



# **Valletta Local Council**

**Business Plan  
for the  
Period  
2018 - 2020**



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### **Overview and Summary**

The Local Council presents its business plan for the period ended from 1 January 2018 to 31 December 2020. During the three-year period the Local Council is not envisaging any capital projects and will use the net cashflows generated during the year to settle outstanding creditors. The Local Council is projecting a deficit, after accounting for depreciation of property plant and equipment of Euro (164,792) for the three-year period. However, net cashflows generated by the Local Council will be Euro 53,576. The Income generated by the Local Government for the three year-plan is expected to be Euro 2,814,613. Operations and maintenance costs are projected to be Euro 2,378,700 for the three year period. Included with operations and maintenance there are Refuse collection costs of Euro 960,000 and Road and street cleaning costs of Euro 722,000. As explained in previous budgets, the subvention given by the government is low when compared to the maintenance costs incurred by the Local Council. Administration costs are projected to amount to Euro 490,416 for the three year period while personal costs are projected at Euro 581,996 for the three-year period.

Prof. Alexiei Dingli  
Mayor

Ms. Gabriella Agius  
Executive Secretary

**Statement of Income and Expenditure**

DESCRIPTION	A	B	C	D (A+B+C)
	BUDGET	BUDGET	BUDGET	BUDGET
	Jan-Dec	Jan-Dec	Jan-Dec	Period
	2018	2019	2020	2018-2020
	€	€	€	€
<b>Income</b>				
Funds received from Central Government (1)	914,613	935,000	965,000	<b>2,814,613</b>
Income raised from Bye-Laws (2)	160,000	160,000	160,000	<b>480,000</b>
Income raised from LES (3)	20,000	20,000	20,000	<b>60,000</b>
Investment Income (4)	25	25	25	<b>75</b>
Other Income (5)	50,000	50,000	50,000	<b>150,000</b>
<b>TOTAL</b>	<b>1,144,638</b>	<b>1,165,025</b>	<b>1,195,025</b>	<b>3,504,688</b>
<b>Expenditure</b>				
Personal Emoluments (6)	190,796	193,500	197,700	<b>581,996</b>
Operations and Maintenance (7)	779,100	790,800	808,800	<b>2,378,700</b>
Administration (8)	167,472	159,972	162,972	<b>490,416</b>
Finance Cost (9)	-	-	-	<b>-</b>
Other Expenditure (10)	74,666	71,851	71,851	<b>218,368</b>
<b>TOTAL</b>	<b>1,212,034</b>	<b>1,216,123</b>	<b>1,241,323</b>	<b>3,669,480</b>
<b>Surplus / Deficit</b>	<b>(67,396)</b>	<b>(51,098)</b>	<b>(46,298)</b>	<b>(164,792)</b>

**Statement of Financial Position**

DESCRIPTION	A	B	C	D (A+B+C)
	BUDGET	BUDGET	BUDGET	BUDGET
	Jan-Dec	Jan-Dec	Jan-Dec	Period
	2018	2019	2020	2018-2020
	€	€	€	€
<b>Non-current Assets</b>				
Property, Plant and Equipment (16)	622,408	550,557	478,706	1,651,671
<b>Current Assets</b>				
Inventories (11)	-	-	-	-
Receivables (12)	38,654	38,654	38,654	115,962
Cash and Cash Equivalents (13)	3,850	3,850	3,850	11,550
<b>Total Current Assets</b>	<b>42,504</b>	<b>42,504</b>	<b>42,504</b>	<b>127,512</b>
<b>Current Liabilities (14)</b>				
Payables	483,189	462,436	436,883	1,382,508
<b>Total Current Liabilities</b>	<b>483,189</b>	<b>462,436</b>	<b>436,883</b>	<b>1,382,508</b>
<b>Net Current Assets</b>	<b>(440,685)</b>	<b>(419,932)</b>	<b>(394,379)</b>	<b>(1,254,996)</b>
<b>Non-current liabilities (15)</b>				
	-	-	-	-
<b>Net Assets</b>	<b>181,723</b>	<b>130,625</b>	<b>84,327</b>	<b>396,675</b>
<b>Reserves</b>				
Retained Funds	181,723	130,625	84,327	396,675

**Financial Situation Indicator**

DESCRIPTION	A	B	C	D (A+B+C)
	BUDGET	BUDGET	BUDGET	BUDGET
	Jan-Dec	Jan-Dec	Jan-Dec	Period
	2018	2019	2020	2018-2020
	€	€	€	€
Current Assets	42,504	42,504	42,504	127,512
Current Liabilities	483,189	462,436	436,883	1,382,508
<b>Working Capital</b>	<b>(440,685)</b>	<b>(419,932)</b>	<b>(394,379)</b>	<b>(1,254,996)</b>
Government Allocation	852,613	870,000	895,000	255,024
<b>FSI</b>	<b>(52) %</b>	<b>(48) %</b>	<b>(44) %</b>	<b>(492) %</b>

**Cash Budget**

DESCRIPTION	A	B	C	D (A+B+C)
	BUDGET	BUDGET	BUDGET	BUDGET
	Jan-Dec	Jan-Dec	Jan-Dec	Period
	2018	2019	2020	2018-2020
	€	€	€	€
<b>Cash Inflows</b>				
<b>Government cash inflows</b>	914,613	935,000	965,000	2,814,613
<b>Cash flows from Bye-Laws &amp; L.N fees</b>	160,000	160,000	160,000	480,000
<b>Local Enforcement cash flows</b>	20,000	20,000	20,000	60,000
<b>Finance cash flows</b>				
Loan Proceeds				-
Investment income	25	25	25	75
	25	25	25	75
<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>	50,000	50,000	50,000	150,000
<b>Other Cash Inflows</b>				-
<b>TOTAL Inflows</b>	1,144,638	1,165,025	1,195,025	3,504,688
<b>Cash Outflows</b>				
<b>Personal Emoluments</b>	190,796	193,500	197,700	581,996
<b>Operations &amp; Maintenance</b>	779,100	790,800	808,800	2,378,700
<b>Administration</b>	167,472	159,972	162,972	490,416
<b>Finance</b>	-			-
<b>Capital</b>				
Acquisition of property				-
Construction				-
Improvements				-
Special programmes				-
	-	-	-	-
<b>Cash outflows re EU projects</b>				-
<b>Cash outflows re Twinning</b>				-
<b>Cash outflows re Community Services</b>				-
<b>Payments of old creditors</b>		20,753	25,553	46,306
	-	20,753	25,553	46,306
<b>TOTAL Outflows</b>	1,137,368	1,165,025	1,195,025	3,497,418
<b>SURPLUS / (DEFICIT)</b>	7,270	-	-	7,270
<b>Brought forward (Bank /Cash Bal.)</b>	(3,420)	3,850	3,850	(3,420)
<b>Carry forward</b>	3,850	3,850	3,850	3,850

## Detailed Estimates of Income

DESCRIPTION	A	B	C	D (A+B+C)
	BUDGET	BUDGET	BUDGET	BUDGET
	Jan-Dec	Jan-Dec	Jan-Dec	Period
	2018	2019	2020	2018-2020
	€	€	€	€
<b>Income</b>				
<b>1 Funds received form Central Government:</b>				
0001 In terms of section 55 CAP 363	852,613	870,000	895,000	1,765,000
0002-0004 In terms of section 58 CAP 363				-
0005-0019 Other Income	62,000	65,000	70,000	135,000
	<b>914,613</b>	<b>935,000</b>	<b>965,000</b>	<b>1,900,000</b>
<b>2 Bye-Laws &amp; Legal Fees</b>				
0021-0025 Community Services				-
0026-0035 Income from Permits	160,000	160,000	160,000	320,000
	<b>160,000</b>	<b>160,000</b>	<b>160,000</b>	<b>320,000</b>
<b>3 Local Enforcement Income</b>				
0037 Commission from Regional Committees	20,000	20,000	20,000	40,000
0038-0055 Contraventions				-
	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>40,000</b>
<b>4 Investment Income</b>				
0091-0095 Bank interest	25	25	25	50
0096-0099 Income received from Government Securities				-
	<b>25</b>	<b>25</b>	<b>25</b>	<b>50</b>
<b>5 General Income</b>				
0056-0065 Sponsorships				-
0066-0069 Documents & Information				-
0070-0075 EU Funds				-
0076-0080 Twinning				-
0081-0089 Insurance Claims				-
0100-0109 Donations				-
0110-0119 Contributions	50,000	50,000	50,000	100,000
0120-0129 General Income				-
	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>100,000</b>
<b>Total</b>	<b>1,144,638</b>	<b>1,165,025</b>	<b>1,195,025</b>	<b>2,360,050</b>



## Detailed Estimates of Expenditure

DESCRIPTION	A	B	C	D (A+B+C)
	BUDGET	BUDGET	BUDGET	BUDGET
	Jan-Dec	Jan-Dec	Jan-Dec	Period
	2018	2019	2020	2018-2020
	€	€	€	€
<b>6 Personal Emoluments</b>				
1100 Mayor's Allowance	11,196	11,500	11,900	23,400
1200 Employees' Salaries & Wages	158,000	160,000	162,500	322,500
1300 Bonuses			-	-
1400 Income Supplements				-
1500 Social Security Contributions	12,800	13,200	14,500	27,700
1600 Allowances	8,800	8,800	8,800	17,600
1700 Overtime	-			-
	<b>190,796</b>	<b>193,500</b>	<b>197,700</b>	<b>391,200</b>
<b>7 Operations and Maintenance</b>				
2100-2149 Public Utilities	-			-
2200-2259 Public Materials & Supplies	33,000	32,500	36,000	68,500
2300-2399 Repairs & Upkeep	1,800	2,000	2,500	4,500
2400-2449 Rent	-			-
3010 Street Lighting	3,800	3,800	3,800	7,600
3020 Lease of Equipment	2,200	2,200	2,200	4,400
3030 Insurance	11,000	11,000	11,000	22,000
3035 Bank Charges	1,000	1,000	1,000	2,000
3038 Penalties				-
3040 Waste Disposal	95,000	100,000	105,000	205,000
3041 Refuse Collection	315,000	320,000	325,000	645,000
3042 Bulky Refuse Collection	20,000	20,000	20,000	40,000
3043 Bins on wheels				-
3045 Bring in sites				-
3051 Road & Street Cleaning	238,000	240,000	244,000	484,000
3052 Cleaning & Maintenance of Non-Urban Areas	-			-
3053 Cleaning of Public Conveniences				-
3055 Cleaning of Council Premises				-
3060 Cleaning & Maintenance of Parks & Gardens	40,000	40,000	40,000	80,000
3061 Cleaning & Maintenance of Soft Areas				-
3062 Cleaning & Maintenance of Beaches & CA				-
3063 Cleaning & Maintenance of Country Non-Urban				-
3064 Other Contractual Services	3,300	3,300	3,300	6,600
3070-3090 Consultation Fees				-
3100-3139 Contract & Project Management				-
3300-3379 Hospitality				-
3380-3389 Community	15,000	15,000	15,000	30,000
3600-3694 Local Enforcement Expenses				-
3700-3799 EU Projects				-
3800-3899 Twinning				-
	<b>779,100</b>	<b>790,800</b>	<b>808,800</b>	<b>1,599,600</b>

**Detailed Estimates of Expenditure (Continued)**

DESCRIPTION	A	B	C	D (A+B+C)
	BUDGET	BUDGET	BUDGET	BUDGET
	Jan-Dec	Jan-Dec	Jan-Dec	Period
	2018	2019	2020	2018-2020
	€	€	€	€
<b>8 Administration &amp; Other Expenditure</b>				
2150-2199 Office Utilities	22,000	22,000	22,000	44,000
2260-2299 Office Materials & Supplies	22,000	22,000	22,000	44,000
2450-2499 Office Rent	12,472	12,472	12,472	24,944
2500-2599 National & International Memberships	4,000	4,000	4,000	8,000
2600-2699 Office Services	15,000	17,000	19,000	36,000
2700-2799 Transport	10,000	10,000	10,000	20,000
2800-2899 Travel	4,000	4,000	4,000	8,000
2900-2999 Information Services	12,000	12,500	13,500	26,000
3050 Office Cleaning	-	-	-	-
3140-3199 Professional Services	60,000	50,000	50,000	100,000
3200-3299 Training	-	-	-	-
3345 Office Hospitality	4,000	4,000	4,000	8,000
3400-3499 Incidental Expenses	2,000	2,000	2,000	4,000
	-	-	-	-
	<b>167,472</b>	<b>159,972</b>	<b>162,972</b>	<b>322,944</b>
<b>9 Finance Costs</b>				
3036 Interest on Bank Loan				-
				-
				-
	-	-	-	-
<b>10 Other Expenditure</b>				
3500-3599 Loss / (Profit) on Disposal of assets	-			-
3695 Increase/(Decrease) in allowance for bad debts	-			-
8000-8099 Depreciation (charge for the year)	74,666	71,851	71,851	143,702
	74,666	71,851	71,851	143,702
<b>Total</b>	<b>1,212,034</b>	<b>1,216,123</b>	<b>1,241,323</b>	<b>2,457,446</b>

**Detailed Estimates of Statement of Financial Position**

DESCRIPTION	A	B	C	D (A+B+C)
	BUDGET	BUDGET	BUDGET	BUDGET
	Jan-Dec	Jan-Dec	Jan-Dec	Period
	2018	2019	2020	2018-2020
	€	€	€	€
<b>11 Inventory</b>				
5201-5249 Stationery	-			-
5250-5299 Consumables	-			-
	-	-	-	-
<b>12 Receivables</b>				
0201-0209 Receivables	15,824	15,824	15,824	31,648
0210-0219 LES Receivables				-
0220-0229 Receivables from EU				-
0250 Prepayments & Accrued income	22,830	22,830	22,830	45,660
				-
	<b>38,654</b>	<b>38,654</b>	<b>38,654</b>	<b>77,308</b>
<b>13 Cash &amp; Equivalents</b>				
5001-5099 Bank & Cash Balances	3,850	3,850	3,850	7,700
	<b>3,850</b>	<b>3,850</b>	<b>3,850</b>	<b>7,700</b>
<b>14 Payables</b>				
4000 Payables	442,310	428,625	408,159	836,784
4100 Accruals	28,724	28,724	28,724	57,448
4150 Deferred Income	-			-
Current portion of Long-Term Borrowings				-
National insurance	12,155	5,087	-	5,087
	<b>483,189</b>	<b>462,436</b>	<b>436,883</b>	<b>899,319</b>
<b>15 Non Current Liabilities</b>				
4200 Long Term Borrowings	-			-
	-	-	-	-

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

<b>Asset</b>	Buildings	Office Furniture and Fittings	New Street Signs	Urban Improvements	Plant and Machinery	Motor Vehicles	Special Programmes	Assets under construction	Intangible assets	<b>Total</b>
% of depreciation	1%	8%	NA	10%	25%	20%	10%	10%	NA	
	€	€	€	€	€	€	€	€	€	€
<b>Cost</b>										
As at 01 January 2018	-	46,531	8,900	2,730,317	56,743	8,000	194,601	2,815	4,737	<b>3,052,644</b>
Additions										-
Disposals										-
As at 31 December 2018	-	<b>46,531</b>	<b>8,900</b>	<b>2,730,317</b>	<b>56,743</b>	<b>8,000</b>	<b>194,601</b>	<b>2,815</b>	<b>4,737</b>	<b>3,052,644</b>
<b>Grants/ other reimbursements</b>										
As at 01 January 2018	-	-	-	904,725	-	-	-	-	-	<b>904,725</b>
Additions										-
As at 31 December 2018	-	-	-	<b>904,725</b>	-	-	-	-	-	<b>904,725</b>
<b>Accumulated Depreciation</b>										
As at 01 January 2018	-	25,690	8,900	1,172,640	40,545	5,502	194,601	-	2,967	<b>1,450,845</b>
Charge for the year	-	1,563	-	65,295	4,050	500	-	2,815	443	<b>74,666</b>
Released on disposal										-
As at 31 December 2018	-	<b>27,253</b>	<b>8,900</b>	<b>1,237,935</b>	<b>44,595</b>	<b>6,002</b>	<b>194,601</b>	<b>2,815</b>	<b>3,410</b>	<b>1,525,511</b>
<b>Budgeted NBV 31 Dec 2017</b>										-
<b>Budgeted NBV 31 Dec 2018</b>	-	19,278	-	587,657	12,148	1,998	-	-	1,327	<b>622,408</b>

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

<b>Asset</b>	Buildings	Office Furniture and Fittings	New Street Signs	Urban Improvements	Plant and Machinery	Motor Vehicles	Special Programmes	Assets under construction	Intangible assets	<b>Total</b>
% of depreciation	1%	8%	NA	10%	25%	20%	10%	10%	NA	
	€	€	€	€	€	€	€	€	€	€
<b>Cost</b>										
As at 01 January 2019	-	46,531	8,900	2,730,317	56,743	8,000	194,601	2,815	4,737	<b>3,052,644</b>
Additions	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
As at 31 December 2019	-	<b>46,531</b>	<b>8,900</b>	<b>2,730,317</b>	<b>56,743</b>	<b>8,000</b>	<b>194,601</b>	<b>2,815</b>	<b>4,737</b>	<b>3,052,644</b>
<b>Grants/ other reimbursements</b>										
As at 01 January 2019	-	-	-	904,725	-	-	-	-	-	<b>904,725</b>
Additions	-	-	-	-	-	-	-	-	-	-
As at 31 December 2019	-	-	-	<b>904,725</b>	-	-	-	-	-	<b>904,725</b>
<b>Accumulated Depreciation</b>										
As at 01 January 2019	-	27,253	8,900	1,237,935	44,595	6,002	194,601	2,815	3,410	<b>1,525,511</b>
Charge for the year	-	1,563	-	65,295	4,050	500	-	-	443	<b>71,851</b>
Released on disposal	-	-	-	-	-	-	-	-	-	-
As at 31 December 2019	-	<b>28,816</b>	<b>8,900</b>	<b>1,303,230</b>	<b>48,645</b>	<b>6,502</b>	<b>194,601</b>	<b>2,815</b>	<b>3,853</b>	<b>1,597,362</b>
<b>Budgeted NBV 31 Dec 2018</b>	-	19,278	-	587,657	12,148	1,998	-	-	1,327	<b>622,408</b>
<b>Budgeted NBV 31 Dec 2019</b>	-	17,715	-	522,362	8,098	1,498	-	-	884	<b>550,557</b>

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

<b>Asset</b>	Buildings	Office Furniture and Fittings	New Street Signs	Urban Improvements	Plant and Machinery	Motor Vehicles	Special Programmes	Assets under construction	Intangible assets	<b>Total</b>
% of depreciation	1%	8%	NA	10%	25%	20%	10%	10%	NA	
	€	€	€	€	€	€	€	€	€	€
<b>Cost</b>										
As at 01 January 2020	-	46,531	8,900	2,730,317	56,743	8,000	194,601	2,815	4,737	<b>3,052,644</b>
Additions	-									-
Disposals	-									-
As at 31 December 2020	-	<b>46,531</b>	<b>8,900</b>	<b>2,730,317</b>	<b>56,743</b>	<b>8,000</b>	<b>194,601</b>	<b>2,815</b>	<b>4,737</b>	<b>3,052,644</b>
<b>Grants/ other reimbursements</b>										
As at 01 January 2020	-	-	-	904,725	-	-	-	-	-	<b>904,725</b>
Additions										-
As at 31 December 2020	-	-	-	<b>904,725</b>	-	-	-	-	-	<b>904,725</b>
<b>Accumulated Depreciation</b>										
As at 01 January 2020	-	28,816	8,900	1,303,230	48,645	6,502	194,601	2,815	3,853	<b>1,597,362</b>
Charge for the year	-	1,563	-	65,295	4,050	500	-	-	443	<b>71,851</b>
Released on disposal										-
As at 31 December 2020	-	<b>30,379</b>	<b>8,900</b>	<b>1,368,525</b>	<b>52,695</b>	<b>7,002</b>	<b>194,601</b>	<b>2,815</b>	<b>4,296</b>	<b>1,669,213</b>
<b>Budgeted NBV 31 Dec 2019</b>	-	17,715	-	522,362	8,098	1,498	-	-	884	<b>550,557</b>
<b>Budgeted NBV 31 Dec 2020</b>	-	16,152	-	457,067	4,048	998	-	-	441	<b>478,706</b>