



Annual Report & Financial Statements

2022



Malta Statistics Authority
Awtorità tal-Istatistika ta' Malta

© Malta Statistics Authority

Address:

Malta Statistics Authority

Lascaris

Valletta VLT 2000

Malta

Website:

www.msa.gov.mt

Contact:

msa@gov.mt

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Malta

Malta Statistics Authority Board Members



Dr Carl Camilleri
Chairman



Dr Aaron G. Grech
Deputy Chairman



Mr Etienne Caruana
Director General
National Statistics Office



Mr Gianluca Cutajar
Member



Mr Joseph Farrugia
Member



Dr Vincent Marmara
Member



Mr Godwin Mifsud
Member



Dr Fiona Sammut
Member



Mr Josef Vella
Member

Malta Statistics Authority Secretariat



Mr Keith Grech
Assistant Director &
Board Secretary



Ms Sue Ann Scott Drago
Head of Unit



Ms Helen Vella
Administration Officer



Board Members Left to Right: Mr Godwin Mifsud, Mr Keith Grech, Dr Fiona Sammut, Mr Etienne Caruana, Dr Carl Camilleri, Dr Aaron G. Grech, Mr Josef Vella, Dr Vincent Marmara, Mr Joseph Farrugia and Mr Gianluca Cutajar.



Malta Statistics Authority
Awtorità tal-Istatistika ta' Malta

31 July 2023

The Hon Clyde Caruana
Minister For Finance and Employment
Maison Demandols
South Street
Valletta VLT 1102

Dear Minister,

Letter of Transmittal

In term of the Malta Statistics Authority Act, (Cap. 233) Part IV, Article 29 , I have the honour to transmit to you, the Authority's Annual Report and Financial Statements for the year ended 31 December 2022.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read 'Carl Camilleri', is written above a horizontal line.

Dr Carl Camilleri

CHAIRMAN'S STATEMENT

On behalf of the Malta Statistics Authority Board (MSA Board), it is my pleasure to present the Malta Statistics Authority's Annual Report and Financial Statements for the year 2022. This is the first report since my appointment as MSA Chairman in June 2022. With the passing of another financial year, the time is opportune to take stock of practices that worked efficiently and others that need to be changed, always in the interest of an organisation that continues to serve its institutional users and the general public according to the highest public sector standards. As part of a responsible National Statistical System, the Malta Statistics Authority (henceforth referred to as the Authority) has the mandate to advise the National Statistics Office (NSO) and oversee that all official statistical outputs meet expected international standards. The main source of pride for the Authority and the NSO lies in the knowledge that official statistics are well regarded and have a pragmatic use: that of informing decisions at the individual, policy-making and geopolitical levels.

Technological Perspective

The year 2022 was of particular importance as regards technological developments. It was the first post-pandemic year. During the COVID-19 period, several new operational methods were implemented both within the Authority and the NSO to guarantee business continuity. For the NSO the pandemic reality dictated that primary data collection, hitherto a traditional practice, had to be severely curtailed and replaced, when possible, by use of administrative data. At the same time, considerable investment was made in remote data capturing technologies. The Authority supported the NSO in every way to pursue these parallel thrusts. The investments paid off and the benefits of these strategic shifts proved to be, and continue to be, tangible: the NSO reported strong participation rates despite the extremely difficult times. Furthermore, the effects have turned out to be lasting as the increase in the use of administrative sources and modern data technology techniques helped to improve timeliness as well as to reduce human statistical error in the long term.

When improving the NSO's technological environment, the Authority is meeting one of its fundamental obligations which is also the third principle of the European Statistics Code of Practice: adequacy of resources. This principle falls under the Authority's direct responsibility and it meets this objective by making optimal use of the national funds and European Funds at its disposal.

Through observation we can deduce that relevance of official statistics, meaning that official statistics meet all expectations of the data user, can only be achieved through correct and maximal use of technology. This implies that the processes of producing data, transforming it into statistics, and disseminating the finished products must be tailored closely to the needs of users. Technology is key to all such processes. This must be coupled with the need to improve the skills of the NSO workforce through a specialised on-the-job training programme. Nowadays, apart from a strong formation in statistical analytical principles, statisticians are expected to be proficient in computer languages. These skills are part of the essential toolkit of the modern statistician. The Authority is well aware of what constitutes the complete statistician and is investing heavily to provide the full array of skills required for its employees.

Nowadays the need to disseminate statistics in a shorter period, without reducing quality, is a must. The relevance of National Statistical Institutes (NSIs) with the remit of producing official statistics depends on meeting market trends as otherwise, public-sector operators and business leaders will be compelled to turn to alternative quarters for timely and robust information on which to base their policy and business decisions. It is a fact that globalised business conglomerates have the capability to capture, store and process enormous quantities of data in real time on a myriad of subjects. NSIs are adapting to the new world we are living in, where users of information are requesting quasi or real-time data for decision-making processes. Hence the role of the NSO in the modern era should continue to be developed on the principles of statistical independence while fostering the ability to produce official statistics in a timely manner within a continuum. Equally important to maintaining relevance is the building-up of internal capabilities to develop novel statistical products.

Change is inevitable. The Authority is closely following the NSO's Director General in efforts to modernise the institution and is fully supportive of the modernisation process underway. Aspects of this modernisation process are also reflected in the accounting statements presented this year, where the cost centres associated with technological advancement are increasing in contrast to a gradual decline in labour-intensive operations. The overwhelming majority of employees at the NSO have a high level of education which renders them capable of producing official statistics on a daily basis according to the organisation's rigorous advance calendar. Over the years the Authority has forged ties with the University of Malta and other research institutions to entice students to take up careers related to the production of official statistics.

The Malta Statistics Authority Act

The Malta Statistics Authority Act was enacted in the year 2000 a few years ahead of Malta's entry into the European Union. While the present Act strongly mirrors components of Regulation (EC) 223/2009 which establishes the legal framework for the development, production and dissemination of European statistics, we note that it may now require changes to continue to strengthen key differences in the roles assigned to the Authority and to the NSO as an independent producer of official statistics. The MSA Board notices that on a European front, important legislative decisions have been made to safeguard Directors General of NSIs from unwilling dismissal and political interference. Other major topics being discussed at European level include the use of big data as an input for official statistics, particularly data held by the private sector.

These issues are among several being studied by the Authority, fully aware as it is of its moral commitment to the continued functioning of the NSO at the local level as well as supranationally in its role of member of the European Statistical System.

Operational Obligations:

Large-scale projects: Eurostat Peer Review, Census of Population and Housing, and the Malta Skills Survey

During 2022 the MSA Board held eleven (11) board meetings. During these meetings the Director General kept the Board informed about all statistical areas, paying particular attention to the preparations for the Eurostat Peer Review, the finalisation of the data collection process for Census of Population and Housing 2021, and the execution of the Malta Skills Survey.

Keeping in mind the small size of our Office compared to our EU counterparts, executing three national projects in one calendar year requires detailed managerial planning coupled with a dedicated work force. On behalf of my colleagues at the Authority, I am grateful for the statistical results achieved by the Office. The NSO once again has proved that it can meet operational challenges with ingenuity.

During 2023 we look forward to the final report of the Peer Review carried out in October 2022 by a team of Eurostat experts. The report shall contain recommendations on how the Office can continue to meet the sixteen (16) principles of the European Statistics Code of Practice. We also look forward to the publication of detailed results of the Malta Skills Survey following the preliminary report which was published in June. With reference to the Census of Population and Housing, the results for population, migration and other social characteristics were published last February. We expect the Director General to publish results on housing characteristics during the second half of 2023.

Noticeable statistical improvements

Beyond large-scale projects the MSA Board also keeps abreast of progress made in all key areas of the statistical production system. Areas that appeared constantly on the board meeting agenda were the Director General's updates on the gradual improvements to the Balance of Payments System, the management toolkit behind the monitoring of Sustainable Development Goals, and the requirements related to training needs to re-skill the present workforce in the era of modernisation.

The National Statistics Office as the national advisor on statistical methods

One aspect that requires the Authority's full attention is that of enabling the NSO to become the national advisor on all matters concerning official statistics. While the present MSA Act already empowers the NSO to serve this function, the Office aims to become more active in this area. Going forward the Authority, in conjunction with the NSO, intends to carry out consultation meetings with ministries and public-sector entities to strengthen the National Statistical System and to place the Office in its right place at its centre.

Malta Skills Survey

While official statistical users are accustomed to the products of the NSO, I think that the Malta Skills Survey merits some words of reflection. The Survey is a statistical novelty that shall add value to information produced and disseminated by the Social Statistics Directorate. As a national exercise, one of its uses is expected to be as a support tool for labour market policy. The Survey was launched in October 2022 and data collection ran until the end of the calendar year. The first of its kind, this Survey set out to measure the skills and qualifications of working-age people in Malta, with the scope of building skills profiles of that segment of the population. In a nation where human capital is the single most important resource available, surveys such as this one, which help to identify strengths and skills gaps, are very important for labour and education policy and planning purposes. The OECD goes a step further and states that information on a nation's skills set is essential as the knowledge economy calls for much more than the memorisation of facts or the performance of mechanical, repetitive tasks. Individuals are required to understand complex concepts, apply their knowledge to real-life settings, analyse and evaluate information in various formats, make decisions based on evidence, and transform/produce new knowledge. Such skills imply being able to make effective use of new technologies, work collaboratively, and communicate effectively. Without the right skills, people at the individual level face greater risks of unemployment and poor health. At the wider level, countries and businesses that do not cultivate new skills in their employees cannot compete in the global economy.

On behalf of my colleagues at the Authority, I wish to commend the excellent work carried out by the Director General and his team on the Malta Skills Survey, particularly the members of the Social Statistics Directorate. This work is also a perfect example of the collaboration between the NSO and the Central Government – in this case the Ministry for Finance and Employment. As Chairman of the Authority, I have always advocated in support of joint projects such as this one, because they make the organisation more relevant on the national scene. In this, I am sure I echo the sentiments of my fellow board members.

Stakeholders' Meetings

As members of the European Statistical System, the Authority and the NSO have pledged to abide by the principles of the European Statistics Code of Practice which places quality and reliability at the heart of its principles. Since becoming Chairman of the Authority I have witnessed first-hand the relentless commitment of the NSO to these principles when producing and disseminating all its statistical outputs. Part of this commitment has seen me attend a series of stakeholders' meetings, particularly in the Economic Statistics domain. These sessions are an opportunity for the Office to consolidate and build synergies with local entities actively involved in the field. Important stakeholders of the NSO are the Economic Policy Division within the Ministry for Finance and Employment, the Central Bank of Malta, the Malta Fiscal Advisory Council, and the University of Malta.

The official statistics published by the NSO are one of the yardsticks by which the effectiveness of policy decisions implemented by Central Government and other public institutions is measured. Consequently, the entities mentioned above are among the main users of official statistics. I believe stakeholders' meetings are very useful practices and I take the opportunity of my statement to thank and encourage all those involved in their planning and organisation.

Rebranding

Statistical recordings in Malta date back to colonial times with scriptures such as the Blue Books dating back to colonial times are considered as national treasures. The statistical system continued evolving, such that today's statistical network is systematic, noting that a news release is issued by the Office almost daily, exhaustive that it covers several topics relevant to our daily lives as well as academic as it is founded on international methodological standards and practices. These qualities ushered the National Statistics Office into a public brand which demands public respect and goodwill. Despite the positive public image that the NSO enjoys nevertheless the need was felt to renew the image the Office presents to the public. Therefore in 2022, the NSO engaged an expert contractor to revamp the Authority's and the NSO's corporate image. The brief provided by the Authority to the experts was to design corporate images for both entities that appeal to present and future generations, while also projecting the goodwill the Office has succeeded to build over the years. Another part of the brief was to produce images that project the Authority and the NSO, its executive arm, as two independent bodies operating within the public service with common objectives to serve the statistical system in different capacities, the one in a regulatory role and the other as a compiler of official statistics.

The rebranding project includes the creation of a new website for both the NSO and the Authority. Work on the former was given priority and it is envisaged that its range of new features shall serve data users better especially when the data warehouse is fully commissioned, providing much improved data searches and retrieval functionality. The online statistical database is a feature which we look forward to in 2023. As regards the Authority, its revamped website will provide more information about its role and work, which is undertaken in line with its governing principles of Trust, Governance and Competence. These three principles are what forged the Authority from its beginnings, and thanks to which the Authority's objectives and achievements have been realised to date.

Challenges and Opportunities

Upon my appointment as Chairman of the Authority I was welcomed by a team that was already well established. Quickly their successes became my own and so did their struggles. In a post-pandemic work environment, which will never be what it was before 2020, adaptation to the new realities became instrumental to success. The headship of the NSO must be praised for providing both on-the-job and external training opportunities to its staff members, who also frequently have opportunities for overseas experiences from which they can observe and learn about best practices, especially through interaction with their counterpart Eurostat officials. I am in full support of this premise which I believe can act as a strong motivator for all NSO employees. The NSO is also fortunate to have a skilful and resilient IT team which when called upon, can truly make things happen for the organisation. This is a resource which the NSO must safeguard as a way of securing its future.

Finances

The year 2022 has seen an important change in the structure of the Budget, Financial Management and Control domain as the position of Financial Controller became a Directorship. The Director for Finance consults with the Director General on financial matters and reports periodically to the MSA Board. The Director for Finance is responsible for the monitoring of the Authority's financial goals and objectives, including the preparation of the budget and financial plan. It is also a priority of this Directorate to ensure that internal controls are in place, enforced and reviewed periodically.

During 2022, the Office was awarded seven new grants, accounting for a total income of €441,802 from the European Commission. During the same year nine grant agreements were finalised, with a total EU contribution of €553,086. Income from grants is a lifeline for the Office especially when it comes to the implementation of new projects.

This year's audited financial statements report a deficit of €756,697. This was mainly due to a deduction of €500,000 from the budgeted subvention for the year. The auditors awarded the Authority an unqualified audit report, meaning that the Authority's

financial statements give a true and fair view of the Authority's financial position, in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, the Malta Statistics Authority Act, and the Census Act.

The Census of Population expenditure for the year is included in the Authority's financial statements. A detailed account of the expenses incurred during 2022 in connection with the Census of Population is further included as part of the notes to the financial statements. This Census was financed by the central government through a specific separate vote.

Conclusions

In conclusion I thank all Board Members for their sterling work and dedication. Special thanks go to Dr Aaron G. Grech as Deputy Chairman who supports me in all decisions. In 2022 we also said goodbye to our board secretary Mr Joseph Bonello who officially went into retirement after serving the Authority for many years. The Authority remains grateful for all his hard work and commitment.

I wish to thank my predecessor Professor Albert Leone Ganado. To this day we continue to enjoy the benefits of the projects he started and the changes he introduced. I must not fail to mention the NSO Director General, Mr Etienne Caruana, for his tireless commitment to the Office. He and his trusted team make real change happen and the process to produce and publish new and improved official statistics continues unabated.

I also take this opportunity to express my appreciation of the valuable collaboration extended to the Authority and the NSO by the public entities who hold administrative registers and data. My thanks are equally due to all those individuals, households, organisations and business enterprises who participate in NSO surveys when called to do so. Without their contribution, official statistics would not have arrived to the level they are today. Thank you for entrusting us with your data, which I can assure you we respect and safeguard very seriously.



Dr Carl Camilleri
Chairman
Malta Statistics Authority



Independent Auditors Report

2022

Authority's Report

The members of the Authority present their report, together with the audited financial statements of the Authority, for the year ended 31 December 2022.

Authority

The following persons have served on the Board of the Authority during the year under review:

Chairperson

Dr. Carl Camilleri

Deputy Chairperson

Dr. Aaron George Grech

Members

Mr. Etienne Caruana – Director General (ex officio)

Mr. Gianluca Cutajar

Mr. Joseph Farrugia

Dr. Vincent Marmara

Mr. Godwin Mifsud

Dr. Fiona Sammut

Mr. Josef Vella

Mr. Keith Grech – Board Secretary

Principal activity

The Malta Statistics Authority (MSA) is a public corporate body with regulatory responsibility relating to the production of official statistics in accordance with internationally harmonised methodologies, for the benefit of the Government of Malta, the European Union, International Organisations and the General Public. The Authority was set up through the enactment of the Malta Statistics Authority Act (Cap. 422) as well as the Census Act (1948), Chapter 118 of the Laws of Malta. The Malta Statistics Authority reports to the Minister responsible for official statistics and the Authority's statutory audit financial statements are to be laid on the table of the Maltese Parliament as per Article 26 (4) of the said Act.

Review of business development and financial position

The financial position of the Authority as at 31 December 2022 is disclosed on page 17, while the results for the year under review are disclosed on page 18.

Since early 2020, the world has been experiencing an unprecedented crisis caused by the COVID-19 pandemic. The Authority considers the effects of the COVID-19 outbreak as the only relevant event arising during the reporting date.

The crisis has not resulted in any temporary cessation of the Authority's activities. The overall impact of COVID-19 on the Authority is therefore expected to be relatively contained in the context of the Authority's financial resources and accordingly the Authority considers it to be appropriate to prepare these financial statements on a going concern basis.

Future developments

No changes are envisaged in operations during the forthcoming year.

Statement of responsibilities of the Authority Board

The Authority is governed by a Board consisting of a Chairperson, a Deputy Chairperson, a Director General (ex officio) and six members. Their responsibility is to prepare financial statements in accordance with International Financial Reporting Standards as adopted by the European Union which give a true and fair view of the state of affairs of the Authority at the end of each financial year and of the gain or loss for the year then ended.

In preparing the financial statements, the Authority is responsible to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on a going concern basis, unless it is appropriate to presume that the Authority will not continue in business.

The Authority is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Authority and to enable it to ensure that the financial statements have been properly prepared in accordance with the provisions of the Act.

The Authority is also responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Authority is responsible to ensure that it establishes and maintains internal control to provide reasonable assurance with regard to reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.

In determining which controls to implement to prevent and detect fraud, the board considers the risks that the financial statements may be materially misstated as a result of fraud.

Approved by the Authority's representatives on 25th July 2023 and signed on its behalf by:



Dr. Carl Camilleri
Chairperson



Dr. Aaron George Grech
Deputy Chairperson

Opinion

In my opinion:

- The Malta Statistics Authority's financial statements (the "financial statements") give a true and fair view of the Authority's financial position as at 31 December 2022, and of the Authority's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU; and
- The financial statements have been prepared in accordance with the requirements of the Malta Statistics Authority Act (Cap. 422) as well as the Census Act (1948), Chapter 118 of the Laws of Malta.

What I have audited

Malta Statistics Authority's financial statements, set out on pages 17 to 36, comprise:

- the Statement of financial position as at 31 December 2022;
- the Income statement for the Authority for the year then ended;
- the Statement of changes in equity for the year then ended;
- the Statement of cash flows for the year then ended; and
- the Notes to the financial statements, which include a summary of significant accounting policies.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Independence

I am independent of the Authority in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to my audit of the financial statements in Malta.

I have fulfilled my other ethical responsibilities in accordance with these Codes.

Other information

The Authority is responsible for the other information. The other information comprises information included in the Annual Report but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information, including the Authority's report.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit or otherwise appears to be materially misstated.

With respect to the Authority's report, I considered whether the Authority's report includes the disclosures required by the Malta Statistics Authority Act (Cap. 422) as well as the Census Act (1948), Chapter 118 of the Laws of Malta. Based on the work I have performed, in my opinion:

- the information given in the Authority's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Authority's report has been prepared in accordance with the Malta Statistics Authority Act (Cap. 422) as well as the Census Act (1948), Chapter 118 of the Laws of Malta.

In addition, in light of the knowledge and understanding of the Authority and its environment obtained in the course of the audit, I am required to report if I have identified material misstatements in the Authority's report and other information. I have nothing to report in this regard.

Responsibilities of the Malta Statistics Authority for the financial statements

The Board is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs as adopted by the EU and the requirements of the Malta Statistics Authority Act (Cap. 422) as well as the Census Act (1948), Chapter 118 of the Laws of Malta, and for such internal control as the Authority determines necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Ministry intends to liquidate the Authority or to cease operations, or if it has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's responsibility for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Authority Board;
- Conclude on the appropriateness of the Authority's use of the going concern basis of accounting and based on the audit

evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Authority's ability to continue as a going concern. In particular, it is difficult to evaluate all of the potential implications that COVID-19 will have on the Authority's trade, customers and suppliers, and the disruption to its business and the overall economy;

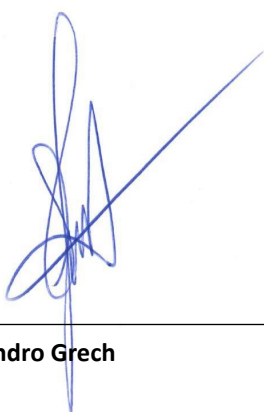
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Authority to express an opinion on the financial statements. I am responsible for the direction, supervision and performance of the audit. I remain solely responsible for my audit opinion;
- I communicate with the Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other Legal and Regulatory Requirements

I also have responsibilities under the Malta Statistics Authority Act (Cap. 422) as well as the Census Act (1948), Chapter 118 of the Laws of Malta, to report to you if, in my opinion:

- Adequate accounting records have not been kept, or that returns adequate for my audit have not been received from branches not visited by me.
- The financial statements are not in agreement with the accounting records and returns.
- I have not received all the information and explanations I require for the audit.

I have nothing to report to you in respect of these responsibilities.



Sandro Grech

Certified Public Accountant

SG Malta Limited , Hompesch road, Fgura, FGR 2010, Malta.

25 July 2023

Malta Statistics Authority
Annual Report and Financial Statements - 31 December 2022

Statement of financial position

		As at 31 December	
	Notes	2022	2021
		€	€
ASSETS			
Non-current assets			
Property plant and equipment	3	497,351	536,582
Current assets			
Inventory	6	34,611	23,860
Trade and other receivables	4	177,862	547,556
Cash and cash equivalents	5	5,139,331	4,338,739
Total current assets		5,351,804	4,910,155
Total assets		5,849,155	5,446,737
EQUITY AND LIABILITIES			
Accumulated funds		2,264,956	3,021,653
Non-current liabilities			
Trade and other payables	7	1,712,089	1,219,346
Current liabilities			
Trade and other payables	7	1,872,110	1,205,738
Total liabilities		3,584,199	2,425,084
Total equity and liabilities		5,849,155	5,446,737

The notes on pages 20 to 36 are an integral part of these financial statements. The financial statements on pages 17 to 19 were approved by the Authority's representatives and signed on its behalf on 25 July 2023.



Dr. Carl Camilleri
Chairperson



Dr. Aaron George Grech
Deputy Chairperson

Income statement

		Year ended 31 December	
	Notes	2022	2021
		€€	€€
		10,746,277	8,693,712
Revenue	8		
Administrative expenses	9	(11,502,974)	(8,486,623)
(Deficit)/Surplus for the year		(756,697)	207,089

Statement of changes in equity

	Accumulated funds
	€
As at 1 January 2021	2,814,564
Surplus for the year	207,089
As at 31 December 2021	3,021,653
As at 1 January 2022	3,021,653
Deficit for the year	(756,697)
As at 31 December 2022	2,264,956

Statement of cash flows

	Notes	2022 €	2021 €
Cash flow from operating activities			
(Deficit)/ Surplus for the year		(756,697)	207,089
Adjustments for:			
Depreciation	3	233,800	229,184
Movement in working capital for:			
Inventory	6	(10,751)	24,526
Trade and other receivables	4	369,694	4,204
Trade and other payables	7	1,159,115	453,665
Net cash generated from operating activities		995,161	918,668
Cash flow from investing activities			
Acquisition of property, plant and equipment	3	(194,569)	(497,661)
Net cash outflow used in investing activities		(194,569)	(497,661)
Movement in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year	5	4,338,739	3,917,732
Cash and cash equivalents at the end of the year		5,139,331	4,338,739

Notes to the financial statements

1 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

1.1 Basis of preparation

Statement of compliance

These financial statements have been prepared and presented in accordance with the provisions of the International Financial Reporting Standards as adopted by the EU (IFRSs) with the requirements of the Malta Statistics Authority Act (Cap. 422) as well as the Census Act (1948), Chapter 118 of the Laws of Malta.

The Authority has assessed that the Authority is expected to have the necessary funds to finance its operations and commitments towards employees, creditors and banks. Accordingly, the Board continues to adopt the going concern basis in preparing the Authority's financial statements and considers that there are no material uncertainties which may cast doubt about the ability of the Authority to continue operating as a going concern.

Covid 19

Since early 2020, the world is experiencing an unprecedented crisis caused by the COVID-19 pandemic. The Authority considers the effects of the COVID-19 outbreak as the only relevant event arising during the reporting date.

The crisis has not resulted in the temporary cessation of the Authority's activities. The overall impact of COVID-19 on the Authority is therefore expected to be relatively contained in the context of the Authority's financial resources and accordingly the Authority considers it to be appropriate to prepare these financial statements on a going concern basis.

These financial statements have been prepared under the historical cost convention.

1.2 Functional and presentation currency

The financial statements are presented in Euro, which is the Authority's functional currency.

Transactions in foreign currencies are translated to the functional currency of the Authority at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year. Foreign currency differences arising on retranslation are recognised in profit or loss.

1.3 Property, plant and equipment

Recognition and measurement

Property, plant and equipment, are initially recorded at cost and are subsequently stated at cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items. Subsequent costs are included in the asset’s carrying amount, or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority, and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Income, during the financial year in which they are incurred.

Depreciation

Depreciation is calculated to write off the cost of fixed assets on a straight-line basis over the expected useful lives of the assets concerned having regard to their residual value. The annual rates used for this purpose, which are applied consistently, are:

	%
Improvement to leasehold premises	2
Computer equipment	20 - 33.33
Furniture and fixtures	15
Office equipment	15
Motor Vehicles	20

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at each end of the reporting year. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gains or losses arising on the disposal or retirement of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Comprehensive Income within the other income or administrative and other expenses.

1.4 Financial assets and liabilities

1.4.1 Recognition, initial measurement and derecognition of financial assets

Receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Authority becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

All purchases and sales of investments are recognised on the trade date, which is the date that the Authority commits to purchase or sell the assets. Investments are derecognised when the rights to receive cash flows from the investments have expired or where they have been transferred and the Authority has also transferred substantially all risks and rewards of ownership.

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Authority changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Authority classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Investments in debt instruments are classified at fair value through other comprehensive income (FVOCI) only if the contractual cash flows are solely principal and interest and the objective of the Authority’s business model is achieved both by collecting contractual cash flows and selling financial assets.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Authority may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Authority makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

1.4.2 Classification of financial assets

The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management’s strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities, or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Authority’s management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Authority’s continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal

amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Authority considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Authority considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Authority's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

1.4.3 Subsequent measurement of financial assets

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. Amortised cost is the initial measurement amount adjusted for the amortisation of any difference between the initial and maturity amounts using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

1.4.4 Impairment of financial assets

The Authority recognises loss allowances for ECLs on financial assets measured at amortised cost and debt investments measured at FVOCI to which the Authority is exposed. It measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Authority considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Authority's historical experience and informed credit assessment and including forward- looking information.

The Authority assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, and it considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Authority in full, without recourse by the Authority to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Authority considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Authority considers this to be Baa3 or higher per Moody's or BBB- or higher per Standard & Poor's or Fitch.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Authority is exposed to credit risk.

Measurement of ECL

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Authority expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Authority assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Authority on terms that the Authority would not consider otherwise:
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for EGL in the statement of financial position:

- Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.
- For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Authority has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For each of its financial assets that subject the Authority to credit risk, it makes an individual assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Authority expects no significant recovery from the amount written

off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Authority's procedures for recovery of amounts due.

1.4.5 Financial liabilities

Issued financial instruments or their components, which are not designated at FVTPL are classified as other financial liabilities, where the substance of the contractual arrangement results in the Authority having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Comprehensive Income.

1.5 Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less expected credit loss allowances. Trade and other receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Authority holds the trade and other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

1.6 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

1.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average cost method. Cost is the invoiced value of goods and, in general, includes transport and handling costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

1.8 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if not longer). If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.9 Impairment

The carrying amounts of the Authority's assets are reviewed at each end of reporting year to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised and the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation decrease in accordance with the applicable Section in IFRS.

The carrying amounts of the Authority's assets are also reviewed at each end of reporting year to determine whether there is any indication that an impairment loss recognised in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss previously recognised is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Impairment reversals are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation increase in accordance with the applicable Section in IFRS.

1.10 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables. Non-derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Authority becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Authority's contractual rights to the cash flows from the financial assets expire or if the Authority transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Authority commits itself to purchase or sell the asset. Financial liabilities are derecognized if the Authority's obligations specified in the contract expire or are discharged or cancelled.

1.11 Reserves

The accumulated fund includes all current and prior year retained surpluses and deficits.

1.12 Revenue

Revenue is measured at the fair value of the consideration received or receivable by the Authority for services provided. Revenue is recognised to the extent that it is probable that future economic benefits will flow to the Authority, and these can be measured reliably.

The following specific recognition criteria must also be met before revenue is recognised:

- The Authority has transferred to the buyer the significant risks and rewards of ownership of the services

- provided. This is generally when the customer has approved the services that have been provided;
- The amount of revenue can be measured reliably;
 - It is probable that the economic benefits associated with the transaction will flow to the Authority; and
 - The costs incurred or to be incurred in respect of the transaction can be measured reliably.
 - Government Grants and EU Grants are not recognised until there is a reasonable assurance that the Authority will comply with the conditions attaching to them and that the grants will be received.
 - Government Grants and EU Grants are recognised in the Statement of Comprehensive Income on a systematic basis over the years in which the entity recognises as expenses the related costs for which the grants are intended to compensate.
 - Government Grants and EU Grants related to assets are presented in the Statement of Financial Position by setting up the grant as deferred income and is recognised in the Statement of Comprehensive Income on a systematic basis over the useful life of the asset.
 - Government Grants and EU Grants that are receivable as compensation for expenses or losses already incurred or for the purposes of giving immediate financial support to the Authority with no future related costs are recognised in the Statement of Comprehensive Income in the year in which they become receivable.

Interest income

Interest is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount.

1.13 Going concern

The financial statements have been prepared on the going concern basis, which assume that the Authority will continue in operational existence for the foreseeable future. With reference to the Malta Statistics Authority Act, 2000 Part 4 article 19 sub-article 3, the Government shall pay the Authority to meet any of its expenditure that cannot be met out of its revenue and the costs of specified works to be continued or otherwise carried out by the Authority, being works of infrastructure or of a similar capital nature.

2 Financial risk management

The Authority is exposed to a variety of financial risks: market risk (including fair value interest rate risk and price risk), credit risk and liquidity risk. The Authority's risk management is coordinated by the Board members and focuses on actively securing the Authority's short to medium term cash flows by minimising the exposure to financial risk.

Cash flow and fair value interest rate risk

The Authority has no significant interest-bearing assets and liabilities, and its income and operating cash flows are substantially independent of changes in market interest rates.

Credit risk

The Authority's exposure to credit risk is limited to the carrying amount of financial assets recognized at the end of the reporting date, as summarised below.

The Authority's exposures to credit risk as at the end of the reporting periods are analysed as follows

	2022	2021
	€	€
Financial assets measured at amortised cost Cash and cash equivalents (<i>Note 5</i>)	5,139,331	4,338,739

The Authority applies the low credit risk simplification for all instruments that are externally rated at a rating of BBB- (or equivalent) or better; and the EGL provision for these instruments is accordingly measured at an amount equivalent to the 12-month ECLs. The Authority thus applies the simplification for its bank deposits.

Liquidity risk

The Authority is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which comprise trade and other payables (*Note 7*). Prudent liquidity risk management includes maintaining sufficient cash reserves to ensure the availability of an adequate amount of funding to meet the Authority's obligations.

The Authority monitors liquidity risk by reviewing expected cash flows and ensures that no additional financing facilities are expected to be required over the coming year. The Authority's liquidity risk is not deemed material in view of the matching of cash inflows and outflows arising from expected maturities of financial instruments and commitments.

2.1 Capital risk management

The Authority's equity, which constitutes its capital base, is disclosed in the Statement of Financial Position. The Authority's objectives when managing capital are to safeguard the respective entity's ability to continue as a going concern in order to provide benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In accordance with section 19(3) of the provisions of the Malta Statistics Authority, the Authority shall be paid by the Government of Malta out of the Consolidated Fund such sums as Parliament may from time to time authorise to be appropriated to meet any of its expenditure that cannot be met out of its revenue and the costs of specified works to be continued or otherwise carried out by the Authority, being works of infrastructure or a similar capital nature.

2.2 Fair values of financial instruments

At 31 December 2022 and 2021 the carrying amounts of cash at bank, receivables, payables and accrued expenses reflected in the financial statements are reasonable estimates of fair value in view of the nature of these instruments or the relatively short period of time between the origination of the instruments and their expected realisation.

2.3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of the Authority Board, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS.

3 Property, plant and equipment

	Improvement to Premises	Computer Equipment	Furniture & Fittings	Office Equipment	Motor Vehicles	Totals
	€	€	€	€	€	€
<u>Cost</u>						
As at 1 January 2022	238,049	1,408,132	363,898	255,446	23,474	2,288,999
Additions	-	216,860	9,727	61,413	-	288,000
Disposal	-	(140,146)	-	-	-	(140,146)
As at 31 December 2022	238,049	1,484,846	373,625	316,859	23,474	2,436,853
<u>Depreciation</u>						
As at 1 January 2022	101,856	1,069,309	324,268	233,510	23,474	1,752,417
Charge for the year	5,828	200,283	12,392	15,297	-	233,800
Disposal	-	(46,715)	-	-	-	(46,715)
As at 31 December 2022	107,684	1,222,877	336,660	248,807	23,474	1,939,502
NBV as at 31 December 22	130,365	261,969	36,965	68,052	-	497,351
NBV as at 31 December 21	136,193	338,823	39,630	21,936	-	536,582

4 Trade and other receivables

	2022	2021
	€	€
Trade receivables	13,018	41,041
Accrued income	102,588	442,296
Indirect taxation	-	19,609
Prepayments	62,256	44,610
	177,862	547,556

5 Cash and cash equivalents

Cash and cash equivalents consist of the following:

	2022	2021
	€	€
Cash at bank	5,139,331	4,338,739

6 Inventory

	2022	2021
	€	€
Books and publications	17,668	10,358
Stationery	16,943	13,502
	34,611	23,860

Publications which are given for free are valued at their original cost.

7 Trade and other payables

	2022	2021
	€	€
Non-current		
Deferred income from Eurostat grants	143,707	196,352
Deferred income from Government grants	236,070	292,209
Amounts received in advance	1,332,312	730,785
	1,712,089	1,219,346
Current		
Trade payables	53,117	116,811
Deferred income from Government grants	216,320	194,401
Deferred income from Eurostat grants	276,861	166,660
Indirect taxation	203,711	-
Other payables from service pension	465,840	681,567
Accruals	656,261	46,299
	1,872,110	1,205,738

Short term financial liabilities are carried at their nominal value which is considered a reasonable approximation of fair value. Deferred income from Government grants refers to capital grants relating to improvements to premises which are deferred over the assets' useful lives and prepaid income from grants relating to expenses pertaining to a project which will be implemented in 2023.

	2022	2021
	€	€
As at 1 January	486,611	214,841
Additions	287,999	497,661
Amounts transferred to income and expenditure account	(322,220)	(225,891)
As at 31 December	452,390	486,611

	2022	2021
	€	€
Non-current deferred income:		
Between 2 and 5 years	154,051	217,856
After more than 5 years	82,019	74,353
	236,070	292,209

8 Revenue

	2022	2021
	€	€
Government subvention		
Directly paid to Malta Statistic Authority	5,200,000	5,350,000
Programs and initiatives	1,475,000	1,400,000
European social fund	14,887	-
Refurbishment of premises paid by Ministry of finance	77,001	109,810
Income received for IT expenditure	417,485	289,821
Income received for census of population	1,680,755	816,290
Skills register survey	1,001,571	-
Government grant capital nature	228,789	225,891
EU grant agreement	553,084	252,332
Sale of publications and surveys	79,672	247,632
Other income	18,033	1,936
	10,746,277	8,693,712

9 Administrative expenses

	2022	2021
	€	€
Air conditioning running costs	4,379	4,451
Auditor's remuneration	2,486	2,288
Bank interest and charges	1,072	1,131
Board members' remuneration	19,500	19,500
Cleaning expenses	46,658	44,088
Depreciation	233,800	229,183
Donations	3,000	-
European Social Fund	14,830	-
General expenses	3,829	11,597
Hire of equipment	12,398	12,430
Hospitality and entertainment	11,329	607
Insurance fees	15,210	13,597
IT Support	366,499	166,966
Consultancy and professional fees	151,260	149,622
Legal fees	11,729	-
Licences, memberships, and subscriptions	131,172	99,357
Medical services	918	915
Motor vehicles running expenses	3,960	6,070
Non-Claimable vat fees	217,810	-
Pensions payable to ex government employees	384,272	135,562
Postage and couriers	65,038	97,090
Print and stationery fees	45,245	89,995
Publicity fees	109,114	162,010
Rental fees	28,107	29,183
Repair and maintenance	23,044	20,140
RPI Advisory Committee members' remuneration	9,830	9,830
Salaries	6,987,773	6,558,435
Surveys and interviews	2,392,730	508,031
Training costs	6,748	3,794
Telecommunication costs	75,236	40,686
Travelling expenses	57,227	1,081
Bad debt	-	2,000
Uniform expenses	4,048	3,009
Water and electricity fees	21,202	17,895
Premises maintenance	9,916	16,570
Security services	31,605	29,510
	11,502,974	8,486,623

During the current year the National Statistics Office has performed the Census of Population and Housing. The Census is the responsibility of the Census Officer who is the Director General of the National Statistics Office as per the Census Act (Cap 118 laws of Malta) of 28 February 1948. The following expenses were incurred which are included in the administrative expenses:

	2022	2021
	€	€
Salaries	161,303	273,423
Rental fees	2,254	7,828
Motor vehicles running expenses	132	2,787
Print and stationery fees	12,727	48,923
Telecommunication costs	17,108	3,180
Publicity fees	23,430	144,595
Survey and interviews	1,437,613	1,948
Consultancy and professional fees	500	94,508
Licences, memberships, and subscriptions	28	21,845
IT Support	16,991	1,101
Hire of equipment	1,740	580
Cleaning expenses	-	1,144
General expenses	20	10,308
Repair and maintenance	414	721
Hospitality	1,339	87
Postage	549	81,305
	1,676,148	694,283

10 Salaries and social security costs

	2022	2021
	€	€
Wages and salaries	6,987,773	6,558,435
Board Members remuneration	19,500	19,500
RPI advisory committee members remuneration	9,830	9,830
	7,017,103	6,587,765
Average number of MSA employees	212	192
Average number of casual survey interviewers	144	45

11 Taxation

The Board as per previous practice, considers the Authority as tax exempt and did not provide for taxation at 35% in the financial statements. In accordance to subsidiary legal notice issued on 21st of October 2022 (S.L. 422.03), it is now confirmed that the Authority is tax exempt.

12 Related party transactions

Malta Statistics Authority is an autonomous public institution enacted by the Malta Statistics Authority Act (Cap. 422) as well as the Census Act (1948), Chapter 118 of the Laws of Malta. The Authority is the regulator for official statistics in Malta. In accordance with article 26 (4) of the Malta Statistics Authority Act, audited financial statements shall be laid on the table of the Maltese Parliament by the Authority's line Minister.

During the year under review, the Authority entered into transactions with a number of Government-related entities. As at 31 December 2022, the Authority had an outstanding receivable balance due from other governmental entities amounting to €100,000 (2021: €442,296), and an outstanding payable owed to other governmental entities amounting to €465,840 (2021: €681,567).

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantee was given or received. Transactions with related entities are unsecured and interest free.

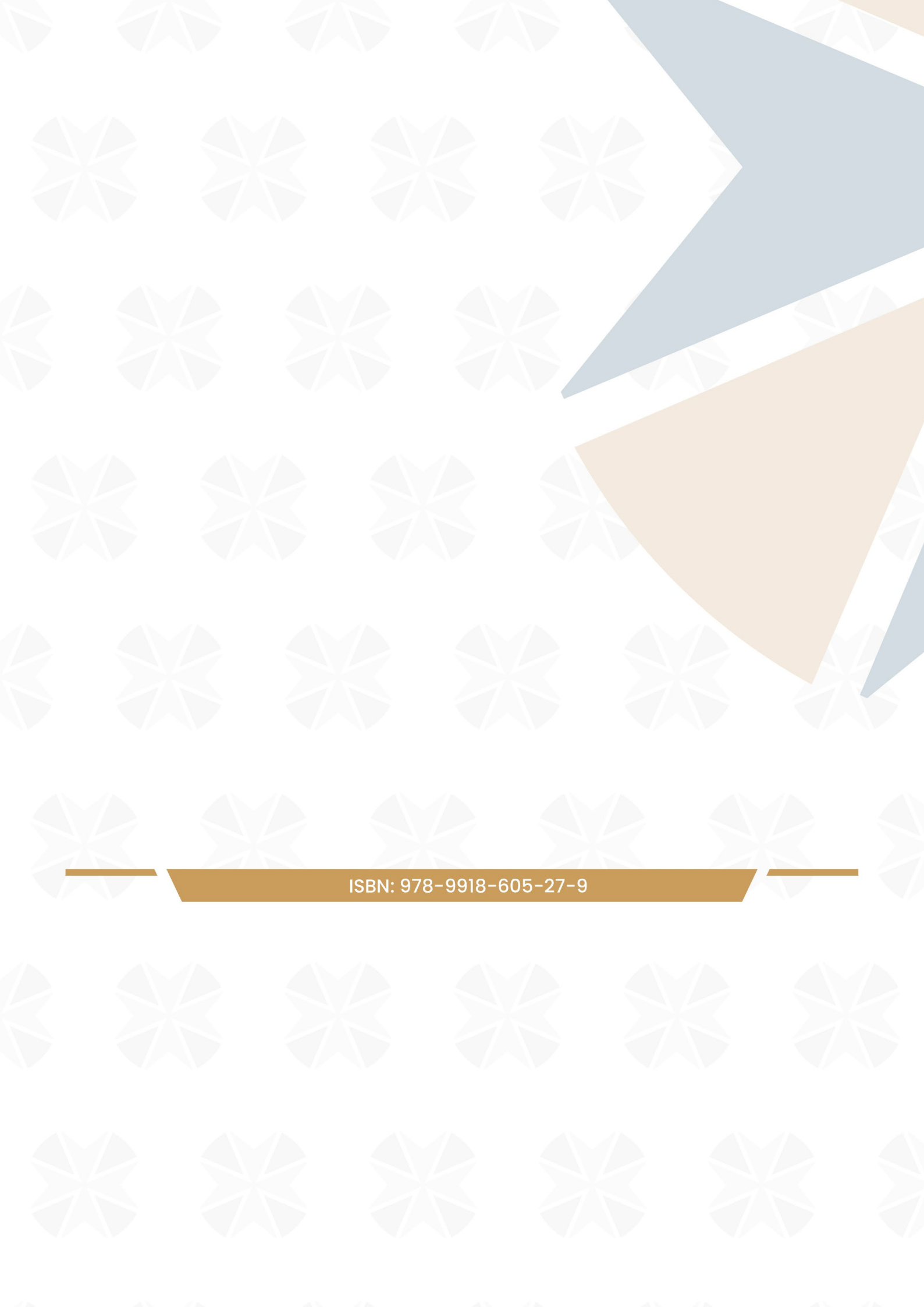
Income recognised for the year under review relating to subventions received from the Government of Malta are disclosed in note 8.

13 Comparative information

Comparative figures disclosed in the main components of these financial statements have been reclassified to conform with the current year's presentation format for the purpose of fairer presentation.

14 Statutory information

The Malta Statistics Authority (MSA) ("the Authority") is the Authority which ensures that official statistics produced independently by its executive arm, the National Statistics Office, are reliable, robust, timely and impartial. The Authority is enacted by virtue of the Malta Statistics Authority Act, (Chapter 422 of the laws of Malta).



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