

**MISSION FUND
FINANCIAL STATEMENTS
31 DECEMBER 2007**

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**MISSION FUND
REPORT OF THE COMMITTEE
FOR THE YEAR ENDED 31 DECEMBER 2007**

The committee submits its report and audited financial statements for the year ended 31 December 2007.

1. Principal Activities

The Fund's principal activity, unchanged since last year, is the raising of funds in aid of Maltese missionaries in Third World countries.

2. Results

The Mission Fund's income for the year totalled Lm 163,909 (2006 - Lm 92,717). The figure for this year includes an extraordinary donation of Lm 69,352.

After deducting Lm 70,644 (2006 - Lm 69,373) paid in donations to missionaries, the year ended with a surplus of Lm 65,894 (2006 - surplus of Lm 6,187) as shown on page 6 of the financial statements.

3. Committee Members

The members who served on the committee during the year under review and up to the date of this report are listed hereunder:

Ms. Sylvia Ebejer	-	President
Mr. Joe Mifsud	-	Vice President
Ms. Speranza Xuereb	-	Secretary/Treasurer (resigned from treasurer on 29 November 2007)
Mr. Philip Micallef	-	Treasurer (appointed 29 November 2007)
Ms. Christine Camilleri	-	
Mr. Ian Azzopardi	-	
Mr. Frank Agius	-	(resigned on 8 October 2007)
Mr. Charles Decelis	-	(appointed on 31 May 2007)
Mr. John Sammut	-	(co-opted on 29 November 2007)

4. Spiritual Director

The spiritual director of the fund who served for the year is Fr. Marcellino Micallef O.F.M.

5. Auditors

The auditors, DFK Malta, have expressed their willingness to continue in office as honorary auditors.

By order of the Committee

Speranza Xuereb
Secretary

Sylvia Ebejer
President

Mission Fund
Eureka Court,
Block A, Flat 6,
Main Street,
Mosta MST 1018

27 March 2008

**MISSION FUND
STATEMENT OF COMMITTEE MEMBERS' RESPONSIBILITIES
31 DECEMBER 2007**

The Committee members have been entrusted by the members of the Fund to prepare financial statements which give a true and fair view of the state of affairs of the Fund at the end of each financial year and of the results of its operations and cash flows for that year. In preparing the financial statements, the Committee members confirm that they have:

- selected appropriate accounting policies and applied them consistently;
- made reasonable judgements and prudent estimates where appropriate;
- prepared the financial statements on the going concern basis unless it is inappropriate to presume that the Fund will continue its operations;
- drawn up the financial statements in accordance with International Financial Reporting Standards.

The Committee members are responsible for ensuring that the Fund keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund. They are also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REPORT OF THE AUDITORS
TO THE MEMBERS OF THE
MISSION FUND**

We have audited the financial statements of the Mission Fund for the year ended 31 December 2007 set out on pages 4 to 12. As described in the statement of committee members' responsibilities on page 2, these financial statements are the responsibility of the Committee members. Our responsibility is to express an opinion, based on our audit, on these financial statements and to report our opinion to you.

We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Committee members, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion on the financial statements.

In our opinion the financial statements give a true and fair view of the Fund's affairs as at 31 December 2007 and of its surplus for the year.

DFK Malta
Certified Public Accountants
36/2, Manol Mansion,
De Paule Avenue,
Balzan BZN 9022

27 March 2008

**MISSION FUND
STATEMENT OF AFFAIRS
AS AT 31 DECEMBER 2007**

	Note	2007 ----- Lm	2006 ----- Lm
ASSETS			
Fixed assets			
Property, plant and equipment	3	58,534	3,202
Financial investments	4	28,519	43,264
		-----	-----
		87,053	46,466
		-----	-----
Current assets	5	83,092	54,159
Creditors: Amounts falling due within one year			
Creditors	6	27,723	24,097
		-----	-----
Net current assets		55,369	30,062
		-----	-----
Total assets less current liabilities		142,422	76,528
		=====	=====
Capital fund		58,534	3,202
General fund		42,311	23,830
Other reserves	7	41,577	49,496
		-----	-----
TOTAL FUNDS (page 7)		142,422	76,528
		=====	=====

The accounting policies and explanatory notes on pages 8 to 12 form an integral part of these financial statements.

The financial statements on pages 4 to 12 were approved by the Committee on 27 March 2008 and were signed on its behalf by:

Sylvia Ebejer
President

Philip Micallef
Treasurer

**MISSION FUND
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007	2006	Cumulative since Foundation 16.04.84 to 31.12.07
Note	Lm	Lm	Lm
-----	-----	-----	-----
<u>Income</u>			
Donations: In cash	124,626	56,406	807,148
In kind	1,397	883	45,838
	-----	-----	-----
8	126,023	57,289	852,986
Membership Fees	62	45	1,144
Bank Interest	2,746	2,335	31,214
Profit on disposal of investment	1,567	940	2,957
Secretarial Services	-	-	2,137
Bazaars	2,077	3,816	63,034
Wine & Pizza, Pasta, Tombola	335	900	24,162
Lottery Income	3,162	2,835	48,721
Courses - net	-	-	1,631
Advertising Income	-	-	3,580
Christmas cards	-	-	3,188
Miscellaneous Income	-	-	5,037
Missionary Experiences Fund Raising	27,167	23,942	143,516
Missionary Experiences – Bank Interest	770	575	1,871
Profit on disposal of fixed assets	-	40	739
	-----	-----	-----
Total Income	163,909	92,717	1,185,917
	=====	=====	=====
<u>Distributions</u>			
Donations to Missionaries			
- General	43,500	46,000	685,158
- Summer Missionary Experiences	27,096	23,325	177,224
Postages (Used clothes)	-	-	12,925
Child Sponsorship	48	48	1,068
	-----	-----	-----
Total Distributions	70,644	69,373	876,375
	=====	=====	=====

**MISSION FUND
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007	2006	Cumulative since Foundation 16.04.84 to 31.12.07
	----- Lm	----- Lm	----- Lm
EXPENSES			
Depreciation	1,818	760	19,184
Postages (General)	747	660	12,334
Stationery and printing	630	323	12,339
Advertising and Promotion	-	-	3,295
Insurances	32	114	1,361
Bank Charges and Exchange Differences	116	132	2,291
Repairs and Maintenance			
- Office and equipment	235	352	4,383
- Premises	11	-	311
Motor Vehicles Running and Maintenance Costs	355	369	9,011
Rent, Water and Electricity	1,267	1,327	14,660
Telephones	362	322	3,992
Summer Missionary Experiences (Malta)	3,462	3,392	19,985
Software expenses	905	156	1,737
Office expenses	474	304	6,057
Miscellaneous expenses	-	63	2,429
Salaries	9,137	8,684	59,127
Provision for loss on investments	3,745	199	3,944
Unrealised difference on exchange	4,075	-	4,075
	-----	-----	-----
Total Expenses	27,371	17,157	180,515
	-----	-----	-----
Total Expenditure and Distributions	98,015	86,530	1,056,890
	=====	=====	=====
SURPLUS (page 7)	65,894	6,187	129,027
	=====	=====	=====

The accounting policies and explanatory notes on pages 8 to 12 form an integral part of these financial statements.

**MISSION FUND
STATEMENT OF MOVEMENT IN FUNDS
31 DECEMBER 2007**

	Capital Fund	General Fund	Other Funds (Note 7)	Total Funds
	----- Lm	----- Lm	----- Lm	----- Lm
Balance at 1 January 2006	2,145	15,977	43,387	61,509
Surplus for the year	1,057	2,353	2,777	6,187
Transfer to reserve for replacement of motor vehicle	-	5,500	(5,500)	-
Movement in premises fund	-	-	8,832	8,832
	-----	-----	-----	-----
Balance at 31 December 2006	3,202	23,830	49,496	76,528
	=====	=====	=====	=====
Balance at 1 January 2007	3,202	23,830	49,496	76,528
Surplus for the year	-	52,161	13,733	65,894
Movement in capital fund	55,332	(55,332)	-	-
Movement in premises fund	-	21,652	(21,652)	-
	-----	-----	-----	-----
Balance at 31 December 2007 (page 4)	58,534	42,311	41,577	142,422
	=====	=====	=====	=====

**MISSION FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007	2006
	-----	-----
	Lm	Lm
Cash flows from fund raising activities		
Net surplus for the year	65,894	6,386
Adjustments for:		
Depreciation	1,818	760
Interest received	(3,516)	(2,910)
Profit on disposal of investment	(1,567)	(940)
Profit on disposal of fixed assets	-	(40)
Receipts for premises fund	-	8,832
Unrealised losses on exchange & investments	7,820	-
	-----	-----
Surplus before working capital changes	70,449	12,088
Movement in working capital		
Prepayments	10,147	(20,517)
Creditors	(1,043)	2,833
	-----	-----
Net cash from/(used in) fund raising activities	79,553	(5,596)
	-----	-----
Cash flows from investing activities		
Purchase of tangible fixed assets	(57,150)	(363)
Purchase of investments	(45,000)	-
Receipts from disposal of fixed assets	-	40
Sale of investments	58,161	9,940
Interest received	3,516	2,910
	-----	-----
Net cash (used in)/from investing activities	(40,473)	12,527
	-----	-----
Movement in cash and cash equivalents	39,080	6,931
Cash and cash equivalents at beginning of year	33,512	26,581
	-----	-----
Cash and cash equivalents at end of year (note 5)	72,592	33,512
	=====	=====

The accounting policies and explanatory notes on pages 8 to 13 form an integral part of these financial statements.

**MISSION FUND
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2007**

1. GENERAL

The Mission Fund is a lay Roman Catholic voluntary organisation founded on 16 April, 1984 with the aim of raising funds in aid of Maltese missionaries in Third World countries.

The Mission Fund is regulated by the provisions of its statute dated 16 April, 1984 (as revised).

CHURCH RECOGNITION

The Fund has been formally recognised as a private voluntary organisation within the Roman Catholic Church in Malta on 27 June 1994.

2. ACCOUNTING POLICIES

a) Furniture and Equipment

Furniture and equipment are stated at cost or valuation less accumulated depreciation. Depreciation is provided for on the straight line method in order to write off cost less estimated residual value over the expected useful lives of the assets as follows:

Motor Vehicle, Office Equipment, Furniture & Other Equipment, Exhibition Stand & Equipment	15%
Computer Equipment	25%

b) Interest received

Bank interest is accounted for on receipt basis.

c) Investments

The company's investments held for indefinite period of time are included as fixed assets and are stated at market value. When such assets are disposed of or impaired, the resulting adjustment is transferred to the income statement.

d) Foreign currencies

Transactions in foreign currencies are converted to Maltese Liri at the rates of exchange ruling on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into Maltese Liri at the rates of exchange ruling on the balance sheet date. All exchange differences are taken to the income statement.

**MISSION FUND
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2007**

3. PROPERTY, PLANT AND EQUIPMENT

	<u>Total</u> Lm	<u>Buildings</u> Lm	<u>Motor Vehicle</u> Lm	<u>Furniture & Equipment</u> Lm
<u>Cost</u>				
1 January 2007	11,689	-	4,100	7,589
Additions	57,150	53,202	-	3,948
	-----	-----	-----	-----
31 December 2007	68,839	53,202	4,100	11,537
	-----	-----	-----	-----
<u>Depreciation</u>				
1 January 2007	8,487	-	1,230	7,257
Charge for year	1,818	532	615	671
	-----	-----	-----	-----
31 December 2007	10,305	532	1,845	7,928
	-----	-----	-----	-----
Net Book Value				
31 December 2007	58,534	52,670	2,255	3,609
	=====	=====	=====	=====
Net Book Value				
31 December 2006	3,302	-	2,870	332
	=====	=====	=====	=====

Included with fixed assets are assets costing Lm 7,155 (2006 – Lm 7,155) which are fully written off but are still in use.

4. FINANCIAL FIXED ASSETS

These are stated at market value (2006 at cost) and are made up as follows:

	<u>2007</u> Lm	<u>2006</u> Lm
<u>Quoted on Malta Stock Exchange - at market value</u>		
Malta Government Stocks	20,745	30,500
BOV 8% US\$ Bonds 2010 (USD 25,000)	7,773	12,763
	-----	-----
	28,518	43,263
	-----	-----
<u>Unquoted</u>		
1 Share of Lm 500 (40% paid up) in RTK Ltd.	200	200
Provision for diminution in value	(199)	(199)
	-----	-----
	1	1
	-----	-----
	28,519	43,264
	=====	=====

**MISSION FUND
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2007**

5. CURRENT ASSETS

	2007	2006
	-----	-----
	Lm	Lm
Cash at bank	72,592	33,224
Cash floats	-	288
	-----	-----
Total cash in hand and at bank	72,592	33,512
Prepayments	-	327
Advance payment on new premises	10,500	20,320
	-----	-----
	83,092	54,159
	=====	=====

6. CREDITORS

	2007	2006
	-----	-----
	Lm	Lm
Falling due within one year		
Loan accounts	23,054	23,954
Accruals	4,669	143
	-----	-----
	27,723	24,097
	=====	=====

The loan accounts which refer to funds received from the Fund's benefactors are interest free, unsecured and repayable within three days from demand.

7. OTHER FUNDS

	2007	2006
	-----	-----
	Lm	Lm
These are made up of the following funds:		
Purchase of new premises	-	21,652
Summer experience group fund	41,577	27,844
	-----	-----
	41,577	49,496
	=====	=====

The reserve for the purchase of new premises was created from funds received specifically for this purpose.

**MISSION FUND
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2007**

8. DONATIONS

	2007	2006	Cumulative since Foundation 16.04.84 to 31.12.07
	----- Lm	----- Lm	----- Lm
<u>In Cash -</u>			
General	105,016	38,266	676,608
Masses for the repose	3,256	3,151	24,955
Christmas Caroling	-	-	760
Summer Missionary Experiences	16,354	14,989	104,825
	-----	-----	-----
	124,626	56,406	807,148
	-----	-----	-----
 <u>In Kind -</u>			
Used Telecards	345	148	6,315
Used Stamps	1,052	735	31,723
Land	-	-	6,000
Motor Vehicle	-	-	1,800
	-----	-----	-----
	1,397	883	45,838
	-----	-----	-----
	126,023	57,289	852,986
	=====	=====	=====

9. INCOME TAX

Legal Notice 182 - "Income Tax Exemption (Philanthropic Work) Notice 1991" exempts the Mission Fund from income tax.

10. CAPITAL COMMITMENTS

On 11 July 2007 the Fund entered into a preliminary agreement to acquire a garage for the cost of Lm 50,000. The fund has already paid Lm 10,000 and Lm 500 stamp duty (note 5). The balance outstanding of Lm 40,000 (stamp duty Lm 2,000) is due on the final deed of acquisition.

**MISSION FUND
SUMMER MISSIONARY EXPERIENCE
31 DECEMBER 2007**

	2007	2006
	-----	-----
	Lm	Lm
FUND RAISING		
TV marathon – net	18,974	15,761
Car washes	2,097	1,599
Bazaar	200	294
Sale of figolli	1,000	1,200
Cold buffet	836	916
Fish farm donations	640	-
Bay street activity	646	772
Lottery income	546	577
Airfares and insurance	333	-
BBQ – net	1,242	2,299
Collection tins	653	460
Shooting range	-	64
	-----	-----
Total summer experience fund raising (page 5)	27,167	23,942
	=====	=====
FUND RAISING AND OTHER EXPENSES		
TV marathon expenses	1,003	2,049
Advertising	219	-
Stationery	148	-
Container expenses	1,828	1,146
Miscellaneous expenses	264	197
	-----	-----
Total fund raising and other expenses (page 6)	3,462	3,392
	=====	=====