



Il-Mellieħa Local Council

Quarterly Financial Report

for the Period

1st January till End of March 2020 (Quarter 1)

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Overview and Summary

The Council's income during the period January / March 2020 amounted to €363,153, against an expenditure of €302,119, resulting in a surplus for the year of €61,034.

The value of Current Assets has decreased by €63,298, as compared to the previous quarter, to €1,354,003. These consisted mainly of Cash and Cash Equivalent amounting to €1,049,895 up to the end of the period under review, as compared to the amount of €1,417,301, registered in December 2019. The Current Assets were also made up of an additional €23,182 as Inventories (Stocks) and €280,926 as receivables.

The Current Liabilities have increase as compared to the previous quarter, from €608,880, registered in December 2019, to €761,059. These were made up of Payables (€353,967), consisting of accruals (€80,482) with respect expenditure which has been incurred, however not invoiced for by the end of the period under review. There was also a Deferred Income of €309,185 related to the amount due to the Council in virtue of an agreement with Transport Malta, involving the reconstruction of Triq il-Qortin, as well as long term borrowing related to the Public Private Partnership agreement concerning the resurfacing of Triq l-Armier, amounting to €17,425.

Considering all these parameters, the Financial Situation Indicator fell to 48% - an decrease of 22% over the percentage registered at the end of December 2019.

€90,434 worth of Fixed Assets were capitalized since the beginning of the financial year, while the value of disposals was nil. The purchase cost of all Fixed Assets acquired by the Council was €9,698,569 having a net book value of €2,451,963 up to the end of the period under review.

Dario Vella
Mayor

Carmel Debono
Executive Secretary

Statement of Income and Expenditure
1st January till End of March 2020 (Quarter 1)

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2020	the Period	2020
	€	€	€	€
Income				
Funds received from Central Government (1)	344,808	1,437,458	-	1,437,458
Income raised from Bye-Laws (2)	17,336	74,384	-	74,384
Income raised from LES (3)	992	4,400	-	4,400
Investment Income (4)	7	1,200	-	1,200
Other Income (5)	10	450	-	450
TOTAL	363,153	1,517,892	-	1,517,892
Expenditure				
Personal Emoluments (6)	58,193	213,426	-	213,426
Operations and Maintenance (7)	195,991	930,495	-	930,495
Administration (8)	11,691	69,081	-	69,081
Finance Cost (9)	-	-	-	-
Other Expenditure (10)	36,244	288,322	-	288,322
TOTAL	302,119	1,501,324	-	1,501,324
Surplus / Deficit	61,034	16,568	-	16,568

Statement of Financial Position as at end of March 2020 (Quarter 1)

DESCRIPTION	Actual for the Period €	Annual Budget 2020 €	Virements for the Period €	Revised Annual Budget 2020 €
Non-current Assets				
Property, Plant and Equipment (17)	2,451,963	3,277,525		3,277,525
Current Assets				
Inventories (11)	23,182	20,000	-	20,000
Receivables (12)	280,926	35,000	-	35,000
Cash and Cash Equivalents (13)	1,049,895	508,428	-	508,428
Total Current Assets	1,354,003	563,428	-	563,428
Current Liabilities				
Payables (14)	761,059	473,477	-	473,477
Total Current Liabilities	761,059	473,477	-	473,477
Net Current Assets	592,944	89,951	-	89,951
Non-current liabilities (15)	-	7,000	-	7,000
Net Assets	3,044,907	3,360,476	-	3,360,476
Reserves				
Retained Funds	3,044,907	3,360,476		3,360,476

Financial Situation Indicator

DESCRIPTION				
Current Assets	1,354,003	563,428	-	563,428
Current Liabilities	761,059	473,477	-	473,477
Working Capital	592,944	89,951	-	89,951
Government Allocation	1,229,969	1,229,969	-	1,229,969
FSI	48 %	7 %		7 %

Cash flow Statement

DESCRIPTION

	Actual for the Period €	Annual Budget 2020 €	Virements for the Period €	Revised Annual Budget 2020 €
Cash flow from operating activities				
Surplus for the year	61,034	16,568	-	16,568
Adjustments for:				
Depreciation	36,244	288,322	-	288,322
Increase / (Decrease) in Allowance for Bad Debts				-
Interest receivable	(7)			-
Interest payable				-
(Profit) / Loss on disposal of asset				-
Increase / (Decrease) in payables	12,482			-
Increase / (Decrease) in accruals	(48,092)			-
Decrease / (Increase) in receivables	(37,771)			-
Decrease / (Increase) in inventories	128			-
Decrease / (Increase) in inventories				-
Cash generated from operations	24,018	304,890	-	304,890
Interest paid				-
<i>Net cash from operating activities</i>	24,018	304,890	-	304,890
Cash flows from investing activities				
Purchase of property, plant & equipment	(90,434)	(1,463,948)		(1,463,948)
Proceeds from sale of property, plant & equipment				-
Grants received	-	847,040		847,040
Interest received	7			-
<i>Net cash used in investing activities</i>	(90,427)	(616,908)	-	(616,908)
Cash flows from financing activities				
Proceeds from long-term borrowings	-			-
Interest Paid				-
Bank Loan Repayments				-
<i>Net cash from financing activities</i>	-	-	-	-
Net increase/(decrease) in cash & cash equivalents	(66,409)	(312,018)	-	(312,018)
Cash & cash equivalents at beginning of year	1,116,304	897,533		897,533
Cash & cash equivalents at end of Quarter	1,049,895	585,515	-	585,515

Detailed Income

DESCRIPTION		Actual for	Annual Budget	Virements for	Revised Annual Budget
		the Period	2020	the Period	2020
		€	€	€	€
Income					
1	Funds received from Cental Government:				
	0001 In terms of section 55 CAP 363	314,110	1,229,969		1,229,969
	0002-0004 In terms of section 58 CAP 363	30,698	195,007		195,007
	0005-0019 Other income	-	12,482		12,482
		344,808	1,437,458	-	1,437,458
2	Income raised from Bye-Laws				
	0021-0025 Community Services	405	1,900		1,900
	0026-0035 Income from Permits	16,931	72,484		72,484
		17,336	74,384	-	74,384
3	Local Enforcement Income				
	0037 Commission from Regional Committees	992	4,400		4,400
	0038-0055 Contraventions	-	-		-
		992	4,400	-	4,400
4	Investment Income				
	0091-0095 Bank interest	7	1,200		1,200
	0096-0099 Income received from Governnet Securities	-	-		-
		7	1,200	-	1,200
5	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	10	450		450
		10	450	-	450
Total		363,153	1,517,892	-	1,517,892

Detailed Expenditure

DESCRIPTION		Actual for the Period	Annual Budget 2020	Virements for the Period	Revised Annual Budget 2020
		€	€	€	€
6 i)	Personal Emoluments				
	1100 Mayor's Allowance	3,757	15,027		15,027
	1200 Employees' Salaries & Wages	43,363	141,486		141,486
	1300 Bonuses	-	11,620		11,620
	1400 Income Supplements	848	1,454		1,454
	1500 Social Security Contributions	3,247	13,010		13,010
	1600 Allowances	6,457	25,829		25,829
	1700 Overtime	521	5,000		5,000
		58,193	213,426	-	213,426
		€	€	€	€
7	Operations and Maintenance				
	2100-2149 Public Utilities	1,403	8,293		8,293
	2200-2259 Public Materials & Supplies	433	3,644		3,644
	2300-2399 Repairs & upkeep	24,899	123,400		123,400
	2400-2449 Rent	583	4,250		4,250
	3010 Street Lightning	10,307	36,000		36,000
	3020 Lease of Equipment	-	-		-
	3030 Insurance	958	6,000		6,000
	3035 Bank Charges	228	900		900
	3038 Penalties	-	-		-
	3041 Refuse Collection	31,943	130,000		130,000
	3042 Bulky Refuse Collection	7,841	32,000		32,000
	3043 Bins on wheels	-	-		-
	3045 Bring in sites	1,322	2,000		2,000
	3051 Road & Street Cleaning	8,418	35,000		35,000
	3052 Cleaning & Maintenance of Non-Urban Areas	6,076	30,000		30,000
	3053 Cleaning of Public Conveniences	11,482	76,000		76,000
	3055 Cleaning of Council Premises	941	4,800		4,800
	3040 Waste Disposal	34,182	148,000		148,000
	3060 Cleaning & Maintenance of Parks & Gardens	-	-		-
	3061 Cleaning & Maintenance of Soft Areas	23,882	117,281		117,281
	3062 Cleaning & Maintenance of Beaches & CA	-	500		500
	3063 Cleaning & Maintenance of Country Non-Urban	-	1,000		1,000
	6064 Other Contractual Services	-	-		-
	3070-3090 Consultation Fees	3,190	1,000		1,000
	3100-3139 Contract & Project Management	3,482	15,000		15,000
	3300-3379 Hospitality	21,494	96,500		96,500
	3380-3389 Community	2,927	23,216		23,216
	3390-3394 Donations	-	-		-
	3600-3694 Local Enforcement Expenses	-	325		325
	3700-3799 EU Projects	-	24,886		24,886
	3800-3899 Twinning	-	10,500		10,500
		195,991	930,495	-	930,495
		€	€	€	€
8	Administration				
	2150-2199 Office Utilities	1,982	8,431		8,431
	2260-2299 Office Materials & Supplies	-	-		-
	2450-2499 Office Rent	-	-		-
	2500-2599 National & International Memberships	486	2,000		2,000
	2600-2699 Office Services	931	6,300		6,300
	2700-2799 Transport	3,921	12,700		12,700
	2800-2899 Travel	-	3,300		3,300
	2900-2999 Information Services	249	15,000		15,000
	3050 Office Cleaning	22	100		100
	3410-3199 Professional Services	3,841	17,000		17,000
	3200-3299 Training	-	2,000		2,000
	3345 Office Hospitality	-	-		-
	3400-3499 Incidental Expenses	259	2,250		2,250
		11,691	69,081	-	69,081
		€	€	€	€

9 Finance Costs
3036 Interest on Bank Loan

			-
			-
-	-	-	-

Detailed Statement of Financial Position

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2020	the Period	2020
	€	€	€	€
10 Other Expenditure				
3500-3599 Loss / (Profit) on Disposal of asset				-
3695 Increase/(Decrease) in allowance for bad debts				-
8000-8099 Depreciation As at end of March 2020	36,244	288,322		288,322
				-
	36,244	288,322	-	288,322
Total	302,119	1,501,324	-	1,501,324
11 Inventories				
5201-5249 Stationery		-		-
5250-5299 Consumables		-		-
Books	23,182	20,000		20,000
	23,182	20,000	-	20,000
12 Receivables				
0201-0209 Receivables	197,508	10,000		10,000
0210-0219 LES Receivables				-
0220-0229 Receivables from EU				-
0250 Prepayments & Accrued income	83,418	25,000		25,000
	280,926	35,000	-	35,000
13 Cash & Equivalents				
5001-5099 Bank & Cash Balances	1,049,895	508,428		508,428
	1,049,895	508,428	-	508,428
14 Payables				
4000 Payables	353,967	352,477		352,477
4100 Accruals	80,482	100,000		100,000
4150 Deferred Income	309,185	-		-
Current portion of long term borrowings				-
Current portion of long term borrowings	17,425	21,000		21,000
	761,059	473,477	-	473,477
15 Non Current Liabilities				
4200 Long Term Borrowing	-	7,000		7,000
Deferred Income	-	-		-
	-	7,000	-	7,000

16 Total Commitments (Recurrent and Capital)

DESCRIPTION

€	€	€
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Recurrent and Capital

-	-	-

Long Term Loans

-	-	-

Others

-	-	-

17 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 1st January 2020	568,224	7,156,914	646,175	73,322	909,228	58,787	190,012	5,473		9,608,135
Additions		90,234					200			90,434
Disposals										-
As at end of March 2020	568,224	7,247,148	646,175	73,322	909,228	58,787	190,212	5,473	-	9,698,569
Grants/ other reimbursements										
As at 1st January 2020		1,649,760	82,229							1,731,989
Additions			-							-
As at end of March 2020	-	1,649,760	82,229	-	-	-	-	-	-	1,731,989
Accumulated Depreciation										
As at 1st January 2020	18,323	4,523,184	-	73,322	717,881	45,662	98,789	1,212		5,478,373
Charge for the period	172	29,920	-	-	4,568	52	1,350	182		36,244
Released on disposal										-
As at end of March 2020	18,495	4,553,104	-	73,322	722,449	45,714	100,139	1,394	-	5,514,617
NBV As at end of March 2020	549,729	1,044,284	563,946	-	186,779	13,073	90,073	4,079	-	2,451,963