

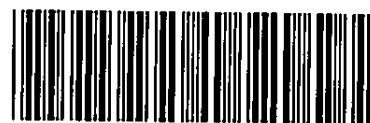


**HULL INVESTMENT LIMITED**

**FINANCIAL STATEMENTS AND REPORTS**

**31<sup>st</sup> MARCH, 2008**  
**(A COMPANY LIMITED BY GUARANTEE)**

**Company Number 1794865**



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## **HULL INVESTMENT LIMITED**

### **CONTENTS**

1. Report of the Directors
2. Report of the Auditors
3. Statement of Directors' Responsibilities
4. Profit and Loss Account
5. Balance Sheet
- 6-8. Notes to the Accounts

**HULL INVESTMENT LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2008**

The directors have pleasure in presenting their report and the audited financial statements for the year ended 31<sup>st</sup> March, 2008.

**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 has now collected all outstanding recoverable loans. Due to alternative funding now being available within the city, no further advances were made during the year and the directors are considering transferring the remaining funds to the new funding body. However, no formal decision has yet been reached and this will in any event be dependent upon whether or not the Council require repayment of their funding loan due on 31<sup>st</sup> March, 2009.

**Results for the Year**

The company's operating deficit for the year was £4,012, (2007 – deficit £13,996). The exceptional income relates to the write-off of the related company balance with Hull Enterprise Limited.

**Directors**

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

N. Pontone  
I. Kelly  
P. Sykes  
J. W. Brennand (Resigned 09/11/07)  
S. Chaylor (Appointed 09/11/07)  
Councillor P. Allen  
Councillor K. G. Neal  
Councillor K. Branson  
Councillor J. Robinson  
Councillor J. L. Fareham  
Councillor K. Lavery (Resigned 09/11/07)

**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  
16<sup>th</sup> February 2009

## **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 2008 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 2008 and of its profit 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.

### **Emphasis of Matter**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the scheduled repayment of the funding loan from Kingston upon Hull City Council and its impact upon the directors' assessment that the company should not be classed as a going concern. International Standards on Auditing (UK and Ireland) require the auditor to draw this fact to the attention of readers of the financial statements.

  
DUTTON MOORE

CHARTERED ACCOUNTANTS  
AND REGISTERED AUDITORS

HULL  
16<sup>th</sup> February 2009

## **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, 2008**

	Notes	2008	2007
Administrative Expenses	9	(12,350)	(20,050)
Interest Receivable and Similar Income		15,374	13,090
Interest Payable	11	(7,036)	(7,036)
		<hr/>	<hr/>
Operating Loss for the Financial Year		(4,012)	(13,996)
Exceptional Item	10	53,746	-
		<hr/>	<hr/>
Profit/(Loss) for the Financial Year		49,734	(13,996)
Retained Losses, brought forward		(606,100)	(592,104)
		<hr/>	<hr/>
Retained Losses, carried forward		£(556,366)	£(606,100)
		<hr/> <hr/>	<hr/> <hr/>

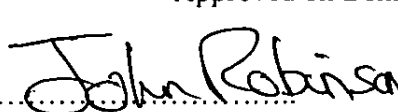
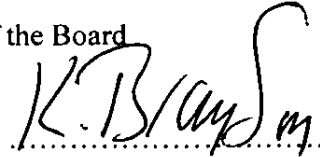
There are no recognised gains or losses other than the profit for the year and therefore no separate statement of total recognised gains and losses is required.

All of the activities in 2008 and 2007 have been discontinued.

**HULL INVESTMENT LIMITED**  
**BALANCE SHEET**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2008**

	Notes	2008	2007
<b>FIXED ASSETS</b>			
Investments	4	-	9,910
<b>CURRENT ASSETS</b>			
Debtors	5	1,697	1,651
Cash at Bank and in Hand		411,019	399,887
		<u>£412,716</u>	<u>£401,538</u>
<b>CREDITORS: amounts falling due within one year</b>	6	<u>£969,082</u>	<u>£79,398</u>
Net Current (Liabilities)/Assets		(556,366)	322,140
Total Assets less Current Liabilities		(556,366)	332,050
<b>CREDITORS: amounts falling due after more than one year</b>	7	-	(938,150)
		<u>£(556,366)</u>	<u>£(606,100)</u>
<b>CAPITAL AND RESERVES</b>			
Profit and Loss Account		<u>£(556,366)</u>	<u>£(606,100)</u>

Approved on Behalf of the Board


  
 .....  
 Director Director

DATED: 16<sup>th</sup> February 2009

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, 2008

### 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 generated a surplus for the year of £49,734 (2007 - loss £13,996) but at the year end had net liabilities of £556,366 (2007 - £606,100). The company is funded by a loan from Kingston Upon Hull City Council of £938,150 (2007 - £938,150) which is due for repayment on 31<sup>st</sup> March, 2009. Discussions have taken place regarding making requests to the Council to extend the repayment deadline, write off the loan shortfall and/or transfer the remaining funds to a new body with objects similar to those of the company. Without these matters being resolved, the company will be unable to meet its liabilities in full on 31<sup>st</sup> March 2009. It should not therefore be assumed that the company is a going concern, although no further re-classification of the assets is required and no additional liabilities are expected to crystallise.

### 2. Turnover

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

### 3. Profit/(Loss) for the Financial Year, before Taxation

	2008	2007
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, 2007	9,910	32,809
Repaid	-	(5,531)
Written-off	(9,910)	(17,782)
Provision for doubtful loans	-	-
Interest Receivable	-	414
	<u>          </u>	<u>          </u>
Cost, carried forward at 31 <sup>st</sup> March, 2008		£9,910
	<u>          </u>	<u>          </u>



# HULL INVESTMENT LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED)

<b>5. Debtors</b>	<b>2008</b>	<b>2007</b>
Bank Interest Receivable	1,244	1,198
Prepayments	453	453
	<hr/>	<hr/>
	£1,697	£1,651
	<hr/>	<hr/>
<b>6. Creditors: amounts falling due within one year</b>		
Interest Payable	29,368	22,332
Other Creditors and Accruals	1,564	1,534
Amounts owed to Related Undertakings	-	55,532
Loan from Kingston upon Hull City Council	938,150	-
	<hr/>	<hr/>
	£969,082	£79,398
	<hr/>	<hr/>

The related undertaking, Hull Enterprise Limited was dissolved on 4<sup>th</sup> June 2008, and in accordance with a resolution of that company dated 9<sup>th</sup> November, 2007, Hull Investment Limited has been released from its liability.

<b>7. Creditors: amounts falling due after more than one year</b>		
Loan at a variable interest rate from Kingston Upon Hull City Council repayable on 31 <sup>st</sup> March, 2009	£ -	£938,150
	<hr/>	<hr/>

The above amount is due to be repaid to Kingston Upon Hull City Council on 31<sup>st</sup> March 2009, although insufficient funds exist to repay this amount in full. No decision has yet been received from Kingston Upon Hull City Council regarding the amount and date on which repayment will be sought.

## 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 behalf of Hull Enterprise Limited, a company also controlled by Kingston Upon Hull City Council. However, the amount due to Hull Enterprise Limited, net of these expenses, has been written off in the year. (See Note 10).



# HULL INVESTMENT LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED)

9. Administrative Expenses	2008	2007
Auditors' Remuneration	1,469	1,469
Insurance	906	118
Provision for Loss on Investments	-	-
Investment Written Off	9,910	17,782
Court Fees	-	580
Sundries	30	30
Bank Charges	35	71
	<u>£12,350</u>	<u>£20,050</u>

### 10. Exceptional Item

In accordance with a resolution dated 9<sup>th</sup> November 2007 made by the Directors' of Hull Enterprise Limited, the amount owing to the company has been written-off.

### 11. Interest Payable

Loan Interest	<u>£7,036</u>	<u>£7,036</u>
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### 12. Company Limited by Guarantee

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

