

MODAL MINING LIMITED

FINANCIAL STATEMENTS

30TH JUNE 1996

Registered number: 2871139



Lang Bennetts

Chartered Accountants

Cornwall

MODAL MINING LIMITED

FINANCIAL STATEMENTS

for the year ended 30th June 1996

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The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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MODAL MINING LIMITED

COMPANY INFORMATION

30th June 1996

Number 2871139

DIRECTORS

G. L. Williams
N. A. J. Walls
L. J. Joseph

SECRETARY

N. A. J. Walls

REGISTERED OFFICE

Bissoe
Truro
Cornwall

BANKERS

Barclays Bank plc
14 King Street
Truro
Cornwall

SOLICITORS

David and Snape
4 Lias Road
Porthcawl
Mid Glamorgan

ACCOUNTANTS

Lang Bennetts
Chartered Accountants
36 Lemon Street
Truro
Cornwall

MODAL MINING LIMITED

DIRECTORS' REPORT

30th June 1996

The directors present their report and the financial statements for the year ended 30th June 1996.

Principal activity

The principal activity of the company is the development of a mine in South Wales.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	30th June 1996 Ordinary shares	1st July 1995 Ordinary shares
G. L. Williams	82	82
N. A. J. Walls	82	82
L. J. Joseph	30	30

Reporting accountants

The directors consider that for the year ended 30th June 1996 the company was entitled to exemption from a statutory audit under section 249A of the Companies Act 1985. Under the provisions of the Act, the directors have appointed Lang Bennetts as Reporting Accountants. Their report is shown on page 3 of the financial statements.

Small company exemptions

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies.

On behalf of the board

N. A. J. Walls
Secretary



Bissoe
Truro
Cornwall

24th September 1996

MODAL MINING LIMITED**ACCOUNTANTS' REPORT**

**Accountants' report to the members
on the unaudited financial statements of
Modal Mining Limited**

We report on the financial statements for the year ended 30th June 1996 set out on pages 4 to 7.

Respective responsibilities of directors and reporting accountants

As described on page 5 the company's directors are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the financial statements are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).



Lang Bennetts
Reporting Accountants

36 Lemon Street
Truro
Cornwall

24th September 1996

MODAL MINING LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 30th June 1996

	Note	1996 £	1995 £
Net operating expenses			
Administrative expenses		(386)	(399)
Loss on ordinary activities before taxation		(386)	(399)
Taxation		-	-
Loss on ordinary activities after taxation		£ (386)	£ (399)
retained for the year	6		

Movements in reserves are shown in note 6.

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1996 or 1995 other than the loss for the year.

MODAL MINING LIMITED

BALANCE SHEET

at 30th June 1996

	Note	1996 £	1995 £
Current assets			
Debtors	2	29,802	4,500
Cash at bank and in hand		1,563	2,501
		<u>31,365</u>	<u>7,001</u>
Creditors: amounts falling due within one year	3	<u>(31,950)</u>	<u>(7,200)</u>
Net current liabilities		<u>(585)</u>	<u>(199)</u>
Total assets less current liabilities		<u>(585)</u>	<u>(199)</u>
Capital and reserves			
Called up share capital	5	200	200
Profit and loss account	6	(785)	(399)
Total shareholders' funds	4	<u>(585)</u>	<u>(199)</u>

continued

MODAL MINING LIMITED

BALANCE SHEET
(continued)

at 30th June 1996

The directors consider that for the year ended 30th June 1996 the company was entitled to exemption under subsection 2 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial year under subsection 2 of section 249B of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The directors have taken advantage in the preparation of these financial statements of special exemptions provided by Part I of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

The financial statements on pages 4 to 7 were approved by the board of directors on 24th September 1996



G. L. Williams
Director

MODAL MINING LIMITED

NOTES ON FINANCIAL STATEMENTS

30th June 1996

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

2 Debtors

	1996 £	1995 £
Amounts falling due within one year		
Other debtors	29,802	4,500

3 Creditors: amounts falling due within one year

	1996 £	1995 £
Other loans	19,750	7,000
Other creditors	12,200	200
	31,950	7,200

4 Reconciliation of movements in shareholders' funds

	1996 £	1995 £
Loss for the financial year	(386)	(399)
New share capital subscribed	-	198
Net subtraction from shareholders' funds	(386)	(201)
Opening shareholders' funds	(199)	2
Closing shareholders' funds	(585)	(199)

MODAL MINING LIMITED

NOTES ON FINANCIAL STATEMENTS

30th June 1996

5 Called up share capital

	1996		1995	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	1,000	1,000	1,000	1,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Allotted, called up and fully paid				
Ordinary shares of £1 each	200	200	200	200
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

6 Profit and loss account

	1996 £
1st July 1995	(399)
Retained profit for the year	<u>(386)</u>
30th June 1996	<u><u>(785)</u></u>