

NADUR

Local Council

Quarterly Financial Report

for the Period

1st January till End of September 2021 (Quarter 3)

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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 September 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 third quarter of 2021 with a deficit of Euro 7,416. 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 74% of budgeted income whereas expenditure as at end of September 2021 was around 68% of the budgeted expenditure. Actual expenditure was 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 yearly activities, amongst which was the Nadur Carnival and the Mnarja related activities. In spite of this it is important to point out that the Nadur Local Council took the opportunity to utilise part of the expenditure previously allocated to these public activities to enhance the maintenance and upkeeping of the Nadur public property including amongst others the various gardens and monuments situated in the locality.

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 100,000 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 September 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 September 2021 (Quarter 3)

DESCRIPTION	Actual for the Period €	Annual Budget 2021 €	Virements for the Period €	Revised Annual Budget 2021 €
Income				
Funds received from Central Government (1)	393,213	543,572	-	543,572
Income raised from Bye-Laws (2)	11,088	19,172	-	19,172
Income raised from LES (3)	2,487	1,505	-	1,505
Investment Income (4)	-	15	-	15
Other Income (5)	36,258	36,139	-	36,139
TOTAL	443,046	600,403	-	600,403
Expenditure				
Personal Emoluments (6)	91,988	102,860	-	102,860
Operations and Maintenance (7)	224,413	347,671	-	347,671
Administration (8)	30,985	77,486	-	77,486
Finance Cost (9)	372	990	-	990
Other Expenditure (10)	102,704	129,065	-	129,065
TOTAL	450,462	658,072	-	658,072
Surplus / Deficit	(7,416)	(57,669)	-	(57,669)

Statement of Financial Position as at end of September 2021 (Quarter 3)

DESCRIPTION	Actual for the Period €	Annual Budget 2021 €	Virements for the Period €	Revised Annual Budget 2021 €
Non-current Assets				
Property, Plant and Equipment (17)	523,189	345,299	(147,000)	492,299
Current Assets				
Inventories (11)	-	-	-	-
Receivables (12)	49,377	52,909	-	52,909
Cash and Cash Equivalents (13)	515,212	165,852	-	165,852
Total Current Assets	564,589	218,761	-	218,761
Current Liabilities				
Payables (14)	608,124	135,315	(147,000)	282,315
Total Current Liabilities	608,124	135,315	(147,000)	282,315
Net Current Assets	(43,535)	83,446	147,000	(63,554)
Non-current liabilities (15)	13,296	12,450	-	12,450
Net Assets	466,358	416,295	-	416,295
Reserves				
Retained Funds	466,358	416,295	-	416,295

Financial Situation Indicator

DESCRIPTION	Actual for the Period €	Annual Budget 2021 €	Virements for the Period €	Revised Annual Budget 2021 €
Current Assets	564,589	218,761	-	218,761
Current Liabilities	608,124	135,315	(147,000)	282,315
Working Capital	(43,535)	83,446	147,000	(63,554)
Government Allocation	524,284	513,572	-	513,572
FSI	(8) %	16 %		(12) %

Cash flow Statement

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2021	the Period	2021
	€	€	€	€
Cash flow from operating activities				
Surplus for the year	(7,416)	(57,669)	-	(57,669)
Adjustments for:				
Depreciation	102,704	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	66,645	(357,509)	-	(357,509)
Increase / (Decrease) in accruals	(101,287)	2,157	-	2,157
Decrease / (Increase) in receivables	74,127	39,751	-	39,751
Decrease / (Increase) in inventories	-	-	-	-
Decrease / (Increase) in inventories	-	-	-	-
Cash generated from operations	135,145	(243,230)	-	(243,230)
Interest paid	-	-	-	-
<i>Net cash from operating activities</i>	135,145	(243,230)	-	(243,230)
Cash flows from investing activities				
Purchase of property, plant & equipment	(36,091)	(667,959)	-	(667,959)
Proceeds from sale of property, plant & equipment	-	-	-	-
Grants received	20,186	667,959	-	667,959
Interest received	-	15	-	15
<i>Net cash used in investing activities</i>	(15,905)	15	-	15
Cash flows from financing activities				
Proceeds from long-term borrowings	-	-	-	-
Interest Paid	(372)	(990)	-	(990)
Bank Loan Repayments	(6,734)	(8,458)	-	(8,458)
<i>Net cash from financing activities</i>	(7,106)	(9,448)	-	(9,448)
Net increase/(decrease) in cash & cash equivalents	112,134	(252,663)	-	(252,663)
Cash & cash equivalents at beginning of year	403,078	418,515	-	418,515
Cash & cash equivalents at end of Quarter	515,212	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	393,213	513,572	-	513,572
0002-0004 In terms of section 58 CAP 363	-	30,000	-	30,000
0005-0019 Other income	-	-	-	-
	393,213	543,572	-	543,572
2 Income raised from Bye-Laws				
0021-0025 Community Services	-	1,690	-	1,690
0026-0035 Income from Permits	11,088	17,482	-	17,482
	11,088	19,172	-	19,172
3 Local Enforcement Income				
0037 Commission from Regional Committees	-	-	-	-
0038-0055 Contraventions	2,487	1,505	-	1,505
	2,487	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	31,258	36,139	-	36,139
	36,258	36,139	-	36,139
Total	443,046	600,403	-	600,403

Detailed Expenditure

DESCRIPTION		Actual for the Period	Annual Budget 2021	Virements for the Period	Revised Annual Budget 2021
		€	€	€	€
6 i)	Personal Emoluments				
	1100 Mayor's Allowance	17,679	23,404	-	23,404
	1200 Employees' Salaries & Wages	62,799	63,232	-	63,232
	1300 Bonuses	-	4,847	-	4,847
	1400 Income Supplements	630	-	-	-
	1500 Social Security Contributions	5,994	6,361	-	6,361
	1600 Allowances	660	880	-	880
	1700 Overtime	4,226	4,136	-	4,136
		91,988	102,860	-	102,860
	DESCRIPTION	€	€	€	€
7	Operations and Maintenance				
	2100-2149 Public Utilities	11,438	14,514	-	14,514
	2200-2259 Public Materials & Supplies	12,611	9,524	-	9,524
	2300-2399 Repairs & upkeep	35,741	33,563	-	33,563
	2400-2449 Rent	5,518	6,360	-	6,360
	3010 Street Lightning	6,764	10,689	-	10,689
	3020 Lease of Equipment	31,544	54,683	-	54,683
	3030 Insurance	1,364	2,617	-	2,617
	3035 Bank Charges	526	260	-	260
	3038 Penalties	13	-	-	-
	3041 Refuse Collection	56,817	61,619	-	61,619
	3042 Bulky Refuse Collection	9,452	6,972	-	6,972
	3043 Bins on wheels	-	-	-	-
	3045 Bring in sites	-	-	-	-
	3051 Road & Street Cleaning	5,889	19,658	-	19,658
	3052 Cleaning & Maintenance of Non-Urban Areas	701	11,247	-	11,247
	3053 Cleaning of Public Conveniences	2,435	3,280	-	3,280
	3055 Cleaning of Council Premises	1,062	1,350	-	1,350
	3040 Waste Disposal	17,590	22,273	-	22,273
	3060 Cleaning & Maintenance of Parks & Gardens	6,536	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	5,626	11,119	-	11,119
	3100-3139 Contract & Project Management	2,637	4,783	-	4,783
	3300-3379 Hospitality	9,350	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	-	-	-	-
		224,413	347,671	-	347,671
8	Administration				
	2150-2199 Office Utilities	1,629	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	6,977	9,191	-	9,191
	2700-2799 Transport	1,300	8,243	-	8,243
	2800-2899 Travel	198	8,763	-	8,763
	2900-2999 Information Services	4,609	18,335	-	18,335
	3050 Office Cleaning	-	-	-	-
	3410-3199 Professional Services	14,175	27,852	-	27,852
	3200-3299 Training	-	271	-	271
	3345 Office Hospitality	-	-	-	-
	3400-3499 Incidental Expenses	412	550	-	550
		30,985	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 September 2021	102,704	129,065	-	129,065
Depreciation	102,704	129,065	-	129,065
Total	450,462	658,072	-	658,072
11 Inventories				
5201-5249 Stationery	-	-	-	-
5250-5299 Consumables	-	-	-	-
	-	-	-	-
12 Receivables				
0201-0209 Receivables	7,538	51,310	-	51,310
0210-0219 LES Receivables	-	-	-	-
0220-0229 Receivables from EU	-	-	-	-
0250 Prepayments & Accrued income	41,839	1,599	-	1,599
	49,377	52,909	-	52,909
13 Cash & Equivalents				
5001-5099 Bank & Cash Balances	515,212	165,852	-	165,852
	515,212	165,852	-	165,852
14 Payables				
4000 Payables	98,561	111,589	(147,000)	258,589
4100 Accruals	70,453	23,726	-	23,726
4150 Deferred Income	439,110	-	-	-
Short-term Borrowings			-	-
	608,124	135,315	(147,000)	282,315
15 Non Current Liabilities				
4200 Long Term Borrowing	13,296	12,450	-	12,450
	13,296	12,450	-	12,450

16

Total Commitments (Recurrent and Capital)

DESCRIPTION

€	€	€
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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)	-	977	260	34,854	-	147,807	-	-	36,091
Disposals	-	-	-	-	-	-	-	-	-	-
As at end of September 2021	7,144	34,072	35,532	32,885	742,322	13,942	2,394,949	136,328	138,150	3,535,324
Grants/ other reimbursements										
As at 1st January 2021	14,605	-	-	-	157,406	-	587,109	68,341	-	827,461
Additions	(14,273)	-	-	-	21,099	-	13,360	-	-	20,186
As at end of September 2021	332	-	-	-	178,505	-	600,469	68,341	-	847,647
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	-	1,917	708	22	29,217	-	69,802	-	1,038	102,704
Released on disposal	-	-	-	-	-	-	-	-	-	-
As at end of September 2021	-	31,183	32,413	32,647	548,309	13,942	1,424,051	67,987	13,956	2,164,488
NBV As at end of September 2021	6,812	2,889	3,119	238	15,508	-	370,429	-	124,194	523,189