



**HUMBER CONSTRUCTION LIMITED**

**COMPANY NUMBER 3059902**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**for the year ended 31 July 2011**

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## **HUMBER CONSTRUCTION LIMITED**

### **Professional Advisers**

Independent Auditors	PricewaterhouseCoopers LLP, Chartered Accountants and Statutory Auditors, Benson House, 33 Wellington Street, Leeds, LS1 4JP
Internal Auditors	RSM Tenon, 2 Wellington Place, Leeds, LS1 4AP
Bankers	Lloyds TSB plc, Old Market Place, Grimsby, DN31 1BN
Solicitors	Wilkin Chapman, PO Box 16, Town Hall Square, Grimsby, DN31 1HE Eversheds, Bridgewater Place, Water Lane, Leeds, LS11 5DR Bates & Mountain, The Old Courthouse, 42 Brighowgate, Grimsby, DN32 0QW
Tax Advisers	Forrester Boyd, 26 South Saint Mary's Gate, Grimsby, DN31 1LW

## **HUMBER CONSTRUCTION LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31ST JULY 2011**

The Directors present their report together with the audited financial statements for the trading year ended 31st July 2011

#### **PRINCIPAL ACTIVITY**

The principal activities of the company are the provision of commercial construction to its parent undertaking. Following professional advice, the company is being used as a design and build company for the construction of the Higher Education centre on the Nuns Corner campus of its Parent Company, The Grimsby Institute of Further & Higher Education. Costs are initially incurred by Humber Construction Limited and then recharged to Grimsby Institute of Further and Higher Education.

#### **BUSINESS REVIEW**

The directors are satisfied with the performance of the company and with its financial position at 31st July 2011. The construction rate of the Higher Education centre increased significantly in 2010/11 and was completed in September 2011.

#### **RESULTS AND DIVIDENDS**

The loss after tax amounted to £64 (2010 £432,681 loss after accelerated depreciation costs totalling £408,249). The payment of a dividend is not recommended by the directors (2010 nil) leaving the loss of £64 to be carried to reserves.

#### **DONATIONS**

During the year the company made charitable donations of £Nil to The Grimsby Institute of Further & Higher Education (2010 £Nil).

#### **GOING CONCERN**

The directors consider that the Company has sufficient financial support from its parent undertaking to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

#### **DIRECTORS**

The directors who served during the year were

V R W McCracken	B A Hodge
S Middlehurst	G Towse

B A Hodge was appointed as director on 1st November 2010 and resigned as a director on 18th October 2011.  
V R W McCracken resigned as director on 2nd November 2010.  
S Middlehurst was appointed as director on 15th April 2011.  
G Towse was appointed as director on 18th October 2011.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who held office at the date of approval of this director's report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he or she 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.

#### **INDEPENDENT AUDITORS**

During the year KPMG resigned as auditors to the company and the directors have appointed PricewaterhouseCoopers LLP.

# **HUMBER CONSTRUCTION LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31ST JULY 2011 (Continued )**

### **STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The directors are responsible for preparing the Director's 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 prepared the financial statements in accordance with United Kingdom Accounting Practice (United Kingdom Accounting Standards and applicable law)

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,
- \* 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

On behalf of the Board



S Middlehurst  
Director

Date 20th December 2011

## **HUMBER CONSTRUCTION LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HUMBER CONSTRUCTION LIMITED**

We have audited the financial statements of Humber Construction Limited for the year ended 31 July 2011 which comprise the Profit and Loss account, the Balance Sheet and 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).

#### **Respective Responsibilities of Directors and Auditors**

As explained more fully in the Statement of Director's Responsibilities Statement as set out on page 3, 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 and express an opinion on 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31st July 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with UK 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, or returns adequate for our audit have not been received from branches not 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
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report

  
**Ian Ecker (Senior Statutory Auditor)**  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
LEEDS

Date 21/12/11

**HUMBER CONSTRUCTION LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST JULY 2011**

		2011 £	2010 £
<b>TURNOVER</b>	<b>Note 1</b>	9,175,294	758,832
Cost of sales		(9,175,294)	(742,041)
Gross Profit		<u>-</u>	<u>16,791</u>
Administrative Expenses		(64)	(410,847)
<b>OPERATING LOSS</b>	<b>2</b>	(64)	(394,056)
Interest Payable	<b>4</b>	-	(38,625)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>(64)</u>	<u>(432,681)</u>
Tax on loss on ordinary activities	<b>5</b>	-	-
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u>(64)</u>	<u>(432,681)</u>

There are no other gains or losses during the year other than those shown above and therefore no separate statement of total recognised gains and losses has been presented

All amounts relate to continuing operations

**HUMBER CONSTRUCTION LIMITED**

**BALANCE SHEET AS AT 31st July 2011**

	Note	£	<u>2011</u> £	£	<u>2010</u> £
<b>FIXED ASSETS</b>					
Tangible assets	6		-		-
<b>CURRENT ASSETS</b>					
Debtors	7	427,380		746,310	
Cash at bank and in hand		2,032		27,118	
			<hr/>		<hr/>
		429,412		773,428	
<b>CREDITORS - Amounts falling due within one year</b>	8	(465,259)		(809,211)	
			<hr/>		<hr/>
<b>NET CURRENT LIABILITIES</b>			(35,847)		(35,783)
			<hr/>		<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			(35,847)		(35,783)
			<hr/>		<hr/>
<b>NET LIABILITIES</b>			(35,847)		(35,783)
			<hr/>		<hr/>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	9		2		2
Profit and Loss Account	10		(35,849)		(35,785)
			<hr/>		<hr/>
<b>TOTAL SHAREHOLDERS' DEFICIT</b>	11		(35,847)		(35,783)
			<hr/>		<hr/>

The notes on pages 7 to 11 form part of these financial statements

These financial statements were approved by the Board of Directors on 20th December 2011 and signed on its behalf by

*S Middlehurst*

S Middlehurst  
Director

# HUMBER CONSTRUCTION LIMITED

## NOTES TO THE ACCOUNTS - 31ST JULY 2011

### 1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards within the United Kingdom in accordance with the Companies Act 2006 and the accounting policies have been applied consistently. The particular accounting policies adopted by the directors are described below -

#### 1) Basis of Preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable Accounting Standards. Under Financial Reporting Standard 1 (revised), the company is exempt from the requirement to prepare a cash flow statement on the grounds that the parent undertaking includes the company in its own published consolidated financial statements.

The directors consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available. On this basis, they consider that it is appropriate to prepare the financial statements on a going concern basis.

#### 1a) Tangible Fixed Assets

Tangible fixed assets are stated at historical purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, on a straight line basis, as follows:

Buildings	40 years
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#### 1b) Turnover

Revenue is recognised on the same basis as expenditure is incurred as all expenses are recharged to the parent company, Grimsby Institute of Further & Higher Education.

In the opinion of the directors, turnover represents one class of business.

### 2 OPERATING PROFIT/ (LOSS)

	2011 £	2010 £
Operating Loss is stated after charging		
Depreciation - Owned Assets	-	408,249
Auditors' Remuneration	-	600
Other operating lease expenditure	-	28,000
<b>And after crediting:</b>		
Other operating lease rentals	-	70,000

Auditor's remuneration for the year ending 31st July 2011 is borne by the parent company at a cost of £600.



# HUMBER CONSTRUCTION LIMITED

## NOTES TO THE ACCOUNTS - 31ST JULY 2011 (continued)

3	DIRECTORS AND EMPLOYEES	2011	2010
	a) Number employed	Nil	1
	b) Payroll Costs		£
	The aggregate payroll costs were		
	Wages & salaries	-	32,032
	Social Security costs	-	3,247
	Other pension costs	-	-
		<hr/>	<hr/>
		-	35,279
		<hr/>	<hr/>

### DIRECTORS EMOLUMENTS

The directors did not receive any emoluments in respect of their services to the company (2010 £nil)

4	INTEREST PAYABLE	2011	2010
		£	£
	Intercompany interest payable	-	38,625
		<hr/>	<hr/>
		-	38,625
		<hr/>	<hr/>

### 5 TAX ON LOSS ON ORDINARY ACTIVITIES

The company pays over the whole of its taxable profit under deed of covenant/gift aid to its parent undertaking, The Grimsby Institute of Further and Higher Education, an arrangement which is likely to remain in place for the foreseeable future

	2011	2010
	£	£
Deed of covenant/gift aid to parent undertaking	-	-
Adjustment in respect of prior year	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
	2011	2010
	£	£
Corporation Tax	-	-
	<hr/>	<hr/>

Except where otherwise required by accounting standards full provision without discounting is made for all timing differences which have arisen but not reversed at the balance sheet date

**HUMBER CONSTRUCTION LIMITED**

**NOTES TO THE ACCOUNTS - 31ST JULY 2011 (continued)**

**6 TANGIBLE FIXED ASSETS**

	Leasehold Land and Buildings £	TOTAL £
<b>Cost</b>		
At 1st August 2010	613,305	613,305
Additions	-	-
Disposals	(613,305)	(613,305)
	<hr/>	<hr/>
At 31st July 2011	-	-
	<hr/>	<hr/>
<b>Accumulated Depreciation</b>		
At 1st August 2010	613,305	613,305
Charge for the year	-	-
Eliminated in respect of disposals	(613,305)	(613,305)
	<hr/>	<hr/>
At 31st July 2011	-	-
	<hr/>	<hr/>
<b>Net book Value</b>		
At 31st July 2011	-	-
	<hr/>	<hr/>
At 31st July 2010	-	-
	<hr/>	<hr/>

**HUMBER CONSTRUCTION LIMITED**

**NOTES TO THE ACCOUNTS - 31ST JULY 2011 - continued**

<b>7</b>	<b>DEBTORS</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Trade Debtors	-	-
	Amounts owed by group undertaking	404,608	685,701
	Prepayments and accrued income	-	37,837
	Deposits	22,772	22,772
		<hr/>	<hr/>
		427,380	746,310
		<hr/>	<hr/>
<b>8</b>	<b>CREDITORS - Amounts falling due within one year</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Trade Creditors	4,053	3,853
	Amounts owed to group undertaking	-	763,859
	Other Creditors and Taxation	-	3,062
	Accruals and deferred income	461,206	38,437
		<hr/>	<hr/>
		465,259	809,211
		<hr/>	<hr/>
<b>9</b>	<b>CALLED UP SHARE CAPITAL</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	<b>Authorised</b>		
	Ordinary shares of £1 each	1,000	1,000
	<b>Allotted and fully paid</b>		
	Ordinary shares of £1 each	2	2
<b>10</b>	<b>PROFIT AND LOSS ACCOUNT</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	1st August	(35,785)	(175,322)
	Capital Contribution from Parent Company	-	572,218
	Retained Loss for the financial year	(64)	(432,681)
		<hr/>	<hr/>
	31st July	(35,849)	(35,785)
		<hr/>	<hr/>
<b>11</b>	<b>RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Loss for the financial year	(64)	(432,681)
	Capital Contribution from Parent Company	-	572,218
	Opening shareholders' deficit	(35,783)	(175,320)
		<hr/>	<hr/>
	Closing shareholders' deficit	(35,847)	(35,783)
		<hr/>	<hr/>

## **HUMBER CONSTRUCTION LIMITED**

### **NOTES TO THE ACCOUNTS - 31ST JULY 2011 - continued**

#### **12 PARENT UNDERTAKING**

The immediate parent undertaking is The Grimsby Institute of Further & Higher Education

The ultimate parent undertaking and controlling party is The Grimsby Institute of Further & Higher Education, a company incorporated in the UK

The Grimsby Institute of Further & Higher Education is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 July 2011. The consolidated financial statements of The Grimsby Institute of Further & Higher Education are available from Nuns Corner, Grimsby, North East Lincolnshire, DN34 5BQ

#### **13 RELATED PARTY TRANSACTIONS**

The Company is a wholly owned subsidiary of The Grimsby Institute of Further & Higher Education. Pursuant to paragraph 17 of FRS 8 "Related Party Transactions" the Company has not disclosed details of transactions with the Institute or any of the Institute's subsidiary undertakings. There are no other related party transactions requiring disclosure in these accounts.