

# **Valletta Local Council**

## **Quarterly Financial Report**

### **for the Period**

**1st January till End of June 2021 (Quarter 2)**



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### Overview and Summary

The financial report covers the period ended from 1 January 2021 to 30 June 2021. During the period under review the Council's revenue amounted to € 648,848. The total expenditure amounted to € 666,482 after taking into consideration depreciation of property, plant and equipment amounting to € 51,764.

The Council's Government allocation for the year amounted to € 466,370. The Local Council received other government income of Euro 88,139 in relation to waste costs paid by the Department of Local Councils. Income raised for permits amounted to € 88,139.

Income from LES amounted to € 2,261 while income from other contributions amounted to Euro 20,334. This income include the CVA and Transport Malta contract.

Salary costs amounted to € 117,689 while Operations and Maintenance amounted to € 448,572. Included with operations and maintenance there is community and social event costs of € 1,497. During the period Administration costs amounted to € 48,457.

During the period the Local Council purchased property, plant and equipment amounting to Euro 302,516. This include costs on Soup Kitchen projects amounting to Euro 219,824 which amounts were already financed by a grant received in 2020.

The financial performance for the period ended from 1 January 2021 to 30 June 2021 resulted in a deficit of € (17,634).

Alfred Zammit  
Mayor

Ms. Gabriella Agius  
Executive Secretary

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**Statement of Income and Expenditure**  
**1st January till End of June 2021 (Quarter 2)**

DESCRIPTION	Actual for the Period €	Annual Budget 2021 €	Virements for the Period €	Revised Annual Budget 2021 €
<b>Income</b>				
Funds received from Central Government (1)	466,370	490,958	24,588	466,370
Income raised from Bye-Laws (2)	88,139	82,500	(5,639)	88,139
Income raised from LES (3)	2,261	3,750	1,489	2,261
Investment Income (4)	-	10	10	-
Other Income (5)	92,078	102,500	10,422	92,078
<b>TOTAL</b>	<b>648,848</b>	<b>679,718</b>	<b>30,870</b>	<b>648,848</b>
<b>Expenditure</b>				
Personal Emoluments (6)	117,689	121,550	3,861	117,689
Operations and Maintenance (7)	448,572	500,376	51,804	448,572
Administration (8)	48,457	43,750	(4,707)	48,457
Finance Cost (9)	-	-	-	-
Other Expenditure (10)	51,764	56,384	4,620	51,764
<b>TOTAL</b>	<b>666,482</b>	<b>722,060</b>	<b>55,578</b>	<b>666,482</b>
<b>Surplus / Deficit</b>	<b>(17,634)</b>	<b>(42,342)</b>	<b>(24,708)</b>	<b>(17,634)</b>

## Statement of Financial Position as at end of June 2021 (Quarter 2)

DESCRIPTION	Actual for the Period €	Annual Budget 2021 €	Virements for the Period €	Revised Annual Budget 2021 €
<b>Non-current Assets</b>				
Property, Plant and Equipment (17)	431,995	290,916	(141,079)	431,995
<b>Current Assets</b>				
Inventories (11)	-	-	-	-
Receivables (12)	384,635	410,359	25,724	384,635
Cash and Cash Equivalents (13)	(95,696)	(25,321)	70,375	(95,696)
<b>Total Current Assets</b>	<b>288,939</b>	<b>385,038</b>	<b>96,099</b>	<b>288,939</b>
<b>Current Liabilities</b>				
Payables (14)	780,391	738,949	(41,442)	780,391
<b>Total Current Liabilities</b>	<b>780,391</b>	<b>738,949</b>	<b>(41,442)</b>	<b>780,391</b>
<b>Net Current Assets</b>	<b>(491,452)</b>	<b>(353,911)</b>	<b>137,541</b>	<b>(491,452)</b>
<b>Non-current liabilities (15)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>(59,457)</b>	<b>(62,995)</b>	<b>(3,538)</b>	<b>(59,457)</b>
<b>Reserves</b>				
Retained Funds	(59,457)	(62,995)	(3,538)	(59,457)

## Financial Situation Indicator

DESCRIPTION				
Current Assets	288,939	385,038	96,099	288,939
Current Liabilities	780,391	738,949	(41,442)	780,391
<b>Working Capital</b>	<b>(491,452)</b>	<b>(353,911)</b>	<b>137,541</b>	<b>(491,452)</b>
Government Allocation	918,314	918,314	24,588	918,314
<b>FSI</b>	<b>(54) %</b>	<b>(39) %</b>		<b>(54) %</b>

**Cash flow Statement****DESCRIPTION**

	Actual for the Period	Annual Budget 2021	Virements for the Period	Revised Annual Budget 2021
	€	€	€	€
<b>Cash flow from operating activities</b>				
Surplus for the year	(17,634)	(42,342)	(24,708)	(17,634)
Adjustments for:				
Depreciation	51,764	56,384	4,620	51,764
Increase / (Decrease) in Allowance for Bad Debts				-
Interest receivable				-
Interest payable				-
(Profit) / Loss on disposal of asset				-
Increase / (Decrease) in payables	60,969	(109,983)	(170,952)	60,969
Increase / (Decrease) in accruals	-	-	-	-
Decrease / (Increase) in receivables	(91,857)	79,419	171,276	(91,857)
Decrease / (Increase) in inventories				-
Decrease / (Increase) in inventories				-
Cash generated from operations	3,242	(16,522)	(19,764)	3,242
Interest paid				-
				-
<i>Net cash from operating activities</i>	3,242	(16,522)	(19,764)	3,242
<b>Cash flows from investing activities</b>				
Purchase of property, plant & equipment	(302,516)	-	302,516	(302,516)
Proceeds from sale of property, plant & equipment				-
Grants received	167,861	-	(167,861)	167,861
Interest received				-
				-
<i>Net cash used in investing activities</i>	(134,655)	-	134,655	(134,655)
<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>	(131,413)	(16,522)	114,891	(131,413)
Cash & cash equivalents at beginning of year	35,717	(1,778)	(37,495)	35,717
<b>Cash &amp; cash equivalents at end of Quarter</b>	(95,696)	(18,300)	77,396	(95,696)



## Detailed Income

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2021	the Period	2021
	€	€	€	€
<b>Income</b>				
<b>1 Funds received from Cental Government:</b>				
0001 In terms of section 55 CAP 363	466,370	490,958	24,588	466,370
0002-0004 In terms of section 58 CAP 363	-	-	-	-
0005-0019 Other income	-	-	-	-
	<b>466,370</b>	<b>490,958</b>	<b>24,588</b>	<b>466,370</b>
<b>2 Income raised from Bye-Laws</b>				
0021-0025 Community Services	-	7,500	7,500	-
0026-0035 Income from Permits	88,139	75,000	(13,139)	88,139
	<b>88,139</b>	<b>82,500</b>	<b>(5,639)</b>	<b>88,139</b>
<b>3 Local Enforcement Income</b>				
0037 Commission from Regional Committees	1,974	3,750	1,776	1,974
0038-0055 Contraventions	287	-	(287)	287
	<b>2,261</b>	<b>3,750</b>	<b>1,489</b>	<b>2,261</b>
<b>4 Investment Income</b>				
0091-0095 Bank interest	-	10	10	-
0096-0099 Income received from Governnet Securities	-	10	10	-
	<b>-</b>	<b>10</b>	<b>10</b>	<b>-</b>
<b>5</b>				
0056-0065 Sponsorships	-	-	-	-
0066-0069 Documents & Information	71,744	82,500	10,756	71,744
0070-0075 EU funds	-	-	-	-
0076-0080 Twinning	-	-	-	-
0081-0089 Insurance Claims	-	-	-	-
0100-0109 Donations	-	-	-	-
0110-0119 Contributions	20,334	20,000	(334)	20,334
0120-0129 General Income	-	-	-	-
	<b>92,078</b>	<b>102,500</b>	<b>10,422</b>	<b>92,078</b>
<b>Total</b>	<b>648,848</b>	<b>679,718</b>	<b>30,870</b>	<b>648,848</b>

## Detailed Expenditure

DESCRIPTION	Actual for the Period €	Annual Budget 2021 €	Virements for the Period €	Revised Annual Budget 2021 €
<b>6 i) Personal Emoluments</b>				
1100 Mayor's Allowance	7,635	7,900	265	7,635
1200 Employees' Salaries & Wages	88,391	89,000	609	88,391
1300 Bonuses	-	-	-	-
1400 Income Supplements	-	-	-	-
1500 Social Security Contributions	8,079	8,250	171	8,079
1600 Allowances	8,900	8,900	-	8,900
1700 Overtime	4,684	7,500	2,816	4,684
	<b>117,689</b>	<b>121,550</b>	<b>3,861</b>	<b>117,689</b>
<b>7 Operations and Maintenance</b>				
2100-2149 Public Utilities				-
2200-2259 Public Materials & Supplies	13,698	22,500	8,802	13,698
2300-2399 Repairs & upkeep	3,108	5,000	1,892	3,108
2400-2449 Rent				-
3010 Street Lightning	3,654	8,000	4,346	3,654
3020 Lease of Equipment		-	-	-
3030 Insurance	1,977	3,500	1,523	1,977
3035 Bank Charges	381	376	(5)	381
3038 Penalties				-
3041 Refuse Collection	274,100	275,000	900	274,100
3042 Bulky Refuse Collection	10,400	10,000	(400)	10,400
3043 Bins on wheels				-
3045 Bring in sites				-
3051 Road & Street Cleaning	96,170	107,500	11,330	96,170
3052 Cleaning & Maintenance of Non-Urban Areas				-
3053 Cleaning of Public Conveniences				-
3055 Cleaning of Council Premises	3,096	2,500	(596)	3,096
3040 Waste Disposal	21,316	25,000	3,684	21,316
3060 Cleaning & Maintenance of Parks & Gardens	19,175	24,000	4,825	19,175
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	1,497	17,000	15,503	1,497
3390-3394 Donations		-	-	-
3600-3694 Local Enforcement Expenses		-	-	-
3700-3799 EU Projects		-	-	-
3800-3899 Twinning		-	-	-
	<b>448,572</b>	<b>500,376</b>	<b>51,804</b>	<b>448,572</b>
<b>8 Administration</b>				
2150-2199 Office Utilities	3,982	8,000	4,018	3,982
2260-2299 Office Materials & Supplies		-	-	-
2450-2499 Office Rent	5,739	6,000	261	5,739
2500-2599 National & International Memberships	-	250	250	-
2600-2699 Office Services	10,493	9,000	(1,493)	10,493
2700-2799 Transport	-	500	500	-
2800-2899 Travel	-	-	-	-
2900-2999 Information Services	1,670	250	(1,420)	1,670
3050 Office Cleaning		-	-	-
3410-3199 Professional Services	22,462	19,000	(3,462)	22,462
3200-3299 Training	3,600	250	(3,350)	3,600
3345 Office Hospitality		-	-	-
3400-3499 Incidental Expenses	511	500	(11)	511
	<b>48,457</b>	<b>43,750</b>	<b>(4,707)</b>	<b>48,457</b>
<b>9 Finance Costs</b>				
3036 Interest on Bank Loan				-
	-	-	-	-

## Detailed Statement of Financial Position

## DESCRIPTION

	Actual for the Period	Annual Budget 2021	Virements for the Period	Revised Annual Budget 2021
	€	€	€	€
<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 2021	51,764	56,384	4,620	51,764
Depreciation	51,764	56,384	4,620	51,764
<b>Total</b>	<b>666,482</b>	<b>722,060</b>	<b>55,578</b>	<b>666,482</b>
<b>11 Inventories</b>				
5201-5249 Stationery	-			-
5250-5299 Consumables	-			-
	-	-	-	-
<b>12 Receivables</b>				
0201-0209 Receivables	224,607	369,600	144,993	224,607
0210-0219 LES Receivables	-	-	-	-
0220-0229 Receivables from EU	-	-	-	-
0250 Prepayments & Accrued income	160,028	40,759	(119,269)	160,028
	-	-	-	-
	<b>384,635</b>	<b>410,359</b>	<b>25,724</b>	<b>384,635</b>
<b>13 Cash &amp; Equivalents</b>				
5001-5099 Bank & Cash Balances	(95,696)	(25,321)	70,375	(95,696)
	<b>(95,696)</b>	<b>(25,321)</b>	<b>70,375</b>	<b>(95,696)</b>
<b>14 Payables</b>				
4000 Payables	685,936	678,100	(7,836)	685,936
4100 Accruals	26,653	14,442	(12,211)	26,653
4150 Deferred Income	21,395	-	(21,395)	21,395
Current portion of long term borrowings				-
National insurance outstanding	46,407	46,407	-	46,407
	<b>780,391</b>	<b>738,949</b>	<b>(41,442)</b>	<b>780,391</b>
<b>15 Non Current Liabilities</b>				
4200 Long Term Borrowing	-			-
	-	-	-	-

16 Total Commitments (Recurrent and Capital)

DESCRIPTION

€	€	€
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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 2021	6,500	39,595	14,572	2,770,859	59,234	70,331	334,595	18,240	41,210	3,355,136
Additions	-	219,824	9,171	561	-	-	71,305	1,655	-	302,516
Disposals		-								-
As at end of June 2021	<b>6,500</b>	<b>259,419</b>	<b>23,743</b>	<b>2,771,420</b>	<b>59,234</b>	<b>70,331</b>	<b>405,900</b>	<b>19,895</b>	<b>41,210</b>	<b>3,657,652</b>
<b>Grants/ other reimbursements</b>										
As at 1st January 2021				1,261,906			139,994			1,401,900
Additions		90,951	9,171	-			67,739			167,861
As at end of June 2021	-	<b>90,951</b>	<b>9,171</b>	<b>1,261,906</b>	-	-	<b>207,733</b>	-	-	<b>1,569,761</b>
<b>Accumulated Depreciation</b>										
As at 1st January 2021	1,192	-	14,572	1,256,003	56,699	42,026	194,601	7,837	31,202	1,604,132
Charge for the period	654	-	-	40,948	758	2,638	-	2,488	4,278	51,764
Released on disposal										-
As at end of June 2021	<b>1,846</b>	-	<b>14,572</b>	<b>1,296,951</b>	<b>57,457</b>	<b>44,664</b>	<b>194,601</b>	<b>10,325</b>	<b>35,480</b>	<b>1,655,896</b>
<b>NBV As at end of June 2021</b>	<b>4,654</b>	<b>168,468</b>	-	<b>212,563</b>	<b>1,777</b>	<b>25,667</b>	<b>3,566</b>	<b>9,570</b>	<b>5,730</b>	<b>431,995</b>