



Year

# **Il-Gżira Local Council**

**Annual Budget  
For  
Financial Year  
2017**

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**Overview and Summary**

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The Local Council of Gżira shall start 2017 with a positive financial balance due to the responsible manner in which the Council has operated over the past few years. In 2017 it is expected that the Council shall require more expenditure for the basic necessities for the Council, as well as to fulfill other objectives of the Local Council. It is hence understood that the Council will have to fork out more expenses than was required in 2016. This is due to the fact that in 2017 a full salary shall be payable to the Executive Secretary seeing that one has been employed on a full-time basis rather than part-time [as was previously]. The Council shall also be offering the opportunity to one of its clerical staff to be promoted to Scale 13 rather than Scale 15. Another employee shall also be compensated for overtime hours for the works he had/will be doing for the Council website which shall be taken care of after Opening hours in order to limit the interference for the necessary works within the Council during office hours. The Council also believes it is important that it rents/purchases a store in order to have space to keep much of its contents. This of course shall increase the expenses of the Council seeing that no such payments were made in previous years. In addition to this the Council also needs to purchase a car which shall be used to transport tools/contents for maintenance purposes. The Council also adjudicated two Expressions of Interest of which these contracts remain in vigore, and of which these amounts were not mentioned in the 2016 budget. During a Council meeting towards the end of the year, it was also acknowledged that the Council shall also require the service of a person to help with the various activities offered to the elderly, payments which should lead to an increase in contract payments for 2017. Besides these necessary purchases, the Local Council also wishes to develop a project which it believes shall lead to desirable results in the short and long-term. The Council wishes to invest in a new CCTV system which shall enable the Council to have surveillance in every corner of the locality. This is envisaged to be done in order to decrease the abuses which are causing numerous problems for the Local Council, namely for illegal dumping, as well as for the amount of construction works being done without a permit. The Council is also committing a healthy amount of funds for activities which are aimed to bring multiple organizations together in order to promote integration and solidarity in this locality with a diverse ethnic population. With regards to services/purchases, a 2-5% increase has been allocated compared to the amounts of 2016 in order to provide an approximate expenditure for each required field. These amounts are, of course, open to re-calculations according to the necessities of the Local Council.

In terms of income, the Council shall be receiving a 5% increase from the Central Government. Whilst the Council appreciates this increase in order for it to further improve its services and facilitate its functions, the Council still believes that it is not receiving the adequate compensation seeing that the locality houses a number of foreigners and large companies, which are attributing to numerous problems which end up being settled through the finances of the Local Council. For this reason they Council shall be relying on the income generated from a Bye-law it will be introducing in order to provide advertisement spaces to companies on all street furniture. The Council also perceives that its income from permits shall be equal to that of this year, though an increase is in fact expected due to the number of applications currently being evaluated by PA. Whilst a number of projections have been written down, it is, of course, hard to foresee what income/expenses shall be necessary in 2017. I wish to point out that in terms of expenses, over the last few days of 2016 the Executive Secretary has held talks regarding a number of contracts which he believes will cost less than that being perceived for the reasons stated below. However the Council depends on other entities before it could justify any decrease in payments and this is why the Executive Secretary has allocated the same sums which were paid in 2016. First and foremost the Council is currently paying for the services for the maintenance of the Public Convenience. This service shall soon be provided by the Foundation for Tourism Zone Development. The Council is also currently paying approximately €24,000 for the services of a gardener for the Council of Europe Garden. A new tender is soon to be issued which shall state that the Council will not be paying for these services when they are not required due to a project which is to be done by Transport Malta within the garden. This project is expected to commence in 2017 though TM are yet to confirm the dates. The Council will also be working on the street cleaning tender which is currently being done by the Cleansing Department after the previous contractor did not keep up with the workload. The Council is paying each employee on an overtime basis and it is expected that this sum may decrease with the introduction of the new tender. The Council understands that the income and expenditure may differ unexpectedly during the course of the year, however it remains adamant that it shall deal with the finances in a responsible manner whilst ensuring that the services/functions provided are constantly improved.

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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	Bud-Bud	Bud-Act
	2016	2016	2017		
	€	€	€	€	€
<b>Income</b>					
Funds received from Central Government (1)	571,173	511,636	538,376	(32,797)	26,740
Income raised from Bye-Laws (2)	46,096	52,444	102,444	56,348	50,000
Income raised from LES (3)	-	11,115	11,116	11,116	1
Investment Income (4)	152	106	106	(46)	-
Other Income (5)	-	306	-	-	(306)
<b>TOTAL</b>	<b>617,421</b>	<b>575,607</b>	<b>652,042</b>	<b>34,621</b>	<b>76,435</b>
<b>Expenditure</b>					
Personal Emoluments (6)	95,484	72,564	114,228	18,744	41,664
Operations and Maintenance (7)	347,730	325,748	433,753	86,023	108,005
Administration (8)	96,170	98,847	53,516	(42,654)	(45,330)
Finance Cost (9)	-	2,359	9,996	9,996	7,637
Other Expenditure (10)	-	58,883	59,000	59,000	117
<b>TOTAL</b>	<b>539,384</b>	<b>558,400</b>	<b>670,493</b>	<b>131,109</b>	<b>112,093</b>
<b>Surplus / Deficit</b>	<b>78,037</b>	<b>17,207</b>	<b>(18,451)</b>	<b>(96,488)</b>	<b>(35,658)</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)	-	-	(59,000)	(59,000)	(59,000)
<b>Current Assets</b>					
Inventories (11)	-	-	-	-	-
Receivables (12)	-	711,157	-	-	(711,157)
Cash and Cash Equivalents (13)	-	381,846	-	-	(381,846)
<b>Total Current Assets</b>	-	<b>1,093,003</b>	-	-	<b>(1,093,003)</b>
<b>Current Liabilities (14)</b>					
Payables	-	1,074,542	-	-	(1,074,542)
Current portion of Long-Term Borrowings	-	-	-	-	-
<b>Total Current Liabilities</b>	-	<b>1,074,542</b>	-	-	<b>(1,074,542)</b>
<b>Net Current Assets</b>	-	18,461	-	-	(18,461)
<b>Non-current liabilities (15)</b>	-	29,172	-	-	(29,172)
<b>Net Assets</b>	-	<b>(10,711)</b>	<b>(59,000)</b>	<b>(59,000)</b>	<b>(48,289)</b>
<b>Reserves</b>					
Retained Funds	628,476	-	(18,451)	(646,927)	(18,451)

### Financial Situation Indicator

DESCRIPTION	BUDGET	FORECAST	BUDGET
	as at 31 Dec	as at 31 Dec	as at 31 Dec
	2016	2016	2017
	€	€	€
Current Assets	-	1,093,003	-
Current Liabilities	-	1,074,542	-
Total Long Term Liabilities	-	29,172	-
Commitments approved by Ministry	-	-	-
	-	(10,711)	-
Government Allocation	571,173	511,636	538,376
FSI	<b>0.00%</b>	<b>-2.09%</b>	<b>0.00%</b>

### Cash Budget

DESCRIPTION	QTR 1	QTR 2	QTR 3	QTR 4	TOTAL
	JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC	TOTAL
	2017	2017	2017	2017	2017
	€	€	€	€	€
<b>Cash Inflows</b>					
<b>Government cash inflows</b>	134,594	134,594	134,594	134,594	538,376
<b>Cash flows from Bye-Laws &amp; L.N fees</b>	25,611	25,611	25,611	25,611	102,444
<b>Local Enforcement cash flows</b>	2,779	2,779	2,779	2,779	11,116
<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>	-	-	-	-	-
<b>TOTAL Inflows</b>	162,984	162,984	162,984	162,984	651,936
<b>Cash Outflows</b>					
<b>Personal Emoluments</b>	28,557	28,557	28,557	28,557	114,228
<b>Operations &amp; Maintenance</b>	103,590	103,590	103,590	103,590	414,360
<b>Administration</b>	13,379	13,379	13,379	13,379	53,516
<b>Finance</b>	2,499	2,499	2,499	2,499	9,996
<b>Capital</b>					
Acquisition of property	-	-	-	-	-
Construction	-	-	-	-	-
Improvements	17,500	17,500	17,500	17,500	70,000
Special programmes	-	-	-	-	-
Motor Vehicle	5,250	5,250	5,250	5,250	21,000
	22,750	22,750	22,750	22,750	91,000
<b>Cash outflows re EU projects</b>	-	-	-	-	-
<b>Cash outflows re Twinning</b>	-	-	-	-	-
<b>Cash outflows re Community Services</b>	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
<b>TOTAL Outflows</b>	170,775	170,775	170,775	170,775	683,100
<b>SURPLUS / (DEFICIT)</b>	(7,791)	(7,791)	(7,791)	(7,791)	(31,164)
<b>Brought forward (Bank /Cash Bal.)</b>	-	(7,791)	(15,582)	(23,373)	-
<b>Carry forward</b>	(7,791)	(15,582)	(23,373)	(31,164)	(31,164)

**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	504,173	378,129	126,043	504,172	530,376	26,203	26,204
0002-0004 In terms of section 58 CAP 363	-	7,464	-	7,464	8,000	8,000	536
0005-0019 Other Income	67,000	-	-	-	-	(67,000)	-
	<b>571,173</b>	<b>385,593</b>	<b>126,043</b>	<b>511,636</b>	<b>538,376</b>	<b>(32,797)</b>	<b>26,740</b>
<b>2 Bye-Laws &amp; Legal Fees</b>							
0021-0025 Community Services	37,562	-	-	-	50,000	12,438	50,000
0026-0035 Income from Permits	8,535	39,333	13,111	52,444	52,444	43,910	-
	<b>46,096</b>	<b>39,333</b>	<b>13,111</b>	<b>52,444</b>	<b>102,444</b>	<b>56,348</b>	<b>50,000</b>
<b>3 Local Enforcement Income</b>							
0037 Commission from Regional Committees	-	1,385	461.67	1,847	-	-	(1,847)
0038-0055 Contraventions	-	6,951	2,317	9,268	11,116	11,116	1,848
	-	<b>8,336</b>	<b>2,779</b>	<b>11,115</b>	<b>11,116</b>	<b>11,116</b>	<b>1</b>
<b>4 Investment Income</b>							
0091-0095 Bank interest	152	-	106	106	106	(46)	-
0096-0099 Income received from Government Securities	-	-	-	-	-	-	-
	<b>152</b>	<b>-</b>	<b>106</b>	<b>106</b>	<b>106</b>	<b>(46)</b>	<b>-</b>
<b>5 General Income</b>							
0056-0065 Sponsorships	-	-	-	-	-	-	-
0066-0069 Documents & Information	-	306	-	306	-	-	(306)
0070-0075 EU Funds	-	-	-	-	-	-	-
0076-0080 Twinning	-	-	-	-	-	-	-
0081-0089 Insurance Claims	-	-	-	-	-	-	-
0100-0109 Donations	-	-	-	-	-	-	-
0110-0119 Contributions	-	-	-	-	-	-	-
0120-0129 General Income	-	-	-	-	-	-	-
	-	<b>306</b>	<b>-</b>	<b>306</b>	<b>-</b>	<b>-</b>	<b>(306)</b>
<b>Total</b>	<b>617,421</b>	<b>433,568</b>	<b>142,039</b>	<b>575,607</b>	<b>652,042</b>	<b>34,621</b>	<b>76,435</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	Bud-Bud	Bud-Act
	2016	2016	2016	2016	2017		
€	€	€	€	€	€	€	
<b>6 Personal Emoluments</b>							
1100 Mayor's Allowance	10,161	8,962	2,987	11,949	10,866	705	(1,084)
1200 Employees' Salaries & Wages	71,770	36,846	12,282	49,128	77,452	5,682	28,324
1300 Bonuses	-	-	-	-	5,826	5,826	5,826
1400 Income Supplements	-	-	-	-	-	-	-
1500 Social Security Contributions	4,753	2,735	912	3,647	6,348	1,594	2,701
1600 Allowances	8,800	5,880	1,960	7,840	8,800	-	960
1700 Overtime	-	-	-	-	4,937	4,937	4,937
	<b>95,484</b>	<b>54,423</b>	<b>18,141</b>	<b>72,564</b>	<b>114,228</b>	<b>18,744</b>	<b>41,664</b>
<b>7 Operations and Maintenance</b>							
2100-2149 Public Utilities	7,927	-	-	-	-	(7,927)	-
2200-2259 Public Materials & Supplies	3,714	-	-	-	-	(3,714)	-
2300-2399 Repairs & Upkeep	20,071	40,913	13,638	54,551	56,188	36,117	1,637
2400-2449 Rent	18,679	-	-	-	20,000	1,321	20,000
3010 Street Lighting	-	5,343	1,781	7,124	7,480	7,480	356
3020 Lease of Equipment	-	-	-	-	-	-	-
3030 Insurance	-	2,050	683	2,733	-	-	(2,733)
3035 Bank Charges	-	-	-	-	-	-	-
3038 Penalties	-	3,473	1,158	4,631	-	-	(4,631)
3040 Waste Disposal	-	42,035	14,012	56,047	43,696	43,696	(12,350)
3041 Refuse Collection	-	59,609	19,870	79,479	79,479	79,479	0
3042 Bulky Refuse Collection	-	11,620	3,873	15,493	14,208	14,208	(1,285)
3043 Bins on wheels	-	-	-	-	-	-	-
3045 Bring in sites	-	-	-	-	-	-	-
3051 Road & Street Cleaning	-	44,363	14,788	59,151	56,948	56,948	(2,203)
3052 Cleaning & Maintenance of Non-Urban Areas	-	-	-	-	-	-	-
3053 Cleaning of Public Conveniences	-	7,525	2,508	10,033	11,502	11,502	1,468
3055 Cleaning of Council Premises	-	1,462	487	1,949	1,950	1,950	1
3060 Cleaning & Maintenance of Parks & Gardens	-	20,058	6,686	26,744	27,102	27,102	358
3061 Cleaning & Maintenance of Soft Areas	-	-	-	-	-	-	-
3062 Cleaning & Maintenance of Beaches & CA	-	-	-	-	-	-	-
3063 Cleaning & Maintenance of Country Non-Urban	-	-	-	-	-	-	-
3064 Other Contractual Services	262,286	5,860	1,953	7,813	85,200	(177,086)	77,387
3070-3090 Consultation Fees	11,182	-	-	-	-	(11,182)	-
3100-3139 Contract & Project Management	-	-	-	-	-	-	-
3300-3379 Hospitality	-	-	-	-	-	-	-
3380-3389 Community	23,871	-	-	-	30,000	6,129	30,000
3600-3694 Local Enforcement Expenses	-	-	-	-	-	-	-
3700-3799 EU Projects	-	-	-	-	-	-	-
3800-3899 Twinning	-	-	-	-	-	-	-
	<b>347,730</b>	<b>244,311</b>	<b>81,437</b>	<b>325,748</b>	<b>433,753</b>	<b>86,023</b>	<b>108,005</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	15,319	6,829	2,276.33	9,105	7,500	(7,819)	(1,605)
2260-2299 Office Materials & Supplies	3,714	4,652	1,550.67	6,203	6,327	2,613	124
2450-2499 Office Rent	18,679	13,313	4,437.67	17,751	10,640	(8,039)	(7,111)
2500-2599 National & International Memberships	81	-	-	-	-	(81)	-
2600-2699 Office Services	15,319	9,550	3,183.33	12,733	7,500	(7,819)	(5,233)
2700-2799 Transport	556	285	95.00	380	550	(6)	170
2800-2899 Travel	103	-	-	-	-	(103)	-
2900-2999 Information Services	7,247	5,121	1,707.00	6,828	3,000	(4,247)	(3,828)
3050 Office Cleaning	-	-	-	-	-	-	-
3140-3199 Professional Services	11,182	4,490	1,496.67	5,987	6,000	(5,182)	13
3200-3299 Training	-	-	-	-	-	-	-
3345 Office Hospitality	23,871	29,895	9,965.00	39,860	2,000	(21,871)	(37,860)
3400-3499 Incidental Expenses	101	-	-	-	-	(101)	-
Computers upgrade	-	-	-	-	10,000	10,000	10,000
	<b>96,170</b>	<b>74,135</b>	<b>24,712</b>	<b>98,847</b>	<b>53,516</b>	<b>(42,654)</b>	<b>(45,330)</b>
<b>9 Finance Costs</b>							
3036 Interest on Bank Loan	-	1,769	589.67	2,359	9,996	9,996	7,637
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	<b>-</b>	<b>1,769</b>	<b>590</b>	<b>2,359</b>	<b>9,996</b>	<b>9,996</b>	<b>7,637</b>
<b>10 Other Expenditure</b>							
3500-3599 Loss / (Profit) on Disposal of assets	-	-	-	-	-	-	-
3695 Increase/(Decrease) in allowance for bad debts	-	-	-	-	-	-	-
8000-8099 Depreciation	-	44,162	14,720.67	58,883	59,000	59,000	117
	<b>-</b>	<b>44,162</b>	<b>14,721</b>	<b>58,883</b>	<b>59,000</b>	<b>59,000</b>	<b>117</b>
<b>Total</b>	<b>539,384</b>	<b>418,800</b>	<b>139,600</b>	<b>558,400</b>	<b>670,493</b>	<b>131,109</b>	<b>112,093</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	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>12 Receivables</b>							
0201-0209 Receivables	-	-	-	-	-	-	-
0210-0219 LES Receivables	-	-	-	-	-	-	-
0220-0229 Receivables from EU	-	-	-	-	-	-	-
0250 Prepayments & Accrued income	-	-	-	-	-	-	-
	-	711,157	-	711,157	-	-	(711,157)
	-	<b>711,157</b>	-	<b>711,157</b>	-	-	<b>(711,157)</b>
<b>13 Cash &amp; Equivalents</b>							
5001-5099 Bank & Cash Balances	-	381,846	-	381,846	-	-	(381,846)
	-	<b>381,846</b>	-	<b>381,846</b>	-	-	<b>(381,846)</b>
<b>14 Payables</b>							
4000 Payables	-	138,113	-	138,113	-	-	(138,113)
4100 Accruals	-	26,095	-	26,095	-	-	(26,095)
4150 Deferred Income	-	910,334	-	910,334	-	-	(910,334)
Current portion of Long-Term Borrowings	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	<b>1,074,542</b>	-	<b>1,074,542</b>	-	-	<b>(1,074,542)</b>
<b>15 Non Current Liabilities</b>							
4200 Long Term Borrowings	-	29,172	-	29,172	-	-	(29,172)
	-	-	-	-	-	-	-
	-	<b>29,172</b>	-	<b>29,172</b>	-	-	<b>(29,172)</b>

**16 Depreciation of Property, Plant and Equipment**

Asset % of depreciation	Property										Total
	1%										
Cost	€	€	€	€	€	€	€	€	€	€	€
As at 01 January 2017	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at 31 December 2017	-	-	-	-	-	-	-	-	-	-	-
<b>Grants/ other reimbursements</b>											
As at 01 January 2017	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-	-
As at 31 December 2017	-	-	-	-	-	-	-	-	-	-	-
<b>Accumulated Depreciation</b>											
As at 01 January 2017	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	59,000	-	-	-	-	-	-	-	-	-	59,000
Released on disposal	-	-	-	-	-	-	-	-	-	-	-
As at 31 December 2017	59,000	-	-	-	-	-	-	-	-	-	59,000
<b>Budgeted NBV 31 Dec 2016</b>	0	0	0	0	0	0	0	0	0	0	-
<b>Forecasted NBV 1 Jan 2017</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Budgeted NBV 31 Dec 2017</b>	(59,000)	-	-	-	-	-	-	-	-	-	(59,000)