

Financial statements Humberstone Land Limited

For the Year Ended 31 March 2008



Officers and professional advisers company information

Company registration number	1615
Registered office	Conifer Lodge Tranby Lane Swarland East Yorkshire HU14 3NB
Directors	Mr J R Trout Mrs A G M Trout
Secretary	Mrs A G M Trout
Bankers	HSBC Bank plc King William House Market Place Hull HU3 1RS
Solicitors	Stamp, Jackson & Procter 5 Parliament Street Hull HU3 1RS
Auditor	Grant Thornton UK LLP Chartered Accountants Registered Auditors No 1 Whitehall Riverside Whitehall Road Leeds LS1 4BN

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Notice of meeting

Notice is hereby given that the one hundred and fortieth Annual General Meeting of Humberside Land Limited will be held on 30 October 2008 at 9.30 am at the registered office for the following purposes:

1. To receive and adopt the directors' report and financial statements for the year ended 31 March 2008.
2. To re-appoint Grant Thornton UK LLP as auditor and to authorise the directors to fix their remuneration.
3. To declare a dividend.
4. To transact any other business.

Registered office:

Conifer Lodge
Tranby Lane
Swanland
East Yorkshire
HU14 3NB

By order of the board



Mrs A G M Trout
Company secretary

Report of the directors

The directors present their report and the financial statements of the group for the year ended 31 March 2008.

Principal activities and business review

The group is principally engaged in property dealing and in the letting of property.

Directors

The directors who served the company during the year were as follows:

Mr J R Trout
Mrs A G M Trout

Mrs A G M Trout retires by rotation and being eligible offers herself for re-election.

Directors' responsibilities

The directors are responsible for preparing the Annual 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year. 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

A resolution to reappoint Grant Thornton UK LLP will be proposed at the next Annual General Meeting.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

BY ORDER OF THE BOARD

A. G. M. Trout

Mrs A G M Trout
Secretary

1 August 2008



Report of the independent auditor to the members of Humberside Land Limited

We have audited the group and parent company financial statements ("the financial statements") of Humberside Land Limited for the year ended 31 March 2008 which comprise the accounting policies principal accounting policies, profit and loss account, group balance sheet and balance sheet and notes 1 to 21. These financial statements have been prepared under 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 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 auditor

The directors' responsibilities for preparing the Report of the Directors and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

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 whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of 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 group's and company's circumstances, consistently applied and adequately disclosed.

Report of the independent auditor to the members of Humberside Land Limited (continued)

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.

Qualified opinion arising from disagreement about accounting treatment

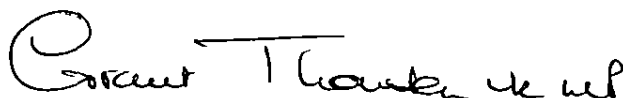
As disclosed in the accounting policies on page 9, investment properties have been included in the balance sheet at historic valuation plus subsequent cost rather than their open market value at the balance sheet date as required by Statement of Standard Accounting Practice 19. It is not possible to quantify the effect of this treatment.

Except for the failure to account for investment properties as required by Statement of Standard Accounting Practice 19 referred to above

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 group and the company's affairs as at 31 March 2008 and of the group profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements for the year ended 31 March 2006

In our opinion the above qualification is not material for the purposes of determining whether any distribution payable by the company by reference to these financial statements is permitted under the Companies Act 1985.



GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
LEEDS

6 August 2008

Accounting policies principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention modified to include the revaluation of certain investment properties and in accordance with applicable UK accounting standards.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 230 of the Companies Act 1985.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised 1996) from including a group cash flow cash flow statement in the financial statements on the grounds that the company is small.

Turnover

Turnover is the total amount receivable by the group for properties sold and the gross rental received on investment properties.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings - 20% per annum

Stocks

Stocks are stated at the lower of cost and net realisable value.

Profit and loss account

	Note	2008 £	2007 £
Group turnover	1	38,348	131,234
Cost of sales		-	1,780
Gross profit		<u>38,348</u>	<u>129,454</u>
Other operating charges	2	494,536	510,933
Other operating income	3	(904,187)	(978,619)
Operating profit	4	<u>447,999</u>	<u>597,140</u>
Interest receivable		5,009	4,876
Interest payable and similar charges	7	(288,719)	(213,435)
Profit on ordinary activities before taxation		<u>164,289</u>	<u>388,581</u>
Tax on profit on ordinary activities	8	44,421	122,500
Profit for the financial year	9	<u>119,868</u>	<u>266,081</u>

All of the activities of the group are classed as continuing.

The group has no recognised gains or losses other than the results for the year as set out above.

The company has taken advantage of section 230 of the Companies Act 1985 not to publish its own Profit and Loss Account.

The accompanying accounting policies and notes form part of these financial statements.

Group balance sheet

	Note	2008 £	2007 £
Fixed assets			
Tangible assets	11	154,398	154,646
Investments	12	250,000	250,000
		<u>404,398</u>	<u>404,646</u>
Current assets			
Stocks	13	5,010,978	5,010,978
Debtors	14	61,421	49,943
Cash at bank		48,300	53,661
		<u>5,120,699</u>	<u>5,114,582</u>
Creditors: amounts falling due within one year	15	<u>1,879,634</u>	<u>1,775,824</u>
Net current assets		<u>3,241,065</u>	<u>3,338,758</u>
Total assets less current liabilities		<u>3,645,463</u>	<u>3,743,404</u>
Creditors: amounts falling due after more than one year	16	<u>2,418,433</u>	<u>2,606,872</u>
		<u>1,227,030</u>	<u>1,136,532</u>
Capital and reserves			
Called-up share capital	19	38,288	38,538
Other reserves	20	11,712	11,462
Profit and loss account	20	1,177,030	1,086,532
Shareholders' funds	21	<u>1,227,030</u>	<u>1,136,532</u>

These financial statements were approved by the directors and authorised for issue on 1 August 2008 and are signed on their behalf by:

John R Trout

Mr J R Trout

Balance sheet

	Note	2008 £	2007 £
Fixed assets			
Tangible assets	11	429	677
Investments	12	329,186	329,186
		<u>329,615</u>	<u>329,863</u>
Current assets			
Stocks	13	5,010,978	5,010,978
Debtors	14	61,191	49,473
Cash at bank		38,669	36,893
		<u>5,110,838</u>	<u>5,097,344</u>
Creditors: amounts falling due within one year	15	1,950,264	1,826,324
Net current assets		<u>3,160,574</u>	<u>3,271,020</u>
Total assets less current liabilities		<u>3,490,189</u>	<u>3,600,883</u>
Creditors: amounts falling due after more than one year	16	2,418,433	2,606,872
		<u>1,071,756</u>	<u>994,011</u>
Capital and reserves			
Called-up equity share capital	19	38,288	38,538
Other reserves	20	11,712	11,462
Profit and loss account	20	1,021,756	944,011
Shareholders' funds		<u>1,071,756</u>	<u>994,011</u>

These financial statements were approved by the directors and authorised for issue on 1 August 2008 and are signed on their behalf by:

John R Trout

Mr J R Trout

Notes to the financial statements

1 Turnover

The turnover and profit on ordinary activities before taxation are attributable to two activities, property dealing and the letting of property.

	Turnover 2008 £	Turnover 2007 £	Profit/(loss) before taxation 2008 £	Profit/(loss) before taxation 2007 £
Property dealing	-	91,000	-	89,220
Investment property rents	38,348	40,234	16,147	18,656
	<u>38,348</u>	<u>131,234</u>	<u>16,147</u>	<u>107,876</u>

2 Other operating charges

	2008 £	2007 £
Distribution costs	199,541	203,975
Administrative expenses	294,995	306,958
	<u>494,536</u>	<u>510,933</u>

3 Other operating income

	2008 £	2007 £
Rent receivable	<u>904,187</u>	<u>978,619</u>

4 Operating profit

Operating profit is stated after charging:

	2008 £	2007 £
Depreciation of owned fixed assets	248	2,515
Auditor's remuneration:		
Audit fees	<u>12,200</u>	<u>11,700</u>

5 Particulars of employees directors and employees

The average number of persons employed by the group during the financial year, including the directors, amounted to 2 (2007 - 2).

The aggregate payroll costs of the above were

	2008 £	2007 £
Wages and salaries	228,000	222,750
Social security costs	27,764	27,203
	<u>255,764</u>	<u>249,953</u>

6 Directors

Remuneration in respect of directors was as follows:

	2008 £	2007 £
Emoluments receivable	<u>238,000</u>	<u>232,750</u>

Emoluments of highest paid director:

	2008 £	2007 £
Total emoluments (excluding pension contributions)	<u>222,000</u>	<u>216,750</u>

7 Interest payable and similar charges

	2008 £	2007 £
Interest payable on bank borrowing	-	4,398
Other similar charges payable	288,719	209,037
	<u>288,719</u>	<u>213,435</u>

8 Taxation on ordinary activities

(a) Analysis of charge in the year

	2008 £	2007 £
Current tax.		
UK Corporation tax based on the results for the year at 30% (2007 - 30%)	46,134	122,091
(Over)/under provision in prior year	(1,713)	409
Total current tax	<u>44,421</u>	<u>122,500</u>

8 Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2007 - 30%).

	2008 £	2007 £
Profit on ordinary activities before taxation	<u>164,289</u>	<u>388,581</u>
Profit on ordinary activities by rate of tax	49,287	116,574
Expenses not deductible for tax purposes	7,256	9,813
Capital allowances for the period in excess of depreciation	(302)	677
Tax chargeable at a lower rate	(9,957)	(4,673)
Adjustments to tax charge in respect of previous periods	(1,713)	409
Sundry tax adjusting items	(150)	(300)
Total current tax (note 8(a))	<u>44,421</u>	<u>122,500</u>

9 Profit attributable to members of the parent company

The profit dealt with in the accounts of the parent company was £107,115 (2007 - £250,925).

10 Dividends

Dividends on shares classed as equity

	2008 £	2007 £
Paid during the year:		
Equity dividends on ordinary shares	<u>7,620</u>	<u>8,318</u>
Proposed after the year-end (not recognised as a liability):		
Equity dividends on ordinary shares	<u>1,927</u>	<u>1,927</u>

11 Tangible fixed assets

Group	Freehold Property £	Fixtures & Fittings £	Total £
Cost			
At 1 April 2007 and 31 March 2008	<u>153,969</u>	<u>65,189</u>	<u>219,158</u>
Depreciation			
At 1 April 2007	-	64,512	64,512
Charge for the year	-	248	248
At 31 March 2008	<u>-</u>	<u>64,760</u>	<u>64,760</u>
Net book value			
At 31 March 2008	<u>153,969</u>	<u>429</u>	<u>154,398</u>
At 31 March 2007	<u>153,969</u>	<u>677</u>	<u>154,646</u>

The figures stated above for cost or valuation include a valuation as follows:

Investment properties

	2006 £	2005 £
At 1984 valuation	77,500	77,500
Subsequent improvements at cost	76,469	76,469
	<u>153,969</u>	<u>153,969</u>

If the investment properties had not been revalued, they would have been included on the historical cost basis at the following amount: £87,860 (2007:£87,860).

Company	Fixtures & Fittings £
Cost	
At 1 April 2007 and 31 March 2008	<u>65,189</u>
Depreciation	
At 1 April 2007	64,512
Charge for the year	248
At 31 March 2008	<u>64,760</u>
Net book value	
At 31 March 2008	<u>429</u>
At 31 March 2007	<u>677</u>

12 Investments

Group

Other investments

£

Cost

At 1 April 2007 and 31 March 2008

250,000

Net book value

At 31 March 2008

250,000

At 31 March 2007

250,000

Company

The company owns 100% of the issued ordinary share capital of Humberside Property Developments Limited a commercial property company registered in England and Wales.

Company

£

£

£

Cost

At 1 April 2007 and 31 March 2008

79,186

250,000

329,186

Net book value

At 31 March 2008

79,186

250,000

329,186

At 31 March 2007

79,186

250,000

329,186

13 Stocks

	2008	The group 2007	2008	The company 2007
	£	£	£	£
Properties	<u>5,010,978</u>	<u>5,010,978</u>	<u>5,010,978</u>	<u>5,010,978</u>

14 Debtors

	2008	The group 2007	2008	The company 2007
	£	£	£	£
Trade debtors	45,745	39,969	45,515	39,499
Other debtors	15,676	9,974	15,676	9,974
	<u>61,421</u>	<u>49,943</u>	<u>61,191</u>	<u>49,473</u>

15 Creditors: amounts falling due within one year

	The group		The company	
	2008	2007	2008	2007
	£	£	£	£
Bank loans	1,522,903	1,535,038	1,522,903	1,535,038
Amounts owed to group undertakings	-	-	75,000	55,000
Corporation tax	46,134	122,091	42,690	118,591
Other taxation and social security	29,069	29,910	29,069	29,910
Other creditors	243,352	41,116	243,352	41,116
Accruals and deferred income	38,176	47,669	37,250	46,669
	<u>1,879,634</u>	<u>1,775,824</u>	<u>1,950,264</u>	<u>1,826,324</u>

16 Creditors: amounts falling due after more than one year

	The group		The company	
	2008	2007	2008	2007
	£	£	£	£
Bank loans	<u>2,418,433</u>	<u>2,606,872</u>	<u>2,418,433</u>	<u>2,606,872</u>

The bank loans are secured by a fixed charge by HSBC Bank plc over certain properties and by a cross guarantee given by the subsidiary undertaking.

The loan which is repayable in part after more than five years is repayable by quarterly instalments of £100,028. The interest rate on the loan varies over the term of the agreement, negotiated at commercial rates at regular intervals.

17 Creditors - capital instruments

Creditors include finance capital which is due for repayment as follows:

	The group		The company	
	2008	2007	2008	2007
	£	£	£	£
Amounts repayable:				
In one year or less or on demand	1,522,903	1,535,038	1,522,903	1,535,038
In more than one year but not more than two years	222,561	234,054	222,561	234,054
In more than two years but not more than five years	766,328	795,478	766,328	795,478
In more than five years	1,479,544	1,577,347	1,479,544	1,577,347
	<u>3,991,336</u>	<u>4,141,917</u>	<u>3,991,336</u>	<u>4,141,917</u>

18 Related party transactions

The company was under the control of Mr J R Trout throughout the current and previous year.

Other creditors includes an amount of £115,351 owed to Humberside Investments Limited a company controlled by Mr J R Trout.

19 Share capital

Authorised share capital:

	2008	2007
	£	£
150,000 Ordinary shares of £1 each	<u>150,000</u>	<u>150,000</u>

Allotted, called up and fully paid:

	2008	£	2007	£
	No		No	
Ordinary shares of £1 each	<u>38,288</u>	<u>38,288</u>	<u>38,538</u>	<u>38,538</u>

20 Reserves

Group

	Capital redemption reserve	Profit and loss account
	£	£
At 1 April 2007	11,462	1,086,532
Profit for the year	-	119,868
Equity dividends	-	(7,620)
Other movements		
Purchase of own shares	250	(21,750)
At 31 March 2008	<u>11,712</u>	<u>1,177,030</u>

Company

	Capital redemption reserve	Profit and loss account
	£	£
At 1 April 2007	11,462	944,011
Profit for the year	-	107,115
Equity dividends	-	(7,620)
Other movements		
Purchase of own shares	250	(21,750)
At 31 March 2008	<u>11,712</u>	<u>1,021,756</u>

21 Reconciliation of movements in shareholders' funds

	2008	2007
	£	£
Profit for the financial year	119,868	266,081
Purchase of own ordinary shares	(250)	(11,462)
Premium on purchase of own ordinary shares	(21,500)	(985,732)
Equity dividends	(7,620)	(8,318)
Net addition/(reduction) to shareholders' funds	90,498	(739,431)
Opening shareholders' funds	<u>1,136,532</u>	<u>1,875,963</u>
Closing shareholders' funds	<u>1,227,030</u>	<u>1,136,532</u>