

NADUR Local Council

Quarterly Financial Report

for the Period

1st January till End of December 2021 (Quarter 4)

Table of Contents

Overview and Summary	<i>Page 3</i>
Statement of Income and Expenditure	<i>Page 4</i>
Statement of Financial Position	<i>Page 5</i>
Cash flow Statement	<i>Page 6</i>
Detailed Income	<i>Page 7</i>
Detailed Expenditure	<i>Page 8</i>
Detailed Statment of Financial Position	<i>Page 10</i>
Depreciation of Property, Plant and Equipment	<i>Page 11</i>

Overview and Summary

In the following pages, the Nadur Local Council is presenting the quarterly financial report for period January till December 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 4,599. 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 exceeded budgeted income expectations whereas expenditure as at end of December 2021 was around 94% 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.

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 the year, the Nadur Local Council already managed to pay off Euro 100,000 from such variations, with the remaining balance paid in January 2022. 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 indicator from -23% as at end of Year 2020 to -3% as at end of Year 2021. This result also exceeded budgeted FSI results of -12%. The Nadur Local Council remains committed to once more improve its deficit position to 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 December 2021 (Quarter 4)

DESCRIPTION	Actual for the Period	Annual Budget 2021	Virements for the Period	Revised Annual Budget 2021
	€	€	€	€
Income				
Funds received from Central Government (1)	550,575	543,572	-	543,572
Income raised from Bye-Laws (2)	14,260	19,172	-	19,172
Income raised from LES (3)	3,588	1,505	-	1,505
Investment Income (4)	-	15	-	15
Other Income (5)	46,582	36,139	-	36,139
TOTAL	615,005	600,403	-	600,403
Expenditure				
Personal Emoluments (6)	128,317	102,860	-	102,860
Operations and Maintenance (7)	306,403	347,671	-	347,671
Administration (8)	44,354	77,486	-	77,486
Finance Cost (9)	653	990	-	990
Other Expenditure (10)	139,877	129,065	-	129,065
TOTAL	619,604	658,072	-	658,072
Surplus / Deficit	(4,599)	(57,669)	-	(57,669)

Statement of Financial Position as at end of December 2021 (Quarter 4)

DESCRIPTION	Actual for the Period €	Annual Budget 2021 €	Virements for the Period €	Revised Annual Budget 2021 €
Non-current Assets				
Property, Plant and Equipment (17)	495,202	345,299	(147,000)	492,299
Current Assets				
Inventories (11)	-	-	-	-
Receivables (12)	59,214	52,909	-	52,909
Cash and Cash Equivalents (13)	406,168	165,852	-	165,852
Total Current Assets	465,382	218,761	-	218,761
Current Liabilities				
Payables (14)	480,178	135,315	(147,000)	282,315
Total Current Liabilities	480,178	135,315	(147,000)	282,315
Net Current Assets	(14,796)	83,446	147,000	(63,554)
Non-current liabilities (15)	11,230	12,450	-	12,450
Net Assets	469,176	416,295	-	416,295
Reserves				
Retained Funds	469,176	416,295	-	416,295

Financial Situation Indicator

DESCRIPTION				
Current Assets	465,382	218,761	-	218,761
Current Liabilities	480,178	135,315	(147,000)	282,315
Working Capital	(14,796)	83,446	147,000	(63,554)
Government Allocation	524,284	513,572	-	513,572
FSI	(3) %	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	(4,599)	(57,669)	-	(57,669)
Adjustments for:				
Depreciation	139,877	129,065	-	129,065
Increase / (Decrease) in Allowance for Bad Debts	-	-	-	-
Interest receivable	-	(15)	-	(15)
Interest payable	653	990	-	990
(Profit) / Loss on disposal of asset	-	-	-	-
Trasfer of Grants to Profit & Loss	-	-	-	-
Increase / (Decrease) in payables	(64,164)	(357,509)	-	(357,509)
Increase / (Decrease) in accruals	(98,423)	2,157	-	2,157
Decrease / (Increase) in receivables	64,290	39,751	-	39,751
Decrease / (Increase) in inventories	-	-	-	-
Decrease / (Increase) in inventories	-	-	-	-
Cash generated from operations	37,634	(243,230)	-	(243,230)
Interest paid	-	-	-	-
<i>Net cash from operating activities</i>	37,634	(243,230)	-	(243,230)
Cash flows from investing activities				
Purchase of property, plant & equipment	(45,003)	(667,959)	-	(667,959)
Proceeds from sale of property, plant & equipment	-	-	-	-
Grants received	19,912	667,959	-	667,959
Interest received	-	15	-	15
<i>Net cash used in investing activities</i>	(25,091)	15	-	15
Cash flows from financing activities				
Proceeds from long-term borrowings	-	-	-	-
Interest Paid	(653)	(990)	-	(990)
Bank Loan Repayments	(8,800)	(8,458)	-	(8,458)
<i>Net cash from financing activities</i>	(9,453)	(9,448)	-	(9,448)
Net increase/(decrease) in cash & cash equivalents	3,090	(252,663)	-	(252,663)
Cash & cash equivalents at beginning of year	403,078	418,515	-	418,515
Cash & cash equivalents at end of Quarter	406,168	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	527,284	513,572	-	513,572
0002-0004 In terms of section 58 CAP 363	23,291	30,000	-	30,000
0005-0019 Other income	-	-	-	-
	550,575	543,572	-	543,572
2 Income raised from Bye-Laws				
0021-0025 Community Services	-	1,690	-	1,690
0026-0035 Income from Permits	14,260	17,482	-	17,482
	14,260	19,172	-	19,172
3 Local Enforcement Income				
0037 Commission from Regional Committees	-	-	-	-
0038-0055 Contraventions	3,588	1,505	-	1,505
	3,588	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	2,570	-	-	-
0066-0069 Documents & Information	10	-	-	-
0070-0075 EU funds	-	-	-	-
0076-0080 Twinning	-	-	-	-
0081-0089 Insurance Claims	-	-	-	-
0100-0109 Donations	-	-	-	-
0110-0119 Contributions	-	-	-	-
0120-0129 General Income	44,002	36,139	-	36,139
	46,582	36,139	-	36,139
Total	615,005	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	23,571	23,404	-	23,404
1200	Employees' Salaries & Wages	83,087	63,232	-	63,232
1300	Bonuses	5,883	4,847	-	4,847
1400	Income Supplements	1,260	-	-	-
1500	Social Security Contributions	7,763	6,361	-	6,361
1600	Allowances	880	880	-	880
1700	Overtime	5,873	4,136	-	4,136
		128,317	102,860	-	102,860
	DESCRIPTION	€	€	€	€
7	Operations and Maintenance				
2100-2149	Public Utilities	13,599	14,514	-	14,514
2200-2259	Public Materials & Supplies	16,411	9,524	-	9,524
2300-2399	Repairs & upkeep	41,506	33,563	-	33,563
2400-2449	Rent	7,825	6,360	-	6,360
3010	Street Lightning	8,543	10,689	-	10,689
3020	Lease of Equipment	43,268	54,683	-	54,683
3030	Insurance	2,433	2,617	-	2,617
3035	Bank Charges	424	260	-	260
3038	Penalties	131	-	-	-
3041	Refuse Collection	77,845	61,619	-	61,619
3042	Bulky Refuse Collection	11,576	6,972	-	6,972
3043	Bins on wheels	-	-	-	-
3045	Bring in sites	-	-	-	-
3051	Road & Street Cleaning	7,496	19,658	-	19,658
3052	Cleaning & Maintenance of Non-Urban Areas	959	11,247	-	11,247
3053	Cleaning of Public Conveniences	3,128	3,280	-	3,280
3055	Cleaning of Council Premises	1,374	1,350	-	1,350
3040	Waste Disposal	23,210	22,273	-	22,273
3060	Cleaning & Maintenance of Parks & Gardens	10,152	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	6,431	11,119	-	11,119
3100-3139	Contract & Project Management	5,901	4,783	-	4,783
3300-3379	Hospitality	23,321	47,714	-	47,714
3380-3389	Community	-	-	-	-
3390-3394	Donations	-	-	-	-
3600-3694	Local Enforcement Expenses	89	1,099	-	1,099
3700-3799	EU Projects	-	-	-	-
3800-3899	Twinning	-	-	-	-
		306,403	347,671	-	347,671
8	Administration				
2150-2199	Office Utilities	2,356	2,074	-	2,074
2260-2299	Office Materials & Supplies	-	-	-	-
2450-2499	Office Rent	-	-	-	-
2500-2599	National & International Memberships	1,707	2,207	-	2,207
2600-2699	Office Services	8,176	9,191	-	9,191
2700-2799	Transport	3,005	8,243	-	8,243
2800-2899	Travel	198	8,763	-	8,763
2900-2999	Information Services	7,780	18,335	-	18,335
3050	Office Cleaning	-	-	-	-
3410-3199	Professional Services	20,452	27,852	-	27,852
3200-3299	Training	-	271	-	271
3345	Office Hospitality	-	-	-	-
3400-3499	Incidental Expenses	680	550	-	550
		44,354	77,486	-	77,486
9	Finance Costs				
3036	Interest on Bank Loan	653	990	-	990
		653	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 December 2021	139,877	129,065	-	129,065
Depreciation	139,877	129,065	-	129,065
Total	619,604	658,072	-	658,072
11 Inventories				
5201-5249 Stationery	-	-	-	-
5250-5299 Consumables	-	-	-	-
	-	-	-	-
12 Receivables				
0201-0209 Receivables	33,970	51,310	-	51,310
0210-0219 LES Receivables	-	-	-	-
0220-0229 Receivables from EU	-	-	-	-
0250 Prepayments & Accrued income	25,244	1,599	-	1,599
	59,214	52,909	-	52,909
13 Cash & Equivalents				
5001-5099 Bank & Cash Balances	406,168	165,852	-	165,852
	406,168	165,852	-	165,852
14 Payables				
4000 Payables	86,615	111,589	(147,000)	258,589
4100 Accruals	73,316	23,726	-	23,726
4150 Deferred Income	320,247	-	-	-
Short-term Borrowings	-	-	-	-
	480,178	135,315	(147,000)	282,315
15 Non Current Liabilities				
4200 Long Term Borrowing	11,230	12,450	-	12,450
	11,230	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

Asset	Trees / Assets Under Construction	Office Furniture / Fittinas	Office & Computer Equioment	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 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)	-	2,361	-	42,642	-	147,807	-	-	45,003
Disposals	-	-	-	-	-	-	-	-	-	-
As at end of December 2021	7,144	34,072	36,916	32,625	750,110	13,942	2,394,949	136,328	138,150	3,544,236
Grants/ other reimbursements										
As at 1st January 2021	14,605	-	-	-	157,406	-	587,109	68,341	-	827,461
Additions	(14,273)	-	-	-	28,090	-	6,095	-	-	19,912
As at end of December 2021	332	-	-	-	185,496	-	593,204	68,341	-	847,373
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	-	2,556	1,009	-	18,233	-	116,695	-	1,384	139,877
Released on disposal	-	-	-	-	-	-	-	-	-	-
As at end of December 2021	-	31,822	32,714	32,625	537,325	13,942	1,470,944	67,987	14,302	2,201,661
NBV As at end of December 2021	6,812	2,250	4,202	-	27,289	-	330,801	-	123,848	495,202