

**ANNUAL
REPORT**
2017



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Sharon Camenzuli - Board Secretary (appointed on 1 September 2017)



LABOUR MARKET DEVELOPMENTS IN 2017

Gainfully Occupied Population

The labour supply reached the figure of 193,810 persons in June 2017, representing an increase of 4.9% over June 2016. This was the net result of an increase in the full-time gainfully occupied population (10,001 persons) and a drop in registered unemployment (1,009 persons).

Between June 2016 and June 2017, the number of full-time employed persons increased by 5.5%, whilst the number of part-time employed increased by 4.4%. Significant increases in employment were recorded in the following sectors: Administrative & Support Service Activities, Public Administrative & Support Service Activities and Art, Entertainment & Recreation.

The number of persons employed on a full-time basis in the private sector reached the figure of 145,657 persons in June 2017, therefore representing an increase of 8,634 persons over the same month in 2016. Full-time employment in the public sector increased by 1,367 persons. The number of full-time self-employed persons increased by 703. Full-time employment for males and females increased by 4.4% and 7.5% respectively.

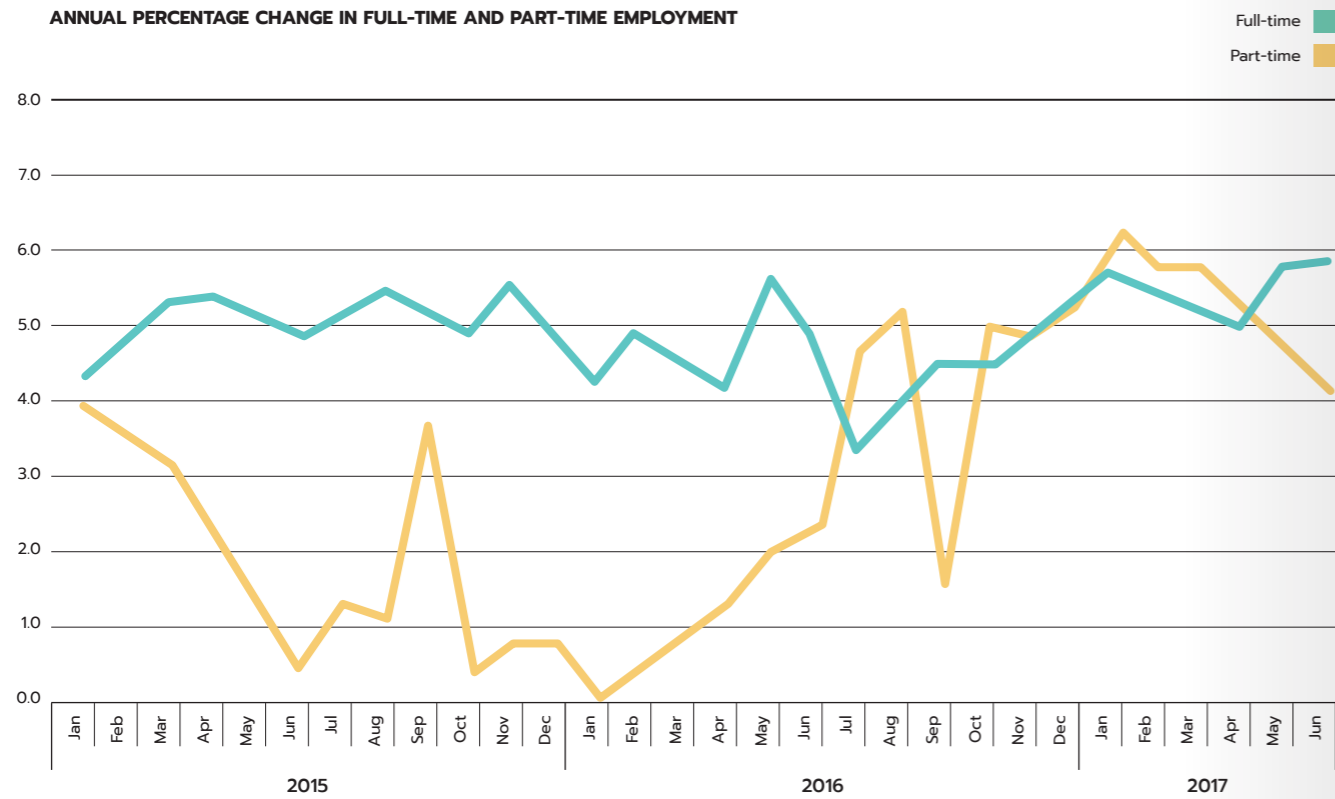
Part-time Employment

In June 2017, the number of persons having a part-time job as their primary job was 35,761; that is, an increase of 348 persons or 1% over June 2016. The number of part-time employees who also had a full-time job amounted to 25,659, which represents an increase of 2,260 persons or 9.6%. Total part-time employment reached the figure of 61,330 persons in June 2017.

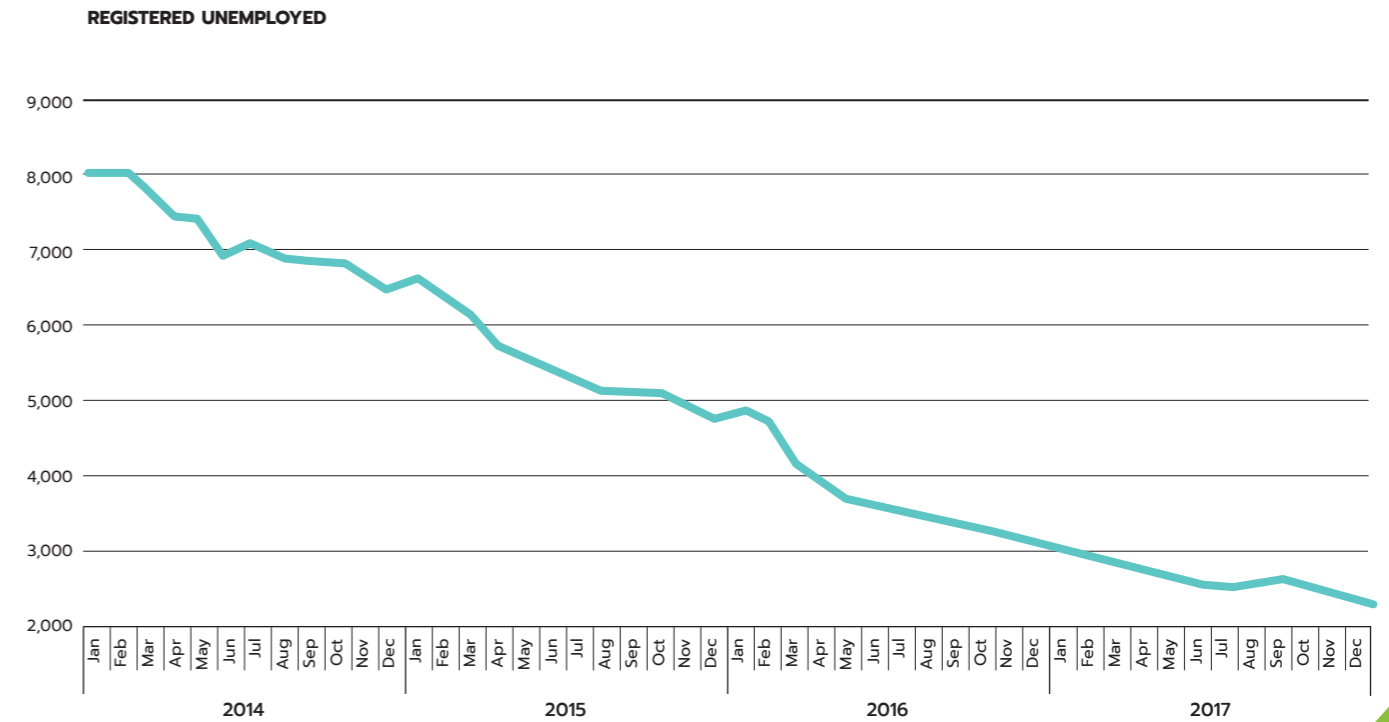
The wholesale and retail trade; repair of motor vehicles and motorcycles; professional, scientific and technical activities; and administrative and support service activities were the sectors that contributed most to the overall increase in part-time employment.

The chart below shows the expansion of both full-time and part-time employment between January 2015 and June 2017.

ANNUAL PERCENTAGE CHANGE IN FULL-TIME AND PART-TIME EMPLOYMENT



REGISTERED UNEMPLOYED



Registered Unemployment

The number of registered jobseekers amounted to 2,167 persons at the end of December 2017. Males accounted for 70.7% of total registered unemployment.

There was a drop in the number of registered jobseekers of 25.6% between December 2016 and the corresponding month in 2017. The cumulative decline was brought about by a decrease of 702 persons registering under Part I, and a decrease of 43 persons registering under Part II of the unemployment register.

The duration of unemployment decreased for all groups with the largest decrease recorded among persons who had been registering for less than 21 weeks. The number of persons with a disability who were registering for work also decreased due to the many measures explained later in this report.

The chart below shows the trend in registered unemployment from January 2014 to December 2017.



EU AFFAIRS, LABOUR MARKET ANALYSIS AND EMPLOYERS' SERVICES

Training Services

COURSES

In 2017, 4,209 individuals started a course with Jobsplus. The Corporation offers courses free of charge in employability skills; literacy; numeracy and digital skills; office skills; caring skills; sales skills; trade skills; first aid; and food handling. Employed persons, registering unemployed, and inactive persons are eligible to join any of Jobsplus' courses.


Over the past year, more than 60% of the trainees trained by Jobsplus were employed persons.

In 2017, almost 81% of the trainees managed to complete the course successfully.

Training Design and Accreditation:

Jobsplus continued working towards obtaining accreditation for its courses. In 2017, following the revision and introduction of new National Occupational Standards, accreditation or re-accreditation of the following courses was sought:

FORMERLY ACCREDITED COURSE		FORMERLY ACCREDITED COURSE	
Previous Course Name	Previous MQF Level	Revised Course Name	New MQF Level
VET Award in Childcare (0-5 years)	4	VET Award in Childcare (0-3 years)	4
VET Award Foundation in Tile Laying	2	VET Award as Assistant Tile Layer	2
VET Award in Plastering	2	VET Award for Plasterer (still awaiting re-accreditation)	3
VET Award in Private Guard Security Services (Refresher)	2	N/A	



In addition, following the feedback received from Jobsplus' part-time trainers and employers, the Corporation sought the accreditation of a new specifically designed course offering a placement under the VET Award in Care Workers for the Elderly. This new Award in Basic English for Care Workers aims to help those who work in the care industry - and for whom English is not their first language - to communicate better in a healthcare setting by improving their spoken communication, vocabulary, grammar and pronunciation. This course has been approved at MQF level 2 and will be available later this year.

Furthermore, three courses run by the Inclusive Employment Services Division for vulnerable persons were re-designed and submitted for accreditation. Following confirmation of accreditation, these courses will eventually be pegged at MQF level 1. Unlike Jobsplus' homegrown courses, the delivery of these courses will be entrusted to an external service provider, which subsequently has to abide by the same quality standards set for homegrown courses.

QUALITY ASSURANCE

The Training Quality Assurance Unit performed eighty-one checks (46 course visits, 27 placement visits and eight assessment visits) on Jobsplus' homegrown courses. The Unit also performed desk-based checks on all course files. These checks are performed prior to the processing of trainers' payments and the issuing of trainees' certificates.

Besides designing and monitoring Jobsplus' homegrown courses, checks on the courses designed and delivered under the Work Programme Initiative were undertaken. This involved checking the trainers' eligibility; reviewing and approving course outline; course notes; course presentations; and any other training material developed by the Contractors, as well as performing unannounced visits.

TRADE TESTING

Among the various initiatives offered, Jobsplus continued to run the Trade Testing system. Persons who apply for trade testing would have acquired the knowledge, skills and competence in a particular occupation through non-formal and informal learning but have no formal qualification to prove their competence. A number of requests for assessment in several occupations were received; such as care work, gardening, woodwork, welding, rubble wall building, stonemasonry and car mechanics.

In addition to these occupations, throughout 2017, Jobsplus also carried out trade testing in plumbing, plastering, tile laying and electrical fitting. Persons assessed in these occupations were those who applied for the skills card with the Building Industry Consultative Council, and were submitted for trade testing as part of the process.

In 2017, a total of 358 persons were trade tested.



TRAINING SCHEMES

In 2017, Jobsplus continued to offer three training related schemes which are part-financed by the European Social Fund (ESF); namely the Traineeship, Work Exposure, and Work Placement schemes. These schemes are intended to facilitate transition into employment by providing jobseekers with initial hands-on training that will help them obtain the knowledge, skills and competences required to find and retain employment.

The following table illustrates the number of persons placed in 2017 per scheme, and the trainees' status as at end December 2017:

Scheme	FORMERLY ACCREDITED COURSE		FORMERLY ACCREDITED COURSE
	Placed	Started	Successfully completed
Traineeship Scheme	154	134	100 <i>(28 of these started in 2016)</i>
Work Exposure Scheme	155	145	105 <i>(18 of these started in 2016)</i>
Work Placement Scheme	48	47	43 <i>(14 of these started in 2016)</i>

On the 27th March 2017, Jobsplus launched the Training Pays Scheme. This scheme, which is also co-financed through ESF, offers a financial subsidy to those individuals who choose to enhance their educational attainment by following a course that is pegged between MQF levels 1 to 5, and which is offered by a Licensed Training Service Provider. To be eligible for the grant; that is equivalent to 75% of the cost of training capped at €1,000; a person must fulfill the eligibility criteria and successfully complete a Jobsplus course. The course for which funding is being sought must not be offered by Jobsplus. In 2017, Jobsplus received 53 applications under this scheme. Out of these applications, six were not accepted due to missing documentation or late submission; 27 were deemed as eligible for funding; six were rejected since eligibility criteria were not fulfilled; four were withdrawn by the applicant; and 10 were still pending evaluation. The total value of funds committed in 2017 amounts to €17,076.

The Corporation also administers the Average Wage Earners Scheme, which is funded through national funds. This scheme offers a training allowance to employed persons who successfully complete a Jobsplus' course, and whose basic weekly salary does not exceed €300. To be entitled for this weekly allowance of €25 per week, a trainee needs to attend at least four hours of training. In 2017, Jobsplus received 322 applications out of which 299 (93%) were approved for payment. The total value of funds disbursed in 2017 stood at €75,875.



Employer Relations

The Employer Relations Unit continued vetting the online accounts of Jobsplus' employers. In 2017, the Unit received 2,254 requests for vetting. 1,981 (88%) of these accounts have been activated, 168 (7%) have been rejected, and 105 (5%) are still pending vetting.

Staff within the Employers Relations Unit continued to hold one-to-one meetings with employers operating in various sectors. No less than 3,038 employers were contacted, with 1,357 of them also being visited. Furthermore, Jobsplus reached out to 401 employers that are either the sister companies of the employer visited, or are companies that are serviced by the same accountant. The main sectors that were targeted and visited in 2017 were: accommodation and food service activities; wholesale and retail trade, and repair of motor vehicles and motorcycles; financial, insurance and real estate; professional, scientific and technical activities; and administrative and support service activities.



As a result of these visits, there were:

- 459 vacancies submitted during or right after the visit;
- 428 employers who registered on the Jobsplus' website immediately after or during the visit;
- 23 employers who showed an interest in employing persons with a disability;
- 656 employers who showed an interest in Jobsplus' initiatives and schemes, such as Investing in Skills, Access to Employment, Traineeships, Work Exposure, Youth Guarantee, Job Brokerage and Training Pays;
- 182 employers who stated that they were unable to find the right employees needed for the job.

In 2017, the Employer Relations Unit participated in a number of employers' fora organised by or with social partners, with the aim of disseminating information about the services offered by Jobsplus. In addition, since July 2017 the Unit started collecting feedback from employers in relation to their difficulties in recruitment staff; remuneration packages offered to their employees; vacancies that might arise in the upcoming year; type of skills needed; and future skills required. Data which is currently being collected will also be used by the Training Design and Quality Assurance Unit to determine which new courses Jobsplus should offer to better address the needs of its employers.

Monitoring of Training and Work Exposure Schemes

One of the main functions of the Monitoring Unit is to evaluate and monitor the various schemes which are managed by Jobsplus. These include the Work Exposure Scheme, Traineeship Scheme, Work Placement Scheme, Youth Guarantee, and the Work Programme Initiative. This is mainly done by conducting visits to both employers and participants at the work place or during training sessions. During 2017, a total of 1,761 visits were held in Malta and Gozo, of which 833 were announced while 928 were unannounced.

These monitoring visits serve as an opportunity to observe participants during their work exposure or training sessions, monitor placements, and gather feedback from participating employers and jobseekers. Another aspect of these visits is conducting interviews and exit questionnaires, both with employers and participants. Through this process, Jobsplus is able to gather a comprehensive picture of what is happening within the social and economic spheres of both employers and trainees during the course of their respective scheme. The aim of the exit questionnaire is to highlight any pending issues revolving throughout the scheme, as well as improve its labour integrative schemes and policies.



Labour Market Intelligence and Human Resources Information

The Labour Market Intelligence Unit endeavours to provide timely labour market information. This unit and the Human Resources Information Unit form a direct link in the information chain and work towards labour market information updates, in the shortest time possible, whilst additionally issuing revisions of employment data on a regular basis.

Human Resource Information Unit (HRIU)¹

During the first half of 2017 the HRIU focused on finalising the checking of Jobsplus data pertaining to private sector employees; a project that had started in 2016. This process resulted in obtaining 31% feedback (51,780 forms received from 164,606 employees contacted).

As from June onwards, the main strategy for HRIU was to consolidate operations and improve the quality of the data. To this effect, a number of projects were initiated (which are still in progress), which included:

- Cleaning of provisional records - this entailed contacting employers to recoup engagement and termination forms of persons who were previously employed with them and which were never received at Jobsplus, resulting in incomplete employment histories. This project covers the cleaning of over 3,300 provisional engagements, and over 32,300 provisional terminations.
- Removal of records pertaining to persons aged over 70 years and still in employment – there are approximately 1,500 records of such persons found in Jobsplus administrative data, and that require validation and confirmation as to whether they are still in employment.
- Pending send-back data – there are over 11,300 send-back documents still pending in the system (covering the period 2013-17) which require follow-up. These cases pertain to employment forms having missing information or proper documentation prior to the actual processing of such forms in the HRIU system.

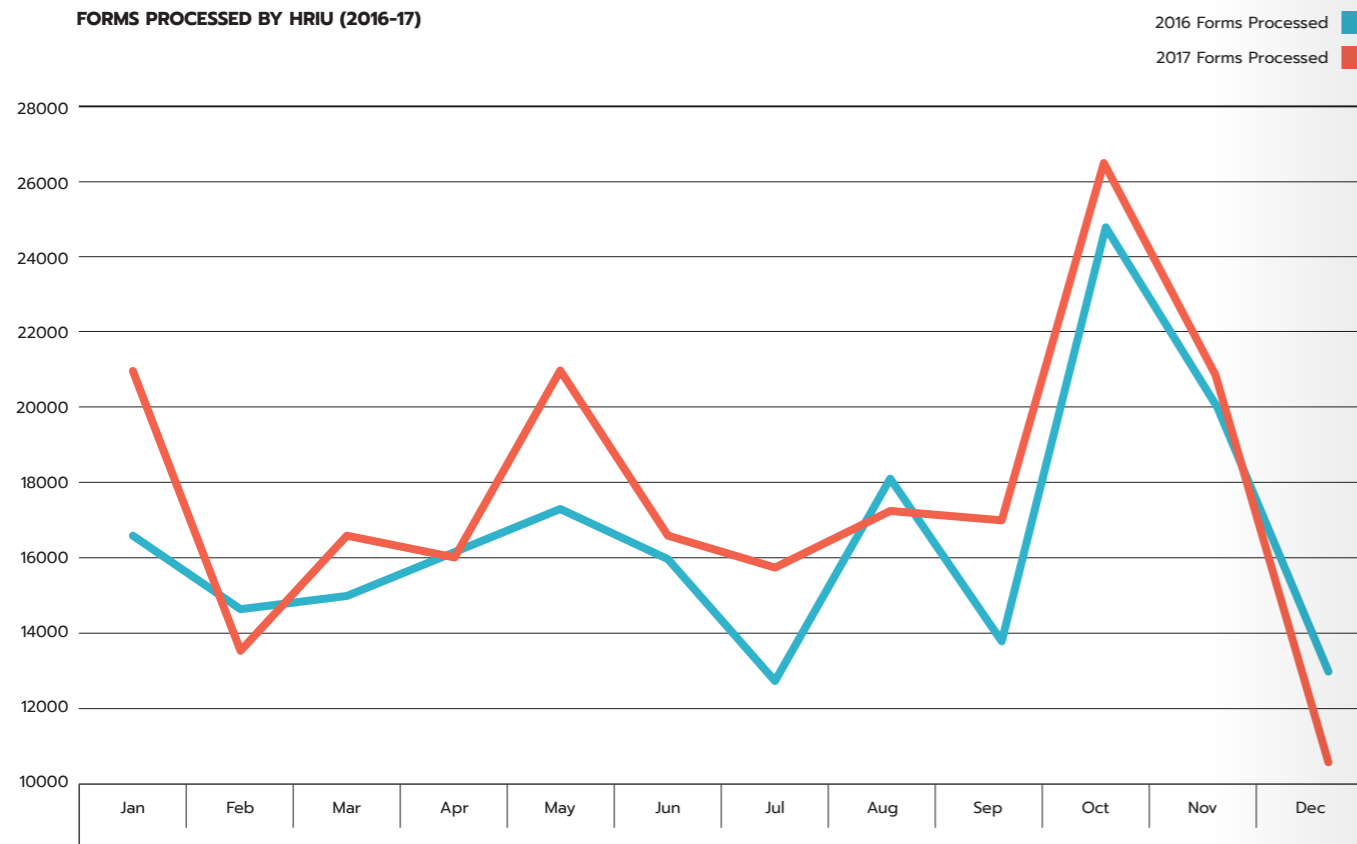
The HRIU, through the Document Management initiative, continued with the scanning of its engagement and termination forms. Until the end of December 2017, all forms received by Jobsplus in the period 1994-2016 were scanned and electronically stored. Currently, the scanning of the workbooks that were issued by the Department of Labour and Emigration between 1974 and 1994 are also being scanned for eventual upload.

¹ All quoted figures are cumulative or average figures from January to December 2017.

To simplify matters for the general public and reduce bureaucracy, a number of meetings were held with Malta Enterprise and MITA so as to design e-forms aimed at assisting employers in filling the required information to register employments with all interested public bodies in the shortest time possible. During such meetings, an enhancement of the Sole Trader application module was discussed so as to automate the process, thus considerably reducing the process currently entailed by HRIU (to collate all the information from three different sites) and to create the necessary engagement form. Furthermore, in order to expedite the processing of forms at Jobsplus outposts, clients requiring the urgent input of information can be serviced directly by Job Centre staff members, while all other forms are to be dispatched to HRIU for eventual processing.

An average of circa 17,800 engagement and termination forms were processed every month – 57% of which originated from Jobsplus’ website. Total forms processed in 2017 amounted to approximately 213,268 forms, which is 7% (+14,314 forms) more than those processed during 2016.

FORMS PROCESSED BY HRIU (2016-17)



Source: HRIS database

LABOUR MARKET INFORMATION UNIT

The Labour Market Information Unit (LMI) published monthly un/employment statistics through the National Statistics Office news releases.

During this operational year, over 740 requests for information were replied to – originating from public entities, research units, Parliamentary questions and from other Jobsplus units.

The LMI Unit contributes regularly or periodically to other projects, including:

- Data published on Jobsplus web-portal – The Unit produces and updates time series data on the Corporation’s website on four main areas, namely employment; unemployment; foreign nationals; and vacancies. This information is available for the general public to download as an Excel file or PDF document.
- European PES Network: operational performance data for Malta’s Public Employment Service is also recorded in information collated by the European PES Network. Data tabulations are prepared and uploaded directly to their website.





Labour Market Analysis Unit

EU Monitoring Frameworks

One of the responsibilities of the Labour Market Analysis Unit is to carry out a number of data collection exercises in line with EU monitoring frameworks, namely:

- **LTU Monitoring Exercise:** As part of the Council Recommendation of February 2016 on the *Integration of the long-term Unemployed into the Labour Market*, Jobsplus is requested by the European Commission to conduct a data collection exercise on a yearly basis, relating to the assessment and monitoring of such a recommendation.
- **Youth Guarantee Monitoring Exercise:** Following the Council Recommendation *Establishing a Youth Guarantee* (2013) which indicates that regular monitoring leads to the successful implementation of Youth Guarantee schemes, an indicator framework for monitoring the Youth Guarantee was established. Such framework comprises indicators related to three levels: aggregate, direct, and follow-up monitoring.
- **Labour Market Policy (LMP) Database Exercise:** The scope of this LMP database covers all labour market interventions which are in some way explicitly targeted at groups of persons with difficulties in the labour market – specifically unemployed, inactive and employed at risk. To this end, Jobsplus is requested to report, on an annual basis, both quantitative (mainly data on participants and expenditure) and qualitative data (clearly describing the eligibility criteria of schemes, how the schemes work, sources of funding, etc.) on all interventions/schemes falling within this remit.

In view of the above, Jobsplus collates all the necessary data, processes the data as outlined in such frameworks, and submits the data accordingly to the EU Commission on an annual basis for each respective data collection exercise.

ECONOMIC ANALYSIS

Furthermore, the Labour Market Analysis Unit undertakes studies relating to specific labour market topics, such as the influx of foreign workers in Malta. Given Malta's economic growth and demand for labour; by far outstripping the supply of labour; the inflow of foreign workers in Malta is expected to keep on increasing in the coming years whilst retention of current foreigners working in Malta is also key. Moreover, Jobsplus forms part of the V18 Foundation's Evaluation & Monitoring Steering Committee. As part of this committee, Jobsplus is required to carry out an analysis of the impact the investment and management in V18 have on employment in Malta's Cultural and Creative Industries. Such analysis will be based on a number of statistical indicators to establish changes in the employment structure in Cultural and Creative Industries pre- and during Valletta 2018.

JOBSPLUS RESEARCH STUDIES

One of the benchmarking indicators established by the European Public Employment Services Network in the Europe 2020 Strategy is customer satisfaction. To measure this indicator, the Labour Market Analysis Unit conducted an Employers' Satisfaction Survey, and is currently conducting a Jobseekers' Satisfaction Survey.

The Employers' Satisfaction Survey was conducted with employers who made use of Jobsplus' services between the year 2015 and the first quarter of 2016, as well as employers who did not make use of Jobsplus' services between 2013 and Q1 2016 but had used such services some other time nonetheless. This survey focused on the services which were offered during the year 2015, and was mainly based on the overall satisfaction with Jobsplus' services; satisfaction with on-line services; and satisfaction with the quality of placement/counselling services.

Findings indicate that the majority of employers (71.4%) who participated in this survey stated that they used the services offered by Jobsplus in the preceding 12 months. 73% of employers who stated that they did not make use of the services claimed that the reason for not utilising Jobsplus' services was that they did not need such a service. Overall, employers were highly satisfied with PES services. More than 90% of employers were satisfied with the quality of on-line services. Three out of four employers stated that PES services have improved overall in the past year, with an overwhelming majority considering using PES services in the future.

The Jobseekers' Satisfaction Survey is being carried out using different questionnaires for each service in order to better gauge the feedback by users of specific services. Therefore, data is being sought on registration and advisory services, inclusive employment services, training services and EURES. Data collection is currently in its final phase. Analysis is expected to be finalised in the second quarter of 2018.

AD HOC RESEARCH REQUESTS

The Labour Market Analysis Unit receives ad hoc requests from students, private researchers, and companies for which Jobsplus' Research Policy applies. Requests include the provision of statistical data for research purposes, and/or requests to access Jobsplus customers, and/or Jobsplus employees for research purposes. The Labour Market Analysis Unit acts as the primary focal point.





European Affairs Unit

Throughout 2017, the EU Affairs Unit sustained its contribution to national and EU policy by providing feedback on EU documentation related to the European Semester such as the Country Report, the Employment Performance Monitor, the Annual Growth Survey, and the Joint Employment Report. Other topics covered during the European Semester included the future of work, up-skilling, lifelong learning, integration of third-country nationals, and free movement of workers.

On the 26th April 2017, the European Commission presented the European Pillar of Social Rights based on twenty key principles and rights, with the aim of supporting fair and well-functioning labour markets and welfare systems. The EU Affairs Unit furnished Government Ministries with its position on this initiative. The Unit also provided feedback on European documentation, including Directives and their prospective transposition into Maltese legislation, Council Conclusions, and proposals for Regulations as well as other government documents. Additionally, the Corporation has been asked to reply to a number of ILO Conventions. Jobsplus' involvement in the reforms adopted during the reference year to address the country-specific recommendations and key employment challenges submitted by the European Commission, continued in 2017.

During the first six months of 2017, Malta held the rotating Presidency of the Council of the European Union. Jobsplus hosted the Informal Employment Committee in April, and the Managing Board of Public Employment Services in June. Throughout the Presidency, Malta was tasked with the preparation of official documentation and in this regard, Jobsplus was entrusted with the preparation of the Council Conclusions on Making Work Pay. In March and November of 2017, two European Commission missions to Malta took place for which Jobsplus prepared feedback to questions submitted by the Commission, and attended to bi-lateral meetings.

The EU Affairs Unit has also played an active role in representing the Maltese government on the EU Commission Employment Committee and its sub-groups. Jobsplus officials also attended EU meetings in relation to the Network of Heads of Public Employment Services, the EURES Committee, as well as the Technical and Advisory Committee on Free Movement of Workers.



EMPLOYMENT SERVICES DIVISION

Registration Services

Jobseekers interested in registering with Jobsplus (be they new or repeat registrants) may do so by visiting one of the various Job Centres. Once registered, a person is allocated an employment Advisor, and the first appointment is scheduled to take place within two weeks of registration through a newly installed IT-supported appointment system.

On the first encounter, Employment Advisors, together with the clients, draw up a Personal Action Plan (PAP). This multi-level programme offers jobseekers systematic practical support aimed at empowering and preparing them for employment. The PAP involves agreeing on specific activities that the registrant needs to perform and then report upon during the next appointment. This process repeats itself fortnightly.

Between January and December 2017, a total of 13,446 registrations took place. Of the 10,627 unique jobseekers that made use of Jobsplus' registration services, 3,238 were new service users.

At the end of December 2017, there were only 2,167 Registrants on Parts 1 and 2 of the register for Malta and Gozo. This represents a drop of 745 persons over the same month in 2016.

Between January and December 2017, 14,688 website accounts were accepted, and 13,336 accounts were rejected (out of which 11,479 were automatically rejected as the user failed to upload the necessary documents). 906 website accounts were still pending (of which 215 were awaiting activation, 607 pending documents, and 84 awaiting Jobsplus).



Jobseekers' Advisory Services

Between January and December 2017, employment advisors drew up 2,342 new personal action plans for registered jobseekers, and conducted 5,647 personal action plan reviews. 2,015 registered jobseekers were referred for training. Apart from dealing with registered jobseekers, the Corporation's employment advisors took an active role during five career days which were held in collaboration with a private entity. They also assisted in interventions and re-employment of persons affected by mass redundancy.

Jobsplus increased its collaboration with schools with the aim of strengthening the bridge between secondary school, continued education at post-secondary/tertiary education and work. Twelve bespoke school interventions were held. A number of information sessions for youth were also organized in cooperation with Aġenzija Żgħażaġh and Youth.Inc.

In 2017, the Jobseekers' Advisory Services launched outreach services targeting two groups of jobseekers which were not being reached. One aims to outreach and offer guidance and support to job changers (these are clients who are already in employment but would like to find alternative employment), and the other to outreach and offer guidance to beneficiaries of subsidiary protection and other migrant groups.

Employment advisors engaged with over 2,000 persons interested in changing their job. Over 200 migrants were contacted, and around 120 of these were interested in the guidance service offered by Jobsplus.

In line with the Government's commitment to set up a Job Brokerage Office for migrants, with the aim of tackling the problem of irregular work and exploitation of migrant workers, Jobsplus opened such an office in May 2017. The service facilitates short-term employment placements between employers and interested migrants. Over 480 migrants showed interest in this service, and 175 migrants were placed in short-term employment. Six of these migrants were retained in full-time employment.

Jobsplus also established a working group with NGOs, which aims to discuss and where possible tackle issues relating to migrants and employment. The same group also aims to facilitate service enhancements and increase collaboration with migrants.

Recruitment Services and Schemes

In 2017, 23,673 private sector vacancies were notified to Jobsplus, 9,514 of which were vacancies received online. 85 customised recruitment services were provided during the year. A further 4,807 vacancies were received from public sector entities according to the provisions of Article 15 Chapter 343 of the Laws of Malta.

5,065 persons were placed in employment by Jobsplus or through Jobsplus agreements/contracts with partners. 4,243 persons were placed with public sector entities, and 822 with private sector employers.

278 employer applications were received and processed this year for the Mature Workers Scheme. At end December 2017, the workforce of Community Work Scheme Enterprise Foundation amounted to 671 employees, of which 56 also had additional part-time jobs.



EURES Malta

In 2017, Jobsplus started promoting EURES services to different client groups in order to increase the visibility of EURES. These include EU nationals who are registering as unemployed in Malta, EU Nationals who create an account on the Jobsplus website while living abroad, and EU Nationals who have taken up employment in Malta for the first time.

515 vacancies were processed by EURES Malta. 5,800 CVs were received for the various vacancies, which resulted in 64 placements. 1,131 jobseekers and 323 employers were serviced.

During 2017, the EURES Malta Facebook page continued to be one of EURES Malta's main query and outreach tools. This page now has more than 7,000 'likes'.

The EURES team participated in a targeted event about Living and Working in Malta in Puglia, Italy that was organised with the support of our Italian colleagues. The EURES team also participated in various online recruitment fairs and information sessions, with the aim of attracting qualified persons to Malta.

During 2017, the EURES National Coordination Office focussed on the implementation of the EURES Regulation (EU 2016/589) and the preparation of processes and frameworks that will enable the successful implementation of aspects of the Regulation in 2018. Work also continued with regard to the technical groundwork required to implement the interoperability aspect of the Regulation, whereby EURES Malta is requested to send vacancy and CV data to the EURES Portal.

Employment Licences

The Employment Licences Unit continued to simplify its procedures to assist employers to employ third country nationals to meet their recruitment needs. Prospective employers of low skilled Third Country Nationals could submit a Declaration of Suitability confirming the suitability of the applicants. This exemption applies only to low skilled professions, including cleaners; room attendants; machine operators; waiters; nannies; housekeepers; labourers and plasterers.

To further encourage and facilitate the recruitment of Beneficiaries of Protection, Jobsplus is offering such applicants the possibility of applying for an Employment Licence, which is valid until the expiry date of their protection certificate. Employment Licences may now be issued for a period of more than one year for such applicants.

The Employment Licences Unit has also launched the Secondary Employment scheme, whereby Third Country Nationals who are already in possession of a Single Residence/Work Permit or an Employment Licence for a primary job, may now submit a secondary application for part-time employment. Such applications may be exempt from certain aspects of the Labour Market Test.

Jobsplus processed a total of 20,931 applications for Single Permit Applications or Employment Licences during 2017.

Law Compliance

Throughout the year 2017, the Law Compliance Unit focused its inspections on larger scale businesses and activities. 3,539 inspections were carried out, and these resulted in the identification of 2,432 law infringements. Six joint inspections were held with the Immigration Police in accordance with duties and responsibilities laid down in the Sanctions Directive 2009/52/EC. Even though instances of human trafficking were not detected, a number of employers were arraigned by the Executive Police to answer for breaches against the Immigration Act.

The Law Compliance Unit was called to present evidence in respect of 11 court sittings, during which 460 cases were presented and 353 cases were processed.

1,173 jobseekers were removed from the register during 2017.

Free Childcare Scheme

The Free Childcare Scheme was launched in April 2014, whereby Government provides free childcare services to parents/guardians who work or who are pursuing their education. The childcare service is offered through the Registered Childcare Centres. The concept behind the scheme is to create ideal conditions for an enhanced work-family life balance, and stimulate an increased participation of women in the workforce: an important pillar for economic growth and sustainability.

Since the introduction of the scheme, over 12,000 children aged between 0 to 3 years have benefitted from free care at any particular month. As a result, the number of childcare centres which are currently providing their services as part of the Free Childcare Scheme has risen from 69 in April 2014 to 112 by the end of 2017; 88 percent of which are privately owned.

2017 marked the first full year of the scheme's operations under the remit of Jobsplus. Throughout the year, 5,939 children made use of the Free Childcare Scheme at any particular month, out of which 3,025 were new applicants. The Free Childcare office received a total of 3,323 new applications, processed a total of 21,369 change requests, and issued payments to centres amounting to a total of €15.6 million.

In order to optimise the quality of the service being offered, the Quality Control Unit was set up in order to conduct rigorous monitoring checks. These checks included a series of unannounced site visits covering all the childcare centres which were completed throughout Q3 and Q4 of 2017. A cross-matching exercise was also conducted against Jobsplus records to verify the employment status of parents with active applications. In cases where discrepancies were noted, emails to the respective parents' childcare centres were sent out in order for them to regularise their position.

Finally, during 2017, the yearly absence entitlement has been streamlined to a global figure of 25 percent of the monthly booked hours, rather than 10 percent for each month and a 15 percent annually. This was done in order to simplify the process for both parents as well as centres.

The Free Childcare Scheme is contributing towards the social and economic infrastructure. With the number of mothers in the labour market steadily increasing, this is leading to higher state contributions and reduced dependency on state welfare. The Scheme also has a positive effect on increased investment in human capital, and helps prevent the transmission of inequalities since the labour market will be more gender-balanced.

Youth Guarantee

The Youth Guarantee scheme is an ESF-funded project aimed at providing young people between 16-25 opportunities to enter the job market or to re-enter the educational stream. The project houses four initiatives: the SEC Preventive Classes, MCAST Preventive Classes, the ICT Summer Courses and the NEET Activation Scheme II.

The SEC Preventive Classes are offered for free to students who have not passed the May sittings of their SEC examinations in the following subjects: Mathematics, Maltese, English, Physics and Biology. Similarly, the MCAST Classes provided revision lessons for students at MCAST in Foundation levels 1 through 3, as well as for certain VET subjects. The ICT Summer Courses are targeted mainly towards students attending ALP, and include the standard ECDL course and an MQF level 2 ICT course. The NEET Activation Scheme II provides youths between 16-25 years of age the opportunity to benefit from tailored training and psychosocial support, as well as a work experience that will help them enter into the job market.

Throughout 2017, 553 participants benefitted from the SEC Preventive Classes initiative, with 460 registering a marked improvement. While in 2016 only three centres offered these classes, a new centre was added in Mosta to provide a better service offering to students in the north of Malta. Additionally, students were offered the possibility of benefitting from revision classes in Biology, which was not offered in 2016. Several research projects were also carried out, which culminated in a report and toolkit for teachers working within the initiative. These materials were launched in a conference held in July 2017.

111 students made use of the MCAST Preventive classes initiative offered by Youth Guarantee, with 91 achieving full qualification or progressing in the course. The service was optimised throughout 2017 by offering students the possibility to receive revision lessons for VET subjects, which was previously not available.

The ICT Summer Courses initiative saw a major overhaul throughout 2017, with the addition of an MQF level 2 course which provided a more practical and hands-on experience for those who would find the ECDL experience too difficult. This resulted in an increase in the number of students who attained a certificate at Level 3, which amounted to 24, and at Level 2 which totaled 47. The total number of applicants for this initiative was 81.

The NEET Activation Scheme II was launched in the last quarter of 2016, and has had 21 training groups throughout 2017. Three training groups were held in Gozo, while the remaining 18 were held in Malta. The scheme has profiled 189 youths with 70 participants achieving a training certificate accredited at MQF Level 2. Moreover, 42 participants successfully finished the scheme completely. At the end of November 2017, the status of several participants who did not continue the scheme was investigated and it was reported that more than 50% were in either education or employment.

Throughout 2017, the Youth Guarantee team participated in seven student fairs organised at different colleges around Malta and Gozo, as part of the outreach activities. The office also organised various meetings with psychosocial teams which resulted in the establishment of a referral system through the career and guidance professionals. This system will ensure that students nearing the end of obligatory schooling and who are unlikely to continue in education would receive support in finding employment through the scheme, thus reducing the risk of becoming NEETs. Additionally, proposals are being studied to upgrade the current tripartite profiling mechanism to a more nuanced system in order to further support participants.

Work Programme

During 2017, 215 Work Programme contracts were signed, and 215 participants were profiled. Out of these 215 participants, 143 participants were female and the remaining 72 were male. 206 of those profiled were Maltese residents whilst the other nine were Gozitan.

205 participants attended a total of 1,180 course instances. 146 participants who finished their mandatory training course as required by the tender regulations were placed in employment.

From the beginning of the project until end 2017, 2,364 participants were referred to participate in the initiative. Out of those, 1,384 Work Programme contracts were signed (935 males and 449 females). Since 2015, 1,356 profiles were carried out and 983 participants started a training course, amounting to 2,659 course instance. Up until end 2017, there were 260 placements after mandatory training and 242 placements before mandatory training, adding up to 502 placements, distributed amongst 391 participants.





INCLUSIVE EMPLOYMENT SERVICES

Vulnerable Groups

Jobsplus continued to offer support to both vulnerable jobseekers and employers in order to obtain more vacancies for this client group, as well as offer the necessary support during the recruitment process and employment. As at end December 2017, the number of vulnerable jobseekers placed in employment was 233, of whom 76 individuals were undergoing a rehabilitation programme with CARITAS and OASI. During 2017, a total of 4,719 personal action plans were developed and reviewed with jobseekers; 94 of these individuals also underwent a motivational interview with the Occupational Therapist. Jobsplus continued to work with the Detox Centre and the Corradino Correctional Facility, whereby 151 individuals were profiled, assisted in their job search and referred to a work exposure opportunity.

Furthermore, in collaboration with FSWS, Jobsplus commenced its outreach with LEAP clients in order to offer a better service to the most needy in our society. Officers from the Inclusive Employment Services Division are providing guidance to individuals benefiting from the FEAD and SFFD schemes within the community at the LEAP offices. Through the Get into Program, which is part of the Prince's Trust International in collaboration with Aġenzija Żgħażaġh, HSBC and Intercontinental Hotel, Jobsplus referred and assisted a group of vulnerable youths, of whom five successfully completed the programme and were placed in employment.

The Vulnerable Groups Unit is participating in a Migrant Working Group hosted by Jobsplus in collaboration with representatives from the UNHCR, JRS and ADITUS to extend its services to vulnerable migrants who are ex-substance abusers, under the detoxification treatment, have legal barriers, and others with socio-economic difficulties.

LEAP 2 Enterprise Scheme

Jobsplus together with FSWS collaborated with Malta Enterprise on the LEAP 2 Enterprise pilot project. This project offers financial aid in the form of a grant to encourage vulnerable job seekers to start their own business.

Lino Spiteri Foundation (LSF)

During the second year of its operation, LSF continued to offer support to companies and individuals to facilitate the employment of persons with disabilities through its three primary service streams: profiling and guidance, corporate relations, and job coaching.

Profiling and guidance services continued to be offered to support unemployed registered disabled persons, even through liaison with other external agencies, to assist clients who require more attention and assistance and to facilitate the referral streams of new registrants.

By the end of 2017, the Corporate Relations Team had conducted a total of 675 visits to various companies, which generated 225 vacancies. LSF has been directly responsible for the employment of 92 individuals and indirectly for more than another 120 individuals, whilst concrete support at the workplace has been provided to circa 300 persons with a disability. Around 27,000 hours of job coaching were provided to support individuals in attaining or maintaining their employment throughout the year.

In 2017, LSF supported clients that had previously received intensive job coaching with follow on plans, aimed at assisting clients in retaining their jobs. Job coaches were also involved in preparing and supporting the clients prior to specific roles. Ongoing job coaching services have been provided within the Headstart Programme, in which more individuals continued to be enrolled.

The Jobsplus document management project with the involvement of 8 public entities receiving document management services employed 49 persons with disability. In 2017, LSF continued to provide job coaching services to all these employees as necessary.

In general, during 2017 LSF placed emphasis on the employment retention of clients whilst also continuing to create new employment opportunities for more individuals.

Medical and Occupational Therapist Assessments

In 2017, the Jobsplus medical officer undertook the assessment of 386 persons of which 356 had their name entered in the Persons with Disability Register. The occupational therapist conducted 617 assessments of vulnerable jobseekers and of Jobsplus-registered persons with disability.

Exemption of the employer's share of the national insurance contribution and fiscal incentive scheme

Apart from the services and support provided to the private industry prior and during the employment of persons with disability, Jobsplus processed 207 applications for the exemption of the employer's part of the National Insurance Contribution. Another 46 applications were received for the fiscal incentive scheme from different employers, for the reimbursement of 25% of the basic wage up to a maximum €4500 of 101 employees registered as persons with disability.

In relation to the 2% employment of persons with disability quota, in 2017 Jobsplus commenced the collection of the contribution due by those employers that were not in line in 2015/2016. In this regard, invoices have been issued to different private companies whereby as at end December 2017, over 400 paid the contribution due. However, 150 companies did not align themselves with this Legislation and Jobsplus will be taking legal action against them.

Bridging the Gap Scheme

During 2017, 75 persons with disability and 52 vulnerable jobseekers benefited from the Bridging the Gap Scheme. Out of the total of 127 disadvantaged participants, 68% were employed upon conclusion of the scheme.

VASTE Project

In August 2017, Jobsplus and its partner, the Lino Spiteri Foundation, launched the VASTE Project. This €11 million project is part funded through ESF 2014-2020. All the activities within this project are aimed to facilitate the entry in employment of persons with disability and vulnerable persons. Among other services, it includes professional assessments and specific training to prepare these individuals for work, such as Sheltered Employment Training and Pre-Employment Training. The former enabled 45 persons with disability to receive work-related practical training under the supervision of job coaches, whilst pre-employment training was offered to 138 vulnerable jobseekers, including persons with disability. The Lino Spiteri Foundation is supporting this project through job coaching services during both work exposure and employment.



EU-FUNDED SCHEMES DIVISION

The EU-funded Schemes Division is responsible for the administration and implementation of two schemes: the Access to Employment Scheme and the Investing in Skills Scheme. Both Schemes are co-financed by the European Social Fund (Programming Period 2014-2020), the Maltese Government, and Employers.

During 2017, Jobsplus continued to simplify the processing of both schemes by requesting less documentation. It also ensured that regular checks are carried out during the implementation of both schemes.

Access to Employment Scheme

The Access to Employment Scheme, which has a total budget of €12 million, provides employment aid to enterprises in Malta and Gozo to promote the recruitment of disadvantaged categories among both jobseekers and inactive persons.

As at end December 2017, 1,058 applications were received in respect of 1,165 participants from 530 different employers. This resulted in a total of 769 valid grant agreements having a budget of approximately €5,154,500.

Of the 769 persons recruited into employment during the period 2014-2017, 323 were Gozitan, 355 were women, 73 were persons above 55 years of age, 210 were persons who have been unemployed/inactive for more than 24 months and 225 were registered disabled persons. A total of €2 million, that is 40% of the amounts committed, have been paid to 335 different employers by the end of the year.

Unannounced visits are being conducted on a regular basis at the beneficiary's premises to ensure that the activity being subsidised is actually taking place. To date, a total of 2,510 monitoring visits were conducted at 527 different employer establishments.

Investing in Skills

The Investing in Skills Scheme was launched on the 29th March 2017, with a budget of €8m. This scheme supports employers that wish to provide training to their workforce by offering a part-refund of the costs involved.

Out of the 385 applications that were submitted by 158 different employers, 227 of these applications remained valid as at end December 2017. These applications derived from 102 different employers requesting training aid for 2,439 persons, for a total value of €464,000. 179 regular monitoring visits, of which 92% were unannounced, were carried out during the implementation of the training programmes.

Jobsplus continued to simplify the Investing in Skills Scheme further by introducing additional simplifications at payment stage. Applications that were submitted from the 1st of December 2017 onwards will no longer require the invoice and proof of payment to be presented at reimbursement stage. Therefore, payments will be processed by applying the Standard Scale of Unit Cost of €25/hour against certified attendance sheets.





CORPORATE MATTERS

People Management

During 2017 Jobsplus and the Union Haddiema Maqgħudin Voice of the Workers closed negotiations and signed a new Collective Agreement for employees for the period 2017-2021. The new Collective Agreement not only brings about improved working conditions, but also provides additional opportunities for career advancement to employees.

Jobsplus channeled considerable investment towards the personal and professional development of its employees. Staff training was mainly provided through the Institute for Public Services. The mean number of training days per employee reached 16.1 days which is greater than that of last year which read 7.2 days. The total number of training hours delivered were 4,983; greater than that of 2016 which read 2,499 hours. The Skills Passport System was re-activated and staff members were presented with all the courses that they did during the year on an individual basis. Figure 3 shows the number of training hours provided to Jobsplus employees between 2012 and 2017.

A number of dress-down days were organized throughout the year with all proceedings going to an earmarked charitable institution, as decided by the Jobsplus Sports and Social Club Committee. The beneficiaries during 2017 were Hospice Malta, Pink October and John XXIII Peace Lab Hal Far. A number of activities were organized, and these included the collection of used clothes and bottle caps, cultural heritage visits, sports tournament, subsidized gym memberships and Christmas activities.

Since Jobsplus maintains databases containing personal data, the protection of this data continued to be given high importance. Preparations were made in late 2017 for the execution of an external audit to determine whether Jobsplus policies and procedures are in line with the General Data Protection Regulation.

The function of the Health and Safety Committee continued throughout 2017. An employees' representative was appointed on the committee, following an internal Corporate-wide call amongst all staff members. Management decided to rope in external health and safety officers to focus on general risk assessments and fire drills at Jobsplus. Risk assessment audits took place to identify hazards, and in a way address cost savings by preventing any accidents to occur. A number of fire drills were also conducted at various Jobsplus sites. All fire extinguishers were tested and maintained on a regular basis. This also included health and safety kits and fire extinguishers in all Jobsplus vehicles.

Information and Communication Technology

As part of the ongoing efforts to further enhance the operations within the Corporation's Employment Services Division, three new software applications have been developed in-house by the Corporation's ICT software team. The new software applications that have been developed are an appointment system, a strike offs system, and a queuing system. These projects entailed a thorough requirements gathering process and understanding of the department's needs, which involved in-depth discussions with the stakeholders involved, and subsequent analysis, design, development and testing of the systems.

New enhancements aimed at improving the matching experience and providing further matching flexibility to users have been implemented within the Corporation's job-matching system. This entailed discussions and meetings both with the Corporation's Employment Services Division and the job-matching contractor abroad. Implemented changes are mainly related to driving licences, language proficiency, occupations and related experience and competencies matching. In addition, a major upgrade has also been effected on the Elise core job-matching system software.

It is with great pleasure that we mention that during the year 2017 Jobsplus managed to win the prestigious award for the Best e-Government initiative. This award is in relation to the Corporation's state of the art website and job-matching system that were launched during the middle of the previous year.

With the aim of further improving the Corporation's portal user interface experience and providing additional functionalities within the portal to our esteemed clients, the ICT team embarked on a project involving the implementation of several changes and features within the portal. These changes and new features are based on feedback received from our clients and internal stakeholders. This project involved the setup of a detailed support and maintenance contract with the contractor; continuous discussions with contractor; in-house software development, including changes in the database structure and changes within the web integration services; and thorough testing of the changes before their final deployment.

Several changes have also been implemented within the Corporation's HRIU system that are required at business operations level, namely related to the tracking of nationality, citizenship, and localities. These involved major changes both at UI level and system integration development. In addition, a project related to the scanning of employment forms has been undertaken by Jobsplus, whereby the ICT team has worked on the creation of a repository structure and uploading of available scanned documents, which will eventually be linked to the employment records within the HRIU system.

During the year 2017, the ICT team embarked on a challenging project pertaining to the EURES Interoperability, which is a European project aimed at creating an interconnected labour market across Europe. The Jobsplus ICT team remit is related to the software development works for data transformation. This project entails various tasks, including extraction of data from the Jobsplus internal system; transformation; loading of data into intermediate repositories, and generation of new formats of data to be able to be uploaded onto the central European matching platform; and the setup of an in-house virtual machine server to host the complete application that will be utilized during the whole process. The data transformation software development works started to be executed during the year 2017, and are expected to be completed by mid-2018.

One other challenging project relates to e-Government services. This project entails the conversion of all pdf-format documents into electronically filled forms, and the workflow e-Form conversions pertaining to the Business First project. Business First is a national project aimed at facilitating business start-ups in Malta, and the Jobsplus ICT team is working on the development of web services required to integrate the Business First portal functionalities to the internal systems of Jobsplus.

An ongoing project is the upgrading of the operating systems and Microsoft Office software of the users' workstations. This involves the procurement of the required software, its installation and migration of the users' data from the old environment to the new environment.

Several new workstations have been procured to replace the old workstations of Jobsplus' employees. In addition, sixty new workstations were procured to replace old workstations within the Training Skills complex. This entailed the installation, software setup, and migrations to the new workstations.

During 2017, the team was also responsible for the installation of the networking and hardware peripherals of the new Job Brokerage office that has been setup by Jobsplus in Marsa. Additionally, several network components have been replaced and upgraded at the Birkirkara and Valletta job centres.

Given the Corporation's high dependence on the networking infrastructure, the bandwidth of the fibre link that is available between MITA and Jobsplus was upgraded. New core backbone network hardware has been procured to strengthen the redundancy of its core network backbone architecture, with the plan to have this hardware installed during 2018. Furthermore, the Corporation's networking monitoring tool was expanded to monitor the ICT hardware and software systems, considered as critical for the continuation of the Corporation's operations. A technical document on data services was drawn up, which will eventually be used as a basis for the procurement of data services provision.

Procurement and Purchasing Control

In 2017, the Procurement and Purchase Control Unit published thirteen calls for tenders amounting to €1,010,515 excluding VAT. These calls included both locally funded and partly ESF-funded calls for tenders. All tenders with a budget estimate between €10,000 and €250,000 (excluding VAT) were published through the Ministerial Procurement Unit.

Call for tenders where the budget exceeded €250,000 (excluding VAT) were published through the Department of Contracts. From these calls, nine calls for tenders were awarded, amounting to €500,115 (excluding VAT). Two calls were cancelled, one of which was re-issued and is currently being evaluated.



REPORT AND FINANCIAL STATEMENTS

31 December 2017

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2017.

Directors

In accordance with Section 6 subsection (5) of the Employment and Training Services Act, 1990, the Board of Directors shall be appointed for a period of one year and the members of the previous board are eligible for reappointment.

The following have served on the Board of Directors of the Corporation during the year under review:

Mr Clyde Caruana - *Chairperson*

Ms Alexandra Gatt - *Deputy Chairperson*
(appointed on 1 July 2016)

Ms Gabriella Calleja

Mr James Pearsall

Mr Anglu Fenech

Mr Josef Bugeja

Mr Gaetano Tanti

Mr Joseph Farrugia

Mr Frank V. Farrugia

Mrs Marie Grech Caruana

Ms Abigail Psaila Mamo

Mr Oliver Scicluna

Ms Marietta Cassar *(appointed on 1 September 2017)*

Mr Michael Grech *(appointed on 1 September 2017)*

Ms Ingrid Vella Scerri *(appointed on 1 September 2017)*

Mr Andrew Triganza-Scott *(appointed on 1 September 2017)*

Dr Tanya Sammut Bonnici - *Deputy Chairperson*
(resigned on 1 September 2017)

Dr Marie-Elise Agius *(resigned on 1 September 2017)*

Dr Mario Brincat *(resigned on 1 September 2017)*

Mr Emanuel Darmanin *(resigned on 1 September 2017)*

Ms Sharon Camenzuli - *Board Secretary*
(appointed on 1 September 2017)

Mr Andrew Triganza-Scott - *Board Secretary*
(resigned on 1 September 2017)

The term of office of the current Board of Directors extends to 17 May 2017.

Principal activities

Jobsplus has functioned since 3 August 1990 as Malta's national employment service. By keeping a register of jobseekers and by engaging in the matching of job vacancies with jobseekers, a register of persons in employment is also kept to supply data on Malta's gainfully occupied population. It engages in the implementation of active measures in the form of employment and training programmes and schemes with the aim of assisting job seekers to find gainful employment. Job search assistance and training is also extended to persons already in employment to contribute towards the upgrading of the skills portfolio of the workforce.

Jobsplus is an active member of the European Network of Public Employment Services (PES) whose mission statement reads:

"PUBLIC EMPLOYMENT SERVICES AS PUBLIC SERVICES HAVE A SPECIFIC ROLE IN THE LABOUR MARKET: THEY DELIVER SERVICES FREE OF CHARGE TO JOBSEEKERS (BOTH UNEMPLOYED AND JOB CHANGERS) AS WELL AS TO EMPLOYERS, WHICH AIM TO BRING JOBSEEKERS AND VACANCIES TOGETHER, AND ALSO CONTRIBUTE TO IMPROVED TRANSPARENCY IN THE LABOUR MARKET. THEY PLAY THIS SPECIFIC ROLE AMONG OTHER ACTORS."

In improving the functioning of the labour market within which it operates, any PES member shall set national targets and outcomes which will benefit directly their Jobseeker and Employer customers, and which meet the requirements established by Government. A PES member should contribute to:

- the development of labour market policy through the provision and analysis of relevant labour market information and trends
- the appropriate implementation of labour market policies
- improved dissemination of employment opportunities
- a decrease in unemployment through active engagement with jobseekers
- a reduction in bottlenecks and mismatches in the labour market
- an increase in labour market participation rates and employment
- helping the disadvantaged and the more marginalised jobseekers into the active labour market
- engage in partnerships with other relevant organisations
- engage in continuous development of staff skills.

The PES mission statement identifies the strategies to be adopted to reach the above objectives as being: customer focus, early identification and intervention to reduce unemployment spells, modernising service delivery through self-service facilities, partnerships and networking, effectiveness and quality of services. The activities of the Corporation must remain consistent with such Mission Statement for the foreseeable future.

Results

The Corporation based its expenditure for the year under review on its budgetary expenditure as approved by Parliament.

During the year, the Corporation continued to adopt International Financial Reporting Standards in its presentation of the financial statements. These standards do not allow disclosure of reserve utilization in the income and expenditure account.

The Corporation is reporting an excess of income over expenditure for the year of € 2,014,211 (2016: € 844,910) which when added from the reserves brought forward from the previous year amounting to € 1,620,539 leaves a balance of € 3,634,750 in reserves accumulated at the end of the financial year.

The result for the year is arrived after considering Government subvention received amounting to € 21,519,831 (2016: € 18,000,000), Corporation expenditure amounting to € 21,325,082 (2016: € 17,468,510) and Corporation earned income amounting to € 1,819,462 (2016: € 313,420).

Disclosure of information to the auditor

At the date of making this report, the directors confirm the following:

- As far as each director is aware, there is no relevant information needed by the independent auditor in connection with preparing the audit report of which the independent auditor is unaware, and
- The directors have taken all steps that they ought to have taken as a directors in order to make themselves aware of any relevant information needed by the independent auditor in connection with preparing their report and to establish that the independent auditor is aware of that information.

Events after the reporting period

There were no particular important events affecting the Corporation which occurred since the end of the reporting period.

Responsibilities of the Board of Directors

The Employment and Training Services Act, 1990 Section 20(1) requires the Corporation to keep proper books of accounts and other records in respect of its operations and to prepare a statement of accounts in respect of each financial year.

The Board of Directors is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Corporation and to enable them to ensure that the financial statements have been properly prepared in accordance with the requirements of International Financial Reporting Standards as adopted by the EU. This responsibility

includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. They are also responsible for safeguarding the assets of the Corporation and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The auditor Grant Thornton has intimated its willingness to continue in office.

This report was approved and authorized for issue by the Board of Directors on 16 February 2018, and signed on its behalf by:



Mr Clyde Caruana
Chairperson



Ms Alexandra Gatt
Deputy Chairperson

Registered address:
Head Office
Hal Far, BBG 3000
Malta

16 February 2018

STATEMENT OF INCOME AND EXPENDITURE

	NOTES	2017	2016 (restated)
		€	€
Subvention from Consolidated Fund	4	21,519,831	18,000,000
Recurrent expenditure		(21,325,082)	(17,468,510)
Income from recurrent expenditure	5	194,749	531,490
Income from disability contribution	6	1,431,400	-
Income from employment licences and other services		388,062	313,420
		2,014,211	844,910
European Social Fund projects			
Project finance		2,526,128	2,041,493
Project costs	9	(2,526,128)	(2,041,493)
Deferred grants		59,310	75,056
Depreciation on ESF property, plant and equipment		(59,310)	(75,056)
		-	-
Net excess of expenditure over income		2,014,211	844,910

STATEMENT OF AFFAIRS

	NOTES	2017	2016 (restated)
		€	€
Assets			
Non-current			
Intangible assets	11	210,067	189,822
Property, plant and equipment	12	1,361,379	1,459,304
Property, plant and equipment ESF projects	13	539,660	596,020
		2,111,106	2,245,146
Current			
Inventories	14	23,383	27,755
Receivables	15	4,859,985	2,398,226
Cash and cash equivalents	16	340,318	1,055,446
		5,223,686	3,481,427
Total assets		7,334,792	5,726,573

STATEMENT OF AFFAIRS - CONTINUED

	NOTES	2017	2016 (restated)
		€	€
Equity			
Endowment capital	17	582,343	582,343
Accumulated reserves		3,634,750	1,620,539
Total equity		4,217,093	2,202,882
Liabilities			
Non-Current			
Deferred grants	18	480,351	537,396
		480,351	537,396
Current			
Deferred grants	18	59,309	58,624
Trade and other payables	19	2,578,039	2,927,671
		2,637,348	2,986,295
Total liabilities		3,117,699	3,523,691
Total equity and liabilities		7,334,792	5,726,573

The financial statements on pages 5 to 26 were approved and authorized for issue by the Board of Directors on 16 February 2018 and signed on its behalf by:



Mr Clyde Caruana
Chairperson



Ms Alexandra Gatt
Deputy Chairperson

STATEMENT OF CHANGES IN EQUITY

	ENDOWMENT	ACCUMULATED	TOTAL
	capital	reserves	equity
	€	€	€
At 1 January 2016	582,343	775,629	1,357,972
Excess of income over expenditure for the year as previously reported	-	(35,727)	(35,727)
Prior year adjustment (note 20)	-	880,637	880,637
Excess of income over expenditure for the year as restated	-	844,910	844,910
At 31 December 2016 as restated	582,343	1,620,539	2,202,882
At 1 January 2017	582,343	1,620,539	2,202,882
Excess of income over expenditure for the year	-	2,014,211	2,014,211
At 31 December 2017	582,343	3,634,750	4,217,093

STATEMENT OF CASH FLOWS

	NOTES	2017	2016 (restated)
		€	€
Operating activities			
Income from recurrent expenditure		194,749	531,490
Adjustments	21	372,447	383,746
Net changes in working capital	21	(2,807,019)	(1,770,044)
Income received		1,819,462	313,420
Net cash flows used in operating activities		(420,361)	(541,388)
Investing activities			
Payments to acquire intangible assets		(142,590)	(133,860)
Payments to acquire property, plant and equipment		(155,127)	(257,915)
Proceeds from disposal of property, plant and equipment		-	372
Net cash used in financing activities		(297,717)	(391,403)
Financing activities			
Proceeds to finance acquisitions of property, plant and equipment ESF projects		2,950	-
Net cash generated from financing activities		2,950	-
Net change in cash and cash equivalents		(715,128)	(932,791)
Cash and cash equivalents, beginning of year		1,055,446	1,988,237
Cash and cash equivalents, end of year	16	340,318	1,055,446



NOTES TO THE FINANCIAL STATEMENTS



1 GENERAL INFORMATION

Jobsplus was set up on 3 August 1990 through the Employment and Training Services Act, 1990. Its registered office is at Head Office, Hal Far, BBG 3000, Malta.

The financial statements of the Corporation have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and in accordance with the provisions of Section 20(1) of the Employment and Training Services Act, 1990.

The financial statements are presented in euro (€), which is also the functional currency of the company.

2 CHANGES IN ACCOUNTING POLICIES

2.1 New and revised standards that are effective for annual periods beginning on or after 1 January 2017

The Corporation has not adopted any new standards or amendments that have a significant impact on the corporation's results or financial position.

2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the company

At the date of authorisation of these financial statements, several new but not yet effective standards, amendments to existing standards and interpretations, have been published by the IASB. These standards, amendments or interpretations have not been adopted early by the company.

Management anticipates that all relevant pronouncements will be adopted for the

first period beginning on or after the effective date of the pronouncement. New standards, interpretations and amendments neither adopted nor listed below have been disclosed as they are not expected to have a material impact on the Corporation's financial statements.

IFRS 9 'Financial Instruments' (2014)

The new Standard for financial instruments (IFRS 9) replaces IAS 39 'Financial Instruments: Recognition and Measurement'. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for the impairment of financial assets.

IFRS 9 also contains new requirements on the application of hedge accounting. The new requirements look to align hedge accounting more closely with entities' risk management activities by increasing the eligibility of both hedged items and hedging instruments and introducing a more principles-based approach to assessing hedge effectiveness.

Management has identified the following areas that are expected to be most impacted by the application of IFRS 9:

- the impairment of financial assets applying the expected credit loss model. This will apply to the Corporation's trade receivables (unless classified as at fair value through profit or loss.
- the recognition of gains and losses arising from the Corporation's own credit risk. If the Corporation continues to elect the fair value option for certain financial liabilities, fair value movements from changes in the Corporation's own credit risk will be presented in other comprehensive income rather than profit or loss.

IFRS 15 'Revenue from contracts with customers'

IFRS 15 'Revenue from Contracts with Customers' and the related 'Clarifications to IFRS 15 Revenue from Contracts with Customers' (hereinafter referred to as 'IFRS 15') replace IAS 18 'Revenue', IAS 11 'Construction Contracts', and several revenue-related Interpretations. IFRS 15 is only mandatory for annual reporting periods beginning on or after 1 January 2018. The standard has not been adopted early by the Corporation and management is currently assessing the impact of IFRS 15, but is not yet in a position to provide quantified information.

The new standard establishes a control based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities.

3 SUMMARY OF ACCOUNTING POLICIES

3.1 Overall considerations

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Corporation's accounting policies.

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

The accounting policies have been consistently applied by the company and are consistent with those used in previous years.

3.2 Income and expense recognition

Government subvention

Income from subvention voted to the Corporation from the Consolidated Fund is accrued for in accordance with the company's approved budget for the year.

ESF reimbursements

European Social Fund reimbursements are accounted for in the period in which the related expense is recognized

Other income

Other income, including income from employment licences, are recognized on an accrual basis.

Interest

Interest income and expenses are reported on an accrual basis using the effective interest method.

Deferred Grants

Deferred grants in relation to property, plant and equipment co-financed by the European Union are released to the Income Statement yearly in amounts equivalent to the depreciation charge on these assets.

Operating expenses

Operating expenses are recognised in the statement of comprehensive income upon utilisation of the service or at the date of their origin.

3.3 Leases

Payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

3.4 Intangible assets

Intangible assets are initially recorded at cost. They are subsequently stated at cost less accumulated amortization and impairment losses.

Amortisation is provided at rates intended to write down the cost of the assets over their expected useful lives. The annual rates used, which are consistent with those applied in the previous year, are as follows:

	%	Method
Computer software	25	Straight line

3.5 Property, plant and equipment

Items of property, plant and equipment are carried at acquisition cost less subsequent depreciation and impairment losses.

Property, plant and equipment are derecognized on disposal of or when no future economic benefits are expected from their use or disposal. Gains or losses arising from derecognition represent the difference between the net disposal proceeds, if any, and the carrying amount, and are included in the Statement of Income and Expenditure in the period of derecognition.

Depreciation is charged on a straight-line basis so as to write off the cost of the assets over their estimated useful lives using the following rates. The annual rates used are consistent with those applied in the previous year.

	%	Method
Improvements	4 - 20	Straight line
Motor vehicles	20	Straight line
Computer and office equipment	10 - 25	Straight line
Furniture and fittings	10	Straight line

No depreciation is provided on assets that are not yet brought into use.

3.6 Impairment

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount which is the greater of its fair value less costs of disposal and its value in use. To determine the value in use, the Corporation's management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

3.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

3.8 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Corporation becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into loans and receivables upon initial recognition:

Loans and receivables are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for

each category of financial assets, which are described below.

All income and expenses relating to loans and receivables that are recognised in profit or loss are presented within other income, except for impairment of trade receivables which is presented within recurrent expenditure.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Corporation's cash and cash equivalents and most receivables fall into this category of financial instruments. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

Classification and subsequent measurement of financial liabilities

The Corporation's financial liabilities include payables.

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in the Statement of Income and Expenditure.

3.9 Income taxes

Section 22 of the Employment and Training Services Act, 1990, exempts the Corporation from any liability for the payment of Income Tax.

3.10 Cash and cash equivalents

For the purpose of the statement of affairs and statement of cash flows, cash and cash equivalents comprise cash in hand and at bank.

3.11 Endowment capital

The endowment capital is classified as equity.

3.12 Provisions, contingent assets and contingent liabilities

Provisions for legal disputes, onerous contracts or other claims are recognised when the Corporation has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Corporation and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation based on the most reliable evidence available at the reporting date, including risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Corporation can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

3.13 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of these financial statements requires management to make judgements, estimates and assumptions. Use of available information and application of judgement are inherent in making estimates. Actual results in future could differ from such estimates and the differences may be material to the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized on the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Except as disclosed below, in the opinion of the directors, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1 (revised).

Significant management judgement

Determining whether an arrangement contains a lease

The company uses its judgement in determining whether an arrangement contains a lease, based on the substance of the agreement and makes assessment whether it is dependant on the use of a specific asset or assets, conveys a right to use the asset and transfers substantially all the risks and rewards incidental to ownership to/from the company.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate (see note 3.6).

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Inventories

The Corporation estimates allowance for those inventories that are damaged, have become wholly or partially obsolete or if their selling prices have declined. Though management believes that the assumptions used in the estimation of allowance for any inventory obsolescence reflected in the financial statements are appropriate and reasonable, it does not expect that changes in the valuation of inventories will have any material impact on the results of the Corporation.

4 Subvention from Consolidated Fund

The company is entitled to a yearly subvention from the Government of Malta. The subvention from Consolidated Fund was allocated as follows:

	2017	2016
	€	€
Subvention received under recurrent Vote 13 Item 6163	9,720,000	11,000,000
Subvention received under recurrent Vote 13 Item 5876	11,799,831	-
Additional subvention received under Vote 13 Item 6163	-	7,000,000
Total subventions received	18,000,000	18,000,000

5 Deficit on recurrent expenditure

The income on recurrent expenditure is stated after charging:

	2017	2016
	€	€
Staff costs (note 7)	7,029,513	6,376,435
Directors' fees (note 7)	45,758	49,340
Amortisation of intangible assets	122,345	100,099
Depreciation of property, plant and equipment	249,065	281,807
Loss on disposal of property, plant and equipment	1,037	1,840
Auditor's remuneration	3,658	4,130

6 Income from disability contributions

The following amounts have been included in the statement of income and expenditure for the reporting periods presented

	2017	2016
	€	€
Income from disability contributions	1,431,400	-
	1,431,400	-

Income from disability contributions comprises income received by virtue of the Disability Quota Contributions in terms of Article 16 of the Persons with Disability (Employment) Act, Chapter 210 Laws of Malta.

The contributions received during 2017 amounting to € 1,431,400 have been utilised to finance the following expenditure:

	2017	2016
	€	€
Contribution towards the Lino Spiteri Foundation	896,785	-
Persons with Disability Fiscal Incentive	215,707	-
Inclusive Support Expenditure	223,258	-
	1,335,750	-

7 Staff costs

	2017	2016
	€	€
Wages and salaries (including directors' fees and excluding the amount included in European Social Fund projects' costs)	7,075,271	6,425,775
	7,075,271	6,425,775

The average number of persons employed by the Corporation during the year was:

	2017	2016
Directors	18	18
Employees	298	297
	314	315

8 Tax expense

No income tax has been provided in these financial statements in view of the Corporation's exemption status granted by Section 22 of the Employment and Training Services Act, 1990, which exempts the Corporation from any income tax liability.

9 European Social Fund projects' costs

The Corporation has been the beneficiary on projects funded under the European Social Fund Cohesion Policy, 2007 - 13. Funding for these projects was provided by the European Union (85%) and the Government (15%). It is to be noted that in co-ordination with, and with the approval of the Managing Authority, payment for projects under the indicated programming period have been made beyond 2013.

The Corporation is also the beneficiary on projects funded under the European Social Fund Cohesion Policy, 2014 - 20. Funding for these projects is to be provided by the European Union (80%) and the Government (20%).

The disbursements on these projects are detailed below:

	2017	2016
	€	€
ESF.01.001 - 'Training for Employment'	639,012	791,837
ESF.01.002 - 'Youth Guarantee 2.0'	945,563	369,020
ESF.02.048 - 'The VASTE Programme'	604,186	725,883
ESF.02.056 - Work Programme Initiative (WPI)	337,367	154,753
	2,526,128	2,041,493
Salaries included in above eligible project costs disbursed	346,452	403,096

10 Leases

The Corporation's future minimum lease payments are as follows:

	Minimum lease payments due			Total
	Within 1 year	2 to 5 years	More than 5 years	
	€	€	€	€
31 December 2017	104,866	304,921	151,102	560,889
31 December 2016	120,204	342,754	205,084	668,042

Lease payments recognised as an expense during the year amounted to € 134,946 (2015: € 85,789). This amount consists of minimum lease payments. No sublease payments or contingent rent payments were made or received. No sublease income is expected as all assets held under lease agreements are used exclusively by the company.

11 Intangible assets

The carrying amounts of the Corporation's computer software are as follows:

	Computer software
	€
Cost	
At 1 January 2016	313,777
Additions	133,860
At 31 December 2016	447,637
At 1 January 2017	447,637
Additions	142,590
At 31 December 2017	590,227
Amortisation	
At 1 January 2016	157,716
Charge for the year	100,099
At 31 December 2016	257,815
At 1 January 2017	257,815
Charge for the year	122,345
At 31 December 2017	380,160
Carrying amounts	
At 1 January 2016	156,061
At 31 December 2016	189,822
At 31 December 2017	210,067

12 Property, plant and equipment

Property, plant and equipment comprise improvements, motor vehicles, computer and office equipment and furniture and fittings. The carrying amounts can be analysed as follows:

	Improvements	Motor vehicles	Computer and office equipment	Furniture and fittings	Total
	€	€	€	€	€
Cost					
At 1 January 2016	1,788,020	90,806	2,663,724	630,018	5,172,568
Additions	141,732	-	97,723	18,460	257,915
Disposals	(8,281)	-	(58,673)	(4,813)	(71,767)
At 31 December 2016	1,921,471	90,806	2,702,774	643,665	5,358,716
At 1 January 2017	1,921,471	90,806	2,702,774	643,665	5,358,716
Additions	12,450	19,800	91,341	28,586	152,177
Disposals	-	-	(172,967)	(4,115)	(177,082)
At 31 December 2017	1,933,921	110,606	2,621,148	668,136	5,333,811
Depreciation					
At 1 January 2016	826,051	53,132	2,309,750	498,227	3,687,160
Charge for the year	87,707	18,085	151,108	24,907	281,807
Released on disposals	(8,281)	-	(57,304)	(3,970)	(69,555)
At 31 December 2016	905,477	71,217	2,403,554	519,164	3,899,412
At 1 January 2017	905,477	71,217	2,403,554	519,164	3,899,412
Charge for the year	86,201	11,575	124,983	26,306	249,065
Released on disposals	-	-	(172,364)	(3,681)	(176,045)
At 31 December 2017	991,678	82,792	2,356,173	541,789	3,972,432
Carrying amounts					
At 1 January 2016	961,969	37,674	353,974	131,791	1,485,408
At 31 December 2016	1,015,994	19,589	299,220	124,501	1,459,304
At 31 December 2017	942,243	27,814	264,975	126,347	1,361,379

13 Property, plant and equipment ESF projects

Property, plant and equipment ESF projects comprise improvements, computer and office equipment and furniture and fittings. The carrying amounts can be analysed as follows:

	Improvements	Computer and office equipment	Furniture and fittings	Total
	€	€	€	€
Cost				
At 1 January 2016	800,623	329,179	86,735	1,216,537
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 December 2016	800,623	329,179	86,735	1,216,537
At 1 January 2016	800,623	329,179	86,735	1,216,537
Additions	-	2,600	350	2,950
Disposals	-	-	-	-
At 31 December 2017	800,623	331,779	87,085	1,219,487
Depreciation				
At 1 January 2016	252,411	240,722	52,328	545,461
Charge for the year	32,025	34,365	8,666	75,056
At 31 December 2016	284,436	275,087	60,994	620,517
At 1 January 2017	284,436	275,087	60,994	620,517
Charge for the year	32,025	22,114	5,171	59,310
At 31 December 2017	316,461	297,201	66,165	679,827
Carrying amounts				
At 1 January 2015	548,212	88,457	34,407	671,076
At 31 December 2015	516,187	54,092	25,741	596,020
At 31 December 2017	484,162	34,578	20,920	539,660

Since 2007, the Corporation has been beneficiary for nine projects involving property, plant and equipment funded under European Social Fund Cohesion Policy and under the European Regional Development Fund (ERDF) for the total amount of € 1,221,032 of which € 1,545 has been disposed over the years. Funding for projects for the period 2007-2013 was provided by the European Union (85%) and the Maltese Government (15%). For the period 2014-2020, funding for projects is to be provided by the European Union (80%) and the Maltese Government (20%).

14 Inventories

	2017	2016
	€	€
Stationery and consumables	23,383	27,755
	23,383	27,755

15 Receivables

	2017	2016
	€	€
Amounts owed by Government departments and parastatal bodies	254,925	30,891
Other receivables	4,418,137	2,080,726
Financial assets	4,673,062	2,111,617
Prepaid expenses	186,923	286,609
Trade and other receivables - current	4,859,985	2,398,226

The carrying value of receivables is considered a reasonable approximation of fair value.

16 Cash and cash equivalents

Cash and cash equivalents in the statement of affairs and statement of cash flows include the following component:

	2017	2016
	€	€
Cash and bank balances	340,318	1,055,446
Cash and cash equivalents	340,318	1,055,446

The Corporation did not have any restrictions on its cash in hand and at bank at year end.

17 Endowment capital

In accordance with Section 19(1) of the Employment and Training Services Act, 1990, the endowment capital of the Corporation is €582,343

18 Deferred grants

	ESF 3.59 Nista	ESF 3.1114 ESEP	ESF 3.113 ESPD	ESF 3.60 YEP	ESF 2.4 EP	ERDF 08	ERDF 045	ESF 2.65 TAF	ESF 3.64 EAP	VASTE	TOTAL
	€	€	€	€	€						
Cost											
At 1 January 2016	914	2,391	74,061	14,215	7,713	590,809	512,693	8,846	6,440	-	1,218,082
Additions	-	-	-	-	-	-	-	-	-	-	-
At 31 December 2016	914	2,391	74,061	14,215	7,713	590,809	512,693	8,846	6,440	-	1,218,082
At 1 January 2017	914	2,391	74,061	14,215	7,713	590,809	512,693	8,846	6,440	-	1,218,082
Additions	-	-	-	-	-	-	-	-	-	2,950	2,950
At 31 December 2017	914	2,391	74,061	14,215	7,713	590,809	512,693	8,846	6,440	2,950	1,221,032
Depreciation											
At 1 January 2016	914	2,001	13,949	11,643	6,540	300,182	199,107	7,329	5,341	-	547,006
Charge for the year	-	65	13,147	2,572	391	30,808	27,200	506	367	-	75,056
At 31 December 2016	914	2,066	27,096	14,215	6,931	330,990	226,307	7,835	5,708	-	622,062
At 1 January 2017	914	2,066	27,096	14,215	6,931	330,990	226,307	7,835	5,708	-	622,062
Charge for the year	-	65	12,775	-	391	17,322	27,200	506	366	685	59,310
At 31 December 2017	914	2,131	39,871	14,215	7,322	348,312	253,507	8,341	6,074	685	681,372
Net book value											
At 1 January 2016	-	390	60,112	2,572	1,173	290,627	313,586	1,517	1,099	-	671,076
At 31 December 2016	-	325	46,965	-	782	259,819	286,386	1,011	732	-	596,020
At 31 December 2017	-	260	34,190	-	391	242,497	259,186	505	366	2,265	539,660

Deferred grants

Since 2007, the Corporation has been beneficiary for ten projects involving Property, plant and equipment funded under European social Fund cohesion Policy and under the European Regional Development Fund (ERDF) for the total amount of € 1,221,032. Funding for projects for the period 2007-2013 was provided by the European Union (85%) and the Maltese Government (15%). For the period 2014-2020, funding for projects is to be provided by the European Union (80%) and the Maltese Government (20%). The grants received are being deferred and released to income statement yearly over the useful lives of the assets.

19 Trade and other payables

	2017	2016
	€	€
Payables	874,998	1,339,399
Accruals and provisions	1,703,041	1,588,272
Financial liabilities	2,578,039	2,927,671

The carrying value of financial liabilities is considered a reasonable approximation of fair value.

20 Prior year adjustment

During the year ended 31 December 2016, Jobsplus had applied for funding under two ESF programmes, Training for Employment and VASTE. During that financial year, Jobsplus had accounted for expenditure relating to those two programmes but had not accounted for the income that it will receive. Consequently, the adjustment represents the amount of income for the year 2016 which was not previously recognised.

The effect of restatement on these financial statements is summarised below:

	2016 AS PREVIOUSLY REPORTED	ADJUSTMENTS	2016 AS RESTATED
	€	€	€
Statement of income and expenditure			
Recurrent expenditure	(18,349,147)	880,637	(17,468,510)
Project finance	-	2,041,493	2,041,493
Project costs	-	(2,041,493)	(2,041,493)
Net excess of income over expenditure	(35,727)	880,637	844,910
Statement of financial position			
Receivables	1,200,089	880,637	2,080,726
Accumulated reserves	739,902	880,637	1,620,539

21 Statement of cash flows

The following non-cash flow adjustments and adjustments for changes in working capital have been made to the deficit on recurrent expenditure for the year to arrive at operating cash flow:

	2017	2016
	€	€
Adjustments:		
Depreciation charge of property, plant and equipment	308,375	356,863
Amortisation	122,345	100,099
Release of grant on property, plant and equipment ESF projects	(59,310)	(75,056)
Loss on disposal of property, plant and equipment	1,037	1,840
Total adjustments	372,447	383,746
Net changes in working capital:		
Change in inventories	4,372	(7,422)
Change in receivables	(2,461,759)	(2,207,250)
Change in payables	(349,632)	444,628
Total changes in working capital	(2,807,019)	(1,770,044)

22 Risk management objectives and policies

The Corporation is exposed to credit risk, liquidity risk and market risk through its use of financial instruments which result from both its operating and investing activities. The Corporation's risk management is coordinated by the Board of Directors and focuses on actively securing the Corporation's short to medium term cash flows by minimising the exposure to financial risks. The most significant financial risks to which the Corporation is exposed to are described below. See also note 22.5 for a summary of the Corporation's financial assets and liabilities by category.

22.1 Credit risk

The Corporation's exposure to credit risk is limited to the carrying amount of financial assets recognised at the end of the reporting periods, as summarised below:

	NOTES	2017	2016
		€	€
Classes of financial assets – carrying amounts			
Receivables	15	4,673,062	2,111,617
Cash and cash equivalents	16	340,318	1,055,446
		5,013,380	3,167,063

The Corporation continuously monitors defaults of its counterparty receivables, identified either individually or by group, and incorporate this information into its credit risk controls. The Corporation's policy is to deal only with creditworthy counterparties.

The Corporation's management considers that the above financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

None of the Corporation's financial assets is secured by collateral or other credit enhancements. In respect of receivables, with the exception of an amount of € 4,374,375 receivable on four programmes entirely funded by the Government and the European Union, the Corporation is not exposed to any other significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The amount of € 4,374,375 will be recovered through submissions to be made by the Corporation to the responsible authority managing these funds. All amounts due from government entities and employment programmes are considered by the Board of Directors to be recoverable in full.

The credit risk for liquid funds is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

22.2 Liquidity risk

The Corporation's exposure to liquidity risk arises from its obligations to meet its financial liabilities, which comprise payables, accruals and provisions (see note 19). Prudent liquidity risk management includes maintaining sufficient cash and committed credit facilities to ensure the availability of an adequate amount of funding to meet the Corporation's obligations when they become due.

The Corporation manages its liquidity needs through cash flow forecasts by carefully monitoring expected cash inflows and outflows on a daily basis. Except as described below, the Corporation's liquidity risk is not deemed to be significant in view of the matching of cash inflows and outflows arising from expected maturities of financial instruments, as well as the Corporation's reliance on funding available from the Government of Malta. Included within financial liabilities are amounts totaling € 748,274 (2016: € 748,274) representing funds provided by Government over a number of years to cover various schemes and projects. Should payment of these amounts be requested, the Corporation might require additional funding in order to cover its financial liabilities as these fall due.

The Corporation's financial liabilities at the reporting dates under review are all short term and their contractual maturities fall within one year (see note 19).

22.3 Foreign currency risk

The Corporation transacts in euro and therefore the Corporation has no exposure to foreign currency risk.

22.4 Interest rate risk

The Corporation is exposed to interest rate risk on its bank balances at variable rates.

The Corporation does not expect significant shifts in the interest rates in the next 12 months. Based on current market conditions a change of +/- 25 basis points in the market interest rates is considered possible. Consequently the effect on the results of the Corporation resulting from a change in the cash returns derived from variable short term assets would be considered negligible.

22.5 Summary of financial assets and liabilities by category

The carrying amounts of the Corporation's financial assets and liabilities as recognised at the end of the reporting periods under review may also be categorized as follows. See note 3.8 for explanations about how the category of financial instruments affects their subsequent measurement.

	NOTES	2017	2016
		€	€
Current assets			
Loans and receivables			
Receivables	15	4,673,062	2,111,617
Cash and cash equivalents	16	340,318	1,055,446
		5,013,380	3,167,063
Current liabilities			
Financial liabilities measured at amortised cost:			
Payables	19	2,578,039	2,927,671
		2,578,039	2,927,671

23 Capital management policies and procedures

The Corporation was set up on 3 August 1990 through the Employment and Training Services Act, 1990. In addition to the initial endowment capital introduced by means of the requirements of Section 19(1) of the Act, amounting to €582,343, the company receives annual contributions from the Consolidated Fund as approved by Parliament through its recurrent vote.

The Corporation monitors the level of debt, which includes payables less cash and bank balances against total capital on an ongoing basis. The Board of Directors considers all funding received from the Government and income from other sources and in order to maintain its capital, adjusts the level of expenditure in line with the funds made available to the Corporation.

24 Commitments

	2017	2016
	€	€
Purchase of property, plant and equipment	13,370	16,107
Employment and training initiatives	610	238
Other recurrent expenditure	15,034	5,441
	29,014	21,786

25 Contingent liabilities

The Corporation did not have any contingent liabilities as at 31 December 2017 and 31 December 2016.

26 Ultimate controlling party

The equity of the company is held entirely by the Government of Malta.

27 Post reporting date events

There were no adjusting or significant non-adjusting events which occurred between the end of the reporting period and the date of authorisation by the board.



Independent auditor's report

To the members of Jobsplus

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Jobsplus set out on pages 5 to 26 which comprise the statement of affairs as at 31 December 2017, and the statement of income and expenditure, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at 31 December 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU), and have been properly prepared in accordance with Section 20(1) of the Employment and Training Services Act, 1990.

Basis for qualified opinion

Included with Other receivables in note 15 to these financial statements is an amount of € 4,374,375 receivable on four programmes co-financed by Government and the European Union in connection with the European Social Fund. We were unable to obtain direct confirmation of this balance from the debtor and there were no satisfactory alternative procedures we could apply to ensure that the amount is recoverable.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act, Cap. 281 that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the directors' report shown on pages 2 to 4 which we obtained prior to the date of this auditor's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information.

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

Based on the work we have performed, in our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

In addition, in light of the knowledge and understanding of the Corporation and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the directors' report and other information that we obtained prior to the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In addition, Section 20(1) of the Employment and Training Services Act, 1990, states that the Corporation shall cause to be kept proper books of account and other records in respect of its operations and shall cause to be prepared a statement of accounts in respect of each financial year.

In preparing the financial statements, the management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the management or the Government of Malta either intend to liquidate the Corporation or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement partner on the audit resulting in this independent auditor's report is Mark Bugeja.



Mark Bugeja (Partner) for and on behalf of

GRANT THORNTON
Certified Public Accountants

Fort Business Centre
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16 February 2018



INCOME STATEMENT

	Pages	2017	2016
		€	€
Subvention from Consolidated Fund		21,519,831	18,000,000
Recurrent expenditure	31	(21,325,082)	(17,468,510)
Income on recurrent expenditure		194,749	531,490
Income from disability contributions		1,431,400	-
Income from employment licences and other services			
Bank interest		419	482
Income from training services		7,645	5,910
Income from employment licences		270,548	212,304
Other income		109,450	94,724
		388,062	313,420
		2,014,211	844,910
European Social Fund projects			
Project finance		2,526,128	2,041,493
Project eligible costs paid		(2,526,128)	(2,041,493)
Deferred income		59,310	75,056
Depreciation on ESF projects property, plant and equipment		(59,310)	(75,056)
		-	-
Net excess of income over expenditure		2,014,211	844,910

INCOME STATEMENT SCHEDULES

	2017	2016
	€	€
Operational expenditure		
Employment and training initiatives	536,457	473,711
Data document management	831,079	87,461
Community work scheme	8,876,836	6,872,383
Work programme	302,735	484,364
Fiscal incentives for persons with disability	215,707	98,588
EU projects related expenditure	62,414	(27,936)
	10,825,228	7,988,571
Administrative expenditure		
Salaries	7,029,513	6,376,435
Directors' remuneration	45,758	49,340
Staff training	138,333	131,355
Childcare expenses	64,249	34,771
Telework expenses	11,632	8,462
Uniforms	5,036	5,738
Rent payable	101,371	104,341
Licences and permits	12,586	12,353
Insurance	58,285	64,859
Water and electricity	53,254	66,047
Cleaning	134,902	132,030
Repairs and maintenance	106,109	139,557
Office supplies	121,075	130,041
Marketing and advertising	122,583	81,212
Postage and telecommunications	268,528	242,243
Security	33,591	32,090
Medical expenses	2,023	2,682
Transport expenses	290,584	278,710
Travelling and accommodation	99,709	73,222
Legal and professional	106,138	133,258
Audit	3,658	4,130
Bank charges	1,338	1,275
Staff welfare	20,510	21,034
General expenses	10,354	11,175
Amortisation	122,345	100,099
Depreciation	249,064	281,807
Loss on disposal of PPE	1,037	1,840
Inclusive job support for vulnerable persons	223,258	203,500
Call centre expenses	142,680	96,333
Contributions towards 'Lino Spiteri Foundation' administrative expenses	896,785	660,000
Research	23,566	-
	10,499,854	9,479,939
Total recurrent expenditure - to page 30	21,325,082	17,468,510





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