

**HUMBERSIDE LAND LIMITED  
AND ITS SUBSIDIARY  
UNDERTAKING**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2003



A05 0008  
COMPANIES HOUSE 23/10/03  
A58 0164  
COMPANIES HOUSE 15/10/03

Company no 1615

# **HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING**

## **FINANCIAL STATEMENTS**

For the year ended 31 March 2003

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Company registration number: 1615

Registered office: Conifer Lodge  
Tranby Lane  
Swanland  
East Yorkshire  
HU14 3NB

Directors: J R Trout  
J G Watt

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  
HU1 2AZ

Auditors: Grant Thornton  
Registered Auditors  
Chartered Accountants  
Eldon Lodge  
Eldon Place  
Bradford  
BD1 3AP

# **HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING**

## **FINANCIAL STATEMENTS**

For the year ended 31 March 2003

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# HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the one hundred and thirty-fifth Annual General Meeting of Humberside Land Limited will be held at Conifer Lodge, Tranby Lane, Swanland, East Yorkshire on 25 September 2003 at 9.30am for the following purposes:

- 1 To receive and adopt the report of the directors and the financial statements for the year ended 31 March 2003 and the report of the auditors thereon.
- 2 To declare a dividend.
- 3 To reappoint the auditors and to authorise the directors to fix their remuneration.
- 4 To transact any other business.

Every member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on their behalf. A proxy need not be a member of the company.

BY ORDER OF THE BOARD

REGISTERED OFFICE

*A. G. M. Trout*

A G M Trout  
Secretary

Conifer Lodge  
Tranby Lane  
Swanland  
East Yorkshire  
HU14 3NB

# **HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING**

## **REPORT OF THE DIRECTORS**

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The directors present their report together with financial statements for the year ended 31 March 2003.

### **Principal activities**

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

### **Business review**

There was a profit for the year after taxation amounting to £343,288 (2002: £229,134). The directors recommend dividends absorbing £10,000 (2002: £10,000) leaving £333,288 retained.

### **Directors**

The present membership of the Board is set out below. All directors served throughout the year.

Mr J R Trout retires by rotation and being eligible offers himself for re-election.

The interests of the directors and their families in the shares of the company as at 1 April 2002 and 31 March 2003 were as follows:

	<b>Number of shares 2003 and 2002</b>
J R Trout (Chairman and Managing Director)	<b>37,763</b>
J G Watt	<b>5,225</b>

### **Directors' responsibilities for the financial statements**

United Kingdom company law requires the directors 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 profit or loss 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
- 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 proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Investment properties**

In the opinion of the directors the value of investment properties is in excess of the book value but the directors are unable to quantify the excess without a professional valuation. The directors do not consider that a professional valuation would serve any useful purpose.

# HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING

## REPORT OF THE DIRECTORS

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### Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD



J R Trout  
Chairman  
10 July 2003

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
HUMBERSIDE LAND LIMITED**

We have audited the financial statements of Humberside Land Limited and its subsidiary undertaking for the year ended 31 March 2003 which comprise the principal accounting policies, the consolidated profit and loss account, the balance sheets and notes 1 to 18. 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 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 directors and auditors**

The directors' responsibilities for preparing the directors' report and the financial statements in accordance with United Kingdom law and accounting standards 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 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 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 transactions with the company is not disclosed.

We read other information contained in the directors' report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**Basis of 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

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.

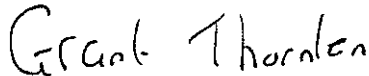
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
HUMBERSIDE LAND LIMITED (CONTINUED)**

**Qualified opinion arising from disagreement about accounting treatment**

As disclosed in the accounting policies on page 6 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.

In our opinion the financial statements give a true and fair view of the state of affairs of the company and, except for the matter referred to in the preceding paragraph, the group at 31 March 2003 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

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  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS**

BRADFORD  
14 July 2003



# **HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING**

## **PRINCIPAL ACCOUNTING POLICIES**

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### **BASIS OF PREPARATION**

The financial statements have been prepared under the historical cost convention.

The principal accounting policies of the group have remained unchanged from the previous year and are set out below.

### **BASIS OF CONSOLIDATION**

The group financial statements consolidate those of the company and of its subsidiary undertaking (see note 9) drawn up to 31 March 2003.

### **TURNOVER**

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

### **DEPRECIATION**

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates generally applicable are:

Office equipment	5 years
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### **INVESTMENT PROPERTIES**

The investment properties have been included at the value attributed to them on acquisition by the group.

### **INVESTMENTS**

Investments are included at cost.

### **STOCKS**

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

**HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING****CONSOLIDATED PROFIT AND LOSS ACCOUNT**

For the year ended 31 March 2003

	Note	2003 £	2002 £
Turnover	1	658,955	289,579
Cost of sales		322,934	73,275
Gross profit		336,021	216,304
Other operating charges	2	(401,111)	(449,194)
Rental income from properties		755,485	782,307
<b>Operating profit</b>		<b>690,395</b>	<b>549,417</b>
Net interest	3	197,904	244,037
<b>Profit on ordinary activities before taxation</b>	1	<b>492,491</b>	<b>305,380</b>
Taxation	5	149,203	76,246
<b>Profit for the financial year</b>		<b>343,288</b>	<b>229,134</b>
Dividends	7	10,000	10,000
<b>Transfer to reserves</b>		<b>333,288</b>	<b>219,134</b>
<b>Statement of retained profits</b>			
At 1 April 2002		1,001,915	782,781
Transfer to reserves		333,288	219,134
At 31 March 2003		1,335,203	1,001,915

There were no recognised gains or losses other than the profit for the financial year.

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

# HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING

## CONSOLIDATED BALANCE SHEET AT 31 MARCH 2003

	Note	2003 £	2002 £
<b>Fixed assets</b>			
Tangible assets	8	170,796	175,684
<b>Current assets</b>			
Stocks	10	4,641,891	4,887,422
Debtors	11	45,018	26,872
Cash at bank and in hand		128,449	242
		4,815,358	4,914,536
<b>Creditors: amounts falling due within one year</b>	12	503,214	692,937
<b>Net current assets</b>		4,312,144	4,221,599
<b>Total assets less current liabilities</b>		4,482,940	4,397,283
<b>Creditors: amounts falling due after more than one year</b>	13	3,097,737	3,345,368
		1,385,203	1,051,915
<b>Capital and reserves - Equity</b>			
Called up share capital	15	50,000	50,000
Profit and loss account	16	1,335,203	1,001,915
<b>Shareholders' funds</b>	17	1,385,203	1,051,915

The financial statements were approved by the Board of Directors on 10 July 2003.

*John R Trout*

J R Trout

Director

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

# HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING

BALANCE SHEET AT 31 MARCH 2003

	Note	2003 £	2002 £
<b>Fixed assets</b>			
Tangible assets	8	16,827	21,715
Investment	9	79,186	79,186
		<u>96,013</u>	<u>100,901</u>
<b>Current assets</b>			
Stocks	10	4,641,891	4,887,422
Debtors	11	45,018	26,572
Cash at bank and in hand		75,672	242
		<u>4,762,581</u>	<u>4,914,236</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>489,082</u>	<u>714,592</u>
<b>Net current assets</b>		<u>4,273,499</u>	<u>4,199,644</u>
<b>Total assets less current liabilities</b>		<u>4,369,512</u>	<u>4,300,545</u>
<b>Creditors: amounts falling due after more than one year</b>	13	<u>3,097,737</u>	<u>3,345,368</u>
		<u>1,271,775</u>	<u>955,177</u>
<b>Capital and reserves - Equity</b>			
Called up share capital	15	50,000	50,000
Profit and loss account	16	1,221,775	905,177
<b>Shareholders' funds</b>		<u>1,271,775</u>	<u>955,177</u>

The financial statements were approved by the Board of Directors on 10 July 2003.

*John Trout*

J R Trout

Director

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

# HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2003

### 1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

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

	2003	Turnover	Profit before taxation	
	2003	2002	2003	2002
	£	£	£	£
Property dealing	625,000	255,000	302,066	286,536
Property investment rents	33,955	34,579	20,605	18,844
	<u>658,955</u>	<u>289,579</u>	<u>322,671</u>	<u>305,380</u>

The profit on ordinary activities is stated after:

	2003	2002
	£	£
Auditors' remuneration	10,000	10,000
Depreciation	<u>5,276</u>	<u>3,387</u>

### 2 OTHER OPERATING EXPENSES

	2003	2002
	£	£
Property expenses	138,898	178,764
Administrative expenses	<u>262,213</u>	<u>270,430</u>
	<u>401,111</u>	<u>449,194</u>

### 3 NET INTEREST

	2003	2002
	£	£
On bank loan	195,089	225,248
On overdraft	<u>3,461</u>	<u>18,789</u>
	<u>198,550</u>	<u>244,037</u>
Interest receivable	<u>(646)</u>	<u>-</u>
	<u>197,904</u>	<u>244,037</u>

# **HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING**

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2003

### **4 DIRECTORS AND EMPLOYEES**

Staff costs during the year were as follows:

	2003 £	2002 £
Wages and salaries	213,750	201,750
Social security costs	23,889	25,322
	<u>237,639</u>	<u>227,072</u>

The average number of employees of the group during the year was 4 (2002: 4).

Remuneration in respect of directors was as follows:

	2003 £	2002 £
Emoluments	<u>199,651</u>	<u>196,812</u>

The emoluments set out above include remuneration in respect of the highest paid director as follows:

	2003 £	2002 £
Emoluments	<u>196,901</u>	<u>194,062</u>

### **5 TAX ON PROFIT ON ORDINARY ACTIVITIES**

The taxation charge represents:

	2003 £	2002 £
Corporation tax at 29% of profit chargeable to corporation tax (2002: 26%)	145,077	76,246
Prior year adjustment:		
Corporation tax	<u>4,126</u>	<u>-</u>
	<u>149,203</u>	<u>76,246</u>

# HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2003

### TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 30% (2002: 30%). The differences are explained as follows:

	2003 £	2002 £
Profit on ordinary activities before tax	<u>492,491</u>	<u>305,380</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2002: 30%)	147,747	91,614
Effect of:		
Marginal relief	(3,053)	(7,285)
ACT utilised	-	(6,572)
Tax losses	-	(1,486)
Capital allowances in excess of depreciation	(67)	-
Expenses not deductible for tax purposes	450	-
Adjustments to tax charge in respect of prior periods	4,126	-
Other	-	(25)
Current tax charge for the period	<u>149,203</u>	<u>76,246</u>

### 6 PROFIT FOR THE FINANCIAL YEAR

The parent company has taken advantage of section 230 of the Companies Act 1985 and has not included its own profit and loss account in these financial statements. The group profit for the year includes a profit of £326,598 (2002: £212,441) which is dealt with in the financial statements of the parent company.

### 7 DIVIDENDS

	2003 £	2002 £
Ordinary shares:		
- Interim dividend of 15p per share (2002: 15p)	7,500	7,500
- Proposed final dividend of 5p per share (2002: 5p)	<u>2,500</u>	<u>2,500</u>
	<u>10,000</u>	<u>10,000</u>

# HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2003

### 8 TANGIBLE FIXED ASSETS

The group	Investment properties £	Office equipment £	Total £
Cost			
At 1 April 2002	153,969	63,950	217,919
Additions	-	388	388
At 31 March 2003	153,969	64,338	218,307
Depreciation			
At 1 April 2002	-	42,235	42,235
Provided in the year	-	5,276	5,276
At 31 March 2003	-	47,511	47,511
Net book amount at 31 March 2003	153,969	16,827	170,796
Net book amount at 31 March 2002	153,969	21,715	175,684
The company		Office equipment £	
Cost			
At 1 April 2002		63,950	
Additions		388	
At 31 March 2003		64,338	
Depreciation			
At 1 April 2002		42,235	
Provided in the year		5,276	
At 31 March 2003		47,511	
Net book amount at 31 March 2003		16,827	
Net book amount at 31 March 2002		21,715	



# HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2003

### 9 FIXED ASSET INVESTMENTS

The company	Shares in group undertakings £
Cost and net book amount At 1 April 2002 and 31 March 2003	<u>79,186</u>

Subsidiary undertaking	Country of registration	Class of share capital held	Proportion held by parent company	Nature of business
Humberside Property Developments Limited	England and Wales	Ordinary	100%	Letting of commercial property

### 10 STOCKS

	The group and the company	
	2003 £	2002 £
Properties	<u>4,641,891</u>	<u>4,887,422</u>

### 11 DEBTORS

	2003 £	The group 2002 £	2003 £	The company 2002 £
Amounts owed by Humberside Investments Limited	26,000	-	26,000	-
Other debtors	1,624	1,728	1,624	1,728
Trade debtors	17,394	25,144	17,394	24,844
	<u>45,018</u>	<u>26,872</u>	<u>45,018</u>	<u>26,572</u>

# HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2003

### 12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003	The group	2003	The company
	£	2002	£	2002
		£		£
Bank overdraft	-	290,570	-	324,048
Bank loan	229,603	206,169	229,603	206,169
Social security and other taxes	47,425	43,362	43,308	39,491
Other creditors	36,916	31,298	31,516	26,198
Corporation tax	145,085	76,246	141,170	74,094
Proposed dividends	2,500	2,500	2,500	2,500
Accruals and deferred income	41,685	42,792	40,985	42,092
	<u>503,214</u>	<u>692,937</u>	<u>489,082</u>	<u>714,592</u>

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

### 13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	The group and the company	
	2003	2002
	£	£
Bank loan	<u>3,097,737</u>	<u>3,345,368</u>

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

The loan is repayable by quarterly instalments of £104,815. The interest rate on the loan varies over the term of the agreement, negotiated at commercial rates at regular intervals.

### 14 BORROWINGS

Borrowings are repayable as follows:

	2003	The group	2003	The company
	£	2002	£	2002
		£		£
Within one year:				
Bank loan	229,603	206,169	229,603	206,169
Overdraft	-	290,570	-	324,048
After one and within two years:				
Bank loan	242,690	218,539	242,690	218,539
After two and within five years:				
Bank loan	814,270	651,056	814,270	651,056
After five years:				
Bank loan	2,040,777	2,475,773	2,040,777	2,475,773
	<u>3,327,340</u>	<u>3,842,107</u>	<u>3,327,340</u>	<u>3,875,585</u>

# HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2003

### BORROWINGS (CONTINUED)

The split of borrowings is:

	2003	The group	2003	The company
	£	2002	£	2002
		£		£
Overdraft	-	290,570	-	324,048
Bank loan	3,327,340	3,551,537	3,327,340	3,551,537
	<u>3,327,340</u>	<u>3,842,107</u>	<u>3,327,340</u>	<u>3,875,585</u>

### 15 SHARE CAPITAL

	2003 and 2002
	£
Authorised:	
150,000 ordinary shares of £1 each	<u>150,000</u>
Allotted, called up and fully paid:	
50,000 ordinary shares of £1 each	<u>50,000</u>

### 16 RESERVES

	£
<b>The group</b>	
At 1 April 2002	1,001,915
Retained profit for the year	333,288
At 31 March 2003	<u>1,335,203</u>
<b>The company</b>	
At 1 April 2002	905,177
Retained profit for the year	316,598
At 31 March 2003	<u>1,221,775</u>

### 17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003	2002
	£	£
Profit for the financial year	343,288	229,134
Dividends	10,000	10,000
Net increase in shareholders' funds	<u>333,288</u>	<u>219,134</u>
Shareholders' funds at 1 April 2002	<u>1,051,915</u>	<u>832,781</u>
Shareholders' funds at 31 March 2003	<u>1,385,203</u>	<u>1,051,915</u>

**HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2003

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**18 CONTROLLING RELATED PARTY**

Mr J R Trout controls the company by virtue of his shareholding.