

**KUNSILL TA' L-ISTUDENTI UNIVERSITARJI**

**REPORT AND ACCOUNTS**

**For the year ended 31<sup>st</sup> December 2009**

# **Kunsill ta' I-Studenti Universitarji**

Financial statements for the period ending 31<sup>st</sup> December 2009

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# **Kunsill ta' L-Istudenti Universitarji**

## **Auditors' Report**

For the period ending 31<sup>st</sup> December 2009


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### *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 31<sup>st</sup> 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 31<sup>st</sup> December 2009 and of the surplus registered for the period 1<sup>st</sup> January 2009 to 31<sup>st</sup> 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: 11<sup>th</sup> March 2010

# Kunsill ta' I-Studenti Universitarji

## Statement of Accumulated Funds

For the period ending 31<sup>st</sup> 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
<b>Surplus/(Deficit) for the year</b>		<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>

  
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Carl Grech  
President

  
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Nerissa Pace  
Financial Officer

Date: 11<sup>th</sup> March 2010

# Kunsill ta' I-Istudenti Universitarji

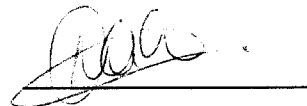
## Balance Sheet

As at 31<sup>st</sup> December 2009

	Notes	Dec 2009 EUR	Dec 2008 EUR
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
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
<b>Current Assets</b>			
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>
<b>Total Assets</b>		<b><u>294,825</u></b>	<b><u>285,562</u></b>
<b>EQUITY AND LIABILITIES</b>			
Accumulated Funds	6	<u>254,737</u>	<u>228,330</u>
<b>Current Liabilities</b>			
Trade and other creditors		35,545	54,297
VAT Payable		<u>4,543</u>	<u>2,935</u>
		40,088	57,232
<b>Total Equity and Liabilities</b>		<b><u>294,825</u></b>	<b><u>285,562</u></b>



Carl Grech  
President



Nerissa Pace  
Financial Officer

Date: 11<sup>th</sup> March 2010

# Kunsill ta' I-Studenti Universitarji

## Accounting Policies

For the period ending 31<sup>st</sup> December 2009.

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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).

# Kunsill ta' I-Istudanti Universitarji

## Accounting Policies

For the period ending 31<sup>st</sup> 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 31<sup>st</sup> 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
<b>COST</b>						
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>
<b>DEPRECIATION</b>						
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>
<b>NET BOOK VALUE</b>						
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.



# Kunsill ta' I-Studenti Universitarji

## Notes to the Accounts

For the period ending 31<sup>st</sup> 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
<b><u>Cash at Bank</u></b>		
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	-
<b><u>Cash in hand</u></b>	260	365
	<u>74,383</u>	<u>46,988</u>

# Kunsill ta' l-Istudanti Universitarji

## Notes to the Accounts

For the period ending 31<sup>st</sup> December 2009

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### 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 <sup>st</sup> 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.