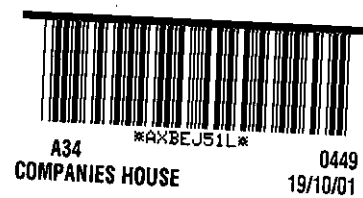


**ALVIS BROTHERS  
(LYE CROSS) LIMITED**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2001**

**Company no. 1091652**



**ALVIS BROTHERS (LYE CROSS) LIMITED**

**FINANCIAL STATEMENTS**

For the year ended 31 March 2001

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Company registration number:	1091652
Registered office:	Lye Cross Farm Redhill Wroughton Bristol BS40 5RH
Directors:	Mr J Alvis Mr M Alvis
Secretary:	Mrs P J Alvis
Bankers:	HSBC Bank plc
Auditors:	Grant Thornton Registered Auditors Chartered Accountants

**ALVIS BROTHERS (LYE CROSS) LIMITED**

**FINANCIAL STATEMENTS**

For the year ended 31 March 2001

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# **ALVIS BROTHERS (LYE CROSS) LIMITED**

## **REPORT OF THE DIRECTORS**

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The directors present their report together with financial statements for the year ended 31 March 2001.

### **Principal Activities**

The company purchases stocks of cheese for maturing and subsequent resale, and purchases and resells milk. It also owns agricultural properties which are let.

### **Directors**

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

The interests of the directors and their families in the shares of the company at 1 April 2000 and 31 March 2001 were as follows:

<b>Director</b>	<b>2001 &amp; 2000 Ordinary Shares</b>
J Alvis	<b>30</b>
M G Alvis	<b>30</b>

### **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 to 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.

**ALVIS BROTHERS (LYE CROSS) LIMITED**

**REPORT OF THE DIRECTORS**

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**Auditors**

Grant Thornton having offered themselves for reappointment as auditors shall be deemed to be reappointed for the next financial year in accordance with section 386 of the Companies Act 1985.

**Small company exemption**

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

A handwritten signature in black ink, appearing to be 'J Alvis', written over a horizontal line.

J Alvis  
Director

Date: 12 October 2001

**REPORT OF THE AUDITORS TO THE MEMBERS OF**

**ALVIS BROTHERS (LYE CROSS) LIMITED**

We have audited the financial statements on pages 4 to 10 which have been prepared under the accounting policies set out on page 4.

**Respective responsibilities of directors and auditors**

As described on page 1 the 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**

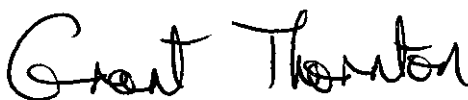
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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 of the state of the company's affairs at 31 March 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**GRANT THORNTON**  
**REGISTERED AUDITORS**  
**CHARTERED ACCOUNTANTS**



Bath

Date: 12 October 2001

## **ALVIS BROTHERS (LYE CROSS) LIMITED**

### **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 company have remained unchanged from the previous year and are set out below.

#### **TURNOVER**

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

#### **RENTAL INCOME**

Rental income comprises rents receivable from land.

#### **DEPRECIATION**

The company does not depreciate freehold land and buildings, on the grounds that any depreciation would not be material.

#### **STOCKS**

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

**ALVIS BROTHERS (LYE CROSS) LIMITED****PROFIT AND LOSS ACCOUNT**

For the year ended 31 March 2001

	Note	2001 £	2000 £
Turnover	1	3,377,774	2,101,769
Cost of sales	2	<u>(3,271,373)</u>	<u>(2,047,984)</u>
Gross profit		106,401	53,785
Other operating income and charges	2	<u>(105,910)</u>	<u>(15,762)</u>
<b>Profit on ordinary activities before taxation</b>	1	491	38,023
Tax on profit on ordinary activities	3	<u>49</u>	<u>6,678</u>
<b>Profit retained</b>	10	<u><u>442</u></u>	<u><u>31,345</u></u>

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

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




**ALVIS BROTHERS (LYE CROSS) LIMITED****BALANCE SHEET AT 31 MARCH 2001**

	Note	2001 £	2000 £
<b>Fixed assets</b>			
Tangible assets	5	<u>241,873</u>	<u>241,873</u>
<b>Current assets</b>			
Stock		300,475	1,643,821
Debtors	6	<u>843,110</u>	<u>7,043</u>
		<u>1,143,585</u>	<u>1,650,864</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>(292,621)</u>	<u>(800,342)</u>
<b>Net current assets</b>		<u>850,964</u>	<u>850,522</u>
<b>Total assets less current liabilities</b>		<u>1,092,837</u>	<u>1,092,395</u>
<b>Creditors: amounts falling due after more than one year</b>	8	<u>(23,913)</u>	<u>(23,913)</u>
		<u>1,068,924</u>	<u>1,068,482</u>
<b>Capital and reserves</b>			
Called up share capital	9	300	300
Profit and loss account	10	<u>1,068,624</u>	<u>1,068,182</u>
<b>Shareholders' funds</b>		<u>1,068,924</u>	<u>1,068,482</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.

These financial statements were approved by the Board of Directors on 12 October 2001.



J Alvis - Director

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

# ALVIS BROTHERS (LYE CROSS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2001

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

Turnover is attributable to the principal activities of the business.

The profit on ordinary activities is stated after:

	2001 £	2000 £
Auditors remuneration	<u>750</u>	<u>750</u>

### 2. COST OF SALES AND OTHER OPERATING INCOME AND CHARGES

	2001 £	2000 £
Cost of sales	<u>3,271,373</u>	<u>2,047,984</u>
Other operating income and charges:		
Administrative expenses	130,839	41,639
Other operating income	<u>(24,929)</u>	<u>(25,877)</u>
	<u>105,910</u>	<u>15,762</u>

### 3. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge represents:

	2001 £	2000 £
Corporation tax at 10% (2000:20%)	<u>49</u>	<u>6,678</u>

### 4. DIRECTORS

The directors received no emoluments from the company.

# ALVIS BROTHERS (LYE CROSS) LIMITED

## NOTES TO FINANCIAL STATEMENTS

For the year ended 31 March 2001

### 5. TANGIBLE FIXED ASSETS

	Freehold land and buildings £
Cost	
At 1 April 2000	241,873
Disposals	-
At 31 March 2001	241,873
Depreciation	
At 1 April 2000 and 31 March 2001	-
Net book amount at 31 March 2001	241,873
Net book amount at 31 March 2000	241,873

6. DEBTORS	2001 £	2000 £
Amounts owed by related company	820,219	-
Other debtors	22,891	7,043
	843,110	7,043

### 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £	2000 £
Trade creditors	68,733	39,383
Bank overdraft	223,498	224,641
Amounts owed to related company	-	526,601
Corporation tax	51	6,678
Other creditors	339	339
Accruals	-	2,700
	292,621	800,342

The bank overdraft is secured by a fixed and floating charge over the assets of the company.

**ALVIS BROTHERS (LYE CROSS) LIMITED****NOTES TO FINANCIAL STATEMENTS**

For the year ended 31 March 2001

**8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2001	2000
	£	£
Loan with no fixed repayment date	<u>23,913</u>	<u>23,913</u>

No interest is payable on the above loan.

**9. SHARE CAPITAL**

	Authorised	2001 and 2000 Allotted, called up and fully paid
	£	£
Ordinary shares of £1 each	<u>500</u>	<u>300</u>

**10. RESERVES AND RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	Share capital	Profit and loss account	Total shareholders' funds
	£	£	£
Shareholders' funds at 1 April 2000	300	1,068,182	1,068,482
Retained profit for the year	-	442	442
Shareholders' funds at 31 March 2001	<u>300</u>	<u>1,068,624</u>	<u>1,068,924</u>

**11. CAPITAL COMMITMENTS**

There were no capital commitments at 31 March 2001 or 31 March 2000.

## **ALVIS BROTHERS (LYE CROSS) LIMITED**

### **NOTES TO FINANCIAL STATEMENTS**

For the year ended 31 March 2001

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#### **12. CONTINGENT LIABILITIES**

The company's property is let under Agricultural Tenancies. In the event of the tenant quitting the holding there would be a liability on the company to pay compensation. The directors are unable to quantify any such liability.

There is a contingent liability in respect of an unlimited composite cross guarantee given to HSBC Bank plc to secure all liabilities of Alvis Brothers Limited amounting to £4,354,459 (2000: £2,962,131).

There were no other contingent liabilities at 31 March 2001 or 31 March 2000.

#### **13. TRANSACTIONS WITH RELATED PARTIES**

The company purchased cheese with a value of £300,475 (2000: £1,643,821) and milk with a value of £1,627,552 (2000: £1,034,987), sold cheese valued at £1,676,837 (2000: £1,012,997) and milk valued at £1,700,937 (2000: £1,088,772), received rental payments of £21,246 (2000: £21,246) and was charged £130,807 (£40,450) as a management charge by Alvis Brothers Limited. Alvis Brothers Limited is related to the company as the directors and certain shareholders of Alvis Brothers Limited are also the directors and shareholders of Alvis Brothers (Lye Cross) Limited. As at 31 March 2001 the company was owed £820,219 (2000: £526,601 creditor) by Alvis Brothers Limited.

#### **14. CONTROLLING RELATED PARTIES**

Mr J Alvis and Mr M G Alvis are the company's controlling related parties by virtue of their shareholdings and directorships.