



Southern Regional Council

**Annual Budget
For
Financial Year
2026**

7 12

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Overview and Summary

The annual budget covers the period for 2026. The Government allocation is €750,000. The other income, including the Waste Collection Allocation for €4,439,026 and waste invoices and for the PROs for €860,974, bringing the total income to €6,107,315.

The total expenditure has been projected at €6,097,297, with most of the items retained at the same levels as for 2025, except for the following:

- (a) a 3% increase has been projected for salaries and wages to €377,831;
- (b) a new item for architect fees for the capital project for the administrative building for €17,700 including VAT;
- (c) depreciation has increased to €103,360 (from €20,760 in 2025) due to the capital project for the administrative building;
- (d) higher rates have been projected for waste collection/tipping fees;
- (e) a one-time expense for the inauguration of the administrative office estimated at Eur30,000;
- (f) including a number of schemes, including the Xmas schemes for each council, the Art for Active Ageing Project, the Malta Horse Racing Event and the quiz project Hena- Emozzjoni, Narrativa u Arti, two of which will be partly funded by the Regional Council itself.

Projected Operations and Maintenance are projected at €5,492,216, which includes payments to contractors and WasteServ for Refuse Collection and Waste Disposal. Projected Administration costs are €123,890. Other Expenditure is projected at €103,360 representing the total depreciation for 2026.

The financial performance for the 2026 resulted in a projected surplus of €10,018.



Jesmond Aquilina
President



Mariella Strout
Executive Secretary

Statement of Income and Expenditure

DESCRIPTION	BUDGET	ACTUAL	BUDGET	VARIANCE	VARIANCE
	Jan-Dec	Jan-Dec	Jan-Dec		
	2025	2025	2026	Bud-Bud	Bud-Act
	€	€	€	€	€
Income					
Funds received from Central Government (1)	2,333,333	666,667	5,189,026	2,855,693	4,522,359
Income raised from Bye-Laws (2)	2,933,333	3,382,658	-	(2,933,333)	(3,382,658)
Income raised from LES (3)	500	654	700	200	46
Investment Income (4)	-	-	-	-	-
Other Income (5)	80,000	1,557,621	917,589	837,589	(640,032)
TOTAL	5,347,166	5,607,600	6,107,315	760,149	499,715
Expenditure					
Personal Emoluments (6)	415,777	366,279	377,831	(37,946)	11,552
Operations and Maintenance (7)	4,721,100	5,097,526	5,492,216	771,116	394,690
Administration (8)	94,870	73,068	123,890	29,020	50,822
Finance Cost (9)	-	-	-	-	-
Other Expenditure (10)	100,096	20,760	103,360	3,264	82,600
TOTAL	5,331,843	5,557,633	6,097,297	765,454	539,664
Surplus / Deficit	15,323	49,967	10,018	(5,305)	(39,949)

Statement of Financial Position

DESCRIPTION	BUDGET	ACTUAL	BUDGET	VARIANCE	VARIANCE
	as at 31 Dec 2025	as at 31 Dec 2025	as at 31 Dec 2026	Bud-Bud	Bud-Act
	€	€	€	€	€
Non-current Assets					
Property, Plant and Equipment (16)	795,606	51,134	773,779	(21,827)	722,645
Current Assets					
Inventories (11)	-	-	-	-	-
Receivables (12)	769,000	1,518,071	625,000	(144,000)	(893,071)
Cash and Cash Equivalents (13)	2,290,761	5,669,018	4,882,163	2,591,402	(786,855)
Total Current Assets	3,059,761	7,187,089	5,507,163	2,447,402	(1,679,926)
Current Liabilities (14)					
Payables	2,672,669	5,479,113	4,511,814	1,839,145	(967,299)
Total Current Liabilities	2,672,669	5,479,113	4,511,814	1,839,145	(967,299)
Net Current Assets	387,092	1,707,976	995,349	608,257	(712,627)
Non-current liabilities (15)	-	-	-	-	-
Net Assets	1,182,698	1,759,110	1,769,128	586,430	10,018
Reserves					
Retained Funds	1,182,698	1,759,110	1,769,128	586,430	10,018

Financial Situation Indicator

DESCRIPTION	BUDGET	ACTUAL	BUDGET
	as at 31 Dec 2025	as at 31 Dec 2025	as at 31 Dec 2026
	€	€	€
Current Assets	3,059,761	7,187,089	5,507,163
Current Liabilities	2,672,669	5,479,113	4,511,814
Working Capital	387,092	1,707,976	995,349
Government Allocation	666,666	666,667	750,000
FSI	58 %	256 %	133 %

Cash Budget

DESCRIPTION	QTR 1	QTR 2	QTR 3	QTR 4	TOTAL
	JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC	
	2026	2026	2026	2026	
	€	€	€	€	€
Cash Inflows					
Government cash inflows	1,297,257	1,297,257	1,297,257	1,297,257	5,189,026
Cash flows from Bye-Laws & L.N fees					-
Local Enforcement cash flows	175	175	175	175	700
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	229,397	229,397	229,397	229,397	917,589
TOTAL Inflows	1,526,829	1,526,829	1,526,829	1,526,829	6,107,315
Cash Outflows					
Personal Emoluments	94,458	94,458	94,458	94,458	377,831
Operations & Maintenance	1,373,057	1,373,057	1,373,057	1,373,057	5,492,226
Administration	30,973	30,973	30,973	30,973	123,890
Finance					-
Capital					
Acquisition of property					-
Construction				826,000	826,000
Improvements					-
Special programmes					-
	-	-	-	826,000	826,000
Cash outflows re EU projects					-
Cash outflows re Twinning					-
Cash outflows re Community Services					-
Repayments of long term loan					-
	-	-	-	-	-
TOTAL Outflows	1,498,487	1,498,487	1,498,487	2,324,487	6,819,947
SURPLUS / (DEFICIT)	28,342	28,342	28,342	(797,658)	(712,632)
Brought forward (Bank /Cash Bal.)	5,669,018	5,697,360	5,725,702	5,754,044	5,669,018
Carry forward	5,697,360	5,725,702	5,754,044	4,956,386	4,956,386

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
	2025	2025	2025	2025	2026		
	€	€	€	€	€	€	€
Income							
1 Funds received form Central Government:							
0001 In terms of section 55 CAP 363	666,666	500,000	166,667	666,667	750,000	83,334	83,333
0002-0004 In terms of section 58 CAP 363				-	4,439,026	4,439,026	4,439,026
0005-0019 Other Income	1,666,667			-		(1,666,667)	-
	2,333,333	500,000	166,667	666,667	5,189,026	2,855,693	4,522,359
2 Bye-Laws & Legal Fees							
0021-0025 Community Services	2,933,333	2,536,993	845,665	3,382,658		(2,933,333)	(3,382,658)
0026-0035 Income from Permits				-		-	-
	2,933,333	2,536,993	845,665	3,382,658	-	(2,933,333)	(3,382,658)
3 Local Enforcement Income							
0037 Commission from Regional Committees				-		-	-
0038-0055 Contraventions	500	491	163	654	700	200	46
	500	491	163	654	700	200	46
4 Investment Income							
0091-0095 Bank interest				-		-	-
0096-0099 Income received from Government Securities				-		-	-
Public convenience scheme				-		-	-
	-	-	-	-	-	-	-
5 General Income							
0056-0065 Sponsorships	80,000	93,953	31,318	125,271	56,615	(23,385)	(68,656)
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		1,040,712	391,638	1,432,350	860,974	860,974	(571,376)
	80,000	1,134,665	422,956	1,557,621	917,589	837,589	(640,032)
Total	5,347,166	4,172,149	1,435,451	5,607,600	6,107,315	760,149	499,715

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		
2025	2025	2025	2025	2026	Bud-Bud	Bud-Act
€	€	€	€	€	€	€

6 Personal Emoluments

1100 Mayor's Allowance	17,505	13,316	4,438	17,754	18,287	782	533
1200 Employees' Salaries & Wages	247,032	159,392	53,131	212,523	218,899	(28,133)	6,376
1300 Bonuses	9,798	8,153	1,360	9,513	9,798	-	285
1400 Income Supplements	6,308	3,866	1,289	5,155	6,308	-	1,153
1500 Social Security Contributions	126,623	79,325	26,441	105,766	108,939	(17,684)	3,173
1600 Allowances	5,511	4,939	1,647	6,586	6,600	1,089	14
1700 Overtime	3,000	6,736	2,246	8,982	9,000	6,000	18
	415,777	275,727	90,552	366,279	377,831	(37,946)	11,552

7 Operations and Maintenance

2100-2149 Public Utilities				-	-	-	-
2200-2259 Public Materials & Supplies				-	-	-	-
2300-2399 Repairs & Upkeep	2,700	2,168	722	2,890	3,000	300	110
2400-2449 Rent				-	-	-	-
3010 Street Lighting				-	-	-	-
3020 Lease of Equipment	1,800	1,056	352	1,408	1,500	(300)	92
3030 Insurance	2,900	2,017	672	2,689	2,700	(200)	11
3035 Bank Charges	1,200	567	189	756	900	(300)	144
3038 Penalties				-	-	-	-
3040 Waste Disposal	2,200,000	1,773,946	635,915	2,409,861	2,600,000	400,000	190,139
3041 Refuse Collection	2,400,000	1,888,465	673,988	2,562,453	2,700,000	300,000	137,547
3042 Bulky Refuse Collection				-	-	-	-
3043 Bins on wheels				-	-	-	-
3045 Bring in sites				-	-	-	-
3051 Road & Street Cleaning				-	-	-	-
3052 Cleaning & Maintenance of Non-Urban Areas				-	-	-	-
3053 Cleaning of Public Conveniences				-	-	-	-
3055 Cleaning of Council Premises				-	-	-	-
3060 Cleaning & Maintenance of Parks & Gardens				-	-	-	-
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	3,700	2,736	912	3,648	3,800	100	152
3300-3379 Hospitality				-	-	-	-
3380-3389 Community	105,000	84,374	28,124	112,498	178,816	73,816	66,318
3600-3694 Local Enforcement Expenses	3,800	992	331	1,323	1,500	(2,300)	177
3700-3799 EU Projects				-	-	-	-
3800-3899 Twinning				-	-	-	-
	4,721,100	3,756,321	1,341,205	5,097,526	5,492,216	771,116	394,690

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
	2025	2025	2025	2025	2026		
€	€	€	€	€	€	€	
8 Administration & Other Expenditure							
2150-2199 Office Utilities	7,000	4,247	1,415	5,662	6,000	(1,000)	338
2260-2299 Office Materials & Supplies	170	-	-	-	-	(170)	-
2450-2499 Office Rent	23,600	19,391	6,463	25,854	26,000	2,400	146
2500-2599 National & International Memberships	13,400	545	182	727	800	(12,600)	73
2600-2699 Office Services	3,300	3,054	1,018	4,072	4,000	700	(72)
2700-2799 Transport	9,800	4,414	1,472	5,886	6,000	(3,800)	114
2800-2899 Travel	1,600	2,904	968	3,872	4,000	2,400	128
2900-2999 Information Services		1,027	342	1,369	1,600	1,600	231
3050 Office Cleaning	9,100	6,638	2,213	8,851	9,000	(100)	149
3140-3199 Professional Services	26,400	6,892	2,298	9,190	28,890	2,490	19,700
3200-3299 Training	500	5,689	1,896	7,585	7,600	7,100	15
3345 Office Hospitality				-	-	-	-
3400-3499 Incidental Expenses				-	-	-	-
Inauguration of opening of admin office				-	30,000	30,000	30,000
	94,870	54,801	18,267	73,068	123,890	29,020	50,822
9 Finance Costs							
3036 Interest on Bank Loan				-		-	-
Projects, Festa Nar and Kwarta Tajba				-		-	-
Public Convenience Scheme				-		-	-
	-	-	-	-	-	-	-
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)	100,096	15,570	5,190	20,760	103,360	3,264	82,600
	100,096	15,570	5,190	20,760	103,360	3,264	82,600
Total	5,331,843	4,102,419	1,455,214	5,557,633	6,097,297	765,454	539,664

Detailed Estimates of Statement of Financial Position

DESCRIPTION	A	B	C	D (B + C)	E	F (E - A)	G (E - D)
	BUDGET Jan-Dec	ACTUAL as at 30-Sep 2025	FORECAST changes from 30 Sep-31 Dec 2025	TOTAL as at 31-Dec 2025	BUDGET Jan-Dec 2026	VARIANCE Bud-Bud	VARIANCE Bud-Act
	€	€	€	€	€	€	€
11 Inventory							
5201-5249 Stationery	-	-	-	-		-	-
5250-5299 Consumables						-	-
	-	-	-	-	-	-	-
12 Receivables							
0201-0209 Receivables	150,000	941,558	(84,200)	857,358	200,000	50,000	(657,358)
0210-0219 LES Receivables				-		-	-
0220-0229 Receivables from EU				-		-	-
0250 Prepayments & Accrued income	619,000	606,513	54,200	660,713	425,000	(194,000)	(235,713)
				-		-	-
	769,000	1,548,071	(30,000)	1,518,071	625,000	(144,000)	(893,071)
13 Cash & Equivalents							
5001-5099 Bank & Cash Balances	2,290,761	5,683,593	(14,575)	5,669,018	4,882,163	2,591,402	(786,855)
	2,290,761	5,683,593	(14,575)	5,669,018	4,882,163	2,591,402	(786,855)
14 Payables							
4000 Payables	1,556,814	3,046,955	(30,000)	3,016,955	2,268,183	711,369	(748,772)
4100 Accruals	311,000	529,905	-	529,905	311,000	-	(218,905)
4150 Defered Income	600,000	193,622	-	193,622	194,000	(406,000)	378
Current portion of Long-Term Borrowings	-			-	-	-	-
Short-term borrowings	204,855	1,738,631		1,738,631	1,738,631	1,533,776	-
	2,672,669	5,509,113	(30,000)	5,479,113	4,511,814	1,839,145	(967,299)
15 Non Current Liabilities							
4200 Long Term Borrowings				-		-	-
				-		-	-
	-	-	-	-	-	-	-

16 Depreciation of Property, Plant and Equipment

Asset % of depreciation	Computer Equipment 25%	Office Equipment 20%	Furniture & Fittings 8%	Motor Vehicles 20%	Construction 10%	0%	0%	0%	Total
	€	€	€	€	€	€	€	€	€
Cost									
As at 01 January 2026	29,998	11,249	20,640	82,241	72,072				216,200
Additions					826,005				826,005
Disposals									-
As at 31 December 2026	29,998	11,249	20,640	82,241	898,077	-	-	-	1,042,205
Grants/ other reimbursements									
As at 01 January 2026	3,600	-	-	41,415	-				45,015
Additions									-
As at 31 December 2026	3,600	-	-	41,415	-	-	-	-	45,015
Accumulated Depreciation									
As at 01 January 2026	25,954	10,718	11,137	34,612	37,630				120,051
Charge for the year	4,469	689	1,548	7,165	89,489				103,360
Released on disposal									-
As at 31 December 2026	30,423	11,407	12,685	41,777	127,119	-	-	-	223,411
Budgeted NBV 31 Dec 2025	2,022	532	8,991	6,213	777,848				795,606
Forecasted NBV 1 Jan 2026	444	531	9,503	6,214	34,442				51,134
Budgeted NBV 31 Dec 2026	(4,025)	(158)	7,955	(951)	770,958				773,779