



Il-Mellieħa Local Council

Quarterly Financial Report

for the Period

1st January till End of September 2020 (Quarter 3)

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Overview and Summary

The Council's income during the period July / September 2020 amounted to €996,386, against an expenditure of €873,132, resulting in a surplus for the year to date of €123,255.

The value of Current Assets has increased by €285,878, as compared to the previous quarter, to €1,577,164. These consisted mainly of Cash and Cash Equivalent amounting to €1,417,138 up to the end of the period under review, as compared to the amount of €1,114,487, registered in June 2020. The Current Assets were also made up of an additional €19,872 as Inventories (Stocks) and €138,154 as receivables.

The Current Liabilities have increased as compared to the previous quarter, from €971,292, registered in June 2020, to €1,179,686. These were made up of Payables (€193,871), consisting of accruals (€87,493) 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 €877,322 which resulted from receipt in advance (September 2020) of the 4th quarter allocation from the Central Government. Such an advance payment is accounted for as deferred income in the 3rd quarterly report. There were also E.U. payments received from the Managing Authority related to EAFRD Projects. The current situation with respect to outstanding payments due from Infrastructure Malta with respect to the reconstruction of Triq il-Qortin. Deferred Income represents grants either received by Council, or committed in relation to projects undertaken, however have not as yet been fully settled.

Considering all these parameters, the Financial Situation Indicator grew by 6% over the previous quarter and reached 32%.

€380,234 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 €9,608,135 having a net book value of €2,711,650 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 September 2020 (Quarter 3)

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2020	the Period	2020
	€	€	€	€
Income				
Funds received from Central Government (1)	945,025	1,437,458	-	1,437,458
Income raised from Bye-Laws (2)	48,405	74,384	-	74,384
Income raised from LES (3)	2,674	4,400	-	4,400
Investment Income (4)	272	1,200	-	1,200
Other Income (5)	10	450	-	450
TOTAL	996,386	1,517,892	-	1,517,892
Expenditure				
Personal Emoluments (6)	149,119	213,426	-	213,426
Operations and Maintenance (7)	493,397	930,495	-	930,495
Administration (8)	30,793	69,081	-	69,081
Finance Cost (9)	-	-	-	-
Other Expenditure (10)	199,823	288,322	-	288,322
TOTAL	873,132	1,501,324	-	1,501,324
Surplus / Deficit	123,255	16,568	-	16,568

Statement of Financial Position as at end of September 2020 (Quarter 3)

DESCRIPTION	Actual for the Period €	Annual Budget 2020 €	Virements for the Period €	Revised Annual Budget 2020 €
Non-current Assets				
Property, Plant and Equipment (17)	2,711,650	3,277,525		3,277,525
Current Assets				
Inventories (11)	19,872	20,000	-	20,000
Receivables (12)	138,154	35,000	-	35,000
Cash and Cash Equivalents (13)	1,417,138	508,428	-	508,428
Total Current Assets	1,575,164	563,428	-	563,428
Current Liabilities				
Payables (14)	1,179,686	473,477	-	473,477
Total Current Liabilities	1,179,686	473,477	-	473,477
Net Current Assets	395,478	89,951	-	89,951
Non-current liabilities (15)	-	7,000	-	7,000
Net Assets	3,107,128	3,360,476	-	3,360,476
Reserves				
Retained Funds	3,107,128	3,360,476		3,360,476

Financial Situation Indicator

DESCRIPTION				
Current Assets	1,575,164	563,428	-	563,428
Current Liabilities	1,179,686	473,477	-	473,477
Working Capital	395,478	89,951	-	89,951
Government Allocation	1,229,969	1,229,969	-	1,229,969
FSI	32 %	7 %		7 %

Cash flow Statement

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2020	the Period	2020
	€	€	€	€
Cash flow from operating activities				
Surplus for the year	123,255	16,568	-	16,568
Adjustments for:				
Depreciation	199,823	288,322	-	288,322
Increase / (Decrease) in Allowance for Bad Debts				-
Interest receivable	(272)			-
Interest payable				-
(Profit) / Loss on disposal of asset				-
Increase / (Decrease) in payables	(74,184)			-
Increase / (Decrease) in accruals	311,919			-
Decrease / (Increase) in receivables	(87,419)			-
Decrease / (Increase) in inventories	3,189			-
Decrease / (Increase) in inventories				-
Cash generated from operations	476,310	304,890	-	304,890
Interest paid				-
<i>Net cash from operating activities</i>	476,310	304,890	-	304,890
Cash flows from Investing activities				
Purchase of property, plant & equipment	(380,234)	(1,463,948)		(1,463,948)
Proceeds from sale of property, plant & equipment				-
Grants received	204,486	847,040		847,040
Interest received	272			-
<i>Net cash used in investing activities</i>	(175,476)	(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	300,834	(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	1,417,138	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	922,477	1,229,969		1,229,969
0002-0004 In terms of section 58 CAP 363	-	195,007		195,007
0005-0019 Other income	22,548	12,482		12,482
	945,025	1,437,458	-	1,437,458
2 Income raised from Bye-Laws				
0021-0025 Community Services	21	1,900		1,900
0028-0035 Income from Permits	48,384	72,484		72,484
	48,405	74,384	-	74,384
3 Local Enforcement Income				
0037 Commission from Regional Committees	2,674	4,400		4,400
0038-0055 Contraventions	-	-		-
	2,674	4,400	-	4,400
4 Investment Income				
0091-0095 Bank interest	272	1,200		1,200
0096-0099 Income received from Governnet Securities	-	-		-
	272	1,200	-	1,200
5				
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	10	450		450
	10	450	-	450
Total	996,386	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	11,270	15,027		15,027
1200 Employees' Salaries & Wages	105,995	141,486		141,486
1300 Bonuses	385	11,620		11,620
1400 Income Supplements	1,696	1,454		1,454
1500 Social Security Contributions	9,747	13,010		13,010
1600 Allowances	19,372	25,829		25,829
1700 Overtime	654	5,000		5,000
	149,119	213,426	-	213,426
DESCRIPTION	€	€	€	€
7 Operations and Maintenance				
2100-2149 Public Utilities	6,857	8,293		8,293
2200-2259 Public Materials & Supplies	3,661	3,644		3,644
2300-2399 Repairs & upkeep	94,065	123,400		123,400
2400-2449 Rent	3,188	4,250		4,250
3010 Street Lightning	26,344	36,000		36,000
3020 Lease of Equipment		-		-
3030 Insurance	5,351	6,000		6,000
3035 Bank Charges	679	900		900
3038 Penalties		-		-
3041 Refuse Collection	94,887	130,000		130,000
3042 Bulky Refuse Collection	29,910	32,000		32,000
3043 Bins on wheels		-		-
3045 Bring in sites	1,815	2,000		2,000
3051 Road & Street Cleaning	13,694	35,000		35,000
3052 Cleaning & Maintenance of Non-Urban Areas	22,418	30,000		30,000
3053 Cleaning of Public Conveniences	30,045	76,000		76,000
3055 Cleaning of Council Premises	2,974	4,800		4,800
3040 Waste Disposal	90,418	148,000		148,000
3060 Cleaning & Maintenance of Parks & Gardens		-		-
3061 Cleaning & Maintenance of Soft Areas	42,842	117,281		117,281
3062 Cleaning & Maintenance of Beaches & CA	117	500		500
3063 Cleaning & Maintenance of Country Non-Urban	248	1,000		1,000
6064 Other Contractual Services		-		-
3070-3090 Consultation Fees	1,680	1,000		1,000
3100-3139 Contract & Project Management	7,569	15,000		15,000
3300-3379 Hospitality	6,471	96,500		96,500
3380-3389 Community	8,115	23,216		23,216
3390-3394 Donations		-		-
3600-3694 Local Enforcement Expenses	49	325		325
3700-3799 EU Projects		24,886		24,886
3800-3899 Twinning		10,500		10,500
	493,397	930,495	-	930,495
8 Administration				
2150-2199 Office Utilities	5,300	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	4,200	6,300		6,300
2700-2799 Transport	9,858	12,700		12,700
2800-2899 Travel		3,300		3,300
2900-2999 Information Services	2,315	15,000		15,000
3050 Office Cleaning	22	100		100
3410-3199 Professional Services	7,948	17,000		17,000
3200-3299 Training		2,000		2,000
3345 Office Hospitality		-		-
3400-3499 Incidental Expenses	664	2,250		2,250
	30,793	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 September 2020	199,823	288,322		288,322
					-
	Depreciation	199,823	288,322	-	288,322
	Total	873,132	1,501,324	-	1,501,324
11	Inventories				
	5201-5249 Stationery	-	-		-
	5250-5299 Consumables	-	-		-
	Books	19,872	20,000		20,000
		19,872	20,000	-	20,000
12	Receivables				
	0201-0209 Receivables	122,671	10,000		10,000
	0210-0219 LES Receivables				-
	0220-0229 Receivables from EU				-
	0250 Prepayments & Accrued income	15,483	25,000		25,000
					-
		138,154	35,000	-	35,000
13	Cash & Equivalents				
	5001-5099 Bank & Cash Balances	1,417,138	508,428		508,428
		1,417,138	508,428	-	508,428
14	Payables				
	4000 Payables	193,871	352,477		352,477
	4100 Accruals	87,493	100,000		100,000
	4150 Deferred Income	877,322	-		-
	Current portion of long term borrowings				-
	Current portion of long term borrowings	21,000	21,000		21,000
		1,179,686	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	€	€	€
	Recurrent and Capital			
		-	-	-
	Long Term Loans			
		-	-	-
	Others			
		-	-	-

17 Depreciation of Property, Plant and Equipment

Asset	Property	Special Programmes	Assets under Const	Street Signs	Urban Improvements	Office Equipment	Office Furniture	Computer Software		Total
% of depreciation	1%	10%	0%	100%	10%	20%	7.5%	25%		
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		378,904				427	903			380,234
Disposals										-
As at end of September 2020	568,224	7,535,818	646,175	73,322	909,228	59,214	190,915	5,473	-	9,988,369
Grants/ other reimbursements										
As at 1st January 2020		1,311,809	82,229							1,394,038
Additions		204,486	-							204,486
As at end of September 2020	-	1,516,295	82,229	-	-	-	-	-	-	1,598,524
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	774	153,929	-	-	33,464	4,147	6,689	819		199,823
Released on disposal									-	-
As at end of September 2020	19,097	4,677,113	-	73,322	751,345	49,809	105,478	2,031	-	5,678,196
NBV As at end of September 20	549,127	1,342,410	563,946	-	157,883	9,405	85,437	3,442	-	2,711,650