

366883

THE KAOLIN AND BALL CLAY
ASSOCIATION (UK)
(LIMITED BY GUARANTEE)

ACCOUNTS

31ST MARCH, 2002



THE KAOLIN AND BALL CLAY ASSOCIATION (UK)
(LIMITED BY GUARANTEE)

YEAR ENDED 31ST MARCH, 2002

DIRECTORS

Mr. R. Preston (retired 16th May 2001)
Mr. R. Shuttleworth (retired 16th May 2001)
Mr. A. McGowan
Mr. K. Foley (appointed 16th May 2001)
Mr. P. Larson (appointed 16th May 2001)
Mr. C. Grigg (appointed 16th June 2002)

COMPANY SECRETARY

Mr. G. Muskett

REGISTERED OFFICE

John Keay House,
Tregonissey Road,
St. Austell,
Cornwall PL25 4DJ

AUDITORS

Peplows,
Moorgate House,
King Street,
Newton Abbot,
Devon TQ12 2LG

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THE KAOLIN AND BALL CLAY ASSOCIATION (UK)
(LIMITED BY GUARANTEE)

Report of the Directors to be presented to the Members at the Sixty first Annual General Meeting.

By a special resolution dated 8th May 2000, the name of the association was changed from British Ball Clay Producers Federation Limited.

Your Directors present the financial statements of the Association for the year ended 31st March, 2002, which were approved by the Board on the date stated below and report neither an excess of expenditure over income or income over expenditure.

Neither a surplus or deficit remains on the Income and Expenditure Account at the date of the Balance Sheet.

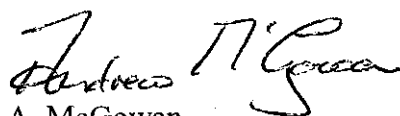
The Association is a trade association and does not trade for profit. The subscriptions levied by the directors are determined by reference to the expenses incurred on behalf of the Association. With effect from 1st June 2000 the activities of the Association include those conducted by the China Clay Association before that date.

The directors during the year were Mr. A. McGowan (Chairman), Mr. R. Shuttleworth (retired 16th May, 2001), Mr. K. Foley (appointed 16th May, 2001), Mr. R. Preston (retired 16th May, 2001) and Mr P. Larson (appointed 16th May, 2001). As the Association is a company limited by guarantee, none of the directors had a beneficial interest in any shares.

In accordance with Section 384 of the Companies Act 1985, a resolution proposing the re-appointment of Messrs. Peplows as Auditors to the Company will be put to the Annual General Meeting.

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

On behalf of the board


A. McGowan

CHAIRMAN

20th Sept., 2002.

THE KAOLIN AND BALL CLAY ASSOCIATION (UK)
(LIMITED BY GUARANTEE)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each year which give a true and fair view of the company's state of affairs at the end of the year and of its profit or loss for that year. In preparing those accounts the directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures being disclosed and explained in the accounts;
- prepare the accounts 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 to enable them to ensure that the accounts 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 or other irregularities.

THE KAOLIN AND BALL CLAY ASSOCIATION (UK)

INDEPENDENT AUDITORS' REPORT

YEAR ENDED 31 MARCH 2002

We have audited the financial statements on pages 5 to 7 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of the directors and the auditors

As described on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility 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 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.

THE KAOLIN AND BALL CLAY ASSOCIATION (UK)

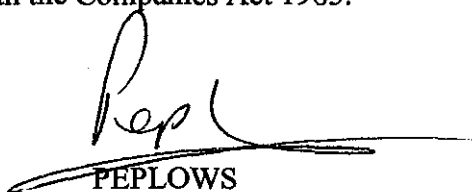
INDEPENDENT AUDITORS' REPORT

YEAR ENDED 31 MARCH 2002

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2002 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Moorgate House
King Street
Newton Abbot
Devon
TQ12 2LG


PEPLOWES
Chartered Accountants
& Registered Auditors

23 September 2002

THE KAOLIN AND BALL CLAY ASSOCIATION (UK)
(LIMITED BY GUARANTEE)

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST MARCH, 2002

	£	£	£	<u>2001</u>	£
INCOME					
Subscriptions		14,206			43,627
Search fees		10,480			5,558
DTI Study Reimbursement and industry contributions towards study		<u>78,063</u>			-
		102,749			49,185
EXPENDITURE					
Contribution to China and Ball Clay Industries Trading Board	9,000		23,000		
DTI Ball Clay Study	78,063		-		
Subscriptions:					
Confederation of British Industry	3,642		2,908		
Euro Argilla	2,660		3,538		
UK Steel Association	2,100		3,150		
Net expense of winding up China Clay Assoc.	-		565		
Secretarial fees including expenses	6,699		10,670		
Auditors' remuneration	550		500		
General administrative expenses:-					
Company registration fee	10		25		
Bank charges (overprovided)	25		25		
Printing and stationary	-		410		
Sundries including expenses of meetings	-	<u>102,749</u>	<u>4394</u>		<u>49,185</u>
SURPLUS (DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION		-			-
TAXATION					
U.K. corporation tax on the results for the year		-			-
SURPLUS (DEFICIT) ON ORDINARY ACTIVITIES ADJUSTED ON RESERVES		-			-
SURPLUS from earlier years		-			-
SURPLUS CARRIED FORWARD		-			-

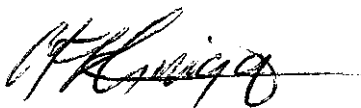
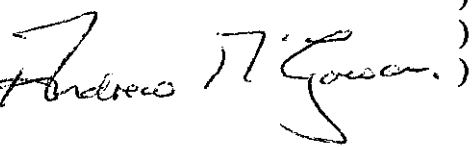
THE KAOLIN AND BALL CLAY ASSOCIATION (UK)
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BALANCE SHEET

AS AT 31ST MARCH, 2002

	£	£	£	<u>2001</u>	£
CURRENT ASSETS					
Debtors					
Trade		15,025			10,471
VAT		2,416			-
Payments in advance		2,610			4,213
Accrued Sales		27,282			-
Cash at bank		<u>30,156</u>			<u>8,124</u>
		77,489			22,808
DEDUCT CURRENT LIABILITIES					
Creditors falling due within one year					
Trade creditors	57,177		18,442		
VAT creditor	-		3,826		
Accrued charges	8,801		540		
Other creditors	<u>11,511</u>		<u>-</u>		
		<u>77,489</u>			<u>22,808</u>
NET ASSETS		<u>-</u>			<u>-</u>
SURPLUS ON RESERVES		<u>-</u>			<u>-</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

C. GRIGG )
A. McGOWAN ) Directors

THE KAOLIN AND BALL CLAY ASSOCIATION (UK)
(LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2002

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards except as disclosed within these accounts.

Contingent Liabilities

The company has received grants from the DTI amounting to £59,574 re a "Study on the economic importance of ball clay". The offer document dated 13 November 2000 and accepted by the association on 6 December 2000 states that the DTI reserves the right to withhold all or part of this payment and/or to require part or all of the grant to be repaid should certain conditions not be met by the association.