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Mtarfa Local Council

Quarterly Financial Report

for the Period

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

Overview and Summary

The Income and Expenditure for Quarter 4 is registering a deficit of €24,477. The annual budget for year 2020 envisaged a breakeven position for the year. During the last quarter of the year 2020, the lighting project in Grien is-Sinjura was completed. A total of €54,089 was spent on the lighting, and the amount of €35,159 was granted out of DPF funds. The difference of €18,930 was taken as an expense during this quarter, since depreciation of such assets is 100%, and they are written off immediately.

The net current asset for the period is positive as the net current asset position is €94,667. 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 December 2020 amounted to €184,089.

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 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)	315,764	304,006	(15,456)	319,462
Income raised from Bye-Laws (2)	5,231	3,700	(378)	4,078
Income raised from LES (3)	480	1,250	500	750
Investment Income (4)	9	-	-	-
Other Income (5)	5,915	2,796	(650)	3,446
TOTAL	327,398	311,752	(16,984)	327,736
Expenditure				
Personal Emoluments (6)	101,184	97,989	(2,960)	100,949
Operations and Maintenance (7)	170,157	167,547	(20,718)	178,265
Administration (8)	51,374	36,725	6,700	30,025
Finance Cost (9)	-	-	-	-
Other Expenditure (10)	29,161	19,490	(9,000)	28,490
TOTAL	351,876	311,752	(25,978)	337,729
Surplus / Deficit	(24,477)	0	9,994	(9,993)

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

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2020	the Period	2020
	€	€	€	€
Non-current Assets				
Property, Plant and Equipment (17)	244,941	90,975	(75,000)	165,975
Current Assets				
Inventories (11)	4,035	4,000	-	4,000
Receivables (12)	43,821	29,235	8,000	21,235
Cash and Cash Equivalents (13)	184,090	207,490	(40,000)	247,490
Total Current Assets	231,947	240,725	(32,000)	272,725
Current Liabilities				
Payables (14)	137,280	55,628	(153,000)	208,628
Total Current Liabilities	137,280	55,628	(153,000)	208,628
Net Current Assets	94,667	185,097	121,000	64,097
Non-current liabilities (16)	139,910	-	-	-
Net Assets	199,697	276,072	46,000	230,072
Reserves				
Retained Funds	199,697	276,072	46,000	230,072

Financial Situation Indicator

DESCRIPTION				
Current Assets	231,947	240,725	(32,000)	272,725
Current Liabilities	137,280	55,628	(153,000)	208,628
Working Capital	94,667	185,097	121,000	64,097
Government Allocation	289,090	289,090	-	289,090
FSI	33 %	64 %		22 %

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	(24,477)	0	9,994	(9,993)
Adjustments for:				
Depreciation	27,865	19,490	(9,000)	28,490
Increase / (Decrease) in Allowance for Bad Debts	(82)			-
Interest receivable	(9)			-
Interest payable				-
(Profit) / Loss on disposal of asset				-
Amortisation				-
Increase / (Decrease) in payables	73,880			-
Increase / (Decrease) in accruals				-
Decrease / (Increase) in receivables				-
Decrease / (Increase) in inventories				-
Decrease / (Increase) in inventories				-
Cash generated from operations	77,177	19,490	994	18,497
Interest paid				-
<i>Net cash from operating activities</i>	77,177	19,490	994	18,497
Cash flows from investing activities				
Purchase of property, plant & equipment	(193,371)	(142,000)		(142,000)
Proceeds from sale of property, plant & equipment				-
Grants received	35,159	120,000		120,000
Interest received	9			-
<i>Net cash used in investing activities</i>	(158,203)	(22,000)	-	(22,000)
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	(81,026)	(2,510)	994	(3,503)
Cash & cash equivalents at beginning of year	265,115	210,000		210,000
Cash & cash equivalents at end of Quarter	184,089	207,490	994	206,497

Detailed Income

DESCRIPTION	Actual for	Annual Budget	Variations for	Revised Annual Budget
	the Period	2020	the Period	2020
	€	€	€	€
Income				
1 Funds received from Central Government:				
0001 In terms of section 55 CAP 363	287,554	289,090		289,090
0002-0004 In terms of section 58 CAP 363	15,816	-	(15,456)	15,456
0005-0019 Other Income	12,393	14,916		14,916
	315,764	304,006	(15,456)	319,462
2 Income raised from Bye-Laws				
0021-0026 Community Services		-		-
0026-0035 Income from Permits	5,231	3,700	(378)	4,078
	5,231	3,700	(378)	4,078
3 Local Enforcement Income				
0037 Commission from Regional Committees	480	1,250	500	750
0038-0055 Contraventions	-	-		-
	480	1,250	500	750
4 Investment Income				
0091-0095 Bank interest	9	-		-
0095-0099 Income received from Government Securities		-		-
	9	-	-	-
5 Sponsorships				
0056-0069 Documents & Information	2,149	-		-
0070-0075 EU funds		-		-
0075-0080 Twinning		-		-
0081-0089 Insurance Claims	930	-		-
0100-0109 Donations	180	-	(160)	160
0110-0119 Contributions	490	-	(490)	490
0120-0129 General Income	2,166	2,796		2,796
	5,915	2,796	(550)	3,446
Total	327,390	311,762	(15,984)	327,736

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	10,404	7,708	(2,696)	10,404
1200 Employees' Salaries & Wages	63,364	62,242		62,242
1300 Bonuses	5,656	5,267		5,267
1400 Income Supplements	642	300	(262)	642
1500 Social Security Contributions	5,055	5,854		5,854
1600 Allowances	13,000	13,000		13,000
1700 Overtime	2,164	2,541		2,541
	101,184	87,958	(2,960)	100,949
7 Operations and Maintenance				
2100-2149 Public Utilities	2,514	7,707	2,000	5,707
2200-2259 Public Materials & Supplies	9,486	2,300	(5,000)	7,300
2300-2399 Repairs & upkeep	14,771	13,900		13,900
2400-2449 Rent	6,652	7,331		7,331
3010 Street Lighting	11,216	8,000		8,000
3020 Lease of Equipment	6,679	150	(5,300)	5,450
3030 Insurance	1,484	1,434		1,434
3035 Bank Charges	194	80		80
3039 Penalties				
3041 Refuse Collection	19,658	20,752		20,752
3042 Bulky Refuse Collection	6,930	5,000	(1,000)	8,000
3043 Bins on wheels				
3045 Bring in sites				
3051 Road & Street Cleaning	18,428	18,428		18,428
3052 Cleaning & Maintenance of Non-Urban Areas				
3053 Cleaning of Public Conveniences	5,796	5,640		5,640
3055 Cleaning of Council Premises				
3040 Waste Disposal	16,274	17,400		17,400
3050 Cleaning & Maintenance of Parks & Gardens	34,871	22,450	(8,000)	30,450
3051 Cleaning & Maintenance of Soft Areas				
3052 Cleaning & Maintenance of Beaches & CA				
3053 Cleaning & Maintenance of Country Non-Urban				
6054 Other Contractual Services	8,937	4,316	(3,500)	7,816
3070-3090 Consultation Fees				
3100-3139 Contract & Project Management				
3300-3379 Hospitality	6,343	21,160		21,160
3380-3399 Community				
3390-3394 Donations				
3600-3604 Local Enforcement Expenses	8	1,500		1,500
3700-3799 EU Projects				
3800-3899 Twinning				
Provision for Bad LES debts	(82)		82	(82)
	170,167	167,547	(20,718)	178,265
8 Administration				
2100-2199 Office Utilities	4,084	2,088		2,088
2200-2299 Office Materials & Supplies	300	1,000		1,000
2400-2499 Office Rent				
2500-2599 National & International Memberships	444	600		600
2600-2699 Office Services	2,152	1,760		1,760
2700-2799 Transport	1,424	2,300	1,000	1,300
2800-2899 Travel		1,000	1,000	
2900-2999 Information Services	1,080	8,290	4,000	4,290
3050 Office Cleaning	1,175	1,080		1,080
3410-3199 Professional Services	37,842	16,407		16,407
3200-3299 Training		500	500	
3345 Office Hospitality	2,213	1,500		1,500
3400-3499 Incidental Expenses		200	200	
	61,374	36,725	6,700	30,025
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				-
3695 Increase/(Decrease) in allowance for bad debts				-
8000-8099 Depreciation As at end of December 2020	27,865	19,490	(9,000)	28,490
Disposal of Assets	1,296			-
	29,161	19,490	(9,000)	28,490
Total	361,876	311,762	(28,976)	337,728
11 Inventories				
5201-5249 Stationery				-
5250-5299 Consumables	4,035	4,000		4,000
	4,035	4,000		4,000
12 Receivables				
0201-0209 Receivables	12,368	9,235	(2,000)	11,235
0210-0219 LES Receivables		-		-
0220-0229 Receivables from EU		-		-
0290 Prepayments & Accrued income	31,463	20,000	10,000	10,000
	43,821	29,235	8,000	21,235
13 Cash & Equivalents				
5001-5099 Bank & Cash Balances	184,090	207,490	(40,000)	247,490
	184,090	207,490	(40,000)	247,490
14 Payables				
4000 Payables	62,075	35,000	(5,000)	40,000
4100 Accruals	40,722	20,000	(10,000)	30,000
4150 Deferred income	34,482	628	(138,000)	138,628
Current portion of long term borrowings				-
	137,280	55,628	(153,000)	208,628
15 Non Current Liabilities				
4200 Long Term Borrowing				-
Advance payment	139,910	-		-
	139,910			

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 & Street Lighting	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	56,960	1,010,083
Additions	1,400	262	3,489	54,089		570	295		133,266	193,371
Disposals	(443)					(853)				(1,296)
As at end of December 2020	50,489	19,135	301,595	572,895	9,370	8,824	11,856	38,068	189,926	1,202,157
Grants/ other reimbursements										
As at 1st January 2020		2,847	112,480	400,968		2,300				518,595
Additions			-	35,159						35,159
As at end of December 2020	-	2,847	112,480	436,127	-	2,300	-	-	-	553,754
Accumulated Depreciation										
As at 1st January 2020	36,391	12,517	182,066	90,963	-	5,663	9,910	38,068	-	375,598
Charge for the period	1,895	1,983	1,886	22,094		317	985			29,161
Released on disposal	(443)					(853)				(1,296)
As at end of December 2020	37,843	14,500	183,952	113,077	-	5,127	10,896	38,068	-	403,463
NBV As at end of December 2020	12,646	1,788	5,163	23,691	9,370	1,397	960	-	189,926	244,941