

# Documentation requested during PAC meeting of 28 January 2025

## Audited Financial Statements

The National Audit Office (NAO) requested the Malta Film Commission (MFC) to submit the Audited Financial Statements for the period 2018 to 2020 on a number of occasions during the course of the audit. Table 1 lists the dates when the NAO exchanged correspondence with the MFC on the subject matter.

**Table 1: Correspondence exchanged between NAO and MFC**

Documents requested	Date requested by the NAO	Doc reference number
Audited Financial Statements 2018 – 2021	25 July 2022	Doc A
Audited Financial Statements 2020 - 2022	3 May 2023 and subsequent reminders: 15 May 2023	Doc Bi and Bii
Audited Financial Statements 2020 – 2022	22 February 2024	Doc C
Audited Financial Statements 2020 – 2022	15 March 2024	Doc D
Audited Financial Statements 2020 – 2022	21 March 2024	Doc E
Audited Financial Statements 2020 – 2022	22 August 2024	Doc F

Audited Financial Statements and ensuing documentation:

- The Audited Financial Statements 2018 and 2019 are publicly available.
- The Audited Financial Statements for 2020 were received by the NAO on 21 September 2024 (Doc G).
- The Audited Financial Statements for 2021 and 2022 were received by the NAO on 6 October 2024 (Doc H).
- Exchange of correspondence between MFC and its sub-contracted auditors:
  - On 19 July 2023 MFC handed over documentation showing the exchange of correspondence with its auditors (Doc Bii and Doc I). The documentation show that MFC was chasing the auditors over the period July 2022 to July 2023.
  - On 25 September 2024 MFC handed over documentation showing the exchange of correspondence with its auditors (Doc J). The documentation

show that MFC was communicating with the auditors over the delays in completing the financial statements for the period August 2022 to September 2024.

- In the interim, the NAO has requested the Management Accounts and FDRS Statements for the same period (Doc Bii and Doc K).

## **Bank Statements**

- Doc K shows that on 12 September 2024 the NAO requested MFC to forward bank statement extracts relating to:
  - the receipt of sponsorships from four entities to finance the Malta Film Week 2022;
  - opening balance as at 1<sup>st</sup> January 2020; and
  - closing balance as at 31 December for 2020, 2021, 2022 and 2023.
- Doc L shows that on 18 September 2024 the NAO forwarded a draft copy of the report to the Permanent Secretary, Ministry for Tourism and Cleanliness and MFC Commissioner. The same report requested the MFC to preferably submit bank statements relating to receipt sponsorships.
- On 25 September 2024, the NAO held an Exit Meeting with the Commissioner, where the Report was reviewed and discussed. During the same meeting, the NAO requested a copy of the bank statements. Such a request was made in lieu that the Audited Financial Statements 2021 and 2022 were not made available.

## **Vacancies**

MFC presented to the NAO the following documentation:

- Doc M received on 24 July 2023 shows MFC vacancies as at end 2022. This data supports Table 2 of the Report (Page 26).
- The NAO followed up with queries both at MFC and MTC regarding the recruitment process. On 9 September 2024, the NAO received Doc N from MTC. This document shows the vacancies status.

## **Memorandum Of Understanding (MoU)**

On 22 August 2024 the NAO requested the MoUs entered into by the MFC with third parties (Doc O). Based on the information available and the discussions during the Exit Meeting dated 25 September 2024, the NAO is cognisant of the MoUs signed by the MFC. Nevertheless, a copy of the said MoUs have not been made available.

## **Calleja Gera George at NAO**

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**From:** Mifsud Freddie at MFC  
**Sent:** Monday, July 25, 2022 10:18 AM  
**To:** Peplow William at NAO  
**Cc:** Grech Johann at MFC; Calleja Gera George at NAO; Bugeja Sarah at NAO; Vella Brian at NAO  
**Subject:** Re: NAO  
**Attachments:** Annual Reports.zip; Johann Speech - Pump House - Vision.pdf; Vision Speech - Final.pdf; Organigram.pdf; 2019 Annual Report and Financial Statements.pdf

Dear William,

Thank you for the call on Friday, it was good speaking

We will begin sending over all the requested documentation as discussed. Please find attached the below documents:

- The audited accounts of 2019
- The vision speeches Johann mentioned
- The annual reports of 2018 & 2019
- The Organisation Structure

We will continue to pass things on

Wishing you a good week ahead

Best

Freddie

**Freddie Mifsud**  
Administration and Operations Manager

+356 9908 2356 | +356 2180 9135 | [freddie.mifsud@mfc.com.mt](mailto:freddie.mifsud@mfc.com.mt)

MALTA FILM COMMISSION  
Malta Film Studios  
Kalkara, KKR 9062, Malta



www.maltafilmcommission.com



**From:** Peplow William at NAO <william.peplow@gov.mt>

**Date:** Friday, 1 July 2022 at 11:13

**To:** Mifsud Freddie at MFC <freddie.mifsud@mfc.com.mt>

**Cc:** Grech Johann at MFC <johann.grech@mfc.com.mt>, Calleja Gera George at NAO <george.calleja-gera@gov.mt>, Bugeja Sarah at NAO <sarah.f.bugeja@gov.mt>, Vella Brian at NAO <brian.vella@gov.mt>

**Subject:** NAO

Dear Mr. Mifsud

Further to our tour of the facilities and this morning's telephone conversation, it would be greatly appreciated if you could furnish us with the information listed below. This information is required to enable us to kick start this assignment and to formally draw up the performance audit objectives.

1. Copy of the document "Vision 2022-2030" (to include timeline, budgets, results to be achieved)
2. Copy of audited accounts for 2019, 2020 and 2021.
3. Organisation Structure as at end 2021.
4. Copy of latest policies, plans and Standard Operating Procedures (SOPs).
5. Copy of reports (2019, 2020 and 2021) dealing generally with the activities of the Commissioner during the respective financial year and containing such information relating to the proceedings and policy of the Commissioner.
6. Provide the total Generated Value in the Maltese economy for the years 2019, 2020 and 2021 (If possible also provide the breakdown of these totals for each indicated year as per the below table).

Name of Film / Series etc	Date of first contact with the Malta Film Commission to produce this film / series etc	Total days and period of production	Total Tax Credits, Funds, Incentives etc received by the film makers etc €	Total cost by the Malta Film Commission €	Total revenue by the Malta Film Commission €	Total Generated Value in the Maltese economy €	Total jobs created by the Malta Film Commission	Total jobs created in Malta





## **Calleja Gera George at NAO**

---

**From:** Mifsud Freddie at Screen Malta  
**Sent:** Wednesday, May 10, 2023 6:27 PM  
**To:** Peplow William at NAO; Grech Johann at Screen Malta  
**Cc:** Deguara Charles at NAO; Camilleri Noel at NAO; Calleja Gera George at NAO; Bugeja Sarah at NAO; Stafrace Alexia 1 at NAO  
**Subject:** RE: NAO Audit - Outstanding Information  
**Attachments:** 202112 - MFW Generators - Honeycomb Quote.pdf; 202112 - MFW Generators - iCAN Quote.pdf; 202112 - MFW Generators - Lexcorp Quote.pdf

Dear William

Please find the queries and responses below:

We have gone through the latest batch of documentation which was forwarded to this Office on 25 April 2023.

However, we are still awaiting documentation and clarifications which we requested over a span of several months. The following refers:

- i. Discrepancies were observed in the provision of documentation from the Malta Film Commission. The same documentation that the MFC had provided at a point in time, tied to income (revenue sheet) and expenses (invoices), was sent again. The second time round it included additional income and expenses of which no mention was made.  
**We have revisited the documentation and submitted additional that were missed.**
- ii. This Office recently received again the same batch of invoices (expenses) with no reference by the Malta Film Commission to any changes made from the previous batch, which in total amount to approximately 70k more (difference). Within this context:
  - Can you kindly confirm that this latest batch of invoices constitutes all the expenses incurred for the Malta Film Week by the Malta Film Commission and the Malta Film Studios?  
**After the Malta Film Week, the figure of: €1,337,343.04 was published. The MFC has provided the invoices related to the figure.**
  - Can you kindly confirm if there were any additional expenses which were incurred for the Malta Film Week by other Government ministries, Departments and Entities?  
**The Malta Film Commission cannot comment on behalf of other entities.**

- If there were any other additional expenses, can you kindly indicate these?
- iii. Furthermore, to date basic information and documentation requested by the NAO that should have aided or affected decision-making remains completely or partially pending. The following refers:
- The formally approved vision document (Strategy plan) that covered the period being audited, which is 2019-2022; **There is no official vision document covering this period. The MFC provided the Commissioner's vision speech which encompasses the vision of the MFC for the industry. The strategy 2030 is expected to be launched in the coming months.**
  - The Annual Report for 2022;  
**As discussed a number of times, this is not available. It's still in process.**
  - List of names that made up the Malta Film Commission Committee for the organisation of Film Week;  
**The Malta Film Commission has explained this numerous times, there was no committee. The MFC staff worked on this.**
  - Audited financial statements for 2020, 2021 and 2022;  
**This was discussed, the MFC has audited accounts up until 2019. Audited accounts are in process. We are still waiting from the auditors.**
  - Updated management accounts for 2022 as at end of year;  
**The MFC provided this up until October 2022.**
  - A copy of all sponsorship agreements relating to the Malta Film Week; If contracts / agreements are not all available, can you please list?  
**Both sponsorship agreements that are available were provided, with MTA and MGF. The rest we can provide the invoices.**
  - A copy of all the barter agreements relating to the Malta Film Week; If contracts / agreements are not all available, can you please list?  
**Companies that provided a significant (monetary) service through a barter are listed below:**  
Phoenicia  
Forte Chauffeur Services  
Iniata Hotel  
Corinthia Hotel
  - Outstanding copies of quotations, approvals, contracts/ letters of engagement for certain services as requested in email dated 24<sup>th</sup> February 2023 (Honeycomb Ltd, Unique Promotions).  
Honeycomb is being attached.  
Unique Promotions carried out a very specific, artistic role – The Show Caller. It was also below €10,000 (Exc VAT) which falls within the Film Commissioner's remit to approve without the requirement of Direct Order documentation.

- Gaps in terms of invoices eg: moderators, guests, speakers, hairdressers, makeup artists, accommodation, food, transport – to this end we have forwarded an excel sheet where we requested MFC to complete.  
**Documentation related to the Malta Film Week has been presented.**
- The total participants who attended each of the Film Week, together with the place of venue; We have also provided an excel sheet to be completed by MFC.

**Number of attendees for each masterclass below:**

- Vision – 95
- Ecosystem - 29
- Script – 35
- Cameraman – 29
- World Class – 38
- Financing – 35
- Art Business – 27
- Film Education – 20
- Entrepreneurship – 19
- Screen Tourism – 17
- Breakdown – 12
- Modern VFX – 12
- DLTs – 31
- Gaming – 26
- One Shot – 41
- Joffe – 46
- Powell – 44
- Selling – 35
- Treverrow – 26

This information gap is precluding the NAO from fairly verifying the resources, expenditure and outputs invested in such a widely-publicised and criticised event. This ultimately implies that the NAO is not able to fulfil its mandate, especially when explicitly tasked to investigate such an event by stakeholders. This situation has also resulted in disruption to the NAO work programme, plans and resource allocation.

The absence of information is also hindering us from carrying out performance and value for money audit work associated with the MFC. This situation arises as information derived through interviews or informal documentation cannot be triangulated with official sources of information. **The Malta Film Commission is formally putting in writing that it offered countless times to provide any documentation needed for the performance review as it most likely would have been readily-available information from MFC reports.**

**We completely disagree with comments in the above concluding statement.**

**We still look forward to receive your questions relating to the performance audit.**

To this end we kindly request that the NAO is furnished with the outstanding information at your earliest opportunity, in any case not later than 10 May 2023. Unfortunately, after this date, due to other commitments, the NAO would be constrained to wrap-up this assignment and report accordingly.

Thank you

Freddie

**From:** Peplow William at NAO <william.peplow@gov.mt>

**Sent:** Wednesday, May 10, 2023 9:54 AM

**To:** Mifsud Freddie at Screen Malta <freddie.mifsud@screenmalta.com>; Grech Johann at Screen Malta <johann.grech@screenmalta.com>

**Cc:** Deguara Charles at NAO <charles.deguara@gov.mt>; Camilleri Noel at NAO <noel.camilleri@gov.mt>; Calleja Gera George at NAO <george.calleja-gera@gov.mt>; Bugeja Sarah at NAO <sarah.f.bugeja@gov.mt>; Stafrace Alexia 1 at NAO <alexia.stafrace.1@gov.mt>

**Subject:** RE: NAO Audit - Outstanding Information

Thank you Freddie.

Best regards

William

**William Peplow**

Senior Manager

Performance Audit Section

**National Audit Office**

Notre Dame Ravelin, Floriana FRN 1601, Malta

**Email:** [william.peplow@gov.mt](mailto:william.peplow@gov.mt)  
**Office:** +356 22055000  
**Direct:** +356 22055047



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**From:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>

**Sent:** 10 May 2023 09:48

**To:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>; Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Deguara Charles at NAO <[charles.deguara@gov.mt](mailto:charles.deguara@gov.mt)>; Camilleri Noel at NAO <[noel.camilleri@gov.mt](mailto:noel.camilleri@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** RE: NAO Audit - Outstanding Information

Dear William,

You will have the Film Commission's feedback today

Thank you

Freddie

**From:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>

**Sent:** Friday, May 5, 2023 5:05 PM

**To:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>; Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Deguara Charles at NAO <[charles.deguara@gov.mt](mailto:charles.deguara@gov.mt)>; Camilleri Noel at NAO <[noel.camilleri@gov.mt](mailto:noel.camilleri@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** Re: NAO Audit - Outstanding Information

Appreciated. Thank you Freddie  
William

Sent from [Outlook for Android](#)

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**From:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>

**Sent:** Friday, May 5, 2023 5:03:44 PM

**To:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>; Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Deguara Charles at NAO <[charles.deguara@gov.mt](mailto:charles.deguara@gov.mt)>; Camilleri Noel at NAO <[noel.camilleri@gov.mt](mailto:noel.camilleri@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** RE: NAO Audit - Outstanding Information

Dear William,

Acknowledging the receipt of the below – We will revert

Best

Freddie

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**From:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>

**Sent:** Wednesday, May 3, 2023 4:42 PM

**To:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>; Deguara Charles at NAO <[charles.deguara@gov.mt](mailto:charles.deguara@gov.mt)>; Camilleri Noel at NAO <[noel.camilleri@gov.mt](mailto:noel.camilleri@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** NAO Audit - Outstanding Information

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However, we are still awaiting documentation and clarifications which we requested over a span of several months. The following refers:

- i. Discrepancies were observed in the provision of documentation from the Malta Film Commission. The same documentation that the MFC had provided at a point in time, tied to income (revenue sheet) and expenses (invoices), was sent again. The second time round it included additional income and expenses of which no mention was made.
- ii. This Office recently received again the same batch of invoices (expenses) with no reference by the Malta Film Commission to any changes made from the previous batch, which in total amount to approximately 70k more (difference). Within this context:

- Can you kindly confirm that this latest batch of invoices constitutes all the expenses incurred for the Malta Film Week by the Malta Film Commission and the Malta Film Studios?
  - Can you kindly confirm if there were any additional expenses which were incurred for the Malta Film Week by other Government ministries, Departments and Entities?
  - If there were any other additional expenses, can you kindly indicate these?
- iii. Furthermore, to date basic information and documentation requested by the NAO that should have aided or affected decision-making remains completely or partially pending. The following refers:
- The formally approved vision document (Strategy plan) that covered the period being audited, which is 2019-2022;
  - The Annual Report for 2022;
  - List of names that made up the Malta Film Commission Committee for the organisation of Film Week;
  - Audited financial statements for 2020, 2021 and 2022;
  - Updated management accounts for 2022 as at end of year;
  - A copy of all sponsorship agreements relating to the Malta Film Week; If contracts / agreements are not all available, can you please list?
  - A copy of all the barter agreements relating to the Malta Film Week; If contracts / agreements are not all available, can you please list?
  - Outstanding copies of quotations, approvals, contracts/ letters of engagement for certain services as requested in email dated 24<sup>th</sup> February 2023 (Honeycomb Ltd, Unique Promotions).
  - Gaps in terms of invoices eg: moderators, guests, speakers, hairdressers, makeup artists, accommodation, food, transport – to this end we have forwarded an excel sheet where we requested MFC to complete.
  - The total participants who attended each of the Film Week, together with the place of venue; We have also provided an excel sheet to be completed by MFC.

This information gap is precluding the NAO from fairly verifying the resources, expenditure and outputs invested in such a widely-publicised and criticised event. This ultimately implies that the NAO is not able to fulfil its mandate, especially when explicitly tasked to investigate such an event by stakeholders. This situation has also resulted in disruption to the NAO work programme, plans and resource allocation.

The absence of information is also hindering us from carrying out performance and value for money audit work associated with the MFC. This situation arises as information derived through interviews or informal documentation cannot be triangulated with official sources of information.

To this end we kindly request that the NAO is furnished with the outstanding information at your earliest opportunity, in any case not later than 10 May 2023. Unfortunately, after this date, due to other commitments, the NAO would be constrained to wrap-up this assignment and report accordingly.

Best regards

William

**William Peplow**  
Senior Manager

Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta



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**Direct:** +356 22055047



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## **Calleja Gera George at NAO**

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**From:** Mifsud Freddie at Screen Malta  
**Sent:** Wednesday, July 19, 2023 4:44 PM  
**To:** Peplow William at NAO  
**Cc:** Grech Johann at Screen Malta; Stafrace Alexia 1 at NAO; Calleja Gera George at NAO; Bugeja Sarah at NAO  
**Subject:** RE: NAO Audit - Outstanding Information  
**Attachments:** MFC Financial Incentives Productions 2020-2022 NAO.xlsx; Data required re Malta Film Commission performance audit - 020623.docx; MFC + GT 2020 Audit Thread\_1.pdf; MFC + GT 2020 Audit Thread\_2.pdf; MFC Travel - NAO.xlsx

Dear William,

Trust all is well

Please find attached the majority of requested information / documentation

The remainder is being worked on and will be provided

Best

Freddie

**From:** Peplow William at NAO <william.peplow@gov.mt>  
**Sent:** Wednesday, July 5, 2023 7:24 AM  
**To:** Mifsud Freddie at Screen Malta <freddie.mifsud@screenmalta.com>  
**Cc:** Grech Johann at Screen Malta <johann.grech@screenmalta.com>; Stafrace Alexia 1 at NAO <alexia.stafrace.1@gov.mt>; Calleja Gera George at NAO <gera@gov.mt>; Bugeja Sarah at NAO <sarah.f.bugeja@gov.mt>  
**Subject:** RE: NAO Audit - Outstanding Information

Thanks Freddie.  
William

**William Peplow**

Assistant Auditor General  
Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta



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**From:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>  
**Sent:** 04 July 2023 15:55  
**To:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>  
**Cc:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>  
**Subject:** RE: NAO Audit - Outstanding Information

Dear William,

Hope all is well

As discussed in our meeting, I am attaching the **draft** copy of the strategy document for your team's perusal. Please keep in mind this is not the final version. I will be published in month's to come.

We are compiling the remaining data and will revert

Very best

Freddie

**From:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>

**Sent:** Thursday, June 22, 2023 11:08 AM

**To:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>

**Cc:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>; Calleja Gera George at NAO <[gera@gov.mt](mailto:gera@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>

**Subject:** RE: NAO Audit - Outstanding Information

Dear Freddie

Further to the information exchanged in the below email, can you kindly confirm that other Government Ministries, Departments or Entities did not finance or subsidise in any way goods and services utilised for the Malta Film Week and Awards in 2022.

If MFC or MFS do not have any records to confirm the extent of contributions by other governmental entities, we may have to ask all ministries directly to provide such information. We need this confirmation to conclude the NAO's report pertaining to this event.

Feel free to contact us for any clarification please.

Regards

William

**William Peplow**

Assistant Auditor General  
Performance Audit Section

**National Audit Office**

Notre Dame Ravelin, Floriana FRN 1601, Malta



**Email:** [william.peplow@gov.mt](mailto:william.peplow@gov.mt)

**Office:** +356 22055000

**Direct:** +356 22055047



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**From:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>  
**Sent:** 30 May 2023 16:20  
**To:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>  
**Cc:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>  
**Subject:** RE: NAO Audit - Outstanding Information

Dear William

Hope all is well

Please find the Malta Film Commission's responses in [Blue](#)

We have gone through the latest batch of documentation which was forwarded to this Office on 25 April 2023.

However, we are still awaiting documentation and clarifications which we requested over a span of several months. The following refers:

- i. Discrepancies were observed in the provision of documentation from the Malta Film Commission. The same documentation that the MFC had provided at a point in time, tied to income (revenue sheet) and expenses (invoices), was sent again. The second time round it included additional income and expenses of which no mention was made.  
**We have revisited the documentation and submitted additional that were missed.**
- Does this mean that all of the documentation related to MFC's income and expenditure in conjunction with the Malta Film Week and Film Awards has now been referred to the NAO?  
Please let us know if the NAO views anything as missing apart from all the documentation already submitted.
- ii. This Office recently received again the same batch of invoices (expenses) with no reference by the Malta Film Commission to any changes made from the previous batch, which in total amount to approximately 70k more (difference). Within this context:

- Can you kindly confirm that this latest batch of invoices constitutes all the expenses incurred for the Malta Film Week by the Malta Film Commission and the Malta Film Studios?  
**After the Malta Film Week, the figure of: €1,337,343.04 was published. The MFC has provided the invoices related to the figure.**
- Are we correct to interpret this that the €1,337,343.04 is the total expenditure incurred by MFC for the Malta Film Week, including the awards?  
It's the same figure as presented to Parliament, which figure corresponds to all the documentation submitted to your office
- Can you kindly confirm if there were any additional expenses which were incurred for the Malta Film Week by other Government ministries, Departments and Entities?  
**The Malta Film Commission cannot comment on behalf of other entities.**
- As a supplementary enquiry to your response, were there any goods and services which were utilised during the MFC that the Commission was not invoiced for? Did the MFC receive any goods and services which were paid for by other Governmental Entities?  
We cannot comment or respond for or on behalf of other entities.
- If there were any other additional expenses, can you kindly indicate these?  
As in the previous bullet please. If there were no additional expenses can you kindly indicate so?
- iii. Furthermore, to date basic information and documentation requested by the NAO that should have aided or affected decision-making remains completely or partially pending. The following refers:
  - The formally approved vision document (Strategy plan) that covered the period being audited, which is 2019-2022;  
**There is no official vision document covering this period. The MFC provided the Commissioner's vision speech which encompasses the vision of the MFC for the industry. The strategy 2030 is expected to be launched in the coming months.**
  - The Annual Report for 2022;  
**As discussed a number of times, this is not available. It's still in process.**

This will hinder performance audit work – we will have to find a way to work around this while still respecting auditing standards

Please tell us what data is required so we can provide it to you accordingly.

- List of names that made up the Malta Film Commission Committee for the organisation of Film Week; **The Malta Film Commission has explained this numerous times, there was no committee. The MFC staff worked on this.**

Was the MFC Board involved in the strategic aspects and financial approvals of the Film Week and Film awards?

The MFC board was well aware of the Malta Film Week.

- Audited financial statements for 2020, 2021 and 2022; **This was discussed, the MFC has audited accounts up until 2019. Audited accounts are in process. We are still waiting from the auditors.**

When is it anticipated that the audited accounts will be available?

This will hinder performance audit work – we will have to find a way to work around this while still respecting auditing standards

The Malta Film Commission has been chasing the audit firm for over to 1 year now, as far as current email threads go back. We will keep on chasing the firm to expediate the matter and close off the audited accounts asap.

- Updated management accounts for 2022 as at end of year; **The MFC provided this up until October 2022.**

- A copy of all sponsorship agreements relating to the Malta Film Week; If contracts / agreements are not all available, can you please list? **Both sponsorship agreements that are available were provided, with MTA and MGF. The rest we can provide the invoices.**

Not sure that we understand how the invoices tie in with sponsorships. Does this imply that the these invoices were forwarded to sponsoring organisations for settlement?

Kindly clarify.

- A copy of all the barter agreements relating to the Malta Film Week; If contracts / agreements are not all available, can you please list? **Companies that provided a significant (monetary) service through a barter are listed below:**

Phoenicia  
Forte Chauffeur Services  
Iniala Hotel

## Corinthia Hotel

Can you kindly provide (quantify) the services offered? Example (number of bed nights, number of chauffer services, number of catering events etc.)  
Did the provision of these services entail any obligation from MFC's side ( as would be implied by bartering)?

They offered their services free of charge.  
These companies all suffered greatly during the COVID outbreak and the film industry kept their finances turning due to the influx of productions.  
The Malta Film Commission provided them with marketing space and in some cases the CEO/GM of the company presented an award.

- Outstanding copies of quotations, approvals, contracts/ letters of engagement for certain services as requested in email dated 24<sup>th</sup> February 2023 (Honeycomb Ltd, Unique Promotions).  
Honeycomb is being attached.  
Unique Promotions carried out a very specific, artistic role – The Show Caller. It was also below €10,000 (Exc VAT) which falls within the Film Commissioner's remit to approve without the requirement of Direct Order documentation.
- Gaps in terms of invoices eg: moderators, guests, speakers, hairdressers, makeup artists, accommodation, food, transport – to this end we have forwarded an excel sheet where we requested MFC to complete.  
Documentation related to the Malta Film Week has been presented.  
We understand that this is all the documentation – Is this correct?  
Documentation related to the Malta Film Week has been presented.
- The total participants who attended each of the Film Week, together with the place of venue; We have also provided an excel sheet to be completed by MFC.  
Number of attendees for each masterclass below:
  - Vision – 95
  - Ecosystem - 29
  - Script – 35
  - Cameraman – 29
  - World Class – 38
  - Financing – 35

- Art Business – 27
- Film Education – 20
- Entrepreneurship – 19
- Screen Tourism – 17
- Breakdown – 12
- Modern VFX – 12
- DLTs – 31
- Gaming – 26
- One Shot – 41
- Joffe – 46
- Powell – 44
- Selling – 35
- Treverrow – 26

This information gap is precluding the NAO from fairly verifying the resources, expenditure and outputs invested in such a widely-publicised and criticised event. This ultimately implies that the NAO is not able to fulfil its mandate, especially when explicitly tasked to investigate such an event by stakeholders. This situation has also resulted in disruption to the NAO work programme, plans and resource allocation.

The absence of information is also hindering us from carrying out performance and value for money audit work associated with the MFC. This situation arises as information derived through interviews or informal documentation cannot be triangulated with official sources of information. **The Malta Film Commission is formally putting in writing that it offered countless times to provide any documentation needed for the performance review as it most likely would have been readily-available information from MFC reports.**

We acknowledge our meetings and the documentation offered. Nonetheless, these did not always fully answer our enquiries as noted by this list of questions and supplementary exchanges.

The MFC presented the documentation that could be used for the Performance Audit as it was readily available information, however your questions focused only on the Malta Film Week. Please let us know what type / form of information you require for the performance audit.

**We completely disagree with comments in the above concluding statement.**

The absence of audited accounts and up to date management renders performance and value for money audits more complex and cumbersome. Moreover, the unavailability of information implies that NAO has to, in cases, work with assumptions, rather than reliable and official documentation.

We would appreciate if you have any questions relating to Performance so we can handle immediately. Any assumptions should be directed to and be cleared with the Malta Film Commission.

**We still look forward to receive your questions relating to the performance audit.**

For logistical purposes we will be embarking more deeply in the performance aspect once we make significant progress on this aspect of this audit as well as devising alternative approaches in view of the unavailability of certain information.

The Malta Film Commission remains available.

To this end we kindly request that the NAO is furnished with the outstanding information at your earliest opportunity, in any case not later than 10 May 2023. Unfortunately, after this date, due to other commitments, the NAO would be constrained to wrap-up this assignment and report accordingly.

Let me know should you need anything else

Very best

Freddie

**From:** Mifsud Freddie at Screen Malta

**Sent:** Monday, May 22, 2023 11:14 AM

**To:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>

**Cc:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>

**Subject:** RE: NAO Audit - Outstanding Information

Dear William

The Commissioner had to travel and will be returning later on today

We will be sending the replies to your queries later today or tomorrow

Thank you and very best

Freddie

**From:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>  
**Sent:** Monday, May 15, 2023 8:08 AM  
**To:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>  
**Subject:** FW: NAO Audit - Outstanding Information

Dear Freddie

Thanks for your email. We have some supplementary questions (below in the green text) to make sure that we fully understand your answers and their implications.

Regards

William

**William Peplow**  
Senior Manager

Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta



**Email:** [william.peplow@gov.mt](mailto:william.peplow@gov.mt)  
**Office:** +356 22055000  
**Direct:** +356 22055047



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**From:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>

**Sent:** 10 May 2023 18:27

**To:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>; Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Deguara Charles at NAO <[charles.deguara@gov.mt](mailto:charles.deguara@gov.mt)>; Camilleri Noel at NAO <[noel.camilleri@gov.mt](mailto:noel.camilleri@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>;

Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** RE: NAO Audit - Outstanding Information

Dear William

Please find the queries and responses below:

We have gone through the latest batch of documentation which was forwarded to this Office on 25 April 2023.

However, we are still awaiting documentation and clarifications which we requested over a span of several months. The following refers:

- i. Discrepancies were observed in the provision of documentation from the Malta Film Commission. The same documentation that the MFC had provided at a point in time, tied to income (revenue sheet) and expenses (invoices), was sent again. The second time round it included additional income and expenses of which no mention was made.  
**We have revisited the documentation and submitted additional that were missed.**

**Does this mean that all of the documentation related to MFC's income and expenditure in conjunction with the Malta Film Week and Film Awards has now been referred to the NAO?**

- ii. This Office recently received again the same batch of invoices (expenses) with no reference by the Malta Film Commission to any changes made from the previous batch, which in total amount to approximately 70k more (difference). Within this context:
  - Can you kindly confirm that this latest batch of invoices constitutes all the expenses incurred for the Malta Film Week by the Malta Film Commission and the Malta Film Studios?  
**After the Malta Film Week, the figure of: €1,337,343.04 was published. The MFC has provided the invoices related to the figure.**
  - **Are we correct to interpret this that the €1,337,343.04 is the total expenditure incurred by MFC for the Malta Film Week, including the awards?**
  - Can you kindly confirm if there were any additional expenses which were incurred for the Malta Film Week by other Government ministries, Departments and Entities?

**The Malta Film Commission cannot comment on behalf of other entities.**

As a supplementary enquiry to your response, were there any goods and services which were utilised during the MFC that the Commission was not invoiced for? Did the MFC receive any goods and services which were paid for by other Governmental Entities?

- If there were any other additional expenses, can you kindly indicate these?

As in the previous bullet please. If there were no additional expenses can you kindly indicate so?

iii. Furthermore, to date basic information and documentation requested by the NAO that should have aided or affected decision-making remains completely or partially pending. The following refers:

- The formally approved vision document (Strategy plan) that covered the period being audited, which is 2019-2022; **There is no official vision document covering this period. The MFC provided the Commissioner's vision speech which encompasses the vision of the MFC for the industry. The strategy 2030 is expected to be launched in the coming months.**

- The Annual Report for 2022;

**As discussed a number of times, this is not available. It's still in process.**

**This will hinder performance audit work – we will have to find a way to work around this while still respecting auditing standards**

- List of names that made up the Malta Film Commission Committee for the organisation of Film Week; **The Malta Film Commission has explained this numerous times, there was no committee. The MFC staff worked on this.**

Was the MFC Board involved in the strategic aspects and financial approvals of the Film Week and Film awards?

- Audited financial statements for 2020, 2021 and 2022;

**This was discussed, the MFC has audited accounts up until 2019. Audited accounts are in process. We are still waiting from the auditors.**

When is it anticipated that the audited accounts will be available?

**This will hinder performance audit work – we will have to find a way to work around this while still respecting auditing standards**

- Updated management accounts for 2022 as at end of year;  
The MFC provided this up until October 2022.
- A copy of all sponsorship agreements relating to the Malta Film Week; If contracts / agreements are not all available, can you please list?  
Both sponsorship agreements that are available were provided, with MTA and MGF. The rest we can provide the invoices.  
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- A copy of all the barter agreements relating to the Malta Film Week; If contracts / agreements are not all available, can you please list?  
Companies that provided a significant (monetary) service through a barter are listed below:  
Phoenicia  
Forte Chauffeur Services  
Iniala Hotel  
Corinthia Hotel  
Can you kindly provide (quantify) the services offered? Example (number of bed nights, number of chauffeur services, number of catering events etc.)  
Did the provision of these services entail any obligation from MFC's side ( as would be implied by bartering)?
- Outstanding copies of quotations, approvals, contracts/ letters of engagement for certain services as requested in email dated 24<sup>th</sup> February 2023 (Honeycomb Ltd, Unique Promotions).  
Honeycomb is being attached.  
Unique Promotions carried out a very specific, artistic role – The Show Caller. It was also below €10,000 (Exc VAT) which falls within the Film Commissioner's remit to approve without the requirement of Direct Order documentation.
- Gaps in terms of invoices eg: moderators, guests, speakers, hairdressers, makeup artists, accommodation, food, transport – to this end we have forwarded an excel sheet where we requested MFC to complete.  
Documentation related to the Malta Film Week has been presented.  
We understand that this is all the documentation – Is this correct?

- The total participants who attended each of the Film Week, together with the place of venue; We have also provided an excel sheet to be completed by MFC.
- **Number of attendees for each masterclass below:**
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The absence of information is also hindering us from carrying out performance and value for money audit work associated with the MFC. This situation arises as information derived through interviews or informal documentation cannot be triangulated with official sources of information. **The Malta Film Commission is formally putting in writing that it offered countless times to provide any documentation needed for the performance review as it most likely would have been readily-available information from MFC reports.**

We acknowledge our meetings and the documentation offered. Nonetheless, these did not always fully answer our enquiries as noted by this list of questions and supplementary exchanges

**We completely disagree with comments in the above concluding statement.**

The absence of audited accounts and up to date management renders performance and value for money audits more complex and cumbersome. Moreover, the unavailability of information implies that NAO has to, in cases, work with assumptions, rather than reliable and official documentation.

**We still look forward to receive your questions relating to the performance audit.**

For logistical purposes we will be embarking more deeply in the performance aspect once we make significant progress on this aspect of this audit as well as devising alternative approaches in view of the unavailability of certain information.

To this end we kindly request that the NAO is furnished with the outstanding information at your earliest opportunity, in any case not later than 10 May 2023. Unfortunately, after this date, due to other commitments, the NAO would be constrained to wrap-up this assignment and report accordingly.

Thank you

Freddie

**From:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>

**Sent:** Wednesday, May 10, 2023 9:54 AM

**To:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>; Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Deguara Charles at NAO <[charles.deguara@gov.mt](mailto:charles.deguara@gov.mt)>; Camilleri Noel at NAO <[noel.camilleri@gov.mt](mailto:noel.camilleri@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>;

Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** RE: NAO Audit - Outstanding Information

Thank you Freddie.

Best regards

William

**William Peplow**  
Senior Manager

Performance Audit Section

**National Audit Office**

Notre Dame Ravelin, Floriana FRN 1601, Malta



**Email:** [william.peplow@gov.mt](mailto:william.peplow@gov.mt)  
**Office:** +356 22055000  
**Direct:** +356 22055047



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**From:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>

**Sent:** 10 May 2023 09:48

**To:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>; Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Deguara Charles at NAO <[charles.deguara@gov.mt](mailto:charles.deguara@gov.mt)>; Camilleri Noel at NAO <[noel.camilleri@gov.mt](mailto:noel.camilleri@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>;

Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** RE: NAO Audit - Outstanding Information

Dear William,

You will have the Film Commission's feedback today

Thank you

Freddie

---

**From:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>

**Sent:** Friday, May 5, 2023 5:05 PM

**To:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>; Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Deguara Charles at NAO <[charles.deguara@gov.mt](mailto:charles.deguara@gov.mt)>; Camilleri Noel at NAO <[noel.camilleri@gov.mt](mailto:noel.camilleri@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>;

Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** Re: NAO Audit - Outstanding Information

Appreciated. Thank you Freddie  
William

Sent from [Outlook for Android](#)

---

**From:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>

**Sent:** Friday, May 5, 2023 5:03:44 PM

**To:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>; Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Deguara Charles at NAO <[charles.deguara@gov.mt](mailto:charles.deguara@gov.mt)>; Camilleri Noel at NAO <[noel.camilleri@gov.mt](mailto:noel.camilleri@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** RE: NAO Audit - Outstanding Information

Dear William,

Acknowledging the receipt of the below – We will revert

Best

Freddie

---

**From:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>

**Sent:** Wednesday, May 3, 2023 4:42 PM

**To:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>; Deguara Charles at NAO <[charles.deguara@gov.mt](mailto:charles.deguara@gov.mt)>; Camilleri Noel at NAO <[noel.camilleri@gov.mt](mailto:noel.camilleri@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** NAO Audit - Outstanding Information

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- ii. This Office recently received again the same batch of invoices (expenses) with no reference by the Malta Film Commission to any changes made from the previous batch, which in total amount to approximately 70k more (difference). Within this context:
  - Can you kindly confirm that this latest batch of invoices constitutes all the expenses incurred for the Malta Film Week by the Malta Film Commission and the Malta Film Studios?
  - Can you kindly confirm if there were any additional expenses which were incurred for the Malta Film Week by other Government ministries, Departments and Entities?
  - If there were any other additional expenses, can you kindly indicate these?

iii. Furthermore, to date basic information and documentation requested by the NAO that should have aided or affected decision-making remains completely or partially pending. The following refers:

- The formally approved vision document (Strategy plan) that covered the period being audited, which is 2019-2022;
- The Annual Report for 2022;
- List of names that made up the Malta Film Commission Committee for the organisation of Film Week;
- Audited financial statements for 2020, 2021 and 2022;
- Updated management accounts for 2022 as at end of year;
- A copy of all sponsorship agreements relating to the Malta Film Week; If contracts / agreements are not all available, can you please list?
- A copy of all the barter agreements relating to the Malta Film Week; If contracts / agreements are not all available, can you please list?
- Outstanding copies of quotations, approvals, contracts/ letters of engagement for certain services as requested in email dated 24<sup>th</sup> February 2023 (Honeycomb Ltd, Unique Promotions).
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The absence of information is also hindering us from carrying out performance and value for money audit work associated with the MFC. This situation arises as information derived through interviews or informal documentation cannot be triangulated with official sources of information.

To this end we kindly request that the NAO is furnished with the outstanding information at your earliest opportunity, in any case not later than 10 May 2023. Unfortunately, after this date, due to other commitments, the NAO would be constrained to wrap-up this assignment and report accordingly.

Best regards

William

**William Peplow**  
Senior Manager

Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta



**Email:** [william.peplow@gov.mt](mailto:william.peplow@gov.mt)

**Office:** +356 22055000

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## **Calleja Gera George at NAO**

**From:** Azzopardi Maria at NAO  
**Sent:** Thursday, February 22, 2024 10:11 AM  
**To:** Calleja Gera George at NAO; Stafrace Alexia 1 at NAO; Bugeja Sarah at NAO  
**Subject:** Email MFC

**Categories:** PROMOTION OF FILM INDUSTRY

Mr Johann Grech  
Malta Film Commissioner

Dear Mr Grech

**Re: An investigation of procedures and the rebate scheme operated by the Malta Film Commission**

Further to last week's meeting, we would appreciate if you could forward us the following list of documentation to support our discussions:

1. Approvals, applications, tender and documentation regarding the process to build Sound Stage.
2. Latest audited accounts of MFC, with regards to years 2020, 2021 and 2022.
3. documentation with regards to **'Napoleon'** and **'1923'**, as these two production have now been audited. Furthermore, all the documentation with regards to **'Project Icon'** is still to be provided (to our records provided by MFC this production has already been paid).
4. the application form for those production still not audited, with regards to: **'Gladiator 2'**, **'Last Breath'**, **'Not Without Hope'**, and the **'The Silent Hour'**.
5. To provide the documentation concerning the discrepancy of **€406, 544.65** between the total income listed (**€923,628.81**) and the total expenses invoiced as per tab *MFW Invoices Database*(**€ 1,330,173.46**).
6. Agreement with Lands Department re. Ricasoli

As discussed during the meeting, we can assist to collect data, through scanning documentation on site and collecting information through external hard disks.

We would appreciate if we receive the aforementioned information by the end of the month (February 2024).

Should you require any clarifications, please feel free to contact us.

Kind regards

**Maria Azzopardi**

Audit Manager  
Value for Money Section

**National Audit Office**

Notre Dame Ravelin, Floriana FRN 1601, Malta

**Email:** [maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)

**Office:** +356 22055000

**Direct:** +356 22055086



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## Azzopardi Maria at NAO

---

**From:** Azzopardi Maria at NAO  
**Sent:** 15 March 2024 07:43  
**To:** Grech Johann at Screen Malta  
**Cc:** Peplow William at NAO; Bugeja Sarah at NAO; Calleja Gera George at NAO; Stafrace Alexia 1 at NAO; Buttigieg Matthias at Screen Malta  
**Subject:** RE: Re: An investigation of procedures and the rebate scheme operated by the Malta Film Commission

Mr Johann Grech  
Malta Film Commissioner

A kind reminder regarding the below correspondence. We would appreciate if you could provide us with the requested documentation at your earliest.

Regards

Maria

### Maria Azzopardi

Audit Manager  
Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta



**Email:** [maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)

**Office:** +356 22055000

**Direct:** +356 22055086



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---

**From:** Azzopardi Maria at NAO  
**Sent:** Friday, March 8, 2024 10:55 AM  
**To:** Grech Johann at Screen Malta <johann.grech@screenmalta.com>  
**Cc:** Peplow William at NAO <william.peplow@gov.mt>; Bugeja Sarah at NAO <sarah.f.bugeja@gov.mt>; Calleja Gera George at NAO <george.calleja-gera@gov.mt>; Stafrace Alexia 1 at NAO <alexia.stafrace.1@gov.mt>; Buttigieg Matthias at Screen Malta <matthias.buttigieg@screenmalta.com>  
**Subject:** RE: Re: An investigation of procedures and the rebate scheme operated by the Malta Film Commission

Mr Johann Grech  
Malta Film Commissioner

A kind reminder regarding the below correspondence.

Regards

Maria

**Maria Azzopardi**

Audit Manager  
Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta



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**Office:** +356 22055000

**Direct:** +356 22055086



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---

**From:** Azzopardi Maria at NAO

**Sent:** Thursday, February 22, 2024 12:25 PM

**To:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>; Buttigieg Matthias at Screen Malta <[matthias.buttigieg@screenmalta.com](mailto:matthias.buttigieg@screenmalta.com)>

**Subject:** Re: An investigation of procedures and the rebate scheme operated by the Malta Film Commission

Mr Johann Grech  
Malta Film Commissioner

Dear Mr Grech

**Re: An investigation of procedures and the rebate scheme operated by the Malta Film Commission**

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1. approvals, applications, tender and documentation regarding the process to build Sound Stage.
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3. documentation with regards to **'Napoleon'** and **'1923'**, as these two production have now been audited. Furthermore, all the documentation with regards to **'Project Icon'** is still to be provided (from our records provided by MFC this production has already been paid).
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5. documentation concerning the discrepancy of **€406, 544.65** between the total income listed (**€ 923,628.81**) and the total expenses invoiced as per tab *MFW Invoices Database* (**€ 1,330,173.46**).

6. agreement with Lands Department re. Ricasoli

We can assist to collect the aforementioned data, through scanning of documentation on site and collecting information through external hard disks.

We would appreciate if we receive the aforementioned information by the end of February 2024.

Should you require any clarifications, please feel free to contact us.

Kind regards

Maria

**Maria Azzopardi**

Audit Manager  
Value for Money Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta

**Email:** [maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)

**Office:** +356 22055000

**Direct:** +356 22055086



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## Azzopardi Maria at NAO

---

**From:** Azzopardi Maria at NAO  
**Sent:** 21 March 2024 15:00  
**To:** Buttigieg Matthias at Screen Malta  
**Cc:** Grech Johann at Screen Malta; Peplow William at NAO; Bugeja Sarah at NAO; Calleja Gera George at NAO; Stafrace Alexia 1 at NAO  
**Subject:** RE: An investigation of procedures and the rebate scheme operated by the Malta Film Commission

Dear Matthias

Our telephone conversation refers.

As agreed we would appreciate if you could forward us the below documentation:

1. approvals, applications, tender and documentation regarding the process to build Sound Stage – copy of the planning authority application form including approval; copy of the contract with Camilleri Preziosi.
2. latest audited accounts of MFC, with regards to years 2020, 2021 and 2022. Correspondence showing delay and target date estimating when the audited reports will be finalised. We would appreciate if you could forward us a copy after these are finalised.
3. documentation concerning the discrepancy of **€406, 544.65** between the total income listed (**€ 923,628.81**) and the total expenses invoiced as per tab *MFW Invoices Database* (**€ 1,330,173.46**).

Should you require any clarifications, please feel free to contact us.

Kind regards

Maria

**Maria Azzopardi**

Audit Manager  
Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta



**Email:** [maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)

**Office:** +356 22055000

**Direct:** +356 22055086



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---

**From:** Azzopardi Maria at NAO  
**Sent:** Monday, March 18, 2024 9:23 AM  
**To:** Buttigieg Matthias at Screen Malta <matthias.buttigieg@screenmalta.com>  
**Cc:** Grech Johann at Screen Malta <johann.grech@screenmalta.com>; Peplow William at NAO <william.peplow@gov.mt>; Bugeja Sarah at NAO <sarah.f.bugeja@gov.mt>; Calleja Gera George at NAO <george.calleja-gera@gov.mt>; Stafrace Alexia 1 at NAO <alexia.stafrace.1@gov.mt>  
**Subject:** RE: An investigation of procedures and the rebate scheme operated by the Malta Film Commission

Dear Matthias

Thank you for your email and the information therein.

We look forward to receiving the outstanding information at your earliest.

Kind regards

Maria

**Maria Azzopardi**

Audit Manager  
Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta



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**Office:** +356 22055000

**Direct:** +356 22055086



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---

**From:** Buttigieg Matthias at Screen Malta <[matthias.buttigieg@screenmalta.com](mailto:matthias.buttigieg@screenmalta.com)>  
**Sent:** Friday, March 15, 2024 5:20 PM  
**To:** Azzopardi Maria at NAO <[maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)>  
**Cc:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>; Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>  
**Subject:** Re: An investigation of procedures and the rebate scheme operated by the Malta Film Commission

Attaching documents relating to points 3 & 4.

Point 6: I wish to inform you that we are not aware of any agreement in place with the Lands Department.

Best Regards,

**MATTHIAS BUTTIGIEG**

Private Secretary to the Film Commissioner

+356 2180 9135 | +356 2568 3619 | [matthias.buttigieg@screenmalta.com](mailto:matthias.buttigieg@screenmalta.com)

Malta Film Commission  
Malta Film Studios  
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On 22 Feb 2024, at 12:24, Azzopardi Maria at NAO <[maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)> wrote:

Mr Johann Grech  
Malta Film Commissioner

Dear Mr Grech

**Re: An investigation of procedures and the rebate scheme operated by the Malta Film Commission**

Further to last week's meeting, we would appreciate if you could forward us the following list of documentation:

1. approvals, applications, tender and documentation regarding the process to build Sound Stage.
2. latest audited accounts of MFC, with regards to years 2020, 2021 and 2022.
3. documentation with regards to '**Napoleon**' and '**1923**', as these two production have now been audited. Furthermore, all the documentation with regards to '**Project Icon**' is still to be provided (from our records provided by MFC this production has already been paid).
4. the application form for those production still not audited, with regards to: '**Gladiator 2**', '**Last Breath**', '**Not Without Hope**', and the '**The Silent Hour**'.
5. documentation concerning the discrepancy of **€406, 544.65** between the total income listed (**€ 923,628.81**) and the total expenses invoiced as per tab *MFW Invoices Database* (**€ 1,330,173.46**).
6. agreement with Lands Department re. Ricasoli

We can assist to collect the aforementioned data, through scanning of documentation on site and collecting information through external hard disks.

We would appreciate if we receive the aforementioned information by the end of February 2024.

Should you require any clarifications, please feel free to contact us.

Kind regards

Maria

**Maria Azzopardi**

Audit Manager  
Value for Money Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta

**Email:** [maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)

**Office:** +356 22055000

**Direct:** +356 22055086

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<image004.png>

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## **Calleja Gera George at NAO**

---

**From:** Buttigieg Matthias at Screen Malta  
**Sent:** Thursday, March 21, 2024 3:18 PM  
**To:** Azzopardi Maria at NAO  
**Cc:** Grech Johann at Screen Malta; Peplow William at NAO; Bugeja Sarah at NAO; Calleja Gera George at NAO; Stafrace Alexia 1 at NAO  
**Subject:** RE: An investigation of procedures and the rebate scheme operated by the Malta Film Commission  
**Attachments:** Xerox Scan\_14022024131512.PDF; RE: MFC 2021 & 2022

Dear Maria,

As requested please find the requested.

Will try my best to source you with the requested information relating to point 3 by end of next week.

Best Regards,  
**MATTHIAS BUTTIGIEG**  
Private Secretary to the Film Commissioner

+356 2180 9135 | +356 2568 3619 | [matthias.buttigieg@screenmalta.com](mailto:matthias.buttigieg@screenmalta.com)

Malta Film Commission  
Malta Film Studios  
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[www.screenmalta.com](http://www.screenmalta.com)

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**From:** Azzopardi Maria at NAO <maria.k.azzopardi@gov.mt>

**Sent:** Thursday, March 21, 2024 3:00 PM

**To:** Buttigieg Matthias at Screen Malta <matthias.buttigieg@screenmalta.com>

**Cc:** Grech Johann at Screen Malta <johann.grech@screenmalta.com>; Peplow William at NAO <william.peplow@gov.mt>; Bugeja Sarah at NAO <sarah.f.bugeja@gov.mt>; Calleja Gera George at NAO <george.calleja-gera@gov.mt>; Stafrace Alexia 1 at NAO <alexia.stafrace.1@gov.mt>

**Subject:** RE: An investigation of procedures and the rebate scheme operated by the Malta Film Commission

Dear Matthias

Our telephone conversation refers.

As agreed we would appreciate if you could forward us the below documentation:

1. approvals, applications, tender and documentation regarding the process to build Sound Stage – copy of the planning authority application form including approval; copy of the contract with Camilleri Preziosi.
2. latest audited accounts of MFC, with regards to years 2020, 2021 and 2022. Correspondence showing delay and target date estimating when the audited reports will be finalised. We would appreciate if you could forward us a copy after these are finalised.
3. documentation concerning the discrepancy of **€406, 544.65** between the total income listed (**€ 923, 628.81**) and the total expenses invoiced as per tab *MFW Invoices Database* (**€ 1, 330, 173.46**).

Should you require any clarifications, please feel free to contact us.

Kind regards

Maria

**Maria Azzopardi**

Audit Manager  
Performance Audit Section

**National Audit Office**

Notre Dame Ravelin, Floriana FRN 1601, Malta



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**Office:** +356 22055000

**Direct:** +356 22055086



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**From:** Azzopardi Maria at NAO

**Sent:** Monday, March 18, 2024 9:23 AM

**To:** Buttigieg Matthias at Screen Malta <[matthias.buttigieg@screenmalta.com](mailto:matthias.buttigieg@screenmalta.com)>

**Cc:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>; Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>;

Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** RE: An investigation of procedures and the rebate scheme operated by the Malta Film Commission

Dear Matthias

Thank you for your email and the information therein.

We look forward to receiving the outstanding information at your earliest.

Kind regards

Maria

**Maria Azzopardi**

Audit Manager  
Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta



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**Office:** +356 22055000

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**From:** Buttigieg Matthias at Screen Malta <[matthias.buttigieg@screenmalta.com](mailto:matthias.buttigieg@screenmalta.com)>

**Sent:** Friday, March 15, 2024 5:20 PM

**To:** Azzopardi Maria at NAO <[maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)>

**Cc:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>; Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** Re: An investigation of procedures and the rebate scheme operated by the Malta Film Commission

Attaching documents relating to points 3 & 4.

Point 6: I wish to inform you that we are not aware of any agreement in place with the Lands Department.

Best Regards,

**MATTHIAS BUTTIGIEG**

Private Secretary to the Film Commissioner

+356 2180 9135 | +356 2568 3619 | [matthias.buttigieg@screenmalta.com](mailto:matthias.buttigieg@screenmalta.com)

Malta Film Commission

Malta Film Studios

Triq Santu Rokku, Kalkara, KKR 9062 Malta

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On 22 Feb 2024, at 12:24, Azzopardi Maria at NAO <[maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)> wrote:

Mr Johann Grech  
Malta Film Commissioner

Dear Mr Grech

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5. documentation concerning the discrepancy of €406, 544.65 between the total income listed (€ 923,628.81) and the total expenses invoiced as per tab *MFW Invoices Database* (€ 1,330,173.46).
6. agreement with Lands Department re. Ricasoli

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Should you require any clarifications, please feel free to contact us.

Kind regards

Maria

**Maria Azzopardi**

Audit Manager  
Value for Money Section

**National Audit Office**

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**<image004.png>**

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## **Calleja Gera George at NAO**

---

**From:** Azzopardi Maria at NAO  
**Sent:** Thursday, August 22, 2024 9:31 AM  
**To:** Grech Johann at Screen Malta  
**Cc:** Buttigieg Matthias at Screen Malta; Bugeja Sarah at NAO; Calleja Gera George at NAO; Peplow William at NAO  
**Subject:** Re: NAO Audit

**Categories:** PROMOTION OF FILM INDUSTRY

Dear Johann

First of all we wish to thank you for the valuable information exchanged during this weeks' meeting.

Further to this meeting, we would appreciate if you could forward us the following documentation:

- Management accounts for 2022 and 2023;
- Latest correspondence between MFC engaged accountants and auditors regarding the audited financial statements;
- Annual or multi-annual budgetary plans/statements for the year 2022 (MFA / MFW) and other documentation as submitted to MFIN in relation to 2022 budget;
- A copy of the documentation submitted to MTA regarding the Malta Film Week sponsorship;
- Copy of any documentation in relation to the engagement of auditors to audit the cash rebate scheme (eg guidelines, call, training and list of available auditors);
- Copy of the documentation submitted to the State Aid Board regarding the 2024 allocation of funds recently awarded by the EU Commission;
- List of MoU's signed by the present film commissioner and a copy of the same documents;
- List of capital investments undertaken at MFC / MFS during 2022 to date (to include cost of investment).

In view of the tight publication schedule, we would appreciate if you could forward the above documentation by 30 August 2024.

Should you require any clarification, please feel free to contact the undersigned.

Kind regards

Maria

**Maria Azzopardi**

Audit Manager  
Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta



**Email:** [maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)

**Office:** +356 22055000

**Direct:** +356 22055086



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## Galea Maria-Esmeralda at NAO

---

**Subject:** FW: Evaluating the role of the Malta Film Commission in promoting the Maltese film industry

**Attachments:** image001.png; image004.png; image009.png; image010.png; image011.png; image012.png; Malta Film Commission 2022.pdf; Malta Film Commission 2021.pdf; Malta Film Commission 2022 - Audit report.pdf; Malta Film Commission 2021 - Audit Report.pdf

**From:** Buttigieg Matthias at Screen Malta <[matthias.buttigieg@screenmalta.com](mailto:matthias.buttigieg@screenmalta.com)>  
**Date:** 06 October 2024 at 12:59:12 GMT+2  
**To:** Azzopardi Maria at NAO <[maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)>  
**Cc:** Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>, Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>, Galea Maria-Esmeralda at NAO <[maria-esmeralda.galea@gov.mt](mailto:maria-esmeralda.galea@gov.mt)>, Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>, Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>  
**Subject: RE: Re: Evaluating the role of the Malta Film Commission in promoting the Maltese film industry**

Hi Maria,

Attached please find the financial statements as prepared by the accountant for 2021 and 2022;

Best Regards,  
**MATTHIAS BUTTIGIEG**  
Private Secretary to the Film Commissioner

+356 2180 9135 | +356 2568 3619 | [matthias.buttigieg@screenmalta.com](mailto:matthias.buttigieg@screenmalta.com)

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---

**From:** Azzopardi Maria at NAO <[maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)>  
**Sent:** Wednesday, October 2, 2024 9:42 PM  
**To:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>  
**Cc:** Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Bugeja Sarah at NAO

<[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Galea Maria-Esmeralda at NAO <[maria-esmeralda.galea@gov.mt](mailto:maria-esmeralda.galea@gov.mt)>; Buttigieg Matthias at Screen Malta <[matthias.buttigieg@screenmalta.com](mailto:matthias.buttigieg@screenmalta.com)>; Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>

**Subject:** Re: Evaluating the role of the Malta Film Commission in promoting the Maltese film industry

Dear Mr Grech

**Re: Evaluating the role of the Malta Film Commission in promoting the Maltese film industry**

We would like to thank you for the valuable information discussed during the Exit Meeting in relation to the audit highlighted in caption. Further to our meeting, we would appreciate if you could forward us the following documentation:

1. Copy of the financial statements as prepared by the accountant for 2021 and 2022;
2. Correspondence between the accountancy / audit firms highlighting any issues that are delaying the completion of the 2021 and 2022 audit financial statements;
1. Business and Financial Plans (Annex 4) showing actuals for the years 2021 and 2022. (BFP 2023-2025 and BFP 2024-2026)
2. Breakdown of balance composition on MFC Payables – Inter department balances:

Year	Balance (€)	Movement (€)
2018	125,661	125,661
2019	367,988	242,327
2020	520,867	152,879

1. Descriptive note by the accountant, on the recognition, or rationale for exclusion, in the recognition of Infrastructure Vote 7017 (Capital Expenditure) in the financial statements

Year	Actual Expenditure according to Gov. Financial Estimates (€)
2019	1,499,998
2020	1,499,986
2021	3,000,000
2022	1,237,383

2. MFC to provide updated data re table 2 “FDRS quarterly report on HR’Q4 of 2022
3. To provide a definition of Sound Stage, and to send dates and approvals of the Sound Stage.
4. Any further comments re Chapter 4

Should you require any clarifications, please feel free to contact us. We would appreciate if we receive the required documentation by Monday 7<sup>th</sup> October 2024.

Kind regards

Maria

**Maria Azzopardi**

Audit Manager  
Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta

**Email:** [maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)

**Office:** +356 22055000

**Direct:** +356 22055086

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## Galea Maria-Esmeralda at NAO

---

**From:** Azzopardi Maria at NAO  
**Sent:** 07 October 2024 08:33  
**To:** Buttigieg Matthias at Screen Malta  
**Cc:** Calleja Gera George at NAO; Bugeja Sarah at NAO; Galea Maria-Esmeralda at NAO; Peplow William at NAO; Grech Johann at Screen Malta  
**Subject:** RE: Re: Evaluating the role of the Malta Film Commission in promoting the Maltese film industry

Dear Matthias

Thank you for your email and the information therein.

Regards

Maria

### **Maria Azzopardi**

Audit Manager  
Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta



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**Office:** +356 22055000

**Direct:** +356 22055086



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**From:** Buttigieg Matthias at Screen Malta <matthias.buttigieg@screenmalta.com>  
**Sent:** 06 October 2024 12:59  
**To:** Azzopardi Maria at NAO <maria.k.azzopardi@gov.mt>  
**Cc:** Calleja Gera George at NAO <george.calleja-gera@gov.mt>; Bugeja Sarah at NAO <sarah.f.bugeja@gov.mt>; Galea Maria-Esmeralda at NAO <maria-esmeralda.galea@gov.mt>; Peplow William at NAO <william.peplow@gov.mt>; Grech Johann at Screen Malta <johann.grech@screenmalta.com>  
**Subject:** RE: Re: Evaluating the role of the Malta Film Commission in promoting the Maltese film industry

Hi Maria,

Attached please find the financial statements as prepared by the accountant for 2021 and 2022;

Best Regards,  
**MATTHIAS BUTTIGIEG**  
Private Secretary to the Film Commissioner

Malta Film Commission  
Malta Film Studios  
Triq Santu Rokku, Kalkara, KKR 9062 Malta

[www.screenmalta.com](http://www.screenmalta.com)

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**From:** Azzopardi Maria at NAO <[maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)>  
**Sent:** Wednesday, October 2, 2024 9:42 PM  
**To:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>  
**Cc:** Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Galea Maria-Esmeralda at NAO <[maria-esmeralda.galea@gov.mt](mailto:maria-esmeralda.galea@gov.mt)>; Buttigieg Matthias at Screen Malta <[matthias.buttigieg@screenmalta.com](mailto:matthias.buttigieg@screenmalta.com)>; Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>  
**Subject:** Re: Evaluating the role of the Malta Film Commission in promoting the Maltese film industry

Dear Mr Grech

**Re: Evaluating the role of the Malta Film Commission in promoting the Maltese film industry**

We would like to thank you for the valuable information discussed during the Exit Meeting in relation to the audit highlighted in caption. Further to our meeting, we would appreciate if you could forward us the following documentation:

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- Correspondence between the accountancy / audit firms highlighting any issues that are delaying the completion of the 2021 and 2022 audit financial statements;
- Business and Financial Plans (Annex 4) showing actuals for the years 2021 and 2022. (BFP 2023-2025 and BFP 2024-2026)
- Breakdown of balance composition on MFC Payables – Inter department balances:

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- Descriptive note by the accountant, on the recognition, or rationale for exclusion, in the recognition of Infrastructure Vote 7017 (Capital Expenditure) in the financial statements

Year	Actual Expenditure according to Gov. Financial Estimates (€)
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2022	1,237,383

- MFC to provide updated data re table 2 "FDRS quarterly report on HR'Q4 of 2022
- To provide a definition of Sound Stage, and to send dates and approvals of the Sound Stage.
- Any further comments re Chapter 4

Should you require any clarifications, please feel free to contact us. We would appreciate if we receive the required documentation by Monday 7<sup>th</sup> October 2024.

Kind regards

Maria

**Maria Azzopardi**

Audit Manager  
Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta



**Email:** [maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)

**Office:** +356 22055000

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## **Calleja Gera George at NAO**

**From:** Azzopardi Maria at NAO  
**Sent:** Thursday, September 12, 2024 11:18 AM  
**To:** Buttigieg Matthias at Screen Malta  
**Cc:** Grech Johann at Screen Malta; Peplow William at NAO; Bugeja Sarah at NAO; Calleja Gera George at NAO  
**Subject:** NAO request

Dear Matthias

Our telephone conversation refers. It would be appreciated if you could forward us documentation relating to the following:

- **Management accounts** for 2022 and 2023;
- Copy of 'Annex 4' Financial estimates submitted to MTP/MFIN April 2021, 2022, and 2023 (denoting actual expenditure for the years 2020, 2021, and 2022);
- From **FDRS systems**:
  - o Monthly Profit and Loss for the period 2020-2023
  - o Quarterly Balance Sheet for the period 2020-2023
- Opening balance on bank accounts as at 01.01.2020
- Closing balance on bank accounts as at 31.12 for the years 2020, 2021, 2022 and 2023
- Bank statement extract supporting receipt of sponsorships from Brown's Pharma, Corinthia Group, Gaming Malta Foundation, and Viking's PC Health in relation to the financing of the Malta Film Week 2022.
- Latest **correspondence between MFC engaged accountants and auditors** regarding the audited financial statements;
- A copy of the **documentation submitted to MTA regarding the Malta Film Week** sponsorship;
- Copy of **any documentation in relation to the engagement of auditors to audit the cash rebate scheme** (eg guidelines, call, training and list of available auditors);
- Copy of the documentation submitted to the **State Aid Board regarding the 2024 allocation of funds recently awarded by the EU Commission**;
- **List of MoU's** signed by the present film commissioner and a copy of the same documents;
- **List of festival meetings** attended during **2020 and 2021 (including meetings reports)**
- **List of capital investments** undertaken at MFC / MFS during 2022 to date (to include cost of investment).

The above list includes requests for additional information as well as any outstanding documentation.

It would be appreciated if you could forward us the above information by tomorrow. We understand that during this week, you are hosting a VIP, but in the interim it would be appreciated if you could nominate a representative to liaise with. We are available to assist you in data collection.

Kind regards

Maria

**Maria Azzopardi**

Audit Manager  
Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta



**Email:** [maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)

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## **Galea Maria-Esmeralda at NAO**

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**From:** Peplow William at NAO  
**Sent:** 18 September 2024 12:19  
**To:** Gatt Anthony at MTP; bcutajar@thinktalent.com.mt; Grech Johann at Screen Malta  
**Cc:** Deguara Charles at NAO; Camilleri Noel at NAO; Azzopardi Maria at NAO; Bugeja Sarah at NAO; Calleja Gera George at NAO  
**Subject:** NAO: Evaluating the role of the Malta Film Commission in promoting the Maltese film industry (Draft Sept 2024)  
**Attachments:** 20240918 MFC EXIT MTG DRAFT.docx  
**Importance:** High

Permanent Secretary, Ministry for Tourism and Public Cleanliness  
Chair, Malta Film Commission  
Commissioner, Malta Film Commission

### **Evaluating the role of the Malta Film Commission in promoting the Maltese film industry**

Enclosed please find a copy of the draft report highlighted in caption. For ease of reference and to facilitate your review, the draft document is being forwarded in Word document. It is the policy of the NAO to submit performance audit reports to the auditee for their feedback prior to submission to Parliament in accordance with the provisions of Section 8 (b) and 9 (a) of the First Schedule of the Auditor General and National Audit Office Act. 1997.

This Office kindly solicits your written comments on the contents of this draft, particularly in so far as factual inaccuracies are concerned. As deemed necessary, you may wish to consult with other officials who are in a position to provide the necessary feedback on this version of the draft report. The report is to be treated as strictly confidential. To this end, we respectfully ask that a log referring to all officials having access to this draft report is maintained.

In view of publication schedules, feedback is to reach this Office by 23 September 2024. Following consultation with your respective secretariats an 'Exit' meeting will be held at the National Audit Office on 25 September 2024 at 10:30. The Auditor General (Chair) and the Deputy Auditor General will be participating in the meeting together with the audit team members and the undersigned. For logistical purposes, it would be appreciated if you inform us of officials who will be assisting you in this meeting.

Please feel free to contact undersigned for any clarifications on the attached draft.

I would like to take the opportunity to thank you and your staff for the cooperation and support afforded to the audit team throughout this assignment.

Regards

William

**William Peplow**  
Assistant Auditor General  
Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta



**Email:** [william.peplow@gov.mt](mailto:william.peplow@gov.mt)

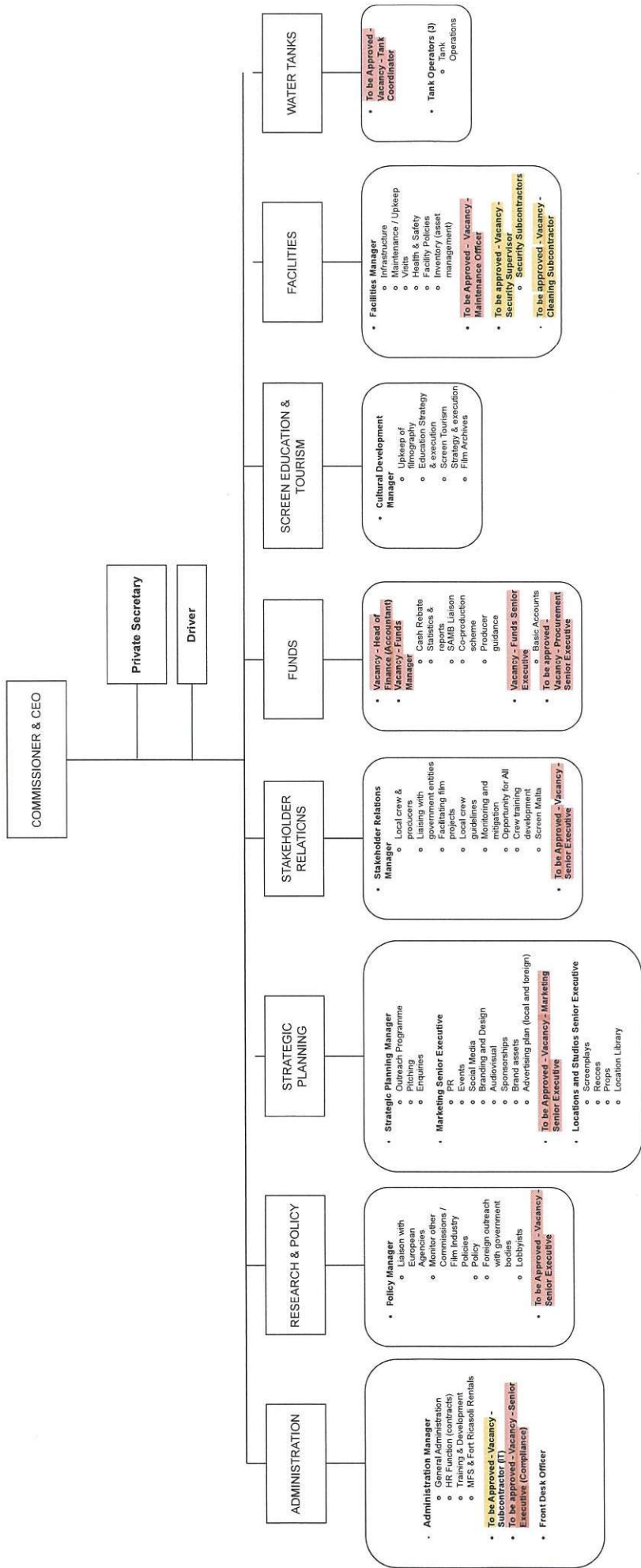
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## **Calleja Gera George at NAO**

---

**From:** Mifsud Freddie at Screen Malta  
**Sent:** Monday, July 24, 2023 3:12 PM  
**To:** Peplow William at NAO  
**Cc:** Grech Johann at Screen Malta; Stafrace Alexia 1 at NAO; Calleja Gera George at NAO; Bugeja Sarah at NAO  
**Subject:** RE: NAO Audit - Outstanding Information  
**Attachments:** 2022 - Final Organigram.pdf; 2022 - Board Agendas.PDF

Dear William ,

Please find attached the below documents:

- 2022 Board agendas (there is a change in format as the board secretary changed)
- End 2022 – Organigram

The remaining data is being compiled and will be passed on asap

Very best

Freddie

---

**From:** Peplow William at NAO <william.peplow@gov.mt>  
**Sent:** Wednesday, July 19, 2023 6:05 PM  
**To:** Mifsud Freddie at Screen Malta <freddie.mifsud@screenmalta.com>  
**Cc:** Grech Johann at Screen Malta <johann.grech@screenmalta.com>; Stafrace Alexia 1 at NAO <alexia.stafrace.1@gov.mt>; Calleja Gera George at NAO <gera@gov.mt>; Bugeja Sarah at NAO <sarah.f.bugeja@gov.mt>  
**Subject:** Re: NAO Audit - Outstanding Information

Grazzi Freddie. Speak soon  
William

Sent from [Outlook for Android](#)

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**From:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>  
**Sent:** Wednesday, July 19, 2023 4:43:51 PM

**To:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>

**Cc:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>

**Subject:** RE: NAO Audit - Outstanding Information

Dear William,

Trust all is well

Please find attached the majority of requested information / documentation

The remainder is being worked on and will be provided

Best

Freddie

---

**From:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>

**Sent:** Wednesday, July 5, 2023 7:24 AM

**To:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>

**Cc:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>

**Subject:** RE: NAO Audit - Outstanding Information

Thanks Freddie.

William

**William Peplow**

Assistant Auditor General  
Performance Audit Section

**National Audit Office**

Notre Dame Ravelin, Floriana FRN 1601, Malta

**Email:** [william.peplow@gov.mt](mailto:william.peplow@gov.mt)  
**Office:** +356 22055000  
**Direct:** +356 22055047



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**From:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>  
**Sent:** 04 July 2023 15:55  
**To:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>  
**Cc:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>  
**Subject:** RE: NAO Audit - Outstanding Information

Dear William,

Hope all is well

As discussed in our meeting, I am attaching the **draft** copy of the strategy document for your team's perusal. Please keep in mind this is not the final version. I will be published in month's to come.

We are compiling the remaining data and will revert

Very best

Freddie

**From:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>  
**Sent:** Thursday, June 22, 2023 11:08 AM  
**To:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>

**Cc:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>  
**Subject:** RE: NAO Audit - Outstanding Information

Dear Freddie

Further to the information exchanged in the below email, can you kindly confirm that other Government Ministries, Departments or Entities did not finance or subsidise in any way goods and services utilised for the Malta Film Week and Awards in 2022.

If MFC or MFS do not have any records to confirm the extent of contributions by other governmental entities, we may have to ask all ministries directly to provide such information. We need this confirmation to conclude the NAO's report pertaining to this event.

Feel free to contact us for any clarification please.

Regards

William

**William Peplow**

Assistant Auditor General  
Performance Audit Section

**National Audit Office**

Notre Dame Ravelin, Floriana FRN 1601, Malta



**Email:** [william.peplow@gov.mt](mailto:william.peplow@gov.mt)

**Office:** +356 22055000

**Direct:** +356 22055047



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**From:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>

**Sent:** 30 May 2023 16:20

**To:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>

**Cc:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>

**Subject:** RE: NAO Audit - Outstanding Information

Dear William

Hope all is well

Please find the Malta Film Commission's responses in [Blue](#)

We have gone through the latest batch of documentation which was forwarded to this Office on 25 April 2023.

However, we are still awaiting documentation and clarifications which we requested over a span of several months. The following refers:

- i. Discrepancies were observed in the provision of documentation from the Malta Film Commission. The same documentation that the MFC had provided at a point in time, tied to income (revenue sheet) and expenses (invoices), was sent again. The second time round it included additional income and expenses of which no mention was made.  
**We have revisited the documentation and submitted additional that were missed.**

**Does this mean that all of the documentation related to MFC's income and expenditure in conjunction with the Malta Film Week and Film Awards has now been referred to the NAO?**

**Please let us know if the NAO views anything as missing apart from all the documentation already submitted.**

- ii. This Office recently received again the same batch of invoices (expenses) with no reference by the Malta Film Commission to any changes made from the previous batch, which in total amount to approximately 70k more (difference). Within this context:

- Can you kindly confirm that this latest batch of invoices constitutes all the expenses incurred for the Malta Film Week by the Malta Film Commission and the Malta Film Studios?

**After the Malta Film Week, the figure of: €1,337,343.04 was published. The MFC has provided the invoices related to the figure.**

Are we correct to interpret this that the €1,337,343.04 is the total expenditure incurred by MFC for the Malta Film Week, including the awards?

It's the same figure as presented to Parliament, which figure corresponds to all the documentation submitted to your office

- Can you kindly confirm if there were any additional expenses which were incurred for the Malta Film Week by other Government ministries, Departments and Entities?

**The Malta Film Commission cannot comment on behalf of other entities.**

As a supplementary enquiry to your response, were there any goods and services which were utilised during the MFC that the Commission was not invoiced for? Did the MFC receive any goods and services which were paid for by other Governmental Entities?

We cannot comment or respond for or on behalf of other entities.

- If there were any other additional expenses, can you kindly indicate these?

As in the previous bullet please. If there were no additional expenses can you kindly indicate so?

iii. Furthermore, to date basic information and documentation requested by the NAO that should have aided or affected decision-making remains completely or partially pending. The following refers:

- The formally approved vision document (Strategy plan) that covered the period being audited, which is 2019-2022; **There is no official vision document covering this period. The MFC provided the Commissioner's vision speech which encompasses the vision of the MFC for the industry. The strategy 2030 is expected to be launched in the coming months.**
- The Annual Report for 2022; **As discussed a number of times, this is not available. It's still in process.**

**This will hinder performance audit work – we will have to find a way to work around this while still respecting auditing standards**

**Please tell us what data is required so we can provide it to you accordingly.**

- List of names that made up the Malta Film Commission Committee for the organisation of Film Week; **The Malta Film Commission has explained this numerous times, there was no committee. The MFC staff worked on this.**

Was the MFC Board involved in the strategic aspects and financial approvals of the Film Week and Film awards?

The MFC board was well aware of the Malta Film Week.

- Audited financial statements for 2020, 2021 and 2022; This was discussed, the MFC has audited accounts up until 2019. Audited accounts are in process. We are still waiting from the auditors.

When is it anticipated that the audited accounts will be available?

This will hinder performance audit work – we will have to find a way to work around this while still respecting auditing standards

The Malta Film Commission has been chasing the audit firm for over to 1 year now, as far as current email threads go back. We will keep on chasing the firm to expediate the matter and close off the audited accounts asap.

- Updated management accounts for 2022 as at end of year; The MFC provided this up until October 2022.

- A copy of all sponsorship agreements relating to the Malta Film Week; If contracts / agreements are not all available, can you please list? Both sponsorship agreements that are available were provided, with MTA and MGF. The rest we can provide the invoices.

Not sure that we understand how the invoices tie in with sponsorships. Does this imply that the these invoices were forwarded to sponsoring organisations for settlement?

Kindly clarify.

- A copy of all the barter agreements relating to the Malta Film Week; If contracts / agreements are not all available, can you please list? Companies that provided a significant (monetary) service through a barter are listed below:

Phoenicia

Forte Chauffeur Services

Iniala Hotel

Corinthia Hotel

Can you kindly provide (quantify) the services offered? Example (number of bed nights, number of chauffeur services, number of catering events etc.)

Did the provision of these services entail any obligation from MFC's side ( as would be implied by bartering)?

They offered their services free of charge.

These companies all suffered greatly during the COVID outbreak and the film industry kept their finances turning due to the influx of productions.

The Malta Film Commission provided them with marketing space and in some cases the CEO/GM of the company presented an award.

- Outstanding copies of quotations, approvals, contracts/ letters of engagement for certain services as requested in email dated 24<sup>th</sup> February 2023 (Honeycomb Ltd, Unique Promotions).  
Honeycomb is being attached.  
Unique Promotions carried out a very specific, artistic role – The Show Caller. It was also below €10,000 (Exc VAT) which falls within the Film Commissioner's remit to approve without the requirement of Direct Order documentation.
- Gaps in terms of invoices eg: moderators, guests, speakers, hairdressers, makeup artists, accommodation, food, transport – to this end we have forwarded an excel sheet where we requested MFC to complete.  
Documentation related to the Malta Film Week has been presented.

We understand that this is all the documentation – Is this correct?

Documentation related to the Malta Film Week has been presented.

- The total participants who attended each of the Film Week, together with the place of venue; We have also provided an excel sheet to be completed by MFC.  
Number of attendees for each masterclass below:
  - Vision – 95
  - Ecosystem - 29
  - Script – 35
  - Cameraman – 29
  - World Class – 38
  - Financing – 35
  - Art Business – 27
  - Film Education – 20
  - Entrepreneurship – 19
  - Screen Tourism – 17

- Breakdown – 12
- Modern VFX – 12
- DLTs – 31
- Gaming – 26
- One Shot – 41
  
- Joffe – 46
- Powell – 44
- Selling – 35
- Treverrow – 26

This information gap is precluding the NAO from fairly verifying the resources, expenditure and outputs invested in such a widely-publicised and criticised event. This ultimately implies that the NAO is not able to fulfil its mandate, especially when explicitly tasked to investigate such an event by stakeholders. This situation has also resulted in disruption to the NAO work programme, plans and resource allocation.

The absence of information is also hindering us from carrying out performance and value for money audit work associated with the MFC. This situation arises as information derived through interviews or informal documentation cannot be triangulated with official sources of information.

**The Malta Film Commission is formally putting in writing that it offered countless times to provide any documentation needed for the performance review as it most likely would have been readily-available information from MFC reports.**

**We acknowledge our meetings and the documentation offered. Nonetheless, these did not always fully answer our enquiries as noted by this list of questions and supplementary exchanges.**

The MFC presented the documentation that could be used for the Performance Audit as it was readily available information, however your questions focused only on the Malta Film Week. Please let us know what type / form of information you require for the performance audit.

**We completely disagree with comments in the above concluding statement.**

The absence of audited accounts and up to date management renders performance and value for money audits more complex and cumbersome. Moreover, the unavailability of information implies that NAO has to, in cases, work with assumptions, rather than reliable and official documentation.

We would appreciate if you have any questions relating to Performance so we can handle immediately. Any assumptions should be directed to and be cleared with the Malta Film Commission.

**We still look forward to receive your questions relating to the performance audit.**

For logistical purposes we will be embarking more deeply in the performance aspect once we make significant progress on this aspect of this audit as well as devising alternative approaches in view of the unavailability of certain information.

**The Malta Film Commission remains available.**

To this end we kindly request that the NAO is furnished with the outstanding information at your earliest opportunity, in any case not later than 10 May 2023. Unfortunately, after this date, due to other commitments, the NAO would be constrained to wrap-up this assignment and report accordingly.

Let me know should you need anything else

Very best

Freddie

---

**From:** Mifsud Freddie at Screen Malta  
**Sent:** Monday, May 22, 2023 11:14 AM  
**To:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>  
**Cc:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>  
**Subject:** RE: NAO Audit - Outstanding Information

Dear William

The Commissioner had to travel and will be returning later on today

We will be sending the replies to your queries later today or tomorrow

Thank you and very best

Freddie

---

**From:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>  
**Sent:** Monday, May 15, 2023 8:08 AM  
**To:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>  
**Cc:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Stafrace Alexia 1 at NAO

<[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>

**Subject:** FW: NAO Audit - Outstanding Information

Dear Freddie

Thanks for your email. We have some supplementary questions (below in the green text) to make sure that we fully understand your answers and their implications.

Regards

William

**William Peplow**  
Senior Manager

Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta



**Email:** [william.peplow@gov.mt](mailto:william.peplow@gov.mt)  
**Office:** +356 22055000  
**Direct:** +356 22055047



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**From:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>

**Sent:** 10 May 2023 18:27

**To:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>; Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Deguara Charles at NAO <[charles.deguara@gov.mt](mailto:charles.deguara@gov.mt)>; Camilleri Noel at NAO <[noel.camilleri@gov.mt](mailto:noel.camilleri@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>

Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>  
**Subject:** RE: NAO Audit - Outstanding Information

Dear William

Please find the queries and responses below:

We have gone through the latest batch of documentation which was forwarded to this Office on 25 April 2023.

However, we are still awaiting documentation and clarifications which we requested over a span of several months. The following refers:

- i. Discrepancies were observed in the provision of documentation from the Malta Film Commission. The same documentation that the MFC had provided at a point in time, tied to income (revenue sheet) and expenses (invoices), was sent again. The second time round it included additional income and expenses of which no mention was made.  
**We have revisited the documentation and submitted additional that were missed.**  
**Does this mean that all of the documentation related to MFC's income and expenditure in conjunction with the Malta Film Week and Film Awards has now been referred to the NAO?**
- ii. This Office recently received again the same batch of invoices (expenses) with no reference by the Malta Film Commission to any changes made from the previous batch, which in total amount to approximately 70k more (difference). Within this context:
  - Can you kindly confirm that this latest batch of invoices constitutes all the expenses incurred for the Malta Film Week by the Malta Film Commission and the Malta Film Studios?  
**After the Malta Film Week, the figure of: €1,337,343.04 was published. The MFC has provided the invoices related to the figure.**
  - **Are we correct to interpret this that the €1,337,343.04 is the total expenditure incurred by MFC for the Malta Film Week, including the awards?**
  - Can you kindly confirm if there were any additional expenses which were incurred for the Malta Film Week by other Government ministries, Departments and Entities?  
**The Malta Film Commission cannot comment on behalf of other entities.**

As a supplementary enquiry to your response, were there any goods and services which were utilised during the MFC that the Commission was not invoiced for? Did the MFC receive any goods and services which were paid for by other Governmental Entities?

- If there were any other additional expenses, can you kindly indicate these?

As in the previous bullet please. If there were no additional expenses can you kindly indicate so?

- iii. Furthermore, to date basic information and documentation requested by the NAO that should have aided or affected decision-making remains completely or partially pending. The following refers:
- The formally approved vision document (Strategy plan) that covered the period being audited, which is 2019-2022; **There is no official vision document covering this period. The MFC provided the Commissioner's vision speech which encompasses the vision of the MFC for the industry. The strategy 2030 is expected to be launched in the coming months.**
  - The Annual Report for 2022; **As discussed a number of times, this is not available. It's still in process.**

This will hinder performance audit work – we will have to find a way to work around this while still respecting auditing standards
  - List of names that made up the Malta Film Commission Committee for the organisation of Film Week; **The Malta Film Commission has explained this numerous times, there was no committee. The MFC staff worked on this.**

Was the MFC Board involved in the strategic aspects and financial approvals of the Film Week and Film awards?
  - Audited financial statements for 2020, 2021 and 2022; **This was discussed, the MFC has audited accounts up until 2019. Audited accounts are in process. We are still waiting from the auditors.**

When is it anticipated that the audited accounts will be available?

This will hinder performance audit work – we will have to find a way to work around this while still respecting auditing standards
  - Updated management accounts for 2022 as at end of year; **The MFC provided this up until October 2022.**

- A copy of all sponsorship agreements relating to the Malta Film Week; If contracts / agreements are not all available, can you please list? **Both sponsorship agreements that are available were provided, with MTA and MGF. The rest we can provide the invoices.**
- Not sure that we understand how the invoices tie in with sponsorships. Does this imply that the these invoices were forwarded to sponsoring organisations for settlement?
- A copy of all the barter agreements relating to the Malta Film Week; If contracts / agreements are not all available, can you please list? **Companies that provided a significant (monetary) service through a barter are listed below:**  
Phoenicia  
Forte Chauffeur Services  
Iniala Hotel  
Corinthia Hotel
- Can you kindly provide (quantify) the services offered? Example (number of bed nights, number of chauffer services, number of catering events etc.)  
Did the provision of these services entail any obligation from MFC's side ( as would be implied by bartering)?
- Outstanding copies of quotations, approvals, contracts/ letters of engagement for certain services as requested in email dated 24<sup>th</sup> February 2023 (Honeycomb Ltd, Unique Promotions).  
Honeycomb is being attached.  
Unique Promotions carried out a very specific, artistic role – The Show Caller. It was also below €10,000 (Exc VAT) which falls within the Film Commissioner's remit to approve without the requirement of Direct Order documentation.
- Gaps in terms of invoices eg: moderators, guests, speakers, hairdressers, makeup artists, accommodation, food, transport – to this end we have forwarded an excel sheet where we requested MFC to complete.  
**Documentation related to the Malta Film Week has been presented.**
- We understand that this is all the documentation – Is this correct?
- The total participants who attended each of the Film Week, together with the place of venue; We have also provided an excel sheet to be completed by MFC.
- **Number of attendees for each masterclass below:**
  - Vision – 95

- Ecosystem - 29
- Script – 35
- Cameraman – 29
  
- World Class – 38
- Financing – 35
- Art Business – 27
  
- Film Education – 20
- Entrepreneurship – 19
- Screen Tourism – 17
  
- Breakdown – 12
- Modern VFX – 12
- DLTs – 31
- Gaming – 26
- One Shot – 41
  
- Joffe – 46
- Powell – 44
- Selling – 35
- Treverrow – 26

This information gap is precluding the NAO from fairly verifying the resources, expenditure and outputs invested in such a widely-publicised and criticised event. This ultimately implies that the NAO is not able to fulfil its mandate, especially when explicitly tasked to investigate such an event by stakeholders. This situation has also resulted in disruption to the NAO work programme, plans and resource allocation.

The absence of information is also hindering us from carrying out performance and value for money audit work associated with the MFC. This situation arises as information derived through interviews or informal documentation cannot be triangulated with official sources of information.

The Malta Film Commission is formally putting in writing that it offered countless times to provide any documentation needed for the performance review as it most likely would have been readily-available information from MFC reports.

We acknowledge our meetings and the documentation offered. Nonetheless, these did not always fully answer our enquiries as noted by this list of questions and supplementary exchanges

We completely disagree with comments in the above concluding statement.

The absence of audited accounts and up to date management renders performance and value for money audits more complex and cumbersome. Moreover, the unavailability of information implies that NAO has to, in cases, work with assumptions, rather than reliable and official documentation.

**We still look forward to receive your questions relating to the performance audit.**

For logistical purposes we will be embarking more deeply in the performance aspect once we make significant progress on this aspect of this audit as well as devising alternative approaches in view of the unavailability of certain information.

To this end we kindly request that the NAO is furnished with the outstanding information at your earliest opportunity, in any case not later than 10 May 2023. Unfortunately, after this date, due to other commitments, the NAO would be constrained to wrap-up this assignment and report accordingly.

Thank you

Freddie

**From:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>

**Sent:** Wednesday, May 10, 2023 9:54 AM

**To:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>; Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Deguara Charles at NAO <[charles.deguara@gov.mt](mailto:charles.deguara@gov.mt)>; Camilleri Noel at NAO <[noel.camilleri@gov.mt](mailto:noel.camilleri@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>;

Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** RE: NAO Audit - Outstanding Information

Thank you Freddie.

Best regards

William

**William Peplow**

Senior Manager

Performance Audit Section

**National Audit Office**

Notre Dame Ravelin, Floriana FRN 1601, Malta

**Email:** [william.peplow@gov.mt](mailto:william.peplow@gov.mt)  
**Office:** +356 22055000  
**Direct:** +356 22055047



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**From:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>

**Sent:** 10 May 2023 09:48

**To:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>; Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Deguara Charles at NAO <[charles.deguara@gov.mt](mailto:charles.deguara@gov.mt)>; Camilleri Noel at NAO <[noel.camilleri@gov.mt](mailto:noel.camilleri@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>;

Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** RE: NAO Audit - Outstanding Information

Dear William,

You will have the Film Commission's feedback today

Thank you

Freddie

**From:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>

**Sent:** Friday, May 5, 2023 5:05 PM

**To:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>; Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Deguara Charles at NAO <[charles.deguara@gov.mt](mailto:charles.deguara@gov.mt)>; Camilleri Noel at NAO <[noel.camilleri@gov.mt](mailto:noel.camilleri@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>;

Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** Re: NAO Audit - Outstanding Information

Appreciated. Thank you Freddie  
William

Sent from [Outlook for Android](#)

**From:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>

**Sent:** Friday, May 5, 2023 5:03:44 PM

**To:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>; Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Deguara Charles at NAO <[charles.deguara@gov.mt](mailto:charles.deguara@gov.mt)>; Camilleri Noel at NAO <[noel.camilleri@gov.mt](mailto:noel.camilleri@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** RE: NAO Audit - Outstanding Information

Dear William,

Acknowledging the receipt of the below – We will revert

Best

Freddie

**From:** Peplow William at NAO <[william.peplow@gov.mt](mailto:william.peplow@gov.mt)>

**Sent:** Wednesday, May 3, 2023 4:42 PM

**To:** Grech Johann at Screen Malta <[johann.grech@screenmalta.com](mailto:johann.grech@screenmalta.com)>

**Cc:** Mifsud Freddie at Screen Malta <[freddie.mifsud@screenmalta.com](mailto:freddie.mifsud@screenmalta.com)>; Deguara Charles at NAO <[charles.deguara@gov.mt](mailto:charles.deguara@gov.mt)>; Camilleri Noel at NAO <[noel.camilleri@gov.mt](mailto:noel.camilleri@gov.mt)>; Calleja Gera George at NAO <[george.calleja-gera@gov.mt](mailto:george.calleja-gera@gov.mt)>; Bugeja Sarah at NAO <[sarah.f.bugeja@gov.mt](mailto:sarah.f.bugeja@gov.mt)>; Stafrace Alexia 1 at NAO <[alexia.stafrace.1@gov.mt](mailto:alexia.stafrace.1@gov.mt)>

**Subject:** NAO Audit - Outstanding Information

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However, we are still awaiting documentation and clarifications which we requested over a span of several months. The following refers:

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- ii. This Office recently received again the same batch of invoices (expenses) with no reference by the Malta Film Commission to any changes made from the previous batch, which in total amount to approximately 70k more (difference). Within this context:
  - Can you kindly confirm that this latest batch of invoices constitutes all the expenses incurred for the Malta Film Week by the Malta Film Commission and the Malta Film Studios?

- Can you kindly confirm if there were any additional expenses which were incurred for the Malta Film Week by other Government ministries, Departments and Entities?
  - If there were any other additional expenses, can you kindly indicate these?
- iii. Furthermore, to date basic information and documentation requested by the NAO that should have aided or affected decision-making remains completely or partially pending. The following refers:
- The formally approved vision document (Strategy plan) that covered the period being audited, which is 2019-2022;
  - The Annual Report for 2022;
  - List of names that made up the Malta Film Commission Committee for the organisation of Film Week;
  - Audited financial statements for 2020, 2021 and 2022;
  - Updated management accounts for 2022 as at end of year;
  - A copy of all sponsorship agreements relating to the Malta Film Week; If contracts / agreements are not all available, can you please list?
  - A copy of all the barter agreements relating to the Malta Film Week; If contracts / agreements are not all available, can you please list?
  - Outstanding copies of quotations, approvals, contracts/ letters of engagement for certain services as requested in email dated 24<sup>th</sup> February 2023 (Honeycomb Ltd, Unique Promotions).
  - Gaps in terms of invoices eg: moderators, guests, speakers, hairdressers, makeup artists, accommodation, food, transport – to this end we have forwarded an excel sheet where we requested MFC to complete.
  - The total participants who attended each of the Film Week, together with the place of venue; We have also provided an excel sheet to be completed by MFC.

This information gap is precluding the NAO from fairly verifying the resources, expenditure and outputs invested in such a widely-publicised and criticised event. This ultimately implies that the NAO is not able to fulfil its mandate, especially when explicitly tasked to investigate such an event by stakeholders. This situation has also resulted in disruption to the NAO work programme, plans and resource allocation.

The absence of information is also hindering us from carrying out performance and value for money audit work associated with the MFC. This situation arises as information derived through interviews or informal documentation cannot be triangulated with official sources of information.

To this end we kindly request that the NAO is furnished with the outstanding information at your earliest opportunity, in any case not later than 10 May 2023. Unfortunately, after this date, due to other commitments, the NAO would be constrained to wrap-up this assignment and report accordingly.

Best regards

William

**William Peplow**  
Senior Manager

Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta

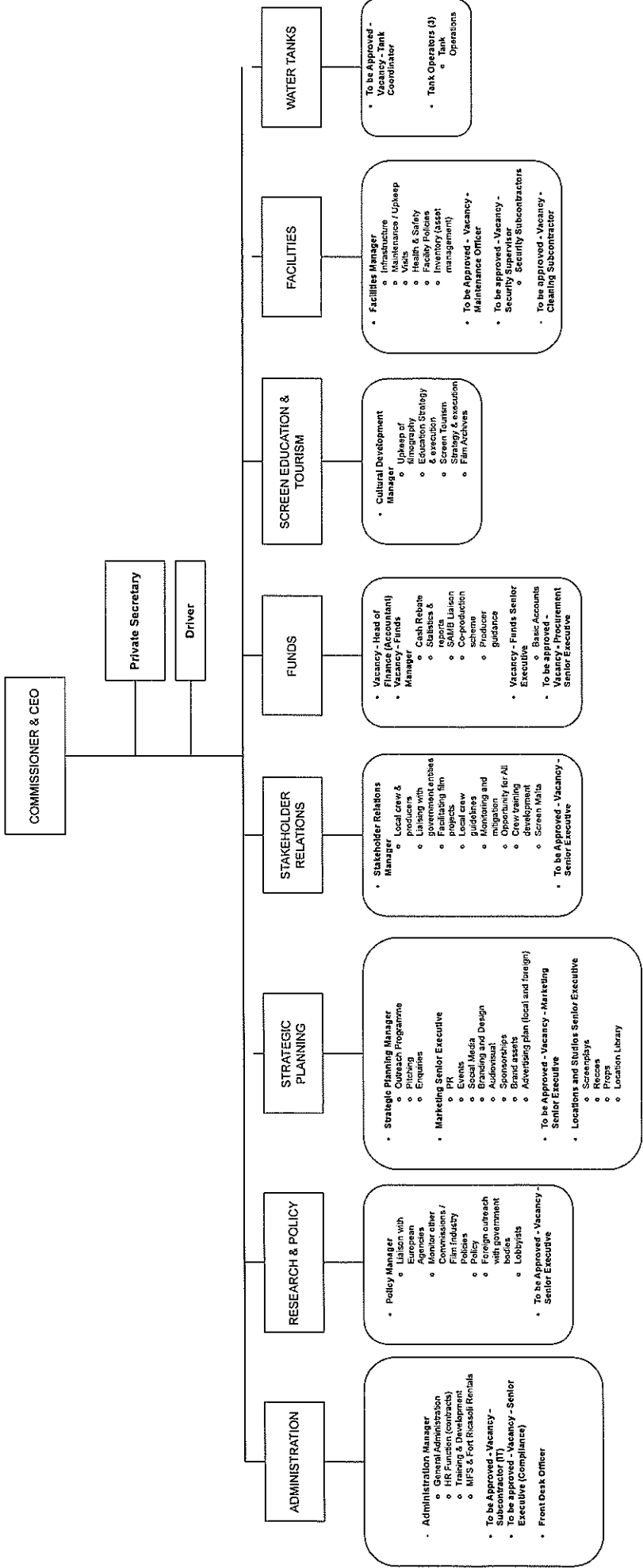


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**Office:** +356 22055000  
**Direct:** +356 22055047



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**Board Meeting**

01

**Date**

23/08/2022

**Time**

1500hrs

**Location**

Malta Film Studios, Kalkara

### Agenda

- 1 Introductory Remarks by Hon Bartolo - Minister for Tourism
- 2 Update on productions to date
- 3 Upcoming productions 2022/3
- 4 Potential markets 2022
- 5 MFS update
- 6 Falkun production: Carmen
- 7 Cash rebate new Programme 2022
- 8 Opportunity for all update
- X Other Matters

### Board Members

1	Chairperson	Ms. Beverly Cutajar	Present
2	Deputy Chairperson	Dr. Ryan Pace	Present
3	Board Member	Mr. Clint Bajada	Present
4	Board Member	Mr. Ayrton Mifsud	Present
5	Film Commissioner	Mr. Johann Grech	Present
6	Board Secretary	Mr. Sean Schembri	Present



2<sup>nd</sup> March, 2022

## Board Meeting Agenda

1. Malta Film Awards
2. Film Commissioner Performance Bonus

**Board Meeting**

01

**Date**

23/08/2022

**Time**

1500hrs

**Location**

Malta Film Studios, Kalkara

**Agenda**

- 1 Introductory Remarks by Hon Bartolo – Minister for Tourism
- 2 Update on productions to date
- 3 Upcoming productions 2022/3
- 4 Potential markets 2022
- 5 MFS update
- 6 Falkun production: Carmen
- 7 Cash rebate new Programme 2022
- 8 Opportunity for all update
- X Other Matters

**Board Members**

1	Chairperson	Ms. Beverly Cutajar	Present
2	Deputy Chairperson	Dr. Ryan Pace	Present
3	Board Member	Mr. Clint Bajada	Present
4	Board Member	Mr. Ayrton Mifsud	Present
5	Film Commissioner	Mr. Johann Grech	Present
6	Board Secretary	Mr. Sean Schembri	Present



2<sup>nd</sup> March, 2022

## Board Meeting Agenda

1. Malta Film Awards
2. Film Commissioner Performance Bonus

## **Calleja Gera George at NAO**

**From:** Azzopardi Maria at NAO  
**Sent:** Monday, September 9, 2024 1:52 PM  
**To:** Peplow William at NAO; Calleja Gera George at NAO; Bugeja Sarah at NAO  
**Subject:** FW: PART 1: Information and replies requested by the NAO on the Malta Film Commission  
**Attachments:** Malta Film Commission - January 2018 till August 2024 - 05 09 2024.pdf; MFC recruitment 2024 part 1.zip; MFC recruitment 2024 - part 4.zip; Questions put forward to MTP relating to the MFC.docx

### **Maria Azzopardi**

Audit Manager  
Performance Audit Section

### **National Audit Office**

Notre Dame Ravelin, Floriana FRN 1601, Malta



**Email:** [maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)

**Office:** +356 22055000

**Direct:** +356 22055086



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**From:** Pace Paul Joseph at MTP <[paul.j.pace@gov.mt](mailto:paul.j.pace@gov.mt)>  
**Sent:** 09 September 2024 13:02  
**To:** Azzopardi Maria at NAO <[maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)>

**Cc:** Gatt Anthony at MTP <[anthony.a.gatt@gov.mt](mailto:anthony.a.gatt@gov.mt)>; Cauchi Daniel Philip at MTP <[daniel-philip.cauchi@gov.mt](mailto:daniel-philip.cauchi@gov.mt)>; Sant Josette at MTP <[josette.sant@gov.mt](mailto:josette.sant@gov.mt)>  
**Subject:** PART 1: Information and replies requested by the NAO on the Malta Film Commission

Dear Ms Azzopardi

We spoke. I am attaching all related information and questions put forward by the NAO duly filled for your perusal. Kindly note that the information will be split into 2 emails in view that attachments are large in size.

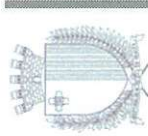
Let me know if you need anything else.

Regards

**Paul Joseph Pace**  
Director (Corporate Services)  
Corporate Services Directorate

t +356 22915430 e [paul.i.pace@gov.mt](mailto:paul.i.pace@gov.mt) | Chat on Teams  
[www.tourism.gov.mt](http://www.tourism.gov.mt) | [www.publicservice.gov.mt](http://www.publicservice.gov.mt) | [fb.com/servizzpubbliku](https://fb.com/servizzpubbliku)

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MINISTRY FOR TOURISM

233, REPUBLIC STREET, VALLETTA, MALTA

---

**From:** Cauchi Daniel Philip at MTP <[daniel-philip.cauchi@gov.mt](mailto:daniel-philip.cauchi@gov.mt)>

**Sent:** Monday, September 9, 2024 10:50 AM

**To:** Pace Paul Joseph at MTP <[paul.i.pace@gov.mt](mailto:paul.i.pace@gov.mt)>

**Cc:** Gatt Anthony at MTP <[anthony.a.gatt@gov.mt](mailto:anthony.a.gatt@gov.mt)>; Sant Josette at MTP <[josette.sant@gov.mt](mailto:josette.sant@gov.mt)>

**Subject:** PART 1: Information and replies requested by the NAO on the Malta Film Commission

Dear DCS

We spoke. I am attaching all related information including questions put forward by the NAO duly filled for your perusal. Kindly note that the information will be split into 2 emails in view that attachments are large in size.

Let me know if you need anything else.

Thanks  
Daniel

**Daniel Philip Cauchi**

Assistant Director  
Office of the Permanent Secretary

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233, REPUBLIC STREET, VALLETTA, MALTA



## **Calleja Gera George at NAO**

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**From:** Azzopardi Maria at NAO  
**Sent:** Monday, September 9, 2024 1:52 PM  
**To:** Peplow William at NAO; Calleja Gera George at NAO; Bugeja Sarah at NAO  
**Subject:** FW: PART 1: Information and replies requested by the NAO on the Malta Film Commission  
**Attachments:** Malta Film Commission - January 2018 till August 2024 - 05 09 2024.pdf; MFC recruitment 2024 part 1.zip; MFC recruitment 2024 - part 4.zip; Questions put forward to MTP relating to the MFC.docx

### **Maria Azzopardi**

Audit Manager  
Performance Audit Section

### **National Audit Office**

Notre Dame Ravelin, Floriana FRN 1601, Malta



**Email:** [maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)

**Office:** +356 22055000

**Direct:** +356 22055086



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**From:** Pace Paul Joseph at MTP <[paul.j.pace@gov.mt](mailto:paul.j.pace@gov.mt)>

**Sent:** 09 September 2024 13:02

**To:** Azzopardi Maria at NAO <[maria.k.azzopardi@gov.mt](mailto:maria.k.azzopardi@gov.mt)>

**Cc:** Gatt Anthony at MTP <[anthony.a.gatt@gov.mt](mailto:anthony.a.gatt@gov.mt)>; Cauchi Daniel Philip at MTP <[daniel-philip.cauchi@gov.mt](mailto:daniel-philip.cauchi@gov.mt)>; Sant Josette at MTP <[josette.sant@gov.mt](mailto:josette.sant@gov.mt)>  
**Subject:** PART 1: Information and replies requested by the NAO on the Malta Film Commission

Dear Ms Azzopardi

We spoke. I am attaching all related information and questions put forward by the NAO duly filled for your perusal. Kindly note that the information will be split into 2 emails in view that attachments are large in size.

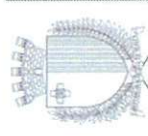
Let me know if you need anything else.

Regards

**Paul Joseph Pace**  
Director (Corporate Services)  
Corporate Services Directorate

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**From:** Cauchi Daniel Philip at MTP <[daniel-philip.cauchi@gov.mt](mailto:daniel-philip.cauchi@gov.mt)>

**Sent:** Monday, September 9, 2024 10:50 AM

**To:** Pace Paul Joseph at MTP <[paul.i.pace@gov.mt](mailto:paul.i.pace@gov.mt)>

**Cc:** Gatt Anthony at MTP <[anthony.a.gatt@gov.mt](mailto:anthony.a.gatt@gov.mt)>; Sant Josette at MTP <[josette.sant@gov.mt](mailto:josette.sant@gov.mt)>

**Subject:** PART 1: Information and replies requested by the NAO on the Malta Film Commission

Dear DCS

We spoke. I am attaching all related information including questions put forward by the NAO duly filled for your perusal. Kindly note that the information will be split into 2 emails in view that attachments are large in size.

Let me know if you need anything else.

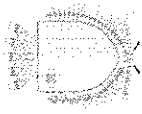
Thanks  
Daniel

**Daniel Philip Cauchi**

Assistant Director  
Office of the Permanent Secretary

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MFC Recruitment 2024							nao workings
Name	Entity	Type of call	Status	Internal	External		number of vacancies as at end 2024
Studio & Locations Manager	MFC	New Internal	Approval for internal call sent to MFC on 25/04/24	X			1
3 Tank Operators	MFC	Replacements of: Raymond Debono, Marcel Micallef & Jesmond Micallef.	Approved for external call sent to MFC on 01/03/2024	X			3
Senior Manager Stakeholder Relations	MFC	New Internal	Approval for internal call sent to MFC on 25/04/24	X			1
Projects Manager	MFC	New Internal	Approval for internal call sent to MFC on 25/04/24	X			1
Senior Executive, Procurement	MFC	New position approved by p&SD	Approval for internal call sent to MFC on 07/08/24. Comment added by Jude: awaiting DCS approval and then PS approval for external call.	X	X		1
Mechanical Officer	MFC	New internal	Approval for internal call sent to MFC on 07/08/24	X			1



Marketing Manager (Suppresses the call of a Senior Executive Cash rebates)	MFC	New position approved by P&SD	Approval for internal call sent to MFC on 02/04/24. Awaiting internal clearance.	X	X	1
Maintenance Officer	MFC	Internal	Approval for Internal call sent to MFC on 23/02/24	X		1
Head of Policy	MFC	Internal	Approval for internal call sent to MFC on 30/04/24	X		1
Head of Finance	MFC	New External approved by P&SD	Approval for internal call sent to MFC on 29.02.24. <b>Comment added by Jude: Approval to issue external call sent to MFC on 20/03/24.</b>	X	X	1
Chief Officer Finance	MFC	External Suppression of Head Finance	Approval for internal call sent to MFC on 12/08/24	X	X	1
Head of Facilities	MFC	Internal	Approval sent to MFC on 30/04/24	X		1
Funds Manager X2	MFC	New headcount approved by P&SD	Approval for internal call sent to MFC on 23/08/24. Awaiting internal clearance.	X	X	2
Senior Manager Festival	MFC	New Internal	Approval for internal call sent to MFC on 25/04/24	X		1



Cash Rebates Manager	MFC	New External approved by P&SD	Comment added by Jude: Approval for internal call sent to MFC on 15/04/24. Approval for external call sent to MFC on 30/04/24	X	X	1
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**total 18**



## Azzopardi Maria at NAO

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**From:** Azzopardi Maria at NAO  
**Sent:** 22 August 2024 09:31  
**To:** Grech Johann at Screen Malta  
**Cc:** Buttigieg Matthias at Screen Malta; Bugeja Sarah at NAO; Calleja Gera George at NAO; Peplow William at NAO  
**Subject:** Re: NAO Audit

Dear Johann

First of all we wish to thank you for the valuable information exchanged during this weeks' meeting.

Further to this meeting, we would appreciate if you could forward us the following documentation:

- Management accounts for 2022 and 2023;
- Latest correspondence between MFC engaged accountants and auditors regarding the audited financial statements;
- Annual or multi-annual budgetary plans/statements for the year 2022 (MFA / MFW) and other documentation as submitted to MFIN in relation to 2022 budget;
- A copy of the documentation submitted to MTA regarding the Malta Film Week sponsorship;
- Copy of any documentation in relation to the engagement of auditors to audit the cash rebate scheme (eg guidelines, call, training and list of available auditors);
- Copy of the documentation submitted to the State Aid Board regarding the 2024 allocation of funds recently awarded by the EU Commission;
- List of MoU's signed by the present film commissioner and a copy of the same documents;
- List of capital investments undertaken at MFC / MFS during 2022 to date (to include cost of investment).

In view of the tight publication schedule, we would appreciate if you could forward the above documentation by 30 August 2024.

Should you require any clarification, please feel free to contact the undersigned.

Kind regards

Maria

### **Maria Azzopardi**

Audit Manager  
Performance Audit Section

**National Audit Office**  
Notre Dame Ravelin, Floriana FRN 1601, Malta



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