

REGISTERED NUMBER: 01577556 (England and Wales)

Abbreviated Financial Statements  
for the year ended 31st December 1997  
for  
The Bath Stone Company Limited



**The Bath Stone Company Limited**

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**for the year ended 31st December 1997**

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**The Bath Stone Company Limited**

**Company Information**  
**for the year ended 31st December 1997**

<b>DIRECTORS:</b>	B J Marson Mrs E Marson N I Horton
<b>SECRETARY:</b>	F Ferne
<b>REGISTERED OFFICE:</b>	Clarks Mill Stallard Street Trowbridge Wiltshire BA14 8HH
<b>REGISTERED NUMBER:</b>	01577556 (England and Wales)
<b>AUDITORS:</b>	Monahans Ledbury Martin Chartered Accountants Clarks Mill Stallard Street Trowbridge Wiltshire BA14 8HH
<b>BANKERS:</b>	Lloyds Bank plc 23 Milsom Street Bath BA1 1DS

**The Bath Stone Company Limited**  
**Report of the Auditors to**  
**The Bath Stone Company Limited**  
**Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages four to seven, together with the full financial statements of the company for the year ended 31st December 1997 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages four to seven are properly prepared in accordance with those provisions.

**Other information**

On 7th April 1998 we reported, as auditors to the shareholders of the company on the financial statements for the year ended 31st December 1997 prepared under Section 226 of the Companies Act 1985, and our report was as follows:

"We have audited the financial statements on pages four to fifteen which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out on page seven.

**Respective responsibilities of directors and auditors**

As described on page two the company's directors are responsible for the preparation of financial statements. 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 Auditing Standards 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 judgments 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.

**Qualified opinion arising from disagreement about accounting treatment**

As noted in Note 1 to the financial statements no depreciation is provided in respect of a mining lease included within tangible fixed assets. In our opinion depreciation should be charged over the economic life of this lease, which would give rise to an annual charge to the Profit and Loss Account of £39,555.

**The Bath Stone Company Limited**

**Report of the Auditors to**  
**The Bath Stone Company Limited**  
**Under Section 247B of the Companies Act 1985**

Except for the absence of this provision for depreciation, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

Monahans Ledbury Martin  
Chartered Accountants  
Clarks Mill  
Stallard Street  
Trowbridge  
Wiltshire  
BA14 8HH



Dated: 7th April 1998

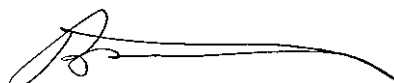
**The Bath Stone Company Limited**

**Abbreviated Balance Sheet**  
**31st December 1997**

		1997		1996	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	2		2,338,853		2,402,051
<b>CURRENT ASSETS:</b>					
Stocks		44,470		15,588	
Debtors		306,425		319,912	
Cash at bank		82		37	
		<hr/> 350,977		<hr/> 335,537	
<b>CREDITORS:</b> Amounts falling due within one year	3	<hr/> 744,869		<hr/> 686,252	
<b>NET CURRENT LIABILITIES:</b>			<hr/> (393,892)		<hr/> (350,715)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<hr/> 1,944,961		<hr/> 2,051,336
<b>CREDITORS:</b> Amounts falling due after more than one year	3		<hr/> 243,796		<hr/> 360,057
			<hr/> <hr/> £1,701,165		<hr/> <hr/> £1,691,279
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	4		13,620		13,620
Capital reserve			1,745,000		1,745,000
Profit and loss account			(57,455)		(67,341)
Shareholders' funds			<hr/> <hr/> £1,701,165		<hr/> <hr/> £1,691,279

These abbreviated financial statements have 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:**



B J Marson - DIRECTOR

Mrs E Marson - DIRECTOR



Approved by the Board on 7th April 1998

The notes form part of these financial statements

**The Bath Stone Company Limited**

**Notes to the Abbreviated Financial Statements**  
**for the year ended 31st December 1997**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**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.

**Fixed Assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Mining lease	- not provided
Property & mine improvements	- 2 % on straight line basis
Mining equipment	- 25 % - 33 % on reducing balance
Aircraft	- 20 % on reducing balance
Motor vehicles	- 25 % on reducing balance
Office equipment	- 10 % on reducing balance and 33 1/3 % on reducing balance

Fixed assets are only capitalised where the cost of acquisition exceeds £500. No depreciation is provided in respect of the mining lease, under which the company's mining rights expire in March 2042. In the opinion of the directors the reserves of stone within the mine are such that no material diminution in value of the lease will occur over its present life.

**Stocks**

Stock is valued at the lower of cost and net 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 of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

**Mining expenditure**

All expenditure related to opening up the mine and new working areas is written off in the year it occurs.

**The Bath Stone Company Limited**

**Notes to the Abbreviated Financial Statements**  
**for the year ended 31st December 1997**

**2. TANGIBLE FIXED ASSETS**

	<u>Total</u>
	£
<b>COST OR VALUATION:</b>	
At 1st January 1997	3,060,833
Additions	98,321
Disposals	(106,452)
	<u>3,052,702</u>
At 31st December 1997	<u>3,052,702</u>
<b>DEPRECIATION:</b>	
At 1st January 1997	658,782
Charge for year	74,423
Eliminated on disposals	(19,356)
	<u>713,849</u>
At 31st December 1997	<u>713,849</u>
<b>NET BOOK VALUE:</b>	
At 31st December 1997	<u>2,338,853</u>
At 31st December 1996	<u>2,402,051</u>

**3. CREDITORS**

The following secured debts are included within creditors:

	1997	1996
	£	£
Bank overdrafts	249,651	181,769
Bank loans	228,298	271,690
Aircraft loan	41,601	57,148
	<u>519,550</u>	<u>510,607</u>

Creditors include the following debts falling due in more than five years:

	1997	1996
	£	£
Repayable by instalments		
Bank loans	-	34,314
	<u>-</u>	<u>34,314</u>



**The Bath Stone Company Limited**

**Notes to the Abbreviated Financial Statements**  
**for the year ended 31st December 1997**

**4. CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal value:	1997	1996
			£	£
20,000	Ordinary	£1	20,000	20,000
			<hr/>	<hr/>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	1997	1996
			£	£
13,620	Ordinary	£1	13,620	13,620
			<hr/>	<hr/>

**5. ULTIMATE PARENT COMPANY**

The company is a subsidiary company of Bath Stone Group Limited which owns 84% of its share capital. The holding company was incorporated in England and Wales, company number 2861784.

**6. TRANSACTIONS WITH DIRECTORS**

Other debtors (note 10) includes £32,877 due from B.J.Marson (1996 £nil.).

**7. RELATED PARTY DISCLOSURES**

Other debtors includes £13,500, (1996:- £13,500), being a loan to an unincorporated business controlled by a person connected with BJ Marson. There are no formal terms of repayment for this loan, which is interest free and unsecured.

**8. CAPITAL RESERVE**

This reserve arises from the revaluation of the mining lease and is not available for distribution.

**9. LEASE**

The company has a lease in respect of the mining rights which has 45 years to run (until March 2042). The initial two year planning permission which ceased in March 1984 has been renewed for the length of the lease and the mining recommenced in the year from 1st January 1986. The valuation of the right to mine stone and the value of the reserves is in accordance with a report dated 10th December 1996 carried out by Smiths Gore, Chartered Surveyors.