



Il-Mellieħa Local Council

Quarterly Financial Report

for the Period

1st January till End of March 2018 (Quarter 1)

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Overview and Summary

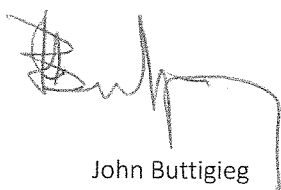
The Council's income during the period January / March 2018 amounted to €290,695, against an expenditure of €233,936, resulting in a positive balance year to date of €56,759.

The value of Current Assets continued to show an increasing trend and reached €938,274. These consisted mainly of Cash and Cash Equivalents amounted to €922,716 up to the end of the period under review, starting at €791,263 in January 2018.

The Current Liabilities have decreased significantly as compared to the previous quarter, from €612,560 recorded in December 2017 to €507,437 in March 2018. These included Payables (€306,307), Long Term borrowings related to the Triq l-Armier PPP Agreement (€35,817), and accruals (€165,313) with respect to capital projects which have been implemented, however not invoiced by the end of the period under review. The Current Liabilities did not include any Deferred Income resulting from the release of past grants.

Considering all these parameters, the Financial Situation Indicator stood at 39% - an increase of 6% over the percentage registered at the end of December 2017.

As regards the acquisition of Plant and Equipment, €111,526 worth of Fixed Assets have been capitalised since the beginning of the financial year. The purchase cost of all Fixed Assets acquired by the Council was €11,216,269,



John Buttigieg
Mayor



Carmel Debono
Executive Secretary

Statement of Income and Expenditure
1st January till End of March 2018 (Quarter 1)

| DESCRIPTION | Actual for the Period | Annual Budget 2018 | Virements for the Period | Revised Annual Budget 2018 |
|--|--------------------------|-----------------------|-----------------------------|-------------------------------|
| | € | € | € | € |
| Income | | | | |
| Funds received from Central Government (1) | 273,332 | 1,193,885 | - | 1,193,885 |
| Income raised from Bye-Laws (2) | 16,033 | 44,420 | - | 44,420 |
| Income raised from LES (3) | 1,330 | 8,000 | - | 8,000 |
| Investment Income (4) | - | 1,400 | - | 1,400 |
| Other Income (5) | - | 102,700 | - | 102,700 |
| TOTAL | 290,695 | 1,350,405 | - | 1,350,405 |
| Expenditure | | | | |
| Personal Emoluments (6) | 36,818 | 167,691 | - | 167,691 |
| Operations and Maintenance (7) | 122,536 | 785,316 | - | 785,316 |
| Administration (8) | 6,466 | 94,628 | - | 94,628 |
| Finance Cost (9) | - | - | - | - |
| Other Expenditure (10) | 68,116 | 271,005 | - | 271,005 |
| TOTAL | 233,936 | 1,318,640 | - | 1,318,640 |
| Surplus / Deficit | 56,759 | 31,765 | - | 31,765 |

Statement of Financial Position as at end of March 2018 (Quarter 1)

| DESCRIPTION | Actual for the Period € | Annual Budget 2018 € | Virements for the Period € | Revised Annual Budget 2018 € |
|-------------------------------------|-------------------------------|----------------------------|----------------------------------|------------------------------------|
| Non-current Assets | | | | |
| Property, Plant and Equipment (17) | 3,661,052 | 3,995,774 | | 3,995,774 |
| Current Assets | | | | |
| Inventories (11) | 10,813 | 20,000 | - | 20,000 |
| Receivables (12) | 4,745 | 96,000 | - | 96,000 |
| Cash and Cash Equivalents (13) | 922,716 | 362,064 | - | 362,064 |
| Total Current Assets | 938,274 | 478,064 | - | 478,064 |
| Current Liabilities | | | | |
| Payables (14) | 507,437 | 335,817 | - | 335,817 |
| Total Current Liabilities | 507,437 | 335,817 | - | 335,817 |
| Net Current Assets | 430,837 | 142,247 | - | 142,247 |
| Non-current liabilities (15) | 45,496 | 17,425 | - | 17,425 |
| Net Assets | 4,046,393 | 4,120,596 | - | 4,120,596 |
| Reserves | | | | |
| Retained Funds | 4,046,393 | 4,120,596 | | 4,120,596 |

Financial Situation Indicator

| DESCRIPTION | | | | |
|------------------------|----------------|----------------|----------|----------------|
| Current Assets | 938,274 | 478,064 | - | 478,064 |
| Current Liabilities | 507,437 | 335,817 | - | 335,817 |
| Working Capital | 430,837 | 142,247 | - | 142,247 |
| Government Allocation | 1,099,031 | 1,099,031 | - | 1,099,031 |
| FSI | 39 % | 13 % | | 13 % |

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 | 56,759 | 31,765 | - | 31,765 |
| Adjustments for: | | | | |
| Depreciation | 68,116 | 271,005 | - | 271,005 |
| Increase / (Decrease) in Allowance for Bad Debts | | | | - |
| Interest receivable | | | | - |
| Interest payable | | | | - |
| (Profit) / Loss on disposal of asset | | | | - |
| Increase / (Decrease) in payables | 126,008 | (5,423) | | (5,423) |
| Increase / (Decrease) in accruals | (90,214) | (11,523) | | (11,523) |
| Decrease / (Increase) in receivables | 82,300 | (55) | | (55) |
| Decrease / (Increase) in inventories | - | | | - |
| Decrease / (Increase) in inventories | | | | - |
| Cash generated from operations | 242,969 | 285,769 | - | 285,769 |
| Interest paid | | | | - |
| <i>Net cash from operating activities</i> | 242,969 | 285,769 | - | 285,769 |
| Cash flows from investing activities | | | | |
| Purchase of property, plant & equipment | (111,516) | (1,543,127) | | (1,543,127) |
| Proceeds from sale of property, plant & equipment | | | | - |
| Grants received | | 819,509 | | 819,509 |
| Interest received | | | | - |
| <i>Net cash used in investing activities</i> | (111,516) | (723,618) | - | (723,618) |
| 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 | 131,453 | (437,849) | - | (437,849) |
| Cash & cash equivalents at beginning of year | 791,263 | 799,913 | | 799,913 |
| Cash & cash equivalents at end of Quarter | 922,716 | 362,064 | - | 362,064 |

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 | 273,332 | 1,099,031 | | 1,099,031 |
| 0002-0004 In terms of section 58 CAP 363 | | 94,854 | | 94,854 |
| 0005-0019 Other income | | - | | - |
| | 273,332 | 1,193,885 | - | 1,193,885 |
| 2 Income raised from Bye-Laws | | | | |
| 0021-0025 Community Services | - | - | | - |
| 0026-0035 Income from Permits | 16,033 | 44,420 | | 44,420 |
| | 16,033 | 44,420 | - | 44,420 |
| 3 Local Enforcement Income | | | | |
| 0037 Commission from Regional Committees | 1,330 | 8,000 | | 8,000 |
| 0038-0055 Contraventions | | - | | - |
| | 1,330 | 8,000 | - | 8,000 |
| 4 Investment Income | | | | |
| 0091-0095 Bank interest | - | 1,400 | | 1,400 |
| 0096-0099 Income received from Governmet Securities | | - | | - |
| | - | 1,400 | - | 1,400 |
| 5 | | | | |
| 0056-0065 Sponsorships | | - | | - |
| 0066-0069 Documents & Information | | - | | - |
| 0070-0075 EU funds | | 102,000 | | 102,000 |
| 0076-0080 Twinning | | - | | - |
| 0081-0089 Insurance Claims | | - | | - |
| 0100-0109 Donations | | - | | - |
| 0110-0119 Contributions | | - | | - |
| 0120-0129 General Income | | 700 | | 700 |
| | - | 102,700 | - | 102,700 |
| Total | 290,695 | 1,350,405 | - | 1,350,405 |

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 | 2,769 | 11,196 | | 11,196 |
| | 1200 Employees' Salaries & Wages | 30,237 | 121,492 | | 121,492 |
| | 1300 Bonuses | - | 9,786 | | 9,786 |
| | 1400 Income Supplements | 727 | 1,454 | | 1,454 |
| | 1500 Social Security Contributions | 2,682 | 10,763 | | 10,763 |
| | 1600 Allowances | - | 11,200 | | 11,200 |
| | 1700 Overtime | 403 | 1,800 | | 1,800 |
| | | 36,818 | 167,691 | - | 167,691 |
| DESCRIPTION | | € | € | € | € |
| 7 | Operations and Maintenance | | | | |
| | 2100-2149 Public Utilities | 1,523 | 10,998 | | 10,998 |
| | 2200-2259 Public Materials & Supplies | 288 | 2,200 | | 2,200 |
| | 2300-2399 Repairs & upkeep | 16,952 | 112,900 | | 112,900 |
| | 2400-2449 Rent | - | 4,250 | | 4,250 |
| | 3010 Street Lightning | 6,605 | 27,000 | | 27,000 |
| | 3020 Lease of Equipment | - | - | | - |
| | 3030 Insurance | 2,708 | 8,500 | | 8,500 |
| | 3035 Bank Charges | 121 | 300 | | 300 |
| | 3038 Penalties | - | - | | - |
| | 3041 Refuse Collection | 35,206 | 165,000 | | 165,000 |
| | 3042 Bulky Refuse Collection | 6,013 | 11,000 | | 11,000 |
| | 3043 Bins on wheels | - | - | | - |
| | 3045 Bring in sites | 250 | 2,000 | | 2,000 |
| | 3051 Road & Street Cleaning | 11,892 | 45,000 | | 45,000 |
| | 3052 Cleaning & Maintenance of Non-Urban Areas | 6,076 | 27,000 | | 27,000 |
| | 3053 Cleaning of Public Conveniences | 8,980 | 78,000 | | 78,000 |
| | 3055 Cleaning of Council Premises | 968 | 4,000 | | 4,000 |
| | 3040 Waste Disposal | - | 400 | | 400 |
| | 3060 Cleaning & Maintenance of Parks & Gardens | - | - | | - |
| | 3061 Cleaning & Maintenance of Soft Areas | 12,607 | 54,575 | | 54,575 |
| | 3062 Cleaning & Maintenance of Beaches & CA | - | 500 | | 500 |
| | 3063 Cleaning & Maintenance of Country Non-Urban | - | 1,000 | | 1,000 |
| | 6064 Other Contractual Services | - | - | | - |
| | 3070-3090 Consultation Fees | - | 2,000 | | 2,000 |
| | 3100-3139 Contract & Project Management | 7,117 | 15,000 | | 15,000 |
| | 3300-3379 Hospitality | 1,971 | 99,194 | | 99,194 |
| | 3380-3389 Community | 3,235 | 18,899 | | 18,899 |
| | 3390-3394 Donations | - | 100 | | 100 |
| | 3600-3694 Local Enforcement Expenses | 24 | 85,000 | | 85,000 |
| | 3700-3799 EU Projects | - | 10,500 | | 10,500 |
| | 3800-3899 Twinning | - | - | | - |
| | | 122,536 | 785,316 | - | 785,316 |
| 8 | Administration | | | | |
| | 2150-2199 Office Utilities | 823 | 8,338 | | 8,338 |
| | 2260-2299 Office Materials & Supplies | - | - | | - |
| | 2450-2499 Office Rent | - | - | | - |
| | 2500-2599 National & International Memberships | 550 | 1,300 | | 1,300 |
| | 2600-2699 Office Services | 1,105 | 6,900 | | 6,900 |
| | 2700-2799 Transport | 627 | 11,240 | | 11,240 |
| | 2800-2899 Travel | 160 | 3,300 | | 3,300 |
| | 2900-2999 Information Services | 967 | 42,200 | | 42,200 |
| | 3050 Office Cleaning | - | 400 | | 400 |
| | 3410-3199 Professional Services | 1,044 | 12,700 | | 12,700 |
| | 3200-3299 Training | 1,150 | 6,000 | | 6,000 |
| | 3345 Office Hospitality | - | - | | - |
| | 3400-3499 Incidental Expenses | 40 | 2,250 | | 2,250 |
| | | 6,466 | 94,628 | - | 94,628 |

| | | | | | |
|---|----------------------------|---|---|---|---|
| 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 | | | | - |
| 8000-8099 Depreciation As at end of March 2018 | 68,116 | 271,005 | | 271,005 |
| | 68,116 | 271,005 | - | 271,005 |
| Total | 233,936 | 1,318,640 | - | 1,318,640 |
| 11 Inventories | | | | |
| 5201-5249 Stationery | 10,813 | 20,000 | | 20,000 |
| 5250-5299 Consumables | | - | | - |
| | 10,813 | 20,000 | - | 20,000 |
| 12 Receivables | | | | |
| 0201-0209 Receivables | 2,162 | 20,000 | | 20,000 |
| 0210-0219 LES Receivables | | - | | - |
| 0220-0229 Receivables from EU | | - | | - |
| 0250 Prepayments & Accrued income | 2,583 | 76,000 | | 76,000 |
| | 4,745 | 96,000 | - | 96,000 |
| 13 Cash & Equivalents | | | | |
| 5001-5099 Bank & Cash Balances | 922,716 | 362,064 | | 362,064 |
| | 922,716 | 362,064 | - | 362,064 |
| 14 Payables | | | | |
| 4000 Payables | 306,307 | 200,000 | | 200,000 |
| 4100 Accruals | 165,313 | 100,000 | | 100,000 |
| 4150 Deferred Income | | - | | - |
| Current portion of long term borrowings | | | | - |
| Current portion of long term borrowings | 35,817 | 35,817 | | 35,817 |
| | 507,437 | 335,817 | - | 335,817 |
| 15 Non Current Liabilities | | | | |
| 4200 Long Term Borrowing | 45,496 | 17,425 | | 17,425 |
| | 45,496 | 17,425 | - | 17,425 |

17 Depreciation of Property, Plant and Equipment

Asset
% of depreciation

| Property | Special Programmes | Assets under Const | Street Signs | Urban Improvements | Office Equipment | Office Furniture | | | Total |
|----------|--------------------|--------------------|--------------|--------------------|------------------|------------------|---|---|-------|
| 1% | 10% | 0% | 100% | 10% | 20% | 7.5% | | | |
| € | € | € | € | € | € | € | € | € | € |

Cost

As at 1st January 2018
Additions
Disposals
As at end of March 2018

| | | | | | | | | | |
|---------|-----------|---------|--------|---------|--------|---------|---|---|------------|
| 568,224 | 9,138,265 | 543,417 | 73,322 | 545,142 | 46,760 | 189,613 | | | 11,104,743 |
| | 111,197 | | | | 329 | | | | 111,526 |
| | | | | | | | | | - |
| 568,224 | 9,249,462 | 543,417 | 73,322 | 545,142 | 47,089 | 189,613 | - | - | 11,216,269 |

Grants/ other reimbursements

As at 1st January 2018
Additions
As at end of March 2018

| | | | | | | | | | |
|---|-----------|---|---|---|---|---|---|---|-----------|
| | 1,351,898 | | | | | | | | 1,351,898 |
| | 1,491,211 | | | | | | | | 1,491,211 |
| - | 2,843,109 | - | - | - | - | - | - | - | 2,843,109 |

Accumulated Depreciation

As at 1st January 2018
Charge for the period
Released on disposal
As at end of March 2018

| | | | | | | | | | |
|--------|-----------|---|--------|---------|--------|--------|---|---|-----------|
| 14,357 | 3,911,790 | - | 73,322 | 540,824 | 37,888 | 65,811 | | | 4,643,992 |
| 1,385 | 63,842 | | | 108 | 460 | 2,321 | | | 68,116 |
| | | | | | | | | | - |
| 15,742 | 3,975,632 | - | 73,322 | 540,932 | 38,348 | 68,132 | - | - | 4,712,108 |

NBV As at end of March 2018

| | | | | | | | | | |
|---------|-----------|---------|---|-------|-------|---------|---|---|-----------|
| 552,482 | 2,430,721 | 543,417 | - | 4,210 | 8,741 | 121,481 | - | - | 3,661,052 |
|---------|-----------|---------|---|-------|-------|---------|---|---|-----------|