

Signed / Reg of Co's

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

ACCOUNTS

31ST MARCH, 2001



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

YEAR ENDED 31ST MARCH, 2001

DIRECTORS

Mr. R. Preston
Mr. R. Shuttleworth
Mr. A. McGowan

COMPANY SECRETARY

Mr. W.J.C. Watts

REGISTERED OFFICE

Park House,
Courtenay Park,
Newton Abbot,
Devon TQ12 4PS

AUDITORS

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

INDEX TO ACCOUNTS

Page No.

1	Report of the directors
2	Statement of directors' responsibilities
3	Report of the auditors
4	Income and expenditure account
5	Balance Sheet

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

Report of the Directors to be presented to the Members at the Sixtieth 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, 2001, 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.

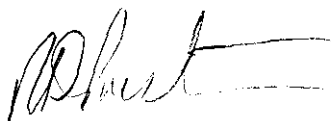
The directors during the year were Mr. R. Shuttleworth, Dr. G.B. Lawson (retired 8th May, 2000), Mr. R. Preston and Mr. A McGowan (appointed 8th May, 2000). As the Association is a company limited by guarantee, none of the directors had a beneficial interest in any shares.

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

R. PRESTON



CHAIRMAN

16th May, 2001.

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.

REPORT OF THE AUDITORS

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

We have audited the financial statements on pages 4 and 5 which have been prepared under the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 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 financial 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 accounts. 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 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.

Unqualified opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs at 31st March, 2001 and of its result for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



PEPLOW'S.

Chartered Accountants
and Registered Auditor

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

16th May, 2001.

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

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST MARCH, 2001

	£	£	£	2000	£
INCOME					
Subscriptions		43,627			11,358
Search fees		<u>5,558</u>			<u>1,425</u>
		49,185			12,783
EXPENDITURE					
Contribution to China and Ball Clay Industries Trading Board	23,000		5,821		
Subscriptions:					
Confederation of British Industry	2,908		1,441		
Euro Argilla	3,538		2,323		
UK Steel Association	3,150		-		
Net expense of winding up China Clay Assoc.	565		-		
Secretarial fees including expenses	10,670		2,800		
Auditors' remuneration	500		317		
General administrative expenses:-					
Company registration fee	25		15		
Bank charges (overprovided)	25		(30)		
Printing and stationary	410		-		
Sundries including expenses of meetings	<u>4394</u>	<u>49,185</u>	<u>98</u>		<u>12,785</u>
SURPLUS (DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION		-			(2)
TAXATION					
U.K. corporation tax on the results for the year		-			-
SURPLUS (DEFICIT) ON ORDINARY ACTIVITIES ADJUSTED ON RESERVES		-			(2)
SURPLUS from earlier years		-			<u>2</u>
SURPLUS CARRIED FORWARD		-			-

The company has neither acquired or commenced any new business activities in the year nor discontinued any operations and it has no recognised gains or losses other than the result for the year.

There is no material difference between the result for this year and the prior year as shown above and that on the historical cost basis.

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

BALANCE SHEET

AS AT 31ST MARCH, 2001

	£	£	£	2000	£
CURRENT ASSETS					
Debtors					
Trade		10,471			4,458
Payments in advance		4,213			859
Cash at bank		<u>8,124</u>			<u>27</u>
		22,808			5,344
DEDUCT CURRENT LIABILITIES					
Creditors falling due within one year					
Trade creditors	18,442		5,012		
VAT creditor	3,826		-		
Accrued charges	<u>540</u>	<u>22,808</u>	<u>332</u>		<u>5,344</u>
NET ASSETS		<u>-</u>			<u>-</u>
SURPLUS ON RESERVES		<u>-</u>			<u>-</u>

NOTE

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.

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

R. SHUTTLEWORTH

R Shuttleworth

)
)
) Directors

A. McGOWAN

Andrew McGowan 5.