



# **HAŻ-ŻABBAR LOCAL COUNCIL**

**Financial Report**

**for the Period**

**1st January till End of June 2016 (Quarter 2)**

# Table of Contents

**Overview on Financial Position, Performance, FSI and Cash Flow.**

**Statement of Income and Expenditure**

**Statement of Affairs**

**Cash flow Statement**

**Notes to the Accounts**

**Depreciation of Property, Plant and Equipment**

## ***Overview and Summary***

---

The financial report covers the period January to June 2016. During this period under review the Council's revenue amounted to € 408,245. The total expenditure amounted to € 344,250 after taking into consideration depreciation of property, plant and equipment amounting to € 47,172.

The Council's Government allocation for the period amounted to € 374,537. Income raised from Bye Laws amounted to € 6,764 and this was mainly derived from applications for the use of machinery and trenching permits.

Income from LES amounted to € 3,970 and this was mainly generated from administrative charges for fines collected by Council in favour of the Regional Committees. This income may not necessarily have entered in the bank account since some regional committees are not paying their due fee.

Salary costs amounted to € 63,956 while Operations and Maintenance amounted to € 185,108 out of which € 50,218 were spent on Repair and Upkeep and € 113,418 were spent on Contractual Services. During this period the Administration costs amounted to € 12,749.

The financial performance for the period January to June 2016 resulted in a net surplus of € 63,995.



Marc Vella Bonnici  
Mayor



Duncan Busuttil  
Executive Secretary

## Statement of Income and Expenditure

1st January till End of June 2016 (Quarter 2)

## DESCRIPTION

Annual Budget  
Jan-Dec  
2016

## Income

	€	€
Funds received from Central Government (1)	397,498	761,514
Income raised from Bye-Laws (2)	6,764	13,500
Income raised from LES (3)	3,970	12,000
Investment Income (4)	-	600
Other Income (5)	13	1,500
<b>TOTAL</b>	<b>408,245</b>	<b>789,114</b>

## Expenditure

Personal Emoluments (6)	63,956	170,226
Operations and Maintenance (7)	185,108	494,500
Administration (8)	12,749	46,250
Finance Cost (9)	-	-
Other Expenditure (10)	82,437	120,269
<b>TOTAL</b>	<b>344,250</b>	<b>831,245</b>

## Surplus / Deficit

<b>63,995</b>	<b>(42,131)</b>
---------------	-----------------

DESCRIPTION	Annual Budget	
	Jan-Dec 2016	
	€	€
<b>Non-current Assets</b>		
Property, Plant and Equipment (17)	1,049,453	1,097,722
<b>Current Assets</b>		
Inventories (11)	12,144	11,500
Receivables (12)	242,650	167,000
Cash and Cash Equivalents (13)	639,343	532,316
<b>Total Current Assets</b>	<b>894,137</b>	<b>710,816</b>
<b>Current Liabilities</b>		
Payables (14)	472,346	506,633
Current portion of Long-Term Borrowings	-	-
<b>Total Current Liabilities</b>	<b>472,346</b>	<b>506,633</b>
<b>Net Current Assets</b>	<b>421,791</b>	<b>204,183</b>
<b>Non-current liabilities (15)</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>1,471,244</b>	<b>1,301,905</b>
<b>Reserves</b>		
Retained Funds	1,471,244	1,301,905

## Financial Situation Indicator

DESCRIPTION		
Current Assets	894,137	710,816
Current Liabilities	472,346	506,633
Total Long Term Liabilities	-	-
Commitments approved by Ministry	-	-
	421,791	204,183
Total Government Allocation	761,514	761,514
	55%	26.81%

**Cash Flow Statement**

	€
Surplus for the year	63,995
Adjustments for:	
Depreciation	47,172
Increase / (Decrease) in Allowance for Bad Debts	35,265
Interest receivable	-
Interest payable	-
(Profit) / Loss on disposal of asset	-
Release of grants	6,100
Increase / (Decrease) in payables	-47731
Decrease / (Increase) in receivables	-118558
Decrease / (Increase) in inventories	0
Cash generated from operations	(13,757)
Interest paid	0
<i>Net cash from operating activities</i>	<i>(13,757)</i>
<b>Cash flows from investing activities</b>	
Purchase of property, plant & equipment	-136634
Proceeds from sale of property, plant & equipment	0
Interest received	0
	0
<i>Net cash used in investing activities</i>	<i>-136634</i>
<b>Cash flows from financing activities</b>	
Proceeds from long-term borrowings	0
Grants received	0
Loan Repayments	0
	0
<i>Net cash from financing activities</i>	<i>0</i>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>(150,391)</b>
Cash & cash equivalents at beginning of year	789734
<b>Cash &amp; cash equivalents at end of Quarter</b>	<b>639343</b>



## DESCRIPTION

€

## Income

## 1 Funds received from Cental Government:

- 0001 In terms of section 55 CAP 363  
0002-0004 In terms of section 58 CAP 363  
0005-0019 Other income

374,537

14,721

8,240

397,498

## 2 Income raised from Bye-Laws

- 0021-0025 Community Services  
0026-0035 Income from Permits

332

6,432

6,764

## 3 Local Enforcement Income

- 0036-0037 Contraventions  
0038-0050 Les Administrative Charges

(1,798)

5,768

3,970

## 4 Investment Income

- 0091-0095 Bank interest  
0096-0099 Income received from Governnet Securities

-

-

## 5 0056-0065 Sponsorships

- 0066-0069 Documents & Information  
0070-0075 EU funds  
0076-0080 Twinning  
0081-0089 Insurance Claims  
0100-0109 General Income  
0100 Donations  
0120 Contributions

-

-

-

-

-

-

13

-

-

-

13

## Total

408,245

## 6 i) Personal Emoluments

- 1100-1101 Mayor's & Councillor's Allowance  
1200 Employees' Salaries & Wages  
1300 Bonuses  
1400 Income Supplements  
1500 Social Security Contributions  
1600 Allowances  
1700 Overtime

14,029

41,819

1,030

-

3,851

816

2,411

63,956

## ii) Number of Employees

## Full time 5 : Reduced 1

## Executive Secretary

## Assistant Principal Officer

## Executive Officers

## Clerk

1

2

2

1

6

## Part time

-

## Total number of employees

6

## DESCRIPTION

€

## 7

## Operations and Maintenance

2100-2149 Public Property Utilities	3,801
2200-2259 Materials & Supplies	1,047
2300-2399 Repairs & upkeep	50,218
2400-2449 Rent	290
3010 Street Lightning	1,763
3020 Lease of Equipment	-
3030 Insurance	4,580
3035 Bank Charges	133
3038 Penalties	-
3041 Refuse Collection	28,221
3042 Bulky Refuse Collection	7,153
3044 Open Skips	120
3045 Disposal fees deposited at Landfill	29,252
3050-3051 Road & Street Cleaning	22,337
3052 Cleaning & Maintenance of Non-Urban Areas	3,158
3053 Cleaning of Public Conveniences	11,823
3055 Cleaning of Council Premises	1,409
3040 Waste Disposal	-
3060 Other contractual Services	956
3061 Cleaning & Maintenance of Parks & Gardens	1,202
3062 Cleaning & Maintenance of Soft Areas	6,024
3063 Cleaning & Maintenance of Beaches & CA	-
3064 Cleaning & Maintenance of Country Non-Urban	-
3070-3090 Consultation Fees	1
3100-3139 Contract & Project Management	-
3300-3379 Hospitality	11,370
3380-3389 Community	-
3390-3394 Donations	-
3600-3694 Local Enforcement Expenses	251
3700-3799 EU Projects	-
3800-3899 Twinning	-
	-
	<b>185,108</b>

## 8

## Administration

2100-2199 Office Utilities	3,223
2260-2299 Office Materials & Supplies	-
2450-2499 Office Rent	-
2500-2599 National & International Memberships	-
2600-2699 Office Services	1,277
2700-2799 Transport	1,215
2800-2899 Travel	1,831
2900-2999 Information Services	3,265
3140-3199 Professional Services	1,736
3200-3299 Training	-
3345 Office Hospitality	-
3400-3499 Sundry Minor Expenses	202
	<b>12,749</b>

## 9

## Finance Costs

3036 Interest on Bank Loan	-
	-



DESCRIPTION	€
<b>10 Other Expenditure</b>	
500-3599 Loss / (Profit) on Disposal of asset	-
3695 Increase/(Decrease) in allowance for bad debts	35,265
8000-8099 Depreciation	47,172
	82,437
<b>Total</b>	<b>344,250</b>
<b>11 Inventories</b>	
5201-5249 Stationery	-
5250-5299 Consumables	-
Books for resale	12,144
	<b>12,144</b>
<b>12 Receivables</b>	
0201-0209 Receivables	13,193
0210-0219 LES debtors	-
0220-0229 Receivables from EU	-
0250 Prepayments & Accrued income	108,926
Govt Grants & Investment in St Peters	120,531
	<b>242,650</b>
<b>13 Cash &amp; Equivalents</b>	
5001-5099 Bank & Cash Balances	639,343
	<b>639,343</b>
<b>14 Payables</b>	
4000 Payables	178,219
4100 Accruals	25,817
4150 Deferred Income	268,198
Current portion of long term borrowings	-
Amounts due to other councils	112
	<b>472,346</b>
<b>15 Non Current Liabilities</b>	
4200 Long Term Borrowing	0
	0
	-

16

**Capital Commitments****DESCRIPTION**

€

**Approved but not yet contracted for:**

Resurfacing  
Improvements  
Equipment

50,000

5,000

2,000

57,000

**Contracted for but not provided for in Quarterly Financial Statements:**

Construction - Gnien il-Kunsill  
Equipment and cameras - Gnien il-Kunsill

215,712

77,034

292,746

**Others**

The Council will be financing the project on Gnien il-Kunsill through a grant from the Urban Improvements Fund of € 100,000.

Asset		Trees	Const.	Fur&Fitt	Stre. Signs	Urban Imp.	Off Equip	Plant & Mach	Motor Veh	N.Y.C.	Total
% of depreciation		0%	10%	8%	100%	10% / 100%	20% / 25%	20%	20%		
		€	€	€	€	€	€	€	€	€	€
<b>Cost</b>											
As at 1st January	#N/A	11,379	2,743,609	73,221	31,395	307,785	34,066	32,298	18,386	45,934	3,298,073
Additions		-	-	-	-	52,610	145	-	-	83,879	136,634
Disposals		-	-	-	-	-	-	-	-	-	-
#N/A		11,379	2,743,609	73,221	31,395	360,395	34,211	32,298	18,386	129,813	3,434,707
<b>Grants/ other reimbursements</b>											
As at 1st January	#N/A	-	921,147	-	-	-	5,199	-	-	7,485	933,831
Additions		-	-	-	-	-	-	-	-	-	-
#N/A		-	921,147	-	-	-	5,199	-	-	7,485	933,831
<b>Accumulated Depreciation</b>											
As at 1st January	#N/A	-	1,002,514	44,374	31,395	268,308	18,460	21,207	17,993	-	1,404,251
Charge for the period		-	40,367	1,103	-	3,226	1,301	1,133	42	-	47,172
Released on disposal		-	-	-	-	-	-	-	-	-	-
#N/A		-	1,042,881	45,477	31,395	271,534	19,761	22,340	18,035	-	1,451,423
<b>NBV</b>	#N/A	11,379	779,581	27,744	-	88,861	9,251	9,958	351	122,328	1,049,453