

East Midlands Quarries Limited

Financial statements

For the year ended 31 October 2003

Grant Thornton 



Company No. 1945142

Company information

Company registration number	1945142
Registered office	Brooks Court Stamford Lincolnshire PE9 2QX
Directors	L Tobin B E Ward Mrs M E Tobin
Secretary	Mrs M E Tobin
Accountants	Grant Thornton Chartered Accountants 8 West Walk Leicester LE1 7NH

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Report of the directors

The directors present their report and the unaudited financial statements of the company for the year ended 31 October 2003.

Principal activities and business review

The company is principally engaged in quarrying operations.

The company is in control of two substantial mineral deposits on which planning permission has been obtained. The value of the deposits has not been included in these financial statements.

The directors and their interests in shares of the company

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 October 2003	At 1 November 2002
L Tobin	7	7
B E Ward	3	3
Mrs M E Tobin	—	—

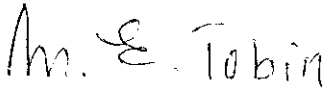
All directors served throughout the year. In accordance with the Articles of Association, the directors are not required to retire by rotation.

In addition at 31 October 2002 2,093 shares (2002: 2,093) were held by L Tobin and Mrs M E Tobin as trustees of the Harborough Trust of which L Tobin is a beneficiary and 897 shares (2002: 897) were held by B E Ward as a trustee and beneficiary of the Georgian Settlement.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

BY ORDER OF THE BOARD

A handwritten signature in dark ink, appearing to read 'Mrs M E Tobin', written in a cursive style.

Mrs M E Tobin
Secretary
30 June 2004

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements have also been prepared on the going concern basis. This basis is considered to be appropriate pending the outcome of current discussions on the company's future activity. The directors have agreed with the company that no repayment of their loan accounts will be sought without making alternative financing arrangements.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Tangible fixed assets and depreciation

All fixed assets are initially recorded at cost and no depreciation is provided on freehold land.

Profit and loss account

	Note	2003 £	2002 £
Turnover		18,032	23,453
Cost of sales		15,145	19,108
Gross profit		2,887	4,345
Other operating charges	1	56,376	47,102
Other operating income	2	1,063	(8,762)
Operating loss		(54,552)	(33,995)
Interest payable and similar charges		35,031	42,565
Loss on ordinary activities before taxation		(89,583)	(76,560)
Loss for the financial year		(89,583)	(76,560)

Balance sheet

	Note	2003 £	2002 £
Fixed assets			
Tangible assets	5	<u>348,240</u>	<u>344,153</u>
Current assets			
Debtors	6	14,083	17,333
Creditors: amounts falling due within one year	7	<u>690,284</u>	<u>672,864</u>
Net current liabilities		<u>(676,201)</u>	<u>(655,531)</u>
Total assets less current liabilities		<u>(327,961)</u>	<u>(311,378)</u>
Creditors: amounts falling due after more than one year	8	<u>451,000</u>	<u>378,000</u>
		<u>(778,961)</u>	<u>(689,378)</u>
Capital and reserves			
Called-up equity share capital	12	3,000	3,000
Profit and loss account	13	<u>(781,961)</u>	<u>(692,378)</u>
Deficiency		<u>(778,961)</u>	<u>(689,378)</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

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

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on 30 June 2004 and are signed on their behalf by:

L Tobin

B E Ward

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

1 Other operating income and charges

	2003 £	2002 £
Administrative expenses	56,376	47,102
Other operating income	1,063	(8,762)
	<u>57,439</u>	<u>38,340</u>

2 Other operating income

	2003 £	2002 £
Rent receivable	(1,063)	5,672
Other operating income	–	3,090
	<u>(1,063)</u>	<u>8,762</u>

3 Directors

The only employees of the company were its 3 directors (2002: 3), none of whom received any remuneration (2002: £Nil).

4 Tax on loss on ordinary activities

There is no tax charge based on the result for the year. The company has unrelieved losses which, subject to Inland Revenue agreement, are available for carry forward to future years.

5 Tangible fixed assets

	Freehold land £
Cost	
At 1 November 2002	344,153
Additions	4,087
At 31 October 2003	<u>348,240</u>
Depreciation	—
Net book value	
At 31 October 2003	<u>348,240</u>
At 31 October 2002	<u>344,153</u>

6 Debtors

	2003 £	2002 £
Trade debtors	12,388	6,603
Other debtors	1,695	10,730
	<u>14,083</u>	<u>17,333</u>

7 Creditors: amounts falling due within one year

	2003 £	2002 £
Bank overdrafts	675,194	661,594
Other creditors	15,090	11,270
	<u>690,284</u>	<u>672,864</u>

The bank overdrafts are secured.

8 Creditors: amounts falling due after more than one year

	2003 £	2002 £
Loan from directors	<u>451,000</u>	<u>378,000</u>

9 Leasing commitments

At 31 October 2003 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	2003 £	2002 £
Operating leases which expire: After more than 5 years	<u>14,610</u>	<u>14,610</u>

10 Transactions with directors

At 31 October 2002 there was an amount of £315,700 (2002: £264,600) due to L Tobin on the director's loan account and £135,300 (2002: £113,400) due to B E Ward on the director's loan account.

11 Contingent asset

The company has made royalty rent payments which are recoverable against future production royalties payable amounting to £179,776 at 31 October 2003 (2002: £162,165).

12 Share capital

Authorised share capital:

	2003 £	2002 £
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>

13 Reconciliation of shareholders' funds and movement on reserves

	Share capital £	Profit and loss account £	Total share- holders' funds £
At 1 November 2002	3,000	(692,378)	(689,378)
Loss for the year	—	(89,583)	(89,583)
At 31 October 2003	<u>3,000</u>	<u>(781,961)</u>	<u>(778,961)</u>

14 Controlling related party

L Tobin and Mrs M E Tobin are this company's controlling related party by virtue of their shareholdings.