



**HULL INCORPORATED LAW SOCIETY
(A COMPANY LIMITED BY GUARANTEE)**

FINANCIAL STATEMENTS AND REPORTS

FOR THE YEAR ENDED 31st OCTOBER, 2011

Company Number: 13295

WEDNESDAY



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**HULL INCORPORATED LAW SOCIETY
(A COMPANY LIMITED BY GUARANTEE)**

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**HULL INCORPORATED LAW SOCIETY
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE COUNCIL
FOR THE YEAR ENDED 31st OCTOBER, 2011**

The Council present their report and the financial statements for the year ended 31st October, 2011

Principal Activity

The principal activity of the company is to regulate and provide services to local member law firms

Financial Statements

At an operating level the company incurred a surplus for the year of £3,044 (2010 - £2,191) However losses on the disposal of investments, notably banking shares have resulted in a reduction in the overall surplus, before taxation, for the year ended 31st October, 2011 to £176 (2010 - £18,741)

Council

The members of the Council to have held office during the year and to the date of this report are as follows

President	S J Clubleby	
Honorary Secretary	M V Wilson	
Honorary Treasurer	R F Palmer	
Immediate Past Presidents	Mrs M J Taylor	M E Stewart
	J D Bates (Dec)	
	W E Sweeney	
Council Members	R F Taylor	C J Drinkall (resigned 19 th May 2011)
	T F Durkin	P A Duffus
	N J Beckwith	(resigned 19 th May 2011)

In accordance with Article 33 of the Articles of Association, as amended at the 2004 AGM, all elected and co-opted members of Council retire from office and are eligible for re-election

Membership

The number of members on the roll of the company is 129 (2010 122)

Council's Responsibilities for the Financial Statements

Company law requires the Council 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 surplus or deficit of the company for that year In preparing these financial statements, the Council are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The Council 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 2006 They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

**HULL INCORPORATED LAW SOCIETY
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE COUNCIL
FOR THE YEAR ENDED 31st OCTOBER, 2011 (CONTINUED)**

Auditors

The company has decided not to appoint auditors

This report is prepared in accordance with the special provisions of Part 15, Chapter 5 of the Companies Act 2006 relating to small companies

BY ORDER OF THE COUNCIL

A handwritten signature in black ink, appearing to read 'M.V. Wilson', is written over the printed name.

**M.V. WILSON
HONORARY SECRETARY**

**HULL
13th MARCH, 2012**

**HULL INCORPORATED LAW SOCIETY
(A COMPANY LIMITED BY GUARANTEE)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST OCTOBER, 2011**

	2011	2010
Operating Income		
Membership Subscriptions	7,255	7,266
Library Subscriptions	-	5,171
Post Boxes – DX	7,000	8,720
Post Boxes	13,940	12,863
Carol Service	(428)	(466)
Seminars, including Room Hire	2,911	1,550
Annual Dinner and Other Social Functions	<u>4,352</u>	<u>1,447</u>
	35,030	36,551
Operating Expenses		
Salaries	15,636	15,000
Staff Employer's NI Contributions	386	457
Rates and Service Charge	2,007	2,881
Rent	2,880	2,880
Insurance	641	1,819
Book Replacements, Bindings etc	69	2,845
Lighting and Heating	1,040	1,350
Repairs and Renewals	627	451
Printing and Stationery	1,662	1,350
Postages	37	111
Telephone	487	537
Contribution to Secretary's Expenses	500	500
Accountancy and Taxation Services	2,040	2,083
Professional Fees	2,534	840
Sundry Expenses	535	742
Subscriptions	322	514
Depreciation	19	-
Bad Debt Written Off	564	-
	<u> </u>	<u> </u>
	(31,986)	(34,360)
Operating Surplus/(Deficit)	3,044	2,191
Donation received	82	50
Investment Income	4,905	5,392
Loss on Sale of Investments	(4,812)	(6,321)
Broker Charges	(1,330)	(859)
Decrease in Diminution Provision	-	18,279
Restatement of Investment Cost	<u>(1,870)</u>	<u> </u>
	(3,025)	-
Accumulated Fund – Surplus for the year	19	18,732
Prize Fund - Interest Receivable	22	21
- Diminution Provision	<u>135</u>	<u>(12)</u>
	157	(9)
Surplus of Income over Expenditure	176	18,741
Corporation Tax	<u>(397)</u>	<u> </u>
(Deficit)/Surplus after Taxation	<u>£ (221)</u>	<u>£18,741</u>

**HULL INCORPORATED LAW SOCIETY
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET AS AT 31st OCTOBER, 2011**

	Notes	2011	2010
FIXED ASSETS			
Tangible Assets	6	545	2
Investments	5	182,040	185,273
		<hr/>	<hr/>
		182,585	185,275
CURRENT ASSETS			
Debtors	7	4,724	3,734
Cash at Bank and in Hand		24,815	20,815
		<hr/>	<hr/>
		29,539	24,549
CREDITORS amounts falling due within one year	8	(15,551)	(13,030)
		<hr/>	<hr/>
Net Current Assets		13,988	11,519
		<hr/>	<hr/>
		£196,573	£196,794
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Accumulated Fund	9	194,674	195,052
Prize Fund	9	1,899	1,742
		<hr/>	<hr/>
Total Funds		£196,573	£196,794
		<hr/>	<hr/>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

In approving these financial statements as members of the Council we confirm

(a) that for the year stated above the Society was entitled to the exemption conferred by Section 477 of the Companies Act 2006,

(b) that no notice has been deposited at the registered office of the Society pursuant to Section 476 requesting that an audit be conducted for the year ended 31st October 2011 and

(c) that we acknowledge our responsibilities for.

(1) ensuring that the Society keeps accounting records which comply with Section 386, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the Society as at the end of the financial year and of its surplus for the year then ended in accordance with the requirements of Section 393 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the Society.

Approved by members of Council

President

S J Clubley

Honorary Treasurer

R.F. Palmer

Honorary Secretary

M V Wilson

Dated: 13th March, 2012

The notes on pages 5 to 10 form part of these accounts.

**HULL INCORPORATED LAW SOCIETY
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st OCTOBER, 2011**

1. Principal Accounting Policies

1.1 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

1.2 Accounts

Accounts have been prepared under the historical cost convention

The company has prepared a detailed income and expenditure account as this provides more relevant information for members and gives more of a true and fair view than a profit and loss account in the format required by Part 15 of the Companies Act 2006.

1.3 Operating Income

Operating income is the amount receivable by the company for the provision of services, facilities and functions to members of the society

1.4 Tangible Fixed Assets and Depreciation

Fixed assets are stated at cost. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Library	-	Written down to £1
Fixtures, fittings and equipment	-	10% p.a. on cost

1.5 Investments

Fixed asset investments are stated at the lower of their historical cost or year end market value. Any reductions in the carrying values of the investments are taken to the Income and Expenditure Account

1.6 Asset Finance

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Deferred and Current Taxation

Provision is made for taxation deferred in respect of all material timing differences

In accordance with Financial Reporting Standard 16 Current Tax, investment income is recognised at an amount that excludes attributable tax credits not payable wholly on behalf of the recipient

2 Operating Income

The operating income and the surplus before taxation are attributable to the company's principal activity, as defined in the council's report and are both derived in the United Kingdom.

**HULL INCORPORATED LAW SOCIETY
(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE ACCOUNTS (CONTINUED)

3. Operating Profit	2011	2010
This is stated after charging:		
Operating Lease Rentals - Land and Buildings	£2,880	£2,880
	<u> </u>	<u> </u>
4. Tax on Profit on Ordinary Activities		
UK current year taxation		
UK corporation tax	£397	£ -
	<u> </u>	<u> </u>
Factors affecting tax charge for the year		
Profit on ordinary activities before tax	£176	£18,741
	<u> </u>	<u> </u>
Profit on ordinary activities at the applicable rate of UK corporation tax	36	3,935
Effects of:		
Capital allowances for the period in excess of depreciation	(117)	(8)
Utilisation of Trading Losses	(249)	(353)
Provision for diminution in value of investments	354	(3,838)
Dividends receivable	(608)	(1,063)
Loss on sale of investments	981	1,327
	<u> </u>	<u> </u>
UK corporation tax	£ 397	£ -
	<u> </u>	<u> </u>

**HULL INCORPORATED LAW SOCIETY
(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE ACCOUNTS (CONTINUED)

5 Fixed Asset Investments	Listed Investments
Cost	
At 1 st November, 2010	183,324
Restatement of Investment Cost	(1,870)
Additions at Cost	71,071
Disposals at Cost	(69,491)
Movement in Cash at Stockbrokers	(3,100)
	<hr/>
At 31 st October, 2011	£179,934
	<hr/>
Net Book Values	
At 31 st October, 2011	£179,934
	<hr/>
At 31 st October, 2010	£183,324
	<hr/>

The market value of the portfolio as at 31st October, 2011 was £181,758 (2010 £185,370)

**HULL INCORPORATED LAW SOCIETY
(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE ACCOUNTS (CONTINUED)

5. Fixed Asset Investments (Continued)

	Other Investments
J. Willis Mills Prize Fund	
Cost	
£588.00 3½% War Stock	
Cost at 1 st November, 2010 and 31 st October, 2011	
Bank Deposit - At 1 st November, 2010	500
- Interest received in the year	1,584
	<u>22</u>
	£2,106
	<u><u> </u></u>
Provision for Diminution in Value	
At 1 st November, 2010	135
Added in the year	(135)
	<u> </u>
At 31 st October, 2011	£ -
	<u><u> </u></u>
Per Accounts at 31 st October, 2011	£210
	<u><u> </u></u>
Per Accounts at 31 st October, 2010	£1,949
	<u><u> </u></u>
Total Investments at 31st October, 2011	£182,040
	<u><u> </u></u>
Total Investments at 31st October, 2010	£185,273
	<u><u> </u></u>

**HULL INCORPORATED LAW SOCIETY
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NOTES TO THE ACCOUNTS (CONTINUED)

6 Tangible Fixed Assets

	Law Library	Fixtures, Fittings & Equipment	Total
Cost			
At 1 st November, 2010	901	8,117	9,018
Additions	-	562	562
	<hr/>	<hr/>	<hr/>
As at 31 st October 2011	£901	£8,679	£9,580
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Depreciation			
At 1 st November, 2010	900	8,116	9,016
Additions	-	19	19
	<hr/>	<hr/>	<hr/>
As at 31 st October 2011	£900	£8,135	£9,035
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net Book Value			
At 31 st October, 2011	£1	£544	£545
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 st October, 2010	£1	£1	£2
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

7. Debtors

	2011	2010
Other Debtors	3,740	2,690
Prepayments and Accrued Income	984	1,044
	<hr/>	<hr/>
	£4,724	£3,734
	<hr/> <hr/>	<hr/> <hr/>

8 Creditors: amounts falling due within one year

Trade Creditors	225	1
Corporation Tax	129	-
Other Taxes and Social Security Costs	55	183
Accruals and Deferred Income	15,142	12,846
	<hr/>	<hr/>
	£15,551	£13,030
	<hr/> <hr/>	<hr/> <hr/>

**HULL INCORPORATED LAW SOCIETY
(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE ACCOUNTS (CONTINUED)

9. Capital and Reserves

	Accumulated Fund	Prize Fund
At 1 st November, 2010	195,052	1,742
Surplus for the year	(378)	157
	<hr/>	<hr/>
At 31 st October, 2011	£194,674	£1,899
	<hr/> <hr/>	<hr/> <hr/>

10 Financial Commitments

At 31st October, 2011 the company had annual commitments under non-cancellable operating leases as follows

	Leases, excluding Land and Buildings 2011	2010
Expiry Date:		
Between one and five years	£1,618	£1,175
	<hr/> <hr/>	<hr/> <hr/>

11 Membership

The company is limited by guarantee. In the event of it being wound up during the period of a member's membership or within one year afterwards, each member, unless found to have acted contrary to the company's Memorandum of Association, shall be liable to contribute a sum not exceeding £5 towards any shortfall of assets against liabilities. Members acting in contravention of the company's Memorandum of Association shall have unlimited liability. The Society had 129 members at the balance sheet date (2010. 122)