



Business Today

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Interview:
Michael C. Kamsky
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€200m Enemalta contract awarded

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Ryanair proposes Malta base

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Finance Ministry hides Gozo ferry losses

David Darmanin

After the Ministry of Finance refused to pass on to Business Today the latest audited accounts of state-owned companies and declined to comment on questions passed on to it with regard to Gozo Channel, it now transpires that the company operating the ferry service between Malta and Gozo has not declared ownership of any of the vessels it uses for the service.

Although in 2003, Gozo Channel received from the Malta Shipyards three newly built vessels worth in the region of €70 million, no such assets appear in the channel's most recent audits submitted to the MFSA. Had such assets been registered, any loan repayments and depreciation costs related to them would have turned financial results from an operational profit of €76,657 to severe loss.

Gozo Channel sources informed this newspaper that another government subsidiary by the name of Gozo Ferries Ltd appears to be the owner of the vessels.

2006 audits for this company show that ▶ **page 7**



Hundreds expected to appeal after VAT interest court ruling

Karl Stagno-Navarra

The VAT Department is bracing itself to receiving hundreds of appeals on contested bills after a recent court ruling forbade government to charge a blown up 12 per cent interest on amounts contested before a Board of Appeal.

Sources at the VAT Department indicated that it is unlikely for the Finance Ministry to appeal Justice Caruana Demajo's ruling given that the court "left little room for manoeuvring on the issue."

"The court's ruling was fair and just," said a senior tax consultant who spoke to Business Today, adding that the practice of imposing high interest rates throughout the whole process of appeal was tantamount to "legalised usury."

A commercial legal advisor commented that the ruling has given a breath of fresh air to many self-employed who are feeling the noose around their necks by the VAT Department, and can now freely contest their outstanding bills without having to face total ruin by the time the Board of Appeal hears their case. ▶ **page 3**

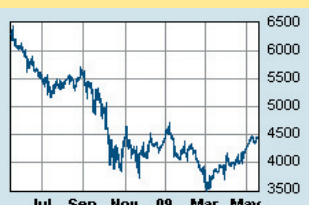
World Business Highlights

U.S. Housing Starts Unexpectedly Fall to Record-Low Pace; Permits Decline Builders broke ground on the fewest homes on record in April as a plunge in condominiums and apartment buildings overwhelmed the second straight gain in starts on single-family dwellings.

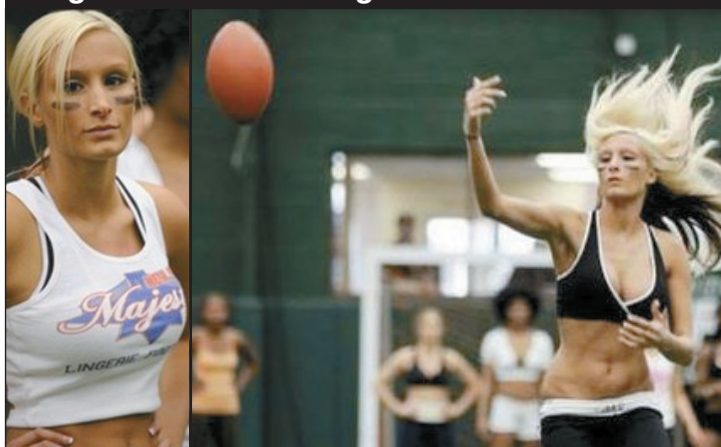
Stocks in U.S. Rise as Utility, Commodity Shares Overcome Housing Report U.S. stocks rose for a second day as gains in utilities and commodity producers helped the market overcome an early slide spurred by an unexpected decrease in housing starts to a record low.

Pimco's El-Erian Sees More Regulation, Slower U.S. Growth as 'New Normal' Mohamed El-Erian, chief executive officer of Pacific Investment Management Co., said the "new normal" includes heightened government regulation, slower growth and a shrinking global role for the U.S. economy.

FTSE 100



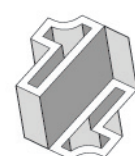
Lingerie Football League



Lingerie Football League (LFL) aspiring players take part in training drills during an open tryout session, for aspiring players to be selected to join the New York Majesty team, in Freeport, New York. The LFL, a 10-team nationwide American football league, features women playing football in their underwear, and will start in September 2009

Markets

Security	Closing Prices in Euro Tue 12-April-09	Closing Prices in Euro Tue 19-May-09	% Change from previous wk
Bank of Valletta p.l.c.	2.395	2.390	-0.209%
HSBC Bank Malta p.l.c.	2.550	2.590	1.569%
Lombard Bank p.l.c.	2.700	2.700	0.000%
Middlesea Insurance p.l.c.	2.260	2.260	0.000%
Simonds Farsons Cisk p.l.c.	1.750	1.869	6.800%
GO p.l.c.	1.735	1.730	-0.288%
IHI p.l.c.	0.950	0.940	-1.053%
Plaza Centres p.l.c.	1.720	1.720	0.000%
FIMBank p.l.c. (US\$)	\$1.300	\$1.290	-0.769%
Malta International Airport p.l.c.	2.100	2.179	3.762%
GlobalCapital p.l.c.	1.500	1.500	0.000%
Datatrak Holdings p.l.c.	0.190	0.190	0.000%
San Tumas Shareholdings p.l.c.	3.200	3.200	0.000%
Medserv p.l.c.	3.550	3.550	0.000%
Grand Harbour Marina p.l.c.	1.980	1.980	0.000%
6pm Holdings p.l.c. (GBP)	£0.590	£0.590	0.000%
Crimsonwing p.l.c.	0.469	0.390	-16.844%
MaltaPost p.l.c.	0.700	0.710	1.429%
RS2 Software p.l.c.	0.720	0.720	0.000%



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FIMBank p.l.c.
7th Floor, The Plaza Commercial Centre
Bisazza Street, Sliema SLM 1640, Malta

www.fimbank.com
info@fimbank.com
T :: 2132 2100

FREEPHONE :: 800 73110

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