



Il-Mellieħa Local Council

**Annual Budget
For
Financial Year
2025**

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Overview and Summary

The Financial Allocation from the Central Government for 2025 will be €1,197,814, which is €188,963 less the Financial Allocation of 2024. This significant decrease in allocation is due to the fact that tipping fees that in the past were paid by the Local Council, as from this year these will be paid by the North Council Region. For this reason, the respective amount has been allocated to the North Council Region directly.

Apart from the Financial Allocation, 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.

During 2025, the Council shall renew the memorandum of understanding that was signed with the Cleansing and Maintenance Division, few years back. A memorandum of understanding that has been formulated in order to accommodate today's needs where street cleaning is concerned.

With regards Project Green Scheme which aimed at the development of the land abutting Triq I-Etna, Triq Mon. F. Xuereb and Triq I-Ghasel, a call for tenders has been issued and the closing date is 28th January 2025. This project is estimated to cost over €2,200,000 and 90% of the cost will be financed by Project Green.

It is to be noted that the budget for 2025 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 €4 million in capital projects around the locality and will end up with an FSI of 20% which works out to be a working capital of almost €240,000.

The budgeted income statement is projecting that the Council will end with a deficit of €103,000 after providing for depreciation of €254,000. Thus the Council will have a surplus before depreciation of €152,507. 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.



Gabriel Micallef
Mayor



Marica Gambin - Deputy
Executive Secretary

Statement of Income and Expenditure

DESCRIPTION	BUDGET	ACTUAL	BUDGET	VARIANCE	VARIANCE
	Jan-Dec	Jan-Dec	Jan-Dec	Bud-Bud	Bud-Act
	2024	2024	2025		
	€	€	€	€	€
Income					
Funds received from Central Government (1)	1,448,951	1,437,318	1,249,814	(199,137)	(187,504)
Income raised from Bye-Laws (2)	77,000	85,604	81,000	4,000	(4,604)
Income raised from LES (3)	12,000	7,917	9,000	(3,000)	1,083
Investment Income (4)	400	321	400	-	79
Other Income (5)	250	2,000	750	500	(1,250)
TOTAL	1,538,601	1,533,161	1,340,964	(197,637)	(192,197)
Expenditure					
Personal Emoluments (6)	233,489	228,997	237,483	3,994	8,486
Operations and Maintenance (7)	1,178,827	1,108,726	867,982	(310,845)	(240,744)
Administration (8)	85,000	67,897	83,000	(2,000)	15,103
Finance Cost (9)	-	-	-	-	-
Other Expenditure (10)	254,512	253,443	254,992	480	1,549
TOTAL	1,751,828	1,659,063	1,443,457	(308,371)	(215,606)
Surplus / Deficit	(213,227)	(125,902)	(102,493)	110,734	23,409

Statement of Financial Position

DESCRIPTION	BUDGET	ACTUAL	BUDGET	VARIANCE	VARIANCE
	as at 31 Dec	as at 31 Dec	as at 31 Dec		
	2024	2024	2025	Bud-Bud	Bud-Act
	€	€	€	€	€
Non-current Assets					
Property, Plant and Equipment (16)	2,489,754	1,684,731	2,774,760	285,006	1,090,029
Current Assets					
Inventories (11)	5,000	8,386	5,000	-	(3,386)
Receivables (12)	50,000	17,883	50,000	-	32,117
Cash and Cash Equivalents (13)	805,274	3,200,369	659,338	(145,936)	(2,541,031)
Total Current Assets	860,274	3,226,638	714,338	(145,936)	(2,512,300)
Current Liabilities (14)					
Payables	376,128	1,794,664	474,886	98,758	(1,319,778)
Total Current Liabilities	376,128	1,794,664	474,886	98,758	(1,319,778)
Net Current Assets	484,146	1,431,974	239,452	(244,694)	(1,192,522)
Non-current liabilities (15)	-	-	-	-	-
Net Assets	2,973,900	3,116,705	3,014,212	40,312	(102,493)
Reserves					
Retained Funds	2,973,900	3,116,705	3,014,212	40,312	(102,493)

Financial Situation Indicator

DESCRIPTION	BUDGET	ACTUAL	BUDGET
	as at 31 Dec	as at 31 Dec	as at 31 Dec
	2024	2024	2025
	€	€	€
Current Assets	860,274	3,226,638	714,338
Current Liabilities	376,128	1,794,664	474,886
Working Capital	484,146	1,431,974	239,452
Government Allocation	1,386,777	1,386,775	1,197,814
FSI	35 %	103 %	20 %

Cash Budget

DESCRIPTION	QTR 1	QTR 2	QTR 3	QTR 4	TOTAL
	JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC	
	2025	2025	2025	2025	
	€	€	€	€	€
Cash Inflows					
Government cash inflows	312,453	312,454	312,453	312,454	1,249,814
Cash flows from Bye-Laws & L.N fees	20,250	20,250	20,250	20,250	81,000
Local Enforcement cash flows	2,250	2,250	2,250	2,250	9,000
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	338,262	338,262	338,262	338,262	1,353,048
TOTAL Inflows	673,215	673,216	673,215	673,616	2,693,262
Cash Outflows					
Personal Emoluments	59,371	59,371	59,371	59,370	237,483
Operations & Maintenance	216,995	216,996	216,995	216,996	867,982
Administration	20,750	20,750	20,750	20,750	83,000
Finance					-
Capital					
Acquisition of property					-
Construction					-
Improvements	34,500	34,500	34,500	34,500	138,000
Special programmes	975,082	975,082	975,082	975,082	3,900,328
Electronic Equipment	1,875	1,875	1,875	1,875	7,500
	1,011,457	1,011,457	1,011,457	1,011,457	4,045,828
Cash outflows re EU projects					-
Cash outflows re Twinning					-
Cash outflows re Community Services					-
	-	-	-	-	-
TOTAL Outflows	1,308,573	1,308,574	1,308,573	1,308,573	5,234,293
SURPLUS / (DEFICIT)	(635,358)	(635,358)	(635,358)	(634,957)	(2,541,031)
Brought forward (Bank /Cash Bal.)	3,200,369	2,565,011	1,929,653	1,294,295	3,200,369
Carry forward	2,565,011	1,929,653	1,294,295	659,338	659,338

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 2024	Jan-Sept 2024	Oct-Dec 2024	Jan-Dec 2024	Jan-Dec 2025	Bud-Bud	Bud-Act
	€	€	€	€	€	€	€
Income							
1 Funds received form Central Government:							
0001 In terms of section 55 CAP 363	1,386,777	1,040,082	346,693	1,386,775	1,197,814	(188,963)	(188,961)
0002-0004 In terms of section 58 CAP 363	55,174	318	43,225	43,543	45,000	(10,174)	1,457
0005-0019 Other Income	7,000	7,000	-	7,000	7,000	-	-
	1,448,951	1,047,400	389,918	1,437,318	1,249,814	(199,137)	(187,504)
2 Bye-Laws & Legal Fees							
0021-0025 Community Services	1,000	3,815	1,272	5,087	4,000	3,000	(1,087)
0026-0035 Income from Permits	76,000	60,388	20,129	80,517	77,000	1,000	(3,517)
	77,000	64,203	21,401	85,604	81,000	4,000	(4,604)
3 Local Enforcement Income							
0037 Commission from Regional Committees	11,500	5,827	1,942	7,769	8,500	(3,000)	731
0038-0055 Contraventions	500	111	37	148	500	-	352
	12,000	5,938	1,979	7,917	9,000	(3,000)	1,083
4 Investment Income							
0091-0095 Bank Interest	400	241	80	321	400	-	79
0096-0099 Income received from Government Securities							
	400	241	80	321	400	-	79
5 General Income							
0059-0065 Sponsorships	-	-	500	500	500	500	-
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	240	1,260	1,500	250	-	(1,250)
	250	240	1,760	2,000	750	500	(1,250)
Total	1,538,601	1,118,022	415,139	1,533,161	1,340,964	(197,637)	(192,197)

Detailed Estimates of Expenditure

DESCRIPTION

A	B	C	D (B + C)	E	F (E - A)	G (E - D)
BUDGET Jan-Dec 2024	ACTUAL Jan-Sept 2024	FORECAST Oct-Dec 2024	TOTAL Jan-Dec 2024	BUDGET Jan-Dec 2025	VARIANCE Bud-Bud	VARIANCE Bud-Act
€	€	€	€	€	€	€

6 Personal Emoluments

1100 Mayor's Allowance	16,366	12,275	4,092	16,367	16,616	250	249
1200 Employees' Salaries & Wages	157,322	105,940	36,313	142,253	159,398	2,076	17,145
1300 Bonuses	12,841	820	11,748	12,568	14,849	2,008	2,281
1400 Income Supplements	1,696	1,462	-	1,462	1,696	-	234
1500 Social Security Contributions	13,969	9,541	3,530	13,071	14,009	40	938
1600 Allowances	26,295	19,721	6,574	26,295	25,915	(380)	(380)
1700 Overtime	5,000	10,371	6,610	16,981	5,000	-	(11,981)
	233,489	160,130	68,867	228,997	237,483	3,994	8,486

7 Operations and Maintenance

2100-2149 Public Utilities	10,425	11,696	3,899	15,595	14,000	3,575	(1,595)
2200-2259 Public Materials & Supplies	7,000	7,487	2,496	9,983	10,000	3,000	17
2300-2399 Repairs & Upkeep	143,500	108,426	36,142	144,568	135,000	(8,500)	(9,568)
2400-2449 Rent	4,000	2,938	1,450	4,388	4,400	400	12
3010 Street Lighting	140,000	80,646	45,187	125,833	130,000	(10,000)	4,167
3020 Lease of Equipment	-	-	-	-	-	-	-
3030 Insurance	7,000	6,418	2,139	8,557	8,000	1,000	(557)
3035 Bank Charges	2,000	1,599	533	2,132	2,000	-	(132)
3038 Penalties	-	-	-	-	-	-	-
3040 Waste Disposal	265,000	164,040	54,680	218,720	-	(265,000)	(218,720)
3041 Refuse Collection	95,000	50,623	16,874	67,497	-	(95,000)	(67,497)
3042 Bulky Refuse Collection	50,000	31,084	10,361	41,445	45,000	(5,000)	3,555
3043 Bins on wheels	-	-	-	-	-	-	-
3045 Bring in sites	5,000	832	277	1,109	3,000	(2,000)	1,891
3051 Road & Street Cleaning	85,000	60,003	20,001	80,004	121,380	36,380	41,376
3052 Cleaning & Maintenance of Non-Urban Areas	35,000	27,571	9,190	36,761	37,000	2,000	239
3053 Cleaning of Public Conveniences	75,000	59,090	19,697	78,787	80,000	5,000	1,213
3055 Cleaning of Council Premises	3,800	2,693	898	3,591	3,800	-	209
3060 Cleaning & Maintenance of Parks & Gardens	-	-	-	-	-	-	-
3061 Cleaning & Maintenance of Soft Areas	70,000	65,372	21,791	87,163	88,000	18,000	837
3062 Cleaning & Maintenance of Beaches & CA	500	661	220	881	1,000	500	119
3063 Cleaning & Maintenance of Country Non-Urban	500	-	-	-	500	-	500
3064 Other Contractual Services	-	-	-	-	-	-	-
3070-3099 Consultation Fees	3,500	-	4,500	4,500	3,500	-	(1,000)
3100-3139 Contract & Project Management	10,000	3,611	5,373	8,984	10,000	-	1,016
3300-3379 Hospitality	125,200	68,745	71,000	139,745	130,000	4,800	(9,745)
3380-3389 Community	20,000	9,617	6,000	15,617	20,000	-	4,383
3600-3694 Local Enforcement Expenses	600	253	84	337	600	-	263
3700-3799 EU Projects	-	-	-	-	-	-	-
3800-3899 Twinning	20,802	9,858	2,671	12,529	20,802	-	8,273
	1,178,827	773,263	335,463	1,108,726	867,982	(310,845)	(240,744)

Detailed Estimates of Expenditure (Continued)

DESCRIPTION

A	B	C	D (B + C)	E	F (E - A)	G (E - D)
BUDGET Jan-Dec 2024	ACTUAL Jan-Sept 2024	FORECAST Oct-Dec 2024	TOTAL Jan-Dec 2024	BUDGET Jan-Dec 2025	VARIANCE Bud-Bud	VARIANCE Bud-Act
€	€	€	€	€	€	€

8 Administration & Other Expenditure

2150-2199 Office Utilities	10,500	7,654	6,449	14,103	13,500	3,000	(603)
2200-2299 Office Materials & Supplies	-	-	-	-	-	-	-
2450-2499 Office Rent	-	-	-	-	-	-	-
2500-2599 National & International Memberships	6,200	4,508	-	4,508	6,200	-	1,692
2600-2699 Office Services	8,900	7,119	2,373	9,492	8,900	-	(592)
2700-2799 Transport	13,500	8,725	2,908	11,633	13,500	-	1,867
2800-2899 Travel	3,800	-	-	-	3,800	-	3,800
2900-2999 Information Services	14,500	5,472	3,182	8,654	13,000	(1,500)	4,346
3050 Office Cleaning	100	60	20	80	100	-	20
3140-3199 Professional Services	19,000	11,965	4,972	16,937	19,000	-	2,063
3200-3299 Training	4,000	1,275	425	1,700	4,000	-	2,300
3345 Office Hospitality	-	-	-	-	-	-	-
3400-3499 Incidental Expenses	4,500	592	197	789	1,000	(3,500)	211
	-	-	-	-	-	-	-
	85,000	47,370	20,527	67,897	83,000	(2,000)	15,103

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				-	-	-	-
8000-8099 Depreciation (Charge for the Year)	254,512	190,082	63,361	253,443	254,992	480	1,549
	254,512	190,082	63,361	253,443	254,992	480	1,549

Total

	1,751,828	1,170,845	488,218	1,659,063	1,443,457	(308,371)	(215,606)
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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 2024 €	ACTUAL as at 30-Sep 2024 €	FORECAST changes from 30 Sep-31 Dec 2024 €	TOTAL as at 31-Dec 2024 €	BUDGET Jan-Dec 2025 €	VARIANCE Bud-Bud €	VARIANCE Bud-Act €
11 Inventory							
5201-5249 Stationery				-		-	-
5250-5299 Consumables				-		-	-
Books	5,000	10,873	(2,487)	8,386	5,000	-	(3,386)
	5,000	10,873	(2,487)	8,386	5,000	-	(3,386)
12 Receivables							
0201-0209 Receivables	25,000	23,199	(21,872)	1,327	25,000	-	23,673
0210-0219 LES Receivables				-		-	-
0220-0229 Receivables from EU				-		-	-
0250 Prepayments & Accrued income	25,000	8,783	7,773	16,556	25,000	-	8,444
	50,000	31,982	(14,099)	17,883	50,000	-	32,117
Cash & Equivalents							
5001-5099 Bank & Cash Balances	805,274	3,271,613	(71,244)	3,200,369	659,338	(145,936)	(2,541,031)
	805,274	3,271,613	(71,244)	3,200,369	659,338	(145,936)	(2,541,031)
14 Payables							
4000 Payables	226,128	384,739	(10,653)	374,086	226,128	-	(147,958)
4100 Accruals	150,000	59,415	12,654	72,069	150,000	-	77,931
4150 Defered Income	-	1,348,509	-	1,348,509	98,758	98,758	(1,249,751)
Current portion of Long-Term Borrowings	-	-	-	-	-	-	-
	376,128	1,792,663	2,001	1,794,664	474,886	98,758	(1,319,778)
15 Non Current Liabilities							
4200 Long Term Borrowings	-	-	-	-	-	-	-
Deferred Income	-	-	-	-	-	-	-

16 Depreciation of Property, Plant and Equipment

Asset % of depreciation	Property 1%	Special Programmes 10%	Assets under Const 0%	Street Signs 100%	Urban Improvements 10%	Office Equipment 20%	Office Furniture 7.5%	Computer Software 25%	Total
€	€	€	€	€	€	€	€	€	€
Cost									
As at 01 January 2025	568,224	7,905,831	700,000	73,322	1,300,000	85,000	205,000	11,000	10,848,377
Additions		3,900,328			138,000	7,500			4,045,828
Disposals									
As at 31 December 2025	568,224	#####	700,000	73,322	1,438,000	92,500	205,000	11,000	14,894,205
Grants/ other reimbursements									
As at 01 January 2025		1,838,927	-			20,297			1,859,224
Additions		2,677,400			23,407				2,700,807
As at 31 December 2025	-	4,516,327	-	-	23,407	20,297	-	-	4,560,031
Accumulated Depreciation									
As at 01 January 2025	29,181	5,652,855	416,284	73,322	902,841	63,988	160,818	5,133	7,304,422
Charge for the year	2,253	194,785	-	-	43,158	1,488	12,574	734	254,992
Released on disposal									
As at 31 December 2025	31,434	5,847,640	416,284	73,322	945,999	65,476	173,392	5,867	7,559,414
Budgeted NBV 31 Dec 2024	535,875	932,700	332,822	-	543,994	98,524	45,232	607	2,489,754
Forecasted NBV 1 Jan 2025	539,043	414,049	283,716	-	397,159	715	44,182	5,867	1,684,731
Budgeted NBV 31 Dec 2025	536,790	1,442,192	283,716	-	468,594	6,727	31,608	5,133	2,774,760