

2381457

Hull Compact Limited

Report and Financial Statements

31 March 2005

ERNST & YOUNG

THURSDAY



ADX65C7E

A03 19/01/2006 665

COMPANIES HOUSE

A34
COMPANIES HOUSE

AN03ABTN

388
05/01/2006

Hull Compact Limited

Company Registered No: 2339437

Charity Registered No: 702186

Directors

C Brown	- Vice Chairman
A Clark	- Chairman
T Clark	
G Munn	- Treasurer
D Palmer	
D Quigley	
P J S Shipp	(Appointed 17 February 2005)
A Swallow	
T A Twaits	
A Wheelwright	

Secretary

F B Salt

Auditors

Ernst & Young LLP
PO Box 3
Lowgate House
Lowgate
Hull
HU1 1JJ

Bankers

HSBC Bank plc
55 Whitefriargate
Hull
HU1 2HX

Legal advisors

Rollits
Wilberforce Court
High Street
Hull
HU1 1YJ

Registered Office

First Floor
258 Anlaby Road
Hull
East Yorkshire
HU3 2RS

Enquiries about the company should be addressed to F B Salt at the Registered Office

Directors' and trustees' report

The directors' and trustees' present their report and financial statements for the year ended 31 March 2005.

Nature of business and objectives

The principal activity of the company and the charity is the raising of standards in education and training of children and young people within the City of Kingston Upon Hull, with particular reference to equipping them for employment and facilitating their obtaining work in industry, commerce and the professions. The company has charitable status.

Review and development

The net surplus for the year amounted to £6,853 (2004 deficit of £7,087). The timing of donations will continue to cause artificial surpluses/deficits. During the year, direct charitable expenditure amounted to £67,666 while operational management expenditure was £43,382.

There have been a few changes to Compact's governing body during the course of the year. Three governors have left the board and one had joined. The Compact Office was relocated to East Yorkshire Motor Services property on Anlaby Road.

Finding operational funding continues to be a problem but is now coming from the colleges as well as the schools, from the "Learning and Skills Council" (via the Education Business Links Organisation), from a new contract with the "Council for Drug Problems" (Drug Intervention Programme) from "City Learning" and from supporting companies and charitable trusts.

The slight decline in Compact Goal achievement continues but we feel that improvement is near.

Compact Awards saw 616 pupils sharing Achievement Awards while 14 students received university bursaries to the value of £42,000. The Awards as a whole cost £67,710 a sum provided most generously by Compact sponsors.

The mentoring programme continues to develop both territorially, into East Yorks and also in conjunction with other organisations such as the "Youth Offending Team". This latter project is coming to an end but a new development (DIP) is starting.

The very successful "Young Learning Champions" project is now entering a second phase, funded by the "Learning and Skills Council". On completion, "Aim Higher" will fund an independent report and modelling exercise.

Compact staff continue to work with most City secondary schools and colleges. This involves participating in "industry days" and taking part in "mock interviews". Staff have also been concerned with:

- The kit car project.

- The continued work of the "EBLO" (education, Business Links Sub-Regional Organisation) and of the "Hull Business Forum".

Taxation

The company, as a registered charity, has obtained exemption from corporation tax. Charitable tax exemptions can therefore be claimed to the extent that income and/or gains are applicable and applied for charitable purposes only.

Company status

The company is a private company limited by guarantee, not having a share capital and is also registered as a charity (Number 702186).

Directors' and trustees' report

Executive committee

The directors, who are trustees for the purpose of charity laws, who acted during the year are as follows:

C Brown	- Vice Chairman
A Clark	- Chairman
T Clark	
G Munn	- Treasurer
D Palmer	
D Quigley	
A Swallow	
P J S Shipp	(Appointed 17 February 2005)
T A Twaits	
A Wheelwright	
P Connor	(Resigned 5 October 2004)
D Knibb	(Resigned 5 October 2004)
J Reeder	(Resigned 30 November 2004)

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the company in the event of winding up. The total number of guarantors at 31 March 2005 was 10 (2004 – 12).

In accordance with clauses 32 and 33 of the Articles of Association, all directors should retire at the Annual General Meeting. The retiring directors and officers shall be eligible for re-election.

Statement of directors' and trustees' responsibilities

Company law requires the directors to prepare accounts 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 income or expenditure of the company for that period. In preparing those financial statements, the directors are required to:

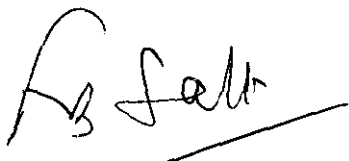
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the accounts 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 accounts 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 and detection of fraud and other irregularities.

Directors' and trustees' report

Auditors

A resolution to re-appoint Ernst & Young LLP as the company's auditor will be put to the forthcoming Annual General Meeting.



F B Salt
Secretary

9 November 2005

Independent auditors' report

to the members of Hull Compact Limited

We have audited the charity's financial statements of for the year ended 31 March 2005 which comprise the Statement of Financial Activities, Statement of Total Recognised Gains and Losses, Balance Sheet, and related notes 1 to 9. These financial statements have been prepared on the basis of 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 or 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 trustees and auditors

As described in the Statement of Directors' and Trustees' Responsibilities the charity's trustees' (who are also the directors of Hull Compact Limited for the purposes of company law) are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed.

We read other information contained in the Directors' Report (or, where appropriate, the Annual Report), and consider whether it is consistent with the audited financial statements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

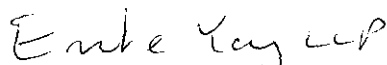
We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Independent auditors' report

to the members of Hull Compact Limited

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charitable company as at 31 March 2005 and of the incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP
Registered Auditor
Hull

9 November 2005

Statement of financial activities (including income and expenditure account)

for the year ended 31 March 2005

	Notes	Unrestricted account £	Restricted account £	Total 2005 £	Total 2004 £
Income and expenditure					
Incoming resources					
Donations	2	41,800	67,881	109,681	101,112
Investment income and interest	3	746	4,287	5,033	3,544
Other income		3,139	48	3,187	72
Total incoming resources		45,685	72,216	117,901	104,728
Resources expended					
Direct charitable expenditure	4	-	67,666	67,666	71,647
Management and administration of the charity	5	43,073	309	43,382	40,168
Total resources expended		43,073	67,975	111,048	111,815
Net (outgoing)/incoming resources before transfers					
		2,612	4,241	6,853	(7,087)
Transfers between funds		(3,000)	3,000	-	-
Net (outgoing)/incoming resources - net (deficit)/surplus for the year					
		(388)	7,241	6,853	(7,087)
Total funds at 1 April 2004	8	26,707	118,675	145,382	152,469
Total funds at 31 March 2005	10	26,319	125,916	152,235	145,382

Statement of total recognised gains and losses

for the year ended 31 March 2005

There are no recognised gains or losses other than the surplus of £6,853 for the year (2004 – deficit of £7,087) as shown above.

Balance sheet

at 31 March 2005

	Notes	2005 £	2004 £
Current assets			
Accrued income		64	90
Cash at bank and in hand		154,419	145,292
		<u>154,483</u>	<u>145,382</u>
Current liabilities			
Accruals		2,248	-
Net assets		<u>152,235</u>	<u>145,382</u>
Funds			
Unrestricted funds	10	26,319	26,707
Restricted funds	10	125,916	118,675
Non equity members' funds		<u>152,235</u>	<u>145,382</u>

Approved by the Board on 9 November 2005


A Clark
Chairman


G Munn
Treasurer

Notes to the financial statements

at 31 March 2005

1. Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost accounting rules in accordance with applicable accounting standards and the Statement of Recommended Practice – Accounting and Reporting by Charities (revised 2000).

Depreciation

Depreciation of tangible fixed assets is calculated by reference to cost, less any residual value, at rates estimated to write off the relevant assets over their expected useful lives which are as follows:

Office equipment - 5 years

Donations, bursaries and grants

Donations are credited to the income and expenditure account when the amounts are received. Bursaries and grants awarded are debited to the income and expenditure account in the year to which they relate.

Unrestricted funds are donations and other incoming resources receivable or generated by the objectives of the charity without further specified purpose and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Charitable expenditure

Direct charitable expenditure includes all expenditure incurred, except direct management costs of supporting the activities which have been separately identified in the accounts as management and administrative costs.

Taxation

Hull Compact Limited is a registered charity (No 702186) and consequently has no liability to corporation tax.

Notes to the financial statements

at 31 March 2005

2. Donations

	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Total</i>
	<i>£</i>	<i>£</i>	<i>2005</i>	<i>2004</i>
			<i>£</i>	<i>£</i>
Aarhus United UK	-	641	641	-
ABP	-	750	750	641
ADM Cocoa	-	641	641	641
Andrew Marvell School	-	-	-	1,000
Anglia Oils	-	-	-	641
Ann Watson Trust	-	6,000	6,000	5,000
ArchBishop Thurstan	1,000	-	1,000	1,000
Bishop Burton College	500	-	500	-
CB Richard Ellis	-	500	500	-
C B Hillier Parker	-	-	-	500
Cargill	-	1,000	1,000	-
David Lister School	1,000	-	1,000	1,000
Education Business Link Organisation	-	-	-	1,500
Endeavour School	1,000	-	1,000	1,500
Ernst & Young LLP	-	500	500	641
ERYCC	5,500	-	5,500	6,000
Fenner	-	-	-	2,563
First Class Education Services	-	1,000	1,000	1,000
Hesslewood Children's Trust	-	14,000	14,000	14,000
HSBC	-	2,000	2,000	-
Hull & East Riding Charitable Trust	-	3,000	3,000	3,000
Hull CC (TRITSE)	500	-	500	-
Hull City Council	-	2,500	2,500	2,500
Hull College	1,500	-	1,500	-
Hull Daily Mail	-	641	641	641
Hull Refurbit	-	-	-	500
Isaac Newton School	1,000	-	1,000	1,000
J H Fenner & Co	-	2,563	2,563	-
Kelvin Hall School	1,000	-	1,000	1,000
Kingswood School	1,000	-	1,000	1,000
KUHCC	-	-	-	5,500
Learning Consortium	50	-	50	-
Malet Lambert	1,500	-	1,500	1,500
Mark C Brown	-	500	500	-
Newland School	1,000	-	1,000	1,000
Northern Foods	-	6,000	6,000	6,000
Nunburnholme Trust	-	300	300	300
Pickering High School	1,000	-	1,000	1,000
Preston Road MDC	-	-	-	3,000
Reckitt Benckiser	1,500	20,000	21,500	16,500
Rotary Club of Humberside	-	-	-	200
S H Cooper	1,000	-	1,000	1,000
Sir James Reckitt Charity	2,000	-	2,000	1,500
Smith & Nephew	-	-	-	4,344
St Mary's College	2,500	-	2,500	1,500
Sydney Smith School	1,500	-	1,500	1,500
University of Hull	9,450	3,000	12,450	3,000
University of Lincolnshire and Humberside	-	1,500	1,500	4,250
W M Jackson	300	3,845	4,145	250
Wilberforce College	2,000	-	2,000	-
Winifred Holtby	-	-	-	1,500
Wyke College	1,000	-	1,000	-
	<u>38,800</u>	<u>70,881</u>	<u>109,681</u>	<u>101,112</u>

* Comparison of income in the two years is rendered difficult by advance payments.

Notes to the financial statements

at 31 March 2005

3. Investment income

	2005 £	2004 £
Bank interest received	5,033	3,544

4. Direct charitable expenditure

	2005 £	2004 £
Bursaries and grants		
No 3 Account	67,666	71,647

5. Management and administration of the charity

	2005 £	2004 £
Printing and promotions	2,337	3,408
Travelling expenses	3,030	2,364
Bank charges	-	-
Administration	6,477	5,404
Sundry expenses	488	134
Consultancy fees	28,821	28,858
Computer equipment	2,229	-
	43,382	40,168

None of the directors received any remuneration during the year (2004 - £nil).

Ernst & Young LLP waived audit and accountancy fees of £2,000 during current and prior year.

Notes to the financial statements

at 31 March 2005

6. Fixed assets

	<i>Office equipment £</i>
Cost:	
At 1 April 2004 and 31 March 2005	2,319
Depreciation:	
At 1 April 2004 and 31 March 2005	2,319
Net book value:	
At 1 April 2004 and 31 March 2005	-

7. Related party transactions

During the year Mr A Wheelwright was a director of WM Jackson. WM Jackson have made donations totalling £4,145 (2004 - £250) to Hull Compact during the year.

These transactions have been entered into on an arm's length basis in the ordinary course of business and have been approved by the board of directors.

8. Reconciliation of movements in members' funds

	2005 £	2004 £
Surplus/(deficit) for the year	6,853	(7,087)
Opening members' funds	145,382	152,469
Closing members' funds	152,235	145,382

9. Members' liability

The company was incorporated as a company limited by guarantee and therefore it has no share capital. The liability of the members is limited to £1 each.

10. Reserves

	2005 £	2004 £
Unrestricted		
No 2 Account - Hull Compact company account	26,319	26,707
Restricted		
No 3 Account - Compact awards	125,916	118,675
	152,235	145,382

A substantial proportion of the above reserves £72,500 (2004 - £72,500) will be distributed in the form of grants and bursaries during the next two financial years.

The unrestricted reserves may be used for operational purposes as well as being distributed in the form of grants and bursaries during the forthcoming financial years.