

**REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1998
FOR**

CLOVER FOOD INGREDIENTS LIMITED



CLOVER FOOD INGREDIENTS LIMITED

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For the Year Ended 31 December 1998

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CLOVER FOOD INGREDIENTS LIMITED

COMPANY INFORMATION
For the Year Ended 31 December 1998

DIRECTOR:	Mr M G C Clover
SECRETARY:	Mrs F J Clover
REGISTERED OFFICE:	4 Enterprise Court Downmill Road Bracknell Berkshire RG12 1QS
REGISTERED NUMBER:	2595419(England and Wales)
ACCOUNTANTS:	SOSI 134 East Street South Molton Devon EX36 3BU

CLOVER FOOD INGREDIENTS LIMITED

**REPORT OF THE DIRECTOR
For the Year Ended 31 December 1998**

The director presents his report with the financial statement of the company for the year ended 31 December 1998.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of marketing food products.

DIRECTOR

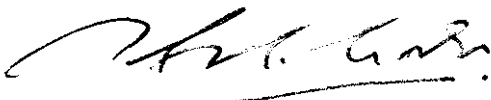
Mr M G C Clover was the sole director during the year under review.

His beneficial interest in the issued share capital of the company was as follows:

		31.12.98	1.1.98
Ordinary	£1 shares	10,000	10,000

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



Mr M G C Clover - Director

Dated: 28 September 1999

CLOVER FOOD INGREDIENTS LIMITED

PROFIT AND LOSS ACCOUNT
For the Year Ended 31 December 1998

	Notes	1998 £	1997 £
TURNOVER	2	34231	74513
Cost of sales		18070	56823
GROSS PROFIT		<u>16161</u>	<u>17690</u>
Administrative expenses		14075	16078
		<u>2086</u>	<u>1612</u>
Other operating income		-	-
OPERATING PROFIT	3	<u>2086</u>	<u>1612</u>
Interest payable and similar charges		159	67
PROFIT/ (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>1927</u>	<u>1545</u>
Tax on profit/ (loss) on ordinary activities	4	-	-
PROFIT/ (LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		<u>1927</u>	<u>1545</u>
Deficit brought forward		(38654)	(40199)
DEFICIT CARRIED FORWARD		<u>36727</u>	<u>38654</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current year and previous year.

CLOVER FOOD INGREDIENTS LIMITED

BALANCE SHEET
31 December 1998

	Notes	1998 £	1997 £
FIXED ASSETS:			
Tangible assets	5	2013	1761
CURRENT ASSETS:			
Stocks	6	5426	9965
Debtors	7	15775	13209
Cash at bank		649	-
		<u>21850</u>	<u>23174</u>
CREDITORS:			
Amounts falling due within one year		21930	23688
Bank Overdraft		-	991
		<u>-</u>	<u>-</u>
		<u>21930</u>	<u>24679</u>
NET CURRENT LIABILITIES:		<u>(80)</u>	<u>(1505)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		1933	256
CREDITORS: Amounts falling due after more than one year		<u>(28660)</u>	<u>(28910)</u>
		<u>(26727)</u>	<u>(28654)</u>
CAPITAL AND RESERVES:			
Called up share capital		10000	10000
Profit and loss account		<u>(36727)</u>	<u>(38654)</u>
Shareholder's funds		<u>(26727)</u>	<u>(28654)</u>

CLOVER FOOD INGREDIENTS LIMITED

BALANCE SHEET

31 December 1998

The company is entitled to exemption from audit under Section 249A (2) of the Companies Act 1985 for the year ending 31 December 1998.

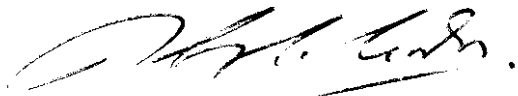
No notice has been deposited under Section 249B (2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

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

ON BEHALF OF THE BOARD:



Mr M G C Clover - DIRECTOR

Approved by the Board on: 28 September 1999

CLOVER FOOD INGREDIENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 1998

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	-15% on reducing balance
Fixtures and fittings	-15% on reducing balance
Computer equipment	-33% on reducing balance

Stocks

Stock is valued at the lower of cost and new realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion to the director, there is reasonable probability that the liability will not arise in the foreseeable future.

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

CLOVER FOOD INGREDIENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 1998

3. OPERATING PROFIT/ (LOSS)

The operating profit is stated after charging:

	1998 £	1997 £
Depreciation - owned assets	422	410
Director's emoluments	<u><u>-</u></u>	<u><u>-</u></u>

CLOVER FOOD INGREDIENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 1998

4. TAXATION

No liability to UK Corporation tax arose on ordinary activities for the year ended 31 December 1998.

5. TANGIBLE FIXED ASSETS

	<u>Plant and machinery</u>	<u>Fixtures and fittings</u>	<u>Computer equipment</u>	<u>Totals</u>
COST				
At 1 January 1998	664	3000	1389	5053
Additions	674	-	-	674
	<hr/>			
At 31 December 1998	1338	3000	1389	5727
DEPRECIATION:				
At 1 January 1998	555	1662	1075	3292
Charge for year	117	202	103	422
	<hr/>			
At 31 December 1998	672	1864	1178	3714
	<hr/>			
NET BOOK VALUE:				
At 31 December 1998	666	1136	211	2013
	<hr/>			
At 31 December 1997	109	1338	314	1761
	<hr/>			
6. STOCKS				
	1998		1997	
	£		£	
	5426		9965	
	<hr/>		<hr/>	

CLOVER FOOD INGREDIENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 1998

**7. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	1998 £	1997 £
V.A.T	241	-
Trade debtors & Prepayments	15534	13209
	<hr/>	<hr/>
	15775	13209
	<hr/>	<hr/>

DETAILED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1998
FOR
CLOVER FOOD INGREDIENTS LIMITED

CLOVER FOOD INGREDIENTS LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT

For the Year Ended 31 December 1998

	Notes	1998 £	1997 £
TURNOVER	1	34231	74513
Cost of sales	2	18070	56823
		<hr/>	<hr/>
GROSS PROFIT		16161	17690
		<hr/>	<hr/>
Administrative expenses	3	10484	12405
Selling and marketing costs	4	555	624
Establishment costs	5	3036	3049
		<hr/>	<hr/>
		14075	16078
		<hr/>	<hr/>
OPERATING PROFIT/ (LOSS)		2086	1612
Finance cost	6	159	67
		<hr/>	<hr/>
PROFIT/ (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		1927	1545
		<hr/> <hr/>	<hr/> <hr/>

CLOVER FOOD INGREDIENTS LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT DETAIL

For the Year Ended 31 December 1998

	1998	1997
	£	£
1. TURNOVER		
Sales	34231	74513
2. COST OF SALES		
Opening stock	9965	13710
Purchases	8691	43271
Carriage, packing & haulage	4839	9807
	23495	66788
Less:	5425	9965
	18070	56823
3. ADMINISTRATIVE EXPENSES		
Telephone	3524	4079
Postage & stationery	1000	1212
Motor & travelling	2063	2889
Sundry expenses	157	416
Professional charges	2079	2057
Bank charges	1239	1342
Depreciation:		
Plant & Machinery	117	19
Fixtures & Fittings	202	155
Computer Equipment	103	236
	10484	12405
4. SELLING AND MARKETING COSTS		
Marketing expenses	555	624
	555	624

CLOVER FOOD INGREDIENTS LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT DETAIL

For the Year Ended 31 December 1998

	1998	1997
	£	£
5. ESTABLISHMENT COSTS		
Rent & rates	1200	1848
Insurance	627	686
Light & heat	1209	200
Repairs to property	-	315
	<hr/>	<hr/>
	3036	3049
	<hr/>	<hr/>
6. FINANCE COST		
Bank interest	159	37
	<hr/>	<hr/>