

Company Registration No. 1091652 (England and Wales)

**ALVIS BROTHERS (LYE CROSS) LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2008**

WEDNESDAY



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# ALVIS BROTHERS (LYE CROSS) LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	J Alvis (Senior) M G Alvis
<b>Secretary</b>	Mrs P J Alvis
<b>Company number</b>	1091652
<b>Registered office</b>	Lye Cross Farm Redhill, Wrington Bristol BS40 5RH
<b>Auditors</b>	Lentells Limited 11 The Crescent Taunton Somerset TA1 4EA
<b>Business address</b>	Lye Cross Farm Redhill, Wrington Bristol BS40 5RH
<b>Bankers</b>	HSBC plc 30 High Street Weston-Super-Mare North Somerset BS23 1JE
<b>Solicitors</b>	Bennetts High Street Wrington Bristol BS18 7QB

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# ALVIS BROTHERS (LYE CROSS) LIMITED

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

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 MARCH 2008***

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

### **Principal activities and review of the business**

The principal activity of the company is that of purchasing and reselling of milk. It also owns agricultural properties which are let.

### **Results and dividends**

The results for the year are set out on page 5.

### **Directors**

The following directors have held office since 1 April 2007:

J Alvis (Senior)

M G Alvis

### **Auditors**

In accordance with the Company's Articles, a resolution proposing that Lentells Limited be reappointed as auditors of the company will be put at a General Meeting.

# ALVIS BROTHERS (LYE CROSS) LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2008**

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### 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:

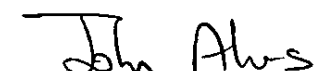
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

On behalf of the board



J Alvis (Senior)

Director

24 Dec 2008

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

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE SHAREHOLDERS OF ALVIS BROTHERS (LYE CROSS) LIMITED**

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We have audited the financial statements of Alvis Brothers (Lye Cross) Limited for the year ended 31 March 2008 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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, and 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.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in note 14 to the financial statements.

# ALVIS BROTHERS (LYE CROSS) LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE SHAREHOLDERS OF ALVIS BROTHERS (LYE CROSS) LIMITED

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#### Opinion

In our opinion:

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



Lentells Limited

31 December 2008

Chartered Accountants

Registered Auditor

11 The Crescent  
Taunton  
Somerset  
TA1 4EA

# ALVIS BROTHERS (LYE CROSS) LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2008

	Notes	2008 £	2007 £
Turnover	2	8,124,900	7,965,101
Cost of sales		(7,979,942)	(7,819,486)
Gross profit		144,958	145,615
Administrative expenses		(15,373)	(14,339)
Other operating income		21,722	21,712
Operating profit	3	151,307	152,988
Other interest receivable and similar income	4	42	9
Profit on ordinary activities before taxation		151,349	152,997
Tax on profit on ordinary activities	5	(30,438)	(29,482)
Profit for the year	10	120,911	123,515

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.



# ALVIS BROTHERS (LYE CROSS) LIMITED

## BALANCE SHEET AS AT 31 MARCH 2008

	Notes	2008 £	£	2007 £	£
<b>Fixed assets</b>					
Tangible assets	6		239,537		239,537
<b>Current assets</b>					
Debtors	7	3,440,151		3,444,244	
		<u>3,440,151</u>		<u>3,444,244</u>	
Creditors: amounts falling due within one year	8	(1,975,846)		(2,100,850)	
<b>Net current assets</b>			<u>1,464,305</u>		<u>1,343,394</u>
<b>Total assets less current liabilities</b>			<u><u>1,703,842</u></u>		<u><u>1,582,931</u></u>
<b>Capital and reserves</b>					
Called up share capital	9		300		300
Profit and loss account	10		<u>1,703,542</u>		<u>1,582,631</u>
<b>Shareholders' funds - equity interests</b>	11		<u><u>1,703,842</u></u>		<u><u>1,582,931</u></u>

The financial statements were approved by the Board on 24-12-08



J Alvis (Senior)  
Director

# ALVIS BROTHERS (LYE CROSS) LIMITED

## CASH FLOW STATEMENT

**FOR THE YEAR ENDED 31 MARCH 2008**

	£	2008 £	£	2007 £
Net cash inflow/(outflow) from operating activities		217,884		(1,504,662)
Returns on investments and servicing of finance				
Interest received	42		9	
Net cash inflow for returns on investments and servicing of finance		42		9
Taxation		(29,482)		(33,558)
Net cash inflow/(outflow) before management of liquid resources and financing		188,444		(1,538,211)
Increase/(decrease) in cash in the year		188,444		(1,538,211)

# ALVIS BROTHERS (LYE CROSS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.4 Tangible fixed assets and depreciation

The company does not depreciate its freehold land and buildings, as the majority of these assets comprise agricultural land with a useable life exceeding 50 years.

#### 1.5 Deferred taxation

Deferred taxation 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.

#### 1.6 Rental Income

Rental income comprises rents receivable for land.

### 2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

### 3 Operating profit

2008

2007

£

£

Operating profit is stated after charging:

### 4 Investment income

2008

2007

£

£

Other interest

42

9

# ALVIS BROTHERS (LYE CROSS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

<b>5</b>	<b>Taxation</b>	<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U.K. corporation tax	30,438	29,482
	<b>Current tax charge</b>	<u>30,438</u>	<u>29,482</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>151,349</u>	<u>152,997</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.11% (2007 - 19.27%)	30,438	29,482
<b>6</b>	<b>Tangible fixed assets</b>		
			<b>Land and buildings Freehold</b>
			<b>£</b>
	<b>Cost</b>		
	At 1 April 2007 & at 31 March 2008		<u>239,537</u>
	<b>Depreciation</b>		
	At 1 April 2007 & at 31 March 2008		<u>-</u>
	<b>Net book value</b>		
	At 31 March 2008		<u>239,537</u>
	At 1 April 2007		<u>239,537</u>
<b>7</b>	<b>Debtors</b>	<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
	Other debtors	<u>3,440,151</u>	<u>3,444,244</u>

# ALVIS BROTHERS (LYE CROSS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

8	Creditors: amounts falling due within one year	2008 £	2007 £
	Bank loans and overdrafts	1,356,154	1,544,598
	Trade creditors	565,002	502,518
	Corporation tax	30,438	29,482
	Directors' current accounts	24,252	24,252
		<u>1,975,846</u>	<u>2,100,850</u>

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

9	Share capital	2008 £	2007 £
	<b>Authorised</b>		
	500 Ordinary shares of £1 each	<u>500</u>	<u>500</u>
	<b>Allotted, called up and fully paid</b>		
	300 Ordinary shares of £1 each	<u>300</u>	<u>300</u>

10	Statement of movements on profit and loss account	Profit and loss account £
	Balance at 1 April 2007	1,582,631
	Profit for the year	<u>120,911</u>
	Balance at 31 March 2008	<u>1,703,542</u>

11	Reconciliation of movements in shareholders' funds	2008 £	2007 £
	Profit for the financial year	120,911	123,515
	Opening shareholders' funds	<u>1,582,931</u>	<u>1,459,416</u>
	Closing shareholders' funds	<u>1,703,842</u>	<u>1,582,931</u>

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

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008**

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### **12 Contingent liabilities**

There is a contingent liability in respect of an unlimited composite cross guarantee given to HSBC plc to secure all liabilities of Alvis Brothers Limited to £2,802,425 (2007 - £2,710,755).

There were no other contingent liabilities at 31st March 2008.

### **13 Employees**

#### **Number of employees**

There were no employees during the year apart from the directors.

### **14 Auditors' Ethical Standards**

In common with many businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

### **15 Control**

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

### **16 Related party transactions**

The following related party transactions have taken place in the year:-

Alvis Brothers Limited is related to the company as the directors and certain shareholders of Alvis Brothers Limited are also directors and shareholders of Alvis Brothers (Lye Cross) Limited.

The company has purchased dairy products with a value of £1,705,837 (2007 £1,506,674) from; and sold dairy products valued at £8,124,900 (2007 £7,965,101) to Alvis Brothers Limited.

In addition the company has received rental income of £21,246 (2007 £21,246).

As at 31st March 2008, the company was owed £3,440,151 (2007 £3,444,244) by Alvis Brothers Limited.

The company has an ongoing arrangement with its bankers, whereby Alvis Brothers Limited are charged interest on the basis of total borrowings of Alvis Brothers Limited and Alvis Brothers (Lye Cross) Limited. No adjustment is made in these financial statements for those charges that would relate to the borrowing of Alvis Brothers (Lye Cross) Limited.

The related audit costs of Alvis Brothers (Lye Cross) Limited are dealt with in Alvis Brothers Limited.

At the year-end, the directors had credit balances on their loan accounts totalling £24,252 (2007 £24,252). There were no movements on the loan accounts during the year.