



BIRKIRKARA Local Council

Quarterly Financial Report for the Period

1st January till End of June 2018 (Quarter 2)

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Table of Contents

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



Overview and Summary

The Birkirkara Local Council is presenting its Quarterly Financial Report for the period 1 January to 30 June 2018. Although the Council continues to drive into a deficit liquidity situation, it is putting huge efforts in keeping up with a business plan which it drafted in agreement with the Department of Local Councils to redeem the debt by the end of 2020. Up to now the Council is managing to be in line with this financial plan and as a matter of satisfaction, the Council managed to bring down the Financial Situation Indicator from -28.13% in 2017 down to -23% up to the second quarter of 2018. This is a clear indication that the Council is adhering to its commitments to remedy the negative liquidity situation which spiralled out of control in previous legislatures.

In the meantime, the general outlook for the Council portrays itself as keeping up to the Budgeted expectations for 2018 and the investment in capital expenditure comes only from specified financial schemes of savings of past financial schemes which were awarded to the Council in the past financial years. Yet again, if were not for extra funds which the Council manages to generate from various sources, the annual allocation advanced to it by Central Government is never enough to meet the never-ending demand by the locality's residents.

The Council is looking forward to another successful 12-month term ending 31 December 2018, where it is hoping to close its financials on a good note of improvement over and above what it achieved for this financial year. In acquiring this object, the Council will play very cautiously with its spending and avoid anything which is not in line with the Budget and the Business Plan as it did during the financial year ended 31 December 2017.


Mayor
Executive Secretary

Statement of Income and Expenditure

1st January till End of June 2018 (Quarter 2)

DESCRIPTION

	Actual for the Period	Annual Budget 2018	Virements for the Period	Revised Annual Budget 2018
	€	€	€	€
Income				
Funds received from Central Government (1)	669,308	1,421,136	-	1,421,136
Income raised from Bye-Laws (2)	102,258	179,784	-	179,784
Income raised from LES (3)	8,508	17,172	-	17,172
Investment Income (4)	-	-	-	-
Other Income (5)	58,608	101,000	-	101,000
TOTAL	838,682	1,719,092	-	1,719,092
Expenditure				
Personal Emoluments (6)	119,674	250,427	-	250,427
Operations and Maintenance (7)	524,224	969,941	-	969,941
Administration (8)	85,715	191,340	-	191,340
Finance Cost (9)	-	-	-	-
Other Expenditure (10)	94,085	195,858	-	195,858
TOTAL	823,698	1,607,566	-	1,607,566
Surplus / Deficit	14,984	111,526	-	111,526

Statement of Financial Position as at end of June 2018 (Quarter 2)

DESCRIPTION	Actual for the Period €	Annual Budget 2018 €	Virements for the Period €	Revised Annual Budget 2018 €
Non-current Assets				
Property, Plant and Equipment (17)	3,049,867	3,048,046		3,048,046
Current Assets				
Inventories (11)	2,957	-	-	-
Receivables (12)	483,917	42,777	-	42,777
Cash and Cash Equivalents (13)	122,761	113,703	-	113,703
Total Current Assets	609,635	156,480	-	156,480
Current Liabilities				
Payables (14)	918,397	280,296	-	280,296
Total Current Liabilities	918,397	280,296	-	280,296
Net Current Assets	(308,762)	(123,816)	-	(123,816)
Non-current liabilities (15)	1,359,249	1,450,525	-	1,450,525
Net Assets	1,381,857	1,473,705	-	1,473,705
Reserves				
Retained Funds	1,381,857	1,473,705		1,473,705

Financial Situation Indicator

DESCRIPTION				
Current Assets	609,635	156,480	-	156,480
Current Liabilities	918,397	280,296	-	280,296
Working Capital	(308,762)	(123,816)	-	(123,816)
Government Allocation	1,338,044	1,338,044	-	1,338,044
FSI	(23) %	(9) %		(9) %

Cash flow Statement

DESCRIPTION

	Actual for the Period €	Annual Budget 2018 €	Virements for the Period €	Revised Annual Budget 2018 €
Cash flow from operating activities				
Surplus for the year	14,984	111,526	-	111,526
Adjustments for:				
Depreciation	96,342	195,858	-	195,858
Increase / (Decrease) in Allowance for Bad Debts	(2,257)	-	-	-
Interest receivable				-
Interest payable				-
(Profit) / Loss on disposal of asset				-
Transfer of grants to P & L				-
Increase / (Decrease) in payables	26,459	179,774		179,774
Increase / (Decrease) in accruals	274,559	507		507
Decrease / (Increase) in receivables	(55,209)	(4,093)		(4,093)
Decrease / (Increase) in inventories	(165,399)	55,698		55,698
Decrease / (Increase) in inventories	-			-
Cash generated from operations	189,479	539,270	-	539,270
Interest paid				-
Other movements		(455,129)		(455,129)
Net cash from operating activities	189,479	84,141	-	84,141
Cash flows from investing activities				
Purchase of property, plant & equipment	(426,253)	(532,400)		(532,400)
Proceeds from sale of property, plant & equipment	-			-
Grants received	248,052	425,000		425,000
Interest received				-
Net cash used in investing activities	(178,201)	(107,400)	-	(107,400)
Cash flows from financing activities				
Proceeds from long-term borrowings				-
Interest Paid				-
Bank Loan Repayments				-
Net cash from financing activities	-	-	-	-
Net increase/(decrease) in cash & cash equivalents	11,278	(23,259)	-	(23,259)
Cash & cash equivalents at beginning of year	111,483	136,962		136,962
Cash & cash equivalents at end of Quarter	122,761	113,703	-	113,703

Detailed Income

DESCRIPTION		Actual for the Period	Annual Budget 2018	Virements for the Period	Revised Annual Budget 2018
		€	€	€	€
Income					
1	Funds received from Cental Government:				
	0001 In terms of section 55 CAP 363	669,022	1,338,044		1,338,044
	0002-0004 In terms of section 58 CAP 363	286	83,092		83,092
	0005-0019 Other income	-	-		-
		669,308	1,421,136	-	1,421,136
2	Income raised from Bye-Laws				
	0021-0025 Community Services	4,595	-		-
	0026-0035 Income from Permits	97,663	179,784		179,784
		102,258	179,784	-	179,784
3	Local Enforcement Income				
	0037 Commission from Regional Committees	8,508	17,172		17,172
	0038-0055 Contraventions	-	-		-
		8,508	17,172	-	17,172
4	Investment Income				
	0091-0095 Bank interest	-	-		-
	0096-0099 Income received from Governmet Securities	-	-		-
		-	-	-	-
5	Sponsorships	2,500	-		-
	0066-0069 Documents & Information	112	-		-
	0070-0075 EU funds				-
	0076-0080 Twinning				-
	0081-0089 Insurance Claims				-
	0100-0109 Donations				-
	0110-0119 Contributions	53,233	90,900		90,900
	0120-0129 General Income	2,764	10,100		10,100
		58,608	101,000	-	101,000
Total		838,682	1,719,092	-	1,719,092

Detailed Expenditure

DESCRIPTION		Actual for the Period	Annual Budget 2018	Virements for the Period	Revised Annual Budget 2018
		€	€	€	€
6 i)	Personal Emoluments				
	1100 Mayor's Allowance	15,378	35,903		35,903
	1200 Employees' Salaries & Wages	81,862	171,917		171,917
	1300 Bonuses	1,287	14,181		14,181
	1400 Income Supplements	1,145	2,317		2,317
	1500 Social Security Contributions	7,771	16,407		16,407
	1600 Allowances	4,105	1,982		1,982
	1700 Overtime	8,126	7,720		7,720
		119,674	250,427	-	250,427
DESCRIPTION		€	€	€	€
7	Operations and Maintenance				
	2100-2149 Public Utilities	4,411	-		-
	2200-2259 Public Materials & Supplies	14,635	16,320		16,320
	2300-2399 Repairs & upkeep	97,154	185,640		185,640
	2400-2449 Rent	1,750	-		-
	3010 Street Lightning	15,484	32,130		32,130
	3020 Lease of Equipment	533	2,756		2,756
	3030 Insurance	3,460	5,565		5,565
	3035 Bank Charges	170	-		-
	3038 Penalties	-	-		-
	3041 Refuse Collection	120,285	234,600		234,600
	3042 Bulky Refuse Collection	9,010	13,000		13,000
	3043 Bins on wheels	4,037	-		-
	3045 Bring in sites	-	-		-
	3051 Road & Street Cleaning	75,486	199,950		199,950
	3052 Cleaning & Maintenance of Non-Urban Areas	-	-		-
	3053 Cleaning of Public Conveniences	3,817	9,000		9,000
	3055 Cleaning of Council Premises	-	2,040		2,040
	3040 Waste Disposal	96,446	163,200		163,200
	3060 Cleaning & Maintenance of Parks & Gardens	2,999	45,900		45,900
	3061 Cleaning & Maintenance of Soft Areas	23,949	-		-
	3062 Cleaning & Maintenance of Beaches & CA	-	-		-
	3063 Cleaning & Maintenance of Country Non-Urban	-	-		-
	6064 Other Contractual Services	13,900	-		-
	3070-3090 Consultation Fees	18,226	20,400		20,400
	3100-3139 Contract & Project Management	12,005	12,000		12,000
	3300-3379 Hospitality	901	20,400		20,400
	3380-3389 Community	5,198	7,040		7,040
	3390-3394 Donations	-	-		-
	3600-3694 Local Enforcement Expenses	368	-		-
	3700-3799 EU Projects	-	-		-
	3800-3899 Twinning	-	-		-
		524,224	969,941	-	969,941
DESCRIPTION		€	€	€	€
8	Administration				
	2150-2199 Office Utilities	21,938	58,396		58,396
	2260-2299 Office Materials & Supplies	-	11,220		11,220
	2450-2499 Office Rent	2,172	7,900		7,900
	2500-2599 National & International Memberships	15	-		-
	2600-2699 Office Services	8,486	22,240		22,240
	2700-2799 Transport	25,012	29,580		29,580
	2800-2899 Travel	-	-		-
	2900-2999 Information Services	1,576	6,120		6,120
	3050 Office Cleaning	-	-		-
	3410-3199 Professional Services	24,811	39,564		39,564
	3200-3299 Training	473	14,280		14,280
	3345 Office Hospitality	-	-		-
	3400-3499 Incidental Expenses	1,233	2,040		2,040
		85,715	191,340	-	191,340

9 Finance Costs
3036 Interest on Bank Loan

			-
-	-	-	-



Detailed Statment of Financial Position

DESCRIPTION		Actual for the Period	Annual Budget 2018	Virements for the Period	Revised Annual Budget 2018
		€	€	€	€
10	Other Expenditure				
3500-3599	Loss / (Profit) on Disposal of asset				-
3695	Increase/(Decrease) in allowance for bad debts	(2,257)			-
8000-8099	Depreciation As at end of June 2018	96,342	195,858		195,858
					-
		94,085	195,858	-	195,858
	Total	823,698	1,607,566	-	1,607,566
11	Inventories				
5201-5249	Stationery	2,957			-
5250-5299	Consumables				-
		2,957	-	-	-
12	Receivables				
0201-0209	Receivables	82,266	15,551		15,551
0210-0219	LES Receivables	-			-
0220-0229	Receivables from EU				-
0250	Prepayments & Accrued income	401,651	25,114		25,114
	Other receivables		2,112		2,112
		483,917	42,777	-	42,777
13	Cash & Equivalents				
5001-5099	Bank & Cash Balances	122,761	113,703		113,703
		122,761	113,703	-	113,703
14	Payables				
4000	Payables	467,419	221,456		221,456
4100	Accruals	391,680	54,605		54,605
4150	Deferred Income	59,298	-		-
	Current portion of long term borrowings				-
	Other payables		4,235		4,235
		918,397	280,296	-	280,296
15	Non Current Liabilities				
4200	Long Term Borrowing	54,837	6,592		6,592
	Unutilised Grants (Capital Approach)	1,304,412	1,443,933		1,443,933
		1,359,249	1,450,525	-	1,450,525

16 Total Commitments (Recurrent and Capital)

DESCRIPTION

€

€

€

Recurrent and Capital

-	-	-

Long Term Loans

-	-	-

Others

-	-	-



17 Depreciation of Property, Plant and Equipment

Asset % of depreciation	Assets under construction 0%	New Street Signs 100%	Urban Improvements 10%/100%	Construction 10%	Plant and Machinery 20%	Office Equipment 20%/25%	Office Furniture 8%	Special Programmes 10%	Computer Software 25%	Total
€	€	€	€	€	€	€	€	€	€	€
Cost										
As at 1st January 2018	1,025,271	174,371	436,239	1,295,842	183,051	185,110	59,293	5,958,495	4,359	9,322,031
Additions	394,393	-	11,512	-	1,327	8,878	10,144	-	-	426,253
Disposals	-	-	-	-	-	-	-	-	-	-
As at end of June 2018	1,419,664	174,371	447,751	1,295,842	184,378	193,988	69,437	5,958,495	4,359	9,748,284
Grants/ other reimbursements										
As at 1st January 2018	-	-	-	-	-	-	-	431,273	-	431,273
Additions	-	-	16,594	149,339	1,463	2,234	-	1,163,175	-	1,332,805
As at end of June 2018	-	-	16,594	149,339	1,463	2,234	-	1,594,448	-	1,764,078
Accumulated Depreciation										
As at 1st January 2018	-	174,371	351,896	867,181	125,213	66,175	22,339	3,228,261	2,561	4,837,997
Charge for the period	-	-	3,698	13,966	5,770	14,128	1,766	56,789	225	96,342
Released on disposal	-	-	-	-	-	-	-	-	-	-
As at end of June 2018	-	174,371	355,594	881,147	130,983	80,303	24,105	3,285,050	2,786	4,934,339
NBV	As at end of June 2018	As at end of June 2018	As at end of June 2018	As at end of June 2018	As at end of June 2018	As at end of June 2018	As at end of June 2018	As at end of June 2018	As at end of June 2018	As at end of June 2018
	1,419,664	-	75,563	265,356	51,932	111,451	45,332	1,078,997	1,573	3,049,867