Detailed Statement of Financial Position

	DESCRIPTION	Actual for the Period
		€
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 2022	70,973
	Depreciation	70,973
	Total	353,524
11	Inventories	
	5201-5249 Stationery	-
	5250-5299 Consumables	-
		-
12	Receivables	
	0201-0209 Receivables	29,229
	0210-0219 LES Receivables	-
	0220-0229 Receivables from EU	-
	0250 Prepayments & Accrued income	51,644
		80,873
13	Cash & Equivalents	
	5001-5099 Bank & Cash Balances	525,654
		525,654
14	Payables	
	4000 Payables	111,788
	4100 Accruals	24,242
	4150 Deferred Income	449,893
	Short-term Borrowings	-
		585,923
15	Non Current Liabilities	
	4200 Long Term Borrowing	6,694
		6,694

NADUR Local Council

16 Total Commitments (Recurrent and Capital)

DESCRIPTION

€

Recurrent and Capital

-

Long Term Loans

-

Others

-

Quarterly Financial Report
1st January till End of June 2022 (Quarter 2)

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ter 2)

Annual Budget 2022	Virements for the Period	Revised Annual Budget 2022
€	€	€

524,284	-	524,284
18,774	-	18,774
2,315	-	2,315
-	-	-
37,030	-	37,030
582,403	-	582,403

123,840	-	123,840
291,008	-	291,008
52,326	-	52,326
891	-	891
122,922	-	122,922
590,987	-	590,987

(8,584)	-	(8,584)
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Quarterly Financial Report
1st January till End of June 2022 (Quarter 2)

2022 (Quarter 2)

Annual Budget 2022 €	Virements for the Period €	Revised Annual Budget 2022 €
393,044		393,044
-	-	-
41,091	-	41,091
159,646	-	159,646
200,737	-	200,737
164,469	-	164,469
164,469	-	164,469
36,268	-	36,268
3,014	-	3,014
426,298	-	426,298
426,298		426,298
200,737	-	200,737
164,469	-	164,469
36,268	-	36,268
524,284	-	524,284

Quarterly Financial Report
1st January till End of June 2022 (Quarter 2)

7 %	7 %
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Quarterly Financial Report
1st January till End of June 2022 (Quarter 2)

Annual Budget 2022	Virements for the Period	Revised Annual Budget 2022
€	€	€
(8,584)	-	(8,584)
122,922 - - 891 - -	-	122,922 - - 891 - -
(395,039) (327) 17,938 - -		(395,039) (327) 17,938 - -
(262,199) -	-	(262,199) -
(262,199)	-	(262,199)
(482,663) - 454,163 - -		(482,663) - 454,163 - -
(28,500)	-	(28,500)
- (891) (8,557)		- (891) (8,557)
(9,448)	-	(9,448)
(300,147) 459,793	-	(300,147) 459,793
159,646	-	159,646

Quarterly Financial Report
1st January till End of June 2022 (Quarter 2)

Quarterly Financial Report
1st January till End of June 2022 (Quarter 2)

Annual Budget 2022	Virements for the Period	Revised Annual Budget 2022
€	€	€
524,284		524,284
-		-
-		-
524,284	-	524,284
-		-
18,774		18,774
18,774	-	18,774
-		-
2,315		2,315
2,315	-	2,315
-		-
-		-
-	-	-
-		-
-		-
-		-
-		-
37,030		37,030
37,030	-	37,030
582,403	-	582,403

Quarterly Financial Report
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Annual Budget 2022	Virements for the Period	Revised Annual Budget 2022
€	€	€
23,808		23,808
80,840		80,840
5,942		5,942
-		-
7,595		7,595
880		880
4,775		4,775
123,840	-	123,840

€	€	€
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7,741		7,741
12,447		12,447
21,628		21,628
5,228		5,228
13,693		13,693
52,954		52,954
2,512		2,512
708		708
21		21
63,739		63,739
12,136		12,136
-		-
-		-
17,251		17,251
6,706		6,706
3,280		3,280
1,446		1,446
18,859		18,859
9,648		9,648
-		-
-		-
-		-
3,155		3,155
7,487		7,487
3,221		3,221
26,276		26,276
-		-
-		-
871		871
-		-
-		-
-		-

Quarterly Financial Report
1st January till End of June 2022 (Quarter 2)

291,008	-	291,008
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2,291		2,291
-		-
-		-
2,207		2,207
10,454		10,454
2,428		2,428
2,659		2,659
7,494		7,494
-		-
24,272		24,272
-		-
-		-
521		521
-		-
52,326	-	52,326

891		891
-		-
891	-	891

Quarterly Financial Report
1st January till End of June 2022 (Quarter 2)

Annual Budget 2022	Virements for the Period	Revised Annual Budget 2022
€	€	€
-		-
-		-
122,922		122,922
-		-
122,922	-	122,922
590,987	-	590,987
-		-
-		-
-		-
-	-	-
32,812		32,812
-		-
-		-
8,279		8,279
-		-
41,091	-	41,091
159,646		159,646
159,646	-	159,646
139,593		139,593
24,876		24,876
-		-
-		-
-		-
164,469	-	164,469
3,014		3,014
-		-
3,014	-	3,014

Quarterly Financial Report
1st January till End of June 2022 (Quarter 2)

€	€
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-	-

-	-

-	-

17 Depreciation of Property, Plant and Equipment

Asset	Trees / Assets Under Construction	Office Furniture / Fittings	Office & Computer Equipment	Plant & Machinery	Urban Improvements
% of depreciation	0%	8%	20% - 25%	20%	10%
	€	€	€	€	€
Cost					
As at 1st January 2022	7,144	34,072	36,916	32,625	750,110
Additions		2,446	6,478	1,930	7,153
Disposals					
As at end of June 2022	7,144	36,518	43,394	34,555	757,263
Grants/ other reimbursements					
As at 1st January 2022	332	-	-	-	185,496
Additions		2,446	1,054		
As at end of June 2022	332	2,446	1,054	-	185,496
Accumulated Depreciation					
As at 1st January 2022	-	31,822	32,714	32,625	537,325
Charge for the period	-	1,278	975	82	9,598
Released on disposal					
As at end of June 2022	-	33,100	33,689	32,707	546,923
NBV As at end of June 2022	6,812	972	8,651	1,849	24,843

Quarterly Financial Report
1st January till End of June 2022 (Quarter 2)

New Street Signs	Construction	Special Programmes	Council Premises	Total
0%	10%	10%	1%	
€	€	€	€	€

13,942	2,394,949	136,328	138,150	3,544,236
				18,007
				-
13,942	2,394,949	136,328	138,150	3,562,243

-	593,204	68,341	-	847,373
				3,500
-	593,204	68,341	-	850,873

13,942	1,470,944	67,987	14,302	2,201,661
-	58,348	-	692	70,973
				-
13,942	1,529,292	67,987	14,994	2,272,634

-	272,454	-	123,156	438,736
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