

# **Valletta Local Council**

## **Quarterly Financial Report**

### **for the Period**

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



# 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 financial report covers the period ended from 1 January 2020 to 30 June 2020. During the year under review the Council's revenue amounted to € 712,769. The total expenditure amounted to € 737,134 after taking into consideration depreciation of property, plant and equipment amounting to € 57,421.

The Council's Government allocation for the year amounted to € 459,389. Income raised for permits amounted to € 81,826. Other government income for cultural activities amounting to Euro 12,331. The Local Council has invoiced Waste Serv an amount of Euro 75,331 as refunds of expenses incurred on Organic waste.

Income from LES amounted to € 2,653 while income from other contributions amounted to Euro 13,500. This income include the CVA and Transport Malta contract. During the period the Local Council obtained EU funds of Euro 67,739 on the Destination Project.

Salary costs amounted to € 120,723 while Operations and Maintenance amounted to € 488,626. Included with operations and maintenance there is community and social event costs of € 26,485. During the year Administration costs amounted to € 70,364.

During the period the Local Council purchased property, plant and equipment amounting to Euro 114,613.

The Local Council has received in advance the amount of Euro 30,566 from the Central Government in respect of Irrigation Scheme which costs will be incurred later in 2020. The financial performance for the period ended from 1 January 2020 to 30 June 2020 resulted in a deficit of € (24,365).

Alfred Zammit  
Mayor

Ms. Gabriella Agius  
Executive Secretary

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

DESCRIPTION	Actual for the Period	Annual Budget 2020	Virements for the Period	Revised Annual Budget 2020
	€	€	€	€
<b>Income</b>				
Funds received from Central Government (1)	459,389	467,158	7,769	459,389
Income raised from Bye-Laws (2)	94,157	117,500	23,343	94,157
Income raised from LES (3)	2,653	3,750	1,097	2,653
Investment Income (4)	-	10	10	-
Other Income (5)	156,570	98,782	(57,788)	156,570
<b>TOTAL</b>	<b>712,769</b>	<b>687,200</b>	<b>(25,569)</b>	<b>712,769</b>
<b>Expenditure</b>				
Personal Emoluments (6)	120,723	128,870	8,147	120,723
Operations and Maintenance (7)	488,626	482,750	(5,876)	488,626
Administration (8)	70,364	44,840	(25,524)	70,364
Finance Cost (9)	-	-	-	-
Other Expenditure (10)	57,421	53,218	(4,203)	57,421
<b>TOTAL</b>	<b>737,134</b>	<b>709,678</b>	<b>(27,456)</b>	<b>737,134</b>
<b>Surplus / Deficit</b>	<b>(24,365)</b>	<b>(22,478)</b>	<b>1,887</b>	<b>(24,365)</b>

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

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2020	the Period	2020
	€	€	€	€
<b>Non-current Assets</b>				
Property, Plant and Equipment (17)	429,917	370,744	(59,173)	429,917
<b>Current Assets</b>				
Inventories (11)	-	-	-	-
Receivables (12)	304,977	227,355	(77,622)	304,977
Cash and Cash Equivalents (13)	150,694	64,531	(86,163)	150,694
<b>Total Current Assets</b>	<b>455,671</b>	<b>291,886</b>	<b>(163,785)</b>	<b>455,671</b>
<b>Current Liabilities</b>				
Payables (14)	944,702	616,644	(328,058)	944,702
<b>Total Current Liabilities</b>	<b>944,702</b>	<b>616,644</b>	<b>(328,058)</b>	<b>944,702</b>
<b>Net Current Assets</b>	<b>(489,031)</b>	<b>(324,758)</b>	164,273	<b>(489,031)</b>
<b>Non-current liabilities (15)</b>	-	-	-	-
<b>Net Assets</b>	<b>(59,114)</b>	<b>45,986</b>	<b>105,100</b>	<b>(59,114)</b>
<b>Reserves</b>				
Retained Funds	(59,114)	45,986	105,100	(59,114)

## Financial Situation Indicator

DESCRIPTION				
Current Assets	455,671	291,886	(163,785)	455,671
Current Liabilities	944,702	616,644	(328,058)	944,702
<b>Working Capital</b>	<b>(489,031)</b>	<b>(324,758)</b>	164,273	<b>(489,031)</b>
Government Allocation	918,314	918,314	(231)	918,314
<b>FSI</b>	<b>(53) %</b>	<b>(35) %</b>		<b>(53) %</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	(24,365)	(22,478)	1,887	(24,365)
Adjustments for:				
Depreciation	57,421	53,218	(4,203)	57,421
Increase / (Decrease) in Allowance for Bad Debts				-
Interest receivable				-
Interest payable				-
(Profit) / Loss on disposal of asset				-
Trasfer of Grants to Profit & Loss				-
Increase / (Decrease) in payables	35,264	(43,850)	(79,114)	35,264
Increase / (Decrease) in accruals	(1,784)	-	1,784	(1,784)
Decrease / (Increase) in receivables	(81,912)	79,419	161,331	(81,912)
Decrease / (Increase) in inventories				-
Decrease / (Increase) in inventories				-
Cash generated from operations	(15,376)	66,309	81,685	(15,376)
Interest paid				-
<i>Net cash from operating activities</i>	(15,376)	66,309	81,685	(15,376)
<b>Cash flows from investing activities</b>				
Purchase of property, plant & equipment	(114,613)	-	114,613	(114,613)
Proceeds from sale of property, plant & equipment				-
Grants received	28,237	-	(28,237)	28,237
Interest received				-
Received in advance from government	254,224	-	(254,224)	254,224
<i>Net cash used in investing activities</i>	167,848	-	(167,848)	167,848
<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>	152,472	66,309	(86,163)	152,472
Cash & cash equivalents at beginning of year	(1,778)	(1,778)	-	(1,778)
<b>Cash &amp; cash equivalents at end of Quarter</b>	150,694	64,531	(86,163)	150,694

## Detailed Income

DESCRIPTION		Actual for	Annual Budget	Virements for	Revised Annual Budget
		the Period	2020	the Period	2020
		€	€	€	€
<b>Income</b>					
<b>1</b>	<b>Funds received from Cental Government:</b>				
	0001 In terms of section 55 CAP 363	459,389	459,158	(231)	459,389
	0002-0004 In terms of section 58 CAP 363		-	-	-
	0005-0019 Other income		8,000	8,000	-
		<b>459,389</b>	<b>467,158</b>	<b>7,769</b>	<b>459,389</b>
<b>2</b>	<b>Income raised from Bye-Laws</b>				
	0021-0025 Community Services	12,331	7,500	(4,831)	12,331
	0026-0035 Income from Permits	81,826	110,000	28,174	81,826
		<b>94,157</b>	<b>117,500</b>	<b>23,343</b>	<b>94,157</b>
<b>3</b>	<b>Local Enforcement Income</b>				
	0037 Commission from Regional Committees	2,609	3,750	1,141	2,609
	0038-0055 Contraventions	44	-	(44)	44
		<b>2,653</b>	<b>3,750</b>	<b>1,097</b>	<b>2,653</b>
<b>4</b>	<b>Investment Income</b>				
	0091-0095 Bank interest	-	10	10	-
	0096-0099 Income received from Governnet Securities	-	-	-	-
		<b>-</b>	<b>10</b>	<b>10</b>	<b>-</b>
<b>5</b>	<b>Sponsorships</b>				
	0066-0069 Documents & Information	75,331	65,000	(10,331)	75,331
	0070-0075 EU funds	67,739	15,282	(52,457)	67,739
	0076-0080 Twinning				-
	0081-0089 Insurance Claims				-
	0100-0109 Donations		-	-	-
	0110-0119 Contributions	13,500	13,500	-	13,500
	0120-0129 General Income		5,000	5,000	-
		<b>156,570</b>	<b>98,782</b>	<b>(57,788)</b>	<b>156,570</b>
<b>Total</b>		<b>712,769</b>	<b>687,200</b>	<b>(25,569)</b>	<b>712,769</b>



## Detailed Expenditure

DESCRIPTION	Actual for the Period	Annual Budget 2020	Virements for the Period	Revised Annual Budget 2020
	€	€	€	€
<b>6 i) Personal Emoluments</b>				
1100 Mayor's Allowance	7,514	7,514	-	7,514
1200 Employees' Salaries & Wages	86,561	92,500	5,939	86,561
1300 Bonuses	-	-	-	-
1400 Income Supplements	-	-	-	-
1500 Social Security Contributions	8,118	7,956	(162)	8,118
1600 Allowances	8,900	8,900	-	8,900
1700 Overtime	9,630	12,000	2,370	9,630
	<b>120,723</b>	<b>128,870</b>	<b>8,147</b>	<b>120,723</b>
<b>7 Operations and Maintenance</b>				
2100-2149 Public Utilities				-
2200-2259 Public Materials & Supplies	14,638	25,000	10,362	14,638
2300-2399 Repairs & upkeep	3,029	7,500	4,471	3,029
2400-2449 Rent				-
3010 Street Lightning	11,806	6,000	(5,806)	11,806
3020 Lease of Equipment		-	-	-
3030 Insurance	5,425	3,500	(1,925)	5,425
3035 Bank Charges	384	750	366	384
3038 Penalties				-
3041 Refuse Collection	246,919	210,000	(36,919)	246,919
3042 Bulky Refuse Collection	9,450	10,000	550	9,450
3043 Bins on wheels				-
3045 Bring in sites				-
3051 Road & Street Cleaning	107,227	115,000	7,773	107,227
3052 Cleaning & Maintenance of Non-Urban Areas				-
3053 Cleaning of Public Conveniences				-
3055 Cleaning of Council Premises	2,304	2,500	196	2,304
3040 Waste Disposal	37,925	42,500	4,575	37,925
3060 Cleaning & Maintenance of Parks & Gardens	23,034	30,000	6,966	23,034
3061 Cleaning & Maintenance of Soft Areas				-
3062 Cleaning & Maintenance of Beaches & CA				-
3063 Cleaning & Maintenance of Country Non-Urban				-
6064 Other Contractual Services			-	-
3070-3090 Consultation Fees				-
3100-3139 Contract & Project Management				-
3300-3379 Hospitality				-
3380-3389 Community	26,485	30,000	3,515	26,485
3390-3394 Donations		-	-	-
3600-3694 Local Enforcement Expenses				-
3700-3799 EU Projects		-	-	-
3800-3899 Twinning				-
	<b>488,626</b>	<b>482,750</b>	<b>(5,876)</b>	<b>488,626</b>
<b>8 Administration</b>				
2150-2199 Office Utilities	5,842	10,000	4,158	5,842
2260-2299 Office Materials & Supplies		-	-	-
2450-2499 Office Rent	5,290	2,590	(2,700)	5,290
2500-2599 National & International Memberships	151	-	(151)	151
2600-2699 Office Services	9,086	12,500	3,414	9,086
2700-2799 Transport	142	1,500	1,358	142
2800-2899 Travel		2,000	2,000	-
2900-2999 Information Services		500	500	-
3050 Office Cleaning		-	-	-
3410-3199 Professional Services	31,004	15,000	(16,004)	31,004
3200-3299 Training	18,349	250	(18,099)	18,349
3345 Office Hospitality		-	-	-
3400-3499 Incidental Expenses	500	500	-	500
	<b>70,364</b>	<b>44,840</b>	<b>(25,524)</b>	<b>70,364</b>
<b>9 Finance Costs</b>				
3036 Interest on Bank Loan				-
	-	-	-	-

## Detailed Statment 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	57,421	53,218	(4,203)	57,421
Depreciation	57,421	53,218	(4,203)	57,421
<b>Total</b>	<b>737,134</b>	<b>709,678</b>	<b>(27,456)</b>	<b>737,134</b>
<b>11 Inventories</b>				
5201-5249 Stationery	-			-
5250-5299 Consumables	-			-
	-	-	-	-
<b>12 Receivables</b>				
0201-0209 Receivables	283,484	194,389	(89,095)	283,484
0210-0219 LES Receivables	-	-	-	-
0220-0229 Receivables from EU	-	-	-	-
0250 Prepayments & Accrued income	21,493	32,966	11,473	21,493
	-	-	-	-
	<b>304,977</b>	<b>227,355</b>	<b>(77,622)</b>	<b>304,977</b>
<b>13 Cash &amp; Equivalents</b>				
5001-5099 Bank & Cash Balances	150,694	64,531	(86,163)	150,694
	<b>150,694</b>	<b>64,531</b>	<b>(86,163)</b>	<b>150,694</b>
<b>14 Payables</b>				
4000 Payables	592,763	549,869	(42,894)	592,763
4100 Accruals	20,742	20,368	(374)	20,742
4150 Deferred Income	284,790	-	(284,790)	284,790
Current portion of long term borrowings				-
National insurance outstanding	46,407	46,407	-	46,407
	<b>944,702</b>	<b>616,644</b>	<b>(328,058)</b>	<b>944,702</b>
<b>15 Non Current Liabilities</b>				
4200 Long Term Borrowing	-			-
	-	-	-	-

16 Total Commitments (Recurrent and Capital)

DESCRIPTION

€	€	€
---	---	---

Recurrent and Capital

-	-	-

Long Term Loans

-	-	-

Others

-	-	-

## 17 Depreciation of Property, Plant and Equipment

Asset	Motor Vehicle	Assets under construction	New Street Signs	Urban Improvements	Plant and Machinery	Office Furniture	Special Programmes	Electronic Equipment	Intangible Assets	Total
% of depreciation	20%	0%	100%	10%	20%	8%	10%	25%	25%	
	€	€	€	€	€	€	€	€	€	€
<b>Cost</b>										
As at 1st January 2020	-	2,815	14,572	2,660,490	59,634	69,931	301,085	11,709	40,649	3,160,885
Additions	6,500	-	-	107,553	-	-	-	-	560	114,613
Disposals										-
As at end of June 2020	<b>6,500</b>	<b>2,815</b>	<b>14,572</b>	<b>2,768,043</b>	<b>59,634</b>	<b>69,931</b>	<b>301,085</b>	<b>11,709</b>	<b>41,209</b>	<b>3,275,498</b>
<b>Grants/ other reimbursements</b>										
As at 1st January 2020				1,154,352						1,154,352
Additions				28,237			106,484			134,721
As at end of June 2020	-	-	-	<b>1,182,589</b>	-	-	<b>106,484</b>	-	-	<b>1,289,073</b>
<b>Accumulated Depreciation</b>										
As at 1st January 2020	-	-	14,572	1,171,966	54,550	36,672	194,601	5,358	21,368	1,499,087
Charge for the period	650	-	-	47,225	1,143	2,622	-	1,395	4,386	57,421
Released on disposal										-
As at end of June 2020	<b>650</b>	<b>-</b>	<b>14,572</b>	<b>1,219,191</b>	<b>55,693</b>	<b>39,294</b>	<b>194,601</b>	<b>6,753</b>	<b>25,754</b>	<b>1,556,508</b>
<b>NBV As at end of June 2020</b>	<b>5,850</b>	<b>2,815</b>	<b>-</b>	<b>366,263</b>	<b>3,941</b>	<b>30,637</b>	<b>-</b>	<b>4,956</b>	<b>15,455</b>	<b>429,917</b>