

**KUNSILL TA' L-ISTUDENTI UNIVERSITARJI**

**For the year ended 31<sup>st</sup> December 2007**

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

Financial statements for the period ending 31<sup>st</sup> December 2007

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

## **Auditors' Report**

For the period ending 31<sup>st</sup> December 2007


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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 31st December 2007. These financial statements are the responsibility of the Council's management.

Our audit was limited in scope as a result of certain inconsistencies and we were unable to fully satisfy ourselves by using our 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 2007 and of the surplus registered for the period 1<sup>st</sup> January 2007 to 31<sup>st</sup> December 2007.

  
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: 9th February 2009

# Kunsill ta' I-Istudenti Universitarji

## Statement of Accumulated Funds

For the period ending 31<sup>st</sup> December 2007.

	01/01/07 to 31/12/07 Lm	01/03/2006 to 31/12/2006 Lm
Income	76,824	97,994
Expenditure	69,956	94,716
<b>Surplus/(Deficit) for the year</b>	<u>6,868</u>	<u>3,278</u>

### STATEMENT OF ACCUMULATED FUNDS

Accumulated Fund as at 1st January 2007	65,807	62,529
Surplus/(Deficit) for the year	6,868	3,278
Prior Year Adjustment	(1,298)	-
	<u>71,377</u>	<u>65,807</u>



Roberta Avellino  
President



Kristina Borg  
Financial Officer

Date: 6th February 2009

# Kunsill ta' l-Istudanti Universitarji

## Balance Sheet

As at 31<sup>st</sup> December 2007

	Notes	Dec 2007 Lm	Dec 2006 Lm
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment	1	19,806	23,804
Available for sale financial assets	2	<u>22,003</u>	<u>4,975</u>
		41,809	28,779
<b>Current Assets</b>			
Inventories		1,289	1,289
Trade receivables	3	24,908	22,137
Cash and cash equivalents	4	10,102	23,580
VAT Receivable		<u>3,687</u>	<u>-</u>
		39,986	47,006
<b>Total Assets</b>		<b><u>81,795</u></b>	<b><u>75,785</u></b>
<b>EQUITY AND LIABILITIES</b>			
Accumulated Funds	5	<u>71,377</u>	<u>65,807</u>
<b>Current Liabilities</b>			
Trade and other creditors		6,498	8,374
VAT Payable		<u>3,920</u>	<u>1,604</u>
		10,418	9,978
<b>Total Equity and Liabilities</b>		<b><u>81,795</u></b>	<b><u>75,785</u></b>



Roberta Avellino  
President



Kristina Borg  
Financial Officer

Date: 6th February 2009

# Kunsill ta' l-Istudenti Universitarji

## Accounting Policies

For the period ending 31<sup>st</sup> December 2007.

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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

- d) 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:

		<b>01/01/2007 to 31/12/2007</b>
Buildings & Common Room		15%
Electronic Equipment		5yrs
Fixtures & Fittings		5yrs
Office Equipment		25%
Togi		8%

e) 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.

f) 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-Studenti Universitarji**

## **Accounting Policies**

For the period ending 31<sup>st</sup> December 2007.

### 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.

# Kunsill ta' I-Studenti Universitarji

## Notes to the Accounts

For the period ending 31<sup>st</sup> December 2007.

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### 1. Fixed Asset Schedule

	Improvements to Buildings	Electronic Equipment	Furniture & Fittings	Office Equipment	Togas	TOTAL
	Lm	Lm	Lm	Lm	Lm	Lm
<b>COST</b>						
as at 1/01/2007	28,637	26,769	8,805	7,772	3,122	75,105
Additions		653	177	282	150	1,262
Impairment Gain (loss)	-	-	-	-	-	-
as at 31/12/2007	28,637	27,422	8,982	8,054	3,272	<b>76,367</b>
<b>DEPRECIATION</b>						
as at 1/01/2007	14,033	22,031	8,380	4,407	2,450	51,301
for the year	3,333	948	85	840	54	5,260
as at 31/12/2007	17,366	22,979	8,465	5,247	2,504	<b>56,561</b>
<b>NET BOOK VALUE</b>						
As at 01/01/2007	14,604	4,738	425	3,365	672	23,804
as at 31/12/2007	<b>11,271</b>	<b>4,443</b>	<b>517</b>	<b>2,807</b>	<b>768</b>	<b>19,806</b>



# Kunsill ta' I-Istudenti Universitarji

## Notes to the Accounts

For the period ending 31<sup>st</sup> December 2007

### 2. Financial Investment

Financial assets are represented by the following investments:

	01/01/07 to 31/12/07	01/03/2006 to 31/12/2006
		Lm
HSBC Bank Loan Stock		-
Book Shop Cooperative		-
HSBC Malta Bond Fund	13,075	4,975
HSBC Maltese Assets Fund	4,000	
Investments in Maltacom	4,928	
	<b>22,003</b>	<b>4,975</b>

### 3. Trade Debtors

The trade debtors include:

	01/01/07 to 31/12/07	01/03/2006 to 31/12/2006
		Lm
Sales Ledger Control Account	27,065	30,266
Less adjustments	-	(1,928)
Bad Debts	-	(4,100)
Specific Provision	(1,649)	(1,649)
Less Normal Provision for Bad Debts	(508)	(452)
Trade Debtors	<b>24,908</b>	<b>22,137</b>

### 4. Cash and cash equivalents

	01/01/07 to 31/12/07	01/03/2006 to 31/12/2006
	Lm	Lm
<b>Cash at Bank</b>		
Administration	2,462	5,194
Books	672	691
Charity	2	1,494
HSBC Savings	3,362	15,980
Chair lift fund	2,632	-
Other small bank accounts	815	-
<b>Cash in hand</b>		
	157	221
	<b>10,102</b>	<b>23,580</b>

# Kunsill ta' I-Istudenti Universitarji

## Notes to the Accounts

For the period ending 31<sup>st</sup> December 2007

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### 5. Equity

The Reserves are made up of the following:

	<b>01/01/07 to 31/12/07</b>	<b>01/03/2006 to 31/12/2006</b>
		<b>Lm</b>
Accumulated Funds as at 31 <sup>st</sup> March	65,807	62,529
Surplus/(Deficit) for the year	6,868	3,278
Prior Year Adjustments	(1,298)	-
	<b>71,377</b>	<b>65,807</b>

### 6. 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*

As at 31<sup>st</sup> December 2007, the carrying amounts of financial assets and liabilities were not materially different from the carrying amounts.