

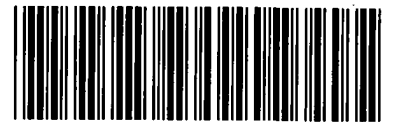
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**STOKE HILL MINERALS LIMITED**

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**FINANCIAL STATEMENTS**  
**INFORMATION FOR FILING WITH THE REGISTRAR**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

THURSDAY



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09/09/2021

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COMPANIES HOUSE

**STOKE HILL MINERALS LIMITED**  
**REGISTERED NUMBER: 01577556**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	4	1,941,543	2,003,682
		<u>1,941,543</u>	<u>2,003,682</u>
<b>Current assets</b>			
Stocks	5	510,726	473,710
Debtors	6	666,553	981,385
Cash at bank and in hand		1,790	10,813
		<u>1,179,069</u>	<u>1,465,908</u>
Creditors: amounts falling due within one year	7	(601,589)	(1,825,450)
<b>Net current assets/(liabilities)</b>		<u>577,480</u>	<u>(359,542)</u>
<b>Total assets less current liabilities</b>		<u>2,519,023</u>	<u>1,644,140</u>
Creditors: amounts falling due after more than one year	8	(34,073)	(31,176)
<b>Provisions for liabilities</b>			
Deferred tax	10	(328,728)	(326,416)
Other provisions	11	(18,158)	-
		<u>(346,886)</u>	<u>(326,416)</u>
<b>Net assets</b>		<u><u>2,138,064</u></u>	<u><u>1,286,548</u></u>
<b>Capital and reserves</b>			
Called up share capital		13,620	13,620
Revaluation reserve		694,956	694,956
Profit and loss account		1,429,488	577,972
		<u><u>2,138,064</u></u>	<u><u>1,286,548</u></u>

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**STOKE HILL MINERALS LIMITED**  
**REGISTERED NUMBER: 01577556**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 DECEMBER 2020**

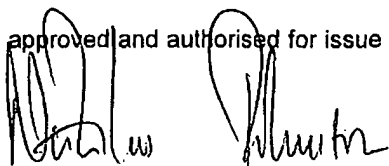
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The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



**Mr N M M Johnston**  
Director

25<sup>TH</sup> AUGUST 2021

The notes on pages 4 to 12 form part of these financial statements.

**STOKE HILL MINERALS LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total equity £
<b>At 1 January 2019</b>	<b>13,620</b>	<b>694,956</b>	<b>637,962</b>	<b>1,346,538</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	313,010	313,010
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>313,010</b>	<b>313,010</b>
Dividends	-	-	(373,000)	(373,000)
<b>At 1 January 2020</b>	<b>13,620</b>	<b>694,956</b>	<b>577,972</b>	<b>1,286,548</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,164,516	1,164,516
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>1,164,516</b>	<b>1,164,516</b>
Dividends	-	-	(313,000)	(313,000)
<b>At 31 December 2020</b>	<b>13,620</b>	<b>694,956</b>	<b>1,429,488</b>	<b>2,138,064</b>

The notes on pages 4 to 12 form part of these financial statements.

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## STOKE HILL MINERALS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the principal place of business is Stoke Hill Mine, Midford Lane, Limpley Stoke, Bath, BA2 7GP. The registered address of the business is The Estate Office, Quarry Farm, Great Tew, Oxfordshire, OX7 4BT.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

##### 2.2 Going concern

The financial statements are prepared on a going concern basis.

The company is reliant on continuing support from its ultimate parent company, who has confirmed it will continue to support the company to meet its financial obligations as and when they fall due for a period of at least twelve months from the date of approval of these financial statements and by not recalling the intercompany debts owed if it would cause financial hardship to the company.

The Directors have prepared forecasts and have assessed the resources available to the company. Consequently, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and as such these financial statements have been prepared on a going concern basis.

##### 2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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## STOKE HILL MINERALS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.4 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### 2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

##### 2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

##### 2.7 Pensions

###### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

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## STOKE HILL MINERALS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

##### 2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line and reducing balance method.

Depreciation is provided on the following basis:

Long-term leasehold property	-	Straight line over the life of the lease
Plant and machinery	-	Reducing balance at 6.67% and 25%
Motor vehicles	-	20% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

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## STOKE HILL MINERALS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.10 Stocks

Stocks are measured at the lower of cost of production per unit and estimated selling price less costs to complete and sell. Cost includes all costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

##### 2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### 2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

##### 2.15 Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.



**STOKE HILL MINERALS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**3. Employees**

The average monthly number of employees, including the Directors, during the year was as follows:

	2020 No.	2019 No.
Employees	<u>16</u>	<u>16</u>

**4. Tangible fixed assets**

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 January 2020	2,444,983	1,188,623	17,500	3,651,106
Additions	27,176	71,445	2,500	101,121
Disposals	-	(16,950)	(8,500)	(25,450)
At 31 December 2020	<u>2,472,159</u>	<u>1,243,118</u>	<u>11,500</u>	<u>3,726,777</u>
<b>Depreciation</b>				
At 1 January 2020	1,049,418	594,178	3,828	1,647,424
Charge for the year on owned assets	67,583	68,260	1,852	137,695
Charge for the year on financed assets	-	16,647	-	16,647
Disposals	-	(15,565)	(967)	(16,532)
At 31 December 2020	<u>1,117,001</u>	<u>663,520</u>	<u>4,713</u>	<u>1,785,234</u>
<b>Net book value</b>				
At 31 December 2020	<u>1,355,158</u>	<u>579,598</u>	<u>6,787</u>	<u>1,941,543</u>
At 31 December 2019	<u>1,395,565</u>	<u>594,444</u>	<u>13,672</u>	<u>2,003,681</u>

**STOKE HILL MINERALS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**5. Stocks**

	2020 £	2019 £
Finished goods and goods for resale	510,726	473,710
	<u>510,726</u>	<u>473,710</u>

**6. Debtors**

	2020 £	2019 £
Amounts owed by group undertakings	554,381	934,151
Other debtors	112,172	47,234
	<u>666,553</u>	<u>981,385</u>

Amounts owed by group and related undertakings are interest free and repayable on demand.

**7. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	499,482	410,152
Amounts owed to group undertakings	26,317	1,320,100
Amounts owed to participating interests	3,598	4,665
Accruals and deferred income	18,973	20,497
Other taxation and social security	19,239	49,392
Obligations under finance lease and hire purchase contracts	32,179	17,587
Other creditors	1,801	3,057
	<u>601,589</u>	<u>1,825,450</u>

Hire purchase liabilities totalling £32,179 (2019: £17,587) are secured against the assets to which they relate and guarantees given from parent companies.

**STOKE HILL MINERALS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**8. Creditors: Amounts falling due after more than one year**

	2020 £	2019 £
Net obligations under finance leases and hire purchase contracts	34,073	31,176
	<u>34,073</u>	<u>31,176</u>

Hire Purchase liabilities totalling £34,073 (2019: £31,176) are secured against the assets to which they relate and guarantees given from parent companies.

HSBC has an unlimited multilateral guarantee dated 16 December 2018 given by Johnston Quarry Group Limited, Hartham Park Minerals Limited, Stoke Hill Minerals Limited, The Bath Stone Company Limited, Bath Stone Group Limited and Building Stone Limited. At the year end group borrowings subject to guarantee were £7,350,012 (2019: £7,420,247). HSBC also has a debenture dated 16 December 2019 including both fixed and floating charges over the company's assets.

**9. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	2020 £	2019 £
Within one year	32,179	17,587
Between 1-2 years	26,249	18,216
Between 2-5 years	7,824	12,960
	<u>66,252</u>	<u>48,763</u>

**10. Deferred taxation**

	2020 £
At beginning of year	(326,416)
Charged to profit or loss	(2,312)
<b>At end of year</b>	<u><b>(328,728)</b></u>

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STOKE HILL MINERALS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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**10. Deferred taxation (continued)**

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Fixed asset differences	(328,728)	(326,416)
	<u>(328,728)</u>	<u>(326,416)</u>

**11. Restoration Provisions**

	Restoration Provision £
Charged to profit or loss	18,158
At 31 December 2020	<u>18,158</u>

A provision has been made for the restoration which will be required on closure of the mine at the end of the lease period.

Management have estimated the cost and this cost has been inflated to the end of the active planning permission in 2042 using an average rate of inflation of 2.7% per year.

This cost was then discounted to 1981, which was the year SHML started extraction from the site, using a discount rate of 4%.

This cost is capitalised within long-leasehold property and depreciated over the lease period.

The provision is then increased by the unwinding of the discount each year, which is charged to the profit and loss account as a finance charge.

**12. Related party transactions**

As at year end the company owed £21,117 (2019 - £nil) to it's ultimate parent company, Johnston Quarry Group Limited.

As at year end the company owed £nil (2019 - £1,320,100) to it's former immediate parent company, Building Stone Limited. The prior year balance was fully written off during the year.

As at year end the company was owed £365,501 (2019 - £720,000) by it's immediate parent company, Bath Stone Group Limited.

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## STOKE HILL MINERALS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 13. Ultimate parent undertaking

The ultimate parent undertaking is Johnston Quarry Group Limited (formerly Oathill Quarry Limited). The registered office is The Estate Office, Quarry Farm, Banbury Road, Great Tew, Chipping Norton, Oxfordshire, England, OX7 4BT.

#### 14. Lease

The company has a lease in respect of the mining rights which runs until March 2042. The initial two year planning permission which ceased in March 1984 was renewed for the length of the lease and mining recommenced in the year from 1 January 1986.

The company is committed to pay royalties on amounts extracted under the lease. Royalties of £152,593 (2019 - £255,444) were paid during the year.

#### 15. Auditors' information

The auditors' report on the financial statements prepared for the members was unqualified and the auditor drew attention by way of emphasis to note 2.2. which describes the company's reliance on group support to continue as a going concern.

The audit report was signed on *1<sup>st</sup> Sept 2021* by Kelly Jones (Senior Statutory Auditor) on behalf of Nexia Smith & Williamson Chartered Accountants & Statutory Auditors.