

GOVERNMENT AND OPPOSITION LIMITED
(A Company Limited by Guarantee)

Company No 844169

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2000



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GOVERNMENT AND OPPOSITION LIMITED

Directors

M Biddiss
I de Madariaga
J Gould
R J Jones
M Leifer (Died 22.3.2001)
K Minogue
M Moran (Appointed 4.5.2000)
G Parry
J Pinder
Lord Smith of Clifton
R Williams

Secretary

Rosalind J Jones

Registered Office

25 Southwood Lawn Road
London N6 5SD

Auditors

Norton Lewis & Co
246/248 Great Portland Street
London W1W 5JL

Bankers

National Westminster Bank plc
Connaught House
65 Aldwych
London WC2B 4EJ

GOVERNMENT AND OPPOSITION LIMITED

REPORT OF THE DIRECTORS

The directors submit their report together with the audited financial statements for the year ended 30th September 2000.

1. PRINCIPAL ACTIVITY

The Company is a company limited by guarantee not having share capital.

The Company is principally engaged in the publication of journals and articles on the subject of politics.

2. DIRECTORS

The directors of the Company during the year were as follows:

M Biddiss
I de Madariaga
J Gould
R J Jones
M Leifer (Died 22nd March 2001)
K Minogue
M Moran (Appointed 4 May 2000)
G Parry
J Pinder
Lord Smith of Clifton
R Williams

3. DONATIONS

No charitable or political donations were made in the year.

4. AUDITORS

The directors appointed Norton Lewis & Co. (Chartered Accountants) as auditors to fill the vacant office. The firm will be re-appointed at the next Annual General meeting.

5. 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 the profit or loss of the Company for that year. In preparing those financial statements the directors are required to:

- Select suitable accounting policies and apply them consistently;

REPORT OF THE DIRECTORS (Continued)

- make judgements and estimates that are reasonable and prudent;
- prepare 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 of fraud and other irregularities.

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

By order of the Board

ROSALIND JONES



Secretary

Date: 3rd April 2001

GOVERNMENT AND OPPOSITION LIMITED

REPORT OF THE AUDITORS

To the Members of Government and Opposition Limited

We have audited the financial statements on pages 4 to 8 which have been prepared under the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on pages 1 and 2, the Company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and 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.

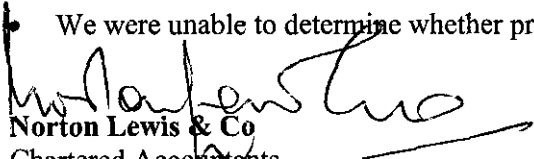
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. However, the evidence available to us was limited because the financial statements for the year ended 30th September 1999 were not audited. We were, therefore, unable to verify the accuracy of the balances brought forward. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

OPINION

Except for any adjustments that might have been found necessary had we been able to verify the accuracy of the opening balances, in our opinion the financial statements give a true and fair view of the state of the Company's affairs as at September 30th 2000 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.

In respect alone of the limitation of our work relating to the balances brought forward:

- We have not obtained all the information and explanations that we consider necessary for the purpose of our audit; and
- We were unable to determine whether proper accounting records have been maintained.


Norton Lewis & Co
Chartered Accountants
& Registered Auditors

London: 3rd April 2001

GOVERNMENT AND OPPOSITION LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH SEPTEMBER 2000

	Notes	2000	1999
TURNOVER	2	70,710	59,484
Cost of sales		19,004	19,755
GROSS PROFIT		51,706	39,729
Administration expenses	3	46,229	42,359
OPERATING PROFIT (LOSS)		5,477	(2,630)
Interest receivable		1,764	1,449
PROFIT (LOSS) ON ORDINARY ACTIVITIES before taxation		7,241	(1,181)
Taxation	4	880	-
PROFIT (LOSS) for the financial year after taxation		6,361	(1,181)
Retained profit brought forward		19,858	21,039
RETAINED PROFIT carried forward		26,219	19,858

The Company has no recognised gains or losses other than the profit (loss) for the year.

GOVERNMENT AND OPPOSITION LIMITED

BALANCE SHEET

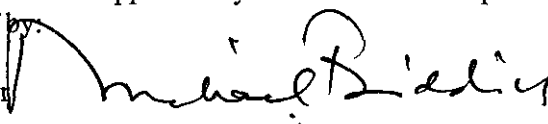
AS AT 30TH SEPTEMBER 2000

	Notes	2000	1999
	£	£	£
FIXED ASSETS			
Tangible	5	1,635	2,120
CURRENT ASSETS			
Debtors	6	873	2,196
Cash at bank and in hand		34,712	30,892
		<u>35,585</u>	<u>33,088</u>
CREDITORS: amounts falling due within one year	7	<u>11,001</u>	<u>15,350</u>
NET CURRENT ASSETS		24,584	17,738
NET ASSETS		<u>26,219</u>	<u>19,858</u>
RESERVES			
Profit and loss account		<u>26,219</u>	<u>19,858</u>

The financial statements have been prepared in accordance with the special provisions of Part VII Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

These financial statements were approved by the Board on 3rd April 2001 and signed on its behalf by:

M BIDDISS Director



GOVERNMENT AND OPPOSITION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2000

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention and are in accordance with the Financial Reporting Standard for Smaller Entities.

Turnover

Turnover, which is stated net of value added tax, represents the total amount receivable in the normal course of business for goods sold and services rendered, after allowing for discounts. Turnover is credited to income in accordance with the subscription period to which it relates.

Depreciation

Depreciation is provided to write off the cost of tangible assets over their expected useful lives at a rate of 25% per annum.

Foreign currencies

Transactions in foreign currencies are recorded at the rate on the date of transactions concerned. Monetary assets denominated in a foreign currency are retranslated at the rate of exchange at the balance sheet date and differences arising from changes in the rate of exchange are taken to the profit and loss account.

Pension contributions

The Company reimburses another organisation for the cost of a pension scheme providing benefits based on final pensionable salary of a director. Contributions to the scheme are charged to the profit and loss account when the cost is incurred.

2. TURNOVER

The turnover attributable to geographical markets:

United Kingdom	12%
Rest of World	88%

	100%
	=====

2000

1999

3. OPERATING PROFIT (LOSS)

The operating profit (loss) is stated after charging:

Depreciation	545	742
Auditors' remuneration	775	-
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2000	1999
3. OPERATING PROFIT (LOSS) (Continued)		
Directors' emoluments	<u>26,795</u>	<u>26,162</u>
4. TAXATION		
Corporation tax is chargeable on assessable profits Of the current period at the rate of	20/10%	-
The Corporation tax charged in the profit and loss account is made up as to:		
On profits of current period	1,122	-
Under(over) provision earlier year	<u>(242)</u>	<u>-</u>
5. FIXED ASSETS		
Office equipment at cost		
At 1st October 1999	6,318	
Additions	60	
	<u>-----</u>	
At 30th September 2000	<u>6,378</u>	
Depreciation		
At 1st October 1999	4,198	
Charge for the year	545	
	<u>-----</u>	
At 30th September 2000	<u>4,743</u>	
Net book value		
At 30th September 1999	<u>2,120</u>	
	<u>-----</u>	
At 30th September 2000	<u>1,635</u>	
6. DEBTORS		
Debtors	234	234
Prepayments	131	216
VAT recoverable	508	1,746
	<u>-----</u>	<u>-----</u>
	<u>873</u>	<u>2,196</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2000	1999
7. CREDITORS – amounts falling due within one year		
Accruals	9,879	15,350
Corporation tax	1,122	-
	<u>11,001</u>	<u>15,350</u>
8. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS	<u>-</u>	<u>-</u>
9. SHARE CAPITAL		
The Company is limited by guarantee and does not have a share capital.		
10. RELATED PARTY TRANSACTIONS		
The Directors are not aware of any transactions.		