



GOVERNMENT OF MALTA

**Annual Financial Statements
2016**

In Terms of Section 65
of the Financial Administration
and Audit Act, 1962

THE TREASURY - FLORIANA

List of Statements

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Note: Figures in Statements may not add up due to rounding

Treas. 125/2017
Treas. 43/2016
N.A.O. 45/2017

	2016 €	2015 €
	(170,137,720)	(23,536,200)
Revenue		
I Customs and Excise Duties	277,506,407	290,404,789
II Licences, Taxes and Fines	311,008,551	280,871,708
III Income Tax	1,328,269,691	1,184,627,755
IV Value Added Tax	724,798,345	699,998,113
V Fees of Office	71,356,763	51,722,556
VI Reimbursements	28,649,993	28,794,337
VII Public Corporations	---	---
VIII Central Bank of Malta	50,000,000	48,000,000
IX Rents	29,883,232	29,261,529
X Dividends on Investment/Receipts	39,147,116	34,935,951
XI Interest on loans made by Government	98,119	360,571
XII Social Security	804,388,725	739,583,040
XIII Grants	102,339,420	176,164,697
XIV Miscellaneous Receipts	39,516,313	70,073,275
Total Ordinary Revenue	3,806,962,675	3,634,798,321
XV Loans	597,901,700	473,234,600
XVI Repayment of loans made by Government	12,184,000	40,416,000
XVII Extraordinary Receipts	1,130,749	757,535
Total Non-Ordinary Revenue	611,216,449	514,408,135
TOTAL REVENUE	4,418,179,125	4,149,206,456
Transfers from Contingencies Fund	40	13
	4,418,179,165	4,149,206,469

ABSTRACT OF THE CONSOLIDATED FUND ACCOUNT FOR 2016

	2016 €	2015 €
Recurrent Expenditure		
1 Office of the President	4,699,296	4,001,173
2 House of Representatives	4,628,660	3,699,214
3 Office of the Ombudsman	1,024,950	1,139,991
4 National Audit Office	3,000,000	2,700,000
5 Office of the Prime Minister	33,828,095	32,626,469
6 Public Service Commission	580,812	561,058
7 Information	1,085,256	1,236,957
8 Government Printing Press	1,309,395	1,323,950
9 Electoral Office	2,066,433	7,795,468
10 Government Property Division	7,088,099	8,912,185
11 Ministry for European Affairs and Implementation of the Electoral Manifesto	32,827,571	15,214,813
12 Ministry for Foreign Affairs	26,622,412	23,632,290
13 Ministry for Education and Employment	250,540,923	228,029,465
14 Education	217,801,092	204,430,001
15 Ministry for Sustainable Development, the Environment and Climate Change	66,943,736	53,794,838
16 Ministry for Transport and Infrastructure	94,042,216	84,548,963
17 Ministry for Gozo	29,430,909	27,464,976
18 Ministry for Social Dialogue, Consumer Affairs and Civil Liberties	12,098,698	12,257,073
19 Industrial and Employment Relations	1,514,386	1,218,990
20 Ministry for the Economy, Investment and Small Business	35,772,402	34,488,548
21 Commerce	1,859,159	1,831,878
22 Ministry for Finance	103,482,793	127,037,365
23 Treasury	7,331,490	6,055,434
24 Pensions	96,880,876	91,967,163
26 Inland Revenue	8,146,739	7,959,768
27 V.A.T.	7,123,937	5,994,594
28 Customs	10,987,738	10,971,762
29 Contracts	1,619,643	1,504,054
30 Economic Policy	1,211,292	1,233,617
31 Ministry for Energy and Health	77,132,499	65,811,925
32 [Ministry for] Health	498,137,660	449,484,914
33 Ministry for the Family and Social Solidarity	56,660,649	59,837,001
34 Social Policy	274,307,560	252,540,462
35 Social Security Benefits	900,699,994	868,377,995
36 Social Welfare Standards	1,104,381	1,062,242
37 Elderly and Community Care	94,326,752	84,921,553
38 Ministry for Justice, Culture and Local Government	39,479,219	27,600,412
39 Judicial	13,587,370	13,412,090

ABSTRACT OF THE CONSOLIDATED FUND ACCOUNT FOR 2016

	2016 €	2015 €
Recurrent Expenditure (Continued)		
40 Local Government	39,537,858	37,880,784
41 Ministry for Tourism	67,353,685	53,604,771
42 Ministry for Home Affairs and National Security	14,516,935	20,480,502
43 Armed Forces of Malta	46,308,781	44,203,393
44 Police	57,721,148	57,147,737
45 Correctional Services	11,171,815	10,864,122
46 Probation and Parole	1,077,764	1,031,646
47 Civil Protection	5,664,800	4,940,362
	<hr/>	<hr/>
TOTAL RECURRENT EXPENDITURE	3,264,337,877	3,056,833,968
25 Public Debt Servicing		
Contribution to Sinking Fund - Local	3,261,123	3,261,123
Contribution to Special MGS Sinking Fund	50,000,000	25,000,000
Interest - Local	222,124,392	230,405,382
Repayment of Loan - Local	485,398,534	349,377,156
Contribution to Sinking Fund - Foreign	6,465,000	6,465,000
Interest - Foreign	1,329,351	1,817,317
Interest - Short-term borrowing	379	108,047
	<hr/>	<hr/>
TOTAL PUBLIC DEBT SERVICING	768,578,778	616,434,025
	<hr/>	<hr/>
TOTAL RECURRENT EXPENDITURE AND PUBLIC DEBT SERVICING	4,032,916,656	3,673,267,993
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ABSTRACT OF THE CONSOLIDATED FUND ACCOUNT FOR 2016

	2016 €	2015 €
Capital Expenditure		
I Office of the President	175,523	122,000
II Office of the Prime Minister	11,967,711	14,893,823
III Ministry for European Affairs and Implementation of the Electoral Manifesto	35,085,312	38,162,811
IV Ministry for Foreign Affairs	1,459,884	2,049,727
V Ministry for Education and Employment	35,136,372	83,484,100
VI Ministry for Sustainable Development, the Environment and Climate Change	35,881,190	95,467,205
VII Ministry for Transport and Infrastructure	49,382,502	79,757,152
VIII Ministry for Gozo	6,019,635	14,510,939
IX Ministry for Social Dialogue, Consumer Affairs and Civil Liberties	801,737	3,138,187
X Ministry for the Economy, Investment and Small Business	38,405,796	60,422,134
XI Ministry for Finance	25,792,147	20,748,243
XII Ministry for Energy and Health	17,804,265	108,104,090
XIII Ministry for the Family and Social Solidarity	4,535,074	5,622,536
XIV Ministry for Justice, Culture and Local Government	7,391,704	23,856,151
XV Ministry for Tourism	16,699,661	4,268,809
XVI Ministry for Home Affairs and National Security	23,761,671	23,861,199
TOTAL CAPITAL EXPENDITURE	310,300,181	578,469,106
XI Ministry for Finance Investment - Equity Acquisition	12,993,015	44,070,878
TOTAL CAPITAL EXPENDITURE AND INVESTMENT	323,293,195	622,539,984
TOTAL EXPENDITURE	4,356,209,851	4,295,807,977
Transfers to Contingencies Fund	(40)	(13)
Balance as at December 31	(108,168,447)	(170,137,720)

Examined and found to agree with Treasury Books

Charles Deguara
Auditor General

Paulanne Mamo
Accountant General

STATEMENT OF THE TREASURY CLEARANCE FUND FOR 2016

	Balances as at	Transactions during the year		Balances as at
	January 1	Debits	Credits	December 31
	(Debit)/Credit			(Debit)/Credit
	€	€	€	€
Deposit Accounts				
Acquisition of Shares	838,545,381	1,862,567	22,001,396	858,684,211
Other Investments	181,429,457	10	4,973,160	186,402,607
Deposits Fund Account	23,294	---	---	23,294
Short-Term Borrowing	222,050,000	939,889,917	971,839,917	254,000,000
Trust Funds	2,017,505	394,682	470,549	2,093,372
Sinking Funds for the Redemption of Loans	172,058,618	105,334,601	146,257,295	212,981,313
Malta Government Stocks	---	736,450,451	736,450,451	---
Court Deposits	43,532,436	21,465,746	72,068,237	94,134,927
Other Deposits	99,998,072	1,235,614,569	1,187,900,224	52,283,727
	1,559,654,764	3,041,012,543	3,141,961,230	1,660,603,450
Advances Accounts				
Special Advances	(96,037,248)	---	20,106,011	(75,931,237)
	(96,037,248)	---	20,106,011	(75,931,237)
	1,463,617,516	3,041,012,543	3,162,067,241	1,584,672,213

Examined and found to agree with Treasury Books

Charles Deguara
Auditor General

Paulanne Mamo
Accountant General

STATEMENT OF THE SINKING FUNDS FOR THE REDEMPTION OF LOANS FOR 2016

Sinking Fund	Balances as at January 1 €	Contributions €	Interest/ Dividends/ Other €	Revaluation/ Currency adjustment €	Less Actual Payments €	Balances as at December 31 €
LOCAL LOANS						
Malta Government Stock 2018 I	78,042,825	3,261,123	2,710,818	---	---	84,014,766
Special MGS Sinking Fund	72,715,882	50,000,000	(11,063,016)	---	---	111,652,866
TOTAL LOCAL LOANS	150,758,707	53,261,123	(8,352,198)	---	---	195,667,632

BREAK DOWN OF INVESTMENTS (LOCAL)

	2015 €	2016 €
Central Bank of Malta Deposit Accounts	83,179,508	117,913,133
Malta Government Stocks	67,579,199	77,754,499
TOTAL INVESTMENTS	150,758,707	195,667,632

STATEMENT OF THE SINKING FUNDS FOR THE REDEMPTION OF LOANS FOR 2016

Sinking Fund		Balances as at January 1 €	Contributions €	Interest/ Dividends/ Other €	Revaluation/ Currency adjustment €	Less Actual Payments €	Balances as at December 31 €
FOREIGN LOANS							
<i>European Union</i>	Loan B	366,418	106,000	(927)	---	188,500	282,991
	Loan C	721,303	56,000	(1,898)	---	103,200	672,204
<i>Council of Europe Fund for Development</i>	2002	3,381,256	1,800,000	(10,473)	---	2,550,000	2,620,783
	2003	16,701,050	4,500,000	(36,734)	---	7,550,000	13,614,316
<i>Government of Canada</i>		129,885	3,000	(349)	7,689	16,838	123,387
TOTAL FOREIGN LOANS		21,299,911	6,465,000	(50,381)	7,689	10,408,539	17,313,681
TOTAL SINKING FUNDS		172,058,618	59,726,123	(8,402,579)	7,689	10,408,539	212,981,313

BREAK DOWN OF INVESTMENTS (FOREIGN)

	2015 €	2016 €
Central Bank of Malta Deposit Accounts	21,299,911	17,313,681
TOTAL INVESTMENTS	21,299,911	17,313,681

Examined and found to agree with Treasury Books

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Accountant General

	€	€
Balance as at January 1, 2016		1,165,000

Advances to the Consolidated Fund

Warrant No.	Vote and Subhead		
1	Rec 05	6810	1
2	Cap XV	7838	1
	Cap XV	7938	1
3	Rec 05	5808	1
4	Cap VI	7913	1
5	Cap III	7804	1
	Cap III	7904	1
6	Rec 10	5672	1
7	Cap II	7801	1
	Cap II	7901	1
	Cap III	7801	1
	Cap III	7901	1
	Cap V	7801	1
	Cap VI	7801	1
	Cap VI	7901	1
	Cap VII	7801	1
	Cap IX	7801	1
	Cap IX	7901	1
	Cap X	7801	1
	Cap XII	7801	1
	Cap XIII	7801	1
	Cap XIII	7901	1
	Cap XIV	7801	1
	Cap XV	7801	1
	Cap XVI	7801	1
	Cap XVI	7901	1

ABSTRACT OF THE CONTINGENCIES FUND FOR 2016

			€	€
Warrant No.	Vote and Subhead			
8	Rec 20	5859	1	
9	Cap XII	7129	1	
10	Rec 38	5860	1	
11	Rec 22	5861	1	
12	Cap VIII	7837	1	
	Cap VIII	7937	1	
13	Cap VI	7368	1	
14	Cap V	7318	1	
15	Cap VI	7804	1	
16	Rec 32	5862	1	
	Rec 32	5863	1	
17	Cap XII	7836	1	
	Cap XII	7936	1	
18	Cap XVI	7930	1	
			<hr/>	(40)
Reimbursements from the Consolidated Fund of Advances made during 2016				
	Warrant No. 2 of 2016			40
			<hr/>	
Balance as at December 31, 2016				1,165,000
			<hr/>	

Examined and found to agree with Treasury Books

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STATEMENT IN TERMS OF THE SOCIAL SECURITY ACT, 1987 FOR 2016

	2016 €	2015 €
Source of Funds		
A. Social Security Contributions	537,796,963	494,745,446
B. Direct Contribution by Government in terms of the Social Security Act, 1987	266,591,762	244,837,593
Total Receipts	804,388,725	739,583,039
Application of Funds		
A. Benefits payable under the Contributory Schemes		
i. Invalidity Pensions	25,281,017	24,676,865
ii. Retirement Pensions	479,228,190	444,805,598
iii. Bonus	69,068,249	66,195,240
iv. Widows Pensions	125,331,922	119,001,224
v. Short-term Benefits	13,295,132	13,520,716
Total Expenditure on Benefits payable under the Contributory Schemes *	712,204,509	668,199,643
B. Administration Expenses	7,385,320	7,086,403
C. Expenses in connection with Health Recurrent Services		
⌘ 1. [Ministry for] Health	498,660,087	449,963,122
● 2. Elderly and Community Care	95,616,605	86,145,743
	601,662,012	543,195,268
Total Payments	1,313,866,521	1,211,394,912
Welfare Gap - Difference	509,477,796	471,811,872

⌘ Includes an expenditure of €522,427 and €478,208 in 2016 and 2015 respectively under Health (Gozo) Recurrent Vote.

● Includes an expenditure of €1,289,853 and €1,224,190 in 2016 and 2015 respectively under Elderly and Community Care (Gozo) Recurrent Vote.

* Represents only the CONTRIBUTORY BENEFITS payable following the introduction of the two-thirds Pension Scheme in 1979.

STATEMENT IN TERMS OF THE SOCIAL SECURITY ACT, 1987 FOR 2016

	2016 €	2015 €
Non Contributory Benefits also payable under the Social Security Act, 1987 are shown hereunder:		
i. Children's Allowance	40,824,545	41,662,470
ii. Old Age Pensions	23,550,405	23,519,964
iii. Disability Pensions / Allowance	17,131,737	15,329,205
iv. Social Assistance	69,036,765	75,936,609
v. Medical Assistance	18,308,359	18,239,016
vi. Bonus	9,649,516	10,280,121
vii. Supplementary Assistance	7,735,588	7,374,837
viii. In-work Benefit	2,258,569	---
[Child Supplement Benefit	---	7,836,130
	-----	-----
Total Expenditure on Benefits payable under the Non-Contributory Schemes	188,495,485	200,178,352
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Examined and found to agree with Treasury Books

Charles Deguara
Auditor General

Paulanne Mamo
Accountant General

STATEMENT OF THE GOOD CAUSES FUND FOR 2016

In terms of Section 65 (1) (b) of the Financial Administration and Audit Act (1962), this Office is expected to publish "a statement of the receipts and expenditure of any fund or account created by this or any other law".

The following is a statement of Revenue and Expenditure pertaining to the Good Causes Fund of the Ministry for Finance.

	€
Revenue	
Opening Balance	1,739,545
Total Revenue	1,594,137
	<hr/>
Total	3,333,682
	<hr/> <hr/>
Expenditure	
Total Expenditure	1,063,000
Closing Balance	2,270,682
	<hr/>
Total	3,333,682
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Examined and found to agree with Treasury Books

Charles Deguara
Auditor General

Paulanne Mamo
Accountant General

STATEMENT OF THE SCHOOL COUNCIL FUND FOR 2016

In terms of Section 65 (1) (b) of the Financial Administration and Audit Act (1962), this Office is expected to publish "a statement of the receipts and expenditure of any fund or account created by this or any other law".

The following is a statement of Revenue and Expenditure pertaining to the School Council Fund of the Ministry for Education and Employment.

	€
Revenue	
Opening Balance	1,220,850 *
Total Revenue	2,031,027
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Total	3,251,877
	<hr/> <hr/>
Expenditure	
Total Expenditure	1,951,808
Closing Balance	1,300,069
	<hr/>
Total	3,251,877
	<hr/> <hr/>

* The Opening Balance of €1,220,850 for 2016, as submitted by the Ministry for Education and Employment (Education Department), is different from the Closing Balance of €1,243,448 for 2015 as published on the Financial Report (2015). The Ministry for Education and Employment (Education Department) explained that this discrepancy is a result of two errors in 2015 - the omission of three schools and the inclusion of a unit erroneously included in 2015.

Examined and found to agree with Treasury Books

Charles Deguara
Auditor General

Paulanne Mamo
Accountant General