

REGISTERED NUMBER: 01577556 (England and Wales)

Abbreviated Financial Statements
for the year ended 31st December 1998
for
The Bath Stone Company Limited



The Bath Stone Company Limited

Contents of the Abbreviated Financial Statements
for the year ended 31st December 1998

	Page
Company Information	1
Report of the Auditors on the Abbreviated Financial Statements	2
Abbreviated Balance Sheet	3
Notes to the Abbreviated Financial Statements	4

The Bath Stone Company Limited
Company Information
for the year ended 31st December 1998

DIRECTORS:	B J Marson Mrs E Marson N I Horton
SECRETARY:	F Ferne
REGISTERED OFFICE:	Clarks Mill Stallard Street Trowbridge Wiltshire BA14 8HH
REGISTERED NUMBER:	01577556 (England and Wales)
AUDITORS:	Monahans Ledbury Martin Registered Auditors Chartered Accountants Clarks Mill Stallard Street Trowbridge Wiltshire BA14 8HH
BANKERS:	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 three to six, together with the full financial statements of the company for the year ended 31st December 1998 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.

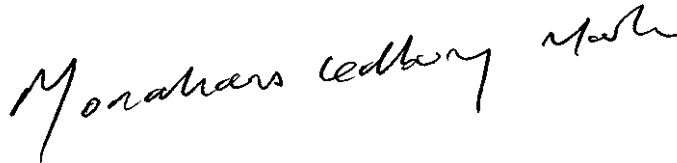
Basis of opinion

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 three to six are properly prepared in accordance with those provisions.

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



Dated: 22nd October 1999

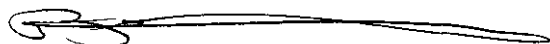
The Bath Stone Company Limited

Abbreviated Balance Sheet
31st December 1998


		<u>1998</u>		<u>1997</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		2,243,220		2,338,853
CURRENT ASSETS:					
Stocks		16,978		44,470	
Debtors		516,870		306,425	
Cash at bank		85		82	
		<u>533,933</u>		<u>350,977</u>	
CREDITORS: Amounts falling due within one year	3	<u>896,690</u>		<u>744,869</u>	
NET CURRENT LIABILITIES:			<u>(362,757)</u>		<u>(393,892)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			1,880,463		1,944,961
CREDITORS: Amounts falling due after more than one year	3		(181,337)		(243,796)
PROVISIONS FOR LIABILITIES AND CHARGES:			<u>(3,202)</u>		<u>-</u>
			<u>£1,695,924</u>		<u>£1,701,165</u>
CAPITAL AND RESERVES:					
Called up share capital	4		13,620		13,620
Capital reserve			1,745,000		1,745,000
Profit and loss account			<u>(62,696)</u>		<u>(57,455)</u>
Shareholders' funds			<u>£1,695,924</u>		<u>£1,701,165</u>

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 22nd October 1999

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 1998

1. ACCOUNTING POLICIES

Accounting convention

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

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	- Nil
Property & mine improvements	- 2% on straight line basis
Mining equipment	- over period of lease
Aircraft	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Office equipment	- 10% on reducing balance and over period of lease

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.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

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 1998

2. TANGIBLE FIXED ASSETS

	Total
	£
COST OR VALUATION:	
At 1st January 1998	3,052,703
Additions	110,666
Disposals	(199,543)
At 31st December 1998	2,963,826
DEPRECIATION:	
At 1st January 1998	713,849
Charge for year	89,771
Eliminated on disposals	(83,014)
At 31st December 1998	720,606
NET BOOK VALUE:	
At 31st December 1998	2,243,220
At 31st December 1997	2,338,853

3. CREDITORS

The following secured debts are included within creditors:

	1998	1997
	£	£
Bank overdrafts	602,076	249,651
Bank loans	182,612	228,298
Aircraft loan	-	41,601
Hire purchase contracts	107,211	144,231
	891,899	663,781

4. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	1998	1997
		£1	£	£
20,000	Ordinary		20,000	20,000
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	1998	1997
		£1	£	£
13,620	Ordinary		13,620	13,620

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.

The Bath Stone Company Limited

Notes to the Abbreviated Financial Statements
for the year ended 31st December 1998

6. TRANSACTIONS WITH DIRECTORS

Other debtors includes £60,116 due from B.J.Marson (1997:- £32,877).

7. RELATED PARTY DISCLOSURES

Other debtors includes £13,500, (1997:- £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.

During the year Bath Stone Company Limited traded with Bath Stone Products Limited on an arms length basis. The total value of these sales was £391,956.

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.