

KUNSILL TA' L-ISTUDENTI UNIVERSITARJI

For the period ended 31st December 2008

Kunsill ta' I-Istudenti Universitarji

Financial statements for the period ending 31st December 2008

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Kunsill ta' l-Istudenti Universitarji

Auditors' Report

For the period ending 31st December 2008

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 2008. 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 record 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 31st December 2008 and of the surplus registered for the period 1st January 2008 to 31st December 2008.



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: 20th March 2009

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Statement of Accumulated Funds

For the period ending 31st December 2008.

		01/01/08 to 31/12/08 EUR	01/01/07 to 31/12/07 EUR
Income	1	197,824	178,951
Expenditure		135,757	162,953
Surplus/(Deficit) for the year		<u>62,067</u>	<u>15,998</u>

STATEMENT OF ACCUMULATED FUNDS

Accumulated Fund as at 1st January 2007	166,263	153,289
Surplus/(Deficit) for the year	62,067	15,998
Prior Year Adjustment		(3,024)
	<u>228,330</u>	<u>166,263</u>

Roberta Avellino
President



Kristina Borg
Financial Officer

Date: 20th March 2009

Kunsill ta' I-Istudenti Universitarji

Balance Sheet

As at 31st December 2008

	Notes	Dec 2008 EUR	Dec 2007 EUR
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	2	50,320	46,138
Intangible Assets		622	-
Available for sale financial assets	3	56,961	51,253
		<u>107,903</u>	<u>97,391</u>
Current Assets			
Inventories		3003	3,003
Trade receivables	4	116,584	58,020
Cash and cash equivalents	5	46,988	23,533
VAT Receivable		11,084	8,586
		<u>177,659</u>	<u>93,142</u>
Total Assets		<u>285,562</u>	<u>190,533</u>
EQUITY AND LIABILITIES			
Accumulated Funds	6	<u>228,330</u>	<u>166,263</u>
Current Liabilities			
Trade and other creditors		54,297	15,134
VAT Payable		2,935	9,136
		<u>57,232</u>	<u>24,270</u>
Total Equity and Liabilities		<u>285,562</u>	<u>190,533</u>

Roberta Avellino
President


Kristina Borg
Financial Officer

Date: 20th March 2009

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Accounting Policies

For the period ending 31st December 2008.

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:

		01/01/2008 to 31/12/2008
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).

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Accounting Policies

For the period ending 31st December 2008.

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 profit this year was higher than previous years due to the fact that KSU increased corporate sponsors, increased the rent of shops in student's house and as we have a new showcase that we rent out. We have also settled a previous dispute with one of the outlets in student's house and thus, we are receiving an extra €2,390.46. Above this, our events, namely Freshers' Week in October and Careers' Convention in November were highly successful.

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Notes to the Accounts

For the period ending 31st December 2008.

1. Revenue

Balance due from a sponsor as per agreement reached in 2000 has been regularly paid annually except the year under review. The treasurer has assured us that the omission of last year's contribution was due to an oversight and efforts are being made to recoup such income in 2009. Henceforth it was decided that no provision is made to account for the missing income of EUR 7,000 on a cash basis.

2. Fixed Asset Schedule

	Improvements to Buildings	Electronic Equipment	Furniture & Fittings	Office Equipment	Togas	TOTAL
	EUR	EUR	EUR	EUR	EUR	EUR
COST						
as at 1/01/2008	66,709	63,876	20,922	18,761	7,622	177,890
Additions	-	4,068	-	12,796	-	16,864
Impairment Gain (loss)	-	-	-	-	-	-
as at 31/12/2008	66,709	67,944	20,922	31,557	7,622	194,754
DEPRECIATION						
as at 1/01/2008	40,452	53,526	19,718	12,223	5,833	131,752
for the year	3,938	3,526	241	4,834	143	12,682
as at 31/12/2008	44,391	57,052	19,959	17,057	5,976	144,434
NET BOOK VALUE						
As at 01/01/2008	26,257	10,350	1,204	6,538	1,789	46,138
as at 31/12/2008	22,318	10,892	963	14,500	1,649	50,320

During the year ended 31st December 2008 KSU had full access to the buildings. However, it should be noted that KSU enjoy no ownership rights to such buildings.

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Notes to the Accounts

For the period ending 31st December 2008

3. Financial Investment

Financial assets are represented by the following investments:

	01/01/08 to 31/12/08	01/01/07 to 31/12/07
HSBC Bank Loan Stock		
Book Shop Cooperative		
HSBC Malta Bond Fund	37,607	30,456
HSBC Maltese Assets Fund	7,875	9,318
Investments in Maltacom	11,479	11,479
	56,961	51,253

4. Trade Debtors

The trade debtors include:

	01/01/08 to 31/12/08	01/01/07 to 31/12/07
Sales Ledger Control Account	121,610	63,044
Less adjustments		-
Bad Debts		-
Specific Provision	(3,843)	(3,841)
Less Normal Provision for Bad Debts	(1,183)	(1,183)
Trade Debtors	116,584	58,020

5. Cash and cash equivalents

	01/01/08 to 31/12/08	01/01/07 to 31/12/07
Cash at Bank	EUR	EUR
Administration	9	5,736
Books	1,449	1,565
Charity	1	5
HSBC Savings	38,768	7,832
Chair lift fund	-	6,131
Other small bank accounts	6,396	1,899
Cash In hand		
	365	365
	46,988	23,533

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Notes to the Accounts

For the period ending 31st December 2008

6. Equity

The Reserves are made up of the following:

	01/01/08 to 31/12/08	01/01/07 to 31/12/07
Accumulated Funds as at 1 st January	166,263	153,289
Surplus/(Deficit) for the year	62,067	15,998
Prior Year Adjustments	-	(3,024)
	228,330	166,263

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

As at 31st December 2008, the carrying amounts of financial assets and liabilities were not materially different from the carrying amounts.

8. Functional Currency

Following Malta's adoption of the Euro as its national currency as 1st January 2008, the entity's functional currency was changed from Maltese Lira to EURO. Consequently the results and financial position were translated at the Irrevocably Fixed Conversion Rate of € 1:Lm 0.429300 as at that date.