

QRENDI LOCAL COUNCIL  
Annual Report and Financial Statements - 31 December 2020

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Annual Report and Financial Statements  
31 December 2020

Prepared by:

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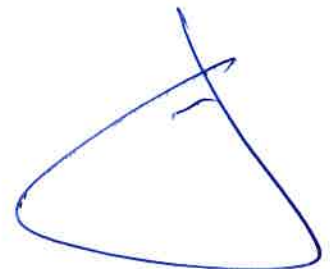


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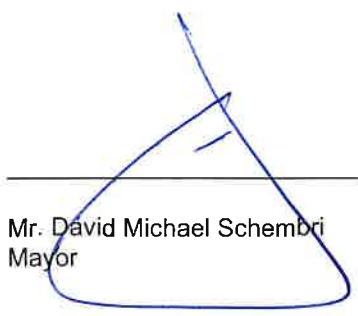


### Statement of Local Council Members' and Executive Secretary's Responsibilities

The Local Councils (Financial) Regulations 1993 require the Executive Secretary to prepare a detailed annual administrative report which includes a statement of the Local Council's financial position at the end of the year and of the Local Council's comprehensive income for the 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 financial position of the Local Council as at the year and its comprehensive income for the year, and that they comply with the Act, the Local Council (Financial) Regulations, 1993 and the Local Council (Financial) Procedures, 1996.

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 1993, and the Local Council (Financial) Procedures 1996. The Executive Secretary is also responsible for safeguarding the assets of the 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 Wednesday 22<sup>nd</sup> Sept 2021 and signed on its behalf by:



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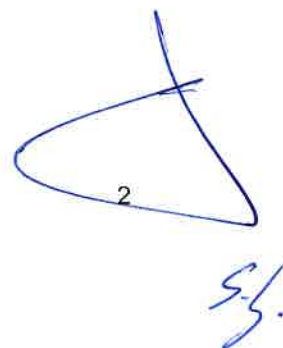
Mr. David Michael Schembri  
Mayor



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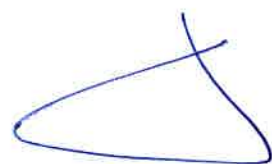
Ms. Stephania Gixti  
Deputy Executive Secretary

**Independent auditors' report**  
To the Auditor General



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**Independent auditors' report**  
To the Auditor General

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## Statement of financial position



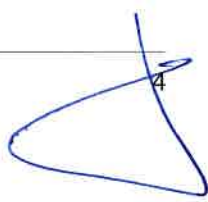

		As at 31 December	
		2020	2019
		€	€
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	266,604	343,628
<b>Total non-current assets</b>		<b>266,604</b>	343,628
<b>Current assets</b>			
Trade and other receivables	5	24,472	19,438
Cash and cash equivalents	6	779,084	831,124
<b>Total current assets</b>		<b>803,556</b>	850,562
<b>Total assets</b>		<b>1,070,160</b>	1,194,190
 <b>RESERVED AND LIABILITIES</b>			
<b>Reserves</b>			
Retained Funds		754,492	844,905
<b>Total reserves</b>		<b>754,492</b>	844,905
<b>Non-current liabilities</b>			
Amounts falling due after one year	7	91,875	91,875
<b>Current liabilities</b>			
Trade and other payables	8	223,793	257,410
<b>Total liabilities</b>		<b>315,668</b>	349,285
<b>Total reserves and liabilities</b>		<b>1,070,160</b>	1,194,190

The notes on pages 8 to 21 are an integral part of these financial statements.

The financial statements on pages 4 to 21 were approved by the Local Council on Wednesday 22<sup>nd</sup> Sept 2021 and were signed on its behalf by:

Mr. David Michael Schembri  
Mayor

Ms. Stephanie Grixti  
Deputy Executive Secretary

**Statement of comprehensive income**

		<b>Year ended 31 December</b>	
		<b>2020</b>	2019
		€	€
	Notes		
<b>Income</b>			
Funds received from Central Government	9	<b>393,923</b>	390,406
Other government income	10	<b>37,631</b>	-
General income	11	<b>38,527</b>	19,725
Income raised under Local Enforcement System	12	<b>958</b>	-
Investment income	13	<b>451</b>	604
		<b>471,490</b>	410,735
 <b>Expenditure</b>			
Staff salaries	15	<b>102,852</b>	90,698
Operations and maintenance	16	<b>141,758</b>	102,849
Administrative and other expenditure	17	<b>317,293</b>	119,458
		<b>561,903</b>	313,005
 <b>(Loss)/profit for the year</b>		<b>(90,413)</b>	97,730
 <b>Total comprehensive (expense)/income</b>		<b>(90,413)</b>	97,730

The notes on pages 8 to 21 are an integral part of these financial statements.

**Statement of changes in equity**

	<b>Retained Funds €</b>	<b>Total €</b>
Balance at 1 <sup>st</sup> January 2019	747,175	747,175
Profit for the year	97,730	97,730
<b>Balance at 31<sup>st</sup> December 2019</b>	<b>844,905</b>	<b>844,905</b>
Balance at 1 <sup>st</sup> January 2020	844,905	844,905
Loss for the year	(90,413)	(90,413)
<b>Balance at 31<sup>st</sup> December 2020</b>	<b>754,492</b>	<b>754,492</b>

The notes on pages 8 to 21 are an integral part of these financial statements.

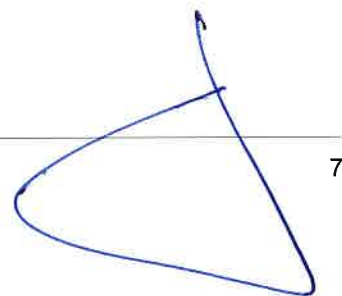


**Statement of cash flows**

		<b>Year ended 31 December</b>	
		<b>2020</b>	<b>2019</b>
Notes		€	€
<b>Cash flows from operating activities</b>			
	Cash generated from operations	55,819	146,881
	Net cash generated from operating activities	55,819	146,881
<b>Cash flows from investing activities</b>			
	Purchase of property, plant and equipment	(108,310)	(72)
	Grant received	-	16,875
	Interest received	451	604
	Net cash generated from investing activities	(107,859)	17,407
	<b>Net movement in cash and cash equivalents</b>	<b>(52,040)</b>	<b>164,288</b>
	<b>Cash and cash equivalents at beginning of year</b>	<b>831,124</b>	<b>666,836</b>
	<b>Cash and cash equivalents at end of year</b>	<b>779,084</b>	<b>831,124</b>

The notes on pages 8 to 21 are an integral part of these financial statements.

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## Notes to the financial statements

### 1. General information

Qrendi Local Council is the local authority of Qrendi set up in accordance with the Local Councils Act (1993). The office of the Local Council is situated at 7, Triq il-Knisja, Qrendi QRD 1103, Malta. These financial statements were approved for issue by the Council Members on \_\_\_\_\_ 2021.

### 2. Summary of significant accounting policies

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

#### 2.1 Basis of preparation

The 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 with the minister responsible for Local Government in terms of section 67 of the Local Councils Act (Cap 363). The financial statements are prepared under the historical convention as modified to include fair values stated in the accounting policies below. These financial statements are prepared in accordance to the requirements of International Financial Reporting Standards (IFRSs) and comply with the Local Councils Act Cap 363, the Financial Regulations issued by the terms of the Act and the Local Councils (Financial) Procedures 1996.

#### *New and amended IFRS Standards that are effective for the current year*

In the current year, the Local Council has applied new and amended IFRS Standards issued by the International Accounting Standards Board (IASB) and adopted by the EU that are mandatorily effective in EU for an accounting period that begins on or after 1 January 2020. The adoption of new and amended standards did not have a material impact on the Local Council's financial statements.

#### *Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Local Council*

At the date of the authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective and have not been adopted early by the Local Council.

Management anticipates that all the relevant pronouncements will be adopted in the Local Council's accounting policies for the first period beginning after the effective date of the pronouncement. Certain new standards and interpretations have been issued and expected to have a material impact on the Local Council's financial statements.

**2. Summary of significant accounting policies – continued**

**2.2 Impact of the COVID-19 Pandemic on the Local Council**

The outbreak of the COVID-19 pandemic and the subsequent measures imposed by Government to mitigate the pandemic's spread, have not significantly impacted the Local Council's activities.

During the partial lockdown, the Local Council was still operating with skeleton staff and reduced hours. Opening hours were between 07:30 and 14:00 and there was only one employee present in the Office.

The Local Council Members and Executive Secretary are not projecting any decrease in revenues, since infrastructure works are still ongoing and a number of people are still calling at the offices for several permits.

As per financial aspect, expenses were incurred in order to create a safe environment in the office such as sanitizers and air purifiers.

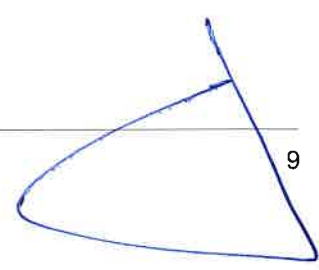
**2.3 Foreign currency translation**

Items included in the Financial Statements are measured using the currency of the primary economic environment in which the local council operates. These financial statements are presented in Euro ("€"), which is the Local Council's functional and present currency. Transactions denominated in foreign currencies are translated into Euro at rates of exchange in operation on the dates of transactions. Monetary assets and liabilities expressed in foreign currencies are translated at the rates of exchange at the date of Statement of Financial Position.

**2.4 Property, plant and equipment**

Property, plant and equipment, is stated at cost less accumulated depreciation and impairment loss to date. Depreciation on assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives as follows:

	%
Land	0
Trees	0
Buildings	1
Office furniture and fittings	7.5
Construction works	10
Urban Improvements (Street Furniture)	10
Office Equipment	20
Motor Vehicles	20
Plant and Machinery	20
Computer Equipment	25
Plants	100
Playground Furniture	100
Street Lights	100
New Street Lights	Replacement Basis
Litter Bins	Replacement Basis
Street Mirrors	Replacement Basis



**2. Summary of significant accounting policies – continued**

**2.5 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 assets exceeds its recoverable amount. The recoverable amount is the higher of the fair value of the assets less the costs to sell value in use. Impairment losses are immediately as an expense in the Statement of Comprehensive Income.

**2.6 Financial instruments**

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions of a 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 all substantial 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.

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

The Council's financial assets comprise trade and other receivables and cash and cash equivalents. Further detail is included in notes 2.7 and 2.8 below. The adoption and application of IFRS 9 did not have a significant impact on the financial position and / or financial performance of the Local Council.

**2. Summary of significant accounting policies – continued**

**2.6 Financial instruments – continued**

*Financial assets – continued*

In addition, the presentation of financial assets within these financial statements were not materially impacted due to the application of IFRS 9.

*Financial liabilities*

The Local Council's financial liabilities comprise trade and other payables. They are stated at their nominal amount which is a reasonable approximation of fair value. Further detail is included in note 2.9 below. Any interest-related charges are included within 'Finance costs' in the statement of comprehensive income.

The adoption and application of IFRS 9 did not have a significant impact on the financial position and / or financial performance of the Local Council. In addition, the presentation of financial liabilities within these financial statements were not materially impacted due to the application of IFRS 9.

**2.7 Trade and other receivables**

Amounts receivable are recognised initially at fair value and subsequently measures at amortised cost using the effective rate interest, 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 provision is the difference between the carrying amounts of the asset in the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognised in the Statement of Comprehensive Income.

**2.8 Cash and cash equivalents**

Cash and cash equivalents are carried in the statement of financial position at face value. For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise cash in hand and balances held with banks.

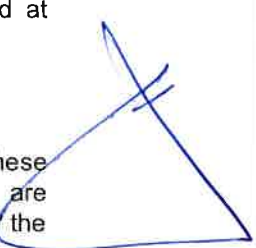
**2.9 Trade and other payables**

Trade and other payables comprise obligations to pay for 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.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**2.10 Profits and losses**

Only profits and losses that were realised at the date of the Financial Position are recognised in these financial statements. All foreseeable liabilities and potential losses 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.



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## 2. Summary of significant accounting policies – continued

### 2.11 Revenue recognition

Revenue is recognised when there are no significant uncertainties concerning the derivation of consideration or associated costs. All revenue – funds received from Central Government, Local enforcement system income, investment income and general income is accounted for in the Statement of Comprehensive Income as it accrues.

### 2.12 Government grants

Government grants relating to operating expenditure are recognised in the Statement of Comprehensive Income in the same period that the related expenditure is incurred.

Government grants relating to the purchase of property, plant and equipment are accounted for using the capital approach and are thus deducted from the carrying amount of the relative non-current asset.

### 2.13 Leases

As from 1 January 2019, the Council considers whether a contract is or contains a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. To apply this definition, the Council assesses whether the contract meets three key evaluations which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Local Council;
- The Local Council has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- The Local Council has the right to direct the use of the identified asset throughout the period of use. The Local Council assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the lease period.

The Council has agreements in place relating to the lease of office premises and a separate lease for the use of a garage.

In the current and prior years, the Council elected not to recognise right-of-use assets and lease liabilities given that the leases are of low value. Lease payments relating to these leases are expensed to profit and loss over the lease term.

The application of IFRS 16 has not had a significant impact on the financial position and / or financial performance of the Local Council.

### 2.14 Related parties

Related parties are those persons or bodies having relationships with the Local Council as defined by IAS 24 *Related Party Disclosures*. Further detail on related party transactions is disclosed in the notes to the financial statements.

### 3. Financial risk management

The Local Council has exposure to credit risk and liquidity risk from the use of financial instruments within its activities.

This note presents information about the Local Council's exposure to each of the above risks, policies and processes for measuring and managing risk, and the Local Council's management of capital. Further quantitative disclosures are included in these financial statements.

The responsibility for the management of risk is vested in the Executive Secretary. Accordingly, it is the Executive Secretary, who has the overall responsibility for establishing an appropriate risk management framework.

#### 3.1 Credit risk

Credit risk is the risk of financial loss to the Local Council if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Local Council is exposed to credit and liquidity risk through its use of financial instruments which result from its operating activities. The Council is not exposed to any market risk and its risk management focuses on actively securing short to medium cash flows by minimising exposure to financial risks. Credit risk principally arises from cash and cash equivalents and credit exposures to customers, including outstanding receivables and committed transactions.

##### *Trade and other receivables*

The Local Council monitors the performance of its receivables on a regular basis to identify incurred collection losses, which are inherent in the Council's receivables, taking into account historical experience in collection of accounts receivable.

Receivables are presented net of impairment charges for bad and doubtful debts. However, in the opinion of the Executive Secretary, credit risk with respect to receivables is limited in view of the reputable nature of the Local Council's debtor base for which there is no history of default.

##### *Cash and cash equivalents*

The Local Council banks only with local financial institutions with high quality standing or rating. As such, the probability of default is considered to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be considered insignificant.

The Council's exposures to credit risk as at the end of the reporting periods are analysed as follows:

	2020 €	2019 €
<i>Loans and receivables category:</i>		
Trade and other receivables (Note 5)	19,104	11,749
Cash and cash equivalents (Note 6)	779,084	831,124
	798,188	842,873

The maximum exposure to credit risk at the end of the reporting period in respect of the financial assets mentioned above is equivalent to their carrying amount as disclosed in the respective notes to the financial statements. The Local Council does not hold any collateral as security in this respect.

**3. Financial risk management – continued**

**3.2 Liquidity risk**

Liquidity risk is the risk that the Local Council will not be able to meet its financial obligations as they fall due. The Local Council is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which comprise trade and other payables (Note 7). The Local Council's trade and other payables are entirely repayable within one year from the end of the reporting period.

The Local Council's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Generally, the Local Council ensures that it has sufficient cash on demand to meet expected operational expenditure, including the servicing of financial obligations.

The maximum exposure to liquidity risk at the end of the reporting period in respect of the Council's financial liabilities is equivalent to their carrying amount as disclosed in Note 6 to the financial statements.

At 31 December 2020 and 31 December 2019, the contractual maturities on the financial liabilities of the Council were as summarised below. Contractual maturities reflect gross cash flows, which may differ from the carrying values of financial liabilities at the date of the Statement of Comprehensive Income.

	2020	2019
	€	€
<i>Tender Obligations:</i>		
Less than 6 months	53,336	78,057
6 to 12 months	106,072	50,108
1 to 5 years	533,362	501,078
	<b>692,770</b>	<b>629,243</b>

**3.3 Capital management**

It is the policy of the Executive Secretary to maintain an adequate capital base in order to sustain the future development of the Local Council and safeguard the ability of the Local Council to continue as a going concern. In this respect, the Executive Secretary monitors the operations and results of the Local Council.

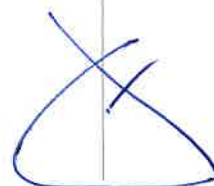
**3.4 Fair value estimation**

At 31 December 2020 and 2019 the carrying amounts of cash at bank, trade and other receivables, trade and other payables and amounts falling due after one year reflected in the financial statements are reasonable estimates of fair value in view of the nature of these instruments and relatively short period of time between the origination of the instruments and their expected realisation.



**4. Property, plant and equipment**

	Office furniture & fittings €	Office equipment €	Urban improvements €	Construction works €	Street signs €	Assets under construction €	Total €
<b>COST</b>							
Balance as at 1 January 2019	21,945	40,218	251,775	1,569,033	5,280	-	1,888,251
Additions	-	72	-	-	-	-	72
At 31 December 2019	21,945	40,290	251,775	1,569,033	5,280	-	1,888,323
<b>ACCUMULATED DEPRECIATION</b>							
Balance as at 1 January 2019	15,950	39,295	191,703	1,270,633	5,280	-	1,522,861
Charge for the year	1,543	323	11,117	8,851	-	-	21,834
At 31 December 2019	17,493	39,618	202,820	1,279,484	5,280	-	1,544,695
<b>NET BOOK VALUE</b>							
At 31 December 2019	4,452	672	48,955	289,549	-	-	343,628




QRENDI LOCAL COUNCIL  
Annual Report and Financial Statements - 31 December 2020

4. **Property, plant and equipment** – continued

	Office furniture & fittings €	Office equipment €	Urban improvements €	Construction works €	Street signs €	Assets under construction €	Total €
<b>COST</b>							
Balance as at 1 January 2020	21,945	40,290	251,775	1,569,033	5,280	-	1,888,323
Additions	-	-	-	-	-	108,310	108,310
At 31 December 2020	21,945	40,290	251,775	1,569,033	5,280	108,310	1,996,633
<b>ACCUMULATED DEPRECIATION</b>							
Balance as at 1 January 2020	17,493	39,618	202,820	1,279,484	5,280	-	1,544,695
Charge for the year	1,447	303	10,259	173,325	-	-	185,334
At 31 December 2020	18,940	39,921	213,079	1,452,809	5,280	-	1,730,029
<b>NET BOOK VALUE</b>							
At 31 December 2020	<b>3,005</b>	<b>369</b>	<b>38,696</b>	<b>116,224</b>	<b>-</b>	<b>108,310</b>	<b>266,604</b>

**5. Receivables**

	2020	2019
	€	€
<b>Current</b>		
Local enforcement system & trade debtors	98,123	92,351
Provision for doubtful debts	(80,602)	(80,602)
Other receivables	1,583	-
Accrued income	4,294	6,835
Prepayments	1,074	854
	24,472	19,438

**6. Cash and cash equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

	2020	2019
	€	€
Cash in hand	150	170
Bank balances:		
Current accounts	752,907	786,438
Savings accounts	10,167	28,666
Fixed accounts	15,860	15,850
	779,084	831,124

**7. Amounts falling due after one year**

	2020	2019
	€	€
Deferred income:		
Repayable between one and two years	75,000	75,000
Repayable between two and five years	16,875	16,875
	91,875	91,875

**8. Trade and other payables**

	2020	2019
	€	€
<b>Current</b>		
Trade payables	47,095	51,142
Accruals	18,756	20,377
Deferred income	157,942	157,942
Other payables	-	27,949
	223,793	257,410

**9. Funds received from Central Government**

	2020 €	2019 €
In terms of Section 55 of the Local Council Act	<b>393,923</b>	390,406

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**10. Other government income**

	2020 €	2019 €
Government income for projects and restorations	<b>20,945</b>	-
Income from organic waste collection	<b>16,686</b>	-
	<b>37,631</b>	-

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**11. General income**

	2020 €	2019 €
Other income net of contraventions and library services	<b>38,527</b>	19,725

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**12. Income raised from Local Enforcement System**

	2020 €	2019 €
Contraventions	<b>958</b>	-

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**13. Investment income**

	2020 €	2019 €
Bank interest received	<b>451</b>	604

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**14. (Loss)/profit for the year**

	2020	2019
	€	€
(Loss)/profit for the year stating after charging:		
Staff salaries (Note 15)	<b>102,852</b>	90,698
Depreciation on tangible assets (Note 4)	<b>185,334</b>	21,834
	<b>288,186</b>	112,532

**15. Staff Salaries**

	2020	2019
	€	€
Personal emoluments include, inter alia:		
Employees' salaries	<b>36,622</b>	28,002
Executive Secretary's salary and allowances	<b>38,022</b>	23,035
Mayor's salary and allowance	<b>12,804</b>	8,800
Councillors' allowances	<b>7,200</b>	3,360
Social security contributions	<b>4,804</b>	24,372
Vice Mayor's allowance	<b>3,400</b>	3,129
	<b>102,852</b>	90,698

The average number of persons employed by Qrendi Local Council in 2020 is 9 (2019: 6).

**16. Operations and maintenance**

	2020	2019
	€	€
<b>Repairs and upkeep:</b>		
Bins	<b>21,379</b>	9,500
Street signs	<b>253</b>	803
Other repairs and upkeep	<b>36</b>	50
Road markings	<b>-</b>	2,949
	<b>21,668</b>	13,302

**16. Operations and maintenance – continued**

	2020 €	2019 €
<b>Contractual services:</b>		
Refuse collection	<b>59,387</b>	41,889
Cleaning and maintenance of public conveniences	<b>17,828</b>	18,202
Street lighting	<b>11,693</b>	4,627
Bulky refuse collection	<b>11,300</b>	5,171
Cleaning and maintenance – non-urban	<b>11,076</b>	9,979
Cleaning and maintenance of parks and gardens	<b>8,806</b>	9,679
	<b>120,090</b>	89,547
	<b>141,758</b>	102,849

**17. Administrative and other expenditure**

	2020 €	2019 €
Depreciation on tangible assets	<b>185,334</b>	21,834
Other contractual services	<b>56,774</b>	11,716
Professional services	<b>38,177</b>	6,987
Office services	<b>11,064</b>	8,633
Utilities	<b>8,610</b>	8,970
Community services & events	<b>7,807</b>	8,743
Rent	<b>3,674</b>	4,824
Material and supplies	<b>2,257</b>	3,951
Training	<b>1,148</b>	-
Staff Welfare	<b>1,062</b>	-
Information services	<b>795</b>	2,004
Transport	<b>313</b>	379
General expenses	<b>147</b>	33,505
National and international memberships	<b>86</b>	685
Advertising	<b>45</b>	7,227
	<b>317,293</b>	119,458

**18. Cash generated from operations**

Reconciliation of (loss)/profit for the year to cash generated from operations:

	<b>2020</b>	2019
	€	€
(Loss)/profit for the year	<b>(90,413)</b>	97,730
Adjustments for:		
Depreciation of property, plant and equipment (Note 4)	<b>185,334</b>	21,834
Interest received	<b>(451)</b>	(604)
Changes in working capital:		
Trade and other receivables	<b>(5,034)</b>	(9,802)
Trade and other payables	<b>(33,617)</b>	37,723
Cash generated from operations	<b>55,819</b>	146,881

**19. Related party transactions**

During the year the Local Council effected transactions with related parties mainly in connection with income and expenditure transactions as disclosed in Notes 5, 9, 10, 11, 12, 16 and 17 to these financial statements. The following material transactions were carried out with related parties:

	<b>2020</b>	2019
	€	€
Funds received from central government	<b>393,923</b>	390,406