

Malta Paralympic Committee

Annual Report and Financial Statements
for the year ended
31 December 2022



**MALTA
PARALYMPIC
COMMITTEE**



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GENERAL INFORMATION

Registration

Malta Paralympic Committee ('MPC') is a non-profit organization, registered as a voluntary organisation with the Commissioner for Voluntary Organisations, having registration number VO 16/16. It is also registered as an association in accordance with Article 2 of the Maltese Sports Act 2002, having SportMalta registration number SM/A170.

Officials & other Committee Members:

President: Professor Joseph Grima

Secretary General: Dr Julian Bajada

Treasurer: Vladyslava Kravchenko

Other committee members:

Simon Zammit (Vice President)

Maja Theuma (Athletes' representative)

Laura Demicoli

Noel Aquilina

Registered address:

c/o Volunteer Centre 181
Melita Street
Valletta, VLT 1129
Malta

COMMITTEE MEMBERS' REPORT

The Committee members submit their annual report and unaudited financial statements for the year ended 31 December 2022.

Principal activity

MPC is a non-profit organization acting as the national governing body for Para sport and the Paralympic Movement in Malta and Gozo. It is a member of the International Paralympic Committee and European Paralympic Committee, observing the rules, regulations and decisions of the said entities.

Results

The Income statement is set out on page 6.

Review of the year

The MPC generated a surplus of **Euro 53,686** for the year ended 31 December 2022 (2021: deficit Euro 3,484).

Statement of Committee Members' responsibilities

Pursuant to Voluntary Organisations Act (Schedule III), as a Category 2 voluntary organization, MPC shall keep its accounting records under the accrual basis and prepare financial statements in conformity with the requirements of General Accounting Principles for Small and Medium-Sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations ("GAPSME") with effect from 1 January 2022. The financial statements shall be duly verified and signed by an external accountant. The organization is to prepare financial statements for each financial period which give a true and fair view of the financial position of the organization as at the end of the financial period and of the surplus or deficit for that period.

In preparing the financial statements, the organization is required to: -

- adopt the going concern basis unless it is inappropriate to presume that the organization will continue to function;
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- account for income and charges relating to the accounting period on the accrual basis; and prepare the financial statements in accordance with GAPSME.

The Committee Members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the organization. This responsibility includes designing, implementing and maintaining such internal controls as they determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. They are also responsible for safeguarding the assets of the organization and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

External Accountant

Mr Stephen Paris has expressed his willingness to continue in office.

The Committee Members' report was approved by the members and signed on its behalf by:



Prof Joseph Grima
President



Ms Vladyslava Kravchenko
Treasurer



Dr Julian Bajada
Secretary General

Date: 2023-06-25

External Accountant's Report

To the Members of Malta Paralympic Committee

Report on the Unaudited Financial Statements

I confirm that I have verified the financial statements of the Malta Paralympic Committee, set out on pages 6 to 18, which comprise the balance sheet as at 31 December 2022, statement of cash flows and the income statement for the year then ended, and notes to the financial statements, including significant accounting policies.

From representations provided by the Committee, the Malta Paralympic Committee qualifies as a Category 2 Voluntary Organisation as defined in the Voluntary Organisations (Annual Returns and Annual Accounts) Regulations and has abided by such rules by preparing these financial statements on the accruals basis and in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations ("GAPSME").

Basis for verification

My verification does not consist of an audit or review in accordance with International Standards on Auditing (ISAs).

I am independent of the Malta Paralympic Committee in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive (Maltese Code) and I have fulfilled my other ethical responsibilities in accordance with the IESBA Code and the Maltese Code.

Responsibilities of the Committee Members for the Financial Statements

The Committee Members are responsible for the preparation of financial statements that give a true and fair view in accordance with GAPSME and for such internal control as the Committee Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Committee Members are responsible for assessing the Malta Paralympic Committee'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 Committee Members either intends to liquidate the Malta Paralympic Committee or to cease operations, or has no realistic alternative but to do so.

External Accountant's Responsibilities for the verification of the Financial Statements

The verification exercise is mandated by the Voluntary Organisations (Annual Returns and Annual Accounts) Regulations for Organisations within the category that the Malta Paralympic Committee form part of, due to the amount of revenue generated by it.

My objectives are to verify the more material components of the Malta Paralympic Committee's balance sheet at 31 December 2022, the statement of cash flows and the income statement for the year then ended, and notes to the financial statements, including significant accounting policies but cannot obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Stephen Paris

Stephen Paris
Rivendell
E. Bradford Street
Naxxar
Malta

2023-06-25
Date: _____

Income Statement

		12 months to 31 Dec 2022	12 months to 31 Dec 2021
		Euro	Euro
	Note		
Income	5	77,721	12,570
Expenditure	6	(24,035)	(16,054)
Total Surplus/(Deficit) for the year		53,686	(3,484)

Balance sheet

	Note	2022 Euro	2021 Euro
ASSETS			
Fixed assets			
Equipment	7	2,371	-
Current assets			
Trade and other receivables	8	4,221	-
Cash and cash equivalents		55,932	8,358
Total assets		62,524	8,358
ACCUMULATED FUND			
Reserves			
Surplus		62,044	8,358
LIABILITIES			
Current liabilities			
Trade and other payables	9	480	-
Accumulated fund and liabilities		62,524	8,358

The financial statements on pages 6 to 18 were authorised for issue by the Executive Committee on 2023-06-25 and were signed on its behalf by:



Prof Joseph Grima
President



Ms Vladyslava Kravchenko
Treasurer



Dr Julian Bajada
Secretary General

Date: 2023-06-25

Statement of Changes in Accumulated Fund

	Accumulated Fund Euro
Balance at 1 January 2021	11,842
Deficit for the financial year	(3,484)
Balance at 31 December 2021	8,358
Balance at 1 January 2022	8,358
Surplus for the financial year	53,686
Balance at 31 December 2022	62,044

Statement of Cash Flows

	Note	2022 Euro	2021 Euro
Operating activities			
Net cash generated from operations	10	<u>47,574</u>	<u>(3,484)</u>
Movement in cash and cash equivalents		47,574	(3,484)
Cash and cash equivalents at beginning of the year	11	8,358	11,842
Cash and cash equivalents at end of the year	11	<u>55,932</u>	<u>8,358</u>

Notes to the Financial Statements

1. Accounting Conventions and Basis of preparation

These financial statements have been prepared in accordance with the provisions of the Voluntary Organisations Act and in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations (“GAPSME”). These financial statements have been prepared under historical cost conversion, unless otherwise disclosed in the relevant accounting policy.

These are the organisation’s first financial statements prepared under GAPSME. The organisation’s previous financial statements, for the year ended 31 December 2021, were prepared on cash basis as a Category 1 voluntary organization pursuant to Voluntary Organisation Act and are reflected in the comparative information. The date of transition to GAPSME is 1 January 2022. The transition to GAPSME had no material effect on the organisation’s reported financial position and financial performance in the current or prior reporting period.

2. Significant Accounting Policies

The accounting policies set out below have only been applied to the period ended 31 December 2022.

(a) Equipment

Equipment is stated at cost less accumulated depreciation. Depreciation is provided on all tangible assets at rates calculated to write off the costs, less estimated residual value, of each asset on a straight line basis over its expected useful life. The annual rates used for this purpose are: -

	%
Gym Equipment	10

(b) Trade receivables

Trade receivables are carried at original invoice amount less provisions made for impairment of these receivables. A provision for impairment of trade receivables is established when there is objective evidence that the MPC will not be able to collect all amounts due according to the set original terms. Bad debts are written off during the year in which they are identified.

2. Significant Accounting Policies - continued

(c) Deferred taxation and taxation

The MPC is only liable to tax on interest from its investments. The investments suffer a 15% tax at source and are not liable to additional tax. In view of the above it has not been necessary to prepare a deferred tax provision.

(d) Foreign currencies

Transactions in foreign currencies have been converted into Euro at the ruling rates of exchange on the day of the transaction. Assets and liabilities expressed in foreign currencies have been translated into Euro at the rates of exchange ruling at the balance sheet date. All resulting differences are taken to the profit and loss account.

The financial statements are presented in Euro which is the organisation's functional and presentation currency.

(e) Trade and other payables

Trade payables comprise obligations to pay for goods and services that have been acquired by the MPC during the course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. Others are treated 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.

(f) Income recognition

All income is accounted for on an accrual basis.

(g) Provisions

Provisions are recognised when the association has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated on the historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. In the opinion of the executive committee members, 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 1.

4. Taxation

No provision for Malta Income Tax has been raised within these financial statements as the MPC is exempt from Malta Income Tax in terms of Section 12(1) of the Income Tax Act.

5. Income

Income attributable to the activities of the MPC and ancillary items is as follows:

	12 months to 31 Dec 2022	12 months to 31 Dec 2021
	Euro	Euro
Income		
International competition grants	26,661	11,960
Donations	8,034	-
Rowing challenge donations (restricted)	14,768	-
Rowing challenge sponsorships	22,000	-
Other income	2,100	610
Accrued income	4,158	
Total income	77,721	12,570

6. Expenditure

The surplus/(deficit) is stated after charging:

	12 months to 31 Dec 2022	12 months to 31 Dec 2021
	Euro	Euro
Membership fees	706	400
Board meetings and other disbursements	192	-
Education materials and training courses	1,977	41
Marketing expenses	-	1,239
Bank charges	73	33
Athlete grants for international participation	20,344	14,341
Depreciation of equipment	263	-
Accrued expenses	480	-
Total expenditure	24,035	16,054

7. Fixed Assets

	Gym Equipment
At 31 December 2022	Euro
Cost	2,634
Charge for the year	(263)
Net Book Value	2,371

8. Trade and other receivables

	2022	2021
	Euro	Euro
Accrued income	4,158	-
Other receivables	63	-
	4,221	-

9. Trade and other payables

	2022	2021
	Euro	Euro
Trade payables and accruals	480	-
	480	-

10. Cash generated from operations

Reconciliation of surplus to cash generated from operations:

	2022	2021
	Euro	Euro
Surplus/(Deficit) for the year	53,686	(3,484)
Adjustment for:		
Donations in kind – fixed assets	(2,634)	
Depreciation	263	-
Changes in working capital:		
Trade and other receivables	(4,221)	-
Trade and other payables	480	-
Cash generated from operations	47,574	(3,484)

11. Cash and cash equivalents

Cash and cash equivalents included in the cash flow statement comprise the following:

	2022	2021
	Euro	Euro
Cash in hand and at bank	55,932	8,358

12. Financial instruments

Credit risk

Financial assets which potentially subject the MPC to concentrations of credit risk consist principally of cash at bank and debtors. The organisation's cash is placed with prime financial institutions. Debtors are presented net of impairment charges for bad and doubtful debts. Credit risk with respect to debts is limited, as the amounts have been received after year end. The organisation has no concentration of credit risk that could materially impact on the sustainability of its operations.

Interest rate risk

The operating cash flows of the MPC are not influenced by changes in market interest rates as the organization has no borrowings.

Fair values

At 31 December 2022 the carrying amounts of cash at bank, debtors, creditors and accrued expenses and short-term borrowings approximated their fair values.

13. Related party transactions

There were no related party transactions during the period under review.