

**BIRKIRKARA  
Local Council**

**Annual Budget  
For  
Financial Year  
2017**

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***Overview and Summary***

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The Birkirkara Local Council is presenting its Budget for the financial year 2017. Once again, and in line with the financial policy of this legislature it is adopting prudence across the board both in the income and expenditure projections.

Despite the dire financial situation and the never-ending list of scarce resources, the Council has managed to secure its commitments with respect to the Public Private Partnership on road resurfacing works carried out between 2010 and 2012, as well as investing another €1,028,000 in upgrading the road infrastructure and other embellishment projects. This investment will be mainly financed from MEPA funds, EU funded project and special schemes made available by the Department of Local Government. Failure to receive this funding, the projects in question will be prioritised and postpone accordingly.

Where possible, the Council embarked on cost-cutting measures on its revenue expenditure, and at the same time try to negotiate new income sources both from Central Government and the private sector. Needless to say, these cost-cutting measures will not come up at the expense of efficiency. By creating the right balance, we can achieve the targets expected by the residents of the Locality. This Budget aims to reach these targets.

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Mayor

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Executive Secretary

## Budgeted Statement of Income and Expenditure

DESCRIPTION	BUDGET	FORECAST	BUDGET	VARIANCE	VARIANCE
	Jan-Dec	Jan-Dec	Jan-Dec		
	2016	2016	2017	Bud-Bud	Bud-Act
	€	€	€	€	€
<b>Income</b>					
Funds received from Central Government (1)	1,272,203	1,437,682	1,588,486	316,283	150,804
Income raised from Bye-Laws (2)	45,000	76,769	80,000	35,000	3,231
Income raised from LES (3)	17,000	17,912	17,000	-	(912)
Investment Income (4)	250	336	-	(250)	(336)
Other Income (5)	164,580	205,251	147,284	(17,296)	(57,967)
<b>TOTAL</b>	<b>1,499,033</b>	<b>1,737,951</b>	<b>1,832,770</b>	<b>333,737</b>	<b>94,819</b>
<b>Expenditure</b>					
Personal Emoluments (6)	259,845	240,859	254,847	(4,998)	13,988
Operations and Maintenance (7)	914,060	907,783	937,900	23,840	30,117
Administration (8)	175,300	159,898	184,750	9,450	24,852
Finance Cost (9)	-	654	-	-	(654)
Other Expenditure (10)	436,767	457,190	432,755	(4,012)	(24,435)
<b>TOTAL</b>	<b>1,785,972</b>	<b>1,766,384</b>	<b>1,810,252</b>	<b>24,280</b>	<b>43,868</b>
<b>Surplus / Deficit</b>	<b>(286,939)</b>	<b>(28,433)</b>	<b>22,518</b>	<b>309,457</b>	<b>50,951</b>

**Budgeted Statement of Affairs**

DESCRIPTION	BUDGET	FORECAST	BUDGET	VARIANCE	VARIANCE
	as at 31 Dec	as at 31 Dec	as at 31 Dec		
	2016	2016	2017	Bud-Bud	Bud-Act
	€	€	€	€	€
<b>Non-current Assets</b>					
Property, Plant and Equipment (16)	3,494,983	3,494,983	4,090,228	595,245	595,245
<b>Current Assets</b>					
Inventories (11)	3,171	3,171	-	(3,171)	(3,171)
Receivables (12)	126,289	126,289	94,382	(31,907)	(31,907)
Cash and Cash Equivalents (13)	136,300	136,300	136,962	662	662
<b>Total Current Assets</b>	<b>265,760</b>	<b>265,760</b>	<b>231,344</b>	<b>(34,416)</b>	<b>(34,416)</b>
<b>Current Liabilities (14)</b>					
Payables	822,781	822,782	592,960	(229,821)	(229,822)
Current portion of Long-Term Borrowings	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>822,781</b>	<b>822,782</b>	<b>592,960</b>	<b>(229,821)</b>	<b>(229,822)</b>
<b>Net Current Assets</b>	<b>(557,021)</b>	<b>(557,022)</b>	<b>(361,616)</b>	<b>195,405</b>	<b>195,406</b>
<b>Non-current liabilities (15)</b>	<b>1,597,061</b>	<b>1,597,061</b>	<b>2,365,194</b>	<b>768,133</b>	<b>768,133</b>
<b>Net Assets</b>	<b>1,340,901</b>	<b>1,340,900</b>	<b>1,363,418</b>	<b>22,517</b>	<b>22,518</b>
<b>Reserves</b>					
Retained Funds	1,340,901	1,340,900	1,363,418	22,517	22,518

**Financial Situation Indicator**

DESCRIPTION	BUDGET	FORECAST	BUDGET
	as at 31 Dec	as at 31 Dec	as at 31 Dec
	2016	2016	2017
	€	€	€
Current Assets	265,760	265,760	231,344
Current Liabilities	822,781	822,782	592,960
Total Long Term Liabilities	1,597,061	1,597,061	2,365,194
Commitments approved by Ministry	-	-	-
	(2,154,082)	(2,154,083)	(2,726,810)
Government Allocation	1,272,203	1,437,682	1,588,486
FSI	<b>-169.32%</b>	<b>-149.83%</b>	<b>-171.66%</b>

**Cash Budget**

DESCRIPTION	QTR 1	QTR 2	QTR 3	QTR 4	TOTAL
	JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC	
	2017	2017	2017	2017	
	€	€	€	€	€
<b>Cash Inflows</b>					
<b>Government cash inflows</b>	573,094	573,094	573,094	573,094	<b>2,292,376</b>
<b>Cash flows from Bye-Laws &amp; L.N fees</b>	20,000	20,000	20,000	20,000	80,000
<b>Local Enforcement cash flows</b>	4,250	4,250	4,250	4,250	<b>17,000</b>
<b>Finance cash flows</b>					
Loan Proceeds	-	-	-	-	-
Investment income	-	-	-	-	-
	-	-	-	-	-
<b>Capital cash flow</b>					
Proceeds from disposal of assets	-	-	-	-	-
	-	-	-	-	-
<b>Cash received from EU funds</b>	-	-	-	-	-
<b>Cash received from Twinning</b>	-	-	-	-	-
<b>Cash from Community Services</b>	-	-	-	-	-
<b>Other Cash Inflows</b>	53,696	53,696	53,696	53,696	<b>214,784</b>
<b>TOTAL Inflows</b>	<b>651,040</b>	<b>651,040</b>	<b>651,040</b>	<b>651,040</b>	<b>2,604,160</b>
<b>Cash Outflows</b>					
<b>Personal Emoluments</b>	56,444	64,608	56,767	77,029	<b>254,848</b>
<b>Operations &amp; Maintenance</b>	222,000	222,000	222,000	222,000	<b>888,000</b>
<b>Administration</b>	51,937	51,938	51,937	51,938	<b>207,750</b>
<b>Finance</b>	-	-	-	-	-
<b>Capital</b>					
Acquisition of property	-	-	-	-	-
Construction	-	-	-	-	-
Improvements	19,500	19,500	19,500	19,500	<b>78,000</b>
Special programmes	237,500	237,500	237,500	237,500	<b>950,000</b>
Old Council Debt (PPP & Non-PPP)	49,500	49,500	49,500	49,500	<b>198,000</b>
	306,500	306,500	306,500	306,500	<b>1,226,000</b>
<b>Cash outflows re EU projects</b>	-	-	-	-	-
<b>Cash outflows re Twinning</b>	-	-	-	-	-
<b>Cash outflows re Community Services</b>	6,725	6,725	6,725	6,725	<b>26,900</b>
	-	-	-	-	-
	6,725	6,725	6,725	6,725	26,900
<b>TOTAL Outflows</b>	<b>643,606</b>	<b>651,771</b>	<b>643,929</b>	<b>664,192</b>	<b>2,603,498</b>
<b>SURPLUS / (DEFICIT)</b>	<b>7,434</b>	<b>(731)</b>	<b>7,111</b>	<b>(13,152)</b>	<b>662</b>
<b>Brought forward (Bank /Cash Bal.)</b>	<b>136,300</b>	<b>143,734</b>	<b>143,003</b>	<b>150,114</b>	<b>136,300</b>
<b>Carry forward</b>	<b>143,734</b>	<b>143,003</b>	<b>150,114</b>	<b>136,962</b>	<b>136,962</b>

**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		
	2016	2016	2016	2016	2017	Bud-Bud	Bud-Act
	€	€	€	€	€	€	€
<b>Income</b>							
<b>1 Funds received form Cental Government:</b>							
0001 In terms of section 55 CAP 363	1,185,151	-	1,186,249	1,186,249	1,283,056	97,905	96,807
0002-0004 In terms of section 58 CAP 363	87,052	-	45,887	45,887	59,320	(27,732)	13,433
0005-0019 Other Income	-	-	205,546	205,546	246,110	246,110	40,564
	<b>1,272,203</b>	<b>-</b>	<b>1,437,682</b>	<b>1,437,682</b>	<b>1,588,486</b>	<b>316,283</b>	<b>150,804</b>
<b>2 Bye-Laws &amp; Legal Fees</b>							
0021-0025 Community Services	-	-	539	539	-	-	(539)
0026-0035 Income from Permits	45,000	-	76,230	76,230	80,000	35,000	3,770
	<b>45,000</b>	<b>-</b>	<b>76,769</b>	<b>76,769</b>	<b>80,000</b>	<b>35,000</b>	<b>3,231</b>
<b>3 Local Enforcement Income</b>							
0037 Commission from Regional Committees	17,000	-	17,214	17,214	17,000	-	(214)
0038-0055 Contraventions	-	-	699	699	-	-	(699)
	<b>17,000</b>	<b>-</b>	<b>17,912</b>	<b>17,912</b>	<b>17,000</b>	<b>-</b>	<b>(912)</b>
<b>4 Investment Income</b>							
0091-0095 Bank interest	250	-	336	336	-	(250)	(336)
0096-0099 Income received from Government Securities	-	-	-	-	-	-	-
	<b>250</b>	<b>-</b>	<b>336</b>	<b>336</b>	<b>-</b>	<b>(250)</b>	<b>(336)</b>
<b>5 General Income</b>							
0056-0065 Sponsorships	-	-	500	500	1,000	1,000	500
0066-0069 Documents & Information	-	-	400	400	-	-	(400)
0070-0075 EU Funds	-	-	-	-	-	-	-
0076-0080 Twinning	-	-	-	-	-	-	-
0081-0089 Insurance Claims	-	-	1,917	1,917	-	-	(1,917)
0100-0109 Donations	-	-	-	-	-	-	-
0110-0119 Contributions	50,000	-	82,929	82,929	22,500	(27,500)	(60,429)
0120-0129 General Income	6,000	-	5,966	5,966	9,000	3,000	3,034
Rent Receivable	108,580	-	113,539	113,539	114,784	6,204	1,245
	<b>164,580</b>	<b>-</b>	<b>205,251</b>	<b>205,251</b>	<b>147,284</b>	<b>(17,296)</b>	<b>(57,967)</b>
<b>Total</b>	<b>1,499,033</b>	<b>-</b>	<b>1,737,951</b>	<b>1,737,951</b>	<b>1,832,770</b>	<b>333,737</b>	<b>94,819</b>

**Detailed Estimates of Expenditure**

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		
	2016	2016	2016	2016	2017	Bud-Bud	Bud-Act
€	€	€	€	€	€	€	
<b>6 Personal Emoluments</b>							
1100 Mayor's Allowance	30,457	-	29,471	29,471	30,487	30	1,016
1200 Employees' Salaries & Wages	184,017	-	174,944	174,944	179,991	(4,026)	5,047
1300 Bonuses	15,143	-	2,480	2,480	14,770	(373)	12,290
1400 Income Supplements	2,521	-	2,053	2,053	2,468	(53)	415
1500 Social Security Contributions	17,378	-	15,903	15,903	16,974	(404)	1,071
1600 Allowances	2,913	-	8,792	8,792	2,913	-	(5,879)
1700 Overtime	7,416	-	7,216	7,216	7,244	(172)	28
	<b>259,845</b>	<b>-</b>	<b>240,859</b>	<b>240,859</b>	<b>254,847</b>	<b>(4,998)</b>	<b>13,988</b>
<b>7 Operations and Maintenance</b>							
2100-2149 Public Utilities	-	-	-	-	-	-	-
2200-2259 Public Materials & Supplies	16,000	-	19,818	19,818	17,000	1,000	(2,818)
2300-2399 Repairs & Upkeep	118,000	-	121,615	121,615	182,000	64,000	60,385
2400-2449 Rent	-	-	-	-	-	-	-
3010 Street Lighting	26,000	-	32,396	32,396	30,000	4,000	(2,396)
3020 Lease of Equipment	2,800	-	18,865	18,865	2,700	(100)	(16,165)
3030 Insurance	5,200	-	5,285	5,285	5,300	100	15
3035 Bank Charges	-	-	321	321	-	-	(321)
3038 Penalties	-	-	-	-	-	-	-
3040 Waste Disposal	200,000	-	160,393	160,393	160,000	(40,000)	(393)
3041 Refuse Collection	230,000	-	212,963	212,963	230,000	-	17,037
3042 Bulky Refuse Collection	15,000	-	19,450	19,450	16,000	1,000	(3,450)
3043 Bins on wheels	-	-	316	316	-	-	(316)
3045 Bring in sites	-	-	-	-	-	-	-
3051 Road & Street Cleaning	184,000	-	176,246	176,246	175,000	(9,000)	(1,246)
3052 Cleaning & Maintenance of Non-Urban Areas	-	-	-	-	-	-	-
3053 Cleaning of Public Conveniences	12,000	-	15,714	15,714	12,000	-	(3,714)
3055 Cleaning of Council Premises	9,880	-	8,061	8,061	2,000	(7,880)	(6,061)
3060 Cleaning & Maintenance of Parks & Gardens	39,280	-	45,343	45,343	45,000	5,720	(343)
3061 Cleaning & Maintenance of Soft Areas	-	-	-	-	-	-	-
3062 Cleaning & Maintenance of Beaches & CA	-	-	-	-	-	-	-
3063 Cleaning & Maintenance of Country Non-Urban	-	-	-	-	-	-	-
3064 Other Contractual Services	-	-	-	-	-	-	-
3070-3090 Consultation Fees	10,000	-	13,376	13,376	20,000	10,000	6,624
3100-3139 Contract & Project Management	12,000	-	17,269	17,269	14,000	2,000	(3,269)
3300-3379 Hospitality	25,000	-	35,236	35,236	20,000	(5,000)	(15,236)
3380-3389 Community	8,900	-	4,663	4,663	6,900	(2,000)	2,237
3600-3694 Local Enforcement Expenses	-	-	451	451	-	-	(451)
3700-3799 EU Projects	-	-	-	-	-	-	-
3800-3899 Twinning	-	-	-	-	-	-	-
	<b>914,060</b>	<b>-</b>	<b>907,783</b>	<b>907,783</b>	<b>937,900</b>	<b>23,840</b>	<b>30,117</b>



**Detailed Estimates of Expenditure (Continued)**

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
	2016	2016	2016	2016	2017		
€	€	€	€	€	€	€	
<b>8 Administration &amp; Other Expenditure</b>							
2150-2199 Office Utilities	59,000	-	43,102	43,102	57,250	(1,750)	14,148
2260-2299 Office Materials & Supplies	4,500	-	8,813	8,813	10,000	5,500	1,187
2450-2499 Office Rent	8,100	-	7,936	7,936	7,900	(200)	(36)
2500-2599 National & International Memberships	-	-	8	8	-	-	(8)
2600-2699 Office Services	20,300	-	20,424	20,424	21,800	1,500	1,376
2700-2799 Transport	24,200	-	26,998	26,998	28,000	3,800	1,002
2800-2899 Travel	-	-	-	-	-	-	-
2900-2999 Information Services	6,000	-	7,912	7,912	6,000	-	(1,912)
3050 Office Cleaning	-	-	-	-	-	-	-
3140-3199 Professional Services	45,200	-	40,212	40,212	50,800	5,600	10,588
3200-3299 Training	5,000	-	1,648	1,648	1,000	(4,000)	(648)
3345 Office Hospitality	-	-	558	558	-	-	(558)
3400-3499 Incidental Expenses	3,000	-	2,287	2,287	2,000	(1,000)	(287)
	-	-	-	-	-	-	-
	<b>175,300</b>	-	<b>159,898</b>	<b>159,898</b>	<b>184,750</b>	<b>9,450</b>	<b>24,852</b>
<b>9 Finance Costs</b>							
3036 Interest on Bank Loan	-	-	-	-	-	-	-
Interest on Finance Lease Charges	-	-	654	654	-	-	(654)
	-	-	-	-	-	-	-
	-	-	<b>654</b>	<b>654</b>	-	-	<b>(654)</b>
<b>10 Other Expenditure</b>							
3500-3599 Loss / (Profit) on Disposal of assets	-	-	11,750	11,750	-	-	(11,750)
3695 Increase/(Decrease) in allowance for bad debts	-	-	8,673	8,673	-	-	(8,673)
8000-8099 Depreciation	436,767	-	436,767	436,767	432,755	(4,012)	(4,012)
	436,767	-	457,190	457,190	432,755	(4,012)	(24,435)
<b>Total</b>	<b>1,785,972</b>	-	<b>1,766,384</b>	<b>1,766,384</b>	<b>1,810,252</b>	<b>24,280</b>	<b>43,868</b>

**Detailed Estimates of Statement Of Affairs**

DESCRIPTION	A	B	C	D (B + C)	E	F (E - A)	G (E - D)
	BUDGET	ACTUAL	FORECAST	TOTAL	BUDGET	VARIANCE	VARIANCE
	Jan-Dec	as at	changes from	as at	Jan-Dec	Bud-Bud	Bud-Act
	2016	30-Sep	30 Sep-31 Dec	31-Dec	2017		
€	€	€	€	€	€	€	
<b>11 Inventory</b>							
5201-5249 Stationery	-	-	-	-	-	-	-
5250-5299 Consumables	-	-	-	-	-	-	-
Books	3,171	-	3,171	3,171	-	(3,171)	(3,171)
	<b>3,171</b>	-	<b>3,171</b>	<b>3,171</b>	-	<b>(3,171)</b>	<b>(3,171)</b>
<b>12 Receivables</b>							
0201-0209 Receivables	31,458	-	31,458	31,458	11,458	(20,000)	(20,000)
0210-0219 LES Receivables	-	-	-	-	-	-	-
0220-0229 Receivables from EU	-	-	-	-	-	-	-
0250 Prepayments & Accrued income	91,812	-	91,812	91,812	80,812	(11,000)	(11,000)
Other receivables	3,019	-	3,019	3,019	2,112	(907)	(907)
	<b>126,289</b>	-	<b>126,289</b>	<b>126,289</b>	<b>94,382</b>	<b>(31,907)</b>	<b>(31,907)</b>
<b>13 Cash &amp; Equivalents</b>							
5001-5099 Bank & Cash Balances	136,300	-	136,300	136,300	136,962	662	662
	<b>136,300</b>	-	<b>136,300</b>	<b>136,300</b>	<b>136,962</b>	<b>662</b>	<b>662</b>
<b>14 Payables</b>							
4000 Payables	579,003	-	579,003	579,003	398,003	(181,000)	(181,000)
4100 Accruals	84,914	-	84,915	84,915	55,112	(29,802)	(29,803)
4150 Deferred Income	152,976	-	152,976	152,976	133,622	(19,354)	(19,354)
Current portion of Long-Term Borrowings	-	-	-	-	-	-	-
Other payables	5,888	-	5,888	5,888	6,223	335	335
	<b>822,781</b>	-	<b>822,782</b>	<b>822,782</b>	<b>592,960</b>	<b>(229,821)</b>	<b>(229,822)</b>
<b>15 Non Current Liabilities</b>							
4200 Long Term Borrowings	103,082	-	103,082	103,082	54,837	(48,245)	(48,245)
Deferred Grants	1,493,979	-	1,493,979	1,493,979	2,310,357	816,378	816,378
	<b>1,597,061</b>	-	<b>1,597,061</b>	<b>1,597,061</b>	<b>2,365,194</b>	<b>768,133</b>	<b>768,133</b>

## 16 Depreciation of Property, Plant and Equipment

<b>Asset</b>	ANYC	New Street Signs	Urban Improvements	Construction	Plant and Machinery	Office Equipment	Office Furniture	Special Programmes	Computer software	<b>Total</b>
% of depreciation	0%	100%	10%/100%	10%	20%	20%/25%	8%	10%	25%	
<b>Cost</b>	€	€	€	€	€	€	€	€	€	€
As at 01 January 2017	135,490	174,371	387,558	1,295,842	180,676	168,816	53,283	5,958,495	3,215	<b>8,357,745</b>
Additions	450,000	-	59,000	-	4,000	7,000	8,000	500,000	-	<b>1,028,000</b>
Disposals	-	-	-	-	-	-	-	-	-	-
As at 31 December 2017	585,490	174,371	446,558	1,295,842	184,676	175,816	61,283	6,458,495	3,215	<b>9,385,745</b>
<b>Grants/ other reimbursements</b>										
As at 01 January 2017	-	-	-	-	-	-	-	431,273	-	<b>431,273</b>
Additions	-	-	-	-	-	-	-	-	-	-
As at 31 December 2017	-	-	-	-	-	-	-	431,273	-	<b>431,273</b>
<b>Accumulated Depreciation</b>										
As at 01 January 2017	-	174,371	301,996	819,552	111,104	29,902	19,546	2,972,820	2,199	<b>4,431,489</b>
Charge for the year	-	-	32,456	47,629	14,714	29,183	3,130	305,440	203	<b>432,755</b>
Released on disposal	-	-	-	-	-	-	-	-	-	-
As at 31 December 2017	-	174,371	334,452	867,181	125,818	59,085	22,676	3,278,260	2,402	<b>4,864,244</b>
<b>Budgeted NBV 31 Dec 2016</b>	135,490	0	85,562	476,290	69,572	138,914	33,737	2,554,402	1,016	<b>3,494,983</b>
<b>Forecasted NBV 1 Jan 2017</b>	135,490	-	85,562	476,290	69,572	138,914	33,737	2,554,402	1,016	<b>3,494,983</b>
<b>Budgeted NBV 31 Dec 2017</b>	585,490	-	112,106	428,661	58,858	116,731	38,607	2,748,962	813	<b>4,090,228</b>