

THE MINING ASSOCIATION OF THE UNITED KINGDOM

ANNUAL REPORT AND ACCOUNTS

for the year ended 31 December, 2009

WEDNESDAY



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COMPANIES HOUSE



OFFICIALS AND ADMINISTRATION

President Dr P Holmes

Vice-President

Elected Councillors G Clarke
G Dunn (appointed 17 November 2009)
Dr P Foster
P Huxtable (Honorary Treasurer)
B L Lott (resigned 17 November 2009)
S Reece
S P C Stewart (Resigned 30 June 2009)

Auditors Dains LLP
Third Floor
Fort Dunlop
Fort Dunlop Parkway
Birmingham
B24 9FD

Secretary R A Fenton
78 Copt Heath Drive
Knowle
Solihull
B93 9PB

Registered Office 78 Copt Heath Drive
Knowle
Solihull
B93 9PB

Company Number 00417114

25 March 2010

NOTICE OF MEETING

The Sixty Fourth Annual General Meeting of the Mining Association of the United Kingdom will be held at Concorde House, Trinity Park, Solihull B37 7UQ at 10 30am on Thursday 29 April 2010 for the following business

- 1 To consider the accounts of the Association and the reports of the Council and auditors for the year ended 31 December 2009
- 2 To elect members of Council for the ensuing year
- 3 To fix rates of membership subscriptions
- 4 To re-appoint Dains LLP as Auditors

Should any member company wish to appoint a proxy to attend and, on a poll, to vote in its stead, the instrument, in the usual common form, must be deposited with the Secretary of the Association not less than 24 hours before the meeting. No person shall act as a proxy unless he is entitled to be present and vote at the meeting.

A corporation may vote by its company representative appointed in terms of Article 8 or by its representative appointed pursuant to Section 485 of the Companies Act 2006.

By Order of the Council



R A Fenton

Secretary

78 Copt Heath Drive
Knowle
Solihull
B93 9PB

25 March 2010

REPORT OF THE COUNCIL

The Council submits its annual report and audited accounts for the year ended 31 December 2009

Consultation with government and other authorities in the UK and the EU remains the prime task of the Association as the representative body of the mining industry of the United Kingdom

ENVIRONMENT

During 2009 the Association has continued to be involved on environmental issues at European and National levels

The Association has continued to be involved with its colleagues and Government on the transposition on the Mining Waste Directive which came into force in UK law on 7 July 2009. Through CBI Minerals Group, the Association has been involved in discussions with the Environment Agency on putting the Directive into practice through the Environmental Permitting Programme. This has included responding to drafts of the Technical Guidances being prepared by Defra and the Environment Agency. This has continued into 2010. The Association's members had a presentation from Defra in November 2009 and this was followed by a meeting in December with the Environment Agency at which the members explained their operations. Although the exact details of how the system will work have not been completed, any waste facility opened since May 2008 has had to be registered.

During 2009 the proposed Soil Directive was again on and off the agenda. A number of Member States including UK remain firmly opposed to the proposal. The UK Government has stated that whilst it supports soil protection, it is opposed to a Soil Directive.

Members of the Association have a good environmental record and the Association takes a pro-active stance on environmental issues. The Association now produces annual environmental statistics. The figures below represent the UK underground operating members.

	2006	2007	2008	2009
No. of reportable incidents - Dam Leakage	0	2	0	0
Discharge to Water	1	3	1	1
Discharge to Air	0	0	0	0
Discharge to Ground	0	0	0	0
Noise	0	0	0	0
No. of formal actions by the Environment Agency	3	0	0	1
No. of prosecutions by the Environment Agency	0	0	0	1

HEALTH & SAFETY

The occupational exposure levels for NO_x was again raised by SCOEL (the Standing Committee on Occupational Exposure Levels). It was using a Brazilian study as the basis. This study was flawed and at present there has been no change to the levels.

In the UK the Association continued to work closely with the Health and Safety Executive and is represented by Dr P Holmes on the Safety and Health in Mines Advisory Board. Over a number of years, the Association has taken a pro-active position and this continues to benefit the industry. In addition the Association has two representatives on the Mining Industry Committee.

Mining Association of the United Kingdom (Limited by Guarantee)

The UK underground operating members of the Association report their safety as a lost time accident frequency rate based on the number of accidents (defined as more than 3 consecutive days off work) per 100,000 man-hours worked. The results for the last four calendar years are

	2006	2007	2008	2009
Fatalities	0	1	0	0
Frequency rate	0	0	0	0
Reportable accidents	50	20	32	22
Frequency rate	2.38	0.86	1.21	0.80

MEMBERSHIP OF THE ASSOCIATION

There were no new members during the year. Anglo American and Rio Tinto gave notice that they would leave the Association at the 31 December 2009.

COUNCIL

Mr J B Lott continued as President until his retirement on 17th November. The Association thanked him for his services and wishes him well for the future. The Vice-President Dr P Holmes took over as President until the Annual General Meeting.

Mr S P C Stewart also retired from Council during the year. Mr Stewart had been a member of Council since 1997 and the Association thanked him for his contribution during that time and wishes him well for the future. No replacement was sought for Mr Stewart as Rio Tinto was resigning from membership.

Mr G Dunn was appointed to Council during the year as Mr S Reece had left Salt Union. Mr Reece has moved to the Nuclear Decommissioning Agency, who are members of the Association, and Mr Reece was asked and agreed to continue as a member of Council in a personal capacity.

Dr P Holmes and Dr P J Foster retire at the forthcoming Annual General Meeting in accordance with Article 43 of the Articles of Association. In addition, Mr G Dunn, who was appointed since the last Annual General Meeting, also retires at the forthcoming meeting under Article 41 of the Articles of Association. They are eligible and offer themselves for re-election.

REPORT OF THE COUNCIL (contd.)

ACCOUNTS AND FINANCE

The audited accounts of the Association are summarised as follows

	£
The result for the year ended 31 December 2009 was a deficit of	767
and which is deducted from the surplus on the Income and Expenditure Account as at 31 December 2008 of	<u>28,706</u>
leaving a balance on the Income and Expenditure Account at 31 December 2009	<u>27,939</u>

SUBSCRIPTION RATES

The Council proposes that the following will be the subscription rates for the year to 31 December 2010

Class A UK-based major mineral companies	£4,100
Class B Overseas-based major mineral companies	£4,100
Class C Significant mineral companies and major consultancies	£3,000
Class D1 Small mineral companies	£1,210
Class D2 Exploration, consultancies, research & other organisations	£935
Class E Tourist and University Mines	£300
Personal members	£50

PROVISION OF INFORMATION TO AUDITORS

Each persons, who are directors at the time when this report of the Council is approved has confirmed that

- So far as that director is aware there is no relevant audit information of which the company's auditors are unaware, and
- That director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

AUDITORS

Dains LLP have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be submitted to the Annual General Meeting

By Order of the Council



R A Fenton

Secretary

25 March 2010

STATEMENT OF THE RESPONSIBILITIES OF MEMBERS OF COUNCIL

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' reports may differ from legislation in other jurisdictions.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE MINING ASSOCIATION OF THE UNITED KINGDOM**

We have audited the financial statements of the Mining Association of the United Kingdom for the year ended 31 December 2009, set out on pages 9 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members of Council and auditors

As explained more fully in the statement of director's responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the director, and the overall presentation of the financial statements.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to

Mining Association of the United Kingdom (Limited by Guarantee)_____

report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Dains LLP

Mark Hargate FCA (senior statutory auditor)

for and on behalf of
Dains LLP

Statutory Auditor
Chartered Accountants

Fort Dunlop, Birmingham

Date 25 March 2010

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009 £	2008 £
INCOME		
Members' subscriptions (note 2)	<u>28,512</u>	<u>30,035</u>
LESS OPERATING COSTS		
Membership of other bodies and associated costs	8,879	8,184
Technical services provided	19,000	19,000
Audit Fee	435	385
General office expenses	<u>1,100</u>	<u>940</u>
	<u>29,414</u>	<u>28,509</u>
NET OPERATING (DEFICIT) / SURPLUS ON ORDINARY ACTIVITIES	(902)	1,526
OTHER INCOME		
Interest receivable	<u>135</u>	<u>496</u>
NET OPERATING (DEFICIT) / SURPLUS BEFORE AND AFTER TAXATION	(767)	2,022
	<hr/>	<hr/>

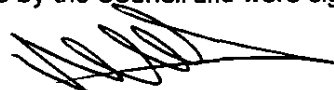
There are no recognised gains or losses other than those stated in the income and expenditure account above. All items dealt with in the income and expenditure account, relate to continuing operations.

The notes on pages 11 & 12 form part of these accounts

**BALANCE SHEET
AT 31 DECEMBER 2009**

	2009	2008
	£	£
CURRENT ASSETS		
Prepayments and Accrued Income	757	1,536
Balance at bank		
Current account	3,490	3,410
Deposit account	<u>25,710</u>	<u>25,728</u>
	<u>29,200</u>	<u>29,138</u>
	29,957	30,674
CREDITORS - amounts falling due within one year		
Accruals and Deferred Income	2,018	1,968
Tax		
NET CURRENT ASSETS	<u>27,939</u>	<u>28,706</u>
CAPITAL AND RESERVES		
Income and Expenditure account	<u>27,939</u>	<u>28,706</u>

The financial statements were approved and authorised for issue by the Council and were signed on its behalf on 25th March 2010



P Holmes, President



P L Huxtable, Honorary Treasurer

25 March 2010

The notes on pages 11 & 12 form part of these accounts

NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

The accounts are prepared under the historical cost convention, in accordance with applicable UK accounting standards

1.2 CASH FLOW

The company has taken advantage of the exemption conferred by Financial Reporting Standard No 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 2006

2 INCOME	2009 £	2008 £
Members' subscriptions	<u>28,512</u>	<u>30,035</u>

Annual subscriptions for the year ended 31 December 2009 were paid by members at the various rates approved by the membership. A total of 19 members contributed. Each member has a single vote at any General Meeting.

3 OPERATING (DEFICIT) / SURPLUS – stated after charging	2009 £	2008 £
Auditors' remuneration	435	385

4 TAXATION

On the basis of these financial statements no provision has been made for corporation tax.

5 EMPLOYEES

There are no employees and no remuneration was paid to the members of Council.

6 INCOME AND EXPENDITURE ACCOUNT

	2009 £	2008 £
At 1 January 2009	28,706	26,684
(Deficit)/surplus for the year	(767)	2,022
	<hr/>	<hr/>
At 31 December 2009	27,939	28,706
	=====	=====

Mining Association of the United Kingdom (Limited by Guarantee)_____

10 COMPANY STATUS

The company is a private company limited by guarantee and consequently does not have a share capital. The Memorandum of Association requires that any assets remaining on a wind up are to be transferred to an institution with objectives similar to those of the Association. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

MEMBERS AT 31 DECEMBER 2009

Corporate

British Gypsum
Camborne School of Mines
Cleveland Potash Ltd
Glebe Mines Ltd
Institute of Materials, Minerals and Mining
Irish Salt Mining and Exploration Co Ltd
MI Drilling Fluids UK Ltd
Mineral Industry Research Organisation
Mines Rescue Service Ltd
National Coal Mining Museum of England
Nuclear Decommissioning Authority
Wardell Armstrong
Western United Mines Ltd

Personal Member

Cambridge, M R
Huxtable, P L