



Il-Mellieħa Local Council

Quarterly Financial Report

for the Period

1st January till End of December 2020 (Quarter 4)

Table of Contents

Overview and Summary	<i>Page 3</i>
Statement of Income and Expenditure	<i>Page 4</i>
Statement of Financial Position	<i>Page 5</i>
Cash flow Statement	<i>Page 6</i>
Detailed Income	<i>Page 7</i>
Detailed Expenditure	<i>Page 8</i>
Detailed Statment of Financial Position	<i>Page 10</i>
Depreciation of Property, Plant and Equipment	<i>Page 11</i>

Overview and Summary

The Council's income during the period October / December 2020 amounted to €1,434,955, against an expenditure of €1,350,026, resulting in a surplus for the year to date of €84,969.

The value of Current Assets has decreased by €90,847, as compared to the previous quarter, to €1,486,317. These consisted mainly of Cash and Cash Equivalent amounting to €1,255,089 up to the end of the period under review, as compared to the amount of €1,577,164, registered in June 2020. The Current Assets were also made up of an additional €28,083 as Inventories (Stocks) and €203,145 as receivables.

The net Current Liabilities have decreased as compared to the previous quarter, from €1,179,636, registered in October 2020, to €77,322. These were made up of Payables (€220,554), consisting of accruals (€224,656) 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 €247,756 which resulted from yet unspent EU funds related EAFRD and ERDF Projects. There was also outstanding income due from Infrastructure Malta with respect to the reconstruction of Triq il-Qortin. Deferred Income results from grant agreements entered into by the Council with other entities, where the implementation and/or administrative procedures have not as yet been fully settled.

Considering all these parameters, the Financial Situation Indicator grew by 31% over the previous quarter and reached 63%.

€305,762 worth of Fixed Assets were capitalized since the beginning of the financial year, while the net 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 €2,295,520 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 December 2020 (Quarter 4)

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2020	the Period	2020
	€	€	€	€
Income				
Funds received from Central Government (1)	1,362,599	1,437,458	-	1,437,458
Income raised from Bye-Laws (2)	59,800	74,384	-	74,384
Income raised from LES (3)	4,819	4,400	-	4,400
Investment Income (4)	591	1,200	-	1,200
Other Income (5)	7,186	450	-	450
TOTAL	1,434,995	1,517,892	-	1,517,892
Expenditure				
Personal Emoluments (6)	209,838	213,426	-	213,426
Operations and Maintenance (7)	723,490	930,495	-	930,495
Administration (8)	46,234	69,081	-	69,081
Finance Cost (9)	-	-	-	-
Other Expenditure (10)	370,464	288,322	-	288,322
TOTAL	1,350,026	1,501,324	-	1,501,324
Surplus / Deficit	84,969	16,568	-	16,568

Statement of Financial Position as at end of December 2020 (Quarter 4)

DESCRIPTION	Actual for the Period €	Annual Budget 2020 €	Virements for the Period €	Revised Annual Budget 2020 €
Non-current Assets				
Property, Plant and Equipment (17)	2,295,520	3,277,525		3,277,525
Current Assets				
Inventories (11)	28,083	20,000	-	20,000
Receivables (12)	203,145	35,000	-	35,000
Cash and Cash Equivalents (13)	1,255,089	508,428	-	508,428
Total Current Assets	1,486,317	563,428	-	563,428
Current Liabilities				
Payables (14)	712,995	473,477	-	473,477
Total Current Liabilities	712,995	473,477	-	473,477
Net Current Assets	773,322	89,951	-	89,951
Non-current liabilities (15)	-	7,000	-	7,000
Net Assets	3,068,842	3,360,476	-	3,360,476
Reserves				
Retained Funds	3,068,842	3,360,476		3,360,476

Financial Situation Indicator

DESCRIPTION				
Current Assets	1,486,317	563,428	-	563,428
Current Liabilities	712,995	473,477	-	473,477
Working Capital	773,322	89,951	-	89,951
Government Allocation	1,229,969	1,229,969	-	1,229,969
FSI	63 %	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	84,969	16,568	-	16,568
Adjustments for:				
Depreciation	366,303	288,322	-	288,322
Increase / (Decrease) in Allowance for Bad Debts				-
Interest receivable	(591)			-
Interest payable				-
(Profit) / Loss on disposal of asset	4,161			-
Increase / (Decrease) in payables	(319,319)			-
Increase / (Decrease) in accruals	212,895			-
Decrease / (Increase) in receivables	(63,530)			-
Decrease / (Increase) in inventories	(4,840)			-
Decrease / (Increase) in inventories				-
Cash generated from operations	280,048	304,890	-	304,890
Interest paid				-
<i>Net cash from operating activities</i>	280,048	304,890	-	304,890
Cash flows from investing activities				
Purchase of property, plant & equipment	(305,762)	(1,463,948)		(1,463,948)
Proceeds from sale of property, plant & equipment				-
Grants received	163,908	847,040		847,040
Interest received	591			-
<i>Net cash used in investing activities</i>	(141,263)	(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	138,785	(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	1,255,089	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	1,229,969	1,229,969		1,229,969
	0002-0004 In terms of section 58 CAP 363	69,764	195,007		195,007
	0005-0019 Other income	62,866	12,482		12,482
		1,362,599	1,437,458	-	1,437,458
2	Income raised from Bye-Laws				
	0021-0025 Community Services	8,950	1,900		1,900
	0026-0035 Income from Permits	50,850	72,484		72,484
		59,800	74,384	-	74,384
3	Local Enforcement Income				
	0037 Commission from Regional Committees	4,819	4,400		4,400
	0038-0055 Contraventions	-	-		-
		4,819	4,400	-	4,400
4	Investment Income				
	0091-0095 Bank interest	591	1,200		1,200
	0096-0099 Income received from Governnet Securities	-	-		-
		591	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	7,186	450		450
		7,186	450	-	450
Total		1,434,995	1,517,892	-	1,517,892

Detailed Expenditure

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2020	the Period	2020
	€	€	€	€
6 i) Personal Emoluments				
1100 Mayor's Allowance	15,027	15,027		15,027
1200 Employees' Salaries & Wages	141,486	141,486		141,486
1300 Bonuses	11,772	11,620		11,620
1400 Income Supplements	1,696	1,454		1,454
1500 Social Security Contributions	13,039	13,010		13,010
1600 Allowances	25,829	25,829		25,829
1700 Overtime	989	5,000		5,000
	209,838	213,426	-	213,426
7 Operations and Maintenance				
2100-2149 Public Utilities	9,162	8,293		8,293
2200-2259 Public Materials & Supplies	5,930	3,644		3,644
2300-2399 Repairs & upkeep	133,746	123,400		123,400
2400-2449 Rent	2,025	4,250		4,250
3010 Street Lightning	38,025	36,000		36,000
3020 Lease of Equipment		-		-
3030 Insurance	4,083	6,000		6,000
3035 Bank Charges	1,046	900		900
3038 Penalties		-		-
3041 Refuse Collection	129,118	130,000		130,000
3042 Bulky Refuse Collection	37,385	32,000		32,000
3043 Bins on wheels		-		-
3045 Bring in sites	1,810	2,000		2,000
3051 Road & Street Cleaning	22,808	35,000		35,000
3052 Cleaning & Maintenance of Non-Urban Areas	23,321	30,000		30,000
3053 Cleaning of Public Conveniences	59,134	76,000		76,000
3055 Cleaning of Council Premises	4,015	4,800		4,800
3040 Waste Disposal	111,914	148,000		148,000
3060 Cleaning & Maintenance of Parks & Gardens		-		-
3061 Cleaning & Maintenance of Soft Areas	58,398	117,281		117,281
3062 Cleaning & Maintenance of Beaches & CA	1,417	500		500
3063 Cleaning & Maintenance of Country Non-Urban		1,000		1,000
6064 Other Contractual Services		-		-
3070-3090 Consultation Fees	1,916	1,000		1,000
3100-3139 Contract & Project Management	9,889	15,000		15,000
3300-3379 Hospitality	28,150	96,500		96,500
3380-3389 Community	17,568	23,216		23,216
3390-3394 Donations		-		-
3600-3694 Local Enforcement Expenses	59	325		325
3700-3799 EU Projects	22,571	24,886		24,886
3800-3899 Twinning		10,500		10,500
	723,490	930,495	-	930,495
8 Administration				
2150-2199 Office Utilities	8,974	8,431		8,431
2260-2299 Office Materials & Supplies		-		-
2450-2499 Office Rent		-		-
2500-2599 National & International Memberships	1,086	2,000		2,000
2600-2699 Office Services	4,893	6,300		6,300
2700-2799 Transport	11,995	12,700		12,700
2800-2899 Travel		3,300		3,300
2900-2999 Information Services	3,681	15,000		15,000
3050 Office Cleaning		100		100
3410-3199 Professional Services	11,347	17,000		17,000
3200-3299 Training	2,300	2,000		2,000
3345 Office Hospitality		-		-
3400-3499 Incidental Expenses	1,958	2,250		2,250
	46,234	69,081	-	69,081

9 Finance Costs
3036 Interest on Bank Loan

			-
			-
-	-	-	-

Detailed Statement of Financial Position

DESCRIPTION	Actual for the Period €	Annual Budget 2020 €	Virements for the Period €	Revised Annual Budget 2020 €
10 Other Expenditure				
3500-3599 Loss / (Profit) on Disposal of asset	4,161			-
3695 Increase/(Decrease) in allowance for bad debts				-
8000-8099 Depreciation As at end of December 2020	366,303	288,322		288,322
				-
	370,464	288,322	-	288,322
Total	1,350,026	1,501,324	-	1,501,324
11 Inventories				
5201-5249 Stationery	-	-		-
5250-5299 Consumables	-	-		-
Books	28,083	20,000		20,000
	28,083	20,000	-	20,000
12 Receivables				
0201-0209 Receivables	171,387	10,000		10,000
0210-0219 LES Receivables				-
0220-0229 Receivables from EU				-
0250 Prepayments & Accrued income	31,758	25,000		25,000
				-
	203,145	35,000	-	35,000
13 Cash & Equivalents				
5001-5099 Bank & Cash Balances	1,255,089	508,428		508,428
	1,255,089	508,428	-	508,428
14 Payables				
4000 Payables	220,554	352,477		352,477
4100 Accruals	244,656	100,000		100,000
4150 Deferred Income	247,785	-		-
Current portion of long term borrowings				-
Current portion of long term borrowings	-	21,000		21,000
	712,995	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		19,341	283,545		857	427	1,592		305,762
Disposals			(78,753)		78,753	(7,975)	3,814		(4,161)
As at end of December 2020	568,224	7,176,255	850,967	73,322	988,838	51,239	195,418	5,473	9,909,736
Grants/ other reimbursements									
As at 1st January 2020		1,731,989	-						1,731,989
Additions		37,551	-						37,551
As at end of December 2020	-	1,769,540	-	-	-	-	-	-	1,769,540
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	2,242	281,583	-	-	67,708	4,215	13,590	714	370,052
Released on disposal					(3,446)	(3,446)	(303)		(3,749)
As at end of December 2020	20,565	4,804,767	-	73,322	785,589	46,431	112,076	1,926	5,844,676
NBV As at end of December 2020	547,659	601,948	850,967	-	203,249	4,808	83,342	3,547	2,295,520