

Grant Thornton 



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**HUMBERSIDE LAND LIMITED  
AND ITS SUBSIDIARY  
UNDERTAKING**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2000

Company No: 1615

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

## **FINANCIAL STATEMENTS**

For the year ended 31 March 2000

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Company registration number: 1615

Registered office: Red Lion House  
14/16 Wilson Street  
Anlaby  
Hull  
HU10 7AN

Directors: J R Trout  
J G Watt

Secretary: Mrs A G M Trout

Bankers: HSBC Bank plc

Solicitors: Stamp Jackson & Procter

Auditors: Grant Thornton  
Registered auditors  
Chartered accountants

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

## **FINANCIAL STATEMENTS**

For the year ended 31 March 2000

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<b>INDEX</b>	<b>PAGE</b>
Notice of Annual General Meeting	1
Report of the directors	2 - 3
Report of the auditors	4
Principal accounting policies	5
Consolidated profit and loss account	6
Consolidated balance sheet	7
Balance sheet	8
Notes to the financial statements	9 - 15

# HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING

## NOTICE OF ANNUAL GENERAL MEETING

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Notice is hereby given that the One Hundred and Thirty-third Annual General Meeting of Humberside Land Limited will be held at Red Lion House, 14/16 Wilson Street, Anlaby, Hull on 28 September 2000 at 9.45 am for the following purposes:

- 1 To receive and adopt the report of the directors and the financial statements for the year ended 31 March 2000 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  
Secretary

Red Lion House  
14/16 Wilson Street  
Anlaby  
Hull  
HU10 7AN

# 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 2000.

### 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 £161,747 (1999: £150,942). The directors recommend dividends absorbing £10,000 leaving £151,747 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 1999 and 31 March 2000, were as follows:

	Number of shares	
	2000	1999
J R Trout (Chairman and Managing Director)	37,763	36,663
J G Watt	5,225	5,225

No director had, during or at the end of the year, a material interest in any contract which was significant in relation to the company's business.

### Directors' responsibilities for the financial statements

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 maintaining 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

A handwritten signature in black ink, appearing to read "John R Trout".

J R Trout  
Chairman  
13 July 2000

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING**

We have audited the financial statements on pages 5 to 15 which have been prepared under the accounting policies set out on page 5.

**Respective responsibilities of directors and auditors**

As described on page 2 the company's directors are responsible for the preparation of financial statements in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**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 company's circumstances, consistently applied and adequately disclosed.

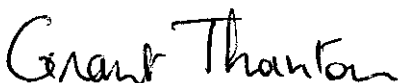
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

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

As disclosed on page 5 investment properties have been included in the consolidated 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 and have not been depreciated. It is not practicable for us 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 2000 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 reference to these financial statements is permitted under the Companies Act 1985.



**GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS**

**BRADFORD  
13 July 2000**

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

## **PRINCIPAL ACCOUNTING POLICIES**

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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 2000.

Goodwill arising on consolidation is written off to reserves immediately on acquisition.

### **TURNOVER**

Turnover is the total amount receivable by the group for properties sold and the gross rentals 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 periods generally applicable are:

Office equipment	5 years
Motor vehicles	4 years

### **INVESTMENT PROPERTIES**

The investment properties have been included at the value attributed to them on acquisition by the group. Depreciation is not provided and consequently the financial statements do not comply with Schedule 4(18) of the Companies Act 1985.

### **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 2000

	Note	2000 £	1999 £
Turnover	1	87,744	173,142
Cost of sales		5,545	7,567
<b>Gross profit</b>		<u>82,199</u>	<u>165,575</u>
Other operating charges	2	(418,829)	(473,206)
Rental income from properties		795,191	824,322
<b>Operating profit</b>		<u>458,561</u>	<u>516,691</u>
Net interest	3	296,668	365,749
<b>Profit on ordinary activities before taxation</b>	1	<u>161,893</u>	<u>150,942</u>
Taxation	5	146	-
<b>Profit for the financial year</b>		<u>161,747</u>	<u>150,942</u>
Dividends	7	10,000	10,000
<b>Transfer to reserves</b>		<u>151,747</u>	<u>140,942</u>
<b>Statement of retained profits</b>			
At 1 April 1999		542,286	401,344
Transfer to reserves		<u>151,747</u>	<u>140,942</u>
At 31 March 2000		<u>694,033</u>	<u>542,286</u>

There were no recognised gains or losses other than the profit for the 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 2000

	Note	2000 £	1999 £
<b>Fixed assets</b>			
Tangible assets	8	<u>157,799</u>	<u>160,384</u>
<b>Current assets</b>			
Stocks	10	4,932,991	4,922,508
Debtors	11	16,581	13,719
Cash at bank and in hand		<u>6,375</u>	<u>8,685</u>
		<u>4,955,947</u>	<u>4,944,912</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>628,718</u>	<u>1,446,344</u>
<b>Net current assets</b>		<u>4,327,229</u>	<u>3,498,568</u>
<b>Total assets less current liabilities</b>		<u>4,485,028</u>	<u>3,658,952</u>
<b>Creditors: amounts falling due after more than one year</b>	13	<u>3,740,995</u>	<u>3,066,666</u>
		<u><u>744,033</u></u>	<u><u>592,286</u></u>
<b>Capital and reserves - Equity</b>			
Called up share capital	15	50,000	50,000
Profit and loss account		<u>694,033</u>	<u>542,286</u>
<b>Shareholders' funds</b>	16	<u><u>744,033</u></u>	<u><u>592,286</u></u>

The financial statements were approved by the Board of Directors on 13 July 2000.

J R Trout



Director

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

# HUMBERSIDE LAND LIMITED

## BALANCE SHEET AT 31 MARCH 2000

	Note	2000 £	1999 £
<b>Fixed assets</b>			
Tangible assets	8	3,830	6,415
Investment	9	79,186	79,186
		<u>83,016</u>	<u>85,601</u>
<b>Current assets</b>			
Stocks	10	4,932,991	4,922,508
Debtors	11	31,193	43,719
Petty cash		50	-
		<u>4,964,234</u>	<u>4,966,227</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>639,110</u>	<u>1,441,999</u>
<b>Net current assets</b>		<u>4,325,124</u>	<u>3,524,228</u>
<b>Total assets less current liabilities</b>		<u>4,408,140</u>	<u>3,609,829</u>
<b>Creditors: amounts falling due after more than one year</b>	13	<u>3,740,995</u>	<u>3,066,666</u>
		<u>667,145</u>	<u>543,163</u>
<b>Capital and reserves - Equity</b>			
Called up share capital	15	50,000	50,000
Profit and loss account		<u>617,145</u>	<u>493,163</u>
<b>Shareholders' funds</b>		<u>667,145</u>	<u>543,163</u>

The financial statements were approved by the Board of Directors on 13 July 2000.

J R Trout

*John 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 2000

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

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

	Turnover		Profit before taxation	
	2000 £	1999 £	2000 £	1999 £
Property dealing	58,750	139,000	149,127	135,105
Property investment	28,994	34,142	12,766	15,837
	<u>87,744</u>	<u>173,142</u>	<u>161,893</u>	<u>150,942</u>

The profit on ordinary activities is stated after:

	2000 £	1999 £
Auditors' remuneration	11,200	11,100
Depreciation	<u>3,437</u>	<u>15,508</u>

### 2 OTHER OPERATING CHARGES

	2000 £	1999 £
Property expenses	115,192	150,113
Administration expenses	<u>303,637</u>	<u>323,093</u>
	<u>418,829</u>	<u>473,206</u>

### 3 NET INTEREST

	2000 £	1999 £
On bank loan and overdraft	<u>296,668</u>	<u>365,749</u>

# HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2000

### 4 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	2000 £	1999 £
Wages and salaries	245,156	245,383
Social security	27,681	25,133
	<u>272,837</u>	<u>270,516</u>

The average number of employees of the group during the year was 5 (1999: 7).

Remuneration in respect of directors was as follows:

Emoluments	<u>256,415</u>	<u>260,719</u>
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The emoluments set out above include remuneration in respect of the highest paid director as follows:

	2000 £	1999 £
Emoluments	<u>247,665</u>	<u>249,219</u>

### 5 TAX ON PROFIT ON ORDINARY ACTIVITIES

The taxation charge represents:

	2000 £	1999 £
Corporation tax at 20% (1999: Nil)	<u>146</u>	<u>-</u>

Unrelieved interest of £Nil (1999: £137,000) remains available to offset against future taxable trading profits.

### 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 £148,981 (1999: £135,105) which is dealt with in the financial statements of the parent company.

# HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2000

### 7 DIVIDENDS

	2000 £	1999 £
Ordinary shares		
- interim dividend of 15p per share (1999: 15p)	7,500	7,500
- proposed final dividend of 5p per share (1999: 5p)	2,500	2,500
	<u>10,000</u>	<u>10,000</u>

### 8 TANGIBLE FIXED ASSETS

The group	Investment properties £	Office equipment £	Motor vehicles £	Total £
Cost				
At 1 April 1999	153,969	39,543	52,615	246,127
Additions	-	852	-	852
At 31 March 2000	<u>153,969</u>	<u>40,395</u>	<u>52,615</u>	<u>246,979</u>
Depreciation				
At 1 April 1999	-	34,223	51,520	85,743
Provided in the year	-	2,342	1,095	3,437
At 31 March 2000	-	<u>36,565</u>	<u>52,615</u>	<u>89,180</u>
Net book amount at 31 March 2000	<u>153,969</u>	<u>3,830</u>	<u>-</u>	<u>157,799</u>
Net book amount at 31 March 1999	<u>153,969</u>	<u>5,320</u>	<u>1,095</u>	<u>160,384</u>
The company		Office equipment £	Motor vehicles £	Total £
Cost				
At 1 April 1999		39,543	52,615	92,158
Additions		852	-	852
At 31 March 2000		<u>40,395</u>	<u>52,615</u>	<u>93,010</u>
Depreciation				
At 1 April 1999		34,223	51,520	85,743
Provided in the year		2,342	1,095	3,437
At 31 March 2000		<u>36,565</u>	<u>52,615</u>	<u>89,180</u>
Net book amount at 31 March 2000		<u>3,830</u>	<u>-</u>	<u>3,830</u>
Net book amount at 31 March 1999		<u>5,320</u>	<u>1,095</u>	<u>6,415</u>

# HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2000

### 9 FIXED ASSET INVESTMENT

The company	Shares in group undertakings £
Cost and net book amount At 1 April 1999 and 31 March 2000	<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	Ordinary	100%	Letting of commercial property

### 10 STOCKS

	The group and the company	
	2000	1999
	£	£
Properties	<u>4,932,991</u>	<u>4,922,508</u>

### 11 DEBTORS

	The group		The company	
	2000	1999	2000	1999
	£	£	£	£
Trade debtors	16,581	13,719	16,193	13,719
Amounts owed by group undertaking	-	-	15,000	30,000
	<u>16,581</u>	<u>13,719</u>	<u>31,193</u>	<u>43,719</u>

# HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2000

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

	The group		The company	
	2000 £	1999 £	2000 £	1999 £
Bank overdraft	354,196	920,805	354,196	920,805
Bank loan	129,010	266,667	129,010	266,667
Amounts owed to related undertaking	-	115,000	15,000	115,000
Social security and other taxes	43,681	43,812	39,773	39,817
Other creditors	44,947	60,267	44,947	60,267
Corporation tax	146	-	146	-
Proposed dividends	2,500	10,000	2,500	10,000
Accruals and deferred income	54,238	29,793	53,538	29,443
	<u>628,718</u>	<u>1,446,344</u>	<u>639,110</u>	<u>1,441,999</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	
	2000 £	1999 £
Bank loan	<u>3,740,995</u>	<u>3,066,666</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.

# HUMBERSIDE LAND LIMITED AND ITS SUBSIDIARY UNDERTAKING

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2000

### 14 BORROWINGS

Borrowings are repayable as follows:

	The group and the company	
	2000	1999
	£	£
Within one year:		
Bank loans and overdraft	483,206	1,187,472
After one and within two years:		
Bank loans	138,685	266,667
After two and within five years:		
Bank loans	481,643	800,000
After five years:		
Bank loans	3,120,667	1,999,999
	<u>4,224,201</u>	<u>4,254,138</u>

### 15 SHARE CAPITAL

	2000 and 1999
	£
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 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2000	1999
	£	£
Profit for the financial year	161,747	150,942
Dividends	10,000	10,000
Net increase in shareholders' funds	<u>151,747</u>	<u>140,942</u>
Shareholders' funds at 1 April 1999	592,286	451,344
Shareholders' funds at 31 March 2000	<u>744,033</u>	<u>592,286</u>

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

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2000

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### **17 TRANSACTION WITH RELATED PARTY**

During the year the company repaid a loan of £115,000 (1999: £50,000) to Humberside Investments Limited, a company controlled by Mr J R Trout. The total loan owed to Humberside Investment Limited at 31 March 2000 was £Nil (1999: £115,000).

### **18 CONTROLLING RELATED PARTY**

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