

## L-ISTRINA 2009

Report and Statement of Income and Expenditure  
by The Malta Community Chest Fund on L-Istrina 2009



THE  
MALTA  
COMMUNITY  
CHEST FUND

The statement of income and expenditure has been audited by

PRICEWATERHOUSECOOPERS 

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## Legal and administrative information

As from this year, the L-Istrina event falls under the direct responsibility of The Malta Community Chest Fund, whose registered office is situated at the President's Palace Valletta and whose Board Members are the following:

|                                    |  |
|------------------------------------|--|
| Chairperson                        | H.E. Dr George Abela   |
| Deputy Chairperson                 | Mrs Margaret Abela   |
| Secretary                          | Ms Darleen Zerafa  |
| Treasurer                          | Mr Ian Azzopardi (replaced 3 August 2010)<br>Mr Harry Fenech (appointed 3 August 2010)   |
| Public Relations Officer           | Ms Marica Mizzi  |
| Assistant Public Relations Officer | Mr Josef Camilleri   |
| Appointed members                  | Mr John M. Borg<br>Mr Charles Messina<br>Ms Sonia Camilleri<br>Mr Joseph Borg Galea<br>Mr Anthony Fenech<br>Dr Dione Mifsud<br>Ms Christina Galea Curmi<br>Dr Antoine Vella<br>Ms Anne Grech<br>Mr Alfred Mangion<br>Mr Ronnie Micallef<br>Mr Franco Masini<br>Dame Blanche Martin<br>Mr Godfrey Testa<br>Mr Joe Gerada  |
| Representative members             | Ms Rita Law<br>Mr Joseph M. Camilleri<br>Ms Joyce Grech<br>Ms Connie Carabott<br>Mr Victor Carachi<br>Mr Ryan Mercieca (appointed on 23 June 2010)<br>Mr Sean Meli (replaced on 23 June 2010)<br>Mr Frank Galea<br>Mr Josef Grech (appointed on 23 June 2010)<br>Mr Andrew Psaila (appointed 22 September 2009)<br>Mr Mario Spiteri<br>Ms Lara Tonna (appointed 22 September 2009 and replaced 23 June 2010) |

**Legal and administrative information - continued**

**Producers and organizers**

The Malta Community Chest Fund  
The Palace  
Valletta, Malta

**Bankers**

|   |  |  |  |
|---|--|--|--|
| HSBC Bank Malta plc<br>Merchant Street<br>Valletta, Malta | Bank of Valletta plc<br>Republic Street<br>Valletta, Malta | Banif Bank (Malta) plc<br>Pavi Supermarket<br>Qormi, Malta | Lombard Bank Malta plc<br>Republic Street<br>Valletta, Malta |
|---|--|--|--|

**Auditor**

PricewaterhouseCoopers  
167, Merchants street  
Valleta, Malta

## **Report of the secretary to the Board of The Malta Community Chest Fund**

I have great pleasure in presenting our report and the audited statement of income and expenditure of the 2009 L-Istrina event.

For the first time ever, the organisation of the major fund-raising campaign 'L-Istrina' was entrusted to The Malta Community Chest Fund, following an agreement between H.E. The President, Dr George Abela, who presides over the latter fund, and Dr Claire Thake Vassallo, then Chairperson of the Public Broadcasting Services, the production house previously entrusted with such an organisation.

'L-Istrina 2009' kicked off with the BOV Piggy Bank campaign. For this campaign, Bank of Valletta plc renewed their commitment as the main sponsor, with the support that it entails, including the topping up of the final amount raised at the end. The Malta Girl Guides together with volunteers who donated a hefty amount of labour hours, assisted by having prepared all the Piggy Banks that were distributed by the Armed Forces of Malta and Paramount personnel into all the schools in Malta and Gozo.

Various meetings were held with the Ministry of Education who was of great support in the co-ordination of this event. Letters were sent to heads of schools, parents and other interested parties.

Mrs Margaret Abela, accompanied Bank of Valletta plc officials, visited twenty schools (10 State Schools, 6 Church Schools and 4 Independent Schools) in total during this campaign, promoting to children the value of donating from one's own pocket to those in need. The Department of Education together with the Drama Centre contributed towards the promotion of this campaign and prepared a puppet show for children to pass on the solidarity message. Local artists also joined Mrs Abela in promoting such a value. The total sum raised at the end, from all the schools and a few retail outlets, was €45,116. Bank of Valletta plc personnel counted all the money at their Headquarters and topped up this amount to €75,000 which sum was presented during the 'live' programme of the 26th December.

Another innovative fundraising event which attracted thousands of people during the 'L-Istrina 2009' campaign was the President's Charity Fun Run, which was held on the 6th December. This event was sponsored by Banif Bank (Malta) plc, who agreed to donate €10,000 before the event (to be used for any expenses involved) and to double the final amount collected through participation fees (€10). The total sum of €48,186 was raised through the participation of various individuals, with the total amount then presented by Banif Bank (Malta) plc during the 26th December programme reading €106,372. The President's Charity Fun Run consisted of either a run from San Anton Palace to the Grandmaster's Palace at Valletta or a brisk walk from Sta. Venera to the same Palace at Valletta. Both groups left at the same time in order for them to reach the final destination together. The event was deemed to be very successful and, apart from the thousands that flocked to the areas on the day, it attracted also high political Officials, all joining forces in sending out two important messages – to maintain a healthy lifestyle and to donate to those in need.

The Fine Arts Auction, which was held on the 11th December, raised the sum of €42,807. This was an event during which various prominent local artists donated pieces of art which were then auctioned at San Anton Palace on the above-mentioned date.

The Institute for Tourism Studies also came up with an innovative initiative. They asked all of their students to join efforts, and on a voluntary basis producing 1,000 Christmas logs, 10,000 mince pies and various other foods related to the Christmas period. This activity was part of the Milied Flimkien event, which took place on Saturday 19th December at The President's Palace, Valletta from 9am till 10pm. This event was so successful that almost all items that were available for sale were sold. The total sum raised was €18,011. Moreover, most of the ingredients for the food prepared were also donated by various suppliers.

## **Report of the secretary to the Board of The Malta Community Chest Fund - continued**

The above were the main activities that were organised by The Malta Community Chest Fund as part of the L-Istrina 2009 campaign, serving also as a build up for the marathon programme of the 26th December. However, these were not the only activities. Various other organisations organised activities in aid of L-Istrina. These were as follows:

- Paqpaqli Għall-Istrina – a Motorsport show event held at the Malta International Airport, Ħal-Farrug area, on 13th December. An event which attracted approximately 6,000 enthusiasts to the area, in addition to the approximately 1,000 participants. All those who entered the restricted area, both the participants as well as the visitors, did so against a fixed donation. Total sum raised was of €50,626
- Air Malta embarked on a campaign of distributing small envelopes to all its customers flying on long distance routes, asking them to donate in aid of L-Istrina 2009. This activity raised a net donation of approximately €3,000.
- Most of the hotels in Malta and Gozo placed L-Istrina donation boxes at their reception desks for foreigners to donate in aid of L-Istrina.
- Almost all employees in Malta and Gozo received a letter, by post or through their respective companies, asking them to provide a donation from their November/December salary. This campaign was extended also to the Civil Service, through the Office of the Prime Minister. Such a campaign proved to be successful and various cheques were received by the organisation team.
- Similarly, the Local Councils were also asked to create an activity in aid of L-Istrina which would raise some funds. Although the end result was not the desired one, a few Local Councils did put up the effort and managed to raise a moderate sum, which was then presented during the programme of the 26th December.
- Various village Band Clubs were also called and asked to assist in such a noble cause. However, only a few donations were received.
- The Malta Scout Association asked all of its groups to create an event which would raise funds in aid of L-Istrina. Most of the groups tried to be as innovative as possible and various options were considered. The Victoria Scout Group emerged as winners and the total sum raised by this association read €5,500.
- Gowł Għall-Istrina was another event organised by the sport programme NET Replay. A football match was held at Luxol Grounds between former National Players and current coaches. The event raised €5,300.

## **Report of the secretary to the Board of The Malta Community Chest Fund - continued**

The Non-Governmental organisations who are to benefit from the funds collected during the L-Istrina 2009 event, were selected by a committee appointed by the MCCF board, chaired by Mr Franco Masini. Members of this committee included individuals with vast experience in the field. A call for applications was issued towards the end of August 2009 for interested NGOs to submit a project proposal. A thorough evaluation of all the applications submitted and relevant information (including accounts, business plans and other supporting documents) by NGOs was performed by the said committee, including on-site inspections to verify the feasibility of the projects in question. Meetings with representatives of the relevant organisation to discuss the project submitted, as well as the work performed by their organisation, were also held in order to learn more about the project and the organisation submitting the proposal. Regular monitoring was also carried out following approval of projects.

Beneficiaries for the year 2009 are: Fra Diego Home, Dar Pirotta, YMCA, Fondazzjoni Nazareth, The Malta Guide Dogs Foundation, Muscular Dystrophy Group, The Mission Fund, Mid-Dlam għad-Dawl, Victim Support Malta, Fondazzjoni Suret il-Bniedem, Oratorju Don Bosco (Gozo), St. Jeanne Antide Foundation, Caritas, Fondazzjoni Arka, Fondazzjoni Wens, Ursuline Sisters (Sliema), Inspire, Malta Hospice Movement, Fondazzjoni Hajja Indipendenti, Little Sisters of the Poor, Dar il-Kaptan, Equal Partners Foundation, Richmond Foundation, Fondazzjoni Oasi, The Physically Handicapped Rehabilitation Fund, The Muscular Sclerosis Society of Malta, Franciscan Sisters of the Heart of Jesus (UK) and Leaving Children's Homes Benefit Fund.

H.E. The President and Mrs Abela visited patients who were being given treatment in London. They lived with the patients and their relatives for 5 days at the hostel of the Franciscan Sisters of the Heart of Jesus. It was a unique experience whereby patients shared their experience. The sisters give a remarkable service to all the Maltese patients. One is also to point out that all clips aired during the L-Istrina event were vetted by Appoġġ. Prior to recording the aired clips, patients were contacted by social workers representing Appoġġ, interviewed and signed a consent letter. The final edited clips were once again sent to Appoġġ for their vetting and approval. Personnel in charge of these clips worked hand in hand with the appointed responsible Appoġġ personnel.

Promotional initiatives were of great value in the advertising of the L-Istrina 2009 event. These included:

- Distribution of flyers
- Promotional clips on local TV stations (free of charge)
- Presence of promotional billboards throughout the island during the month of December
- Interviews on local programmes
- Promotional clips on radio stations (free of charge)
- Letters sent to all clubs, local councils, hotels and other organisations to encourage the organisation of activities and collect funds in aid of L-Istrina.

One is to point out that apart from the human resources the majority of the materials and other necessities required to organise the events were donated by various entities who offered their full support and gave their contributions which was of utmost importance for all the events organised in aid of L-Istrina.

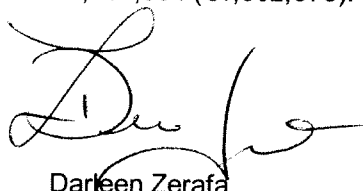
KPMG personnel were responsible for overseeing the management of the funds collected during the event. Their services were made available free of charge.

PricewaterhouseCoopers were appointed as auditors for the event, which includes the audit of this statement of income and expenditure. They also offered their services free of charge.

**Report of the secretary to the Board of The Malta Community Chest Fund - continued**

The culmination of the entire campaign came to an end on the 26th December with the 12 hour marathon live programme from the Lufthansa Technik hangars, which were converted into a television studio for an innovative, entertaining show. The success of this event could never have been made possible without the tremendous support and the generosity of the Maltese public together with all the volunteers who worked hard for a considerable number of hours to implement all the fund raising events in a professional manner.

It is therefore with great pleasure that I am able to announce that the 2009 event raised net income of €2,161,534 (€1,062,075).



Darleen Zerafa  
Secretary  
The Malta Community Chest Fund

7 September 2010



## Independent auditor's report

To the Board Members of The Malta Community Chest Fund

We have audited the accompanying statement of income and expenditure of L-Istrina 2009 (the "Accounts") on pages 8 to 11.

### *Responsibility for the Accounts*

The Malta Community Chest Fund is responsible for the preparation and fair presentation of these Accounts in accordance with the accounting policies as set in Note 1, on page 10 of these Accounts. This also includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the Accounts that are free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these Accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Accounts are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Accounts 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by The Malta Community Chest Fund, as well as evaluating the overall presentation of the Accounts.

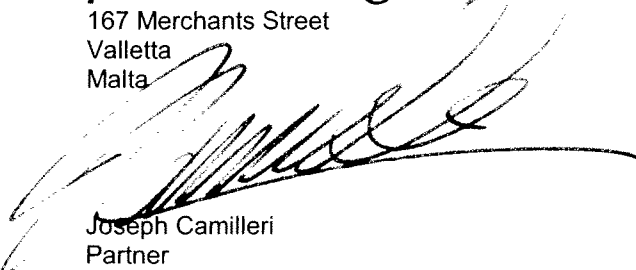
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the Accounts give a true and fair view of the income and expenditure of L-Istrina 2009 in accordance with the accounting policies described in Note 1.

**PRICEWATERHOUSECOOPERS** 

167 Merchants Street  
Valletta  
Malta



Joseph Camilleri  
Partner

7 September 2010

a) The maintenance and integrity of The Malta Community Chest Fund website is the responsibility of its board members; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the Accounts since they were initially presented on the website.

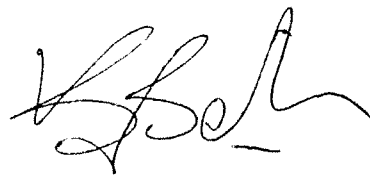
b) Legislation in Malta governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

### Statement of income and expenditure

|   | Notes | 2009<br>€        | 2008<br>€        |
|---|-------|------------------|------------------|
| Income                                    | 2     | 2,363,304        | 1,204,712        |
| Expenditure                               | 3     | (201,770)        | (142,637)        |
| <b>Surplus of income over expenditure</b> |       | <b>2,161,534</b> | <b>1,062,075</b> |



Darleen Zerafa  
Secretary  
The Malta Community Chest Fund



Karen Spiteri Bailey  
Finance Officer  
The Malta Community Chest Fund

7 September 2010

## Statement of distribution of funds

|  | 2009<br>€        | 2008<br>€        |
|--|------------------|------------------|
| The Malta Community Chest Fund                   | 1,281,296        | 520,470          |
| Dar Pirotta                                      | 60,000           | -                |
| Muscular Dystrophy Group                         | 60,000           | -                |
| Caritas  | 50,000           | -                |
| The Malta Guide Dogs Foundation                  | 46,800           | -                |
| Dar il-Kaptan                                    | 45,000           | 94,781           |
| Fondazzjoni Arka                                 | 40,000           | -                |
| Fondazzjoni Nazareth                             | 40,000           | -                |
| Fondazzjoni Suret il-Bniedem                     | 40,000           | 40,621           |
| The Mission Fund                                 | 40,000           | -                |
| The Physically Handicapped Rehabilitation Fund   | 37,500           | -                |
| Mid-Dlam għad-Dawl                               | 36,000           | -                |
| Equal Partners Foundation                        | 35,000           | -                |
| Fra Diego Home                                   | 35,000           | -                |
| Richmond Foundation                              | 32,000           | 27,080           |
| Fondazzjoni Wens                                 | 30,000           | -                |
| Leaving Children's Homes Benefit Fund            | 30,000           | -                |
| The Malta Hospice Movement                       | 30,000           | 94,781           |
| Fondazzjoni Oasi                                 | 26,000           | 27,080           |
| Fondazzjoni Hajja Indipendenti                   | 25,000           | -                |
| The Muscular Sclerosis Society of Malta          | 25,000           | -                |
| St. Jeanne Antide Foundation                     | 22,050           | -                |
| Inspire  | 20,000           | -                |
| Oratorju Don Bosco (Gozo)                        | 18,750           | 27,080           |
| Franciscan Sisters of the Heart of Jesus (UK)    | 15,000           | -                |
| YMCA   | 14,250           | -                |
| Victim Support Malta                             | 12,750           | -                |
| Ursuline Sisters (Sliema)                        | 10,288           | -                |
| Little Sisters of the Poor                       | 3,850            | -                |
| Dar Sagra Familja                                | -                | 67,701           |
| Holy family – Home for the elderly               | -                | 46,037           |
| Children's Church Homes – Ejjew Għandi           | -                | 27,080           |
| Salesians of Don Bosco                           | -                | 27,080           |
| Casa Leone XXII Home for the elderly             | -                | 21,664           |
| Special Olympics Malta                           | -                | 21,664           |
| Parr. Jesus Cricificado S.M. Chaparron Guatemala | -                | 8,124            |
| Land Group                                       | -                | 5,416            |
| SOS Malta  | -                | 5,416            |
|  | <b>2,161,534</b> | <b>1,062,075</b> |

## Notes to the statement of income and expenditure

### 1. Accounting policies

The principal accounting policies adopted in the preparation of the statement of income and expenditure, are set out below.

#### Income

Income comprises funds received by way of donations and funds raised from the sale of donated goods during the L-Istrina telethon programme and other L-Istrina related activities.

#### Expenditure

The costs incurred by the L-Istrina event in raising funds for the charitable work are accounted for on an accruals basis.

Volunteer time and services provided free of charge are not included in these accounts.

#### Taxation

No provision is made in the Accounts for income tax on the grounds that The Malta Community Chest Fund, the organiser of L-Istrina, is recognised as a philanthropic organisation and is exempt from tax.

### 2. Income

|   | 2009      | 2008      |
|---|-----------|-----------|
|   | €         | €         |
| Cash and cheque donations                         | 1,077,872 | 216,251   |
| SMS donations                                     | 311,948   | 273,976   |
| Telephone donations                               | 826,596   | 731,016   |
| Cash raised from sale of goods                    | 42,807    | 14,600    |
| Fun run income                                    | 106,372   | -         |
|   | 2,365,595 | 1,235,843 |
| <b>Less</b>                                       |           |           |
| Mobile phone companies' retainer on SMS donations | 495       | 27,398    |
| Payzone/Easyline Commission                       | -         | 829       |
| Contestations on telephone bills                  | 1,796     | 2,904     |
|   | 2,291     | 31,131    |
| <b>Net income collected</b>                       | 2,363,304 | 1,204,712 |

**3. Expenditure**

|  | 2009           | 2008    |
|--|----------------|---------|
|  | €              | €       |
| Advertising                            | <b>38,312</b>  | 39,421  |
| Postage, stationery and other expenses | <b>5,613</b>   | 6,482   |
| Wages and subcontracted services       | <b>18,882</b>  | 54,268  |
| Telephone and communications           | <b>1,461</b>   | 3,568   |
| Production costs – sound and lighting  | <b>23,804</b>  | 38,898  |
| Cost of set and props                  | <b>59,852</b>  | -       |
| Games and entertainment                | <b>24,492</b>  | -       |
| Printing and banners                   | <b>27,180</b>  | -       |
| Transport                              | <b>2,174</b>   | -       |
|  | <b>201,770</b> | 142,637 |

Included above are costs incurred to put up the main stage set and other related support equipment, as part of the production of L-Istrina. Such set and related equipment shall also be used in forthcoming activities related to L-Istrina .