

Company Registration No. 02343006 (England and Wales)

SHEPHARD CONFERENCES & EXHIBITIONS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2000



SHEPHARD CONFERENCES & EXHIBITIONS LIMITED

COMPANY INFORMATION

Directors	A D Shephard J M Shephard S C P Drye J R Woolley
Secretary	S C P Drye
Company number	02343006
Registered office	111 High Street Burnham Buckinghamshire
Auditors	Blueprint Audit Limited Amberley Place 107-111 Peascod Street Windsor Berkshire
Bankers	National Westminster Bank plc 63 High Street Burnham Buckinghamshire Citibank International plc PO Box 5350 Hammersmith Grove London
Solicitors	Pitmans 47 Castle Street Reading Berkshire

SHEPHARD CONFERENCES & EXHIBITIONS LIMITED

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SHEPHARD CONFERENCES & EXHIBITIONS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2000

The directors present their report and financial statements for the year ended 31 December 2000.

Principal activity

The company is principally engaged in the business of the organisation and staging of conferences.

Directors

The following directors have held office since 1 January 2000:

A D Shephard
J M Shephard
S C P Drye
J R Woolley

Directors' interests

No director held a beneficial interest in the shares of the company or its fellow subsidiary companies at 31 December 2000, or at any time during the year then ended. The interests of A D Shephard and J M Shephard in the shares of the ultimate parent company are disclosed in the financial statements of that company.

Charitable contributions

Donations to charitable organisations amounted to £2,000 (1999 - £Nil).

Auditors

Blueprint Audit Limited acquired the audit practice of Williams Allan and have been appointed as auditors in succession to Williams Allan. Blueprint Audit Limited having offered themselves for reappointment as auditors shall be deemed to be reappointed for the next financial year in accordance with section 386 of the Companies Act 1985.

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 the going concern basis unless it is inappropriate to presume 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board


.....
A D Shephard

Director

10 OCTOBER 2001

AUDITORS' REPORT TO THE SHAREHOLDERS OF SHEPHARD CONFERENCES & EXHIBITIONS LIMITED

We have audited the financial statements on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Blueprint Audit Limited

Blueprint Audit Limited

Chartered Accountants

Registered Auditor

11 OCTOBER 2001

Amberley Place
107-111 Peascod Street
Windsor
Berkshire

SHEPHARD CONFERENCES & EXHIBITIONS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2000

	Notes	2000 £	1999 £
Turnover	2	1,481,837	1,470,431
Cost of sales		(835,124)	(838,818)
Gross profit		646,713	631,613
Administrative expenses		(582,860)	(550,855)
Operating profit	3	63,853	80,758
Other interest receivable and similar income		3,739	2,733
Interest payable and similar charges		(1,100)	-
Profit on ordinary activities before taxation		66,492	83,491
Tax on profit on ordinary activities	4	(15,643)	(17,328)
Profit on ordinary activities after taxation		50,849	66,163
Dividends	5	(56,500)	-
Retained (loss)/profit for the year	10	(5,651)	66,163

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

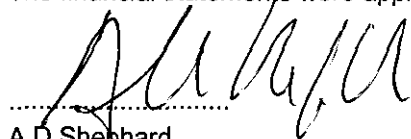
SHEPHARD CONFERENCES & EXHIBITIONS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2000

	Notes	2000 £	£	1999 £	£
Fixed assets					
Tangible assets	6		13,919		19,594
Current assets					
Debtors	7	604,558		376,096	
Cash at bank and in hand		380,441		316,736	
		<u>984,999</u>		<u>692,832</u>	
Creditors: amounts falling due within one year	8	<u>(906,678)</u>		<u>(614,535)</u>	
Net current assets			<u>78,321</u>		<u>78,297</u>
Net assets			<u>92,240</u>		<u>97,891</u>
Capital and reserves					
Called up share capital	9		2		2
Profit and loss account	10		92,238		97,889
Shareholders' funds - equity interests	11		<u>92,240</u>		<u>97,891</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 10 OCTOBER 2001



A D Shephard
Director

SHEPHARD CONFERENCES & EXHIBITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2000

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

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 furniture and equipment	20% Straight line
Computer equipment	25% Straight line

1.4 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.5 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Turnover

In the year to 31 December 2000 61.42% (1999 - 68.00%) of the company's turnover was to markets outside the United Kingdom.

3 Operating profit

	2000	1999
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	8,269	9,857
Directors' emoluments	4,389	-
Auditors' remuneration	2,950	2,750
and after crediting:		
Foreign currency translation gains	14,182	16,657

Included in the management fee of £105,224 (1999: £125,671) charged by a fellow subsidiary company is a proportion of the emoluments paid by that company for the services of the directors of Shephard Conferences & Exhibitions Limited. It is not possible to determine specifically the amount so charged.

4 Tax on profit on ordinary activities

	2000	1999
	£	£
U.K corporation tax	15,643	17,328

SHEPHARD CONFERENCES & EXHIBITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

5	Dividends	2000	1999
		£	£
	Equity dividends on ordinary shares:		
	Final proposed of £28,250 per share (1999 : £nil per share)	56,500	-
		<u> </u>	<u> </u>
6	Tangible fixed assets		
			Plant and machinery etc
			£
	Cost		
	At 1 January 2000		43,525
	Additions		4,968
	Disposals		(3,540)
			<u> </u>
	At 31 December 2000		44,953
			<u> </u>
	Depreciation		
	At 1 January 2000		23,931
	On disposals		(1,166)
	Charge for the year		8,269
			<u> </u>
	At 31 December 2000		31,034
			<u> </u>
	Net book value		
	At 31 December 2000		13,919
			<u> </u>
	At 31 December 1999		19,594
			<u> </u>
7	Debtors	2000	1999
		£	£
	Trade debtors	379,521	148,866
	Amounts owed by group undertakings	131,006	136,826
	Other debtors	94,031	90,404
		<u> </u>	<u> </u>
		604,558	376,096
		<u> </u>	<u> </u>

SHEPHARD CONFERENCES & EXHIBITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

8	Creditors: amounts falling due within one year	2000 £	1999 £
	Trade creditors	43,784	151,269
	Amounts owed to group undertaking	166,569	159,456
	Taxation and social security	28,247	90,811
	Other creditors	668,078	212,999
		<u>906,678</u>	<u>614,535</u>

9	Called up share capital	2000 £	1999 £
	Authorised		
	10,000 Ordinary shares of £ 1 each	<u>10,000</u>	<u>10,000</u>
	Allotted, called up and fully paid		
	2 Ordinary shares of £ 1 each	<u>2</u>	<u>2</u>

10 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2000	97,889
Retained loss for the year	(5,651)
	<u>92,238</u>
Balance at 31 December 2000	<u>92,238</u>

11	Reconciliation of movements in shareholders' funds	2000 £	1999 £
	Profit for the financial year	50,849	66,163
	Dividends	(56,500)	-
		<u>(5,651)</u>	<u>66,163</u>
	Net (depletion in)/addition to shareholders' funds	97,891	31,728
	Opening shareholders' funds	<u>92,240</u>	<u>97,891</u>
	Closing shareholders' funds	<u>92,240</u>	<u>97,891</u>

12 Contingent liability

The company guarantees the bank indebtedness of a fellow subsidiary undertaking. At 31 December 2000 the sum due to the Bank amounted to £1,039 (1999 - £Nil).

SHEPHARD CONFERENCES & EXHIBITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

13 Control

The directors regard Shephard Publications Limited, as the ultimate parent company.

The directors regard A D Shephard, a director of the company, as the ultimate controlling party by virtue of his majority interest in the equity capital of Shephard Publications Limited. According to the register kept by the company, Shephard Publications Limited has a 100% interest in the equity capital of Shephard Conferences & Exhibitions Limited.

14 Related party transactions

<u>Name of related party</u>	<u>Relationship</u>	<u>Details of transactions</u>	<u>Amounts</u> £
Shephard Publications Limited	Parent company	Payment of revenue costs by parent company on behalf of Shephard Conferences & Exhibitions Limited (1999: £1,929)	4,746
		Rental costs charged by parent company (1999: £3,625)	-
		Net transfer of funds to parent company (1999: £7,065)	2,587
		Proposed dividend due to parent company	56,500
The Shephard Press Limited	Fellow subsidiary company	Net transfer of funds to fellow subsidiary company (1999: £480,714)	555,808
		Payment of revenue costs by fellow subsidiary company on behalf of Shephard Conferences & Exhibitions Limited (1999: £368,177)	468,884
		Management and rental costs charged by fellow subsidiary company (1999: £146,930)	139,353
		Payment of revenue costs by Shephard Conferences & Exhibitions Limited on behalf of fellow subsidiary company (1999: £9,284)	45,316
Shephard Conferences and Exhibitions SDN BHD	Fellow subsidiary company	Payment of revenue costs by fellow subsidiary company on behalf of Shephard Conferences & Exhibitions Limited (1999: £1,825)	3,661
		Net transfer of funds from fellow subsidiary company (1999: £85,000)	-

Shephard Conferences & Exhibitions Limited has guaranteed a bank overdraft facility granted to a fellow subsidiary company, The Shephard Press Limited. At 31 December 2000 the sum due to the Bank amounted to £1,039 (1999: £nil)