

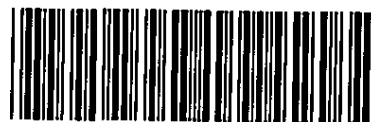
Company Registration No 1947623 (England and Wales)

**WORLD COAL ASSOCIATION
COMPANY LIMITED BY GUARANTEE**

Financial statements

For the year ended 30 September 2012

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COMPANIES HOUSE

WORLD COAL ASSOCIATION

COMPANY INFORMATION

Directors	Mr T Altmeyer	Mr H Kenyon-Slaney
	Mr G Bartkowiak	Mr B Luff
	Mr J Beere	Mr E Massey
	Mr M Buffier	Mr J Morrish
	Mr M Catelin	Mr W Mroz
	Mr V Cosgrove	Mr V Nicoletti
	Mr C Curfman	Mr F Palmer (Served as Chairman until 12 November 12)
	Dr G Dazhao	Mr T Peterson
	Mr J Disharoon	Mr H Qi
	Mr Y Doida	Mr J Salter
	Mr J Dreyer	Mr A Sealey
	Mr S Dumble	Mr J Skip Stephens Jr
	Mr C Elkington	Mr D Slone
	Mr J Farrell	Mr L Sumner
	Mr P Freyberg	Mr M Sutherlin
	Mr A Grant	Mr G Thohir
	Mr G Gomwe	Mr A Wang
	Mr D Grunbaum	Mr R Wicks
	Mr C Hardoby	Mr R Wilson
	Mr K Hoshino	Mr S Winberg
	Mr J Junqua- Salanne	Dr X Zhang (Appointed as Chairman on 13 November 12)
	Mr L Kurczabinski	Mr A Zapantis

Chief Executive M Catelin

Company number 1947623

Registered office 5th Floor
Heddon House
149-151 Regent Street
London
W1B 4JD

Auditors Menzies LLP
Lynton House
7 - 12 Tavistock Square
London
WC1H 9LT

Accountants WSM Advisors Limited
Pinnacle House
17-25 Hartfield Road
Wimbledon
SW19 3SE

Bankers NatWest Bank plc
250 Regent Street
London
W1B 3BN

WORLD COAL ASSOCIATION

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WORLD COAL ASSOCIATION

DIRECTORS' REPORT

For the year ended 30 September 2012

The directors present their report and financial statements for the Association for the year ended 30 September 2012

Principal activities

The Association is a non-governmental, non-profit making worldwide industry association of coal enterprises. Its key objectives are to promote coal as a strategic resource, to promote the role of clean coal technologies in improving the environmental performance of coal, and to provide a forum for the exchange of information and discussion of issues affecting the global coal industry. Through contacts with official bodies, consumers and other interested parties, the Association aims to strengthen the understanding of coal's contribution to energy security, social and economic development, and to demonstrate its improving environmental performance.

Liability of members

The World Coal Association is a company limited by guarantee. In the event the company is wound up as a result of insolvency, each member undertakes to contribute to the assets of the Association such amount as may be required, not exceeding £1.

Management of risk

The directors manage the liquidity of the Association in order to meet its obligations as they become due. The Association's exposure to credit risk is to the extent of cash and receivables as reflected in the balance sheet. Management monitors the recoverability of debtors and cash balances are deposited only with financial institutions which the directors consider to be of suitable credit rating.

Review of activities and future developments

A surplus of £25,593 after tax for the year ended 30 September 2012 added to the cumulative surplus brought forward of £26,487 results in a surplus of £52,080 at 30 September 2012. It is the intention of the directors to build up a cumulative surplus of £80,000 by 30 September 2013.

In the 2012 calendar year the World Coal Association held one full meeting of members (in Johannesburg, South Africa). Worldwide developments affecting the coal industry, and the general direction of the work of the Association, were discussed at these meetings.

The World Coal Association has Consultative Status Category II to the United Nations Economic and Social Council and Consultative Status to the UN Industrial Development Organisation. The Association is a registered observer organisation with the UN Framework Convention on Climate Change, and attended the relevant annual and intersessional meetings of the UN Framework Convention on Climate Change and the Kyoto Protocol on Climate Change. The Association is an applicant for consultative status with the United Nations Environment Programme.

The Association participated in many other international energy-related meetings and conferences.

The World Coal Association (WCA) continued to update material on its website and on social media outlets on a regular basis. In addition WCA drafted reports and publications including a series of factsheets, launched various member communication tools and began working with a PR agency to improve media engagement.

The Association participated in many other international energy-related meetings and conferences.

Going concern

The Association continues to generate a surplus and effectively manage its liquidity requirements. Having considered its funding requirements for a period of at least 12 months following the signing of the balance sheet, the directors consider the Association to be a going concern.

WORLD COAL ASSOCIATION

DIRECTORS' REPORT (CONTINUED)

For the year ended 30 September 2012

Membership

Membership is open to all coal enterprises. At 30 September 2012 membership stood at 20 companies, 21 national coal associations and six Honorary members.

Full Corporate Members

PT Adaro
Anglo American Thermal Coal
Arch Coal
BHP Billiton Energy Coal
BHP Billiton Mitsubishi Alliance
Carbones del Cerrejon
Caterpillar Global Mining
China Coal Group
Coal India Limited
CONSOL Energy Inc
Glencore International AG
Joy Global, Inc
Katowicki Holding
Mitsubishi Development Pty Ltd
Peabody Energy
Rio Tinto Limited
Shenhua Group
Solid Energy New Zealand Ltd
Total SA
Xstrata Coal

Associate Members

ASSOCARBONI
Association of British Mining Equipment Co
Association of UK Coal Importers
Associacao Brasileira do Carvao Mineral
Australian Coal Association
Asomineros Chamber of ANDI Colombia
China National Coal Association
Coal Association of Canada
Coal Association of New Zealand
Confederation of UK Coal Producers
CO2CRC
Fossil Fuel Foundation
German Hard Coal Association
Indonesian Coal Mining Association
Iranian Mines & Mining Industries
Japan Coal Energy Centre
Mongolian Coal Association
National Mining Association
Shaanxi Coalfields Geological Bureau
Svenska Kol Association
The European Cement Association

Honorary Members

Mr J C Farrell
Mr E M Massey
Mr J H Morrish
Mr A A Sealey

WORLD COAL ASSOCIATION

DIRECTORS' REPORT (CONTINUED)

For the year ended 30 September 2012

Mr J M Slater
Mr R Wicks

The following changes to Membership have occurred in the period from 1 October 2011 to the date of this Report

(a) Additional

Full Corporate Members	Caterpillar Global Mining (27 January 2012)
Associate Members:	Fossil Fuel Foundation (14 March 2012) Mongolian Coal Association (2 March 2012)

(b) Lapsed

Full Corporate Members	None
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Directors

The Articles of Association provide for each member of the Association to appoint a director and alternate director if the member wishes to do so

The following directors have held office since 1 October 2011

Mr G Bartkowiak	Mr E Massey
Mr J Beere	Mr J Morrish
Mr M Buffier	Mr W Mroz
Mr M Catelin	Mr V Nicoletti
Mr A Deshmukh	Mr F Palmer
Dr G Dazhao	Mr T Peterson
Mr Y Dorda	Mr H Qi
Mr J Dreyer	Mr J Salter
Mr S Dumble	Mr A Sealey
Dr D McGillivray Elder	Mr J Skip Stephens Jr
Mr J Farrell	Mr D Slone
Mr P Freyberg	Mr L Sumner
Mr A Grant	Mr M Sutherland
Mr D Grunbaum	Mr G Thohir
Mr N Jha	Mr A Wang
Mr J Junqua- Salanne	Mr R Wicks
Mr L Kurczabinski	Mr S Winberg
Mr H Kenyon-Slaney	Dr X Zhang
Mr B Luff	Mr A Zapantis

The following directors have been appointed since 1 October 2011

Mr T Altmeyer	(Appointed 29 February 2012)
Mr V Cosgrove	(Appointed 19 July 2012)
Mr C Curfman	(Appointed 27 January 2012)
Mr J Disharoon	(Appointed 27 January 2012)
Mr G Gomwe	(Appointed 1 September 2012)
Mr C Hardoby	(Appointed 19 March 2012)
Mr K Hoshino	(Appointed 1 April 2012)

WORLD COAL ASSOCIATION

DIRECTORS' REPORT (CONTINUED)

For the year ended 30 September 2012

The following directors have resigned since 1 October 2011

Mr J Eaves	(Resigned 29 February 2012)
Mr R King	(Resigned 19 March 2012)
Mr C Lelong	(Resigned 7 February 2012)
Mr N Mbazima	(Resigned 01 September 2012)
Mr R Willims	(Resigned 19 July 2012)
Mr K Yamanaka	(Resigned 31 March 2012)

Auditors

Menzies LLP was appointed as auditor for these accounts by resolution at the Annual General Meeting on 24 May 2012. A resolution on the appointment of auditors for the financial year ended 30 September 2013 will be put to the members of the Annual General Meeting on 21 May 2013.

Statement of directors' responsibilities

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 judgements and accounting estimates that are reasonable and prudent,
- 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.

WORLD COAL ASSOCIATION

DIRECTORS' REPORT (CONTINUED)

For the year ended 30 September 2012

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

Small companies regime

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the board



M Catelin
Chief Executive

Date **21/05/2013**

WORLD COAL ASSOCIATION

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WORLD COAL ASSOCIATION

We have audited the financial statements of World Coal Association for the year ended 30 September 2012 set out on pages 8 to 15. 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 directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 5, 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 and express an opinion on 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2012 and of its surplus 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

WORLD COAL ASSOCIATION

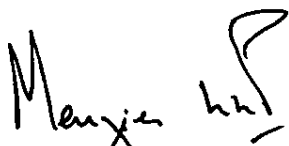
INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF WORLD COAL ASSOCIATION

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 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 directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.



**Richard Watson FCCA (Senior Statutory Auditor)
for and on behalf of Menzies LLP
Statutory Auditor and Chartered Accountant**

5 June 2013

Lynton House
7 - 12 Tavistock Square
London
WC1H 9LT

WORLD COAL ASSOCIATION

INCOME AND EXPENDITURE ACCOUNT

For the year ended 30 September 2012

	Note	£	2012 £	£	2011 £
INCOME					
Subscription income	2		1,196,269		997,115
Interest income			6,397		780
Other income			2,279		-
			<u>1,204,945</u>		<u>997,895</u>
EXPENDITURE					
Accommodation		75,262		90,955	
Wages and salaries	4	673,694		602,768	
Other staff costs		5,326		-	
Rates		29,856		19,737	
Equipment leasing		6,207		-	
Office costs		31,180		34,460	
Publications and website		81,648		50,711	
Travelling and subsistence		177,702		83,764	
Entertaining		6,611		5,188	
Legal and professional fees		17,078		3,497	
Accountancy and tax fees		17,111		11,983	
Audit fees		9,000		8,750	
Other non-audit fees		1,125		-	
Bad and doubtful debts		600		40,000	
Cost of meetings		41,004		20,323	
Depreciation on office equipment		3,452		2,748	
Depreciation on fixtures and fittings		-		5,232	
Depreciation on furniture		1,217		1,327	
			<u>(1,178,073)</u>		<u>(981,443)</u>
Surplus on ordinary activities before taxation	3		<u>26,872</u>		<u>16,452</u>
Taxation	6		<u>(1,279)</u>		<u>(160)</u>
Surplus for the year after taxation			<u><u>25,593</u></u>		<u><u>16,292</u></u>

There are no recognised gains or losses in the current and previous year

All the activities of the Association are classified as continuing

The notes on page 10 to 15 form part of these financial statements

WORLD COAL ASSOCIATION

BALANCE SHEET

As at 30 September 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Tangible assets	7		10,425		9,477
Current assets					
Debtors	8	76,527		212,198	
Cash at bank and in hand		618,693		995,204	
		<u>695,220</u>		<u>1,207,402</u>	
Creditors: amounts falling due within one year	9	<u>(650,697)</u>		<u>(1,187,524)</u>	
Net current assets			44,523		19,878
Total assets less current liabilities			54,948		29,355
Provisions for liabilities	10		(2,868)		(2,868)
Net assets			<u>52,080</u>		<u>26,487</u>
Capital and reserves					
Income and expenditure account	13		52,080		26,487
Members' funds	14		<u>52,080</u>		<u>26,487</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006

Approved by the Board and authorised for issue on 21 May 2013



X Zhang
Chairman

Company Registration No. 1947623

The notes on page 10 to 15 form part of these financial statements

WORLD COAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2012

1 Accounting policies

1.1 Basis of accounting

The financial statements are prepared under the historical cost convention and are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

The company has taken advantage of the exemption, conferred by Financial Reporting Standard 1, from presenting a cashflow statement as it qualifies as a small company

1.2 Subscriptions and other income

Subscription and other income, which is stated net of value added tax, is recognised in the period to which it relates. The subscription income is the membership to the Association from October to September.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Office equipment	33% per annum reducing balance basis
Fixtures and fittings	over the period of the lease
Furniture	25% per annum reducing balance basis

1.4 Leasing

Costs in respect of operating leases are charged upon a straight line basis over the lease term

1.5 Pensions

The company operates a defined contribution scheme. The amount charged to the income and expenditure account in respect of pension costs and other post-retirement benefits is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

1.6 Foreign currency translation

Foreign currency transactions are initially recorded in sterling by applying the exchange rates on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the exchange rate ruling at the balance sheet date. Exchange differences are taken to profit and loss account.

1.7 Interest income

Interest income is recognised as it accrues.

1.8 Provisions for liabilities

A provision is recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting future cash flows. Where the past event gives rise to future economic benefits, an equivalent asset is capitalised and depreciated over the period over which the benefits arise.

1.9 Taxation

The Association is subject to tax on interest received only.

WORLD COAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2012

2 Subscriptions income

Income from members' subscriptions and special contributions for the year (excluding value added tax) was as follows

	2012 £	2011 £
Subscription income	1,196,269	997,115

In the year to 30 September 2012, 99.8% (2011 89.2%) of the company's income was to markets outside the United Kingdom

3 Surplus on ordinary activities before taxation

	2012 £	2011 £
Operating surplus on ordinary activities is stated after charging		
Depreciation of tangible assets	4,669	9,307
Operating lease rentals	81,469	80,433
Auditors' remuneration - audit fee	9,000	8,750
Auditors' remuneration - other non audit services	1,125	-

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2011 - 1)

4 Employees

Number of employees

The average monthly number of staff during the year was

	2012 Number	2011 Number
	5	5

Employment costs

	2012 £	2011 £
Wages and salaries	562,379	505,302
Social security costs	71,738	61,431
Other pension costs	39,577	36,035
	673,694	602,768

WORLD COAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2012

5	Directors' remuneration	2012 £	2011 £
	The highest paid director	397,356	390,410

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2011 - 1)

The director accruing retirement benefits was Chief Executive, M Catelin

With the exception of the emoluments of the Chief Executive who, in accordance with the Articles of Association, is Ex Officio a Director, none of the Board of Directors received any remuneration for their services to the company (2011 nil) No expenses were incurred by the previous serving Chairman, F D Palmer, or the current Chairman, X Zhang, on World Coal Association activities (2011 £nil)

6	Taxation	2012 £	2011 £
	Domestic current year tax		
	U K corporation tax	1,279	160
	Total current tax	1,279	160
	Factors affecting the tax charge for the year		
	Surplus on ordinary activities before taxation	26,872	16,452
	Surplus on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20% (2011 21%)	5,374	3,373
	Effects of Income not subject to tax	(4,095)	(3,213)
		(4,095)	(3,213)
	Current tax charge for the year	1,279	160

There are no factors affecting the future tax charge of the company

WORLD COAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2012

7 Tangible fixed assets

	Office equipment £	Fixtures and fittings £	Furniture £	Total £
Cost				
At 1 October 2011	9,211	28,366	21,022	58,599
Additions	5,507	-	110	5,617
At 30 September 2012	14,718	28,366	21,132	64,216
Depreciation				
At 1 October 2011	3,714	28,366	17,042	49,122
Charge for the year	3,452	-	1,217	4,669
At 30 September 2012	7,166	28,366	18,259	53,791
Net book value				
At 30 September 2012	7,552	-	2,873	10,425
At 30 September 2011	5,497	-	3,980	9,477

8 Debtors

	2012 £	2011 £
Subscriptions receivable	-	157,304
Other debtors	51,377	29,744
	76,527	212,198

Amounts falling due after more than one year and included in the debtors above are

	2012 £	2011 £
Rent deposit	25,150	25,150

WORLD COAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2012

9 Creditors: amounts falling due within one year	2012 £	2011 £
Unpresented cheques	173	-
Sundry creditors and accruals	34,558	56,749
Taxation and social security	1,280	160
Subscriptions paid in advance	614,686	1,130,615
	<u>650,697</u>	<u>1,187,524</u>

10 Provisions for liabilities

	Other £
Balance at 1 October 2011 and at 30 September 2012	<u>2,868</u>

A provision has been made for costs that are expected to be incurred at the end of the lease agreement for the company's office to rectify alterations made. These costs are expected to be incurred in 2014.

11 Financial commitments

At 30 September 2012 the company was committed to making the following annual payments under non-cancellable operating leases in the year to 30 September 2013:

	Land and buildings		Other	
	2012 £	2011 £	2012 £	2011 £
Operating leases which expire				
Within one year	-	-	319	-
Between two and five years	90,000	90,000	13,867	-
	<u>90,000</u>	<u>90,000</u>	<u>14,186</u>	<u>-</u>

12 Liability of members

The Association is a company limited by guarantee. In the event that the company is wound up as a result of insolvency, each member undertakes to contribute to the assets of the Association such amount as may be required, not exceeding £1.

WORLD COAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2012

13 Statement of movements on reserves

	Income and expenditure account
	£
Balance at 1 October 2011	26,487
Surplus for the year	25,593
	<u> </u>
Balance at 30 September 2012	<u>52,080</u>

14 Reconciliation of movements in members' funds

	2012 £	2011 £
Surplus for the financial year	25,593	16,292
Opening members' funds	26,487	10,195
	<u> </u>	<u> </u>
Closing members' funds	<u>52,080</u>	<u>26,487</u>

15 Related Parties

Due to the nature of the Association, all income is derived from its members

The company was under the control of the members throughout the current and previous years