

# **Mtarfa Local Council**

## **Quarterly Financial Report**

**for the Period**

**1st January till End of June 2020 (Quarter 2)**



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*Overview and Summary*


The Income and Expenditure for Quarter 2 is registering a surplus of €22,318. The annual budget for year 2020 envisaged a breakeven position for the year.

The net current asset for the period is positive as the net current asset position is €96,300. This positive situation is due to the fact that the cash and cash equivalents was very high and in fact the balance as at end of June 2020 amounted to €312,926.

The results above confirmed that the financial situation is positive as the net position (i.e current assets, current liabilities and total long term liabilities) was positive and it amounted to 33% of the Annual Government Allocation for 2020.



Dr. Daniel Attard  
Mayor



Josette Micallef  
Executive Secretary

**Statement of Income and Expenditure**  
**1st January till End of June 2020 (Quarter 2)**

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2020	the Period	2020
	€	€	€	€
<b>Income</b>				
Funds received from Central Government (1)	171,561	304,006	-	304,006
Income raised from Bye-Laws (2)	2,522	3,700	-	3,700
Income raised from LES (3)	239	1,250	-	1,250
Investment Income (4)	-	-	-	-
Other Income (5)	2,118	2,796	-	2,796
<b>TOTAL</b>	<b>176,440</b>	<b>311,752</b>	<b>-</b>	<b>311,752</b>
<b>Expenditure</b>				
Personal Emoluments (6)	49,292	97,989	-	97,989
Operations and Maintenance (7)	82,918	157,547	-	157,547
Administration (8)	16,773	36,725	-	36,725
Finance Cost (9)	-	-	-	-
Other Expenditure (10)	5,140	19,490	-	19,490
<b>TOTAL</b>	<b>154,123</b>	<b>311,752</b>	<b>-</b>	<b>311,752</b>
<b>Surplus / Deficit</b>	<b>22,318</b>	<b>0</b>	<b>-</b>	<b>0</b>

## Statement of Financial Position as at end of June 2020 (Quarter 2)

DESCRIPTION	Actual for the Period €	Annual Budget 2020 €	Virements for the Period €	Revised Annual Budget 2020 €
<b>Non-current Assets</b>				
Property, Plant and Equipment (17)	150,191	90,975		90,975
<b>Current Assets</b>				
Inventories (11)	4,081	4,000	-	4,000
Receivables (12)	19,486	29,235	-	29,235
Cash and Cash Equivalents (13)	312,926	207,490	-	207,490
<b>Total Current Assets</b>	<b>336,493</b>	<b>240,725</b>	<b>-</b>	<b>240,725</b>
<b>Current Liabilities</b>				
Payables (14)	240,193	55,628	-	55,628
<b>Total Current Liabilities</b>	<b>240,193</b>	<b>55,628</b>	<b>-</b>	<b>55,628</b>
<b>Net Current Assets</b>	<b>96,300</b>	<b>185,097</b>	<b>-</b>	<b>185,097</b>
<b>Non-current liabilities (15)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>246,491</b>	<b>276,072</b>	<b>-</b>	<b>276,072</b>
<b>Reserves</b>				
Retained Funds	246,491	276,072	-	276,072

## Financial Situation Indicator

DESCRIPTION				
Current Assets		336,493	240,725	240,725
Current Liabilities		240,193	55,628	55,628
<b>Working Capital</b>		<b>96,300</b>	<b>185,097</b>	<b>185,097</b>
Government Allocation		289,090	289,090	289,090
<b>FSI</b>		<b>33 %</b>	<b>64 %</b>	<b>64 %</b>

## Cash flow Statement

DESCRIPTION	Actual for the Period €	Annual Budget 2020 €	Virements for the Period €	Revised Annual Budget 2020 €
<b>Cash flow from operating activities</b>				
Surplus for the year	22,318	0	-	0
Adjustments for:				
Depreciation	5,140	19,490	-	19,490
Increase / (Decrease) in Allowance for Bad Debts				-
Interest receivable				-
Interest payable				-
(Profit) / Loss on disposal of asset				-
Amortisation				-
Increase / (Decrease) in payables	59,794			-
Increase / (Decrease) in accruals				-
Decrease / (Increase) in receivables				-
Decrease / (Increase) in inventories				-
Decrease / (Increase) in inventories				-
Cash generated from operations	87,251	19,490	-	19,490
Interest paid				-
<i>Net cash from operating activities</i>	87,251	19,490	-	19,490
<b>Cash flows from investing activities</b>				
Purchase of property, plant & equipment	(39,441)	(142,000)		(142,000)
Proceeds from sale of property, plant & equipment				-
Grants received	-	120,000		120,000
Interest received				-
<i>Net cash used in investing activities</i>	(39,441)	(22,000)	-	(22,000)
<b>Cash flows from financing activities</b>				
Proceeds from long-term borrowings				-
Interest Paid				-
Bank Loan Repayments				-
<i>Net cash from financing activities</i>	-	-	-	-
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	47,811	(2,510)	-	(2,510)
Cash & cash equivalents at beginning of year	265,115	210,000		210,000
<b>Cash &amp; cash equivalents at end of Quarter</b>	312,926	207,490	-	207,490

## Detailed Income

DESCRIPTION	Actual for the Period €	Annual Budget 2020 €	Virements for the Period €	Revised Annual Budget 2020 €
<b>Income</b>				
<b>1 Funds received from Central Government:</b>				
0001 In terms of section 55 CAP 363	143,777	289,090		289,090
0002-0004 In terms of section 58 CAP 363	20,450	-		-
0005-0019 Other income	7,334	14,916		14,916
	<b>171,561</b>	<b>304,006</b>	-	<b>304,006</b>
<b>2 Income raised from Bye-Laws</b>				
0021-0025 Community Services		-		-
0026-0035 Income from Permits	2,522	3,700		3,700
	<b>2,522</b>	<b>3,700</b>	-	<b>3,700</b>
<b>3 Local Enforcement Income</b>				
0037 Commission from Regional Committees	239	1,250		1,250
0038-0055 Contraventions	-	-		-
	<b>239</b>	<b>1,250</b>	-	<b>1,250</b>
<b>4 Investment Income</b>				
0091-0095 Bank interest		-		-
0096-0099 Income received from Governnet Securities		-		-
	-	-	-	-
<b>5 Sponsorships</b>				
0066-0069 Documents & Information		-		-
0070-0075 EU funds		-		-
0076-0080 Twinning		-		-
0081-0089 Insurance Claims		-		-
0100-0109 Donations	100			
0110-0119 Contributions				
0120-0129 General Income	2,018	2,796		2,796
	<b>2,118</b>	<b>2,796</b>	-	<b>2,796</b>
<b>Total</b>	<b>176,440</b>	<b>311,752</b>	-	<b>311,752</b>



## Detailed Expenditure

## DESCRIPTION

6 i)	DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
		the Period	2020	the Period	2020
		€	€	€	€
	<b>Personal Emoluments</b>				
	1100 Mayor's Allowance	5,788	7,706		7,706
	1200 Employees' Salaries & Wages	30,747	62,242		62,242
	1300 Bonuses	3,230	6,267		6,267
	1400 Income Supplements		380		380
	1500 Social Security Contributions	2,881	5,854		5,854
	1600 Allowances	5,844	13,000		13,000
	1700 Overtime	801	2,541		2,541
		<b>49,292</b>	<b>97,989</b>	-	<b>97,989</b>

## DESCRIPTION

7	DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
		the Period	2020	the Period	2020
		€	€	€	€
	<b>Operations and Maintenance</b>				
	2100-2149 Public Utilities	2,207	7,707		7,707
	2200-2259 Public Materials & Supplies	3,225	2,300		2,300
	2300-2399 Repairs & upkeep	7,069	13,900		13,900
	2400-2449 Rent	3,650	7,331		7,331
	3010 Street Lightning	4,450	8,000		8,000
	3020 Lease of Equipment	2,972	150		150
	3030 Insurance	662	1,434		1,434
	3035 Bank Charges	34	80		80
	3038 Penalties				-
	3041 Refuse Collection	10,250	20,752		20,752
	3042 Bulky Refuse Collection	3,047	5,000		5,000
	3043 Bins on wheels				-
	3045 Bring in sites				-
	3051 Road & Street Cleaning	9,214	18,428		18,428
	3052 Cleaning & Maintenance of Non-Urban Areas				-
	3053 Cleaning of Public Conveniences	2,925	5,640		5,640
	3055 Cleaning of Council Premises				-
	3040 Waste Disposal	7,755	17,400		17,400
	3050 Cleaning & Maintenance of Parks & Gardens	17,652	22,450		22,450
	3051 Cleaning & Maintenance of Soft Areas				-
	3052 Cleaning & Maintenance of Beaches & CA				-
	3053 Cleaning & Maintenance of Country Non-Urban				-
	6054 Other Contractual Services	5,143	4,316		4,316
	3070-3090 Consultation Fees				-
	3100-3139 Contract & Project Management				-
	3300-3379 Hospitality	2,665	21,160		21,160
	3380-3389 Community				-
	3390-3394 Donations				-
	3600-3694 Local Enforcement Expenses		1,500		1,500
	3700-3799 EU Projects				-
	3800-3899 Twinning				-
	Provision for Bad LES debts				-
		<b>82,918</b>	<b>157,547</b>	-	<b>157,547</b>

## 8 Administration

	2150-2199 Office Utilities	1,893	2,088		2,088
	2260-2299 Office Materials & Supplies	353	1,000		1,000
	2450-2499 Office Rent				-
	2500-2599 National & International Memberships	265	600		600
	2600-2699 Office Services	1,702	1,760		1,760
	2700-2799 Transport	650	2,300		2,300
	2800-2899 Travel		1,000		1,000
	2900-2999 Information Services	896	8,290		8,290
	3050 Office Cleaning	875	1,080		1,080
	3410-3199 Professional Services	9,154	16,407		16,407
	3200-3299 Training		500		500
	3345 Office Hospitality	986	1,500		1,500
	3400-3499 Incidental Expenses		200		200
		<b>16,773</b>	<b>36,725</b>	-	<b>36,725</b>

## 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 €
<b>10 Other Expenditure</b>				
3500-3599 Loss / (Profit) on Disposal of asset				-
3695 Increase/(Decrease) in allowance for bad debts				-
8000-8099 Depreciation As at end of June 2020	5,140	19,490		19,490
Disposal of Assets				-
	<b>5,140</b>	<b>19,490</b>	-	<b>19,490</b>
<b>Total</b>	<b>154,123</b>	<b>311,752</b>	-	<b>311,752</b>
<b>11 Inventories</b>				
5201-5249 Stationery				-
5250-5299 Consumables	4,081	4,000		4,000
	<b>4,081</b>	<b>4,000</b>	-	<b>4,000</b>
<b>12 Receivables</b>				
0201-0209 Receivables	12,179	9,235		9,235
0210-0219 LES Receivables		-		-
0220-0229 Receivables from EU		-		-
0250 Prepayments & Accrued income	7,307	20,000		20,000
	<b>19,486</b>	<b>29,235</b>	-	<b>29,235</b>
<b>13 Cash &amp; Equivalents</b>				
5001-5099 Bank & Cash Balances	312,926	207,490		207,490
	<b>312,926</b>	<b>207,490</b>	-	<b>207,490</b>
<b>14 Payables</b>				
4000 Payables	96,492	35,000		35,000
4100 Accruals	32,029	20,000		20,000
4150 Deferred income	111,672	628		628
Current portion of long term borrowings				-
	<b>240,193</b>	<b>55,628</b>	-	<b>55,628</b>
<b>15 Non Current Liabilities</b>				
4200 Long Term Borrowing				-
Deferred Income				-
	-	-	-	-

16 Total Commitments (Recurrent and Capital)

DESCRIPTION

€	€	€
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Recurrent and Capital  
Mtarfa Tower Clock

125,010	125,010	
125,010	125,010	-

Long Term Loans

-	-	-

Others

-	-	-

## 17 Depreciation of Property, Plant and Equipment

Asset	%	Furn & Fittings	Office Equipment	Urban Improvements	Construction	Trees	Plant & Machinery	Computer Equipment	Street Signs	Assets under construction	Total
% of depreciation	8%		20%	10%	10%	0%	20%	25%	100%	0%	
Cost		€	€	€	€	€	€	€	€	€	€
As at 1st January 2020		49,532	18,873	298,106	518,806	9,370	9,107	11,561	38,068	56,660	1,010,083
Additions		627	137	2,005	-	-	-	295	-	36,377	39,441
Disposals		-	-	-	-	-	-	-	-	-	-
As at end of June 2020		50,159	19,010	300,111	518,806	9,370	9,107	11,856	38,068	93,037	1,049,523
Grants/ other reimbursements											
As at 1st January 2020			2,847	112,480	400,968		2,300				518,595
Additions				-	-						
As at end of June 2020			2,847	112,480	400,968		2,300				518,595
Accumulated Depreciation											
As at 1st January 2020		36,391	12,517	182,066	90,983	-	5,663	9,910	38,068	-	375,598
Charge for the period		938	1,028	939	1,582		149	504			5,140
Released on disposal											
As at end of June 2020		37,329	13,545	183,005	92,565	-	5,812	10,414	38,068	-	380,737
NBV		12,831	2,618	4,625	25,273	9,370	995	1,442		93,037	150,191