Grant Thornton

Financial statements
Humberside Land Limited

For the Year Ended 31 March 2010

Company No. 1615

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Notice of meeting

Notice is hereby given that the one hundred and forty-second Annual General Meeting of Humberside Land Limited will be held 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 2010

2 To resolve that the principal liability limitation agreement produced to the meeting and initialled by the chairman of the meeting for the purpose of identification for the financial period beginning 1 April 2010 between the company and Grant Thornton UK LLP be and is hereby approved

3 To re-appoint Grant Thornton UK LLP as auditor and to authorise the directors to fix their remuneration

4 To declare a dividend

5 To transact any other business

Registered office

Conifer Lodge
Tranby Lane
Swanland
East Yorkshire
HU14 3NB

By order of the board

J R Trout
Chairman

Report of the directors

The directors present their report and the financial statements of the group for the year ended 31 March 2010

Principal activities

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 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom 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 the group and of the profit or loss of the group for that year 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,
- 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 adequate accounting records that are sufficient to show and explain the group's and company's transactions and 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 2006 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 15 of the Companies Act 2006

BY ORDER OF THE BOARD

A G M Trout.

Mrs A G M Trout
Secretary
12 October 2010

Independent auditor's report to the members of Humberside Land Limited

We have audited the financial statements of Humberside Land Limited for the year ended 31 March 2010 which comprise the group profit and loss account, the group and parent company balance sheets and the related notes The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of 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 Statement on pages 4 and 5, 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 website at www frc org uk/apb/scope/UKNP

Independent auditor's report to the members of Humberside Land Limited

Qualified opinion arising from a disagreement about accounting treatment

As disclosed in the accounting policies on page 8, investment properties have been included in the balance sheet at cost rather than at 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 financial effect of not making the revaluation referred to in the preceding paragraph, in our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2010 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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

Grant Thornton UK LLP

RICHARD HOBSON (Senior Statutory Auditor)
For and on behalf of
GRANT THORNTON UK LLP
STATUTORY AUDITOR
CHARTERED ACCOUNTANTS
LEEDS

15 / 10 / 10

Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, 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 408 of the Companies Act 2006

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 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 and fittings	- 20% pa

Investment properties

Investment properties are included at directors' valuation at 1 November 1984 plus subsequent additions at cost

Accounting policies (continued)

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Profit and loss account

	Note	2010 £	2009 £
Group turnover	1	**84,620**	93,051
Cost of sales		**3,363**	1,926
Gross profit		**81,257**	91,125
Other operating charges	2	**585,743**	463,344
Other operating income	3	**(873,062)**	(913,427)
Operating profit	4	**368,576**	541,208
Interest receivable		**506**	4,314
Interest payable and similar charges	7	**(73,229)**	(200,599)
Profit on ordinary activities before taxation		**295,853**	344,923
Tax on profit on ordinary activities	8	**87,810**	93,686
Profit for the financial year	9	**208,043**	251,237

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 408 of the Companies Act 2006 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	2010 £	2009 £
Fixed assets			
Tangible assets	11	**155,581**	153,969
Investments	12	**250,000**	250,000
		405,581	403,969
Current assets			
Stocks	13	**5,017,539**	5,017,732
Debtors	14	**79,734**	63,995
Cash at bank		**21,683**	172,810
		5,118,956	5,254,537
Creditors: amounts falling due within one year	15	**2,204,752**	2,101,341
Net current assets		**2,914,204**	3,153,196
Total assets less current liabilities		**3,319,785**	3,557,165
Creditors: amounts falling due after more than one year	16	**1,648,791**	2,086,556
		1,670,994	1,470,609
Capital and reserves			
Called-up equity share capital	19	**38,288**	38,288
Capital redemption reserve	20	**11,712**	11,712
Profit and loss account	20	**1,620,994**	1,420,609
Shareholders' funds	21	**1,670,994**	1,470,609

These financial statements were approved by the directors and authorised for issue on 12 October 2010 and are signed on their behalf by

J R Trout

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

Balance sheet

	Note	2010 £	2009 £
Fixed assets			
Tangible assets	11	**1,612**	–
Investments	12	**329,186**	329,186
		330,798	329,186
Current assets			
Stocks	13	**5,017,539**	5,017,732
Debtors	14	**79,114**	61,583
Cash at bank		**17,210**	143,657
		5,113,863	5,222,972
Creditors: amounts falling due within one year	15	**2,306,194**	2,169,486
Net current assets		**2,807,669**	3,053,486
Total assets less current liabilities		**3,138,467**	3,382,672
Creditors: amounts falling due after more than one year	16	**1,648,791**	2,086,556
		1,489,676	1,296,116
Capital and reserves			
Called-up equity share capital	19	**38,288**	38,288
Capital redemption reserve	20	**11,712**	11,712
Profit and loss account	20	**1,439,676**	1,246,116
Shareholders' funds		**1,489,676**	1,296,116

These financial statements were approved by the directors and authorised for issue on 12 October 2010 and are signed on their behalf by

J R Trout
Company Registration Number 1615

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

Notes to the financial statements

1 Turnover

The turnover and profit before tax are attributable to the one principal activity of the group

2 Other operating charges

	2010	2009
	£	£
Property expenses	**308,325**	160,387
Administrative expenses	**277,418**	302,957
	585,743	463,344

3 Other operating income

	2010	2009
	£	£
Rents receivable	**873,062**	913,427

4 Operating profit

Operating profit is stated after charging

	2010	2009
	£	£
Depreciation of owned fixed assets	**285**	429
Auditor's remuneration		
Audit fees	**12,705**	9,750

5 Particulars of employees

The average number of persons employed by the group during the financial year, including the directors, amounted to 2 (2009 - 2)

The aggregate payroll costs of the above were

	2010	2009
	£	£
Wages and salaries	**182,000**	232,000
Social security costs	**21,987**	28,364
	203,987	260,364

6 Directors

Remuneration in respect of directors was as follows

	2010	2009
	£	£
Remuneration receivable	**182,000**	232,000

7 Interest payable and similar charges

	2010	2009
	£	£
Interest payable on bank borrowing	**73,229**	200,599

8 Tax on profit on ordinary activities

(a) Analysis of charge in the year

	2010	2009
	£	£
Current tax		
UK Corporation tax based on the results for the year at 28% (2009 - 28%)	**87,548**	94,307
Under/(over) provision in prior year	**262**	(621)
Total current tax	**87,810**	93,686

8 Taxation on profit 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 28% (2009 - 28%)

	2010	2009
	£	£
Profit on ordinary activities before taxation	**295,853**	344,923
Profit on ordinary activities by rate of tax	**82,839**	96,628
Expenses not deductible for tax purposes	**8,546**	3,810
Capital allowances for year in excess of depreciation	**(620)**	(2,214)
Tax chargeable at lower rates	**(3,077)**	(3,917)
Adjustments to tax charge in respect of previous periods	**262**	(621)
Sundry tax adjusting items	**(140)**	-
Total current tax (note 8(a))	**87,810**	93,686

9 Profit attributable to members of the parent company

The profit dealt with in the financial statements of the parent company was £201,218 (2009 - £232,018)

10 Dividends

Dividends on shares classed as equity

	2010	2009
	£	£
Paid during the year		
Equity dividends on ordinary shares	**7,658**	7,658

11 Tangible fixed assets

Group	Investment properties £	Fixtures and fittings £	Total £
Cost			
At 1 April 2009	153,969	65,189	219,158
Additions	–	1,897	1,897
At 31 March 2010	153,969	67,086	221,055
Depreciation			
At 1 April 2009	–	65,189	65,189
Charge for the year	–	285	285
At 31 March 2010	–	65,474	65,474
Net book value			
At 31 March 2010	**153,969**	**1,612**	**155,581**
At 31 March 2009	153,969	–	153,969

If the investment properties had not been revalued, they would have been included on the historical cost basis at the following amount £87,860 (2009 £87,860)

Company	Fixtures and fittings £
Cost	
At 1 April 2009	65,189
Additions	1,897
At 31 March 2010	67,086
Depreciation	
At 1 April 2009	65,189
Charge for the year	285
At 31 March 2010	65,474
Net book value	
At 31 March 2010	**1,612**
At 31 March 2009	–

12 Investments

Group	Associated undertakings
	£
Cost and net book value	
At 1 April 2009 and 31 March 2010	**250,000**

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	Group companies	Associated undertakings	Total
	£	£	£
Cost and net book value			
At 1 April 2009 and 31 March 2010	**79,186**	**250,000**	**329,186**

13 Stocks

	The group		The company	
	2010	2009	**2010**	2009
	£	£	£	£
Properties	**5,017,539**	5,017,732	**5,017,539**	5,017,732

14 Debtors

	The group		The company	
	2010	2009	**2010**	2009
	£	£	£	£
Trade debtors	**75,599**	55,208	**74,979**	52,796
Other debtors	**4,135**	8,787	**4,135**	8,787
	79,734	63,995	**79,114**	61,583

15 Creditors: amounts falling due within one year

	The group		The company	
	2010	2009	**2010**	2009
	£	£	£	£
Bank loans	**1,678,490**	1,595,572	**1,678,490**	1,595,572
Amounts owed to group undertakings	**–**	–	**105,000**	75,000
Corporation tax	**87,548**	94,307	**85,739**	89,202
Social security and other taxes	**34,558**	24,791	**34,558**	24,791
Other creditors	**399,243**	344,195	**399,244**	344,195
Accruals and deferred income	**4,913**	42,476	**3,163**	40,726
	2,204,752	2,101,341	**2,306,194**	2,169,486

16 Creditors: amounts falling due after more than one year

	The group		The company	
	2010	2009	**2010**	2009
	£	£	£	£
Bank loans	**1,648,791**	2,086,556	**1,648,791**	2,086,556

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	
	2010	2009	**2010**	2009
	£	£	£	£
Amounts repayable				
In one year or less or on demand	**1,678,490**	1,595,572	**1,678,490**	1,595,572
In more than one year but not more than two years	**370,105**	294,741	**370,105**	294,741
In more than two years but not more than five years	**1,151,224**	976,574	**1,151,224**	976,574
In more than five years	**127,462**	815,241	**127,462**	815,241
	3,327,281	3,682,128	**3,327,281**	3,682,128

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

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 £101,713 (2009 £46,123) owed to Humberside Investments Limited, a company controlled by Mr J R Trout

19 Share capital

Authorised share capital

	2010	2009
	£	£
150,000 Ordinary shares of £1 each	**150,000**	150,000

Allotted, called up and fully paid

	2010		2009	
	No	£	No	£
38,288 Ordinary shares of £1 each	**38,288**	**38,288**	38,288	38,288

20 Reserves

Group	Capital redemption reserve	Profit and loss account
	£	£
At 1 April 2009	**11,712**	**1,420,609**
Profit for the year	**–**	**208,043**
Equity dividends	**–**	**(7,658)**
At 31 March 2010	**11,712**	**1,620,994**

Company	Capital redemption reserve	Profit and loss account
	£	£
At 1 April 2009	**11,712**	**1,246,116**
Profit for the year	**–**	**201,218**
Equity dividends paid	**–**	**(7,658)**
At 31 March 2010	**11,712**	**1,439,676**

21 Reconciliation of movements in shareholders' funds

	2010	2009
	£	£
Profit for the financial year	**208,043**	251,237
Equity dividends paid	**(7,658)**	(7,658)
Net addition to shareholders' funds	**200,385**	243,579
Opening shareholders' funds	**1,470,609**	1,227,030
Closing shareholders' funds	**1,670,994**	1,470,609

Management information

The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on pages 6 to 7

Consolidated trading account

	Humberside Land Limited 2010 £	Humberside Property Developments Limited 2010 £	Total 2010 £	Humberside Land Limited 2009 £	Humberside Property Developments Limited 2009 £	Total 2009 £
Sales	**46,000**	**38,620**	**84,620**	50,000	43,051	93,051
Cost of sales	**(3,363)**	**-**	**(3,363)**	(1,926)	-	(1,926)
Gross profit	**42,637**	**38,620**	**81,257**	48,074	43,051	91,125
Rents receivable	**873,062**	**-**	**873,062**	913,427	-	913,427
Property expenses	**(301,973)**	**(6,352)**	**(308,325)**	(154,006)	(6,381)	(160,387)
Administrative expenses	**(253,761)**	**(23,657)**	**(277,418)**	(290,248)	(12,709)	(302,957)
Operating profit	**359,965**	**8,611**	**368,576**	517,247	23,961	541,208
Interest On bank loan	**(73,229)**	**-**	**(73,229)**	(200,599)	-	(200,599)
Interest receivable	**502**	**4**	**506**	4,053	261	4,314
Trading profit	**287,238**	**8,615**	**298,853**	320,701	24,222	344,923

Company only trading account

	2010 £	2010 £	2009 £	2009 £
Sale of property		**46,000**		50,000
Deduct				
Selling expenses		**(3,170)**		(1,305)
		42,830		48,695
Stock at 1 April 2009	**5,017,732**		5,010,978	
Additions	**-**		7,375	
Deduct Stock at 31 March 2010	**(5,107,539)**		(5,017,732)	
		(193)		(621)
Gross profit		**42,637**		48,074
Rents receivable, less expenses per Schedule I		**571,089**		759,421
Administrative expenses per Schedule II		**253,761**		(290,248)
Operating profit		**359,965**		517,247
Interest receivable		**502**		4,053
Interest payable				
On bank loan		**(73,229)**		(200,599)
Trading profit		**287,238**		320,701

Company only trading account

SCHEDULE I: RENTS RECEIVABLE, LESS EXPENSES

	2010 £	**2010** £	2009 £	2009 £
Rents receivable		**873,062**		913,427
Expenses				
Agents' fees	**17,318**		17,511	
Agents' commission	**24,927**		26,316	
Repairs	**166,201**		49,097	
Insurance	**12,815**		13,600	
Rates	**7,165**		(2,320)	
Irrecoverable VAT	**22,636**		21,002	
Bad debts	**50,911**		28,800	
		301,973		154,006
Per trading account		**571,089**		759,421

SCHEDULE II: ADMINISTRATIVE EXPENSES

	2010 £	2009 £
Directors' salaries	**172,000**	222,000
National insurance contributions	**21,514**	27,880
Bank charges	**11,043**	708
Insurance	**1,478**	1,470
Telephone	**532**	566
Printing and stationery	**445**	434
Postage	**324**	225
Audit and accountancy	**10,500**	8,000
Legal charges	**27,151**	21,759
Computer maintenance and supplies	**3,847**	3,994
Subscriptions	**2,553**	2,532
Miscellaneous expenses	**2,089**	251
Depreciation		
- Fixtures and fittings	**285**	429
	253,761	290,248