

Company Registration No. 1250262 (England and Wales)

CLOVERSTAND LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004



# **CLOVERSTAND LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	J H Cossins Mrs C E Tory
<b>Secretary</b>	Mrs C E Tory
<b>Company number</b>	1250262
<b>Registered office</b>	Tarrant Rawston Blandford Forum Dorset DT11 8SF
<b>Accountants</b>	Smith & Williamson Limited Old Library Chambers 21 Chipper Lane Salisbury Wiltshire SP1 1BG

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# CLOVERSTAND LIMITED

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# CLOVERSTAND LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2004

The directors present their report and financial statements for the year ended 31 March 2004.

### Principal activities

During the year the company acquired the trade and assets of Farwell & Cossins, a farming partnership. As a result the principal activity of the company is that of farming. In the previous year the principal activity was that of renting farm land.

### Directors

The following directors have held office since 1 April 2003:

J H Cossins

Mrs C E Tory

### Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 5 each	
	31 March 2004	1 April 2003
J H Cossins	-	-
Mrs C E Tory	3,333	3,333

	10% Non-cumulative preference shares of £ 1 each	
	31 March 2004	1 April 2003
J H Cossins	-	-
Mrs C E Tory	10,000	10,000

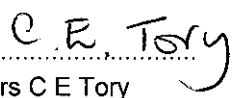
	Non-cumulative 2nd preference shares of £ 1 each	
	31 March 2004	1 April 2003
J H Cossins	-	-
Mrs C E Tory	100,000	100,000

J H Cossins has a non beneficial interest in 6,167 ordinary shares of £5 each in his capacity as trustee. Mrs C E Tory had a non beneficial interest in 4,067 ordinary shares of £5 each in her capacity as trustee. Her non beneficial interest ceased on 14 August 2003 when she resigned as trustee.

During the year, the company issued and then exchanged 3,500 shares for 100 shares in J Cossins & Daughter Limited, a company of which J H Cossins and Mrs C E Tory are directors.

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

29.9.2004  
Date

# CLOVERSTAND LIMITED

## ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF CLOVERSTAND LIMITED

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In accordance with the engagement letter dated 14 November 2003, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the profit & loss account, the statement of total recognised gains & losses, the balance sheet and the related notes numbered 1 to 17 from the accounting records and from information and explanations you have given to us.

This report is made to the company's board, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's board that we have done so and state those matters that we have agreed to state to them in this 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 board, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England & Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year ended 31 March 2004 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

*Smith & Williamson Limited*

Smith & Williamson Limited

7.10.04.....

Chartered Accountants

Old Library Chambers  
21 Chipper Lane  
Salisbury  
Wiltshire  
SP1 1BG

# CLOVERSTAND LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2004

	Notes	2004 £	2003 £
<b>Turnover</b>			
Continuing operations		-	-
Acquisitions		226,139	-
		<u>226,139</u>	<u>-</u>
Change in stocks of finished goods and work in progress		106,670	-
		<u>332,809</u>	<u>-</u>
Other operating income		13,055	32,291
		<u>345,864</u>	<u>32,291</u>
Raw materials and other consumables		226,654	-
		<u>119,210</u>	<u>32,291</u>
Staff costs		4,000	4,000
Depreciation and amortisation		2,801	-
Other operating charges		36,134	3,851
		<u>42,935</u>	<u>7,851</u>
<b>Operating profit</b>	<b>3</b>		
Continuing operations		2,110	24,440
Acquisitions		74,165	-
		<u>76,275</u>	<u>24,440</u>
Other interest receivable and similar income		18	85
		<u>76,293</u>	<u>24,525</u>
<b>Profit on ordinary activities before taxation</b>			
Tax on profit on ordinary activities	<b>4</b>	(13,881)	(7,838)
		<u>62,412</u>	<u>16,687</u>
<b>Profit on ordinary activities after taxation</b>			
Dividends (including those in respect of non-equity shares)		(25,000)	(19,000)
		<u>37,412</u>	<u>(2,313)</u>
<b>Retained profit/(loss) for the year</b>	<b>13</b>		

## **CLOVERSTAND LIMITED**

### **STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2004**

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	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
<b>Profit for the financial year</b>	62,412	16,687
Unrealised surplus on revaluation of properties	200,000	50,000
	<hr/>	<hr/>
<b>Total recognised gains and losses relating to the year</b>	<b>262,412</b>	<b>66,687</b>
	<hr/>	<hr/>

# CLOVERSTAND LIMITED

## BALANCE SHEET AS AT 31 MARCH 2004

	Notes	£	2004 £	£	2003 £
<b>Fixed assets</b>					
Tangible assets	5		1,522,061		750,000
Investments	6		17,520		-
			<u>1,539,581</u>		<u>750,000</u>
<b>Current assets</b>					
Stocks	7	106,670		-	
Debtors	8	6,676		-	
Cash at bank and in hand		59,695		6,064	
		<u>173,041</u>		<u>6,064</u>	
<b>Creditors: amounts falling due within one year</b>	9	(466,756)		(10,488)	
<b>Net current liabilities</b>			<u>(293,715)</u>		<u>(4,424)</u>
<b>Total assets less current liabilities</b>			1,245,866		745,576
<b>Creditors: amounts falling due after more than one year</b>	10		(339,728)		(94,350)
			<u>906,138</u>		<u>651,226</u>
<b>Capital and reserves</b>					
Called up share capital	12		157,500		140,000
Revaluation reserve	13		652,221		452,221
Profit and loss account	13		96,417		59,005
<b>Shareholders' funds</b>	14		<u>906,138</u>		<u>651,226</u>
Equity interests			796,138		541,226
Non-equity interests			110,000		110,000
			<u>906,138</u>		<u>651,226</u>



# CLOVERSTAND LIMITED

## BALANCE SHEET (CONTINUED) AS AT 31 MARCH 2004

In preparing these financial statements:

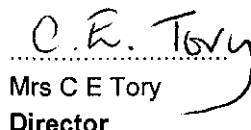
- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
  - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 29-9-2004



J.H. Cossins  
Director



C.E. Tory  
Mrs C E Tory  
Director

# CLOVERSTAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004

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### 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.

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

#### 1.2 Compliance with accounting standards

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

#### 1.3 Turnover

Turnover represents amounts receivable from the sale of farming produce during the year. It also includes the relevant amount of area aid and setaside receipts as set out in 1.9 below.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land and buildings are stated at cost or valuation 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 or valuation less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	Nil
Improvements to property	10% straight line
Plant and machinery	15% Reducing balance

#### 1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.6 Stocks

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

#### 1.7 Deferred taxation

The accounting policy in respect of deferred tax reflects the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### 1.8 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small group. The company has therefore taken advantage of the exemptions provided in section 248 of the Companies Act 1985 not to prepare group accounts.

#### 1.9 Area aid

Area aid payments are recognised when the crops on which the payment is receivable are sold.

# CLOVERSTAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2004

### 2 Cost of sales and net operating expenses

The total figures for continuing operations in 2004 include the following amounts relating to acquisitions: raw materials and other consumables £119,984 and other operating charges £31,990.

3 Operating profit	2004 £	2003 £
Operating profit is stated after charging:		
Depreciation of tangible assets	2,801	-
Directors' emoluments	4,000	4,000

### 4 Taxation

	2004 £	2003 £
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#### Domestic current year tax

U.K. corporation tax	14,399	7,838
Adjustment for prior years	(20)	-

<b>Current tax charge</b>	<b>14,379</b>	<b>7,838</b>
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#### Deferred tax

Deferred tax credit - current year	(498)	-
	<b>13,881</b>	<b>7,838</b>

#### Factors affecting the tax charge for the year

Profit on ordinary activities before taxation	76,293	24,525
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Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2003: 30.00%)

	14,496	7,358
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#### Effects of:

Non deductible expenses	1,966	480
Capital allowances	(849)	-
Adjustments to previous periods	(20)	-
Other tax adjustments	(1,214)	-
	<b>(117)</b>	<b>480</b>

<b>Current tax charge</b>	<b>14,379</b>	<b>7,838</b>
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# CLOVERSTAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2004

### 5 Tangible fixed assets

	Freehold land and buildings £	Improvements to property £	Plant and machinery £	Total £
<b>Cost or valuation</b>				
At 1 April 2003	750,000	-	-	750,000
Additions	550,000	11,867	12,995	574,862
Revaluation	200,000	-	-	200,000
	<u>1,500,000</u>	<u>11,867</u>	<u>12,995</u>	<u>1,524,862</u>
<b>Depreciation</b>				
At 1 April 2003	-	-	-	-
Charge for the year	-	1,339	1,462	2,801
	<u>-</u>	<u>1,339</u>	<u>1,462</u>	<u>2,801</u>
<b>Net book value</b>				
At 31 March 2004	<u>1,500,000</u>	<u>10,528</u>	<u>11,533</u>	<u>1,522,061</u>
At 31 March 2003	<u>750,000</u>	<u>-</u>	<u>-</u>	<u>750,000</u>

The freehold land and buildings were valued in January 2003 on an existing use open market value basis by Symonds & Sampson, an independent firm of surveyors and valuers.

# CLOVERSTAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2004

### 6 Fixed asset investments

	Unlisted investments	Shares in group undertakings and participating interests	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 April 2003	-	-	-
Additions	20	17,500	17,520
	<u>20</u>	<u>17,500</u>	<u>17,520</u>
At 31 March 2004	<u>20</u>	<u>17,500</u>	<u>17,520</u>

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
<b>Subsidiary undertakings</b>			
J Cossins & Daughter Limited	England	Ordinary £1	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
J Cossins & Daughter Limited	13,794	(11,296)
	<u>13,794</u>	<u>(11,296)</u>

The results relate to the latest available financial statements for the period ended 30 June 2003.

7 Stocks	2004 £	2003 £
Stocks	<u>106,670</u>	<u>-</u>

# CLOVERSTAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2004

8	Debtors	2004 £	2003 £
	Trade debtors	3,750	-
	Other debtors	2,428	-
	Deferred tax asset (see note 11)	498	-
		<u>6,676</u>	<u>-</u>
9	Creditors: amounts falling due within one year	2004 £	2003 £
	Trade creditors	3,192	2,650
	Amounts owed to group undertakings and undertakings in which the company has a participating interest	443,889	-
	Taxation and social security	15,450	7,838
	Other creditors	4,225	-
		<u>466,756</u>	<u>10,488</u>
10	Creditors: amounts falling due after more than one year	2004 £	2003 £
	Directors' loans - Mrs C E Tory	14,350	14,250
	Directors' loans - J H Cossins	325,378	80,100
		<u>339,728</u>	<u>94,350</u>
	<b>Analysis of loans</b>		
	Wholly repayable within five years	<u>339,728</u>	<u>94,350</u>

The directors' loans are interest-free and have no set repayment date.

# CLOVERSTAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2004

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### 11 Provisions for liabilities and charges

The deferred tax asset (included in the debtors, note 8) is made up as follows:

	2004 £	
Profit and loss account	(498)	
	<u><u>          </u></u>	
	2004 £	2003 £
Accelerated capital allowances	(498)	-
	<u><u>          </u></u>	<u><u>          </u></u>

# CLOVERSTAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004

12 Share capital	2004 £	2003 £
<b>Authorised</b>		
22,000 Ordinary shares of £5 each	110,000	110,000
40,000 10% Non-cumulative preference shares of £1 each	40,000	40,000
350,000 Non-cumulative 2nd preference shares of £1 each	350,000	100,000
	<u>500,000</u>	<u>250,000</u>
<b>Allotted, called up and fully paid</b>		
9,500 Ordinary shares of £5 each	47,500	30,000
10,000 10% Non-cumulative preference shares of £1 each	10,000	10,000
100,000 Non-cumulative 2nd preference shares of £1 each	100,000	100,000
	<u>157,500</u>	<u>140,000</u>

During the year, the company issued 3,500 ordinary shares of £5 each. These shares were exchanged for 100 shares in J Cossins & Daughter Limited.

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 2nd 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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2004

### 13 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 April 2003	452,221	59,005
Retained profit for the year	-	37,412
Revaluation during the year	200,000	-
Balance at 31 March 2004	652,221	96,417

### 14 Reconciliation of movements in shareholders' funds

	2004 £	2003 £
Profit for the financial year	62,412	16,687
Dividends	(25,000)	(19,000)
	37,412	(2,313)
Other recognised gains and losses	200,000	50,000
Proceeds from issue of shares	17,500	-
Net addition to shareholders' funds	254,912	47,687
Opening shareholders' funds	651,226	603,539
Closing shareholders' funds	906,138	651,226

### 15 Control

The controlling party is Mrs C E Tory.

### 16 Related party transactions

At 31 March 2004, the balance on J H Cossins' loan account was £325,378 and the balance on Mrs C E Tory's loan account was £14,350.

During the year, the company acquired the share capital of J Cossins & Daughter Limited by way of a share exchange. J H Cossins and Mrs C E Tory are directors of both companies. At 31 March 2004, the company had a loan balance with J Cossins & Daughter Limited totalling £443,889.

During the year the company acquired the trade and assets of Farwell & Cossins at market value. This was a partnership between J H Cossins and J Cossins & Daughter Limited. The company has also acquired the agricultural tenancy over land at Canada and Beech Tree Farms from J H Cossins and J Cossins & Daughter Limited for an amount totalling £375,000.

## **CLOVERSTAND LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** ***FOR THE YEAR ENDED 31 MARCH 2004***

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#### **17 Post balance sheet events**

Since the year end the company has assumed a loan due to Mrs C E Tory, a director of the company. The loan, totalling £140,800, has been transferred from J Cossins & Daughter Limited, a company of which Mrs C E Tory is also a director.