



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

FINANCIAL STATEMENTS AND REPORTS

FOR THE YEAR ENDED 31st OCTOBER, 2010

Company Number: 13295



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

**REPORT OF THE COUNCIL
FOR THE YEAR ENDED 31st OCTOBER, 2010**

The Council present their report and the financial statements for the year ended 31st October, 2010

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 £2,191 compared to a deficit of £3,618 in 2009. The company's investment portfolios have benefited from an upturn in the stock market, resulting in a surplus of income over expenditure, before taxation, for the year ended 31st October, 2010 of £18,741 (2009 - £26,646)

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 Clubley	
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
	T F Durkin	P A Duffus
	N J Beckwith	

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 122 (2009 139)

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, 2010 (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



**M.V. WILSON
HONORARY SECRETARY**

**HULL
8th MARCH, 2011**

**HULL INCORPORATED LAW SOCIETY
(A COMPANY LIMITED BY GUARANTEE)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31st OCTOBER, 2010**

	2010	2009
Operating Income		
Membership Subscriptions	7,266	8,239
Library Subscriptions	5,171	6,146
Post Boxes – DX	8,720	6,950
Post Boxes	12,863	12,887
Carol Service	(466)	(421)
Seminars, including Room Hire	1,550	1,748
Annual Dinner and Other Social Functions	<u>1,447</u>	<u>(2,830)</u>
	36,551	32,719
Operating Expenses		
Salaries	15,000	15,000
Staff Employer's NI Contributions	457	490
Rates and Service Charge	2,881	3,149
Rent	2,880	2,880
Insurance	1,819	1,764
Book Replacements, Bindings etc	2,845	5,011
Lighting and Heating	1,350	1,674
Repairs and Renewals	451	685
Printing and Stationery	1,350	1,474
Postages	111	103
Telephone	537	529
Contribution to Secretary's Expenses	500	500
Accountancy and Taxation Services	2,083	1,955
Bank Charges and Interest	-	8
Professional Fees	840	-
Sundry Expenses	742	848
Subscriptions	514	267
	<u> </u> <u>(34,360)</u>	<u> </u> <u>(36,337)</u>
Operating Surplus/(Deficit)	2,191	(3,618)
Donation received	50	50
Investment Income	5,062	5,504
Loss on Sale of Investments	(6,321)	(5,199)
Broker Charges	(859)	(964)
Decrease in Diminution Provision	18,279	30,810
Interest Receivable	<u>330</u>	<u>84</u>
	<u>16,541</u>	<u>30,285</u>
Accumulated Fund – Surplus for the year	18,732	26,667
Prize Fund - Interest Receivable	21	22
- Prize Awarded	-	-
- Diminution Provision	<u>(12)</u>	<u>(43)</u>
	<u>9</u>	<u>(21)</u>
Surplus of Income over Expenditure	18,741	26,646
Corporation Tax	<u>-</u>	<u>-</u>
Surplus after tax	<u>£18,741</u>	<u>£26,646</u>

**HULL INCORPORATED LAW SOCIETY
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET AS AT 31st OCTOBER, 2010**

	Notes	2010	2009
FIXED ASSETS			
Tangible Assets	6	2	2
Investments	5	185,273	168,784
		<hr/>	<hr/>
		185,275	168,786
CURRENT ASSETS			
Debtors	7	3,734	7,001
Cash at Bank and in Hand		20,815	18,901
		<hr/>	<hr/>
		24,549	25,902
CREDITORS amounts falling due within one year	8	(13,030)	(16,635)
		<hr/>	<hr/>
Net Current Assets		11,519	9,267
		<hr/>	<hr/>
		£196,794	£178,053
CAPITAL AND RESERVES			
Accumulated Fund	9	195,052	176,320
Prize Fund	9	1,742	1,733
		<hr/>	<hr/>
Total Funds		£196,794	£178,053
		<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 2010 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: 8th March, 2011

The notes on pages 6 to 11 form part of these accounts

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

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st OCTOBER, 2010**

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	-	Written down to £1

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	2010	2009
	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	£ -	£ -
		<u> </u>	<u> </u>
	Factors affecting tax charge for the year		
	(Loss)/Profit on ordinary activities before tax	£18,741	£26,646
		<u> </u>	<u> </u>
	(Loss)/Profit on ordinary activities at the applicable rate of UK corporation tax	3,935	5,596
	Effects of		
	Capital allowances for the period in excess of depreciation	(8)	(10)
	Losses brought forward	(3,050)	(2,068)
	Losses carried forward	2,697	3,050
	Change of rate	-	(43)
	Provision for diminution in value of investments	(3,838)	(6,461)
	Dividends receivable	(1,063)	(1,156)
	Loss on sale of investments	1,327	1,092
		<u> </u>	<u> </u>
	UK corporation tax	£ -	£ -
		<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, 2009	185,125
Additions	95,124
Disposals	(96,925)
	<hr/>
At 31 st October, 2010	£183,324
	<hr/>
Provision for Diminution in Value	
At 1 st November, 2009	18,279
Written back in the year	(18,279)
	<hr/>
At 31 st October, 2010	£ -
	<hr/>
Net Book Values	
At 31 st October, 2010	£183,324
	<hr/>
At 31 st October, 2009	£166,846
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The market value of the portfolio as at 31st October, 2009 was £166,846. At 31st October, 2010 the market value was greater than cost, therefore, the provision for diminution has been adjusted to bring the carrying value in line with cost.

**HULL INCORPORATED LAW SOCIETY
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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, 2009 and 31 st October, 2010	500
Bank Deposit - At 1 st November, 2009	1,562
- Interest received in the year	22
	<hr/>
	£2,084
	<hr/>
Provision for Diminution in Value	
At 1 st November, 2009	123
Added in the year	12
	<hr/>
At 31 st October, 2010	£135
	<hr/>
Per Accounts at 31 st October, 2010	£1,949
	<hr/>
Per Accounts at 31 st October, 2009	£1,938
	<hr/>
Total Investments at 31st October, 2010	£185,273
	<hr/>
Total Investments at 31st October, 2009	£168,784
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**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, 2009 and 31 st October, 2010	£901	£8,117	£9,018
		<u> </u>	<u> </u>	<u> </u>
	Depreciation			
	At 1 st November, 2009 and 31 st October 2010	£900	£8,116	£9,016
		<u> </u>	<u> </u>	<u> </u>
	Net Book Value			
	At 31 st October, 2010	£1	£1	£2
		<u> </u>	<u> </u>	<u> </u>
	At 31 st October, 2009	£1	£1	£2
		<u> </u>	<u> </u>	<u> </u>
7	Debtors		2010	2009
	Other Debtors		2,690	3,916
	Prepayments and Accrued Income		1,044	3,085
			<u> </u>	<u> </u>
			£3,734	£7,001
			<u> </u>	<u> </u>
8	Creditors: amounts falling due within one year			
	Trade Creditors		1	6
	Other Taxes and Social Security Costs		183	199
	Accruals and Deferred Income		12,846	16,430
			<u> </u>	<u> </u>
			£13,030	£16,635
			<u> </u>	<u> </u>

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

9 Capital and Reserves

	Accumulated Fund	Prize Fund
At 1 st November, 2009	176,320	1,733
Surplus for the year	18,732	9
	<hr/>	<hr/>
At 31 st October, 2010	£195,052	£1,742
	<hr/>	<hr/>

10 Financial Commitments

At 31st October, 2010 the company had annual commitments under non-cancellable operating leases as follows

	Leases, excluding Land and Buildings 2010	2009
Expiry Date:		
Between one and five years	£1,175	£1,150
	<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 122 members at the balance sheet date (2009 139)