

COMPANY NO. 1577556

THE BATH STONE COMPANY LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 1994



REPORT OF THE AUDITORS OF THE BATH STONE COMPANY LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985.

We have examined the abbreviated financial statements on pages 3 to 7 together with the full statutory accounts of The Bath Stone Company Limited for the year ended 31st December 1994.

Respective Responsibilities of Directors and Auditors

The director is responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the director's statement on page 3 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of Opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work of the purpose of this report does 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 under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31st December 1994, and the abbreviated financial statements on pages 3 to 6 have been properly prepared in accordance with that schedule.

Other Information

On 3rd May 1995 we reported to the shareholders on the statutory accounts of the company for the year ended 31st December 1994 prepared under Section 226 of the Companies Act 1985. Our report under Section 235 of the Companies Act 1985 was as follows:-

" We have audited the financial statements on pages 4 to 13 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 6.

Respective responsibilities of directors and auditors

As described on page 1 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 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.

REPORT OF THE AUDITORS OF THE BATH STONE COMPANY LIMITED PURSUANT TO PARAGRAPH 24 OF
SCHEDULE 8 TO THE COMPANIES ACT 1985

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st December 1994 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

Ledbury Martin
Chartered Accountants and Registered Auditor
Clarks Mill
Stallard Street
Trowbridge
Wiltshire
BA14 8HH

3rd May 1995

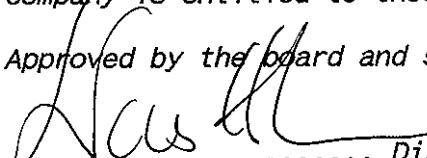
Ledbury Martin.

THE BATH STONE COMPANY LIMITED
ABBREVIATED BALANCE SHEET
AS AT 31ST DECEMBER 1994

	Notes	1994	1993
		£	£
FIXED ASSETS			
Tangible assets	2	1,056,793	1,101,558
Investments		-	-
CURRENT ASSETS			
Stocks		15,519	21,074
Debtors	3	294,270	255,156
Cash at bank and in hand		-	64
		309,789	276,294
CREDITORS - Amounts falling due within one year	4	344,704	472,293
NET CURRENT LIABILITIES		(34,915)	(195,999)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,021,878	905,559
CREDITORS - Amounts falling due after one year	4	363,119	212,406
PROVISION FOR LIABILITIES AND CHARGES		6,000	4,500
		652,759	688,653
CAPITAL AND RESERVES			
Called up share capital	6	13,620	13,620
Capital reserve		450,000	475,000
Profit and loss account		189,139	200,033
		652,759	688,653

The directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

Approved by the board and signed on its behalf


 Director
 N I Horton

Approved by the board on 3rd May 1995

The notes on pages 4 to 7 form part of these abbreviated accounts.

THE BATH STONE COMPANY LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 1994

1. STATEMENT OF ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's accounts.

- (i) **Basis of Accounting** – The accounts have been prepared under the historical cost convention as modified by the revaluation of the mining lease.
- (ii) **Depreciation** – Is provided to write off fixed assets over their useful economic life at the following rates on the reducing balance method:

Aircraft	25%
Mining equipment	25% – 33%
Vehicles	25%
Office equipment	10%
Freehold property and mine improvements	2%
Mining lease	£25,000 per annum
Computer equipment	33 1/3%

Prior to January 1989 no depreciation or amortisation had been provided on freehold property and mine improvements or the Mining Lease. In 1989 it was considered appropriate to make provision at the rates disclosed in order to fully comply with Statement of Standard Accounting Practice Number 12.

- (iii) **Stocks and Work in Progress** – Stocks and Work in Progress are valued at the lower of cost and net realisable value. Cost is the portion of direct and production overheads attributable to stock in hand.
- (iv) **Deferred Taxation** – Deferred taxation is provided in respect of that element of the timing difference which the directors consider may distort future corporation tax liabilities in respect of accelerated capital allowances for tax purposes.
- (v) **Turnover** – represents the amounts invoiced by the company for goods and services provided excluding value added tax.
- (vi) **Fixed Assets** – are only capitalised if in excess of £500.
- (vii) **Mining Expenditure** – All expenditure related to opening up the mine and new working areas is written off in the year it occurs.
- (viii) **Cash flow Statement** – Financial Reporting Standard Number 1 has been adopted as an accounting policy. The company has taken advantage of the exemptions available to small companies within this standard and has not prepared a cash flow statement.
- (ix) **Leasing and Hire Purchase Commitments** – Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

- (x) **Pensions** – The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

THE BATH STONE COMPANY LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 1994

2. TANGIBLE ASSETS

	Mining Lease (Note 16)	Freehold Property & mine improvements	Aircraft	Office Equipment	Mining Equipment	Vehicles	Total
	£	£	£	£	£	£	£
COST/VALUATION							
At 1.1.94	600,000	278,876	59,180	39,042	644,738	158,431	1,780,267
Additions	-	4,360	9,712	3,283	37,315	111,183	165,853
Disposals	-	-	(25,650)	(15,381)	(24,394)	(53,058)	(118,483)
31.12.94	600,000	283,236	43,242	26,944	657,659	216,556	1,827,637
DEPRECIATION							
At 1.1.94	125,000	24,951	35,451	13,725	435,255	44,327	678,709
Charge	25,000	5,166	5,760	2,696	68,770	42,978	150,370
Disposal	-	-	(15,251)	(847)	(18,605)	(23,532)	(58,235)
31.12.94	150,000	30,117	25,960	15,574	485,420	63,773	770,844
NET BOOK VALUE							
At 31.12.94	450,000	253,119	17,282	11,370	172,239	152,783	1,056,793
At 31.12.93	475,000	253,925	23,729	25,317	209,483	114,104	1,101,558

3. DEBTORS

Other debtors include an amount for £9,744 owed by one of the directors Mr B Marson, to the company. (1993 Nil).

THE BATH STONE COMPANY LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
YEAR ENDED 31ST DECEMBER 1994

4. CREDITORS - Amounts falling
due within one year

Included in creditors amounts falling due within one year is the following secured creditor:-

	<u>1994</u> £	<u>1993</u> £
Bank loans and overdraft	112,507	180,667
	<hr/>	<hr/>

CREDITORS - AMOUNTS FALLING DUE
AFTER ONE YEAR

Included in creditors amounts falling due after more than one year is the following secured creditors:-

	<u>1994</u> £	<u>1993</u> £
Bank loans	314,134	127,156
	<hr/>	<hr/>

THE BATH STONE COMPANY LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 1994

5. LOANS

	<u>1994</u> £	<u>1993</u> £
Wholly repayable within 5 years:		
Bank loans	-	-
Not wholly repayable within 5 years:		
Bank loan	338,134	151,156
	<hr/>	<hr/>
	338,134	151,156
	<hr/>	<hr/>
Amounts repayable by instalments:		
Within 1 year	24,000	24,000
Within 1 - 2 years	26,500	24,000
Within 2 - 5 years	90,000	72,000
After 5 years	197,634	31,156
	<hr/>	<hr/>
	338,134	151,156
Included in creditors:		
Amounts falling due within one year	24,000	24,000
	<hr/>	<hr/>
Amounts falling due after one year	314,134	127,156
	<hr/>	<hr/>

6. CALLED UP SHARE CAPITAL

	<u>Authorised</u>		<u>Allotted</u> <u>Called Up & Fully Paid</u>	
	<u>1994</u> No	<u>1993</u> No	<u>1994</u> £	<u>1993</u> £
Ordinary shares of £1	20,000	20,000	13,620	13,620
	<hr/>	<hr/>	<hr/>	<hr/>

7. SUBSIDIARY COMPANIES

At 31st December 1994, the Bath Stone Stone Company Limited had the following subsidiary companies, all registered in England and Wales:

U N Packaging Limited - Company No. 02619676
 Mercury Flight Training Limited - Company No. 0206098.