

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

	Page
Annual Report	
Governance of the Foundation	1
Purposes and Objects of the Foundation	2
The Board of Administrators' Report	3
Summary Financial Statements:	
Balance Sheet	5
Income Statement	6
Independent Auditors' Report on the Summary Financial Statements	

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.

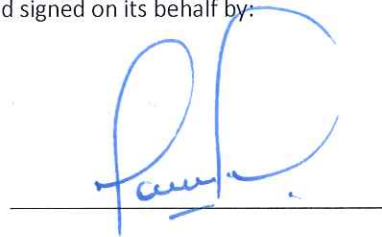
Board members

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

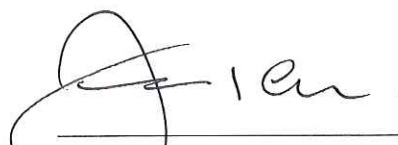
The Malta Community Chest Fund Foundation

Balance Sheet

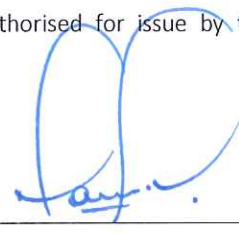
As at 31 December 2022

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

The financial statements on pages 5 to 6 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	€	€
Contributions			
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)
Total contributions		4,899,252	5,747,452
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)
(Negative) / positive net contributions		(3,013,792)	703,137
Administrative expenses		(570,928)	(541,682)
(Deficit) / surplus for the year		(3,584,720)	161,455



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Independent Auditors' Report on the Summary Financial Statements

To the Supervisory Council of The Malta Community Chest Fund Foundation

Opinion

The summary financial statements, which comprise the balance sheet as at 31 December 2022 and the income statement for the year then ended are derived from the audited financial statements of The Malta Community Chest Fund Foundation for the year ended 31 December 2022.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the criteria established by the administrators for presenting summary financial statements, being a representation of the Malta Community Chest Fund Foundations' operations and transactions, a financial communication of both collections and assistance distributed in line with the Foundation's transparency intentions.

Summary financial statements

The summary financial statements do not contain all the disclosures required by the Accountancy Profession (General Accounting Principles for Small and Medium-Sized Entities) Regulations, 2015 and the Schedule accompanying and forming part of those Regulations. Reading the summary financial statements and our report thereon, therefore, is not a substitute for reading the audited financial statements and our report thereon.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 6 March 2024.



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Independent Auditors' Report on the Summary Financial Statements (continued)

To the Supervisory Council of The Malta Community Chest Fund Foundation

Administrators' responsibility for the summary financial statements

The administrators are responsible for the preparation of the summary financial statements in accordance with the criteria established by the administrators for presenting summary financial statements, being a representation of the Malta Community Chest Fund Foundations' operations and transactions, a financial communication of both collections and assistance distributed in line with the Foundation's transparency intentions.

Auditors' responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

The Principal authorised to sign on behalf of KPMG on the engagement resulting in this report is Claude Ellul.


KPMG
Registered Auditors

6 March 2024