



# **Local Councils' Association**

## **Quarterly Financial Report**

**for the Period**

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

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# Table of Contents

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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

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## Overview and Summary

### Rapport Finanzjarju għar-Raba' Kwart tas-Sena Finanzjarja 2020

Matul ir-Raba' Kwart tas-Sena 2020, l-Assoċjazzjoni għarfet tassigura d-dhul skond l-Estimi għas-sena kurrenti. Tajjeb ukoll li wieħed jinnota li l-varjazzjonijiet li kien hemm fid-dhul mill-kontravvenzjonijiet matul l-ewwel tliet kwarti tas-sena, dan id-dhul ġie irkuprat fl-aħħar kwart tas-sena kurrenti u kif ukoll id-dhul f'globali mill-LES inqabeż b' persentaġġ marginali ta' dak li kien stamat għas-sena 2020. Wieħed jinnota li l-AKL kellha nuqqas ta' dhul sostanzjali li primarjament jirreġistra min-nuqqas ta' fondi li kienu jidhlu mill-Aġenzija LESEA. Il-President tal-Assoċjazzjoni ser ikun qed jiltaqa personalment mas-Segretarju Permanenti u d-Diretturi Ġenerali fi ħdan il-Ministeru tal-Finanzji biex jispjega hu b' mod dirett il-funzjoni tal-Assoċjazzjoni u l-ispejjeż li din għandha kif ukoll il-vizjoni li qed tmexxi flimkien mal-Kunsilli Lokali. Dan għaliex jidher ċar li l-messgġ mhux jasal u l-allokazzjoni diretta tal-Assoċjazzjoni qed twassal biss biex jiġu koperati s-salarji tal-ħaddiema u parti mir-renta. Dan jammonta għal għal 30% biss tal-ispiza rikurrenti tal-Assoċjazzjoni.

### Spejjeż

#### Emulenti Personali

L-Assoċjazzjoni għada għaddejja bil-proċess biex tiġi implimentata s-sistema ta' Permessi online u għaldaqstant għalissa ma ġewx impjegati aktar ħaddiema hekk kif kien previst. Inatalb parir legali fuq ċerti apetti tas-sejha pubblika biex jiġu evitati problemi fil-proċess ta' l-għoti tal-kuntratt. Il-proċess tar-reklutaġġ isir meta s-suq tax-xogħol jirritorna lura għan-normal u dan minħabba stabbilita' finanzjarja u assikurazzjoni ta' fondi b' mod permanenti.

#### Manutenzjoni u Operazzjoni

Matul is-Sena 2020, l-AKL ħalset l-sponsorship lill-istudenti ta' Cohort 1 u Cohort 2 li qegħdin isegwu l-kors tal-M.Sc fl-Immanigjar u l-Governanza. L-Assoċjazzjoni organizzat diversi laqgħat għas-Sindki fuq bażi Reġjonali fuq il-proġett ta' l-Slow Streets. F' Awwissu, l-AKL organizzat BBQ għas-Sindki, Kunsilliera, Segretarji Eżekuttivi u Ħaddiema tal-Kunsilli Reġjonali u Kunsilli Lokali. Spejjeż oħra li saru kienu relatati mal-pandemija COVID19 bħalma huma hand sanitizers, disposable gloves, face masks kif ukoll stickers li jippromovu social distancing li ġew imqassma lill-Kunsilli Reġjonali u Kunsilli Lokali kollha. L-AKL għamlet ukoll sensiela ta' sessjonijiet online lill-Membri Eletti, Segretarji Eżekuttivi u ħaddiema.

#### Amministrazzjoni

Matul is-Sena 2020 jidher li kien hemm varjazzjoni bejn l-Estimi u n-nefqa fuq vjaġġar, l-AKL ma kelliex kontrol fuq din il-varjanza meta wieħed jikkunsidra li regolamenti fuq l-ivjaġġar maħruġa mid-Dipartiment tas-Saħħa għadd hemm restrizzjonijiet biex Membri u ħaddiema tal-AKL setgħu jivjaġġaw f' pajjiżi oħra.

Wieħed jista' jirrimarka wkoll li l-ispiza ta' tindif tal-uffiċini kienet aktar għolja minn snien preċidenti. Dan minħabba li l-uffiċini apparti it-tindif regolari bdew jiġu wkoll iffumugati minħabba l-pandemija COVID-19, apparti minn hekk sar ukoll xi xogħol ta' manutenzjoni tal-uffiċni li dan wassal għall-ħtieġa li jkun hemm aktar tindif minn wara l-ħaddiema.

Wieħed jista' jirrimarka wkoll li kien hemm tnaqqis fl-ispiza ta' Spejjeż għall-Servizzi Professionali dan minħabba li l-kuntratt ta' Konsulent tal-Affarjiet Ewropej ġie sospiż minħabba li diversi laqgħat u konferenzi ġew imwaqfa kemm fil-Kunsill Ewropew kif ukoll fil-Kumitat tar-Reġjuni. L-Assoċjazzjoni offriet pakett ta' taħriġ lill-impjegati tal-AKL. Dan ir-rapport finanzjarju għall-perjodu li għalaq f' Diċembru 2020 kien ippreparat fuq bażi li jilhaq ir-rekwiziti ta' IFRS16. Dan wara u hekk kif kien rikjest mill-Awdituri MAZARS waqt l-Awditjar li sar fuq is-sena finanzjarja 2019. Dan jirrikjedi li persentaġġ kbir minn renti jew għas-sjiet ta' leasing jiġu kapitalizzati kontra "Right of Use Assets" fil-balance sheet. Permezz ta' dan r-rapport finanzjarju qed juri zieda fuq l-ispiza tad-dipprezzazzjoni tal-assi tal-AKL filwat li tnaqqis fuq l-ispiza li saret fuq renti u għas-sjiet ta' leasing. Dan jidher fil-varjazzjonijiet li hemm kemm fuq in-nefqa ta' transport kif ukoll fuq ir-renta li l-AKL qed tħallas sabiex tagħmel użu mill-binja amministrattiva.

  
Mario Fava  
President

  
Lianne Cassar  
Executive Secretary

**Statement of Income and Expenditure**  
**1st January till End of December 2020 (Quarter 4)**

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)	240,000	240,000	-	240,000
Income raised from Bye-Laws (2)	-	-	-	-
Income raised from LES (3)	167,531	160,000	-	160,000
Investment Income (4)	6,041	5,270	-	5,270
Other Income (5)	91,545	178,000	-	178,000
<b>TOTAL</b>	<b>505,117</b>	<b>583,270</b>	<b>-</b>	<b>583,270</b>
<b>Expenditure</b>				
Personal Emoluments (6)	150,721	304,996	-	304,996
Operations and Maintenance (7)	41,006	44,000	-	44,000
Administration (8)	115,873	184,000	-	184,000
Finance Cost (9)	2,625	-	-	-
Other Expenditure (10)	31,958	16,550	-	16,550
<b>TOTAL</b>	<b>342,183</b>	<b>549,546</b>	<b>-</b>	<b>549,546</b>
<b>Surplus / Deficit</b>	<b>162,934</b>	<b>33,724</b>	<b>-</b>	<b>33,724</b>

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

DESCRIPTION	Actual for the Period €	Annual Budget 2020 €	Virements for the Period €	Revised Annual Budget 2020 €
<b>Non-current Assets</b>				
Property, Plant and Equipment (17)	232,333	97,450		97,450
<b>Current Assets</b>				
Inventories (11)	-	-	-	-
Receivables (12)	486,345	60,000	-	60,000
Cash and Cash Equivalents (13)	1,139,526	1,502,659	-	1,502,659
<b>Total Current Assets</b>	<b>1,625,871</b>	<b>1,562,659</b>	<b>-</b>	<b>1,562,659</b>
<b>Current Liabilities</b>				
Payables (14)	624,262	570,000	-	570,000
<b>Total Current Liabilities</b>	<b>624,262</b>	<b>570,000</b>	<b>-</b>	<b>570,000</b>
<b>Net Current Assets</b>	<b>1,001,609</b>	<b>992,659</b>	<b>-</b>	<b>992,659</b>
<b>Non-current liabilities (15)</b>	<b>51,274</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>1,182,668</b>	<b>1,090,109</b>	<b>-</b>	<b>1,090,109</b>
<b>Reserves</b>				
Retained Funds	1,182,668	1,090,109		1,090,109

## Financial Situation Indicator

DESCRIPTION				
Current Assets	1,625,871	1,562,659	-	1,562,659
Current Liabilities	624,262	570,000	-	570,000
<b>Working Capital</b>	<b>1,001,609</b>	<b>992,659</b>	<b>-</b>	<b>992,659</b>
Government Allocation	240,000	240,000	-	
<b>FSI</b>	<b>417 %</b>	<b>414 %</b>		<b>#DIV/0!</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	162,934	33,724	-	33,724
Adjustments for:				
Depreciation	31,235	16,550	-	16,550
Increase / (Decrease) in Allowance for Bad Debts				-
Interest receivable	(6,041)	(5,270)		(5,270)
Interest payable	2,625			-
(Profit) / Loss on disposal of asset	(682)			-
Adjustment depreciation excel error	1,405			-
Increase / (Decrease) in payables	65,420	(247,026)		(247,026)
Increase / (Decrease) in accruals	2,327			-
Decrease / (Increase) in receivables	(5,253)			-
Decrease / (Increase) in inventories				-
Decrease / (Increase) in inventories				-
Cash generated from operations	253,970	(202,022)	-	(202,022)
Interest paid				-
<i>Net cash from operating activities</i>	253,970	(202,022)	-	(202,022)
<b>Cash flows from investing activities</b>				
Purchase of property, plant & equipment	(37,860)	(29,000)		(29,000)
Proceeds from sale of property, plant & equipment	2,800			-
Grants received				-
Interest received	6,041	5,270		5,270
				-
<i>Net cash used in investing activities</i>	(29,019)	(23,730)	-	(23,730)
<b>Cash flows from financing activities</b>				
Proceeds from long-term borrowings				-
Interest Paid				-
Bank Loan Repayments				-
Lease payments IFRS16	(20,526)			-
<i>Net cash from financing activities</i>	(20,526)	-	-	-
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	204,425	(225,752)	-	(225,752)
Cash & cash equivalents at beginning of year	935,101	1,728,411		1,728,411
<b>Cash &amp; cash equivalents at end of Quarter</b>	1,139,526	1,502,659		1,502,659

## Detailed Income

DESCRIPTION	Actual for the Period	Annual Budget 2020	Virements for the Period	Revised Annual Budget 2020
	€	€	€	€
<b>Income</b>				
<b>1 Funds received from Central Government:</b>				
0001 In terms of section 55 CAP 363	240,000	240,000		240,000
0002-0004 In terms of section 58 CAP 363		-		-
0005-0019 Other income		-		-
	<b>240,000</b>	<b>240,000</b>	<b>-</b>	<b>240,000</b>
<b>2 Income raised from Bye-Laws</b>				
0021-0025 Community Services				-
0026-0035 Income from Permits				-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>3 Local Enforcement Income</b>				
0037 Commission from Regional Committees	167,531	160,000		160,000
0038-0055 Contraventions				-
	<b>167,531</b>	<b>160,000</b>	<b>-</b>	<b>160,000</b>
<b>4 Investment Income</b>				
0091-0095 Bank interest	6,041	5,270		5,270
0096-0099 Income received from Government Securities				-
	<b>6,041</b>	<b>5,270</b>	<b>-</b>	<b>5,270</b>
<b>5</b>				
0056-0065 Sponsorships				-
0066-0069 Documents & Information				-
0070-0075 EU funds				-
0076-0080 Twinning				-
0081-0089 Insurance Claims				-
0100-0109 Donations				-
0110-0119 Contributions				-
0120-0129 General Income	91,545	178,000		178,000
	<b>91,545</b>	<b>178,000</b>	<b>-</b>	<b>178,000</b>
<b>Total</b>	<b>505,117</b>	<b>583,270</b>	<b>-</b>	<b>583,270</b>

## Detailed Expenditure

DESCRIPTION		Actual for the Period	Annual Budget 2020	Virements for the Period	Revised Annual Budget 2020
		€	€	€	€
<b>6 i)</b>	<b>Personal Emoluments</b>				
	1100 Mayor's Allowance	20,807	20,600		20,600
	1200 Employees' Salaries & Wages	88,732	214,301		214,301
	1300 Bonuses	7,361	16,836		16,836
	1400 Income Supplements	853	2,423		2,423
	1500 Social Security Contributions	7,841	20,836		20,836
	1600 Allowances	23,388	24,500		24,500
	1700 Overtime	1,739	5,500		5,500
		<b>150,721</b>	<b>304,996</b>	-	<b>304,996</b>
	<b>DESCRIPTION</b>	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
<b>7</b>	<b>Operations and Maintenance</b>				
	2100-2149 Public Utilities				-
	2200-2259 Public Materials & Supplies				-
	2300-2399 Repairs & upkeep				-
	2400-2449 Rent				-
	3010 Street Lightning				-
	3020 Lease of Equipment				-
	3030 Insurance	2,031	3,000		3,000
	3035 Bank Charges	1,144	1,000		1,000
	3038 Penalties				-
	3041 Refuse Collection				-
	3042 Bulky Refuse Collection				-
	3043 Bins on wheels				-
	3045 Bring in sites				-
	3051 Road & Street Cleaning				-
	3052 Cleaning & Maintenance of Non-Urban Areas				-
	3053 Cleaning of Public Conveniences				-
	3055 Cleaning of Council Premises				-
	3040 Waste Disposal				-
	3060 Cleaning & Maintenance of Parks & Gardens				-
	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	12,557	15,000		15,000
	3390-3394 Donations				-
	3600-3694 Local Enforcement Expenses				-
	3700-3799 EU Projects				-
	3800-3899 Twinning				-
	LCA Initiatives and Events	25,274	25,000		25,000
		<b>41,006</b>	<b>44,000</b>	-	<b>44,000</b>
<b>8</b>	<b>Administration</b>				
	2150-2199 Office Utilities	9,233	10,000		10,000
	2260-2299 Office Materials & Supplies	9,885	15,000		15,000
	2450-2499 Office Rent	4,362	20,000		20,000
	2500-2599 National & International Memberships	8,943	7,000		7,000
	2600-2699 Office Services	13,923	20,000		20,000
	2700-2799 Transport	5,855	15,000		15,000
	2800-2899 Travel	2,270	15,000		15,000
	2900-2999 Information Services	13,319	25,000		25,000
	3050 Office Cleaning	7,907	7,000		7,000
	3410-3199 Professional Services	25,554	35,000		35,000
	3200-3299 Training	8,060	8,000		8,000
	3345 Office Hospitality	6,562	5,000		5,000
	3400-3499 Incidental Expenses		2,000		2,000
		<b>115,873</b>	<b>184,000</b>	-	<b>184,000</b>
<b>9</b>	<b>Finance Costs</b>				
	3036 Interest on Bank Loan	2,625			-
	IFRS16 Interest	2,625			-
			-		-



## Detailed Statment of Financial Position

DESCRIPTION	Actual for	Annual Budget	Virements for	Revised Annual Budget
	the Period	2020	the Period	2020
	€	€	€	€
<b>10 Other Expenditure</b>				
3500-3599 Loss / (Profit) on Disposal of asset	(682)			-
3695 Increase/(Decrease) in allowance for bad debts				-
8000-8099 Depreciation As at end of December 2020	31,235	16,550		16,550
Adjustment depreciation excel error	1,405			-
	<b>31,958</b>	<b>16,550</b>	-	<b>16,550</b>
<b>Total</b>	<b>342,183</b>	<b>549,546</b>	-	<b>549,546</b>
<b>11 Inventories</b>				
5201-5249 Stationery				-
5250-5299 Consumables				-
	-	-	-	-
<b>12 Receivables</b>				
0201-0209 Receivables	9,006	25,000		25,000
0210-0219 LES Receivables		-		-
0220-0229 Receivables from EU		-		-
0250 Prepayments & Accrued income	477,339	35,000		35,000
	<b>486,345</b>	<b>60,000</b>	-	<b>60,000</b>
<b>13 Cash &amp; Equivalents</b>				
5001-5099 Bank & Cash Balances	1,139,526	1,502,659		1,502,659
	<b>1,139,526</b>	<b>1,502,659</b>	-	<b>1,502,659</b>
<b>14 Payables</b>				
4000 Payables	12,655	45,000		45,000
4100 Accruals	29,156	25,000		25,000
4150 Deferred Income	582,451	500,000		500,000
Short-term Borrowings				-
	<b>624,262</b>	<b>570,000</b>	-	<b>570,000</b>
<b>15 Non Current Liabilities</b>				
4200 Long Term Borrowing	51,274			-
IFRS16 Long Term payables	51,274	-		-

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 % of depreciation	Office Furniture	Office Equipment	Computer Equipment	Software	ANYC	Leased Premises	Leased Motor Vehicle	Total	
	€	€	€	€	€	€	€	€	€
	70,712	58,044	33,787	3,442	43,167	99,714	7,571		316,437
As at 1st January 2020	29,171	5,179	720	-	2,790				37,860
Additions	(2,662)	(291)	(570)						(3,523)
Disposals									
As at end of December 2020	97,221	62,932	33,937	3,442	45,957	99,714	7,571	-	350,774
<b>Grants/ other reimbursements</b>									
As at 1st January 2020									-
Additions									-
As at end of December 2020									-
<b>Accumulated Depreciation</b>									
As at 1st January 2020	16,742	29,480	22,754	1,747		12,354	4,129		87,206
Charge for the period	5,128	7,429	3,964	684		12,354	3,081		32,640
Released on disposal	(986)	(110)	(309)						(1,405)
As at end of December 2020	20,884	36,799	26,409	2,431	-	24,708	7,210	-	118,441
<b>NBV</b> As at end of December 2020	<b>76,337</b>	<b>26,133</b>	<b>7,528</b>	<b>1,011</b>	<b>45,957</b>	<b>75,006</b>	<b>361</b>	<b>-</b>	<b>232,333</b>