

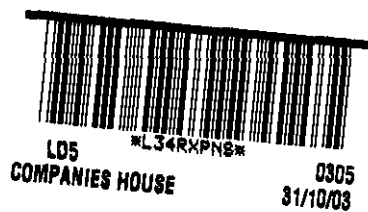
MINING JOURNAL BOOKS LIMITED

COMPANY No. 1172046

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2002



Mining Journal Books Limited

Company Information

Directors

C.G. Hinde
M.J. West
L.C.G.C. Williams

Secretary

M.J. West

Registered Office

60 Worship Street
London
EC2A 2HD

Bankers

National Westminster Bank plc
1 Princes Street
London
EC2R 8PB

Auditors

Kingston Smith
Devonshire House
60 Goswell Road
London
EC1M 7AD

Mining Journal Books Limited

Report of the Directors

The directors have pleasure in presenting their report and financial statements for the year ended 31 December 2002.

Principal activities

The principal activities of the company consist of the publications of books, electronic media and associated media. During the year it continued as an agent for Mining Journal's subscription sales and for other publishers' books.

Directors

The following directors have held office since 1 January 2002:

C.G. Hinde
M.J. West
L.C.G.C. Williams

Directors and their interests

The directors who served the company during the year together with their beneficial interests (including family interests) in the shares of the company at the beginning (or subsequent date of appointment) and end of the year, were as follows:

	Ordinary shares of £ 1 each	
	31 December 2002	1 January 2002
C.G. Hinde	-	-
M.J. West	-	-
L.C.G.C. Williams	-	-

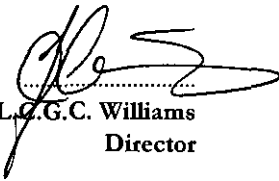
Auditors

Kingston Smith have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed they be re-appointed auditors to the company for the ensuing year.

Small company rules

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

On behalf of the Board


L.C.G.C. Williams
Director

60 Worship Street
London
EC2A 2HD

Date: 12 May 2003

Mining Journal Books Limited

Directors' Responsibilities & Report of the Auditors

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; prepare the financial statements on a going concern basis unless it is inappropriate to assume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

Independent Auditors' Report to the Shareholders of Mining Journal Books Limited

We have audited the financial statements of Mining Journal Books Limited for the year ended 31 December 2002 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party 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 the directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

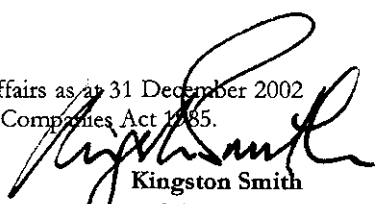
Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Devonshire House
60 Goswell Road
London

EC1M 7AD

Date: 12 May 2003


Kingston Smith
Chartered Accountants
and Registered Auditors

Mining Journal Books Limited
Profit and Loss Account
For the year ended 31 December 2002

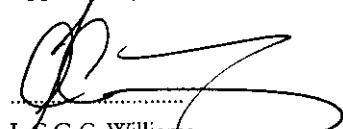
	Notes	2002 £	2001 £
Turnover	2	181,382	170,833
Cost of sales		(89,731)	(90,745)
Gross profit		91,651	80,088
Administrative expenses		(60,518)	(59,198)
Operating profit	3	31,133	20,890
Other interest receivable and similar income		2,073	1,803
Interest payable and similar charges		(2,073)	(1,800)
Profit on ordinary activities before taxation		31,133	20,893
Taxation	4	-	-
Profit on ordinary activities after taxation	10	31,133	20,893

Mining Journal Books Limited
Balance Sheet
As at 31 December 2002

	Notes	2002 £	£	2001 £	£
Fixed Assets					
Intangible assets	5		-		5,000
Current Assets					
Stocks		14,384		3,254	
Debtors	6	62,974		61,963	
Cash at bank and in hand		58,374		97,007	
		<u>135,732</u>		<u>162,224</u>	
Creditors: Amounts falling due within one year	7	<u>(104,318)</u>		<u>(116,943)</u>	
Net Current Assets			31,414		45,281
Total Assets Less Current Liabilities			31,414		50,281
Creditors: Amounts falling due after more than one year	8		-		(50,000)
Net Assets			<u>31,414</u>		<u>281</u>
Capital and Reserves					
Called up share capital	9		100		100
Profit and loss account	10		31,314		181
Shareholders' Funds			<u>31,414</u>		<u>281</u>

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

Approved by the Board on 12 May 2003



 L.C.G.C. Williams
 Director



 C.G. Hinde
 Director

Mining Journal Books Limited

Notes to the Financial Statements

For the year ended 31 December 2002

1 Accounting Policies

a) Accounting basis and standards

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).

b) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all direct costs incurred in bringing the stocks to their present location and condition, including where appropriate, a proportion of manufacturing overheads.

c) Turnover

Turnover represents the invoiced amount of books, CD Roms, publications and associated matter sold and commissions received. It is stated net of value added tax and is attributable to the one principal activity of the company.

d) Deferred taxation

Deferred tax is accounted for under the liability method in respect of the taxation effect of all timing differences which are expected to reverse in the future, calculated at the rate at which it is estimated that tax will be payable.

e) Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the end of the financial year. All exchange differences are dealt with in the profit and loss account.

2 Turnover

The directors consider that the disclosures by geographical market would be seriously prejudicial to the business.

3 Operating Profit

	2002	2001
	£	£
Operating profit is stated after charging:		
Loss on foreign exchange transactions	123	160
Auditors' remuneration	4,500	3,000
Amortisation	5,000	15,000
	<u> </u>	<u> </u>

4 Taxation

	2002	2001
	£	£
Current tax charge	<u> </u>	<u> </u>

No corporation tax arises due to group relief losses being available.

Mining Journal Books Limited
Notes to the Financial Statements
For the year ended 31 December 2002 (Continued)

5 Intangible Assets

	Development Costs £
Cost	
At 1 January 2002 & at 31 December 2002	44,398
Amortisation	
At 1 January 2002	39,398
Charge for the year	5,000
At 31 December 2002	44,398
Net book value	
At 31 December 2002	-
At 31 December 2001	5,000

6 Debtors

	2002 £	2001 £
Trade debtors	9,509	11,376
Amounts owed by group undertakings	43,191	47,522
Other debtors	10,274	3,065
	62,974	61,963

7 Creditors: Amounts Falling Due Within One Year

	2002 £	2001 £
Trade creditors	11,948	11,604
Other creditors	92,370	105,339
	104,318	116,943

8 Creditors: Amounts Falling Due After More Than One Year

	2002 £	2001 £
Other creditors	-	50,000
Analysis of loans		
Wholly repayable within five years	-	50,000

Mining Journal Books Limited
Notes to the Financial Statements
For the year ended 31 December 2002 (Continued)

9	Called Up Share Capital	2002	2001
		£	£
	Authorised		
	100 Ordinary shares of £ 1 each	100	100
		<hr/>	<hr/>
	Called up, allotted and fully paid		
	100 Ordinary shares of £ 1 each	100	100
		<hr/>	<hr/>

10 Statement of Movements on Profit and Loss Account

2002		Profit and loss account
		£
	Balance at 1 January 2002	181
	Retained profit for the year	31,133
		<hr/>
	Balance at 31 December 2002	31,314
		<hr/>
2001		Profit and loss account
		£
	Balance at 1 January 2001	(20,712)
	Retained profit for the year	20,893
		<hr/>
	Balance at 31 December 2001	181
		<hr/>

11 Immediate Parent Undertaking and Ultimate Controlling Party

The immediate and ultimate parent undertaking is The Mining Journal Limited, a company incorporated in England and Wales.

The ultimate controlling party is Lawrence Williams by virtue of his ownership of 54.9% of the issued share capital of The Mining Journal Limited.

12 Related Party Transactions

During the year the company paid interest of £2,073 (2001 - £1,800) to Andrew House Limited, a company in which C.G. Hinde, M.J. West and L.C.G.C. Williams are all directors and M.J. West is the controlling party. This was in respect of a loan, the balance of which at 31st December 2002 was £50,000 (2001 - £61,161). The company owed Andrew House Limited £Nil (2001 - £50,000), due more than one year.

The company sold services worth £44,000 (2001 - £50,000) and incurred expenses of £15,263 (2001 - £13,837) in transactions with its parent company, The Mining Journal Limited. It also paid a management fee in the year of £45,063 (2001 - £33,689). As at 31st December 2002 the balance owed by The Mining Journal Limited was £43,191 (2001 - £2,478 was owed to Mining Journal Limited).