

BIRKBECK COLLEGE BAR

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST JULY, 2005

INDEPENDENT AUDITORS' REPORT**TO THE ADVISORY BOARD OF****BIRKBECK COLLEGE BAR**

We have audited the income and expenditure account of Birkbeck College Bar for the year ended 31st July, 2005, which has been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the Advisory Board of Birkbeck College Bar as a body. Our audit work has been undertaken, so that we might state to the Board's members those matters we are required to state them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board and the Board's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE UNIVERSITY OF LONDON UNION AND AUDITORS

As described in the Statement of Union Management Committee Responsibilities, the University of London Union is responsible for the preparation of the income and expenditure account in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the income and expenditure account in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the income and expenditure account gives a true and fair view and is properly prepared in accordance with the agreement of 1st February 1997 between University of London Union and Birkbeck College. We also report to you if, in our opinion, University of London Union has not kept proper accounting records, if we have not received all the information and explanations we require for our audit.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the income and expenditure account. It also includes an assessment of the significant estimates and judgements made by the Union Management Committee in the preparation of the income and expenditure account and of whether the accounting policies are appropriate to the Birkbeck College Bar's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the income and expenditure account is free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the income and expenditure account.

OPINION

In our opinion the income and expenditure account gives a true and fair view of the state of Birkbeck College Bar's surplus for the year ended 31st July, 2005, and has been properly prepared in accordance with the agreement of 1st February, 1997.

Knox Cropper
Chartered accountants
Registered auditors

16 New Bridge Street
London
EC4V 6AX

BIRKBECK COLLEGE BAR
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST JULY, 2005

	Note	2005 £	2004 £
Sales		82,580	101,709
Cost of sales		(32,663)	(43,382)
Gross profit		49,917	58,327
Vending income		527	575
Retrospective discounts		2,480	4,158
		52,924	63,060
Expenses			
Audit and accountancy fee		600	600
Glasses		10	48
Salaries		18,762	24,438
Stocktake fee		1,179	980
Maintenance		-	2,966
Miscellaneous		980	1,865
		21,531	30,897
Net profit		£31,393	£32,163
Share of profits			
University of London Union	2	12,557	12,865
Birkbeck College	2	18,836	19,298
		£31,393	£32,163

BIRKBECK COLLEGE BAR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY, 2005

1. ACCOUNTING POLICIES

- (a) The income and expenditure account has been prepared under the historical cost convention.
- (b) Stock is valued at the lower of cost and net realisable value.

2. SHARE OF PROFITS

Under the agreement of 1st February 1997, profits are shared between the University of London Union and Birkbeck College on a 40:60 basis.

3. STATEMENT OF THE UNION MANAGEMENT COMMITTEE RESPONSIBILITIES

Under the agreement of 1st February 1997, the University of London Union is required to ensure that the income and expenditure account is prepared for each financial year for presentation to the Advisory Panel, which gives a true and fair view of the state of affairs of the college bar and of its surplus or deficit for that period. In preparing the income and expenditure account, the University of London Union is required to select suitable accounting policies and apply them consistently, make estimates and judgements that are reasonable and prudent and prepare the income and expenditure account on a going concern basis when it is appropriate to presume that Birkbeck College Bar will continue to operate.

The University of London Union is responsible for ensuring that proper accounting records are maintained which disclose with reasonable accuracy, at any time, the financial position of Birkbeck College Bar. They are also responsible for safeguarding the assets of Birkbeck College Bar and hence for taking reasonable steps for the prevention and detection, of fraud and other irregularities.