



Annex 4:

Financial statements
1st January 2018 – 31st December 2018

Christopher Spiteri
B.A. (Hons) Accty, F.I.A., C.P.A.
Registered Auditor

The Chief Executive Officer
Occupational Health & Safety Authority
17,
Edgar Ferro Street,
Pieta' – PTA 1533

31st January 2019

**Re: Audited financial statements for
the year ended 31st December 2018**

Dear Sir,

Following our audit for the year ended 31st December 2018, we have reviewed the audit file in order to find weaknesses which we could include in a management letter. Our scope of reference is the financial aspect of the Authority, any weaknesses as regards organization, administration and policy is beyond our scope of reference. Hence in our opinion no management letter is necessary for the year ended 31st December 2018 since we are happy as regards the financial aspect of the Authority. In particular the Authority ended the year with a surplus of Eur 254,850 and a net assets position of Eur 879,916.

Yours faithfully

Mr. Christopher Spiteri

Occupational Health & Safety Authority

Financial Statements
Year ended 31st December 2018

Contents:

Page 1	Chief Executive Officer's Report
Page 2	Statement of Authority's Responsibilities
Page 3	Auditor's Report
Page 4	Income and expenditure account
Page 5	Balance sheet
Page 6	Cash flow statement
Page 7 to 10	Notes to the financial statements

Schedule :

Schedule (a)	Staff costs
Schedule (b)	Other operating expenses



Occupational Health & Safety Authority

Chief Executive Officer's Report

Year ended 31st December 2018

The chief executive officer presents herewith the annual report together with the audited financial statements for the year ended 31st December 2018.

1 PRINCIPAL ACTIVITY

The Occupational Health and Safety Authority is responsible for ensuring that the physical, psychological and social well-being of all workers in all work places are promoted and safeguarded by whoever is obliged to do so. Its functions include:

- a) establishing strategies by which the general national policy relating to occupational health and safety may be implemented;
- b) advising the Minister and preparing regulations or codes of practice to promote, maintain and protect a high level of occupational health and safety;
- c) monitoring compliance with relevant occupational health and safety legislation, taking enforcement action and carrying out investigations where necessary;
- d) promoting the dissemination of information, education and training on occupational health and safety and first aid response at work places;
- e) collating, analysing data and statistics and maintaining registers on matters relating to occupational health and safety;
- f) promoting and carrying out scientific research aimed at better methods of preventing occupational ill health, injury or death.

2 RESULTS

The results for the year ended 31st December 2018 are shown in the income and expenditure account on page 4. The surplus for the financial year was Eur 254,850.

3 POST BALANCE SHEET EVENTS

There have been no events since the balance sheet date which materially effect the position of the authority.

4 CHIEF EXECUTIVE OFFICER


The chief executive officer who held office during the year was :
Dr. Mark Gauci

5 AUDITOR

Mr. Christopher Spiteri B.A. (Hons) Accty, F.I.A., C.P.A., has intimated his willingness to remain in office, and a resolution to reappoint him will be proposed at the Annual General Meeting.

Signed on behalf of the members on 31-Jan-19
by :


Dr. Mark Gauci
Chief Executive Officer


Hon. Dr. Emmanuel Mallia
Chairperson

17, Edgar Ferro Street,
Pieta' - PTA 1533

Occupational Health & Safety Authority

Statement of Authority's Responsibilities

Year ended 31st December 2018

The Occupational Health and Safety Authority Act, 2000 requires the Authority to prepare accounts for each financial year, which accounts are to be certified by a Certified Public Accountant (Registered Auditor). In line with International Financial Reporting Standards the accounts must give a true and fair view of the state of affairs of the Authority at the end of the financial year and of the surplus or deficit and cash flows of the Authority for that year. The preparation of the annual accounts is the responsibility of the Authority, which is required to :

- a) select suitable accounting policies and then apply them consistently.
- b) make judgements and estimates that are reasonable and prudent.
- c) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- d) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Authority will continue to operate.

The Authority is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Authority and to enable it to ensure that the financial statements comply with the provisions of the Occupational Health and Safety Authority Act, 2000. The Authority is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the members on 31-Jan-19 by:


Dr. Mark Gauci
Chief Executive Officer


Hon. Dr. Emmanuel Mallia
Chairperson



Auditor's Report

To the members of **Occupational Health & Safety Authority**
Year ended 31st December 2018

I have audited the financial statements as set out on pages 4 to 10.

Respective responsibilities of the authority and the auditor .

As described on page 2 the Authority is responsible for the preparation of the financial statements. It is my responsibility to form an independent opinion based on my audit on these statements and to report my opinion to you. I am also required to report

- a) whether I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of my audit.
- b) whether, in my opinion, proper books of account have been kept.
- c) whether the financial statements are in agreement with the books of account.

Basis of opinion

I conducted my audit in accordance with generally accepted auditing standards. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Authority in the preparation of the financial statements and of whether the accounting policies are appropriate to the Authority's circumstances, consistently applied and adequately disclosed .

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements. I believe that my audit provides a reasonable basis for my opinion.

Opinion

In my opinion, the financial statements give a true and fair view of the state of the Authority's affairs as at 31st December 2018 and of the results of its operations and its cash flows for the year then ended and have been properly prepared in accordance with International Financial Reporting Standards as adopted by the EU and comply with the Occupational Health and Safety Act, 2000.

CHRISTOPHER SPITERI B.A. (Hons) Accty, F.I.A., C.P.A.
Registered Auditor

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Date: 31-Jan-19

Occupational Health & Safety Authority

Income and expenditure account
Year ended 31st December 2018

	Note	2018 Eur	2017 Eur
Income	3	1,566,205	1,309,949
Expenditure			
Staff costs	Schedule a	(1,100,728)	(907,547)
Other operating expenses	Schedule b	(210,627)	(244,348)
		<u>(1,311,355)</u>	<u>(1,151,895)</u>
Operating surplus for the year	4	254,850	158,054
Bank interest receivable		0	7
Surplus for the year		254,850	158,061
Accumulated fund brought forward		625,066	467,005
Accumulated fund carried forward		<u>879,916</u>	<u>625,066</u>



Occupational Health & Safety Authority

Balance sheet

31st December 2018

	Notes	2018 Eur	2017 Eur
Fixed Assets			
Tangible assets	5	901,409	899,165
		901,409	899,165
Current assets			
Debtors	6	121,452	73,434
Cash in hand and at bank	7	659,475	404,542
		780,927	477,976
Creditors : amounts falling due within one year	8	(120,827)	(44,838)
Net Current Assets		660,100	433,138
Total assets less current liabilities		1,561,509	1,332,303
Deferred income - Government capital grants	9	(681,593)	(707,237)
Net Assets		879,916	625,066
Financed by:			
Accumulated fund		879,916	625,066
		879,916	625,066

Signed on behalf of the members on 31-Jan-19

Dr. Mark Gauci
Chief Executive Officer

by :

Hon. Dr. Emmanuel Mallia
Chairperson

Occupational Health & Safety Authority

Cash flow statement

Year ended 31st December 2018

	Note	2018 Eur	2017 Eur
Cash flows from operating activities			
Operating surplus for the year		254,850	158,054
<i>Adjustments for:</i>			
Depreciation		25,644	19,557
Operating surplus before working capital movements		280,494	177,611
Movement in debtors		(48,018)	(17,252)
Movement in creditors		75,989	18,153
Cash generated from operations		308,465	178,512
Interest received		0	7
Net cash generated from operating activities		308,465	178,519
Cash flows from investing activities			
Payment to acquire tangible assets		(27,888)	(7,581)
Net cash used in investing activities		(27,888)	(7,581)
Cash flows from financing activities			
Government capital grants		(25,644)	(19,557)
Net cash flows from financing activities		(25,644)	(19,557)
Movement in cash and cash equivalents		254,933	151,381
Cash and cash equivalents at the beginning of the year		404,542	253,161
Cash and cash equivalents at the end of the year	10	659,475	404,542

**Occupational Health & Safety Authority****Notes to the financial statements**

31st December 2018

Note**1 Legal Status**

The Occupational Health and Safety Authority was established by Act No. XXVII of 2000 together with an Occupational Health and Safety Appeals Board. The provisions of the Act came into force on 3rd May 2001 by virtue of Legal Notice 121 of 2001 and 29th January 2002 by virtue of Legal Notice 9 of 2002. It is the duty of the Authority to see that the levels of occupational health and safety protection established by the Act and by regulations made under the Act are maintained.

2 Principal accounting policies

These financial statements have been prepared in accordance with the requirements of the International Financial Reporting Standards issued by the International Accounting Standards Board. A summary of the more important accounting policies which have been applied consistently, is set out below:

Accounting convention

These financial statements have been prepared under the historical cost convention.

Tangible assets

Tangible assets are stated at cost or revalued amounts less accumulated depreciation. The depreciation on the tangible assets is charged on the straight line method at the following rates:

Computer equipment	25%	Furniture & fixtures	10%
Office equipment	25%	Soft furnishings	10%
PABX system	16.67%	Motor vehicles	20%
Lift	10%	PV panels/EES system	16.67%
AC compressor	16.67%		

It is the Authority's policy not to charge depreciation on property and property improvements.

Debtors

Debtors are stated at their net realisable values after writing off any known bad debts and providing for any debts considered doubtful.

Government grants

The Authority is funded by Central Government Grants, which are voted separately for recurrent and capital expenditure. The recurrent grants are recognised in the income statement on a systematic basis over the periods necessary to match them with related costs which they are intended to compensate. The capital grants are treated as deferred income in the year in which they are voted in the National Estimates.

Occupational Health & Safety Authority**Notes to the financial statements**

31st December 2018

Note**3 Income**

Income receivable is represented by:

	2018	2017
	Eur	Eur
Government recurrent grants	1,321,667	1,124,989
Recharges and miscellaneous income	218,894	165,403
Government capital grants (note 9)	25,644	19,557
	<u>1,566,205</u>	<u>1,309,949</u>

4 Operating surplus for the year

	2018	2017
	Eur	Eur
The surplus on operations is stated after charging:		
Members' remuneration	40,531	30,783
Auditor's remuneration	1,098	1,098
Depreciation	<u>25,644</u>	<u>19,557</u>

Occupational Health & Safety Authority
Notes to the financial statements
 31st December 2018

Note

5 Tangible assets	Property Eur	Property improvements Eur	Computer equipment Eur	Office equipment Eur	PABX system Eur	Furniture & fixtures Eur	Motor vehicles Eur	Soft furnishings Eur	Lift Eur	PV panels/ EES system		AC compressor Eur	Total Eur
										Eur	Eur		
Cost - beginning of year	373,760	463,853	216,820	4,695	19,888	36,146	36,369	5,558	46,268	68,791	4,721	1,278,869	
Additions new this year	0	0	19,393	0	0	2,927	0	0	0	0	0	22,320	
Additions second hand this year	0	0	5,568	0	0	0	0	0	0	0	0	5,568	
Revaluations	0	0	0	0	0	0	0	0	0	0	0	0	
Disposals this year	0	0	0	0	0	0	0	0	0	0	0	0	
Cost - at end of year	373,760	463,853	241,781	4,695	19,888	41,073	36,369	5,558	46,268	68,791	4,721	1,306,757	
Acc.depreciation - start of year	0	0	209,011	4,695	16,940	24,888	36,369	5,558	46,268	34,401	1,574	379,704	
Charge for the year	0	0	10,623	0	704	2,063	0	0	0	11,467	787	25,644	
Disposals	0	0	0	0	0	0	0	0	0	0	0	0	
Acc.depreciation - end of year	0	0	219,634	4,695	17,644	26,951	36,369	5,558	46,268	45,868	2,361	405,348	
Net book value end 2017	373,760	463,853	7,809	0	2,948	13,258	0	0	0	34,390	3,147	899,165	
Net book value end 2018	373,760	463,853	22,147	0	2,244	14,122	0	0	0	22,923	2,360	901,409	

Occupational Health & Safety Authority
Notes to the financial statements

31st December 2018

Note

6 Debtors	2018	2017
	Eur	Eur
Debtors	1,047	52,172
Prepayments	18,546	5,588
Accrued income	100,509	14,512
Payments in advance	1,350	1,162
	<u>121,452</u>	<u>73,434</u>
7 Cash in hand and at bank	2018	2017
	Eur	Eur
Bank	659,352	404,141
Petty cash	123	401
	<u>659,475</u>	<u>404,542</u>
8 Creditors : amounts falling due within one year	2018	2017
	Eur	Eur
Suppliers	3,013	8,002
Accruals	112,362	31,113
Advance deposits	5,202	5,202
VAT payable	250	521
	<u>120,827</u>	<u>44,838</u>
9 Deferred income - Government capital grants		
Government capital grants represent funds available to the Authority for the purchase of tangible fixed assets as follows:		
	2018	2017
	Eur	Eur
Received from Central Government - beginning of year	1,095,164	1,095,164
Received from Central Government this year	0	0
Government capital grants available to date	1,095,164	1,095,164
Transfer to income - beginning of year	(387,927)	(368,370)
Transferred to income this year	(25,644)	(19,557)
	<u>681,593</u>	<u>707,237</u>
Government capital grants have been utilised as follows:		
	2018	2017
	Eur	Eur
Capital expenditure - beginning of year	1,095,164	1,095,164
Capital expenditure during the year	0	0
Unutilised funds	0	0
	<u>1,095,164</u>	<u>1,095,164</u>
10 Cash & cash equivalents as at the end of the year	2018	2017
	Eur	Eur
Cash in hand	123	401
Net bank balance	659,352	404,141
	<u>659,475</u>	<u>404,542</u>



Schedule a ; b

Occupational Health & Safety Authority**Schedule**

Year ended 31st December 2018

	2018 Eur	2017 Eur
<u>Schedule (a) - Staff costs</u>		
Members' remuneration & allowances	40,531	30,783
Staff salaries	1,055,994	873,519
Staff uniforms	1,139	839
Staff training	1,789	1,000
Staff welfare	1,275	1,406
	<u>1,100,728</u>	<u>907,547</u>
<u>Schedule (b) - Other operating expenses</u>		
Car hire	20,542	20,542
Travelling expenses	15,297	17,700
Rent	23	28
Legal & professional fees	42,225	31,487
Stationery, printing and postage	16,914	13,454
Telecommunications	9,841	9,530
Water & electricity	13,712	11,942
Repairs & maintenance	34,932	34,512
Motor vehicles running expenses	19,732	16,005
Transport expenses	1,483	1,602
Audit fee	1,098	1,098
Social partners events & conferences	0	14,045
Other events & conferences	8,671	51,918
Depreciation	25,644	19,557
Bank charges	505	881
Subscriptions	8	47
	<u>210,627</u>	<u>244,348</u>