

HAŽ-ŽABBAR LOCAL COUNCIL
FINANCIAL STATEMENTS
For the year ended 31 December 2015

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Chartered Certified Accountants & Auditors

HAŻ-ŻABBAR LOCAL COUNCIL

STATEMENT OF LOCAL COUNCIL MEMBERS' AND EXECUTIVE SECRETARY'S RESPONSIBILITIES

The Local Councils (Financial) Regulations require the Executive Secretary to prepare a detailed annual administrative report which includes the Local Council's Statement of Comprehensive Income for the year, and of the Council's retained funds at the end of year. By virtue of the same regulations it is the duty of the Local Council and the Executive Secretary to ensure that the financial statements forming part of the report present fairly, in accordance with the accounting policies applicable to Local Councils, the income and expenditure of the Local Council for the year and its retained funds as at the year end, and that they comply with the Act, the Local Council (Financial) Regulations, and the Local Council (Financial) Procedures issued in terms of the said Act.

The Executive Secretary is responsible to maintain a continuous internal control to ascertain that the accounting, recording and other financial operations are properly conducted in accordance with the Local Councils Act, Local Council (Financial) Regulations, and the Local Councils (Financial) Procedures. The Executive Secretary is also responsible for safeguarding the assets of the Local Council and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This statement was approved by the Council on 18 April 2016 and signed on its behalf by:



Marc Vella Bonnici
Mayor



Duncan Busuttil
Executive Secretary

HAŽ-ŽABBAR LOCAL COUNCIL

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2015

	Notes:	2015 €	2014 €
Revenue			
Funds received from the Central Government	4	828,032	849,451
Income raised under Council Bye-Laws	5	16,240	9,868
Income Raised under Local Enforcement System	6	12,298	7,940
General Income	7	4,602	2,489
		<hr/>	<hr/>
		861,172	869,748
Expenditure			
Personnel Emoluments	8	(126,447)	(123,507)
Operations and maintenance	9	(345,865)	(479,304)
Administration and other expenditure	10	(220,758)	(232,334)
Other expenditure/income	11	(363)	(3,907)
		<hr/>	<hr/>
Total Expenditure		(693,433)	(839,052)
		<hr/>	<hr/>
Operating profit for the year		167,739	30,696
		<hr/>	<hr/>
Finance income	12	679	1,003
		<hr/>	<hr/>
Surplus for the year		€ 168,418	€ 31,699
		<hr/>	<hr/>

HAŻ-ŻABBAR LOCAL COUNCIL

STATEMENT OF FINANCIAL POSITION

At 31 December 2015

	Notes	2015 €	2014 €
ASSETS			
Non-current assets			
Property, plant and equipment	13	959,991	1,029,393
Current assets			
Inventories	14	12,144	12,479
Receivables	15 / 16	124,092	57,808
Cash and cash equivalents	17	789,734	546,345
		<u>925,970</u>	<u>616,632</u>
Total assets		<u>€ 1,885,961</u>	<u>€ 1,646,025</u>
RESERVES			
Retained earnings		<u>1,371,982</u>	<u>1,203,564</u>
LIABILITIES			
Non-current liabilities			
Other financial payables	18	74,251	90,802
Deferred income	19	262,098	175,045
Total Non-current liabilities		<u>336,349</u>	<u>265,847</u>
Current liabilities			
Trade and other payables	20	177,630	176,614
Total reserves and liabilities		<u>€ 1,885,961</u>	<u>€ 1,646,025</u>

These financial statements were approved by the Local Council on 18 April 2016 and signed on its behalf by:



Marc Vella Bonnici
Mayor



Duncan Busuttil
Executive Secretary

HAŽ-ŽABBAR LOCAL COUNCIL

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2015

	Retained Earnings €
At 1 January 2013	1,060,269
Surplus for the year	111,596
At 31 December 2013	<u>1,171,865</u>
At 1 January 2014	1,171,865
Surplus for the year	31,699
At 31 December 2014	<u>1,203,564</u>
At 1 January 2015	1,203,564
Surplus for the year	168,418
At 31 December 2015	<u>€ 1,371,982</u>

HAŽ-ŽABBAR LOCAL COUNCIL

STATEMENT OF CASH FLOWS

For the year ended 31 December 2015

	Notes	2015 €	2014 €
CASH FLOW FROM OPERATING ACTIVITIES			
Net cash generated from operating activities	22	283,801	145,790
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(41,035)	(164,047)
Interest received		623	963
Proceeds from insurance		-	437
NET CASH (USED IN) INVESTING ACTIVITIES		(40,412)	(162,647)
CASH FLOWS FROM FINANCING ACTIVITIES			
Grants received		-	60,266
NET MOVEMENT IN CASH AND CASH EQUIVALENTS		243,389	43,409
Cash and equivalents at beginning of year		546,345	502,936
Cash and equivalents at end of year	22	<u>€ 789,734</u>	<u>€ 546,345</u>

HAŻ-ŻABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

1 GENERAL INFORMATION

The Haż-Żabbar Local Council is the local Authority of Malta set up in accordance with the Local Councils Act (1993). The office of the Local Council is situated at Civic Centre, Triq ic-Cawwli, Haż-Żabbar. These financial statements were approved for issue by the council members on 18 April 2016. The Local Council's financial statements are presented in Euro (€) which is the functional currency of the council. Its ultimate controlling party is the Department for Local Government within the Office of the Prime Minister.

2 ACCOUNTING POLICIES AND REPORTING PROCEDURES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements are prepared under the historical cost convention except as disclosed below. These financial statements are prepared in accordance with the provisions of the Local Councils Act Cap. 363, the Financial Regulations issued in terms of this Act and the Local Councils (Financial) Procedures 1996 enacted in Malta and with the requirements of International Financial Reporting Standards as adopted by the European Union.

These financial statements have been drawn up in accordance with the accounting policies and reporting procedures prescribed for Local Councils in the Financial Regulations issued by the Minister of Finance in conjunction with the Minister responsible for Local Government in terms of section 67 of the Local Councils Act (Cap. 363).

(b) Standards, amendments and interpretations to existing standards

The new and revised standards that became effective for annual periods beginning on or after 1 January 2015 made several minor amendments to a number of IFRSs. None of the changes to IFRSs and interpretations has had, or is expected to have, a material impact on the council's financial statements.

New and amended standards adopted by the council

Information on new standards, amendments and interpretations that are relevant to the Council's financial statements is provided below. Certain other new standards and interpretations not listed below have been issued but are not relevant and therefore are not expected to have any impact on the council's financial statements.

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

2 ACCOUNTING POLICIES AND REPORTING PROCEDURES (continued)

(b) Standards, amendments and interpretations to existing standards - continued

IFRS 9 'Financial Instruments' (2014)

The IASB recently released IFRS 9 'Financial Instruments' (2014), representing the completion of its project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. The new standard introduces extensive changes to IAS 39's guidance on the classification and measurement of financial assets and introduces a new 'expected credit loss' model for the impairment of financial assets. IFRS 9 also provides new guidance on the application of hedge accounting. The council has started to assess the impact of IFRS 9 but is not yet in a position to provide quantified information. At this stage the main areas of expected impact are as follows:

- the classification and measurement of financial assets will need to be reviewed based on the new criteria that considers the assets' contractual cash flows and the business model in which they are managed
- an expected credit loss-based impairment will need to be recognised on trade receivables
- The new requirements in relation to financial liabilities address the problem of volatility in profit or loss arising from an issuer to measure its own debt at fair value. With the new requirements, any entity choosing to measure the liability at fair value will present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income rather than within the profit or loss.

This standard is applicable for annual periods beginning on or after 1 January 2018.

IFRS 15 'Revenue from Contracts with Customers'

IFRS 15 presents new requirements for the recognition of revenue, replacing IAS 18 'Revenue', IAS 11 'Construction Contracts', and several revenue-related Interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018. The council has started to assess the impact of IFRS 15 but is not yet in a position to provide quantified information.

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

2 ACCOUNTING POLICIES AND REPORTING PROCEDURES (continued)

(c) Functional and presentation currency

Items included in the financial statements of the Haž-Žabbar Local Council are measured using the current of the primary economic environment in which the Council operates ('the functional currency'). The financial statements are presented in Euro (€), which is the Council's presentation currency which is also the functional currency.

(d) Property, plant and equipment

Property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and grants received for specific projects. Depreciation is calculated on a monthly basis using the reducing balance method at rates calculated to write down the cost less residual value of each asset, other than land and trees, over its expected useful life as follows:

	%
Trees	-
Office furniture and fittings	7.5
Construction works	10
Road signs	replacement basis
Urban improvements (Street furniture)	10
Special projects	10
Office equipment	20
Motor vehicles	20
Plant and machinery	20
Computer equipment	25
Litter bins	replacement basis
Playground furniture	100
Street lights	100

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit. The residual values and useful lives of the assets are reviewed and adjusted as appropriate, at each financial reporting date. The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

Subsequent costs are included in the carrying amount of the asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

2 ACCOUNTING POLICIES AND REPORTING PROCEDURES (continued)

(e) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the fair value of the asset less costs to sell and the value in use. Impairment losses are immediately recognised as an expense in the statement of comprehensive income.

(f) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the average cost method. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(g) Amounts receivable

Amounts receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of amounts receivable is established when there is objective evidence that the council will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount of the asset and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the Statement of comprehensive income.

(h) Cash and equivalents

In the statement of financial position and the statement of cash flows, cash and cash equivalents comprise cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and credit bank balances as per books.

(i) General payables

General payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

General payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

HAŽ-ZABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

2 ACCOUNTING POLICIES AND REPORTING PROCEDURES (continued)

(i) General payables (continued)

General payables are expected to be settled within the short-term and as such cashflows relating to such payables are not discounted since the effect of discounting is immaterial.

(j) Surplus and deficits

Only surpluses that were realised at the date of the Statement of Financial Position are recognised in these Financial Statements. All foreseeable liabilities and potential deficits arising up to the said date are accounted for even if they become apparent between the said date and the date on which the Financial Statements are approved.

(k) Revenue

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for Central Government allocation in terms of section 55 of the Local Councils Act, 1993, goods supplied services provided and other Central Government Grants. The Haž-Zabbar Local Council recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria has been met for each of the Council's activities, as described below. The Haž-Zabbar Local Council bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

I. Central Government allocation in terms of section 55 of the Local Councils Act, 1993

The Council does not have control on the amount of this income stream or the timing of its actual transfer to the Council's bank account. The amount receivable under this heading is communicated to the Council through the Department for Local Government after the annual Central Government budget is approved by Parliament and is transferred directly to the Council's designated bank accounts at the beginning of each quarter. The receipt of such funds is usually net of any deductions deemed by the Department for Local Government and these deductions may include; penalties inflicted, use of the Central Government electronic infrastructure or any other cost that the Department for Local Government passes on to the Council. The income under this heading accounts for major income stream to the Council and is primarily tied up to the specific expenditure headings on which the Councils is bound to allocate.

II. Sales of goods

The council has a number of items (books) recognized in these financial statements under inventories, that are for sale to general public.

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

2 ACCOUNTING POLICIES AND REPORTING PROCEDURES (continued)

(k) Revenue (continued)

III. Services provided

The council derives income from permit fees issued to the general public. The council also provides services to the South East Regional Committee or; shares of cleaning expenses; share of electronic infrastructure and Council employees attending Tribunal sittings.

The council also derives income in the form of 10% omission on the payments of contraventions under the Local Enforcement System accruing to the five Regional Committees.

(l) Government grants

Government grants relating to costs are deferred and recognised in the statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred Government grants and are credited to the statement of comprehensive income over the expected lives of the related assets.

(m) Financial instruments

Financial assets and financial liabilities are recognised when the council becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value plus transactions costs. They are measured subsequently as described below.

Financial assets

For the purpose of subsequent measurement, financial assets of the council are classified into loans and receivables upon initial recognition.

Receivables are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

2 ACCOUNTING POLICIES AND REPORTING PROCEDURES (continued)

(m) Financial instruments (continued)

All income and expenses relating to loans and receivables are presented within 'finance income' or 'finance costs', except for impairment of receivables which is presented within 'administration and other expenditure'.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The council's other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other available features of shared credit risk characteristics. The percentage of the write down is then based on recent historical counterparty default rates for each identified group.

Financial liabilities

The council's financial liabilities include other payables. These are stated at their nominal amount which is a reasonable approximation of fair value.

All interest-related charges are included within 'finance costs'.

(n) Provisions, contingent liabilities and contingent assets

Provisions for product warranties, legal disputes, onerous contracts or other claims are recognised when the council has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

2 ACCOUNTING POLICIES AND REPORTING PROCEDURES (continued)

(n) Provisions, contingent liabilities and contingent assets (continued)

Any reimbursement that the council can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised.

(o) Capital management policies and procedures

The council's capital consists of its net assets, including working capital, represented by its retained funds. The council's management objectives are to ensure:

- that the council's ability to continue as a going concern is still valid and
- that the council maintains a positive working capital rate.

To achieve the above, the council carries out a quarterly review of the working capital ratio ("Financial Situation Indicator"). This ratio was negative at the reporting date and the council is working to improve the situation. The council also uses budgets and business plans to set its strategy to optimise its use of available funds and implement its commitments to the locality.

(p) Significant judgements, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires council members to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Use of available information and application of judgement are inherent in making estimates. Actual results in future could differ from such estimates and the differences may be material to the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

2 ACCOUNTING POLICIES AND REPORTING PROCEDURES (continued)

(p) Significant judgements, estimates and assumptions (continued)

In the opinion of the council members, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1 (revised).

3 SURPLUS FOR THE YEAR

	Notes	2015 €	2014 €
Surplus for the year is stated after charging:			
Personal emoluments	8	126,447	123,507
Depreciation on property, plant and equipment	13	100,641	137,013
Loss on disposal of property, plant and equipment	11	363	3,907
Movement in provision for doubtful debts	16	36,588	1,195
and after crediting:			
Movement in provision for doubtful debts	16	1,322	2,645

4 FUNDS RECEIVED FROM CENTRAL GOVERNMENT

	2015 €	2014 €
In terms of section 55 of the Local Council Act, (Cap 363)	796,199	770,892
Supplementary Income	18,142	63,552
Urban Improvement Funds released to income	13,691	15,007
	€ 828,032	€ 849,451

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

5 INCOME RAISED UNDER COUNCIL BYE-LAWS

	2015	2014
	€	€
Community services	617	603
Placement of tables and chairs	665	735
Machinery permits	10,670	3,797
Kiosks permits	2,962	3,268
Occasional entertainment	280	524
Trenching permits	857	753
Material permits	84	12
Scaffolding permits	105	176
	<u>€ 16,240</u>	<u>€ 9,868</u>

6 INCOME RAISED UNDER LAW ENFORCEMENT SYSTEM

	2015	2014
	€	€
Contraventions received	1,322	1,957
Contraventions – Sentenced cases	(1,322)	(2,645)
Regjun Centru	2,712	2,619
Regjun Tramuntana	638	521
Regjun Nofsinhar	2,000	2,030
Regjun Xlokk	5,658	3,397
Regjun Ghawdex	93	61
L.E.S.A Administration fees	1,197	-
	<u>€ 12,298</u>	<u>€ 7,940</u>

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

6 INCOME RAISED UNDER LAW ENFORCEMENT SYSTEM (continued)

In accordance with the Local Enforcement System (LES) issued by the Ministry by virtue of Section 72 of the Local Councils Act, (Cap 363), the income relating to contraventions was delegated to the local councils through Legal Notice 32 of 2000.

The recording of income from contraventions for offences was based on reports generated by the contractor entrusted with the system by the Ministry.

As from 1 September 2011 the contraventions previously accruing to the Council started accruing in favour of the 'Regjun Xlokk'. The Council's income from the Law Enforcement System therefore started reflecting three revenue streams as of that date. The revenue streams are as follows:

- (a) Receipts of contraventions that accrued in favour of the Council up to the 31 August 2011;
- (b) Movement in Tribunal Pending cases of contraventions that had accrued in favour of the Councils up to the 31 August 2011;
- (c) 10% on the contraventions accruing to all Regional Committees that are settled at the Council's cash point.

7 GENERAL INCOME

	2015	2014
	€	€
Sponsorships & donations	-	264
Document / Info Charges / Tenders	2,400	1,875
Publications	82	93
Refund of expenses	2,120	257
	<hr/>	<hr/>
	€ 4,602	€ 2,489
	<hr/>	<hr/>

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

8 PERSONNEL EMOLUMENTS

	2015 €	2014 €
Mayor's Honoraria	14,096	13,736
Council Members' allowance	13,600	10,907
Executive secretary salary and allowance	33,537	32,370
Employees' salaries	57,834	59,117
Social Security Contributions – employer's share	7,380	7,377
	<u>€ 126,447</u>	<u>€ 123,507</u>

9 OPERATIONS AND MAINTENANCE

	2015 €	2014 €
Repairs and upkeep:		
Public property	4,259	5,248
Road and street pavements	20,802	109,588
Street signs	7,030	3,372
Road markings	3,679	5,834
Office furniture and equipment	4,957	3,543
Maintenance of equipment	701	281
Maintenance Council property	1,351	1,572
	<u>€ 42,779</u>	<u>€ 129,438</u>

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

9 OPERATIONS AND MAINTENANCE (continued)

	2015 €	2014 €
Contractual Services:		
Waste disposal	510	-
Refuse collection	87,850	120,173
Bulky refuse collection	15,554	15,525
Open skips	240	705
Disposal fees at landfill BIS	86,527	88,089
Cleaning services	130	400
Road and street cleaning	52,889	65,673
Cleaning and maintenance of non - urban roads	5,709	4,061
Cleaning - public conveniences	15,722	13,140
Cleaning Council Premises	2,506	2,636
Other contractual services	1,997	2,098
Clean & maintenance of parks & gardens	1,590	4,931
Cleaning and maintenance soft areas	19,000	19,000
Warden services	63	298
Street lighting	11,282	11,117
Local enforcement expenses	1,517	2,020
	<hr/> 303,086	<hr/> 349,866
Total operations and maintenance costs	<hr/> € 345,865	<hr/> € 479,304

HAŻ-ŻABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

10 ADMINISTRATION AND OTHER EXPENDITURE

	2015 €	2014 €
Utilities	10,538	8,618
Fuel (other than transport)	47	29
Operating materials & supplies	608	615
Cleaning materials & supplies	458	485
Uniforms	416	1,165
Rents	1,343	1,343
Participation fee national meetings	-	357
Membership in Local organisations	1,571	30
Printing	651	1,931
Stationary	1,017	926
Postages	634	543
Documentation	40	85
Maintenance of vehicles	1,740	764
Hire of transport	105	197
Fuel costs	1,488	1,718
Payment of use of personal vehicle	263	77
Transportation of goods	250	50
Overseas tickets	1,005	-
Overseas subsistence & accommodation	270	-
Advertising costs	2,354	1,526
Publications and newsletters	-	890
Lease of equipment	-	55
Library expenses	3,843	4,019
Insurance coverage	4,396	2,763
Legal charges	1,756	1,003
Management & operating services	531	650
Bank charges	210	267
Legal services	770	628
Accountancy services	4,570	7,892
Course fees – local training	-	40
Conference expenses	887	1,343
Visits foreign delegations	2,225	-
(continues)	€ 43,987	€ 40,009

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

10 ADMINISTRATION AND OTHER EXPENDITURE (continued)

	2015 €	2014 €
Balance brought forward from page 20	43,987	40,009
Other hospitality costs	1,973	1,252
Social events	130	-
Cultural events	27,368	15,047
Lejl fil-Belt Hompesh	10,591	13,893
Christmas village	124	25,000
Community services	-	1,034
Sundry minor expenses	47	536
Decrease in provision for LES doubtful debts	(1,322)	(1,450)
Increase in provision for doubtful debts	36,588	-
Bad debts written off	631	-
Depreciation expense	100,641	137,013
	<u>€ 220,758</u>	<u>€ 232,334</u>

11 OTHER EXPENSES

	2015	2014
Loss on disposal of assets	€ 363	€ 3,907
	<u>€ 363</u>	<u>€ 3,907</u>

12 FINANCE INCOME

	2015	2014
Bank interest receivable	€ 679	€ 1,003
	<u>€ 679</u>	<u>€ 1,003</u>

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2015

13. PROPERTY, PLANT AND EQUIPMENT

	Trees €	Construction Works €	Furniture & Fittings €	New Street Signs €	Urban Improve. €	Office Equip. €	Plant & Machinery €	Motor Vehicles €	Assets Not yet Capitalised €	Total €
Cost										
At 1 January 2015	11,379	2,743,609	71,202	31,395	305,755	35,548	32,271	18,386	19,997	3,269,542
Additions	-	-	2,167	-	2,030	1,442	27	-	25,937	31,603
Disposals	-	-	(148)	-	-	(2,924)	-	-	-	(3,072)
At 31 December 2015	€11,379	€2,743,609	€73,221	€31,395	€307,785	€34,066	€32,298	€18,386	€45,934	€3,298,073
Government Grants										
At 1 January 2015 & at 31 December 2015	-	€921,147	-	-	-	€5,199	-	-	€7,485	€933,831
Depreciation										
At 1 January 2015	-	915,216	42,348	31,395	263,025	18,002	18,438	17,895	-	1,306,319
Charge for the year	-	87,298	2,245	-	5,283	2,948	2,769	98	-	100,641
Eliminated on disposals	-	-	(219)	-	-	(2,490)	-	-	-	(2,709)
At 31 December 2015	€ -	€1,002,514	€44,374	€31,395	€268,308	€18,460	€21,207	€17,993	€ -	€1,404,251
Net book value										
At 31 December 2015	€11,379	€819,948	€28,847	€ -	€39,477	€10,407	€11,091	€393	€38,449	€959,991

HAŻ-ŻABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended 31 December 2015

13. PROPERTY, PLANT AND EQUIPMENT

	Trees €	Construc Works €	Furniture & Fittings €	New Street Signs €	Urban Improve. €	Office Equip. €	Plant & Machinery €	Motor Vehicles €	Assets Not yet Capitalised €	Total €
Cost										
At 1 January 2014	11,379	2,627,250	70,772	30,607	303,091	31,560	32,071	18,386	22,460	3,147,576
Reclassifications	-	8,069	-	-	-	-	-	-	(8,069)	-
Additions	-	108,290	455	788	2,664	7,960	200	-	9,029	129,386
Disposals	-	-	(25)	-	-	(3,972)	-	-	(3,423)	(7,420)
At 31 December 2014	€ 11,379	€ 2,743,609	€ 71,202	€ 31,395	€ 305,755	€ 35,548	€ 32,271	€ 18,386	€ 19,997	€ 3,269,542
Government Grants										
At 1 January 2014 & at 31 December 2014	-	921,147	-	-	-	5,199	-	-	7,485	933,831
Depreciation										
At 1 January 2014	-	794,372	39,936	30,607	255,614	19,095	14,986	17,772	-	1,172,382
Charge for the year	-	120,844	2,414	788	7,411	1,981	3,452	123	-	137,013
Eliminated on disposals	-	-	(2)	-	-	(3,074)	-	-	-	(3,076)
At 31 December 2014	€ -	€ 915,216	€ 42,348	€ 31,395	€ 263,025	€ 18,002	€ 18,438	€ 17,895	€ -	€ 1,306,319
Net book value										
At 31 December 2014	€ 11,379	€ 907,246	€ 28,854	€ -	€ 42,730	€ 12,347	€ 13,833	€ 491	€ 12,512	€ 1,029,392

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

14 INVENTORIES

	2015	2014
Books for sale	€ 12,144	€ 12,479

15 RECEIVABLES

	2015 €	2014 €
<u>Falling due within one year</u>		
Other related undertakings	14,008	51,629
Prepayments and accrued income	110,084	6,179
	<u>€ 124,092</u>	<u>€ 57,808</u>

	2015 €	2014 €
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Credit period analysis:

Within credit period	-	-
Exceeded credit period but not impaired	-	-
Impaired and provided for	403,065	367,168
Provision for doubtful debts	(402,434)	(367,168)
Written off	(631)	-
	<u>€ -</u>	<u>€ -</u>

HAŻ-ŻABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

16 PROVISION FOR DOUBTFUL DEBTS

The movement in the provision for doubtful debts is as follows:

	2015 €	2014 €
Balance at 1 January	367,168	368,618
(Decrease) in provision for LES doubtful debtors	(1,322)	(2,645)
Increase in provision of doubtful debtors	36,588	1,195
Balance at 31 December	<u>€ 402,434</u>	<u>€ 367,168</u>

17 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in hand and balances with banks. Cash and cash equivalents in statement of cash flows comprise the following amounts in the Council's Statement of Financial Position.

	2015 €	2014 €
Cash in hand	118	183
Bank balances	832,183	646,306
Bank overdraft	(42,567)	(100,144)
	<u>€ 789,734</u>	<u>€ 546,345</u>

HAŻ-ŻABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

18 OTHER FINANCIAL PAYABLES

	2015 €	2014 €
<u>Non Current</u>		
Public Private Partnership (PPP) agreement	74,251	90,802
<u>Current</u>		
Public Private Partnership (PPP) agreement	56,074	48,956
Total amounts payable under the PPP agreement	€ 130,325	€ 139,758
Amount payable between one and two years	16,551	16,551
Amount payable between two and five years	49,654	49,654
Amount payable after five years	8,046	24,597
	€ 74,251	€ 90,802

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

19 DEFERRED INCOME

	2015 €	2014 €
Government Grants (note)		
Balance at 1 January	187,989	229,188
Additions	100,000	-
Released to income	(13,691)	(15,007)
Forgone	-	(26,192)
Balance at 31 December	<u>274,298</u>	<u>187,989</u>
Non-Current	<u>€ 262,098</u>	<u>€ 175,045</u>
Current	<u>€ 12,200</u>	<u>€ 12,944</u>
Deferred Government Grants		
Amount payable between one and two years	20,893	11,544
Amount payable between two and five years	50,719	27,906
Amount payable after five years	190,486	135,595
	<u>€ 262,098</u>	<u>€ 175,045</u>

Note:

Deferred Government Grants represent agreements signed with the Malta Environment & Planning Authority, the ERDF fund and other Central Government Grants, collectively referred to as 'Government Grant', up to the end of the year under review. The funds are released to income in line with the depreciation charge on the projects that were capitalized up to the end of the year under review.

Deferred grants foregone, represents the amounts previously agreed with the relevant authority but were eventually not received.

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

20 PAYABLES

	2015 €	2014 €
Payables	42,192	49,683
Current portion on PPP Agreement (note 18)	56,074	48,956
Current portion on Deferred Grants (note 19)	12,200	12,944
Law Enforcement Unidentified deposits	4,967	4,967
Amounts owed to other Councils	112	112
Accruals and deferred income	62,085	59,952
	<u>€ 177,630</u>	<u>€ 176,614</u>

21 CAPITAL COMMITMENTS

	2015 €	2014 €
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Details of capital commitments at the reporting date are as follows:

(i) Approved but not yet contracted for:

- Construction (Resurfacing Triq il-Gnien)	-	20,000
- Resurfacing	50,000	-
- Urban Improvements (Gnien il-Kunsill)	-	188,500
- Furniture & fittings (Refurbishing Council offices)	-	30,000
- Construction	8,714	-
- Improvements	5,000	-
- Equipment	2,000	-

<u>€ 65,714</u>	<u>€ 238,500</u>
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(ii) Contracted for but not provided in the financial statements:

- Construction (Gnien il-Kunsill)	165,297	-
- Equipment (Gnien il-Kunsill)	107,739	-
- Cameras (Gnien il-Kunsill)	18,250	-

<u>€ 291,286</u>	<u>€ -</u>
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The Council will be financing the construction projects on Gnien il-Kunsill, through a grant from the Urban Improvements Funds of €100,000.

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

22 CASH GENERATED FROM OPERATIONS

	2015 €	2014 €
Surplus for the year	168,418	31,699
Adjustment for:		
Depreciation	100,641	137,013
Loss on disposal of assets	363	3,907
Grants released to income	(13,691)	(15,007)
Investment income	(679)	(1,003)
Provision for doubtful debts	35,266	(1,450)
Bad debts written off	631	-
Operating profit before working capital changes	290,949	155,159
Decrease in inventories	335	197
(Increase) / decrease in general and other receivables	(2,125)	27,480
(Decrease) in general and other payables	(5,358)	(10,854)
Increase / (Decrease) in deferred income	-	(26,192)
Cash generated from operations	€ 283,801	€ 145,790

23 CONTINGENT LIABILITIES

	2015 €	2014 €
Claims by suppliers	3,718	890
Contested payables	-	4,360
Contested claims for damages of motor vehicles	1,775	-
Claims for damages of motor vehicles	5,096	-
	€ 10,589	€ 5,250

HAŻ-ŻABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

24 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operations decisions.

The ultimate controlling party of the Haż-Żabbar Local Council is the Department for Local Government within the Parliamentary Secretariat for Culture.

All the companies, Authorities and Agencies set up by the Central Government are also considered to be related parties to Haż-Żabbar Local Council but do not have significant control. The Joint Committee (up to the 31 August 2011), all Regional Committees (from 1 September 2011), the Local Councils Association and the other Local Councils are also considered to be related parties.

During the year under review, the council carried out transactions with the following related parties:

Name of entity	Nature of relationship
Department of Local Government	Significant control
Regional Committee – Local Law Enforcement	No control
Southern Harbour District Joint Committee	No control
Bank of Valletta plc	No control
Cleansing Services Department	No control
Lands Department	No control
Enemalta Corporation	No control
ARMS Limited	No control
MITTS	No control
Local Councils Association	No control
Other Local Councils	No control
Police Commissioner	No control
Water Services Corporation	No control
Wasteserv Malta Limited	No control
Works Division – Director General Works	No control

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

24 RELATED PARTY TRANSACTIONS (continued)

The following were the significant transactions carried out by the council with related parties having significant control:

	2015 €	2014 €
Cash Transactions:		
Income - Annual financial allocation	796,199	770,892
Income – Law Enforcement System	12,298	7,940
Purchase of goods and services	-	16,829
	<hr/>	<hr/>
Non-Cash Transactions:		
Government Grants released	€ 13,691	€ 15,007
	<hr/>	<hr/>
Year-end balances arising from related party transactions		
Receivables from related parties (excluding Grants receivable)	€ 14,008	€ 51,629
	<hr/>	<hr/>
The receivables from related parties arise mainly from the annual financial allocations by Central Government, Urban Improvement Funds and income arising from delegation of responsibilities. The receivables are unsecured in nature and bear no interest.		
Payables to related parties	€ 1,458	€ 2,658
	<hr/>	<hr/>

The payables to related parties arise mainly from purchases of goods and services and are mainly due 1 month after the date of purchase. The payables bear no interest.

25 FINANCIAL RISK MANAGEMENT OBJECTIVES

The Council's activities expose it to a variety of financial risks, that include market risks, credit risk, liquidity risk and interest risk. The Council's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Council's financial performance.

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

25 FINANCIAL RISK MANAGEMENT OBJECTIVES (continued)

Where applicable, any significant changes in the Council's exposure of the financial risks or manner in which the Councils manages and measured these, risks are disclosed below.

Where possible, the Council aims to reduce and control risk concentrations. Concentrations of financial risk arise when financial instruments with similar characteristics are influenced in the same way by changes in economic or other factors. The amount of risk exposure associated with the financial instruments sharing similar characteristics is disclosed in more detail in the notes to the financial statements.

Liquidity risk

The council's exposure to liquidity risk arises from its obligations to meet its financial liabilities which comprise payables. Prudent liquidity risk management includes maintaining sufficient cash and committed credit facilities to ensure the availability of an adequate amount of funds to meet the council's obligations when they become due.

The council manage its liquidity needs through yearly budgets and business plans by carefully monitoring expected cash inflows and outflows on a daily basis. The council's liquidity is deemed to be sufficient in view of an excess of financial assets.

	Less than 3 months €	Between 3 months and 1 year €	Within 1 year €	Between 1 and 2 years €	Between 2 and 5 years €	Over 5 years €
At 31 December 2015						
Payables under						
Private Public						
Partnership	-	56,074	56,074	16,551	49,654	8,046
Trade and other						
payables (excluding						
Grants deferred						
income)	80,781	23,496	104,277	-	-	-
	€ 80,781	€ 79,570	€ 160,351	€ 16,551	€ 49,654	€ 8,046

HAŻ-ŻABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

25 FINANCIAL RISK MANAGEMENT OBJECTIVES (continued)

Liquidity risk (continued)

	Less than 3 months €	Between 3 months and 1 year €	Within 1 year €	Between 1 and 2 years €	Between 2 and 5 years €	Over 5 years €
At 31 December 2014						
Payables under Private Public Partnership	1,925	47,031	48,956	16,551	49,654	24,597
Trade and other payables (excluding Grants deferred income)	62,627	47,008	109,635	-	-	-
	<u>€ 64,552</u>	<u>€ 94,039</u>	<u>€ 158,591</u>	<u>€ 16,551</u>	<u>€ 49,654</u>	<u>€ 24,597</u>

Credit risk

With respect to credit risk, the receivables are monitored continuously for recoverability. Receivables are presented net of an allowance for doubtful debts. An allowance for doubtful debts is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. Known bad debts are therefore maintained to the lowest possible, thereby lowering as much as possible the concentration of credit risk.

Financial assets which potentially subject the Council to concentration of credit risk consist primarily of cash at bank and receivables. The Council's cash is placed with quality financial institutions as well as it limits the amount of credit exposure with any financial credit history. In this respect, credit with receivables is monitored continuously and the Council places a provision on any debt on which there is doubt of recoverability. Bad debts are therefore negligible and in this respect the Council has no significant concentration of credit risk.

Included in the Council's receivables balance are the following debtors which are past due at the end of the reporting period net of an allowance for doubtful debts and excluding related party receivables. The remaining amounts are still considered recoverable as these customers have not defaulted in the past/ The credit period allowed by the Council to its debtors is 60 days.

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

25 FINANCIAL RISK MANAGEMENT OBJECTIVES (continued)

Credit risk (continued)

	2015 €	2014 €
30 to 60 days	-	-
61 to 90 days	-	-
91 to 120 days	-	-
Over 120 days	€ 37,782	€ 1,195

Summary of the financial assets and liabilities by category

The carrying amounts of the council's financial assets and liabilities as recognised at the reporting dates under review are categorised as follows:

	2015 €	2014 €
Financial Assets		
<u>Current Assets</u>		
General receivables	14,008	51,629
Cash and bank balances	832,301	646,489
	<u>€ 846,309</u>	<u>€ 698,118</u>
Financial Liabilities		
<u>Non – Current Liabilities</u>		
Payables under Public Private Partnership agreement	<u>€ 74,251</u>	<u>€ 90,802</u>
<u>Current Liabilities</u>		
Payables under Public Private Partnership agreement	56,074	48,956
General payables	109,356	114,714
Bank overdraft	42,567	100,144
	<u>€ 207,997</u>	<u>€ 263,814</u>

HAŽ-ŽABBAR LOCAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

25 FINANCIAL RISK MANAGEMENT OBJECTIVES (continued)

Capital risk management

The Council's objectives when managing capital are to safeguard the Council's ability to continue as a going concern so that it can continue to provide a service to the residents of the Local Council by maintaining an optimal capital structure to reduce cost of capital.

The Council's equity, as disclosed in the statement of financial position, constitutes its capital. The Council's capital structure is monitored by the Executive Secretary and the Council with appropriate reference to its financial obligations and commitments arising from operational requirements. In view of the nature of the Council's activities, the capital level as at the end of the reporting period is deemed adequate by the Council.

Zabbar Local Council

Financial statements for the year ended 31 December 2015

Report of the Local Government auditor to the Auditor General

We have audited the accompanying financial statements of Zabbar Local Council which comprise the statement of financial position as at 31 December 2015, the statement of income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Respective responsibilities of the Local Council and Local Government auditor

As described on page 1, these financial statements are the responsibility of the Executive Secretary and the Local Council members.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for qualified opinion

1. Up to 31 August 2011 the Council operated the Local Enforcement System (LES). At that date the Council had outstanding debtors which by 31 December 2015 were either received or provided for. During our audit work we noted that the Council has recorded cash received during the year amounting to € 1,322 whereas two particular LES reports generated from the same IT system are indicating that during the year ended 31 December 2015 the Council received € 1,190 and € 1,473 respectively. This casts doubt on the integrity of the data being generated from the IT system.
2. The accounting treatment applied to measure long-term creditors relating to PPP projects, shown in note 21, does not satisfy the requirements of IAS 39 Financial Instruments: Recognition and Measurement, which requires that such creditors are accounted for at amortised cost.

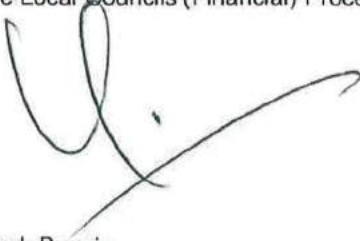
Zabbar Local Council

Financial statements for the year ended 31 December 2015

Report of the Local Government auditor to the Auditor General (continued)

Qualified opinion

In our opinion, except for the effects of the matters described in paragraphs 1 and 2 above, the financial statements give a true and fair view of the financial position of Zabbar Local Council as at 31 December 2015, and of the results of its operations, changes in net assets/equity and its cash flows for the period then ended and have been prepared in accordance with the Local Councils Act Cap 363, the Financial Regulations issued in terms of this Act, the Local Councils (Financial) Procedures 1996 and with International Financial Reporting Standards.



Mark Bugeja
f/Grant Thornton
Certified Public Accountants

Grant Thornton
Tower Business Centre, Suite 3
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Swatar BKR 4013

18 April 2016

Detailed Estimates of Income

DESCRIPTION

A	B	C	D (B+C)	E	F (E-A)	G (E-D)
BUDGET	ACTUAL	FORECAST	TOTAL	BUDGET	VARIANCE	VARIANCE
Jan-Dec	Jan-Sept	Oct-Dec	Jan-Dec	Jan-Dec	Bud-Bud	Bud-Act
2014	2014	2014	2014	2015		
€	€	€	€	€	€	€

Income

Funds received from Central Government:

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

703,879	527,708	176,173	703,881	729,088	25,220	25,218
-	48,907	3,800	52,507	-	-	(52,507)
18,130	35,266	(29,423)	5,843	18,130	-	12,287
722,009	611,881	150,350	762,231	747,228	25,220	(15,002)

Bye-Laws & Legal Fees

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

400	351	155	506	500	100	(6)
9,600	7,902	1,075	8,977	9,000	(600)	23
10,000	8,253	1,230	9,463	9,500	(500)	17

Local Enforcement Income

- 0036-0037 Contraventions
- 0038-0050 Les Administrative Charges

3,200	1,712	(2,400)	688	3,200	-	3,888
7,500	5,812	2,815	8,627	8,500	1,000	(127)
10,700	7,525	415	7,939	11,700	1,000	3,761

Investment Income

- 0091-0095 Bank Interest
- 0096-0099 Income received from Government Securities

600	(39)	1,265	1,226	600	-	(626)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
600	(39)	1,265	1,226	600	-	(626)

- 0056-0063 Sponsorships
- 0064-0069 Documents & Information
- 0070-0075 EU Funds
- 0076-0080 Twinning
- 0081-0088 Insurance Claims
- 0100-0109 General Income
- 0110-0119 Donations
- 0120-0129 Contributions
- Refund of expenses

-	264	-	264	-	-	(264)
2,000	2,064	161	2,225	1,500	(500)	(725)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,000	2,328	161	2,489	1,500	(500)	(989)

Total

745,309	629,947	153,421	783,368	770,528	28,220	(12,839)
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Detailed Estimates of Expenditure

DESCRIPTION

A	B	C	D (B+C)	E	F (E-A)	G (E-D)
BUDGET Jan-Dec 2014	ACTUAL Jan-Sep 2014	FORECAST Oct-Dec 2014	TOTAL Jan-Dec 2014	BUDGET Jan-Dec 2015	VARIANCE Bud-Bud	VARIANCE Bud-Act
€	€	€	€	€	€	€

6 Personal Emoluments

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

25,800	13,730	10,913	24,643	25,800	-	957
105,000	61,450	18,220	79,670	110,000	5,000	30,330
1,340	1,638	473	2,110	1,340	-	(770)
8,890	-	5,847	5,847	8,890	-	3,043
9,700	6,074	1,303	7,376	11,000	1,300	3,624
1,900	1,224	408	1,632	1,900	-	268
5,000	1,675	552	2,227	5,000	-	2,773
157,430	85,780	37,716	123,506	163,730	6,300	40,224

7 Operations and Maintenance

- 2100-2140 Public Utilities
2200-2250 Materials & Supplies
2300-2380 Repairs & Upkeep
2400-2440 Rent
3000 Street Lighting
3020 Lease of Equipment
3030 Insurance
3035 Bank Charges
3038 Penalties
3040 Waste Disposal
3041 Refuse Collection
3042 Bulky Refuse Collection
3043 Bins on wheels
3044 Bring in sites
3050-3051 Road & Street Cleaning
3052 Cleaning & Maintenance of Non-Urban Areas
3053 Cleaning of Public Conveniences
3055 Cleaning of Council Premises
3060 Other Contractual Services
3061 Cleaning & Maintenance of Parks & Gardens
3062 Cleaning & Maintenance of Soft Areas
3063 Cleaning & Maintenance of Beaches & CA
3064 Cleaning & Maintenance of Country Non-Urban
3070-3080 Consultation Fees
3100-3120 Contract & Project Management
3200-3210 Hospitality
3280-3285 Community
3380-3384 Donations
3600-3604 Local Enforcement Expenses
3700-3700 EU Projects
00-3880 Twinning

5,000	-	-	-	5,000	-	5,000
2,000	708	395	1,100	2,500	500	1,400
50,000	30,273	94,553	124,827	100,000	50,000	(24,827)
1,000	-	-	-	1,000	-	1,000
20,000	5,139	5,482	10,621	15,000	(5,000)	4,379
100	-	-	-	100	-	100
3,000	2,253	511	2,763	4,000	1,000	1,237
500	218	65	283	500	-	217
-	-	-	-	-	-	-
700	285	(285)	-	700	-	700
200,000	123,663	49,237	172,900	155,000	(45,000)	(17,900)
26,000	4,585	10,940	15,525	26,000	-	10,475
-	-	-	-	-	-	-
500	300	405	705	500	-	(205)
62,000	43,685	13,195	56,859	55,000	(7,000)	(1,859)
5,700	3,610	451	4,061	5,700	-	1,639
20,000	8,770	4,370	13,140	30,000	10,000	16,860
3,600	1,964	673	2,636	3,000	(600)	364
4,000	2,020	776	2,796	3,000	(1,000)	204
6,000	3,406	1,379	4,785	5,000	(1,000)	215
20,000	13,371	4,457	17,828	20,000	-	2,172
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,500	-	4,605	4,605	1,500	-	(3,105)
40,000	1,114	138	1,252	49,000	9,000	47,748
100	18,220	13,135	31,355	1,500	1,400	(29,855)
-	-	-	-	-	-	-
2,000	1,511	494	2,005	2,000	-	(5)
-	-	-	-	-	-	-
10,000	-	-	-	8,000	(2,000)	8,000
-	-	-	-	-	-	-
483,700	265,072	204,975	470,047	494,000	10,300	23,953

Detailed Estimates of Expenditure (Continued)
DESCRIPTION

A	B	C	D (B+C)	E	F (E-A)	G (E-D)
BUDGET Jan-Dec 2014	ACTUAL Jan-Sept 2014	FORECAST Oct-Dec 2014	TOTAL Jan-Dec 2014	BUDGET Jan-Dec 2015	VARIANCE Bud-Bud	VARIANCE Bud-Act
€	€	€	€	€	€	€

Administration & Other Expenditure

2150-2199 Office Utilities	10,000	3,517	5,120	8,637	10,000	-	1,363
2240-2299 Office Materials & Supplies	1,000	-	-	-	1,000	-	1,000
2450-2499 Office Rent	1,000	-	-	-	1,000	-	1,000
2500-2599 National & International Memberships	400	137	250	367	400	-	13
2600-2699 Office Services	7,000	2,278	1,214	3,492	6,000	(1,000)	2,508
2700-2799 Transport	5,000	1,616	991	2,607	3,000	(2,000)	193
2800-2899 Travel	3,000	-	-	-	3,500	500	3,500
2900-2999 Information Services	6,000	3,888	2,383	6,371	7,000	1,000	629
3140-3199 Professional Services	12,500	4,565	4,805	9,170	10,000	(2,500)	830
3200-3299 Training	2,000	-	-	-	-	(2,000)	-
3340 Office Hospitality	-	-	-	-	-	-	-
3400-3499 Incidental Expenses	250	454	78	532	250	-	(282)
	48,150	16,785	14,841	31,396	42,150	(6,000)	10,754

Finance Costs

3036 Interest on Bank Loan

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

Other Expenditure

3500-3599 Loss / (Profit) on Disposal of assets	-	-	1,665	1,665	-	-	(1,665)
3605 Increase/(Decrease) in allowance for bad debts	-	31,676	(79,951)	(48,275)	-	-	48,275
8000-8099 Depreciation	115,822	49,131	51,820	100,951	115,822	-	14,871
	115,822	80,807	(26,466)	54,341	115,822	-	61,481

Total

805,102	448,424	230,866	679,290	815,702	10,600	136,412
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