

Company Registration No. 1250262 (England and Wales)

CLOVERSTAND LIMITED

T/A FARWELL AND COSSINS

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2008

TUESDAY



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**CLOVERSTAND LIMITED
T/A FARWELL AND COSSINS
COMPANY INFORMATION**

| | |
|--|--|
| Directors | J H Cossins Mrs C E Tory |
| Secretary | Mrs C E Tory |
| Company number | 1250262 |
| Registered office | Tarrant Rawston Blandford Forum Dorset DT11 8SF |
| Auditors | Nexia Smith & Williamson Old Library Chambers 21 Chipper Lane Salisbury Wiltshire SP1 1BG |
| Accountants and taxation advisors | Smith & Williamson Limited Old Library Chambers 21 Chipper Lane Salisbury Wiltshire SP1 1BG |

**CLOVERSTAND LIMITED
T/A FARWELL AND COSSINS
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CLOVERSTAND LIMITED
T/A FARWELL AND COSSINS
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2008

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

Principal activities

The principal activity of the company continues to be that of farming.

Directors

The following directors have held office since 1 April 2007:

J H Cossins
Mrs C E Tory

Auditors

Nexia Smith & Williamson were appointed auditors to the company and a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

Directors' responsibilities

The directors are responsible for preparing 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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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.

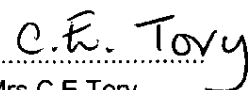
The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets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

Statement of disclosure to auditors

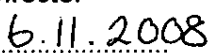
So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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

On behalf of the Board:


.....
Mrs C E Tory

Director


.....
Date

**CLOVERSTAND LIMITED
T/A FARWELL AND COSSINS
INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF CLOVERSTAND LIMITED**

We have audited the financial statements of Cloverstand Limited for the year ended 31 March 2008 which comprise the profit and loss account, the balance sheet and the notes to the financial statements numbered 1 to 15. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

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 the directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom 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 report to you whether in our opinion the information given in the directors' report is consistent with the financial statements. We also 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 directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit 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 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.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2008 and of its profit for the year then ended and 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.

Nexia Smith & Williamson

Nexia Smith & Williamson

Chartered Accountants
Registered Auditors

14th November 2008

Old Library Chambers
21 Chipper Lane
Salisbury
Wiltshire
SP1 1BG

CLOVERSTAND LIMITED
T/A FARWELL AND COSSINS
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2008

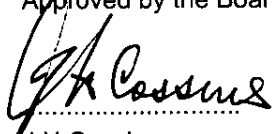
| | Notes | 2008 £ | 2007 £ |
|---|-----------|--|-----------------|
| Turnover | | 250,958 | 196,759 |
| Change in stocks of finished goods and work in progress | | 15,501 | 6,830 |
| | | <u>266,459</u> | <u>203,589</u> |
| Other operating income | | 17,510 | 15,794 |
| | | <u>283,969</u> | <u>219,383</u> |
| Raw materials and other consumables | | (99,669) | (106,807) |
| | | <u>184,300</u> | <u>112,576</u> |
| Staff costs | | (20,444) | (4,000) |
| Depreciation and amortisation | | (3,822) | (4,279) |
| Other operating charges | | (92,457) | (42,513) |
| | | <u>(116,723)</u> | <u>(50,792)</u> |
| Operating profit | 2 | 67,577 | 61,784 |
| Other interest receivable and similar income | | 5,408 | 2,957 |
| Interest payable and similar charges | | (8,500) | (3,500) |
| | | <u>Profit on ordinary activities before taxation</u> | <u>61,241</u> |
| | | 64,485 | |
| Tax on profit on ordinary activities | 3 | (14,923) | (12,393) |
| Profit for the year | 11 | 49,562 | 48,848 |

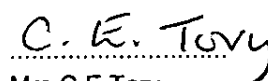
CLOVERSTAND LIMITED
T/A FARWELL AND COSSINS
BALANCE SHEET
AS AT 31 MARCH 2008

| | | 2008 | 2007 |
|--|-------|------------------|------------------|
| | Notes | £ | £ |
| Fixed assets | | | |
| Tangible assets | 5 | 2,614,178 | 2,517,084 |
| Current assets | | | |
| Stocks | | 79,113 | 63,612 |
| Debtors | 6 | 31,165 | 5,699 |
| Cash at bank and in hand | | 155,534 | 134,351 |
| | | <u>265,812</u> | <u>203,662</u> |
| Creditors: amounts falling due within one year | 7 | <u>(573,609)</u> | <u>(552,284)</u> |
| Net current liabilities | | <u>(307,797)</u> | <u>(348,622)</u> |
| Total assets less current liabilities | | 2,306,381 | 2,168,462 |
| Creditors: amounts falling due after more than one year | 8 | (127,878) | (30,378) |
| Provisions for liabilities and charges | 9 | <u>(522)</u> | <u>(165)</u> |
| | | <u>2,177,981</u> | <u>2,137,919</u> |
| Capital and reserves | | | |
| Called up share capital | 10 | 47,500 | 47,500 |
| Revaluation reserve | 11 | 1,651,696 | 1,651,696 |
| Profit and loss account | 11 | 478,785 | 438,723 |
| Shareholders' funds | | <u>2,177,981</u> | <u>2,137,919</u> |

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Approved by the Board and authorised for issue on 6.11.2008


J H Cossins
Director


Mrs C E Tory
Director

CLOVERSTAND LIMITED
T/A FARWELL AND COSSINS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2008

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

At 31 March 2008, the company had net current liabilities of £307,797. The company is reliant upon the continued support of its second and third preference shareholders to meet its day to day working capital requirements and therefore to continue to trade as a going concern. As the second and third preference shareholders have confirmed that they will continue to support the company and will not seek repayment of the amount due to them in preference to other creditors, the directors consider it appropriate to prepare the financial statements on the going concern basis.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom accounting standards.

1.3 Revenue recognition

Turnover is recognised when the sale of produce from farming activities occurs. Turnover also includes Single Payment receipts which are recognised on a calendar year basis, so long as the basis year ends during the year, and Environmental Stewardship Scheme receipts which are recognised in the period to which they relate.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land and buildings are stated at cost less depreciation. Freehold land and buildings are professionally valued by Chartered Surveyors on an existing use open market value basis. In the opinion of the directors any depreciation on freehold buildings would be immaterial and therefore none has been provided. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|--------------------------|----------------------------|
| Improvements to property | 10% straight line |
| Plant and machinery | 15% - 20% reducing balance |
| Motor vehicles | 25% reducing balance |

1.5 Stock

Stocks have been valued by the directors at the lower of cost and net realisable value and in accordance with BEN 19.

2 Operating profit

| | 2008 | 2007 |
|--|-------|-------|
| | £ | £ |
| Operating profit is stated after charging: | | |
| Depreciation of tangible assets | 3,822 | 4,279 |
| Auditors' remuneration | 4,250 | - |
| Directors' emoluments | 4,500 | 4,000 |

CLOVERSTAND LIMITED
T/A FARWELL AND COSSINS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2008

| 3 | Taxation | 2008 | 2007 |
|--------------|---|-----------------|-----------------|
| | | £ | £ |
| | Domestic current year tax | | |
| | U.K. corporation tax | 14,581 | 12,413 |
| | Adjustment for prior years | (15) | 166 |
| | | <hr/> | <hr/> |
| | Current tax charge | 14,566 | 12,579 |
| | Deferred tax | | |
| | Deferred tax charge/(credit) - current year | 357 | (186) |
| | | <hr/> | <hr/> |
| | | 14,923 | 12,393 |
| | | <hr/> | <hr/> |
| 4 | Dividends | 2008 | 2007 |
| | | £ | £ |
| | Ordinary interim paid | 9,500 | 9,500 |
| | | <hr/> | <hr/> |

CLOVERSTAND LIMITED
T/A FARWELL AND COSSINS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2008

5 Tangible fixed assets

| | Freehold land and buildings £ | Improvements to property £ | Plant and machinery £ | Motor vehicles £ | Total £ |
|--------------------------|--|----------------------------------|-----------------------------|------------------------|------------|
| Cost or valuation | | | | | |
| At 1 April 2007 | 2,500,000 | 11,867 | 16,720 | 3,562 | 2,532,149 |
| Additions | - | 100,916 | - | - | 100,916 |
| At 31 March 2008 | 2,500,000 | 112,783 | 16,720 | 3,562 | 2,633,065 |
| Depreciation | | | | | |
| At 1 April 2007 | - | 6,694 | 7,147 | 1,224 | 15,065 |
| Charge for the year | - | 1,785 | 1,453 | 584 | 3,822 |
| At 31 March 2008 | - | 8,479 | 8,600 | 1,808 | 18,887 |
| Net book value | | | | | |
| At 31 March 2008 | 2,500,000 | 104,304 | 8,120 | 1,754 | 2,614,178 |
| At 31 March 2007 | 2,500,000 | 5,173 | 9,573 | 2,338 | 2,517,084 |

The freehold land and buildings were valued at March 2007 on an existing use open market value basis by Symonds & Sampson, an independent firm of surveyors and valuers regulated by the Royal Institution of Chartered Surveyors. The cost of the freehold land and buildings at the year end is £847,779 (2007 - £847,779).

6 Debtors

| | 2008 £ | 2007 £ |
|---------------|---------------|--------------|
| Trade debtors | 3,579 | 3,144 |
| Other debtors | 27,586 | 2,555 |
| | <u>31,165</u> | <u>5,699</u> |

CLOVERSTAND LIMITED
T/A FARWELL AND COSSINS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2008

| 7 | Creditors: amounts falling due within one year | 2008 | 2007 |
|----------|---|----------------|----------------|
| | | £ | £ |
| | Trade creditors | 1,936 | 8,245 |
| | Taxation and social security | 17,641 | 14,139 |
| | Other creditors | 29,032 | 4,900 |
| | Non-equity share capital | 525,000 | 525,000 |
| | | <u>573,609</u> | <u>552,284</u> |

The non-cumulative, non-voting, redeemable second and third preference shares are classified as creditors falling due within one year.

| 8 | Creditors: amounts falling due after more than one year | 2008 | 2007 |
|----------|--|----------------|---------------|
| | | £ | £ |
| | Other creditors | 117,878 | 20,378 |
| | Non-equity share capital | 10,000 | 10,000 |
| | | <u>127,878</u> | <u>30,378</u> |
| | Analysis of loans | | |
| | Wholly repayable within five years | <u>117,878</u> | <u>20,378</u> |

The 10% non-cumulative preference shares are classified as creditors falling due after more than one year. The company has an obligation to pay interest of 10% on the principal amount annually.

CLOVERSTAND LIMITED
T/A FARWELL AND COSSINS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2008

9 Provisions for liabilities and charges

| | Deferred tax liability £ |
|--------------------------|---|
| Balance at 1 April 2007 | 165 |
| Profit and loss account | 357 |
| | <hr/> |
| Balance at 31 March 2008 | 522 |
| | <hr/> <hr/> |

The deferred tax liability is comprises as follows:

| | 2008 £ | 2007 £ |
|--------------------------------|-------------------|-------------------|
| Accelerated capital allowances | 522 | 165 |
| | <hr/> <hr/> | <hr/> <hr/> |

CLOVERSTAND LIMITED
T/A FARWELL AND COSSINS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2008

| 10 Share capital | 2008 | 2007 |
|--|-------------|-------------|
| | £ | £ |
| Authorised - equity | | |
| 22,000 Ordinary shares of £5 each | 110,000 | 110,000 |
| Authorised - non-equity | | |
| 40,000 10% Non-cumulative preference shares of £1 each | 40,000 | 40,000 |
| 350,000 Non-cumulative, non-voting, redeemable second preference shares of £1 each | 350,000 | 350,000 |
| 500,000 Non-cumulative, non-voting, redeemable third preference shares of £1 each | 500,000 | 500,000 |
| | 890,000 | 890,000 |
| | 1,000,000 | 1,000,000 |
| Allotted, called up and fully paid - equity | | |
| 9,500 Ordinary shares of £5 each | 47,500 | 47,500 |
| Allotted, called up and fully paid - non-equity | | |
| 10,000 10% Non-cumulative preference shares of £1 each | 10,000 | 10,000 |
| 250,000 Non-cumulative, non-voting, redeemable second preference shares of £1 each | 250,000 | 250,000 |
| 275,000 Non-cumulative, non-voting, redeemable third preference shares of £1 each | 275,000 | 275,000 |
| | 535,000 | 535,000 |
| | 582,500 | 582,500 |

The 10% non-cumulative preference shares rank pari passu with ordinary shares subject to the following rights and restrictions:

- 1) The right to receive a fixed, non-cumulative preferential dividend of 10% per annum.
- 2) The right to receive notices of general meetings of the company and to attend and vote thereat.
- 3) The right on a winding up to have their capital repaid in priority to any repayment of capital on the ordinary share capital, but with no further rights to participate in the profits or assets of the company.

The non-cumulative, non-voting, redeemable second preference shares shall be subject to the following rights, privileges and restrictions:

- 1) The right to receive notices of general meetings of the company and to attend but not to vote thereat.
- 2) The right on a winding up to have their capital repaid in priority to any repayment of capital on the ordinary share capital, but not before repayment of capital on any existing 10% non-cumulative preference shares but with no further rights to participate in the profits or assets of the company.

CLOVERSTAND LIMITED
T/A FARWELL AND COSSINS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2008

10 Share capital

(continued)

The non-cumulative, non-voting, redeemable third preference shares shall be subject to the following rights, privileges and restrictions:

- 1) The right to receive notices of general meetings of the company and to attend but not to vote thereat.
- 2) The right on a winding up to have their capital repaid in priority to any repayment of capital on the ordinary share capital, but not before repayment of capital on any existing preference shares but with no further rights to participate in the profits or assets of the company.

11 Statement of movements on reserves

| | Revaluation reserve | Profit and loss account |
|--------------------------|--------------------------------|--|
| | £ | £ |
| Balance at 1 April 2007 | 1,651,696 | 438,723 |
| Profit for the year | - | 49,562 |
| Dividends paid | - | (9,500) |
| | <u>1,651,696</u> | <u>478,785</u> |
| Balance at 31 March 2008 | <u>1,651,696</u> | <u>478,785</u> |

12 Capital commitments

2008
£

2007
£

At 31 March 2008 the company had capital commitments as follows:

| | | |
|---|---------------|----------|
| Contracted for but not provided in the financial statements | <u>70,227</u> | <u>-</u> |
|---|---------------|----------|

13 Transactions with directors

Included within other creditors falling due after more than one year is £17,878 (£20,378 - 2007) payable to J H Cossins. This loan is interest-free and has no repayment date.

14 Control

The controlling party is Mrs C E Tory.

CLOVERSTAND LIMITED
T/A FARWELL AND COSSINS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2008

15 Related party transactions

Included within other creditors falling due after more than one year is £100,000 (£nil - 2007) payable to M Tory, the son of Mrs C E Tory. This loan is interest-free and has no repayment date.

During the year machinery was hired from J Cossins & Sons Limited for £12,000. J H Cossins is a director of J Cossins & Sons Limited.