



Year

Il-Mellieħa Local Council

**Annual Budget
For
Financial Year
2024**

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Overview and Summary

The Financial Allocation from the Central Government for 2024 will be €1,386,777, which is actually €107,738 over that of 2023. This significant increase is mainly intended to make up for mixed waste tipping fees that are paid to the Wasteserv. These will increase from €40 to €60 per tonne during 2024.

Apart from these sums, the Council can benefit from the schemes that are launched from time to time, involving different areas that vary from the organization of cultural activities, community services, teaching courses and infrastructural improvements. It is very important that the Council benefits from the schemes on the basis that no portion of the Annual Allocation is intended to be spent on capital projects. The way in which the financial allocation is drawn up by the Local Government Division contradicts the policy regarding the schemes linked to capital projects, where the councils must make up for at least 20% of the cost. In the absence of a strong working capital, it will be difficult for the Council to honor such co-financing, together with any unforeseen expenses.

The responsibility for the collection of domestic waste passed into the hands of the Regional Councils with effect from January of last year, with new frequencies. The Contract completely eliminates the use of bin-on-wheels. A considerable number of bins-on-wheels were used in the beachrooms areas of Aħrax. These were replaced by a door-to-door collection, in the same way as is done in the urban parts of locality.

The Council decided that the frequency of urban street cleaning should be stepped up to twice, and that this should justify an increase in the number of sweepers from two to at least six. A public call for tenders was issued, as the previous contract had expired and was characterised by a numerous defaults. In the meantime, a memorandum of understanding was signed with the Cleansing and Maintenance Division, which reflected the requirements established in the said call. Discussions are still ongoing on whether this agreement should be renewed.

The Council will be benefitting from the Project Green Scheme which is aimed at the development of open spaces in urban environments. The Council has qualified for the development of the land abutting Triq l-Etna, Triq Mon. F. Xuereb and Triq l-Għasel. An agreement was signed whereby the agency undertook to finance ninety percent of the cost, which is estimated at €2,202,700.

It is to be noted that the budget for 2024 covers both the budgeted income statement for what is known as the recurrent income and expenditure and the budgeted statement of affairs. The budgeted statement of affairs of the council is that the Council will be investing €2.2 million in capital projects around the locality and will end up with an FSI of 35% which works out to be a working capital of almost €500,000

The budgeted income statement is projecting that the Council will end with a deficit of €213,000 after providing for depreciation of €254,000. Thus the Council will have a surplus before depreciation of €41,000. Depreciation is an accounting notion of dividing the cost of investments and capital projects made in prior years over the useful life of the project (average 10years) and thus the Council will not have to pay any financial contribution for depreciation.

Dario Vella
Mayor

Carmel Debono
Executive Secretary

Statement of Income and Expenditure

DESCRIPTION	BUDGET	ACTUAL	BUDGET	VARIANCE	VARIANCE
	Jan-Dec	Jan-Dec	Jan-Dec		
	2023	2023	2024	Bud-Bud	Bud-Act
	€	€	€	€	€
Income					
Funds received from Central Government (1)	1,544,919	1,290,295	1,448,951	(95,968)	158,656
Income raised from Bye-Laws (2)	46,200	74,731	77,000	30,800	2,269
Income raised from LES (3)	7,300	8,104	12,000	4,700	3,896
Investment Income (4)	550	391	400	(150)	9
Other Income (5)	71,645	10,287	250	(71,395)	(10,037)
TOTAL	1,670,614	1,383,807	1,538,601	(132,013)	154,794
Expenditure					
Personal Emoluments (6)	225,069	209,349	233,489	8,420	24,140
Operations and Maintenance (7)	1,019,110	927,279	1,178,827	159,717	251,548
Administration (8)	74,400	48,571	85,000	10,600	36,429
Finance Cost (9)	-	-	-	-	-
Other Expenditure (10)	341,544	318,420	254,512	(87,032)	(63,908)
TOTAL	1,660,123	1,503,619	1,751,828	91,705	248,209
Surplus / Deficit	10,491	(119,812)	(213,227)	(223,718)	(93,415)

Statement of Financial Position

DESCRIPTION	BUDGET	ACTUAL	BUDGET	VARIANCE	VARIANCE
	as at 31 Dec	as at 31 Dec	as at 31 Dec		
	2023	2023	2024	Bud-Bud	Bud-Act
	€	€	€	€	€
Non-current Assets					
Property, Plant and Equipment (16)	2,356,180	1,678,094	2,489,754	133,574	811,660
Current Assets					
Inventories (11)	15,000	6,265	5,000	(10,000)	(1,265)
Receivables (12)	125,000	118,134	50,000	(75,000)	(68,134)
Cash and Cash Equivalents (13)	1,422,801	1,830,161	805,274	(617,527)	(1,024,887)
Total Current Assets	1,562,801	1,954,560	860,274	(702,527)	(1,094,286)
Current Liabilities (14)					
Payables	604,832	445,527	376,128	(228,704)	(69,399)
Total Current Liabilities	604,832	445,527	376,128	(228,704)	(69,399)
Net Current Assets	957,969	1,509,033	484,146	(473,823)	(1,024,887)
Non-current liabilities (15)	-	-	-	-	-
Net Assets	3,314,149	3,187,127	2,973,900	(340,249)	(213,227)
Reserves					
Retained Funds	3,314,149	3,187,127	2,973,900	(340,249)	(213,227)

Financial Situation Indicator

DESCRIPTION	BUDGET	ACTUAL	BUDGET
	as at 31 Dec	as at 31 Dec	as at 31 Dec
	2023	2023	2024
	€	€	€
Current Assets	1,562,801	1,954,560	860,274
Current Liabilities	604,832	445,527	376,128
Working Capital	957,969	1,509,033	484,146
Government Allocation	1,272,039	1,272,039	1,386,777
FSI	75 %	119 %	35 %

Cash Budget

DESCRIPTION	QTR 1	QTR 2	QTR 3	QTR 4	TOTAL
	JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC	
	2024	2024	2024	2024	
	€	€	€	€	
Cash Inflows					
Government cash inflows	362,238	362,238	362,237	362,238	1,448,951
Cash flows from Bye-Laws & L.N fees	19,250	19,250	19,250	19,250	77,000
Local Enforcement cash flows	3,000	3,000	3,000	3,000	12,000
Finance cash flows					
Loan Proceeds					-
Investment income		-		400	400
	-	-	-	400	400
Capital cash flow					
Proceeds from disposal of assets					-
	-	-	-	-	-
Cash received from EU funds					-
Cash received from Twinning					-
Cash from Community Services					-
Other Cash Inflows	265,534	265,534	265,534	265,533	1,062,135
TOTAL Inflows	650,022	650,022	650,021	650,421	2,600,486
Cash Outflows					
Personal Emoluments	58,372	58,372	58,372	58,373	233,489
Operations & Maintenance	294,707	294,707	294,707	294,706	1,178,827
Administration	21,250	21,250	21,250	21,250	85,000
Finance					-
Capital					
Acquisition of property					-
Construction					-
Improvements	64,500	64,500	64,500	64,500	258,000
Special programmes	449,389	449,389	449,389	449,390	1,797,557
Electronic Equipment	18,125	18,125	18,125	18,125	72,500
	532,014	532,014	532,014	532,015	2,128,057
Cash outflows re EU projects					-
Cash outflows re Twinning					-
Cash outflows re Community Services					-
	-	-	-	-	-
TOTAL Outflows	906,343	906,343	906,343	906,344	3,625,373
SURPLUS / (DEFICIT)	(256,321)	(256,321)	(256,322)	(255,923)	(1,024,887)
Brought forward (Bank /Cash Bal.)	1,830,161	1,573,840	1,317,519	1,061,197	1,830,161
Carry forward	1,573,840	1,317,519	1,061,197	805,274	805,274

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	Bud-Bud	Bud-Act
	2023	2023	2023	2023	2024		
€	€	€	€	€	€	€	
Income							
1 Funds received form Central Government:							
0001 In terms of section 55 CAP 363	1,272,039	954,030	318,009	1,272,039	1,386,777	114,738	114,738
0002-0004 In terms of section 58 CAP 363	265,880	92,923	(84,000)	8,923	55,174	(210,706)	46,251
0005-0019 Other Income	7,000	7,000	2,333	9,333	7,000	-	(2,333)
	1,544,919	1,053,953	236,342	1,290,295	1,448,951	(95,968)	158,656
2 Bye-Laws & Legal Fees							
0021-0025 Community Services	700	518	173	691	1,000	300	309
0026-0035 Income from Permits	45,500	55,530	18,510	74,040	76,000	30,500	1,960
	46,200	56,048	18,683	74,731	77,000	30,800	2,269
3 Local Enforcement Income							
0037 Commission from Regional Committees	7,200	5,700	1,900	7,600	11,500	4,300	3,900
0038-0055 Contraventions	100	378	126	504	500	400	(4)
	7,300	6,078	2,026	8,104	12,000	4,700	3,896
4 Investment Income							
0091-0095 Bank interest	550	293	98	391	400	(150)	9
0096-0099 Income received from Government Securities				-		-	-
	550	293	98	391	400	(150)	9
5 General Income							
0056-0065 Sponsorships	-	-	-	-	-	-	-
0066-0069 Documents & Information	-	-	-	-	-	-	-
0070-0075 EU Funds	71,395	-	-	-	-	(71,395)	-
0076-0080 Twinning				-		-	-
0081-0089 Insurance Claims				-		-	-
0100-0109 Donations				-		-	-
0110-0119 Contributions	-	-	-	-	-	-	-
0120-0129 General Income	250	7,715	2,572	10,287	250	-	(10,037)
	71,645	7,715	2,572	10,287	250	(71,395)	(10,037)
Total	1,670,614	1,124,087	259,720	1,383,807	1,538,601	(132,013)	154,794

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
2023	2023	2023	2023	2024		
€	€	€	€	€	€	€

6 Personal Emoluments

1100 Mayor's Allowance	15,645	11,736	3,912	15,648	16,366	721	718
1200 Employees' Salaries & Wages	150,547	101,415	33,805	135,220	157,322	6,775	22,102
1300 Bonuses	12,315	811	11,487	12,298	12,841	526	543
1400 Income Supplements	1,696	1,479	-	1,479	1,696	-	217
1500 Social Security Contributions	13,497	8,461	2,820	11,281	13,969	472	2,688
1600 Allowances	26,369	19,388	6,463	25,851	26,295	(74)	444
1700 Overtime	5,000	5,679	1,893	7,572	5,000	-	(2,572)
	225,069	148,969	60,380	209,349	233,489	8,420	24,140

7 Operations and Maintenance

2100-2149 Public Utilities	11,600	7,238	2,413	9,651	10,425	(1,175)	774
2200-2259 Public Materials & Supplies	1,200	321	107	428	7,000	5,800	6,572
2300-2399 Repairs & Upkeep	147,000	82,987	27,662	110,649	143,500	(3,500)	32,851
2400-2449 Rent	7,400	5,550	1,850	7,400	4,000	(3,400)	(3,400)
3010 Street Lighting	45,000	92,131	30,710	122,841	140,000	95,000	17,159
3020 Lease of Equipment	-	-	-	-	-	-	-
3030 Insurance	6,500	4,897	1,632	6,529	7,000	500	471
3035 Bank Charges	2,000	1,218	406	1,624	2,000	-	376
3038 Penalties	-	-	-	-	-	-	-
3040 Waste Disposal	107,000	143,008	47,669	190,677	265,000	158,000	74,323
3041 Refuse Collection	212,000	68,349	22,783	91,132	95,000	(117,000)	3,868
3042 Bulky Refuse Collection	45,000	33,889	11,296	45,185	50,000	5,000	4,815
3043 Bins on wheels	-	-	-	-	-	-	-
3045 Bring in sites	3,000	2,550	850	3,400	5,000	2,000	1,600
3051 Road & Street Cleaning	72,000	37,195	12,398	49,593	85,000	13,000	35,407
3052 Cleaning & Maintenance of Non-Urban Areas	50,000	15,514	5,171	20,685	35,000	(15,000)	14,315
3053 Cleaning of Public Conveniences	75,000	46,629	15,543	62,172	75,000	-	12,828
3055 Cleaning of Council Premises	3,500	2,497	832	3,329	3,800	300	471
3060 Cleaning & Maintenance of Parks & Gardens	-	-	-	-	-	-	-
3061 Cleaning & Maintenance of Soft Areas	68,000	46,987	15,662	62,649	70,000	2,000	7,351
3062 Cleaning & Maintenance of Beaches & CA	500	-	-	-	500	-	500
3063 Cleaning & Maintenance of Country Non-Urban	500	-	-	-	500	-	500
3064 Other Contractual Services	-	-	-	-	-	-	-
3070-3090 Consultation Fees	3,500	1,287	429	1,716	3,500	-	1,784
3100-3139 Contract & Project Management	6,000	3,587	1,196	4,783	10,000	4,000	5,217
3300-3379 Hospitality	111,800	75,782	25,261	101,043	125,200	13,400	24,157
3380-3389 Community	19,600	11,931	3,977	15,908	20,000	400	4,092
3600-3694 Local Enforcement Expenses	150	642	214	856	600	450	(256)
3700-3799 EU Projects	9,500	-	-	-	-	(9,500)	-
3800-3899 Twinning	11,360	15,027	-	15,027	20,802	9,442	5,775
	1,019,110	699,216	228,063	927,279	1,178,827	159,717	251,548

Detailed Estimates of Statement of Financial Position

DESCRIPTION	A	B	C	D (B + C)	E	F (E - A)	G (E - D)
	BUDGET Jan-Dec 2023 €	ACTUAL as at 30-Sep 2023 €	FORECAST changes from 30 Sep-31 Dec 2023 €	TOTAL as at 31-Dec 2023 €	BUDGET Jan-Dec 2024 €	VARIANCE Bud-Bud €	VARIANCE Bud-Act €
11 Inventory							
5201-5249 Stationery				-		-	-
5250-5299 Consumables				-		-	-
Books	15,000	8,752	(2,487)	6,265	5,000	(10,000)	(1,265)
	15,000	8,752	(2,487)	6,265	5,000	(10,000)	(1,265)
12 Receivables							
0201-0209 Receivables	100,000	78,281	(21,872)	56,409	25,000	(75,000)	(31,409)
0210-0219 LES Receivables				-		-	-
0220-0229 Receivables from EU				-		-	-
0250 Prepayments & Accrued income	25,000	97,600	(35,875)	61,725	25,000	-	(36,725)
				-		-	-
	125,000	175,881	(57,747)	118,134	50,000	(75,000)	(68,134)
13 Cash & Equivalents							
5001-5099 Bank & Cash Balances	1,422,801	1,928,641	(98,480)	1,830,161	805,274	(617,527)	(1,024,887)
	1,422,801	1,928,641	(98,480)	1,830,161	805,274	(617,527)	(1,024,887)
14 Payables							
4000 Payables	404,832	235,114	3,598	238,712	226,128	(178,704)	(12,584)
4100 Accruals	200,000	183,896	(5,422)	178,474	150,000	(50,000)	(28,474)
4150 Deferred Income	-	28,341	-	28,341	-	-	(28,341)
Current portion of Long-Term Borrowings	-	-	-	-	-	-	-
				-		-	-
	604,832	447,351	(1,824)	445,527	376,128	(228,704)	(69,399)
15 Non Current Liabilities							
4200 Long Term Borrowings	-	-	-	-	-	-	-
Deferred Income	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

16 Depreciation of Property, Plant and Equipment

		Property	Special Programmes	Assets under Const	Street Signs	Urban Improvements	Office Equipment	Office Furniture	Computer Software		Total
Asset											
% of depreciation		1%	10%	0%	100%	10%	20%	7.5%	25%		
		€	€	€	€	€	€	€	€	€	€
Cost											
As at 01 January	2024	568,224	7,905,831	700,000	73,322	1,100,000	85,000	200,000	5,473		10,637,850
Additions			1,797,557			258,000	72,500	-			2,128,057
Disposals											-
As at 31 December	2024	568,224	9,703,388	700,000	73,322	1,358,000	157,500	200,000	5,473	-	12,765,907
Grants/ other reimbursements											
As at 01 January	2024		1,882,985	367,178							2,250,163
Additions			1,061,885								1,061,885
As at 31 December	2024	-	2,944,870	367,178	-	-	-	-	-	-	3,312,048
Accumulated Depreciation											
As at 01 January	2024	26,773	5,587,066	-	73,322	810,958	58,494	148,527	4,453	-	6,709,593
Charge for the year		5,576	238,752		-	3,048	482	6,241	413		254,512
Released on disposal											-
As at 31 December	2024	32,349	5,825,818	-	73,322	814,006	58,976	154,768	4,866	-	6,964,105
Budgeted NBV 31 Dec	2023	537,944	1,014,371	306,067	-	302,112	141,430	52,935	1,321	-	2,356,180
Forecasted NBV 1 Jan	2024	541,451	435,780	332,822	-	289,042	26,506	51,473	1,020	-	1,678,094
Budgeted NBV 31 Dec	2024	535,875	932,700	332,822	-	543,994	98,524	45,232	607	-	2,489,754