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**High Gain**

**Business Consultancy Limited**

**Directors' Report and Financial  
Statements**

**For the year ended**

**31 July 2010**

**Registered No: 02892273**



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## **High Gain Business Consultancy Limited**

### **Directors and Advisers**

#### **Directors**

R Ellis-Jones (Resigned 30<sup>th</sup> September 2010)

C Todd

R Bedson P Langton (Appointed 8<sup>th</sup> December 2009)

#### **Secretary and Registered Office**

C Todd

Northumberland College

College Road

Ashington

Northumberland

NE63 9RG

#### **Registered Auditors**

KPMG LLP

Quayside House

110 Quayside

Newcastle upon Tyne

NE1 3DX

#### **Solicitors**

Watson Burton

1 St James Gate

Newcastle upon Tyne

NE99 1YQ

#### **Bankers**

Barclays Bank Plc

71 Grey Street

Newcastle upon Tyne

NE99 1JP

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## **High Gain Business Consultancy Limited**

### **Directors' Report**

**for the year ended 31 July 2010**

The directors present their report and the audited financial statements for the year ended 31 July 2010

#### **Principal activity**

The principal activity of the company is the provision of wedding, conference and catering services

#### **Review of business and future developments**

The company has experienced a difficult trading year due to the economic climate which has resulted in a reduction in turnover, from £608,357 to £521,199

#### **Directors**

The directors who served during the year and changes since the year end were as follows

R Ellis-Jones (Resigned 30<sup>th</sup> September 2010)

C Todd

R Bedson

P Langton (Appointed 8<sup>th</sup> December 2009)

#### **Donations**

The company made a charitable donation under a gift aid payment to Northumberland College of £86,099 (2009. 72,056)

#### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors report confirm that, so far as they are each aware, that there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

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**High Gain Business Consultancy Limited**

**Directors' Report  
for the year ended 31 July 2010 (continued)**

**Auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

**By order of the board**

C Todd  
Director



Date 14 JAN 2011

Northumberland College  
College Road  
Ashington  
Northumberland  
NE63 9RG

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## **High Gain Business Consultancy Limited**

### **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under Company Law the directors must not approve the financial statements unless they are satisfied that they 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 these 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 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

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**KPMG LLP**

Quayside House  
110 Quayside  
Newcastle upon Tyne  
NE1 3DX  
United Kingdom

### **Independent auditors' report to the members of High Gain Business Consultancy Limited**

We have audited the financial statements of High Gain Business Consultancy Limited for the year ended 31 July 2010 set out on pages 7 to 14. The financial accounting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 part 16 of the Companies Act 2006. 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 auditor's 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 directors and auditors**

As explained more fully in the Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP)

#### **Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 July 2010 and of its result for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been properly prepared in accordance with the requirements of the Companies Act 2006

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**Independent auditors' report to the members of High Gain Business  
Consultancy Limited**

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

*M.R. Thompson*

**MR Thompson (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
Chartered Accountants  
Quayside House  
110 Quayside  
Newcastle upon Tyne  
NE1 3DX

Date 14/1/2011



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## High Gain Business Consultancy Limited

### Profit and Loss Account For the year ended 31 July 2010

	<i>Notes</i>	<i>2010</i> £	<i>2009</i> £
<b>Turnover</b>		521,199	608,357
Cost of sales		<u>(366,784)</u>	<u>(480,139)</u>
Gross profit		154,415	128,218
Administration expenses		<u>(154,415)</u>	<u>(128,218)</u>
<b>Result on ordinary activities before taxation</b>	2	-	-
Taxation on result on ordinary activities	4	-	-
<b>Result for the financial year</b>	10	<u>-</u>	<u>-</u>

All results are derived from continuing operations

There are no recognised gains and losses other than the result for the current and preceding financial year and accordingly, no separate statement of recognised gains and losses is shown

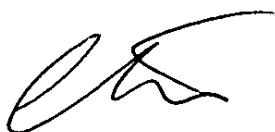
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## High Gain Business Consultancy Limited

### Balance Sheet at 31 July 2010

	Notes	2010 £	2009 £
<b>Fixed Assets</b>			
Tangible fixed assets	5	10,249	12,184
<b>Current assets</b>			
Debtors	6	10,978	26,249
Stock		7,393	6,421
Cash at bank and in hand		260,228	157,572
		<u>278,599</u>	<u>190,242</u>
<b>Creditors:</b>			
Amounts falling due within one year	7	<u>(288,748)</u>	<u>(202,326)</u>
<b>Net current (liabilities)</b>		<u>(10,149)</u>	<u>(12,084)</u>
<b>Net assets</b>		<u>100</u>	<u>100</u>
<b>Capital and reserves</b>			
Called-up share capital	9	100	100
Profit and loss account	10	<u>-</u>	<u>-</u>
<b>Shareholders' funds</b>	11	<u>100</u>	<u>100</u>

The financial statements were approved by the board of directors on 14/1/2011 and were signed on its behalf by



C Todd  
Director  
Company Registered No 02892273

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## **High Gain Business Consultancy Limited**

### **Notes to the Financial Statements for the period ended 31 July 2010**

#### **1 Principal Accounting Policies**

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the company's financial statements

##### **Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards and under historical cost convention rules

Under financial reporting standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that its parent undertaking includes the company in its own consolidated financial statements

As the company is a wholly owned subsidiary of Northumberland College, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group

##### **Going Concern**

After making enquiries, the directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts

##### **Turnover**

Turnover is measured at fair value of consideration receivable in the ordinary course of business from provision of services (excluding value added tax and discounts). Turnover from provision of services is recognised on provision of the service, provided that such revenue can be measured reliably. The Company's turnover relates entirely to its principal activities

##### **Tangible fixed assets and depreciation**

Plant and equipment costing less than £1,000 per individual item is written off to the Profit and Loss account in the period of acquisition. All other plant and equipment is capitalised at cost and depreciated over its expected useful economic life at 20% per annum on a straight line basis

##### **Stock**

Stock held for resale is valued at the lower of cost and net realisable value

##### **Tax**

The charge for tax is based on the profit/loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

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## **High Gain Business Consultancy Limited**

### **Deferred taxation**

Deferred tax is recognised without discounting in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as required by FRS19

### **Classification of financial instruments issued by the Company**

Following the adoption of FRS25 Financial instruments issued by the Company are treated as equity (i.e. forming part of the shareholders' funds) only to the extent that they meet the following two conditions

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy. The finance cost on the financial liability component is correspondingly higher over the life of the instrument

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds, are dealt with as appropriations in the reconciliation of movements in shareholders' funds

### **Dividends on shares presented within shareholders' funds**

Dividends are only recognised as a liability at that date to the extent that they are declared prior to the year end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements

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## High Gain Business Consultancy Limited

### 2 Result on ordinary activities before taxation:

	2010 £	2009 £
Result on ordinary activities before taxation is stated after charging:		
Auditors' remuneration		
Audit of these financial statements	529	4,000
Charitable donation made under gift aid	86,099	72,056
Depreciation	1,935	1,936
	<hr/>	<hr/>

The company had no employees during the period (2009 nil)

### 3 Directors' Emoluments

No remuneration was paid to the directors during the period in respect of the duties as directors of the company (2009 nil)

### 4 Tax on result on ordinary activities

	2010 £	2009 £
<i>UK corporation tax</i>		
Corporation tax on income for the year at 21% (2009 – 19%)	<hr/> -	<hr/> -

#### Factors affecting tax charge for period

The tax assessed for the period is equal to the standard rate of corporation tax in the UK (2009 equal to)

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## High Gain Business Consultancy Limited

### 5 Tangible Fixed Assets

	<b>Plant and Equipment</b>
	<u>£</u>
<b>Cost</b>	
At 1 August 2009	26,816
Additions	-
Disposals	-
At 31 July 2010	<u>26,816</u>
<b>Depreciation</b>	
At 1 August 2009	14,632
Charge for the year	1,935
Eliminated in respect of disposals	-
At 31 July 2010	<u>16,567</u>
<b>Net book value</b>	
At 31 July 2010	<u>10,249</u>
At 31 July 2009	<u>12,184</u>

### 6 Debtors

	<i>2010</i>	<i>2009</i>
	<u>£</u>	<u>£</u>
<b>Amounts falling due within one year</b>		
Trade debtors	7,934	22,943
Other debtors	3,044	3,306
	<u>10,978</u>	<u>26,249</u>

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## High Gain Business Consultancy Limited

### 7 Creditors: Amounts Falling Due Within One Year

	2010 £	2009 £
Trade Creditors	17,068	21,436
Amounts owed to parent undertaking	169,925	118,917
Accruals and deferred income	<u>101,755</u>	<u>61,973</u>
	<u>288,748</u>	<u>202,326</u>

### 8 Deferred Taxation

No provision for deferred taxation is considered necessary No amounts of deferred taxation are unprovided

### 9 Called-up Share Capital

	2010 £	2009 £
<b>Authorised</b>		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
<b>Allotted, called-up and fully paid</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

### 10 Profit and Loss Account

	£
At 1 August 2009 and 31 July 2010	<u>-</u>

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## High Gain Business Consultancy Limited

### 11 Reconciliation of Movements in Shareholders' Funds

	<i>2010</i>	<i>2009</i>
	<i>£</i>	<i>£</i>
Opening and closing shareholders' funds	<u>100</u>	<u>100</u>

### 12 Parent Undertaking

The company is a subsidiary of Northumberland College which is the ultimate parent company incorporated in England and Wales under the Further and Higher Education Act 1992. The consolidated financial statements for the college are available to the public and may be obtained from Northumberland College, College Road, Ashington, NE63 9RG.