

Marsaskala Local Council

**Annual Budget
For
Financial Year
2021**

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Overview and Summary

Annual Budget 2021

The Budget for 2021 is perhaps one of the most interesting budgets since it involves the costs related with the building and completion works of the council administrative building. The council has reached the implementation phase of a project which has been in the pipeline for the past 15 years. Finally Marsaskala Local Council like several other councils such as Fgura, Zejtun and Mellieha will have its own premises which is a major investment since the Marsaskala community will benefit. The council has paid thousands of euros in rent since their inception in 1993. The first phase of the project is in its implementation stage with second and final phase of the project is in the phase of being adjudicated.

Despite the capital expenditure involved with administrative building the council will still continue with its normal daily services to its residents. In fact budget 2021 features the addition of a new council employee within the core section in order to deliver a better service to its residents. In the year 2020, the council in line the Local Council Government directives also added the services of a contracts manager in order to supervise and ascertain that the conditions specified in the council conditions are adhered to.

Consolidated Income and Expenditure

A brief look at the Consolidated Income and Expenditure for the year 2021 sees an overall income of € 1,167,939 and an overall expenditure of € 1,135,969 leaving a surplus of € 31970.

The Financial Situation Indicator

According to the Local council Financial Regulations, the Financial Situation Indicator) is a benchmark for Local Councils whereby the FSI has to be over 10%. This will allow Local Councils enough working capital. Despite the expenditure related to the Local council building project, the council is still projecting a healthy Financial Situation Indicator of 47% equivalent to € 480,073.

The Cash Budget

The Cash Budget gives an indication of the projected Quarterly Income and Expenditure. Income from Central government is received on a Quarterly Basis. In terms of expenditure, the council issues the payroll on a monthly basis and payment for contractual services on a monthly basis as well.

Detailed Estimates of Income

The Annual Government Allocation to Marsaskala Local council for the year 2021 stands at € 1,028,169. The council is also planning to receive money from the Planning Authority in the form of DPF funds. The council had already had its application for such funds accepted in 2017 but will have to reapply since the expenses involved with construction increased drastically.

*with a further
€7000 euros allocated
as tourism
related funds*

The Council is projecting to receive a total of € 60000 from permits which mostly have to do with construction permits.

Another € 5000 are being expected to be received from the Regional committee for LESA payments paid at the Local council.

Detailed Estimates of Expenditure

The Personal Emoluments for the year 2021 have been increased with the addition of a new Customer Care clerk. It is to be noted that the council will be receiving the money back as part of a scheme which the council managed to apply for.

A 10% increase has been allocated to all contracts whose contract expires in 2021.

The Community and Hospitality fund has been decreased from € 30,000 to € 15,000.

Conclusion

We look forward to an exciting and challenging 2021 and would like to thank all the employees, councillors and contractors working within Marsascala Local Council in their line of duty help the council to reach its objectives.



Statement of Income and Expenditure

DESCRIPTION	BUDGET	ACTUAL	BUDGET	VARIANCE	VARIANCE
	Jan-Dec 2020	Jan-Dec 2020	Jan-Dec 2021	Bud-Bud	Bud-Act
	€	€	€	€	€
Income					
Funds received from Central Government (1)	1,076,525	1,059,945	1,102,669	26,144	42,724
Income raised from Bye-Laws (2)	40,000	69,003	60,000	20,000	(9,003)
Income raised from LES (3)	8,000	4,052	5,000	(3,000)	948
Investment Income (4)	750	98	-	(750)	(98)
Other Income (5)	300	378	270	(30)	(108)
TOTAL	1,125,575	1,133,476	1,167,939	42,364	34,463
Expenditure					
Personal Emoluments (6)	213,222	216,977	239,310	26,088	22,332
Operations and Maintenance (7)	684,550	609,435	666,900	(17,650)	57,465
Administration (8)	96,894	89,774	117,000	20,106	27,226
Finance Cost (9)	-	-	-	-	-
Other Expenditure (10)	66,351	82,909	112,759	46,408	29,850
TOTAL	1,061,017	999,096	1,135,969	74,952	136,874
Surplus / Deficit	64,558	134,380	31,970	(32,588)	(102,410)

Statement of Financial Position

DESCRIPTION	BUDGET	ACTUAL	BUDGET	VARIANCE	VARIANCE
	as at 31 Dec	as at 31 Dec	as at 31 Dec		
	2020	2020	2021	Bud-Bud	Bud-Act
	€	€	€	€	€
Non-current Assets					
Property, Plant and Equipment (16)	701,523	701,523	1,082,320	380,797	380,797
Current Assets					
Inventories (11)	-	-	-	-	-
Receivables (12)	361,079	82,238	91,838	(269,241)	9,600
Cash and Cash Equivalents (13)	1,072,668	1,037,569	543,542	(529,126)	(494,027)
Total Current Assets	1,433,747	1,119,807	635,380	(798,367)	(484,427)
Current Liabilities (14)					
Payables	290,608	290,907	155,307	(135,301)	(135,600)
Total Current Liabilities	290,608	290,907	155,307	(135,301)	(135,600)
Net Current Assets	1,143,139	828,900	480,073	(663,066)	(348,827)
Non-current liabilities (15)	-	-	-	-	-
Net Assets	1,844,662	1,530,423	1,562,393	(282,269)	31,970
Reserves					
Retained Funds	1,844,662	1,530,423	1,562,393	(282,269)	31,970

Financial Situation Indicator

DESCRIPTION	BUDGET	ACTUAL	BUDGET
	as at 31 Dec	as at 31 Dec	as at 31 Dec
	2020	2020	2021
	€	€	€
Current Assets	1,433,747	1,119,807	635,380
Current Liabilities	290,608	290,907	155,307
Working Capital	1,143,139	828,900	480,073
Government Allocation	1,007,701	1,007,701	1,028,169
FSI	113 %	82 %	47 %

Cash Budget

DESCRIPTION	QTR 1	QTR 2	QTR 3	QTR 4	TOTAL
	JAN-MAR 2021 €	APR-JUN 2021 €	JUL-SEP 2021 €	OCT-DEC 2021 €	
Cash Inflows					
Government cash inflows	275,667	275,667	275,667	275,667	1,102,669
Cash flows from Bye-Laws & L.N fees	15,000	15,000	15,000	15,000	60,000
Local Enforcement cash flows	1,250	1,250	1,250	1,250	5,000
Finance cash flows					
Loan Proceeds	-	-	-	-	-
Investment income	-	-	-	-	-
Capital cash flow					
Proceeds from disposal of assets	-	-	-	-	-
Cash received from EU funds	-	-	-	-	-
Cash received from Twinning	-	-	-	-	-
Cash from Community Services	-	-	-	-	-
Other Cash Inflows	68	68	68	200,068	200,270
TOTAL Inflows	291,985	291,985	291,985	491,985	1,367,939
Cash Outflows					
Personal Emoluments	59,828	59,828	59,828	59,828	239,310
Operations & Maintenance	166,725	166,725	156,725	151,175	641,350
Administration	29,250	29,250	29,250	30,000	117,750
Finance	-	-	-	-	-
Capital					
Acquisition of property	-	-	-	-	-
Construction	234,556	307,000	302,000	-	843,556
Improvements	-	-	-	-	-
Special programmes	-	-	-	-	-
Motor vehicle	20,000	-	-	-	20,000
	254,556	307,000	302,000	-	863,556
Cash outflows re EU projects	-	-	-	-	-
Cash outflows re Twinning	-	-	-	-	-
Cash outflows re Community Services	-	-	-	-	-
	-	-	-	-	-
TOTAL Outflows	510,359	562,803	547,803	241,003	1,861,966
SURPLUS / (DEFICIT)	(218,374)	(270,818)	(255,818)	250,982	(494,027)
Brought forward (Bank /Cash Bal.)	1,037,569	819,195	548,378	292,560	1,037,569
Carry forward	819,195	548,378	292,560	543,542	543,542

Detailed Estimates of Income

DESCRIPTION

A	B	C	D (B + C)	E	F (E - A)	G (E - D)
BUDGET Jan-Dec 2020 €	ACTUAL Jan-Sept 2020 €	FORECAST Oct-Dec 2020 €	TOTAL Jan-Dec 2020 €	BUDGET Jan-Dec 2021 €	VARIANCE Bud-Bud €	VARIANCE Bud-Act €

Income

1 Funds received form Central Government:

0001 In terms of section 55 CAP 363
0002-0004 In terms of section 58 CAP 363
0005-0019 Other Income

1,007,701	755,776	251,925	1,007,701	1,028,169	20,468	20,468
-	-	-	-	-	-	-
68,824	52,244	-	52,244	74,500	5,676	22,256
1,076,525	808,020	251,925	1,059,945	1,102,669	26,144	42,724

2 Bye-Laws & Legal Fees

0021-0025 Community Services
0026-0035 Income from Permits

-	-	-	-	-	-	-
40,000	51,752	17,251	69,003	60,000	20,000	(9,003)
40,000	51,752	17,251	69,003	60,000	20,000	(9,003)

3 Local Enforcement Income

0037 Commission from Regional Committees
0038-0055 Contraventions

8,000	3,039	1,013	4,052	5,000	(3,000)	948
-	-	-	-	-	-	-
8,000	3,039	1,013	4,052	5,000	(3,000)	948

4 Investment Income

0091-0095 Bank interest
0096-0099 Income received from Government Securities

750	98	-	98	-	(750)	(98)
-	-	-	-	-	-	-
750	98	-	98	-	(750)	(98)

5 General Income

0056-0065 Sponsorships
0066-0069 Documents & Information
0070-0075 EU Funds
0076-0080 Twinning
0081-0089 Insurance Claims
0100-0109 Donations
0110-0119 Contributions
0120-0129 General Income

-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	250	-	250	150	150	(100)
300	-	-	-	-	(300)	-
-	108	20	128	120	120	(8)
-	-	-	-	-	-	-
300	358	20	378	270	(30)	(108)

Total

1,125,575	863,267	270,209	1,133,476	1,167,939	42,364	34,463
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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
2020	2020	2020	2020	2021		
€	€	€	€	€	€	€

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Personal Emoluments

1100 Mayor's Allowance	17,427	13,070	4,357	17,427	17,670	243	243
1200 Employees' Salaries & Wages	143,500	106,515	36,090	142,605	161,432	17,932	18,827
1300 Bonuses	11,432	692	10,605	11,297	12,230	798	933
1400 Income Supplements	1,484	1,242	-	1,242	1,757	273	515
1500 Social Security Contributions	13,779	10,090	3,367	13,457	15,021	1,242	1,564
1600 Allowances	20,200	15,150	5,050	20,200	20,200	-	(0)
1700 Overtime	5,400	8,061	2,687	10,749	11,000	5,600	251
	213,222	154,821	62,156	216,977	239,310	26,088	22,332

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Operations and Maintenance

2100-2149 Public Utilities	21,000	8,319	2,773	11,092	15,000	(6,000)	3,908
2200-2259 Public Materials & Supplies	20,400	25,178	8,393	33,571	25,000	4,600	(8,571)
2300-2399 Repairs & Upkeep	176,500	73,025	24,342	97,367	150,000	(26,500)	52,633
2400-2449 Rent	-	-	-	-	-	-	-
3010 Street Lighting	25,500	21,313	7,104	28,417	30,000	4,500	1,583
3020 Lease of Equipment	-	-	-	-	-	-	-
3030 Insurance	4,200	2,702	901	3,603	4,200	-	597
3035 Bank Charges	300	237	79	316	600	300	284
3038 Penalties	-	-	-	-	-	-	-
3040 Waste Disposal	120,000	89,684	29,895	119,579	120,000	-	421
3041 Refuse Collection	120,000	91,159	30,386	121,545	124,000	4,000	2,455
3042 Bulky Refuse Collection	30,000	24,943	8,314	33,257	35,000	5,000	1,743
3043 Bins on wheels	-	-	-	-	-	-	-
3045 Bring in sites	-	-	-	-	-	-	-
3051 Road & Street Cleaning	51,000	34,147	11,382	45,529	51,000	-	5,471
3052 Cleaning & Maintenance of Non-Urban Areas	10,200	5,018	1,673	6,691	10,200	-	3,509
3053 Cleaning of Public Conveniences	25,000	16,158	5,386	21,544	25,000	-	3,456
3055 Cleaning of Council Premises	3,750	692	-	692	-	(3,750)	(692)
3060 Cleaning & Maintenance of Parks & Gardens	44,800	44,274	12,897	57,171	60,000	15,200	2,829
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	-	-	-	-	-	-	-
3100-3139 Contract & Project Management	-	-	-	-	-	-	-
3300-3379 Hospitality	30,000	20,549	6,850	27,399	15,000	(15,000)	(12,399)
3380-3389 Community	-	-	-	-	-	-	-
3600-3694 Local Enforcement Expenses	400	155	52	206	400	-	194
3700-3799 EU Projects	-	-	-	-	-	-	-
3800-3899 Twinning	1,500	107	-	107	1,500	-	1,394
Penalty	-	1,850	(500)	1,350	-	-	(1,350)
	684,550	459,509	149,926	609,435	666,900	(17,650)	57,465

Detailed Estimates of Expenditure (Continued)

DESCRIPTION

A	B	C	D (B + C)	E	F (E - A)	G (E - D)
BUDGET Jan-Dec 2020	ACTUAL Jan-Sept 2020	FORECAST Oct-Dec 2020	TOTAL Jan-Dec 2020	BUDGET Jan-Dec 2021	VARIANCE Bud-Bud	VARIANCE Bud-Act
€	€	€	€	€	€	€

8 Administration & Other Expenditure

2150-2199 Office Utilities	-	-	-	-	-	-
2260-2299 Office Materials & Supplies	-	-	-	-	-	-
2450-2499 Office Rent	28,080	18,990	6,330	25,320	25,320	(2,760)
2500-2599 National & International Memberships	2,000	986	329	1,315	2,000	685
2600-2699 Office Services	16,320	8,738	2,913	11,651	16,320	4,669
2700-2799 Transport	1,734	2,636	879	3,515	3,600	85
2800-2899 Travel	3,500	185	-	185	3,500	3,315
2900-2999 Information Services	12,240	3,123	1,041	4,164	12,240	8,076
3050 Office Cleaning	-	-	-	-	-	-
3140-3199 Professional Services	31,000	32,636	10,879	43,515	52,000	8,485
3200-3299 Training	1,000	-	-	-	1,000	1,000
3345 Office Hospitality	-	-	-	-	-	-
1400-3499 Incidental Expenses	1,020	83	28	111	1,020	909
	-	-	-	-	-	-
	96,894	67,377	22,397	89,774	117,000	27,226

9 Finance Costs

3036 Interest on Bank Loan

-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-

10 Other Expenditure

3500-3599 Loss / (Profit) on Disposal of assets	-	-	-	-	-	-
3695 Increase/(Decrease) in allowance for bad debts	-	(163)	-	(163)	-	163
8000-8099 Depreciation (Charge for the Year)	66,351	59,304	23,768	83,072	112,759	29,687
	66,351	59,141	23,768	82,909	112,759	29,850

Total

1,061,017	740,848	258,248	999,096	1,135,969	74,952	136,874
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Detailed Estimates of Statement of Financial Position

DESCRIPTION

A	B	C	D (B + C)	E	F (E - A)	G (E - D)
BUDGET Jan-Dec 2020 €	ACTUAL as at 30-Sep 2020 €	FORECAST changes from 30 Sep-31 Dec 2020 €	TOTAL as at 31-Dec 2020 €	BUDGET Jan-Dec 2021 €	VARIANCE Bud-Bud €	VARIANCE Bud-Act €

11 Inventory

5201-5249 Stationery
5250-5299 Consumables

-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-

12 Receivables

0201-0209 Receivables
0210-0219 LES Receivables
0220-0229 Receivables from EU
0250 Prepayments & Accrued income
Other debtor

352,482	73,322	(12,500)	60,822	82,922	(269,560)	22,100
-	-	-	-	-	-	-
8,131	52,741	(31,791)	20,950	8,450	319	(12,500)
466	466	-	466	466	-	-
361,079	126,529	(44,291)	82,238	91,838	(269,241)	9,600

13 Cash & Equivalents

5001-5099 Bank & Cash Balances

1,072,668	1,432,699	(395,130)	1,037,569	543,542	(529,126)	(494,027)
1,072,668	1,432,699	(395,130)	1,037,569	543,542	(529,126)	(494,027)

14 Payables

4000 Payables
4100 Accruals
4150 Defered Income
Current portion of Long-Term Borrowings
Other creditor

263,015	92,360	(3,735)	88,625	91,725	(171,290)	3,100
27,593	226,041	(162,700)	63,341	62,141	34,548	(1,200)
-	253,366	(114,425)	138,941	1,441	1,441	(137,500)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
290,608	571,767	(280,860)	290,907	155,307	(135,301)	(135,600)

15 Non Current Liabilities

4200 Long Term Borrowings

-	-	-	-	-	-	-
-	-	-	-	-	-	-

16 Depreciation of Property, Plant and Equipment

Asset % of depreciation	Trees		Construction		Signs		Urban Improvement		Plant, Machinery & Equipment		Office furniture & fittings		Motor Vehicles		Assets under construction		Total
	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	
	57,219	2,578,325	59,544	1,313,940	57,312	23,232	15,906	26,505	0%	0%	0%	0%	0%	0%	0%	0%	4,131,983
As at 01 January 2021		234,556		-	302,000	307,000	20,000										863,556
Additions																	
Disposals																	
As at 31 December 2021	57,219	2,812,881	59,544	1,313,940	359,312	330,232	35,906	26,505									4,995,539
Grants/ other reimbursements																	
As at 01 January 2021	14,122	602,466		917,707	16,766												1,551,061
Additions	-	370,000		-													370,000
As at 31 December 2021	14,122	972,466		917,707	16,766												1,921,061
Accumulated Depreciation																	
As at 01 January 2021	-	1,462,636	59,544	299,549	30,912	14,200	12,558										1,879,399
Charge for the year	-	67,000		21,200	11,367	7,212	5,980										112,759
Released on disposal	-																-
As at 31 December 2021		1,529,636	59,544	320,749	42,279	21,412	18,538										1,992,158
Budgeted NBV 31 Dec 2020																	
Forecasted NBV 1 Jan 2021	43,097	513,223	-	96,684	9,634	9,032	3,348	26,505									701,523
Budgeted NBV 31 Dec 2021	43,097	513,223	-	96,684	9,634	9,032	3,348	26,505									701,523
	43,097	310,779	-	75,484	300,267	308,820	17,368	26,505									1,082,320