

AUDITORS' REPORT TO

BANNOCKS (TIGRE) MARBLE COMPANY LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 9, together with the financial statements of the Company for the year ended 28th February 1998 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors


The directors are responsible for preparing the abbreviated accounts 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 accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts 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 accounts and that the abbreviated accounts 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 financial statements.

Opinion

In our opinion the Company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 9 are properly prepared in accordance with those provisions.


COLIN J B SPINKS & CO
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

St James House
65 Mere Green Road
Four Oaks
Sutton Coldfield
West Midlands B75 5BY

7 December 1998

Company No: 418128



BANNOCKS (TIGRE) MARBLE COMPANY LIMITED

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements are prepared on the basis of historical cost and in accordance with generally accepted fundamental accounting concepts which have been consistently applied in order to present fairly the results and financial position.

CASH FLOW STATEMENT

The Company has taken advantage of the exemption available per FRS1 for small Companies not to prepare a cash flow.

TURNOVER

Turnover is the total amount receivable by the Company in the ordinary course of business for work executed and services provided, excluding VAT and including the value of work done during the year but not invoiced.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost.

DEPRECIATION is provided as follows on the decreasing balance -

Fixtures and Fittings	15% per annum
Plant and Equipment	15% per annum
Motor Vehicles	25% per annum

LEASED ASSETS

Where assets are financed by leasing agreements which give risks and rewards approximating to ownership ("finance leases") they are treated as if they had been purchased outright on credit. They are therefore initially recorded as a fixed asset and a liability, at a sum equal to the fair value of the asset. Leasing payments on such assets are regarded as consisting of a capital element which reduces the outstanding liability and an interest element which is charged to the profit and loss account.

All other leases are regarded as operating leases and the total payments made under them are charged to the profit and loss account on a straight line basis over the lease term other than rents of properties which are charged as they arise.

BANNOCKS (TIGRE) MARBLE COMPANY LIMITED

ACCOUNTING POLICIES

GOODWILL

Purchased goodwill is being written off on a straight line basis over its anticipated economic life which is a period of twenty years from 1 March 1992.

STOCK

Stock in trade has been valued at the lower of cost or net realisable value.

Work in progress has been valued by the directors on the basis of cost and appropriate overheads.

TAXATION

Deferred taxation is the taxation attributable to timing differences between profits computed for taxation purposes and results as stated in the financial statements. Deferred taxation is provided for to the extent that it is probable that a liability or asset will crystallise and not provided for to the extent that it is probable that a liability will not crystallise. Unprovided deferred taxation is disclosed as a contingent liability.

BANNOCKS (TIGRE) MARBLE COMPANY LIMITED

BALANCE SHEET : 28TH FEBRUARY 1998

	<u>NOTES</u>	<u>1998</u>	<u>1997</u>
		<u>£</u>	<u>£</u>
FIXED ASSETS			
Intangible Assets	1	28,465	30,497
Tangible Assets	2	<u>139,462</u>	<u>79,623</u>
		<u>167,927</u>	<u>110,120</u>
CURRENT ASSETS			
Stock		42,918	41,846
Debtors	3	163,153	193,032
Cash at Bank and in Hand		<u>23,429</u>	<u>28,066</u>
		229,500	262,944
CURRENT LIABILITIES			
Creditors: Amounts Falling Due Within One Year	4	<u>233,915</u>	<u>257,448</u>
NET CURRENT LIABILITIES/ASSETS		(<u>4,415</u>)	<u>5,496</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		163,512	115,616
Creditors: Amounts Falling Due After More Than One Year	4	(29,611)	(14,036)
Provision for Liabilities and Charges		(_____)	(_____)
NET ASSETS		<u>133,901</u>	<u>101,580</u>
CAPITAL AND RESERVES			
Called-up Share Capital (Issued and Fully Paid £1 each)		70,000	70,000
Profit and Loss Account		<u>63,901</u>	<u>31,580</u>
		<u>133,901</u>	<u>101,580</u>

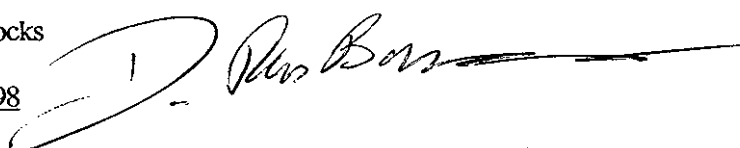
These abbreviated accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities.

In the preparation of the Company's annual accounts, the directors have taken advantage of special exemptions applicable to small companies 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 OF DIRECTORS AND SIGNED ON THEIR BEHALF BY:

Donald R Bannocks

1 December 1998



BANNOCKS (TIGRE) MARBLE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1 INTANGIBLE ASSETS

GOODWILL

£

Cost:

At 1st March 1997

40,657

At 28th February 1998

40,657

Amortisation:

At 1st March 1997

10,160

Charge for Year

2,032

At 28th February 1998

12,192

Net Book Value:

At 28th February 1997

30,497

At 28th February 1998

28,465

Purchased goodwill is being written off over its anticipated economic life which is a period of twenty years from 1 March 1992.

BANNOCKS (TIGRE) MARBLE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

2 TANGIBLE ASSETS

	<u>PLANT AND EQUIPMENT</u>	<u>OFFICE EQUIPMENT FIXTURES AND FITTINGS</u>	<u>MOTOR VEHICLES</u>	<u>TOTAL</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Cost:				
At 1st March 1997	63,381	34,850	104,379	202,610
Additions	43,225	11,430	54,653	109,308
Disposals	—	—	(41,193)	(41,193)
At 28th February 1998	<u>106,606</u>	<u>46,280</u>	<u>117,839</u>	<u>270,725</u>
Depreciation:				
At 1st March 1997	44,999	23,576	54,412	122,987
Charge for Year	9,242	3,405	22,602	35,249
Eliminated in respect of disposal	—	—	(26,973)	(26,973)
At 28th February 1998	<u>54,241</u>	<u>26,981</u>	<u>50,041</u>	<u>131,263</u>
Net Book Value:				
At 28th February 1997	<u>18,382</u>	<u>11,274</u>	<u>49,967</u>	<u>79,623</u>
At 28th February 1998	<u>52,365</u>	<u>19,299</u>	<u>67,798</u>	<u>139,462</u>

The above assets include motor vehicles valued at £63,213 which are subject to hire purchase. The balance outstanding at 28th February 1998 was £54,917

BANNOCKS (TIGRE) MARBLE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

3 DEBTORS

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
Amounts Falling Due Within One Year:		
Directors Account	24,307	-
Advance Corporation Tax	16,235	16,235
Trade Debtors	22,279	59,559
Prepayments	<u>6,028</u>	<u>5,427</u>
	68,849	81,221
Amounts Falling Due After More Than One Year:		
Associated Companies	<u>94,304</u>	<u>111,811</u>
	<u>163,153</u>	<u>193,032</u>

The Directors Account of Mr D R Bannocks senior was overdrawn during the year. The account has been cleared after date as part of an arrangement with the Inland Revenue.

BANNOCKS (TIGRE) MARBLE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

4 CREDITORS

	<u>Amounts Falling Due Within One Year</u>		<u>Amounts Falling Due After More Than One Year</u>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Bank Loans and Overdrafts	16,701	-	-	-
Corporation Tax	9,497	-	-	-
Advance Corporation Tax	6,000	12,000	-	-
Taxation and Social Security Payable	18,506	24,299	-	-
Payments Received on Account	78,980	99,003	-	-
Hire Purchase	25,306	26,590	29,611	14,036
Trade Creditors	43,436	55,864	-	-
Directors Accounts	22,241	1,277	-	-
Dividends	600	24,600	-	-
Accruals	<u>12,648</u>	<u>13,815</u>	<u>-</u>	<u>-</u>
	<u>233,915</u>	<u>257,448</u>	<u>29,611</u>	<u>14,036</u>

Bank facilities are secured by a personal guarantee given by Mr D R Bannocks, dated from 18 February 1997. They are repayable on demand.

Hire Purchase accounts amounting £54,917 (1997 £40,626) are secured by charges on motor vehicles, with a book value of £63,213.

CREDITORS FALLING DUE AFTER MORE THAN ONE YEAR INCLUDE THE FOLLOWING:-

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
Amounts Repayable Within Second Year:		
Hire Purchase	17,550	10,888
Amounts Repayable Within Two To Five Years:		
Hire Purchase	<u>12,061</u>	<u>3,148</u>
	<u>29,611</u>	<u>14,036</u>

BANNOCKS (TIGRE) MARBLE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

5 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
Profit/loss for the financial year	32,321	(11,128)
Dividends	<u> -</u>	<u>24,000</u>
	32,321	(35,128)
Opening shareholders' funds	<u>101,580</u>	<u>136,708</u>
Closing shareholders' funds	<u>133,901</u>	<u>101,580</u>

6 HOLDING COMPANY

The Company is a wholly owned subsidiary of D. R. Bannocks Group Limited, a Company registered in the United Kingdom. The registered office of that Company is 117 Streetsbrook Road, Shirley, Solihull, West Midlands, B90 3PE.