

# The Malta Community Chest Fund Foundation

Annual Report  
Year ended 31 December 2022

A Foundation established under the Civil Code,  
Chapter 16 of the Laws of Malta.

LPF-183

# The Malta Community Chest Fund Foundation

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# The Malta Community Chest Fund Foundation

## Governance of the Foundation

The Malta Community Chest Fund Foundation (hereinafter referred to as “the Foundation”) is structured in a number of administrative bodies, namely the Supervisory Council, the Board of Administrators, the Consultative Council and other supporting Units in line with its statute. The members of the Supervisory Council and of the Board of Administrators from 1 January 2022 up to the date of this report were as follows:

### **Supervisory Council**

His Excellency George Vella, *Chairman*  
Mr Michael Grech  
Mr Anton Borg  
Mr Anthony Guillaumier (*Resigned 16 May 2022*)  
Mr Anthony Miceli Demajo  
Mr Mauro Pace Parascandolo  
Fr Gordon Refalo  
Ms Claudia Taylor East  
Mr David Xuereb  
Mrs Rosette Spiteri Cachia  
Dr John Cachia  
Mr John A. Huber (*ex-officio*)  
Mr Paul Bugeja (*ex-officio*)  
Mr Olaph J Terribile (*in attendance*)

### **Secretary to The Foundation**

Ms Christine Catania Bonello

### **Members of the Board of Administrators**

Mr John A. Huber, *Chairman*  
Mr Mark Mizzi  
Ms Claire Micallef Pule  
Marchesino Daniel De Petri Testaferrata  
Dr George Grech (*Resigned 10 August 2022*)  
Mr Joseph Sammut  
Mr Paul Bugeja  
Mr Herald Bonnici  
Dr Charles Mangion (*Appointed 16 February 2022*)  
Mr Matthew Vella (*Appointed 25 October 2023*)  
Mrs Rosette Spiteri Cachia (*ex-officio*)  
Mr Olaph J Terribile (*in attendance*)

The role of the Supervisory Council is to monitor and supervise the activities of the Foundation to ensure that these are carried out in accordance with the Foundation’s Statute. In addition, it ensures that the Foundation establishes policies and systems of communication and accounting which ensure proper transfer of information to the Supervisory Council and suitable transparency at all times relating to its activities, receipts and expenditure, selection of employees, and day to day operations.

The responsibilities of the Board of Administrators are to report regularly in suitable detail to the Supervisory Council on all matters relating to the activities of the Foundation, which are material. This Board seeks guidance from the Supervisory Council to establish consensus on the integrity and transparency of the processes and methodologies adopted by the Foundation.

# The Malta Community Chest Fund Foundation

## Purposes and Objects of the Foundation

The purpose of the Foundation is to provide financial, material and professional support in Malta and Gozo to:

- (i) individuals;
- (ii) families and communities;
- (iii) voluntary organisations which are enrolled with the Commissioner of Voluntary Organisations; and
- (iv) other organisations which satisfy all the criteria as set out by the Foundation from time to time.

This support is provided with the aim of improving the quality of life and care of individuals and society in general, and this without any form of discrimination on the basis of social class, gender identity, ethnicity, age, ability, health, status or religion, in the case of individuals and families, and size, membership or public benefit purposes, in the case of organisations.

The Foundation may provide the support described even overseas when necessary and appropriate.

The purposes and/or objectives of the Foundation shall be achieved by ensuring the effective and transparent application of disbursement of funds raised through fund raising activities, donations, contributions, bequests, endowments and legacies or otherwise, and include the following:

- (i) to enhance the support and contributions from any source or sector of Maltese society to social justice, democracy and sustainable development in Malta;
- (ii) to strengthen solidarity through civil society development;
- (iii) to enable solidarity and social enterprise;
- (iv) to advance the education and dignity of underprivileged children, particularly those who, are or have been, in care systems;
- (v) to promote international collaboration in research and aid in conformity with the purposes and objects of the Foundation; and
- (vi) to carry out such activities as may be ancillary to the above as may be necessary or desirable to achieve the above purposes and objects.

The Foundation shall support organisations which have similar purposes and objects to those of the Foundation as outlined above in serving individuals, families and communities in need.

# The Malta Community Chest Fund Foundation

## The Board of Administrators' Report

For the Year ended 31 December 2022

The Board of Administrators presents its report of The Malta Community Chest Fund Foundation (the "Foundation") for the year ended 31 December 2022.

### Principal activities

The Foundation is a philanthropic organisation regulated by the Civil Code under the auspices of the President of Malta with the principal aims as set out in *Purposes and Objects of the Foundation* section of this Report.

### Review of activities for the year

During the year under review, the Foundation reported a deficit of €3,584,720.

Total contributions for the year amounted to €4,899,252 whilst reimbursement from Government amounted to €12,347,283. As at 31 December 2022, total liabilities exceeded total assets by €220,599.

The Board of Administrators have reviewed the Foundation's financial position, considering the levels of cash and cash equivalents as of the reporting date and the date of issue of this report. It has also considered the significant government support provided over the last seven years including the year 2023. Whilst there is no guarantee of continued government support beyond 2023, the Board of Administrators is confident that the Foundation will continue to be able to attract donations for the foreseeable future. Variations in the amounts contributed to the fund, including reimbursement from the Government, will invariably have a direct impact on the level of activity that can be conducted by the Foundation however without impacting its going concern. Accordingly, the Board of Administrators have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. As a consequence, they continue to support the going concern basis in accounting in preparing these financial statements.

The Malta Community Chest Fund Foundation (MCCFF) has a Memorandum of Agreement with the Blockchain Charity Foundation (BCF) where the latter has agreed to make available to MCCFF charitable support through the remittance of crypto funds. In 2020, a discussion evolved as to how such funds are to be transferred from BCF to MCCFF which ended in a disagreement on certain legal and commercial matters. In view of futile efforts to utilise these funds, the MCCFF has on 26 November 2020 commenced legal proceedings against the Blockchain Charity Foundation. Notwithstanding the pending case, MCCFF is continuing the discussions with the BCF in an effort to resolve this dispute in an out of court manner.

### Responsibilities of the Administrators

The administration and management of the Foundation is vested in the Board of Administrators, who shall manage the Foundation in accordance with the purposes and objects of the Foundation, and subject to the terms of its Statute and applicable law.

The Board of Administrators shall be responsible for the executive management of the Foundation and shall be responsible for the execution and implementation of the decisions taken by itself and the Supervisory Council.

# The Malta Community Chest Fund Foundation

## The Board of Administrators' Report (continued)

For the Year ended 31 December 2022

### Responsibilities of the Administrators (continued)


The duties of the members of the Board of Administrators shall *inter alia* include the proper keeping of books of accounts, record all income and expenditure of the Foundation and other records which properly and fully reflect the operations and transactions of the Foundation.

In terms of the above-mentioned duties, the Foundation publishes a summary of the financial statements namely Income Statement and Balance Sheet, which are in representation of its operations and transactions, a clear financial communication of both collections and assistance distributed in line with the Foundation's transparency intentions.

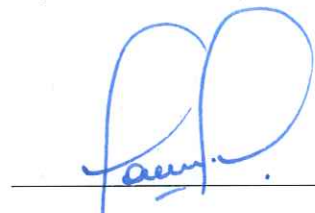
### Board members

The members of the Board of Administrators who held office during the year are set out in the *Governance of the Foundation* section of this Report. The Chairperson of the Supervisory Council appoints the members of the Board of Administrators from time to time.

Approved by the Board of Administrators on 6 March 2024 and signed on its behalf by:



John A. Huber  
Chairman, Board of Administrators



Mark Mizzi  
Head of Finance and Operations

# The Malta Community Chest Fund Foundation

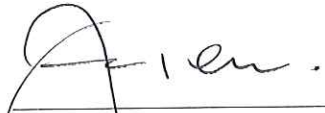
## Balance Sheet

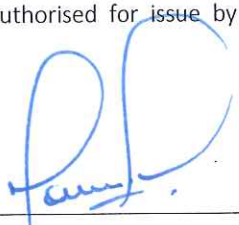
As at 31 December 2022

		2022	2021
	Note	€	€
<b>ASSETS</b>			
Property, plant and equipment	11	131,484	160,510
<b>Non-current assets</b>		<u>131,484</u>	<u>160,510</u>
Receivables	12	3,638,858	5,789,779
Inventory		11,726	8,757
Cash and cash equivalents	13	2,548,783	3,222,981
<b>Current assets</b>		<u>6,199,367</u>	<u>9,021,517</u>
<b>Total assets</b>		<u>6,330,851</u>	<u>9,182,027</u>
<b>LIABILITIES</b>			
Pledged financial assistance	14	518,887	620,561
Payables	15	6,032,563	5,197,345
<b>Total current liabilities</b>		<u>6,551,450</u>	<u>5,817,906</u>
<b>Net (liabilities)/assets</b>		<u>(220,599)</u>	<u>3,364,121</u>
<b>REPRESENTED BY</b>			
General fund	16	(580,830)	3,028,890
Specific funds	17	360,231	335,231
		<u>(220,599)</u>	<u>3,364,121</u>

The accompanying notes are an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved and authorised for issue by the Board of Administrators on 6 March 2024 and signed on their behalf by:

  
 John A. Huber  
 Chairman, Board of Administrators

  
 Mark Mizzi  
 Head of Finance and Operations

# The Malta Community Chest Fund Foundation

## Income Statement

For the Year ended 31 December 2022

		2022	2021
	Note	€	€
<b>Contributions</b>			
Fund raising – Istrina and other activities	5	4,734,218	5,742,297
Other donations	6	130,600	24,542
Other net income/(expenses)	7	34,434	(19,387)
<b>Total contributions</b>		<b>4,899,252</b>	<b>5,747,452</b>
Other income – Reimbursement from Government for Chemotherapy Medicine and other net settlements	8	12,347,283	13,074,828
Fund raising activity expenses – Istrina and other activities.		(709,670)	(554,090)
Assistance given to individuals and societies	9	(91,948)	(122,561)
Overseas assistance, medical treatment and special equipment given to individuals	10	(19,458,709)	(17,442,492)
<b>(Negative) / positive net contributions</b>		<b>(3,013,792)</b>	<b>703,137</b>
Administrative expenses		(570,928)	(541,682)
<b>(Deficit) / surplus for the year</b>		<b>(3,584,720)</b>	<b>161,455</b>

The accompanying notes are an integral part of these financial statements.



# The Malta Community Chest Fund Foundation

## Notes to the Financial Statements

For the Year ended 31 December 2022

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### **1 Reporting entity**

The Malta Community Chest Fund Foundation (the "Foundation") is a philanthropic organisation regulated by the Civil Code under the auspices of the President of Malta with the principal aims as set out in *Purposes and Objects of the Foundation* section of this Report. The Foundation's registered office is at San Anton Palace, Attard.

### **2 Basis of preparation**

#### **2.1 Basis of measurement and statement of compliance**

The financial statements of the Malta Community Chest Fund Foundation ("the Foundation") have been prepared in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-Sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations ("GAPSME"). The financial statements have been prepared on the historical cost basis.

In determining the appropriate basis of the preparation of the financial statements for the year ended 31 December 2023, the Board of Administrators are required to consider whether MCCFF can continue in operational existence for the foreseeable future.

The Board of Administrators have reviewed the Foundation's financial position, considering the levels of cash and cash equivalents as of the reporting date and the date of issue of this report. It has also considered the significant government support provided over the last seven years including the year 2023. Whilst there is no guarantee of continued government support beyond 2023, the Board of Administrators is confident that the Foundation will continue to be able to attract donations for the foreseeable future. Variations in the amounts contributed to the fund, including reimbursement from the Government, will invariably have a direct impact on the level of activity that can be conducted by the Foundation however without impacting its going concern.

Accordingly, the Board of Administrators have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. As a consequence, they continue to support the going concern basis in accounting in preparing these financial statements.

#### **2.2 Functional and presentation currency**

These financial statements are presented in Euro (€), which is the Foundation's functional currency.

### **3 Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

# The Malta Community Chest Fund Foundation

## Notes to the Financial Statements

For the Year ended 31 December 2022

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### 3 Significant accounting policies (continued)

#### 3.1 Property, plant and equipment

##### 3.1.1 *Recognition and measurement*

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that the future economic benefits that are associated with the asset will flow to the entity and the cost can be measured reliably.

Property, plant and equipment are initially measured at cost comprising the purchase price, any costs directly attributable to bringing the asset to a working condition for their intended use, and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Subsequent expenditure is capitalised as part of the cost of property, plant and equipment only if it enhances the economic benefits of an asset in excess of the previously assessed standard of performance, or it replaces or restores a component that has been separately depreciated over its useful life.

After initial recognition, property, plant and equipment may be carried under the cost model, that is at cost less any accumulated depreciation and any accumulated impairment losses.

##### 3.1.2 *Depreciation*

Depreciation is calculated to write down the carrying amount of the asset on a systematic basis over its expected useful life. Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) or the date that the asset is derecognised. The depreciation charge for each period is recognised in profit and loss.

The estimated useful lives for the current and comparative periods are as follows:

• Furniture and fittings	10 years
• Motor vehicles	5 years
• Kitchen Garden equipment	15 years
• Building improvements	25 years
• Office and other equipment	4 years

##### 3.1.2.1 *Depreciation method, useful life and residual value*

The depreciation method applied, the residual value and the useful life are reviewed on a regular basis and when necessary, revised with the effect of any changes in estimate being accounted for prospectively.

##### 3.1.2.2 *Derecognition of property, plant and equipment*

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

# The Malta Community Chest Fund Foundation

## Notes to the Financial Statements

For the Year ended 31 December 2022

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### **3 Significant accounting policies (continued)**

#### **3.2 Intangible assets**

##### **3.2.1 *Acquired intangible assets – computer software***

An acquired intangible asset is recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. An intangible asset is initially measured at cost, comprising its purchase price and any directly attributable cost of preparing the asset for its intended use. Intangible assets are subsequently carried at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is calculated to write down the carrying amount of the intangible asset using the straight-line method over its expected useful life. Amortisation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) or the date that the asset is derecognised.

##### **3.2.2 *Amortisation method, useful life and residual value***

The amortisation method applied, the residual value and the useful life are reviewed on a regular basis and when necessary, revised with the effect of any changes in estimate being accounted for prospectively. The amortisation of computer software is based on a useful life of 5 years and is charged to profit or loss.

##### **3.2.3 *Derecognition of intangible assets***

Intangible assets are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains and losses arising from derecognition represent the difference between the net proceeds (if any) and the carrying amount and are included in profit or loss in the period of derecognition.

#### **3.3 Financial assets, financial liabilities and residual funds**

A financial asset or a financial liability is recognised on the Foundation's balance sheet when the Foundation becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially recognised at their fair value plus in the case of financial assets and financial liabilities not classified as held for trading and subsequently measured at fair value, transaction costs attributable to the acquisition or issue of the financial assets and financial liabilities.

Financial assets and financial liabilities are derecognised if and to the extent that, it is no longer probable that any future economic benefits associated with the item will flow to or from the entity.

A financial instrument, or its component parts, is classified as a financial liability, financial asset or residual funds in accordance with the substance of the contractual arrangement rather than its legal form.

# The Malta Community Chest Fund Foundation

## Notes to the Financial Statements

For the Year ended 31 December 2022

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### **3 Significant accounting policies (continued)**

#### **3.3 Financial assets, financial liabilities and residual funds (continued)**

##### **3.3.1 Receivables**

Receivables are stated at their nominal value unless the effect of discounting is material in which case receivables are measured at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence of impairment.

##### **3.3.2 Payables**

Payables are stated at their nominal value unless the effect of discounting is material, in which case payables are measured at amortised cost using the effective interest method.

#### **3.4 Impairment**

##### **3.4.1 Financial assets**

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

If there is objective evidence that an impairment loss on financial asset carried at amortised cost or cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have been incurred) discounted at the financial asset's original effective interest rate. The amount of the loss is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed if the reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit and loss.

# The Malta Community Chest Fund Foundation

## Notes to the Financial Statements

For the Year ended 31 December 2022

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### **3 Significant accounting policies (continued)**

#### **3.4 Impairment (continued)**

##### **3.4.2 Non-financial assets**

###### *Property, plant and equipment*

The carrying amounts of the Foundation's property, plant and equipment is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised and the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation decrease to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that asset.

#### **3.5 Cash and cash equivalents**

Cash comprises cash in hand and demand deposits. Cash equivalents are short-term investments that are held to meet short-term cash commitments rather than for investment or other purposes.

#### **3.6 Employee Benefits**

The Foundation contributes towards the state pension in accordance with local legislation. The only obligation of the Foundation is to make the required contributions. Costs are expenses in the period in which they are incurred.

#### **3.7 Net Contributions**

##### **3.7.1 Income from donations**

Income from donations arises in the normal course of ordinary activities of the Foundation. It is measured at the fair value of the consideration received or receivable. Income is recognised when persuasive evidence exists, usually in the form of a cash donation or pledge by the donor when the recovery of the consideration is probable.

##### **3.7.2 Income from fundraising activities**

Income from fundraising activities arises in the normal course of ordinary activities organised by the Foundation from time to time. It is measured at the fair value of the consideration received or receivable. Income is recognised when persuasive evidence exists, usually in the form of donations received, cash sale of tickets and promise to buy donated items when a sale is held.

# The Malta Community Chest Fund Foundation

## Notes to the Financial Statements

For the Year ended 31 December 2022

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### **3 Significant accounting policies (continued)**

#### **3.7 Net Contributions (continued)**

##### **3.7.3 *Other net expenses***

Other net expenses comprises bank interest income that is recognised as it accrues in profit or loss, using the effective interest method, reimbursement of costs from the government and the value for the year of non-reciprocal transfers of assets. Other net expenses also comprises of net expenses generated from Kitchen Garden, the Foundation's catering establishment.

##### **3.7.4 *Other income***

Other income comprises of reimbursement from Government for Chemotherapy Medicine and other net settlements. It is measured at the fair value of the reimbursement received or receivable. Income is recognised when persuasive evidence exists of collection of the reimbursement.

##### **3.7.5 *Fund raising activity expenses***

Fund raising activity expenses are expenses incurred in organising fundraising activities. These are accounted for on an accruals basis.

##### **3.7.6 *Assistance given***

Assistance given relates to assistance provided to individuals and societies mainly in the form of food tokens, medicinal and special equipment, and assistance with respect to overseas travel for medical treatment. Assistance given is accounted for on an accruals basis.

#### **3.8 Government grant**

The Foundation recognises a government grant related to salaries in profit or loss when the grant becomes receivable. These government grants were received by the Foundation by complying with the conditions associated with the COVID wage supplement.

Grants that compensate the Foundation for expenses incurred are offset against the expenses towards which they are intended to contribute on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

#### **3.9 Inventory**

Inventory is measured at the lower of cost and net realisable value.

# The Malta Community Chest Fund Foundation

## Notes to the Financial Statements

For the Year ended 31 December 2022

### 4 Profit before tax

#### 4.1 Total remuneration paid to the Foundation's auditors during the year amounts:

	2022	2021
	€	€
Audit fees	-	-
	=====	=====

#### 4.2 The average number of persons employed by the Foundation during the year was 45 (2021: 43).

### 5 Fundraising activities

	2022	2021
	€	€
Istrina and other activities	4,734,218	5,742,297
	=====	=====

Income from Istrina and other activities represent income raised from annual Istrina fund raising activity and other activities organised on behalf of the Malta Community Chest Fund Foundation during the year.

### 6 Other donations

	2022	2021
	€	€
Donations	130,600	24,542
	=====	=====

Donations represent contributions from individuals, various entities and companies.

### 7 Other net income/(expenses)

		2022	2021
	Note	€	€
Other income		11,618	6
Net income/ (expense) from Kitchen Garden	7.1	22,816	(19,393)
		=====	=====
		34,434	(19,387)
		=====	=====

# The Malta Community Chest Fund Foundation

## Notes to the Financial Statements

For the Year ended 31 December 2022

### 7 Other net income/(expenses) (continued)

#### 7.1 Net expenses of Kitchen Garden

	2022 €	2021 €
Income from sales	749,654	497,446
Cost of sales	(284,064)	(178,499)
	<u>465,590</u>	<u>318,947</u>
Expenses	(442,774)	(338,340)
	<u>22,816</u>	<u>(19,393)</u>
Surplus/(deficit) for the year	=====	=====

7.2 The balance sheet of The Malta Community Chest Fund Foundation also includes Kitchen Garden property, plant and equipment of €113,679 (see note 11), inventory of €11,726, cash at bank of €192,732 and payables of €36,879.

### 8 Assistance received from Government

The Foundation received €12,347,283 (2021: €13,074,828) assistance from the Government for medical costs incurred by the Foundation for chemotherapy medicines which were added to the government provided list but had not yet been procured by Government.

### 9 Assistance given to individuals and societies

	2022 €	2021 €
Individuals and various entities	7,467	3,448
Food tokens	84,481	119,113
	<u>91,948</u>	<u>122,561</u>
	=====	=====

### 10 Overseas assistance, medical treatment and special equipment given to individuals

	2022 €	2021 €
Medicinal and special equipment	19,304,503	17,313,878
Overseas travel for medical treatment	154,206	128,614
	<u>19,458,709</u>	<u>17,442,492</u>
	=====	=====



# The Malta Community Chest Fund Foundation

## Notes to the Financial Statements

For the Year ended 31 December 2022

### 11 Property, plant and equipment

11.1	Buildings	Furniture and Fittings	Kitchen Garden Equipment	Equipment	Motor Vehicles	Total
	€	€	€	€	€	€
<b>Cost</b>						
Balance as at 1 January 2021	93,723	141,408	89,475	44,645	104,311	473,562
Acquisitions	-	580	487	12,037	-	13,104
Balance as at 31 December 2021	93,723	141,988	89,962	56,682	104,311	486,666
<b>Balance as at 1 January 2022</b>	<b>93,723</b>	<b>141,988</b>	<b>89,962</b>	<b>56,682</b>	<b>104,311</b>	<b>486,666</b>
Acquisitions	-	1,432	3,178	3,920	-	8,530
<b>Balance as at 31 December 2022</b>	<b>93,723</b>	<b>143,420</b>	<b>93,140</b>	<b>60,602</b>	<b>104,311</b>	<b>495,196</b>
<b>Depreciation</b>						
Balance as at 1 January 2021	26,538	117,917	38,325	40,420	46,480	269,680
Charge for the year	3,749	14,075	6,272	11,518	20,862	56,476
Balance as at 31 December 2021	30,287	131,992	44,597	51,938	67,342	326,156

# The Malta Community Chest Fund Foundation

## Notes to the Financial Statements

For the Year ended 31 December 2022

### 11 Property, plant and equipment (continued)

11.1 (continued)	Buildings	Furniture and Fittings	Kitchen Garden Equipment	Equipment	Motor Vehicles	Total
	€	€	€	€	€	€
Depreciation						
Balance as at 1 January 2022	30,287	131,992	44,597	51,938	67,342	326,156
Charge for the year	3,749	5,327	3,403	4,215	20,862	37,556
Balance as at 31 December 2022	34,036	137,319	48,000	56,153	88,204	363,712
Carrying amounts						
Balance as at 1 January 2022	63,436	9,996	45,365	4,744	36,969	160,510
Balance as at 31 December 2022	59,687	6,101	45,140	4,449	16,107	131,484

# The Malta Community Chest Fund Foundation

## Notes to the Financial Statements

For the Year ended 31 December 2022

### 12 Receivables

	2022	2021
	€	€
Accrued income	3,543,624	5,750,718
Donations receivable	95,234	39,061
	<u>3,638,858</u>	<u>5,789,779</u>
	=====	=====

### 13 Cash and cash equivalents

	2022	2021
	€	€
Bank balances	2,511,798	3,178,477
Cash in hand	36,985	44,504
	<u>2,548,783</u>	<u>3,222,981</u>
	=====	=====

### 14 Pledged financial assistance

	2022	2021
	€	€
Claims for approved assistance	424,384	526,058
Committed assistance from L-Istrina 2015	15,330	15,330
Committed assistance from L-Istrina 2016	33,250	33,250
Committed assistance from L-Istrina 2017	45,923	45,923
	<u>518,887</u>	<u>620,561</u>
	=====	=====

# The Malta Community Chest Fund Foundation

## Notes to the Financial Statements

For the Year ended 31 December 2022

### 15 Payables

	2022	2021
	€	€
Trade payables	5,929,686	5,007,410
Accruals	102,877	189,935
	<u>6,032,563</u>	<u>5,197,345</u>

### 16 General Fund

	2022	2021
	€	€
Opening fund	3,028,890	2,892,435
(Deficit)/surplus for the year	(3,584,720)	161,455
Movement in specific funds:		
Dar Kenn Ghal Sahhtek	(25,000)	(25,000)
Closing fund	<u>(580,830)</u>	<u>3,028,890</u>

### 17 Specific funds

	2022	2021
	€	€
Leaving Children's Homes Benefit Fund	110,231	110,231
Dar Kenn Ghal Sahhtek	250,000	225,000
Total specific funds	<u>360,231</u>	<u>335,231</u>

# The Malta Community Chest Fund Foundation

## Notes to the Financial Statements

For the Year ended 31 December 2022

### 17 Specific funds (continued)

#### 17.1 Specific fund: Leaving Children's Homes Benefit Fund

	2022	2021
	€	€
Opening Fund	110,231	110,231
Closing Fund	110,231	110,231

This Specific fund has been established for the sole purpose of granting assistance to children leaving children's institutions and help them start-off a new life on their termination of residence in such institutes.

#### 17.2 Specific fund: Dar Kenn Ghal Sahhtek

	2022	2021
	€	€
Opening Fund	225,000	200,000
Increase in Fund	25,000	25,000
Closing Fund	250,000	225,000

In terms of the temporary emphyteutical agreement relating to Dar Kenn Ghal Sahhtek, the Malta Community Chest Fund Foundation has agreed to continue assisting Fondazzjoni Kenn Ghal Sahhtek by meeting annual ground rent payments, cover insurance requirements and maintain the property for the whole duration of the concession. In this respect, the Foundation has set aside an additional amount of €25,000 to a specific reserve towards its commitments for the future.

# The Malta Community Chest Fund Foundation

## Notes to the Financial Statements

For the Year ended 31 December 2022

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### 18 Related parties

The Foundation is regulated by the civil code and operates under the auspices of the President of Malta. The members forming part of the Supervisory Council and the Board of Administrators as set out in the *Governance of the Foundation* section of this Report have been identified as related parties. No emoluments are paid to any of these members.

There were no related party transactions during the year ended 31 December 2022 and the comparative period, except for transactions with key management personnel as disclosed below.

#### *Transactions with key management personnel*

Key management personnel compensation, which includes salaries, amounted to €115,818 (2021: €77,570).

### 19 Subsequent events

There are no subsequent events which require an adjustment to or further disclosure in the financial statements as at 31 December 2022.



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## Independent Auditors' Report

### To the Supervisory Council of The Malta Community Chest Fund Foundation

#### Opinion

We have audited the financial statements of The Malta Community Chest Foundation (the "Foundation"), which comprise the balance sheet as at 31 December 2022 and the income statement for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Foundation as at 31 December 2022, and of its financial performance for the year then ended in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-Sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations ("GAPSME").

#### Basis for opinion

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



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## **Independent Auditors' Report (continued)**

### **To the Supervisory Council of The Malta Community Chest Fund Foundation**

#### ***Other information***

The administrators are responsible for the other information. The other information comprises the 'Governance of the Foundation', the 'Purposes and Objects of the Foundation' and 'The Board of Administrators' Report', but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### ***Responsibilities of the administrators for the financial statements***

The administrators are responsible for (a) determining the suitability of GAPSME as the Foundation's financial reporting framework; (b) the preparation of financial statements that give a true and fair view in accordance with GAPSME, and (b) are properly prepared in accordance with GAPSME, and (c) such internal control as the administrators determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The administrators are also responsible for overseeing the financial reporting process.





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## Independent Auditors' Report (continued)

### To the Supervisory Council of The Malta Community Chest Fund Foundation

#### *Auditors' 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 auditors' 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 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the administrators.
- Conclude on the appropriateness of the administrators' 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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.



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## Independent Auditors' Report (continued)

To the Supervisory Council of The Malta Community Chest Fund Foundation

### *Auditors' responsibilities for the audit of the financial statements (continued)*

- 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.

Our duties in our work are owed solely to the Foundation. We communicate with the administrators 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 Principal authorised to sign on behalf of KPMG on the audit resulting in this independent auditors' report is Claude Ellul.

  
KPMG  
Registered Auditors

6 March 2024