

**HULL INVESTMENT LIMITED**

**FINANCIAL STATEMENTS AND REPORTS**

**31<sup>st</sup> MARCH, 2007**  
**(A COMPANY LIMITED BY GUARANTEE)**

**Company Number 1794865**



# **HULL INVESTMENT LIMITED**

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**HULL INVESTMENT LIMITED**

**REPORT OF THE DIRECTORS**

**FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2007**

The directors have pleasure in presenting their report and the audited financial statements for the year ended 31<sup>st</sup> March, 2007

**Principal Activity**

The company is an investment company, granting loans to businesses within the boundaries of Kingston Upon Hull for the purposes of generating and protecting employment

**State of Affairs**

The company continues to collect repayments of outstanding loans. However, due to alternative funding now being available within the city, no further advances were made during the year

**Results for the Year**

The loss for the year is £13,996 (2006 – deficit £9,112), which has been added to the deficit brought forward

**Directors**

Listed below are the directors who have held office during the year

N Pontone  
I Kelly  
P Sykes  
J W Brennand  
Councillor P Allen  
Councillor K G Neal  
Councillor K Branson  
Councillor J Robinson  
Councillor J L Fareham  
Councillor K Lavery

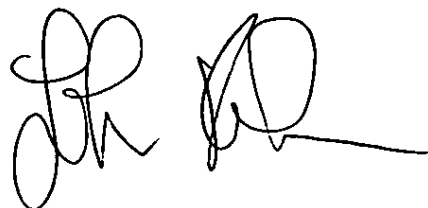
**Confirmation**

The directors do not know of any relevant audit information of which the auditors are known to be unaware

**Auditors**

Messrs Dutton Moore have signified their willingness to continue in office as auditors to the company and a resolution to that effect will be put to the members at the Annual General Meeting

BY ORDER OF THE BOARD



HULL  
9<sup>th</sup> NOVEMBER, 2007

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HULL INVESTMENTS LIMITED**

We have audited the financial statements of Hull Investments Limited for the year ended 31<sup>st</sup> March 2007 on pages 4 to 8. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept nor assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information required by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We report to you whether, in our opinion, the information given in the directors report is consistent with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 financial statements are free from material misstatement, 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 financial statements.

### **Opinion**

In our opinion:

- The financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31<sup>st</sup> March 2007 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.
- The information given in the directors' report is consistent with the financial statements.

*Dutton Moore*

DUTTON MOORE  
CHARTERED ACCOUNTANTS  
AND REGISTERED AUDITORS

HULL  
9<sup>th</sup> NOVEMBER, 2007

## **HULL INVESTMENT LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are 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 the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

**HULL INVESTMENT LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2007**

|  | Notes | 2007        | 2006        |
|--|-------|-------------|-------------|
| Administrative Expenses                | 9     | (20,050)    | (13,342)    |
| Interest Receivable and Similar Income |       | 13,090      | 11,266      |
| Interest Payable                       | 10    | (7,036)     | (7,036)     |
|  |       | <hr/>       | <hr/>       |
| Loss for the Financial Year            |       | (13,996)    | (9,112)     |
| Retained Losses, brought forward       |       | (592,104)   | (582,992)   |
|  |       | <hr/>       | <hr/>       |
| Retained Losses, carried forward       |       | £(606,100)  | £(592,104)  |
|  |       | <hr/> <hr/> | <hr/> <hr/> |


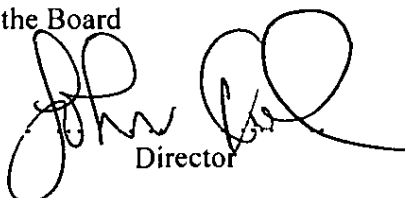
There are no recognised gains or losses other than the profit for the year and therefore no separate statement of total recognised gains and losses is required

All of the activities in 2007 and 2006 are continuing activities

**HULL INVESTMENT LIMITED**  
**BALANCE SHEET**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2007**

|  | Notes | 2007              | 2006              |
|--|-------|-------------------|-------------------|
| <b>FIXED ASSETS</b>  |       |                   |                   |
| Investments  | 4     | 9,910             | 32,809            |
| <b>CURRENT ASSETS</b>  |       |                   |                   |
| Debtors  | 5     | 1,651             | 977               |
| Cash at Bank and in Hand                                       |       | 399,887           | 387,555           |
|  |       | <u>£401,538</u>   | <u>£388,532</u>   |
| <b>CREDITORS: amounts falling due within one year</b>          |       |                   |                   |
|  | 6     | <u>£79,398</u>    | <u>£75,295</u>    |
| Net Current Assets   |       | 322,140           | 313,237           |
| Total Assets less Current Liabilities                          |       | 332,050           | 346,046           |
| <b>CREDITORS: amounts falling due after more than one year</b> |       |                   |                   |
|  | 7     | (938,150)         | (938,150)         |
|  |       | <u>£(606,100)</u> | <u>£(592,104)</u> |
| <b>CAPITAL AND RESERVES</b>                                    |       |                   |                   |
| Profit and Loss Account  |       | <u>£(606,100)</u> | <u>£(592,104)</u> |

Approved on Behalf of the Board

Director
 Director

DATED 9<sup>th</sup> November 2007

The notes on pages 6 to 8 form part of these accounts

# HULL INVESTMENT LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2007

### 1 Principal Accounting Policies:-

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below

#### Basis of Accounting

- a) **Accounts** have been prepared under the historical cost convention
- b) **Trading Loss** includes all normal operating profits, less losses, for the year
- c) **Fixed Assets-Investments**, are included at cost less a provision for items, which are considered irrecoverable
- d) **Going Concern**  
The company made a loss for the year of £13,996 (2006 - loss £9,112) and at the year end had net liabilities of £606,100 (2006 - £592,104) The company is funded by a loan from Kingston Upon Hull City Council of £938,150 (2006 - £938,150) which is due for repayment on 31<sup>st</sup> March, 2009 On the assumption that repayment will not be requested earlier than the date shown above, the Directors consider it appropriate to prepare the accounts on a going concern basis

### 2 Turnover

Results are attributable to the principal activity as detailed in the Directors' Report and arose totally within the United Kingdom

### 3 Loss for the Financial Year, before Taxation

|                               | 2007              | 2006              |
|-------------------------------|-------------------|-------------------|
| This is stated after charging |                   |                   |
| Auditors' Remuneration        | £1,469            | £1,469            |
|                               | <u>          </u> | <u>          </u> |

### 4 Investments

|   |                   |                   |
|---|-------------------|-------------------|
| Cost, brought forward at 1 <sup>st</sup> April, 2006  | 32,809            | 64,634            |
| Repaid  | (5,531)           | (21,825)          |
| Written-off   | (17,782)          | -                 |
| Provision for doubtful loans                          | -                 | (10,000)          |
| Interest Receivable                                   | 414               | -                 |
|   | <u>          </u> | <u>          </u> |
| Cost, carried forward at 31 <sup>st</sup> March, 2007 | £9,910            | £32,809           |
|   | <u>          </u> | <u>          </u> |



# HULL INVESTMENT LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED)

### 5 Debtors

|                          | 2007              | 2006              |
|--------------------------|-------------------|-------------------|
| Bank Interest Receivable | 1,198             | 977               |
| Prepayments              | 453               | -                 |
|                          | <u>          </u> | <u>          </u> |
|                          | £1,651            | £977              |
|                          | <u>          </u> | <u>          </u> |

### 6 Creditors: amounts falling due within one year

|                                      |                   |                   |
|--------------------------------------|-------------------|-------------------|
| Interest Payable                     | 22,332            | 15,296            |
| Other Creditors and Accruals         | 1,534             | 3,074             |
| Amounts owed to Related Undertakings | 55,532            | 56,925            |
|                                      | <u>          </u> | <u>          </u> |
|                                      | £79,398           | £75,295           |
|                                      | <u>          </u> | <u>          </u> |

### 7 Creditors: amounts falling due after more than one year

|   |                   |                   |
|---|-------------------|-------------------|
| Loan at a variable interest rate from Kingston Upon Hull City Council repayable on 31 <sup>st</sup> March, 2009 | £938,150          | £938,150          |
|   | <u>          </u> | <u>          </u> |

### 8 Related Party Disclosures

- i) The Kingston Upon Hull City Council has ultimate control of the company
- ii) Employees of the Council are engaged in assessing loan applications, preparing the legal documentation in respect of successful applications and maintaining the accounting records. No charge is made for these services
- iii) The company was charged £7,036 interest for the year on monies due to the Council which was unpaid at the balance sheet date
- iv) During the year the company settled expenses of £1,393 on behalf of Hull Enterprise Limited, a company also controlled by Kingston Upon Hull City Council. The company also owed Hull Enterprise Limited £56,925 at the beginning of the financial period. The net amount of £55,532 remains outstanding at the balance sheet date

# **HULL INVESTMENT LIMITED**

## **NOTES TO THE ACCOUNTS (CONTINUED)**

|           |                                   |                |                |
|-----------|-----------------------------------|----------------|----------------|
| <b>9</b>  | <b>Administrative Expenses</b>    | <b>2007</b>    | <b>2006</b>    |
|           | Auditors' Remuneration            | 1,469          | 1,469          |
|           | Insurance                         | 118            | 1,024          |
|           | Provision for Loss on Investments | -              | 10,000         |
|           | Investment Written Off            | 17,782         | -              |
|           | Court Fees                        | 580            | 750            |
|           | Sundries                          | 30             | 64             |
|           | Bank Charges                      | 71             | 35             |
|           |                                   | <u>£20,050</u> | <u>£13,342</u> |
| <b>10</b> | <b>Interest Payable</b>           |                |                |
|           | Loan Interest                     | <u>£7,036</u>  | <u>£7,036</u>  |

### **11 Company Limited by Guarantee**

The liability of the members in the event of a winding up is limited by guarantee