

ROL



## **MINING JOURNAL BOOKS LIMITED**

**Company No. 1172046**

### **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2000**



# **Mining Journal Books Limited**

## **Company Information**

### **Directors**

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

### **Secretary**

R. Aley

### **Registered Office**

60 Worship Street  
London  
EC2A 2HD

### **Bankers**

National Westminster Bank plc  
City of London Office  
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**  
**For the year ended 31 December 2000**

The directors submit their Report and Accounts for the year ended 31st December 2000.

**Principal Activities**

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

**Results and Dividends**

The operations of the company for the year resulted in a loss of £27,794 (1999 : £57,051 - profit) after deduction of all expenses. The directors do not recommend the payment of a dividend due to the disappointing results in the year.

**Directors**

The following directors served on the Board in the year:

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

None of the above has a beneficial interest in the issued shares of the company.

The directors interest in the shares of the ultimate parent company, The Mining Journal Limited, are shown in that company's accounts.

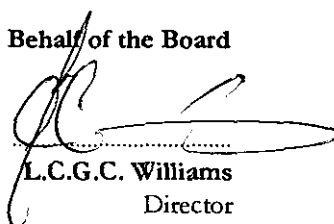
**Auditors**

Kingston Smith have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act 1985 it is proposed that 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 March 2000).

On Behalf of the Board

  
L.C.G.C. Williams  
Director

60 Worship Street  
London EC2A 2HD

Date: 30th October 2001

# **Mining Journal Books Limited**

## **Directors' Responsibilities and 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 and 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 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 31st December 2000 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. These have been prepared under the historical cost convention, the accounting policies set out therein and the Financial Reporting Standard for Smaller Entities.

#### **Respective Responsibilities of 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 the 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.

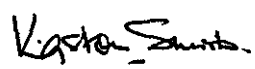
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 31st December 2000 and of its loss 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: 30th October 2001

  
**Kingston Smith**  
Chartered Accountants  
and Registered Auditors

**Mining Journal Books Limited**  
**Profit and Loss Account**  
**For the year ended 31st December 2000**

	Note	2000 £	1999 £
<b>Turnover</b>	2	142,986	213,352
Cost of sales		<u>(112,248)</u>	<u>(107,774)</u>
<b>Gross profit</b>		30,738	105,578
Administrative expenses		<u>(58,773)</u>	<u>(43,315)</u>
<b>Operating (Loss)/profit</b>	3	(28,035)	62,263
Interest Receivable and Similar Income		12,073	12,712
Interest payable and similar charges		<u>(11,832)</u>	<u>(3,441)</u>
<b>(Loss)/Profit on Ordinary Activities before Taxation</b>		(27,794)	71,534
Taxation	4	<u>-</u>	<u>(14,483)</u>
<b>(Loss)/Profit for the Financial Year</b>		(27,794)	57,051
Dividend on equity shares	5	<u>-</u>	<u>(100,000)</u>
<b>Withdrawn from Reserves</b>		<u><u>(27,794)</u></u>	<u><u>(42,949)</u></u>

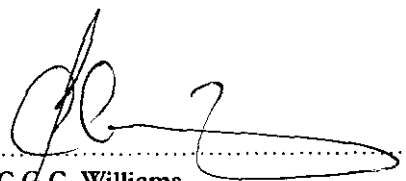
# Mining Journal Books Limited

## Balance Sheet as at 31st December 2000

	Note	2000 £	2000 £	1999 £	1999 £
<b>Fixed Assets</b>					
Intangible assets	6		20,000		-
<b>Current Assets</b>					
Stock	7	-		3,376	
Debtors	8	32,617		3,724	
Cash at bank and in hand		<u>18,074</u>		<u>255,803</u>	
		50,691		262,903	
<b>Creditors: Amounts falling due within one year</b>	9	<u>(41,303)</u>		<u>(205,721)</u>	
<b>Net Current Assets</b>			<u>9,388</u>		<u>57,182</u>
<b>Total assets less current liabilities</b>			29,388		57,182
<b>Creditors: Amounts falling due after more than one year</b>	10		<u>(50,000)</u>		<u>(50,000)</u>
<b>Net (Liabilities)/Assets</b>			<u>(20,612)</u>		<u>7,182</u>
<b>Capital and Reserves</b>					
Called up share capital - equity interests	10		100		100
Profit and loss account	10		<u>(20,712)</u>		<u>7,082</u>
<b>(Deficiency)/surplus in Shareholders' Funds</b>			<u>(20,612)</u>		<u>7,182</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 March 2000).

Approved by the board on 30th October 2001

  
L.C.G.C. Williams  
Director

# Mining Journal Books Limited

## Notes to the Accounts

### For the year ended 31st December 2000

#### 1 Accounting Policies

##### Accounting Basis and Standards

The accounts are prepared under the historical cost convention.

The nature of the company's business is such that there can be a significant variation in the timing of cash inflows. The directors have prepared projected cash flow information on a month-by-month basis for the period ending twelve months from the date of their approval of these financial statements. To the extent that additional funding is required the Company has been supported by its parent undertaking, The Mining Journal Limited.

On the basis of the cash flow information and the support of the parent, the directors consider that the Company will be in a position to operate satisfactorily for the foreseeable future and that it is appropriate to prepare the financial statements on the going concern basis.

##### 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.

##### Research and Development

Development expenditure incurred on an individual project is carried forward when its future recoverability can be foreseen with reasonable assurance. Any expenditure carried forward is amortised in line with sales from the related project.

##### 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.

##### 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.

##### Foreign Currencies

Transactions denominated in foreign currencies are translated into Sterling at the exchange rate 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 company has derived 56 % (1999 - 56%) of its turnover from supplying geographical markets outside the UK.

#### 3 Operating (Loss)/Profit

The operating (loss)/profit is stated after charging:

	2000 £	1999 £
Auditors' remuneration	2,000	1,000
Management fees	-	37,765
Loss on foreign exchange	191	243

The management fees relate to the indirect costs invoiced to the company by its holding company. It includes an element of directors' emoluments and staff salaries.

**Mining Journal Books Limited**  
**Notes to the Accounts**  
**For the year ended 31st December 2000 (Continued)**

<b>4 Tax on Profit on Ordinary Activities</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Corporation tax on income for the current year	-	14,483
	<u>-</u>	<u>14,483</u>
<b>5 Dividend</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Dividend payable	-	100,000
	<u>-</u>	<u>100,000</u>
<b>6 Intangible Assets</b>		<b>Deferred Development Expenditure</b>
<b>Cost or Valuation</b>		<b>£</b>
Additions		44,398
At 31st December 2000		<u>44,398</u>
<b>Amortisation</b>		
Charge for the year		24,398
At 31st December 2000		<u>24,398</u>
<b>Net Book Value</b>		
At 31st December 2000		<u>20,000</u>
<b>7 Stocks</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Finished goods and goods for resale	-	3,376
	<u>-</u>	<u>3,376</u>
<b>8 Debtors</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Trade debtors	25	659
Amounts owed by group undertakings	28,555	-
Recoverable Corporation Tax	3,065	3,065
Prepayments	972	-
	<u>32,617</u>	<u>3,724</u>
<b>9 Creditors: Amounts falling due within one year</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Trade creditors	5,803	8,602
Amounts owed to group undertaking	-	172,840
Other creditors	15,500	22,069
Accruals	20,000	2,210
	<u>41,303</u>	<u>205,721</u>



**Mining Journal Books Limited**  
**Notes to the Accounts**  
**For the year ended 31st December 2000 (Continued)**

**10 Creditors: Amounts falling due after more than one year**

	2000	1999
	£	£
Long term loan	<u>50,000</u>	<u>50,000</u>

This is an unsecured loan from Andrew House Limited at an interest rate related to interest received on equivalent cash investments. There are no formal terms of repayment however the above represents the minimum amount which does not fall due for repayment prior to 15th November 2002.

**11 Share Capital, Movement on Reserves and Reconciliation of Movements in Shareholders' Funds**

	Share Capital	Profit and Loss Account	Total Shareholders Funds
	£	£	£
Balance at 1st January 1999	100	50,031	50,131
Profit attributable to the shareholders of the company	-	57,051	57,051
Dividends	-	(100,000)	(100,000)
	<u>100</u>	<u>7,082</u>	<u>7,182</u>
Balance at 31st December 1999	100	7,082	7,182
Loss attributable to the shareholders of the company	-	(27,794)	(27,794)
Dividends	-	-	-
	<u>100</u>	<u>(20,712)</u>	<u>(20,612)</u>

The authorised share capital comprises 100 ordinary shares of £1 each (1999: 100) of which 100 have been allotted, issued and are fully paid (1999: 100).

**12 Immediate Parent Undertaking and Ultimate Controlling Party**

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

The ultimate controlling party is Lawrence Williams by virtue of his ownership of 54.9% of the issued share capital of that company.

**13 Related Party Transactions**

During the year the Company paid interest of £11,832 (1999 - £3,441) 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 2000 was £61,832 (1999 - £69,426).

The Company sold services worth £40,000 (1999 - £50,000) and incurred expenses of £15,377 (1999 - £29,918) in transactions with its parent company, The Mining Journal Limited. It also paid a management fee in the year of £39,653 (1999 - £37,765). As at 31st December 2000 the balance owed by/(to) The Mining Journal Limited was £28,555 (1999 - (£172,840)).