



**Fgura
Local Council**

**Annual Budget
For
Financial Year
2014**

Table of Contents

| | |
|--|----------------|
| Overview and Summary | <i>Page 3</i> |
| Budgeted Statement of Income and Expenditure | <i>Page 4</i> |
| Budgeted Statement of Affairs | <i>Page 5</i> |
| Cash Budget | <i>Page 6</i> |
| Detailed Estimates Of Income | <i>Page 7</i> |
| Detailed Estimates Of Expenditure | <i>Page 8</i> |
| Detailed Estimates Of Statement of Affairs | <i>Page 10</i> |
| Depreciation of Property, Plant and Equipment | <i>Page 11</i> |

Overview and Summary

The most ambitious project that the Fgura Local Council embarked upon in recent past is the construction of the new Civic Centre located in Triq Hompesch. Such project shall allow the Fgura Local Council to be able to offer a more efficient service, while increasing the services offered to the general public. The Council felt the need for such premises especially since the residents' needs could not be served well from the current ones, while the proposed project emphasizes accessibility for people with special needs and the elderly.

In order to be able to finance this project the Council used most of the funds collected by means of the Local Enforcement System and also sought and obtained the approval of the Ministry to have a drawdown facility from a local bank. The Council is currently paying loans used to finance this project amounting to nearly €40,000 per annum.

The recurrent expenditure forecast, as provided in this budget, exceeds the Government allocation to be received by the Council, especially due to capital expenditure allocated to the aforementioned Civic Centre and other projects. Thus, the Council shall make use of its own funds to sustain its operations.

This highlights the need to reform the current Local Enforcement System whereby the changes brought about in 2011 resulted in less income for Local Councils, which are now finding it hard to sustain their operations, as established in the Local Councils Act, while keeping its projects on track. One hopes that the current LES proposals shall bring about the required changes.

The Council shall be benefiting from a Government Grant of €50,000 under Budget Measure 86, which forms part of a Pilot Project aimed at embellishing urban areas in Malta. The Council shall also seek supplementary funding to keep its projects on track while keeping its liquidity at desired levels.



Mayor

Executive Secretary

Budgeted Statement of Income and Expenditure

DESCRIPTION

| BUDGET Jan-Dec 2013 € | FORECAST Jan-Dec 2013 € | BUDGET Jan-Dec 2014 € | VARIANCE Bud-Bud € | VARIANCE Bud-Act € |
|--------------------------------|----------------------------------|--------------------------------|--------------------------|--------------------------|
|--------------------------------|----------------------------------|--------------------------------|--------------------------|--------------------------|

Income

| | | | | | |
|--|----------------|----------------|----------------|------------------|-----------------|
| Funds received from Central Government (1) | 670,500 | 614,488 | 536,579 | (133,921) | (77,909) |
| Income raised from Bye-Laws (2) | 8,000 | 5,626 | 14,500 | 6,500 | 8,874 |
| Income raised from LES (3) | 21,000 | 10,045 | 9,000 | (12,000) | (1,045) |
| Investment Income (4) | 2,500 | 1,787 | 1,550 | (950) | (237) |
| Other Income (5) | 23,000 | 27,057 | 26,500 | 3,500 | (557) |
| TOTAL | 725,000 | 659,003 | 588,129 | (136,871) | (70,874) |

Expenditure

| | | | | | |
|--------------------------------|----------------|----------------|----------------|---------------|-----------------|
| Personal Emoluments (6) | 151,600 | 126,807 | 140,400 | (11,200) | 13,593 |
| Operations and Maintenance (7) | 296,000 | 277,528 | 280,000 | (16,000) | 2,472 |
| Administration (8) | 132,600 | 113,198 | 105,000 | (27,600) | (8,198) |
| Finance Cost (9) | - | 4,053 | - | - | (4,053) |
| Other Expenditure (10) | - | 127,466 | 107,431 | 107,431 | (20,035) |
| TOTAL | 580,200 | 649,052 | 632,831 | 52,631 | (16,221) |

Surplus / Deficit

| | | | | |
|----------------|--------------|-----------------|------------------|-----------------|
| 144,800 | 9,951 | (44,702) | (189,502) | (54,653) |
|----------------|--------------|-----------------|------------------|-----------------|

Budgeted Statement of Affairs

| DESCRIPTION | BUDGET | FORECAST | BUDGET | VARIANCE | VARIANCE |
|---|--------------|--------------|--------------|-----------|-----------|
| | as at 31 Dec | as at 31 Dec | as at 31 Dec | | |
| | 2013 | 2013 | 2014 | Bud-Bud | Bud-Act |
| | € | € | € | € | € |
| Non-current Assets | | | | | |
| Property, Plant and Equipment (16) | 2,072,017 | 2,072,017 | 2,168,086 | 96,069 | 96,069 |
| Current Assets | | | | | |
| Inventories (11) | - | 875 | 875 | 875 | - |
| Receivables (12) | - | 53,211 | 134,990 | 134,990 | 81,779 |
| Cash and Cash Equivalents (13) | - | 339,475 | 173,582 | 173,582 | (165,893) |
| Total Current Assets | - | 393,561 | 309,447 | 309,447 | (84,114) |
| Current Liabilities (14) | | | | | |
| Payables | - | 356,993 | 438,537 | 438,537 | 81,544 |
| Current portion of Long-Term Borrowings | - | 39,887 | 39,887 | 39,887 | - |
| Total Current Liabilities | - | 396,880 | 478,424 | 478,424 | 81,544 |
| Net Current Assets | - | (3,319) | (168,977) | (168,977) | (165,658) |
| Non-current liabilities (15) | - | 436,520 | 411,633 | 411,633 | (24,887) |
| Net Assets | 2,072,017 | 1,632,178 | 1,587,476 | (484,541) | (44,702) |
| Reserves | | | | | |
| Retained Funds | | 1,632,178 | 1,587,476 | 1,587,476 | (44,702) |

Financial Situation Indicator

| DESCRIPTION | BUDGET | FORECAST | BUDGET |
|----------------------------------|--------------|--------------|--------------|
| | as at 31 Dec | as at 31 Dec | as at 31 Dec |
| | 2013 | 2013 | 2014 |
| | € | € | € |
| Current Assets | - | 393,561 | 309,447 |
| Current Liabilities | - | 396,880 | 478,424 |
| Total Long Term Liabilities | - | 436,520 | 411,633 |
| Commitments approved by Ministry | - | 692,896 | 705,834 |
| | - | 253,057 | 125,224 |
| Government Allocation | 670,500 | 614,488 | 536,579 |
| FSI | 0.00% | 41.18% | 23.34% |

Cash Budget

| DESCRIPTION | QTR 1 | QTR 2 | QTR 3 | QTR 4 | TOTAL |
|-------------------------------------|----------------|-----------------|-----------------|-----------------|------------------|
| | JAN-MAR | APR-JUN | JUL-SEP | OCT-DEC | |
| | 2014 | 2014 | 2014 | 2014 | |
| | € | € | € | € | € |
| Cash Inflows | | | | | |
| Government cash inflows | 130,630 | 128,330 | 128,330 | 158,330 | 545,618 |
| Cash flows from Bye-Laws & L.N fees | 3,625 | 3,625 | 3,625 | 3,625 | 14,500 |
| Local Enforcement cash flows | 2,250 | 2,250 | 2,250 | 2,250 | 9,000 |
| Finance cash flows | | | | | |
| Loan Proceeds | - | - | - | - | - |
| Investment income | - | 375 | - | 1,175 | 1,550 |
| | - | 375 | - | 1,175 | 1,550 |
| Capital cash flow | | | | | |
| Proceeds from disposal of assets | - | - | - | - | - |
| | - | - | - | - | - |
| Cash received from EU funds | | - | - | - | - |
| Cash received from Twinning | - | - | - | - | - |
| Cash from Community Services | | | | | - |
| Other Cash Inflows | 6,659 | 6,625 | 6,625 | 6,626 | 26,536 |
| TOTAL Inflows | 143,164 | 141,205 | 140,830 | 172,006 | 597,203 |
| Cash Outflows | | | | | |
| Personal Emoluments | 30,978 | 36,720 | 31,677 | 40,889 | 140,264 |
| Operations & Maintenance | 70,000 | 70,000 | 70,000 | 70,000 | 280,000 |
| Administration | 26,250 | 26,250 | 26,250 | 26,260 | 105,000 |
| Finance | - | - | - | - | - |
| Capital | | | | | |
| Acquisition of property | - | - | - | - | - |
| Construction | - | 9,444 | - | - | 9,444 |
| Improvements | 7,500 | 7,500 | 7,500 | 7,500 | 30,000 |
| Special programmes | - | 2,000 | 21,211 | 109,789 | 133,000 |
| New Premises | - | 25,500 | - | - | 25,500 |
| | 7,500 | 44,444 | 28,711 | 117,289 | 197,944 |
| Cash outflows re EU projects | - | - | - | - | - |
| Cash outflows re Twinning | - | - | - | - | - |
| Cash outflows re Community Services | - | - | - | - | - |
| Loan repayment | 9,972 | 9,972 | 9,972 | 9,972 | 39,888 |
| | 9,972 | 9,972 | 9,972 | 9,972 | 39,888 |
| TOTAL Outflows | 144,700 | 187,386 | 166,610 | 264,400 | 763,096 |
| SURPLUS / (DEFICIT) | (1,537) | (46,182) | (25,781) | (92,394) | (165,893) |
| Brought forward (Bank /Cash Bal.) | 339,475 | 337,939 | 291,757 | 265,976 | 339,475 |
| Carry forward | 337,939 | 291,757 | 265,976 | 173,582 | 173,582 |

Detailed Estimates of Income

DESCRIPTION

| A | B | C | D (B + C) | E | F (E - A) | G (E - D) |
|---------------------------|----------------------------|-----------------------------|--------------------------|---------------------------|---------------------|---------------------|
| BUDGET Jan-Dec 2013 | ACTUAL Jan-Sept 2013 | FORECAST Oct-Dec 2013 | TOTAL Jan-Dec 2013 | BUDGET Jan-Dec 2014 | VARIANCE Bud-Bud | VARIANCE Bud-Act |
| € | € | € | € | € | € | € |

Income

1 Funds received form Central Government:

| | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|------------------|-----------------|
| 0001 In terms of section 55 CAP 363 | 550,000 | 385,608 | 128,536 | 514,144 | 513,318 | (36,682) | (826) |
| 0002-0004 In terms of section 58 CAP 363 | 100,000 | 62,215 | (18,748) | 43,467 | - | (100,000) | (43,467) |
| 0005-0019 Other Income | 20,500 | - | 56,877 | 56,877 | 23,261 | 2,761 | (33,616) |
| | 670,500 | 447,823 | 166,665 | 614,488 | 536,579 | (133,921) | (77,909) |

2 Bys-Laws & Legal Fees

| | | | | | | | |
|-------------------------------|--------------|---------------|----------------|--------------|---------------|--------------|--------------|
| 0021-0025 Community Services | | 7,479 | (7,249) | 230 | 9,000 | 9,000 | 8,770 |
| 0026-0035 Income from Permits | 8,000 | 5,126 | 270 | 5,396 | 5,500 | (2,500) | 104 |
| | 8,000 | 12,605 | (6,979) | 5,626 | 14,500 | 6,500 | 8,874 |

3 Local Enforcement Income

| | | | | | | | |
|--------------------------------------|---------------|--------------|--------------|---------------|--------------|-----------------|----------------|
| 0036-0037 Contraventions | 18,000 | 3,413 | (212) | 3,201 | 2,500 | (15,500) | (701) |
| 0038-0050 Les Administrative Charges | 3,000 | 5,034 | 1,810 | 6,844 | 6,500 | 3,500 | (344) |
| | 21,000 | 8,447 | 1,598 | 10,045 | 9,000 | (12,000) | (1,045) |

4 Investment Income

| | | | | | | | |
|--|--------------|------------|--------------|--------------|--------------|--------------|--------------|
| 0091-0095 Bank Interest | 1,500 | 107 | 827 | 934 | 800 | (700) | (134) |
| 0096-0099 Income received from Government Securities | 1,000 | - | 853 | 853 | 750 | (250) | (103) |
| | - | - | - | - | - | - | - |
| | 2,500 | 107 | 1,680 | 1,787 | 1,550 | (950) | (237) |

5 0056-0055 Sponsorships

| | | | | | | | |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|
| 0056-0059 Documents & Information | 2,500 | 600 | 600 | 1,200 | 2,000 | (500) | 800 |
| 0070-0075 EU Funds | | | | - | - | - | - |
| 0076-0080 Twinning | | | | - | - | - | - |
| 0081-0089 Insurance Claims | | | | - | - | - | - |
| 0100-0109 General Income | 13,000 | 8,802 | 15,055 | 23,857 | 22,500 | 9,500 | (1,357) |
| 0110-0119 Donations | 1,000 | 2,000 | - | 2,000 | 2,000 | 1,000 | - |
| 0120-0129 Contributions | | | | - | - | - | - |
| Refund of expenses | 6,500 | | | - | - | (6,500) | - |
| | 23,000 | 11,402 | 15,655 | 27,057 | 26,500 | 3,500 | (557) |

Total

| | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|------------------|-----------------|
| | 725,000 | 480,384 | 178,619 | 659,003 | 588,129 | (136,871) | (70,874) |
|--|----------------|----------------|----------------|----------------|----------------|------------------|-----------------|

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 | | |
| 2013 | 2013 | 2013 | 2013 | 2014 | Bud-Bud | Bud-Act |
| € | € | € | € | € | € | € |

6 Personal Emoluments

| | | | | | | | |
|--|----------------|---------------|---------------|----------------|----------------|-----------------|---------------|
| 1100-1101 Mayor & Councillor's Allowance | 20,700 | 12,736 | 8,034 | 20,770 | 21,500 | 800 | 730 |
| 1200 Employees' Salaries & Wages | 110,000 | 67,339 | 20,536 | 87,875 | 95,100 | (14,900) | 7,225 |
| 1300 Bonuses | 7,200 | 756 | 6,557 | 7,313 | 7,800 | 600 | 487 |
| 1400 Income Supplements | 1,000 | 1,329 | (64) | 1,265 | 1,400 | 400 | 135 |
| 1500 Social Security Contributions | 7,200 | 6,342 | 1,831 | 8,173 | 12,700 | 5,500 | 4,527 |
| 1600 Allowances | 1,000 | 524 | 199 | 723 | 900 | (100) | 177 |
| 1700 Overtime | 4,500 | 640 | 48 | 688 | 1,000 | (3,500) | 312 |
| | 151,600 | 89,666 | 37,141 | 126,807 | 140,400 | (11,200) | 13,593 |

7 Operations and Maintenance

| | | | | | | | |
|--|----------------|----------------|---------------|----------------|----------------|-----------------|--------------|
| 2100-2149 Public Utilities | - | - | - | - | - | - | - |
| 2200-2299 Materials & Supplies | - | 4,556 | 2,007 | 6,563 | 6,600 | 6,600 | 37 |
| 2300-2399 Repairs & Upkeep | 36,000 | 5,187 | 16,196 | 21,383 | 23,500 | (12,500) | 2,117 |
| 2400-2449 Rent | - | - | - | - | - | - | - |
| 3066 Street Lighting | 9,900 | 7,143 | 4,810 | 11,953 | 12,100 | 2,200 | 147 |
| 3020 Lease of Equipment | 5,600 | 4,031 | 2,814 | 6,845 | 6,300 | 700 | (545) |
| 3030 Insurance | 5,500 | 3,935 | 1,288 | 5,223 | 5,300 | (200) | 77 |
| 3035 Bank Charges | 900 | 626 | 86 | 712 | 700 | (200) | (12) |
| 3038 Penalties | - | - | - | - | - | - | - |
| 3040 Waste Disposal | 105,900 | 76,373 | 19,338 | 95,711 | 96,600 | (9,300) | 889 |
| 3041 Refuse Collection | 60,800 | 43,850 | 13,678 | 57,528 | 58,000 | (2,800) | 472 |
| 3042 Bulky Refuse Collection | 10,900 | 7,862 | 2,873 | 10,735 | 10,800 | (100) | 65 |
| 3043 Bins on wheels | - | - | - | - | - | - | - |
| 3045 Bring in sites | - | - | - | - | - | - | - |
| 3050-3051 Road & Street Cleaning | 34,000 | 24,508 | 8,704 | 33,212 | 32,700 | (1,300) | (512) |
| 3052 Cleaning & Maintenance of Non-Urban Areas | - | - | - | - | - | - | - |
| 3053 Cleaning of Public Conveniences | - | - | - | - | - | - | - |
| 3055 Cleaning of Council Premises | 2,300 | 1,691 | 727 | 2,418 | 2,400 | 100 | (18) |
| 3060 Other Contractual Services | - | - | 702 | 702 | 700 | 700 | (2) |
| 3061 Cleaning & Maintenance of Parks & Gardens | - | - | - | - | - | - | - |
| 3062 Cleaning & Maintenance of Soft Areas | 19,300 | 13,909 | 4,101 | 18,010 | 17,900 | (1,400) | (110) |
| 3063 Cleaning & Maintenance of Beaches & CA | - | - | - | - | - | - | - |
| 3064 Cleaning & Maintenance of Country Non-Urban | - | - | - | - | - | - | - |
| 3070-3090 Consultation Fees | - | - | - | - | - | - | - |
| 3100-3139 Contract & Project Management | - | - | - | - | - | - | - |
| 3300-3379 Hospitality | - | - | - | - | - | - | - |
| 3380-3389 Community | - | - | - | - | - | - | - |
| 3390-3394 Donations | - | - | - | - | - | - | - |
| 3600-3694 Local Enforcement Expenses | - | 771 | 1,002 | 1,773 | 1,600 | 1,600 | (173) |
| 3700-3749 EU Projects | - | - | - | - | - | - | - |
| 3800-3899 Twinning | - | - | - | - | - | - | - |
| Librarian services | 4,900 | 3,558 | 1,202 | 4,760 | 4,800 | (100) | 40 |
| | 296,000 | 198,000 | 79,528 | 277,528 | 280,000 | (16,000) | 2,472 |

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 | | |
| | 2013 | 2013 | 2013 | 2013 | 2014 | Bud-Bud | Bud-Act |
| € | € | € | € | € | € | € | |
| 8 Administration & Other Expenditure | | | | | | | |
| 2150-2199 Office Utilities | 16,200 | 4,695 | 5,125 | 9,820 | 10,900 | (5,300) | 1,080 |
| 2260-2299 Office Materials & Supplies | 3,000 | | 4,074 | 4,074 | 3,000 | - | (1,074) |
| 2450-2499 Office Rent | 9,000 | 8,350 | 2,743 | 11,093 | 12,300 | 3,300 | 1,207 |
| 2500-2599 National & International Memberships | 1,000 | 493 | 250 | 743 | 800 | (200) | 57 |
| 2600-2699 Office Services | 17,000 | 6,588 | 4,201 | 10,789 | 11,500 | (5,500) | 711 |
| 2700-2799 Transport | 3,700 | 2,555 | 1,008 | 3,563 | 3,900 | 200 | 337 |
| 2800-2899 Travel | 1,000 | | - | - | 1,000 | - | 1,000 |
| 2900-2999 Information Services | 4,500 | 4,284 | 218 | 4,502 | 5,000 | 500 | 498 |
| 3140-3199 Professional Services | 28,000 | 15,059 | 13,049 | 28,108 | 16,200 | (11,800) | (11,908) |
| 3200-3299 Training | 4,000 | 15,800 | 1,405 | 17,205 | 18,500 | 14,500 | 1,295 |
| 3345 Office Hospitality | 40,000 | 10,240 | 10,416 | 20,656 | 19,000 | (21,000) | (1,656) |
| 3400-3499 Incidental Expenses | 5,200 | 2,471 | 174 | 2,645 | 2,900 | (2,300) | 255 |
| | - | - | - | - | - | - | - |
| | 132,600 | 70,535 | 42,663 | 113,198 | 105,000 | (27,600) | (8,198) |
| 9 Finance Costs | | | | | | | |
| 3136 Interest on Bank Loan | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - |
| Bad debts written off | - | 4,000 | 53 | 4,053 | - | - | (4,053) |
| | - | 4,000 | 53 | 4,053 | - | - | (4,053) |
| 10 Other Expenditure | | | | | | | |
| 3500-3599 Loss / (Profit) on Disposal of assets | - | - | - | - | - | - | - |
| 3385 Increase/(Decrease) in allowance for bad debts | - | 29,742 | (831) | 28,911 | - | - | (28,911) |
| 8000-8099 Depreciation | - | - | 98,555 | 98,555 | 107,431 | 107,431 | 8,876 |
| | - | 29,742 | 97,724 | 127,466 | 107,431 | 107,431 | (20,035) |
| Total | 580,200 | 391,943 | 257,109 | 649,052 | 632,831 | 52,631 | (16,221) |

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 |
| | 2013 | 30-Sep | 30 Sep-31 Dec | 31-Dec | 2014 | | |
| | € | € | 2013 | 2013 | € | € | € |
| 11 Inventory | | | | | | | |
| 5201-5249 Stationery | - | - | - | - | - | - | - |
| 5250-5299 Consumables | - | - | - | - | - | - | - |
| Medals, badges & ties | - | 1,027 | (152) | 875 | 875 | 875 | - |
| | - | 1,027 | (152) | 875 | 875 | 875 | - |
| 12 Receivables | | | | | | | |
| 0201-0209 Receivables | - | 17,213 | (221) | 16,992 | 16,992 | 16,992 | - |
| 0210-0219 LES Receivables | - | 253 | (219) | 34 | - | - | (34) |
| 0220-0229 Receivables from EU | - | - | - | - | - | - | - |
| 0250 Prepayments & Accrued income | - | 8,155 | 7,426 | 15,581 | 15,581 | 15,581 | - |
| Government Grants | - | 18,304 | 2,300 | 20,604 | 102,417 | 102,417 | 81,813 |
| | - | 43,925 | 9,286 | 53,211 | 134,990 | 134,990 | 81,779 |
| 13 Cash & Equivalents | | | | | | | |
| 5001-5099 Bank & Cash Balances | - | 370,774 | (31,299) | 339,475 | 173,582 | 173,582 | (165,893) |
| | - | 370,774 | (31,299) | 339,475 | 173,582 | 173,582 | (165,893) |
| 14 Payables | | | | | | | |
| 4000 Payables | - | 132,355 | 440 | 132,795 | 123,487 | 123,487 | (9,308) |
| 4100 Accruals | - | 44,223 | 1,261 | 45,484 | 45,484 | 45,484 | - |
| 4150 Deferred income | - | 171,543 | 7,171 | 178,714 | 269,566 | 269,566 | 90,852 |
| Current portion of Long-Term Borrowings | - | - | - | 39,887 | 39,887 | 39,887 | - |
| Amounts due to other Councils | - | 20 | (20) | - | - | - | - |
| | - | 348,141 | 8,852 | 396,880 | 478,424 | 478,424 | 81,544 |
| 15 Non Current Liabilities | | | | | | | |
| 4200 Long Term Borrowings | - | 441,785 | (5,265) | 436,520 | 411,633 | 411,633 | (24,887) |
| | - | - | - | - | - | - | - |
| | - | 441,785 | (5,265) | 436,520 | 411,633 | 411,633 | (24,887) |