

KUNSILL TA' L-ISTUDENTI UNIVERSITARJI

REPORT AND ACCOUNTS

For the year ended 31st December 2009

Kunsill ta' I-Studenti Universitarji

Financial statements for the period ending 31st December 2009

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Kunsill ta' L-Istudenti Universitarji

Auditors' Report

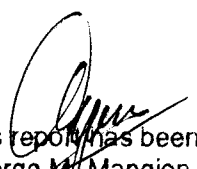
For the period ending 31st December 2009

REPORT OF THE AUDITORS TO THE MEMBERS OF KUNSILL TA' L-ISTUDENTI UNIVERSITARJI

We were engaged to audit the financial statements of KSU - Kunsill ta' L-Istudenti Universitarji as of 31st December 2009. These financial statements are the responsibility of the Council's management.

Our audit was limited in scope as a result of certain inconsistencies in the preparation of accounting records and we were unable to fully satisfy ourselves by using other audit procedures.

In our opinion, except for the effect on the financial statements of the matter referred to in the preceding paragraph, the financial statements present fairly the financial position of the Council's affairs as at 31st December 2009 and of the surplus registered for the period 1st January 2009 to 31st December 2009.



This report has been signed by
George M. Mangion
(Partner) for and on behalf of
PKF (Malta)

PKF Malta
Accountants and Business Advisors

35, Mannarino Road Birkirkara BKR 9080 Malta

Date: 11th March 2010

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Statement of Accumulated Funds

For the period ending 31st December 2009.

| | | 01/01/09 to 31/12/09 EUR | 01/01/08 to 31/12/08 EUR |
|---------------------------------------|---|-----------------------------------|-----------------------------------|
| Income | 1 | 181,119 | 197,824 |
| Impairment on Investments | | (1,887) | - |
| Expenditure | | 163,343 | 135,757 |
| Surplus/(Deficit) for the year | | <u>15,889</u> | <u>62,067</u> |

STATEMENT OF ACCUMULATED FUNDS

| | | | |
|---|---|----------------|----------------|
| Accumulated Fund as at 1st January 2009 | | 228,330 | 166,263 |
| Surplus/(Deficit) for the year | | 15,889 | 62,067 |
| Prior year adjustments | 8 | 10,518 | - |
| | | <u>254,737</u> | <u>228,330</u> |



Carl Grech
President



Nerissa Pace
Financial Officer

Date: 11th March 2010

Kunsill ta' I-Istudenti Universitarji

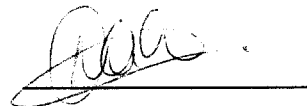
Balance Sheet

As at 31st December 2009

| | Notes | Dec 2009 EUR | Dec 2008 EUR |
|-------------------------------------|-------|-----------------------|-----------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, Plant & Equipment | 2 | 44,805 | 50,320 |
| Intangible Assets | | 622 | 622 |
| Available for sale financial assets | 3 | <u>59,965</u> | <u>56,961</u> |
| | | 105,392 | 107,903 |
| Current Assets | | | |
| Inventories | | 3,003 | 3003 |
| Trade receivables | 4 | 112,047 | 116,584 |
| Cash and cash equivalents | 5 | 74,383 | 46,988 |
| VAT Receivable | | - | 11,084 |
| | | <u>189,433</u> | <u>177,659</u> |
| Total Assets | | <u>294,825</u> | <u>285,562</u> |
| EQUITY AND LIABILITIES | | | |
| Accumulated Funds | 6 | <u>254,737</u> | <u>228,330</u> |
| Current Liabilities | | | |
| Trade and other creditors | | 35,545 | 54,297 |
| VAT Payable | | <u>4,543</u> | <u>2,935</u> |
| | | 40,088 | 57,232 |
| Total Equity and Liabilities | | <u>294,825</u> | <u>285,562</u> |



Carl Grech
President



Nerissa Pace
Financial Officer

Date: 11th March 2010

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Accounting Policies

For the period ending 31st December 2009.

a) Basis of Preparation

These financial statements have been prepared on the historical cost basis.

b) Revenue Recognition

Revenue relating to the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, and no significant uncertainties remain regarding the derivation of consideration, associated costs or the possible return of goods.

Interest arising from the use by others of the Council resources is recognised when it is probable that the economic benefits associated with the transaction will flow to the council and the revenue can be measured reliably. Interest income is recognised as it accrues unless collectibility is in doubt.

c) Property, Plant and Equipment

The Property, Plant and Equipment are stated at their Net Book Value that is, Cost less accumulated depreciation to date. Depreciation is calculated to write down the value of the assets over their estimated useful life. The annual rates used, which are consistent with those applied in previous years are:

| | 01/01/2009 to 31/12/2009 |
|-------------------------|--------------------------------|
| Buildings & Common Room | 15% |
| Electronic Equipment | 5yrs |
| Fixtures & Fittings | 5yrs |
| Office Equipment | 25% |
| Togi | 8% |

d) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business. The cost of inventory is ascertained on weighted average basis and comprises all costs of purchase and other costs incurred in bringing the stocks to their present location and condition.

e) Trade Receivables

A provision is made for doubtful debtors based on a 2% provision on other trade receivables. Bad debts are written off during the year in which they are identified.

g) Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of the president, 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 the description as critical in terms of the requirement IAS 1 (revised).

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Accounting Policies

For the period ending 31st December 2009.

h) Impairment

At each balance sheet date the council reviews the carrying amount of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

i) Financial Instruments

Financial assets and financial liabilities are recognized on the council's balance sheet when the company has become a party to the contractual provisions of the instruments.

Bank Borrowings

Finance charges are accounted for on an accrual basis and are shown with accruals to the extent that they are not settled in the period in which they arise.

Creditors

Creditors are stated at their nominal value.

j) Review of operations

The surplus of this year was lower than previous years due to the fact that KSU increased the expenses of the careers convention and the executive expenses.

Kunsill ta' I-Istudenti Universitarji

Notes to the Accounts

For the period ending 31st December 2009.

1. Revenue

Main revenue of KSU derives from sponsorship agreements.

2. Fixed Asset Schedule

| | Improvements to Buildings | Electronic Equipment | Furniture & Fittings | Office Equipment | Togas | TOTAL |
|------------------------|------------------------------|-------------------------|-------------------------|---------------------|--------------|----------------|
| | EUR | EUR | EUR | EUR | EUR | EUR |
| COST | | | | | | |
| as at 1/01/2009 | 66,709 | 67,944 | 20,922 | 31,557 | 7,622 | 194,754 |
| Additions | 831 | 329 | 3,740 | - | - | 4,899 |
| Impairment Gain (loss) | - | - | - | - | - | - |
| as at 31/12/2009 | <u>67,540</u> | <u>68,273</u> | <u>24,662</u> | <u>31,557</u> | <u>7,622</u> | <u>199,653</u> |
| DEPRECIATION | | | | | | |
| as at 1/01/2009 | 44,391 | 57,052 | 19,959 | 17,057 | 5,975 | 144,434 |
| for the year | 3,472 | 2,244 | 941 | 3,625 | 132 | 10,414 |
| as at 31/12/2009 | <u>47,863</u> | <u>59,296</u> | <u>20,900</u> | <u>20,682</u> | <u>6,107</u> | <u>154,848</u> |
| NET BOOK VALUE | | | | | | |
| As at 01/01/2009 | 22,318 | 10,892 | 963 | 14,500 | 1,647 | 50,320 |
| as at 31/12/2009 | <u>19,677</u> | <u>8,977</u> | <u>3,762</u> | <u>10,875</u> | <u>1,515</u> | <u>44,805</u> |

During the year ended 31st December 2009 KSU had full access to the buildings at University of Malta Campus. However, it should be noted that KSU enjoys no ownership rights to such premises.

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Notes to the Accounts

For the period ending 31st December 2009

3. Financial Investment

Financial assets are represented by the following investments:

| | 01/01/09 to 31/12/09 | 01/01/08 to 31/12/08 |
|--------------------------|----------------------------|----------------------------|
| HSBC Malta Bond Fund | 44,313 | 37,607 |
| HSBC Maltese Assets Fund | 8,354 | 7,875 |
| Investments in Go PLC | 7,298 | 11,479 |
| | <u>59,965</u> | <u>56,961</u> |

4. Trade Receivables

The trade debtors include:

| | 01/01/09 to 31/12/09 | 01/01/08 to 31/12/08 |
|-------------------------------------|----------------------------|----------------------------|
| Sales Ledger Control Account | 114,333 | 121,610 |
| Specific Provision | - | (3,843) |
| Less Normal Provision for Bad Debts | (2,286) | (1,183) |
| Trade Receivables | <u>112,047</u> | <u>116,584</u> |

5. Cash and cash equivalents

| | 01/01/09 to 31/12/09 | 01/01/08 to 31/12/08 EUR |
|--|----------------------------|-----------------------------------|
| <u>Cash at Bank</u> | | |
| Administration | - | 9 |
| Books | 3,494 | 1,450 |
| HSBC Current | 45,629 | 38,768 |
| Other small bank accounts | - | 6,396 |
| Current account – "Student Opportunity fund" | 25,000 | - |
| <u>Cash in hand</u> | 260 | 365 |
| | <u>74,383</u> | <u>46,988</u> |

Kunsill ta' l-Istudanti Universitarji

Notes to the Accounts

For the period ending 31st December 2009

6. Equity

The Reserves are made up of the following:

| | 01/01/09 to 31/12/09 | 01/01/08 to 31/12/08 |
|---|----------------------------|----------------------------|
| Accumulated Funds as at 1 st January | 228,330 | 166,263 |
| Surplus/(Deficit) for the year | 15,889 | 62,067 |
| Prior Year Adjustments | 10,518 | - |
| | <u>254,737</u> | <u>228,330</u> |

7. Financial Instruments

Financial assets include equity, and cash held at bank and in hand. Financial liabilities include creditors and bank overdrafts.

Risk Management Policies

Credit risk on amounts receivable is limited through the systematic monitoring of outstanding balances and the presentation of debtors net of allowances for doubtful debts, where applicable. Cash is placed with reputable banks.

Fair Values

The financial assets are recognized at fair value through the Profit and Loss account in accordance with IAS 39. The net fair value movement for this year amounts to EUR 1,887.32 has been recognized in the statement of accumulated funds.

8. Prior years Adjustments

The amount of EUR 10,518 represents understated sponsorship income related to prior years.