Local Council

Quarterly Financial Report

for the Period

1st January till End of June 2026 (Quarter 2)

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Overview and Summary

This financial report covers the period from 1 January to 30 June 2026.
During the period under review, the Council generated total income of €1,032,833, while total expenditure amounted to €903,372, resulting in an operating surplus before depreciation of €129,460.
Government funds received by the Council amounted to €268,083. Income raised from the Council's own activities totalled €38,208, while General Income amounted to €726,526. The significant increase in General Income mainly relates to funding received for ongoing capital projects.
Salary and wage costs amounted to €65,595, while expenditure on Operations and Maintenance totalled €817,539, representing the Council's largest area of expenditure during the period. In addition, expenditure relating to Local/EU and Twinning Events amounted to €20,238.
Depreciation on administrative assets amounted to €1,805, resulting in an operating surplus after depreciation of administrative assets of €127,656. After accounting for depreciation on urban improvements and projects amounting to €14,022, the Council reported a surplus after total depreciation of €113,634 for the period under review.

SIGNED **SIGNED**

Dr. Kaylon Zammit
Mayor

Kevin Borg M.Sc. (Gov & Mngt)
Executive Secretary

Statement of Income and Expenditure

1st January till End of June 2026 (Quarter 2)

	DESCRIPTION	Actual for the Period	Annual Budget 2026	Virements for the Period	Revised Annual Budget 2026
		€	€	€	€
	Income				
0000-0019	Funds Received from Central Government (1)	268,083	536,166		536,166
0020-0099	Income raised from own activities(2)	38,208	16,500		16,500
0100-0119	Reimbursements & Refunds (3)	16	-		-
0200-0299	Grants of an Income Nature (4)	-	-		-
0120-0159	General Income	726,526	208,353		208,353
0170-0199	Inflows related to Waste Management - Regional Councils	-			-
		1,032,833	**761,019**	**-**	**761,019**
	Expenditure				
1000-1999	Salaries and wages (5)	65,595	141,586		141,586
2300-2399 3000-3199	Operations and Maintenance (6)	824,458	526,729		526,729
2000-2299 2400-2462 2465-2999 3210-3499 3800-3899	Administration and other expenditure (7)	13,320			-
3500-3599	Expenditure on Local/EU and Twinning Events (8)		64,019		64,019
		903,373	**732,334**	**-**	**732,334**
	Operating surplus/(deficit) before depreciation on administrative assets & right of use assets	**129,460**	**28,685**	**-**	**28,685**
3600-3699	Deprecation on Administrative Assets (9)	**1,805**	**3,131**		**3,131**
3790-3799	Depreciation on Right of Use Assets (9)	**-**	**-**		**-**
	Operating surplus/(deficit) after depreciation on administrative assets & right of use assets	**127,655**	**25,554**	**-**	**25,554**
3700-3789	Depreciation on Urban Improvements & Projects (9)	**14,022**	**24,370**		**24,370**
	Surplus/(deficit) after total depreciation	**113,633**	**1,184**	**-**	**1,184**
0160-0169	Finance / Investment Income (10)	**-**	**-**		**-**
2463-2464	Finance Cost (10)	**945**	**1,184**		**1,184**
	Total surplus/(deficit)	**112,688**	**-**	**-**	**-**

Statement of Financial Position as at end of June 2026 (Quarter 2)

	DESCRIPTION	Actual for the Period	Annual Budget 2026	Virements for the Period	Revised Annual Budget 2026
		€	€	€	€
	Non-current Assets				
7000-7699 8000-8699 9000-9699	Property, plant and equipment (18)	158,676	56,280		56,280
7800-7899 8800-8899 9800-9899	Intangible assets (19)	-	-		-
7700-7799 8700-8799 9700-9799	Right of Use Asset (20)	-	-		-
	Total Non-Current Assets	**158,676**	**56,280**	**-**	**56,280**
	Current Assets				
6000-6199	Cash and cash equivalents (13)	981,882	923,164		923,164
6200-6299	Inventories (11)	1349	1,393		1,393
6300-6499	Trade and other receivables (12)	492,177	6,092		6,092
	Total Current Assets	**1,475,408**	**930,649**	**-**	930,649
	Total Assets	**1,634,084**	**986,929**	**-**	**986,929**
	Reserves				
5000-5199	Retained earnings	773,667	817,457		817,457
5200-5400	Other Reserves	112,688	-		-
	Total Reserves	**886,355**	**817,457**	**-**	**817,457**
	Non Current Liabilities				
4300-4399	Long-term borrowings (17)	-	-		-
4500-4599	Lease liability - Long Term Portion (15)	-	-		-
4400-4499	Deferred Income/Grants in advance - Long Term (16)	-	-		-
	Total Non Current Liabilities	**-**	**-**	**-**	**-**
	Current Liabilities				
4000-4099	Trade and other payables (14)	91,166	169,472		169,472
4200-4299	Lease liability - current portion (15)	-	-		-
4100-4199	Deferred Income/Grants in advance - Short Term (16)	656,563	-		-
	Total Current Liabilities	**747,729**	**169,472**	**-**	**169,472**
	Total Reserves & Liabilities	**1,634,084**	**986,929**	**-**	**986,929**

Financial Situation Indicator

DESCRIPTION				
Current Assets	1,475,408	930,649		930,649
Current Liabilities	747,729	169,472		169,472
Working Capital	727,679	761,177		761,177
Government Allocation	268,083	536,166		536,166
FSI	**271 %**	**142 %**		**142 %**

Cash flow Statement

DESCRIPTION	Actual for the Period	Annual Budget 2026	Virements for the Period	Revised Annual Budget 2026
	€	€	€	€
Cash flow from operating activities				
Surplus for the year	112,688	-	-	-
Adjustments for:				
Depreciation	15,827	27,501		27,501
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	131,440	(222,016)		(222,016)
Increase / (Decrease) in accruals	(11,729)	(246,447)		(246,447)
Decrease / (Increase) in receivables	(408,399)	8,392		8,392
Decrease / (Increase) in inventories				-
Cash generated from operations	**(160,173)**	**(432,570)**	**-**	**(432,570)**
Interest paid				-
				-
Net cash from operating activities	**(160,173)**	**(432,570)**	**-**	**(432,570)**
Cash flows from investing activities				
Purchase of property, plant & equipment	(108,459)	-		**-**
Proceeds from sale of property, plant & equipment	-	-		**-**
Grants received	15,695	-		**-**
Interest received	-	-		**-**
	-	-		**-**
Net cash used in investing activities	**(92,764)**	**-**	**-**	**-**
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	**(252,937)**	**(432,570)**	**-**	**(432,570)**
Cash & cash equivalents at beginning of year	1,234,819	1,355,734		1,355,734
Cash & cash equivalents at end of Quarter	**981,882**	**923,164**	**-**	**923,164**

Detailed Income

		DESCRIPTION	Actual for the Period	Annual Budget 2026	Virements for the Period	Revised Annual Budget 2026
			€	€	€	€
		Income				
1		**Funds received from Cental Government:**				
	0001	Annual government income - (section 55 of the Local Government Act - chapter 363)	268,083	536,166		536,166
	0002	Supplementary government income : Tourism Zones	-			-
	0003	Supplementary government income : Capital, ex Capital and Cities Fund	-			-
	0004	Supplementary Income - Special Purposes/Needs	-			-
	0007	Other government income	-			-
			268,083	**536,166**	**-**	536,166
2		**Income raised from own activities**				
	0020-0059	Permits & Licences	36,282	14,100		14,100
	0060-0069	LESA & Contraventions	1,493	2,400		2,400
	0070-0099	Income from Bye Laws	433			-
	0120-0159	General Income	-			-
			38,208	**16,500**	**-**	16,500
3		**Reimbursements & Refunds**				
	0101	Payroll Refunds	16			-
	0102	Reimbursement of Expenses	-			-
	0103	Other refunds	-			-
			16	**-**	**-**	**-**
4		**Grants of an Income Nature**				
	0201	Grants from Local Government Division financial initiatives/schemes	-			-
	0202	EU Funds from public entities / agencies	-			-
	0203	Local Funds from public entities / agencies	-			-
	0204	Grants related to Twinning Events	-			-
	0005	Funds from the Regional Council to the Local Council	-			-
			-	**-**	**-**	**-**
3		**General Income**				
	0120-0159	General Income	726,526	208,353		208,353
			726,526	**208,353**	**-**	**208,353**
4		**Inflows related to Waste Management - Regional Councils**				
	0170-0199	Inflows related to Waste Management - Regional Councils				-
		Total	**1,032,833**	**761,019**	**-**	**761,019**

Detailed Expenditure

		DESCRIPTION	Actual for the Period	Annual Budget 2026	Virements for the Period	Revised Annual Budget 2026
			€	€	€	€
5		**Salaries and Wages**				
	1100-1105	Mayor/President's Honoraria and Deputy Mayor/Councillors Allowance	14,838	34,041		34,041
	1200-1201	Executive Secretary and Employee salaries and wages	40,672	84,760		84,760
	1300-1301	Statutory Bonuses - Executive Secretary and Council Staff	375	-		-
	1400-1401	Income supplements - Executive Secretary and Council Staff	336	-		-
	1500-1501	Social security contributions - Executive Secretary and Council Staff	3,569	7,464		7,464
	1600-1601	Other allowances - Executive Secretary and Council Staff	1,908	-		-
	1700	Overtime	3,898	3,540		3,540
	1800	Community / Incentive Scheme Workers overtime	-	-		-
	1801	Community / Incentive Scheme Workers bonus	-	-		-
	1900-1901	Performance bonus - Executive Secretary and Council Staff	-	11,781		11,781
			65,596	**141,586**	**-**	**141,586**
6		**Operations and Maintenance**				
	2300-2399	Repairs and upkeep	752,468	332,945		332,945
	3000-3099	Contractual Services: Waste and Cleaning	63,599	132,741		132,741
	3100-3199	Contractual Services: Administrative and Professional	8,390	61,043		61,043
			824,457	**526,729**	**-**	**526,729**
7		**Administration and Other Expenditure**				
	2000-2299	Utilities & supplies	2,592	14,213		14,213
	2400-2460 2465-2599	Operational Costs	1,904	2,105		2,105
	2600-2699	Office services	2,503	5,365		5,365
	2700-2799	Transport Costs	56	250		250
	2800-2899	Travel	-	-		-
	2900-2999	Information Services	2,150	2,976		2,976
	3200-3299	Training & Events	-	500		500
	3300-3399	Community and hospitality	2,156	33,335		33,335
	3400-3499	Incidental and Other Expenses	1,759	5,275		5,275
	3800-3849	Amortization/Bad Debts/Realized Exchange Movements	-	-		-
	3850-3899	Losses arising from Penalties on Projects or Repayment of Conditional Grants	200	-		-
			13,320	**64,019**	**-**	**64,019**
8		**Expenditure on Local/EU and Twinning Events**				
	3500	Locally Funded Projects	-	-		-
	3501	Financial Assistance to Local Councils - Used by Regional Councils Only	-	-		-
	3510	EU Funded Projects	-	-		-
	3520	Twinning Events	-	-		-
			-	**-**	**-**	**-**
		Total Expenditure without Depreciation and Finance Cost	**903,373**	**732,334**	**-**	**732,334**
9		**Depreciation**				
	3600-3699	Deprecation on Administrative Assets	1,805	3,131		3,131
	3700-3739	Deprecation on Urban Improvements	14,022	24,370		24,370
	3740-3789	Deprecation on Projects				-
	3790-3799	Depreciation on Right of Use Assets				-
			15,827	**27,501**	**-**	**27,501**
		Total Expenditure including depreciation cost without Finance cost	**919,200**	**759,835**	**-**	**759,835**
10		**Finance Income/Costs**				
	0160-0169	Finance / Investment Income	-			-
	2463-2464	Finance Cost	(945)	(1,184)		(1,184)
			945	**1,184**	**-**	**(1,184)**
		Total Expenditure including Depreciation Cost and Finance Cost	**920,145**	**761,019**	**-**	**758,651**

Extracts from Statement of Financial Position

		DESCRIPTION	Actual for the Period	Annual Budget 2026	Virements for the Period	Revised Annual Budget 2026
			€	€	€	€
11		**Inventories**				
	6200-6299	Inventories	1,349	1,393		1,393
			1,349	**1,393**	**-**	**1,393**
12		**Trade and Other Receivables**				
	6300-6306	Receivables	472,716	4,180		4,180
	6307	LES Receivables	-	-		-
	6308-6310	Prepayments & Accrued income	19,461	1,912		1,912
			492,177	**6,092**	**-**	**6,092**
13		**Cash & Cash Equivalents**				
	6000	Petty Cash Balances	897	-		-
	6001-6008	Bank Accounts - Current & Savings	980,985	923,164		923,164
	6009	Cash in Hand	-	-		-
	6010-6012	Other Bank Accounts and Cash Equivalents	-	-		-
			981,882	**923,164**	**-**	**923,164**
14		**Trade and Other Payables**				
	4000	Trade Payables	33,252	90,057		90,057
	4001-4024	Custodial Accounts	3,087	-		-
	4025	FSS/National Insurance Contributions	-	-		-
	4030	Provision for Contingent Liabilities	-	-		-
	4049	Bank Borrowings (less than one year)	-	-		-
	4050	Bank Balances Overdrawn	-	-		-
	4051-4064	Amount due to LGD	-	-		-
	4065-4071	Advanced Payments & Accruals	53,828	79,415		79,415
	4072	Works in Progress	-			-
	4073	Deposits and Guarantees	1,000			-
			91,167	**169,472**	**-**	**169,472**
15		**Lease Liability**				
	4200-4299	Current Portion (Less than one year)	-			-
	4500-4599	Long Term Portion (More than 1 year)	-			-
			-	**-**	**-**	**-**
16		**Deferred Income / Grants Receivable**				
	4150	Deferred Income - short term	656,563			-
	4400	Deferred Income - long term	-			-
			656,563	**-**	**-**	**-**
	4151	Grants Received in Advance - short term	-			-
	4400	Grants Received in Advance - long term	-			-
			-	**-**	**-**	**-**
17		**Long Term Borrowings**				
	4300	Long Term Government Loan	-			-
	4310	Bank Loans	-			-
	4320	Other Long Term Loans	-			-
			-	**-**	**-**	**-**

Total Commitments (Recurrent and Capital)

1st January till End of June 2026 (Quarter 2)

	DESCRIPTION	1. Actual to date	2. Committed to date	3. Future Commitments to date	Total	Start of Quarter Updated Budget	Variance	Grant	Variance after grant
		€	€	€	€	€	€	€	€
		a	b	c	d=a+b+c	e	f=e-d	g	h=f-g
	Operations and Maintenance								
2300-2399	Repairs and upkeep	752,468	81,512		833,980		(833,980)	[redacted]	
3000-3099	Contractual Services: Waste and Cleaning	63,599	-		63,599		(63,599)	[redacted]	
3100-3199	Contractual Services: Administrative and Professional	8,390	3,326		11,716		(11,716)	[redacted]	
		824,457	**84,838**	**-**	**909,295**	**-**	(909,295)	[redacted]	
	Administration and Other Expenditure								
2000-2299	Utilities & supplies	2,592	50		2,642		(2,642)	[redacted]	
2400-2460 2465-2599	Operational Costs	1,904	-		1,904		(1,904)	[redacted]	
2600-2699	Office services	2,503	-		2,503		(2,503)	[redacted]	
2700-2799	Transport Costs	56	-		56		(56)	[redacted]	
2800-2899	Travel	-	-		-		-	[redacted]	
2900-2999	Information Services	2,150	-		2,150		(2,150)	[redacted]	
3200-3299	Training & Events	-	-		-		-	[redacted]	
3300-3399	Community and hospitality	2,156	100		2,256		(2,256)	[redacted]	
3400-3499	Incidental and Other Expenses	1,759	500		2,259		(2,259)	[redacted]	
3800-3849	Amortization/Bad Debts/Realized Exchange Movements	-	-		-		-	[redacted]	
3850-3899	Losses arising from Penalties on Projects or Repayment of Conditional Grants	200	-		200		(200)	[redacted]	
		13,320	**650**	**-**	**13,970**	**-**	**(13,970)**	[redacted]	
	Expenditure on Local/EU and Twinning Events								
3500	Locally Funded Projects	-	-		-		-		-
3501	Financial Assistance to Local Councils - Used by Regional Council Only	-	-		-		-		-
3510	EU Funded Projects	-	-		-		-		-
3520	Twinning Events	-	-		-		-		-
		-	-	-	-	-	-	-	-
	Capital Expenditure/ Projects								
	Administrative Assets								
7000-7001	Council Property & Day Care	-			-		-		-
7002 & 7004	Office & Computer Equipment	-			-		-		-
7003	Furniture & Fittings	-			-		-		-
7007	Motor Vehicles	-			-		-		-
7005-7006 7008-7009	Other Administrative Assets	-			-		-		-
		-	-	-	-	-	-	-	-
	Urban Improvements (including assets not yet capitalised: 7400)								
7200	Parks, Playgrounds, Open Areas & Gardens	2,051,714	-		2,051,714		(2,051,714)		########
7201	New Street Signs	-	-		-		-		-
7202	Street Paving	-	-		-		-		-
7203	Street Lighting	38,472	-		38,472		(38,472)		(38,472)
7204	Road Re-Surfacing	471,523	-		471,523		(471,523)		(471,523)
7205	Sidewalks & Pedestrian Pathways	11,164	-		11,164		(11,164)		(11,164)
7206	Gym Equipment	-	-		-		-		-
7207	PV Panels	-	-		-		-		-
7208	Stormwater & Drainage Systems	-	-		-		-		-
7209	Public Seating, Benches & Street Furniture	-	-		-		-		-
7210	Public Toilets & Amenities Blocks	-	-		-		-		-
7211	Plants and Trees	17,307	-		17,307		(17,307)		(17,307)
7212	Public Fountains & Water Features	-	-		-		-		-
7213	Bus Shelters	3,255	-		3,255		(3,255)		(3,255)
7214	CCTV & Public Safety Infrastructure	7,506	2,339		9,845		(9,845)		(9,845)
7215	Monuments & Statues	-	-		-		-		-
7216	Traffic Monitoring & Control Systems	-	-		-		-		-
7217	Public Wi-Fi Infrastructure	-	-		-		-		-
		2,600,941	**2,339**	-	2,603,280	-	(2,603,280)	-	(2,603,280)
7500	**Projects (including assets not yet capitalised: 7400)**								
Segmented account	Project 1 (to provide details): Gnien Madre Tereza ta Kulkuta	44,999	572		45,571		(45,571)		(45,571)

Segmented account	Project 2 (to provide details): Gnien 4 ta Lulju	48,789			48,789		(48,789)		(48,789)
Segmented account	Project 3 (to provide details)				-		-		-
Segmented account	Project 4 (to provide details)				-		-		-
		93,788	572	-	94,360	-	(94,360)	-	(94,360)

18. ADMINISTRATIVE ASSETS

		Council Property & Day Care	Computer Equipment	Furniture & Fittings	Motor Vehicles	Other Administrative Assets	Total
Cost							
As at 1 January	2026	42,688		31,233			73921
Additions during the year		3,213		1,000			4213
Disposals/write-offs							0
As at end of June 2026		45901	0	32233	0	0	78134
Grants and Other Reimbursements							
As at 1 January	2026	10259					10259
Grants during the year		1237					1237
As at end of June 2026		11496	0	0	0	0	11496
Depreciation and Impairment Provision							
As at 1 January	2026	21046		20679			41725
Charge for the year		1490		315			1805
Disposals/write-offs							0
As at end of June 2026		22536	0	20994	0	0	43530
NET BOOK VALUE							
As at end of June 2026		11869	0	11239	0	0	23108

19. OTHER ASSETS

		Urban Improvements	Assets Under Construction	Projects	Total
Cost					
As at 1 January	2026	2554963	36100		2591063
Additions during the year		45978	58269		104247
Disposals/write-offs					0
As at end of June 2026		2600941	94369	0	2695310
Grants and Other Reimbursements					
As at 1 January	2026	1479595	29016		1508611
Grants during the year		21966			21966
As at end of June 2026		1501561	29016	0	1530577
Depreciation and Impairment Provision					
As at 1 January	2026	1015142			1015142
Charge for the year		14022			14022
Disposals/write-offs					0
As at end of June 2026		1029164	0	0	1029164
NET BOOK VALUE					
As at end of June 2026		70216	65353	0	135569