

**THE MAKING IT INDUSTRIAL HERITAGE
TRUST LIMITED**

**(A company limited by guarantee
and a registered charity)**

Report and Financial Statements

For the year ended 30th September 2004



THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 30th September 2004

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THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
(A company limited by guarantee)

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CHARITY INFORMATION

Directors and Trustees: J. Fearon (Chairman)
Cllr. G.K. Naylor
Cllr. L. Marshall (resigned 15th June 2004)
W. McCosh CBE
Cllr. C. Winterton
Cllr. J.D. McCrossan
K. Daly (appointed 8th November 2004)

Secretary: Mrs. S. Walters

Company Number: 3292500

Charity Number: 1064919

**Registered Office and
Principal Address:** Chadburn House,
Weighbridge Road,
Littleworth,
Mansfield,
Notts.
NG18 1AH

Registered Auditors: Horwath Barnett & Turner,
Chartered Accountants
and Registered Auditors,
Cromwell House,
68 West Gate,
Mansfield,
Notts.
NG18 1RR

Bankers: HSBC Bank PLC,
1 Leeming Street,
Mansfield,
Notts.
NG18 1LU

Solicitors: Shacklocks Mansfield,
Solicitors,
St. Peter's House,
Bridge Street,
Mansfield,
Notts.
NG18 1AL

DIRECTORS' AND TRUSTEES' REPORT

The directors and trustees present their report and financial statements for the year ended 30th September 2004.

Objects, Principal Activities and Organisation

The Trust is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association.

The objects for which the Trust has been established are the advancement of education and running of an Interactive Discovery Centre through the provision of a tourist attraction.

In furtherance of this Making It! Enterprises Limited was incorporated on 1st October 1997 as a wholly owned subsidiary of the Trust.

In the accounting period the principal activity of the subsidiary has been the letting of office space and conference facilities.

Charity Restrictions

- i. The income of the Trust shall be applied solely towards the promotion of all or any of the objects of the Trust in accordance with clause 4 of the memorandum of association.
- ii. The Trust shall not engage in any substantial permanent trading activity in raising funds for the objects.
- iii. No member shall have any personal claim on any property of the Trust and no portion thereof shall be paid directly or indirectly to the members.
- iv. No trustee shall be appointed to any office paid by salary or fees, or receive any remuneration or other benefit from the Trust.

Investment Powers

To invest the monies of the Trust not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject to such conditions as may be imposed or required by law.

Developments, Activities and Achievements

Chadburn House provides serviced office accommodation and conference facilities. Occupancy levels of the office accommodation remained at 100% throughout the first 10 months of the year with occupancy dropping to 90% for the remainder of the year. Occupancy levels have remained at 100% since October 2004 to date.

The Making it! Discovery Centre continued to provide an educational resource for schools, a family based tourist attraction, private hire facilities, birthday parties, an ICT training centre and internet café.

During the year, the Discovery Centre attracted 20661 (2003:19884) visitors who enjoyed the galleries, shop, café (including internet café) and ICT training centre. Results of customer surveys indicates visitor satisfaction at 99%.

An upgrade of the exterior signage was completed in February 2004 with the assistance of a grant from the local authority Tichfield Improvement Scheme.

The Trust is achieving its objectives which are "the advancement of educational and running of an interactive Discovery Centre through the provision of a tourist attraction" and has attracted 8928 school children throughout the year who visited the Centre on curriculum related activities for design and technology and other related subjects.

DIRECTORS' AND TRUSTEES' REPORT

Events Since the Year End

Permission was sought and granted from the Millennium Commission to discontinue the Internet Café facilities and dispose of associated hardware/software and peripherals. The resultant income being retained in the business.

The centre commenced the provision of facilities for Key Stage 4 pupils to study GCSEs in Leisure & Tourism and Applied business. The courses have been running successfully since September 2004 with six local school groups attending on a weekly basis. A further five groups are expected to join in September 2005.

Revenue grant monies from the Big Lottery Fund (previously known as the New Opportunities Fund) for the provision of UK Online Centre facilities came to an end in January 2005. This facility is to be discontinued in the spring of 2005 due to low uptake on courses and the ongoing costs associated with the management of the facility.

Plans for the Future

The Trust will continue in its endeavours to secure grants to assist with the refurbishment of the *exhibits/galleries and to provide financial assistance to enable children in Nottinghamshire and the surrounding counties to visit the centre at a reduced rate.*

The centre is working towards providing facilities for Key Stage 4 pupils to study under the Enterprise Education Programme due to commence in September 2005.

Transactions and Financial Position

During the financial year the Trust's main source of income was from grants and donations. Full details of grant income are given in note 1 on page 12 of these financial statements.

In addition to grants and donations the Trust continues to receive financial support from Mansfield District Council, North Nottinghamshire Training and Enterprise Council and Wolverhampton & Dudley Breweries plc, by way of interest free loans which at 30th September 2004 totalled £248964 and a loan from Nottinghamshire County Council. The trustees would like to record their thanks to these organisations for their valuable support.

The consolidated deficit for the financial year was £74751 (2003:£51154) which, when deducted from funds brought forward, leaves funds of £2166844 at 30th September 2004 (2003:£2241595). These funds include restricted funds of £1955075 (2003:£2036557) detailed in note 10 of these financial statements.

Risk Policy

The directors and trustees are responsible for the management of the risks faced by the Trust. *Detailed considerations of the risk are identified, assessed and controls established throughout the year.* A formal review of the Trust's risk management processes is undertaken on an annual basis. Through the risk management process established by the Trust, the directors and trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Reserves

The Trust needs reserves to enable it to meet both its ongoing commitments in respect of its general charitable activities and to meet its future operating requirements.

The level of unrestricted funds in the Trust at 30th September 2004 amounted to £211769 (2003:£205038).

DIRECTORS' AND TRUSTEES' REPORT

Reserves (continued)

The level of restricted funds in the Trust at 30th September 2004 amounted to £1955075 (2003:£2036557).

The level of total reserves is judged appropriate for the present situation and needs of the Trust.

The trustees will review this position and policy on an annual basis.

The Subsidiary Undertaking

During the year, Chadburn House hosted 15 different organisations with licence fees and overhead contributions receivable amounting to £150948 (2003:£133321). The hiring out of conference facilities generated further income of £56867 (2003:£42325).

The cost of catering for conference facilities amounted to £11586 (2003:£7281) which when deducted from income resulted in a gross profit of £196229 (2003: £168365). Administrative expenses, excluding a management charge of £30000 (2003:£11500) amounted to £149899 (2003:£144321) which, following deduction from gross profit, generated an operating profit of £16330.

During the year ended 30th September 2004, the trading activity within the Discovery Centre generated gross income of £98550. Cost of sales amounted to £41906 resulting in a gross profit of £56644.

Administrative expenses incurred amounted to £139709 with wages, salaries, recruitment and marketing costs accounting for £82441 of this total. The operating loss incurred in the period amounted to £83065 which was financed to the value of £72792 by grants received from various sources. For the purposes of the consolidated financial statements all this grant income has been included within grants receivable as detailed in note 1 on page 12 of these financial statements.

The overall operating loss of the subsidiary undertaking amounted to £66735 (2003:£68931).

Directors and Trustees

All directors of the company are also trustees of the charity and there are no other trustees. Details of the trustees who served in the accounting period are shown on page 1.

Liability Insurance

During the year the Trust purchased trustees' liability insurance at a cost of £1943 (2003: £1575).

Statement of Trustees' Responsibilities

The trustees are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the income and expenditure of the Trust for that period. In preparing those financial statements the trustees 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 assume that the Trust will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
(A company limited by guarantee)

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DIRECTORS' AND TRUSTEES' REPORT

Compliance with Statutory Requirements

The trustees confirm that the financial statements comply with current statutory requirements and with those of the governing document.

Auditors

A resolution for the reappointment of the auditors Horwath Barnett & Turner will be proposed at the Annual General Meeting in accordance with Section 385 of the Companies Act 1985.

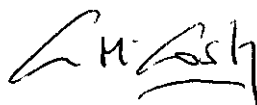
The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the trustees

on 9th May 2005

Signed on behalf of the directors and trustees

W. McCosh CBE
Director



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED (A company limited by guarantee)

We have audited the financial statements of The Making It Industrial Heritage Trust Limited for the year ended 30th September 2004 on pages 7 to 19. These financial statements have been prepared under the accounting policies set out on pages 10 and 11.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this audit report, or for the opinion we have formed.

Respective Responsibilities of Directors, Trustees and Auditors

As described in the Statement of Trustees Responsibilities the company's directors and trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is 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' and Trustees' 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' and trustees' remuneration and transactions with the company is not disclosed.

We read the Directors' and Trustees' 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 and trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the company and the group, 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.

Unqualified Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charitable company and of the group as at 30th September 2004 and of the group's incoming resources and application of resources, including its income and expenditure in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Horwath Barnett & Turner
Horwath Barnett & Turner
Chartered Accountants
and Registered Auditors
Mansfield

9th May 2005

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)

For the year ended 30th September 2004

	Note	Unrestricted funds £	Restricted funds £	2004 Total £	2003 Total £
Incoming resources:					
Grants, donations and similar incoming resources:					
Grants receivable	1	34356	38273	72629	170208
Sponsorship and donations		-	-	-	5000
Other incoming resources:					
Sale of brewery equipment		22160	-	22160	-
Incoming resources from operating activities:					
Admission fees and educational party bookings		76738	-	76738	66936
Commercial trading operations	4	328122	-	328122	252841
Interest receivable		940	-	940	690
Total incoming resources		462316	38273	500589	495675
Resources expended:					
Cost of generating funds:					
Commercial trading operations	4	343100	-	343100	301451
Charitable expenditure:					
Costs of activities in furtherance of the charity's objects		93264	119755	213019	224044
Costs of management and administration of the charity		19221	-	19221	21334
Total resources expended		455585	119755	575340	546829
Net movement in funds:					
Net expenditure for the year		6731	(81482)	(74751)	(51154)
Balances brought forward at 1st October 2003		205038	2036557	2241595	2292749
Balances carried forward at 30th September 2004		211769	1955075	2166844	2241595

The consolidated statement of financial activities contains all the gains and losses recognised in the current and preceding year. All the results are derived from continuing activities.

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
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CONSOLIDATED BALANCE SHEET
As at 30th September 2004

	Note	2004	2003
		£	£
Fixed assets:			
Tangible fixed assets	5	2666539	2768093
Current assets:			
Stocks		7166	9408
Debtors	7	34599	58764
Cash at bank and in hand		78321	41047
		<hr/>	<hr/>
		120086	109219
Creditors: amounts falling due within one year	8	56665	64356
		<hr/>	<hr/>
Net current assets		63421	44863
		<hr/>	<hr/>
Total assets less current liabilities		2729960	2812956
Creditors: amounts falling due after more than one year	8	563116	571361
		<hr/>	<hr/>
		2166844	2241595
		<hr/>	<hr/>
Funds:	10		
Unrestricted funds		211769	205038
Restricted funds		1955075	2036557
		<hr/>	<hr/>
		2166844	2241595
		<hr/>	<hr/>

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

These financial statements were approved by the directors and trustees on 9th May 2005

Signed on behalf of the directors and trustees

J. Fearon
Chairman



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THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
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BALANCE SHEET
As at 30th September 2004

	Note	£	2004 £	£	2003 £
Fixed assets:					
Tangible fixed assets	5		2654280		2750349
Investment in group undertaking	6		1		1
			<hr/>		<hr/>
			2654281		2750350
Current assets:					
Debtors	7	34143		53555	
Cash at bank and in hand		26375		4332	
		<hr/>		<hr/>	
		60518		57887	
Creditors: amounts falling due within one year	8	39334		43296	
		<hr/>		<hr/>	
Net current assets			21184		14591
			<hr/>		<hr/>
Total assets less current liabilities			2675465		2764941
Creditors: amounts falling due after more than one year	8		513116		521361
			<hr/>		<hr/>
			2162349		2243580
			<hr/>		<hr/>
Funds:	10				
Unrestricted funds			207274		207023
Restricted funds			1955075		2036557
			<hr/>		<hr/>
			2162349		2243580
			<hr/>		<hr/>

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

These financial statements were approved by the directors and trustees on *9th May 2005*

Signed on behalf of the directors and trustees

J. Fearon
Chairman

X

[Signature]

X

X

ACCOUNTING POLICIES

For the year ended 30th September 2004

Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2000).

Basis of Consolidation

These financial statements consolidate the results of the Trust and its wholly owned subsidiary, Making It! Enterprises Limited. A separate Statement of Financial Activities and Income and Expenditure Account for the Trust itself is not presented because the Trust has taken advantage of the exemptions afforded by section 230 of the Companies Act 1985 and paragraph 304 of SORP 2000.

Incoming Resources

- a. **Grants and Donations Receivable**
Income from grants and donations including capital grants is recognised in the Statement of Financial Activities in the period in which it is receivable. Income is deferred only when the Trust has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.
- b. **Gifts in Kind**
Gifts in kind are recognised as incoming resources when receivable providing a reasonable estimate of their value to the Trust can be determined. The Trust benefits from voluntary time and out-of-pocket expenses contributed by both individuals and organisations which would be impossible to value but for which the Trust is extremely grateful.
- c. **Admission Fees and Educational Party Bookings**
Income from admissions and party bookings is included in incoming resources in the period in which a visit takes place.

Commercial Trading Activities

Licence fees and overhead contributions are included in incoming resources in the accounting period to which they relate. Café bar and shop takings are included in incoming resources when receivable. All are stated excluding value added tax.

Resources Expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Allocation of Charitable Expenditure

All costs associated with the leasehold property are classified as direct charitable expenditure. Costs that can be attributed to the educational activities of the Trust which are centred around the Heritage Centre are also treated as direct charitable expenditure. All other expenditure relates to the management and administration of the Trust.

ACCOUNTING POLICIES

For the year ended 30th September 2004

Leased Assets

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Leasehold Property

Where in the opinion of the directors the costs of alterations and improvements to leasehold property enhance its value the costs are capitalised. All other costs are charged in the Statement of Financial Activities when incurred.

Exhibits

Costs associated with the acquisition of exhibits are charged to the Statement of Financial Activities when incurred.

Tangible Fixed Assets and Depreciation

No depreciation is provided on freehold land in accordance with Statement of Financial Reporting Standard 15. All other tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	-	20% straight line basis
Leasehold property	-	the shorter of the period of the lease or 50 years

Depreciation provided against assets held in restricted funds is charged against those funds.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Fund Accounting

The Trust holds two categories of funds as follows:

Unrestricted general funds:

These are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds:

These are funds that can only be used for particular restricted purposes within the objects of the Trust. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Grants and donations for major development projects are always classified as restricted funds.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30th September 2004

1. Grants Receivable

	Unrestricted Funds £	Restricted funds £	2004 Total £	2003 Total £
G.O.E.M. (D.E.S.)	-	-	-	1864
N.I.A.C.E.	13445	-	13445	33143
New Opportunities Fund	-	21256	21256	14171
The Millennium Commission	-	-	-	65268
Nottinghamshire County Council	-	-	-	60109
Adapt	-	3000	3000	-
Ernest Cooke Trust	-	1000	1000	-
H.M. McCosh Charity	-	500	500	-
Puri Foundation	-	200	200	-
Thomas Farr Charity	-	5000	5000	-
Mansfield District Council	-	1852	1852	-
John Eastwood Charity	-	1000	1000	-
EMMLAC	-	3000	3000	-
Garfield Weston Foundation	20000	-	20000	-
The Lady Hind Trust	-	1000	1000	-
Young Enterprise	-	225	225	-
Sundry	-	240	240	-
Deferred income	911	-	911	(4347)
	<hr/>	<hr/>	<hr/>	<hr/>
	34356	38273	72629	170208
	<hr/>	<hr/>	<hr/>	<hr/>

2. Resources Expended

The following amounts are included in resources expended:

	2004 £	2003 £
Auditors' remuneration:		
In their capacity as auditors	3000	3000
For their services in preparing the financial statements	1000	2000
Depreciation of tangible fixed assets:		
Leasehold property	52669	52670
Fixtures, fittings and equipment	51550	54569
Operating lease charges for hire of equipment	769	1278
Staff costs:		
Wages and salaries	47610	56438
Social security costs	4574	4061
	<hr/>	<hr/>

No remuneration was paid to trustees in the year, nor were any expenses reimbursed to them.

The average number of employees employed within the group during the year on either a full or part time basis was 23 (2003:24). This number excludes trustees. No employee earned more than £50000 in the current or preceding year.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30th September 2004

3. Charitable Expenditure

	2004	2003
	£	£
Costs of activities in furtherance of the charity's objects:		
Wages and salaries	48589	56119
Exhibits	11192	6627
Professional charges	5858	6647
Marketing	5004	6851
Property running expenses	19402	21525
Sundry expenses	3621	4365
Depreciation and amortisation	98509	100877
Educational visit subsidies	20844	21033
	<hr/>	<hr/>
	213019	224044
	<hr/>	<hr/>
Costs of management and administration of the charity:		
Wages and salaries	3595	4380
Professional fees	4000	5000
Bank charges	816	1478
Loan interest payable	10810	10476
	<hr/>	<hr/>
	19221	21334
	<hr/>	<hr/>
Total resources expended	232240	245378
	<hr/>	<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30th September 2004

4. Net Income from Trading Activities of Subsidiary

The Trust has a wholly owned trading subsidiary, Making It! Enterprises Limited whose principal activities are the letting of office and conference facilities and the operation of a café bar and shop. The company pays an annual management charge to the Trust. A summary of the trading results is shown below:

	2004	2003
	£	£
Turnover:		
Licence fees and overhead contributions	150948	133321
Conference facilities and Discovery Centre trading income	155417	110699
	<hr/>	<hr/>
	306365	244020
Less expenses	343100	301451
	<hr/>	<hr/>
Operating loss	(36735)	(57431)
Other income	21757	8821
	<hr/>	<hr/>
Net trading expenditure	(14978)	(48610)
Management charge	(30000)	(11500)
Grants received	50612	58175
Interest received	846	575
	<hr/>	<hr/>
Profit/loss for the year	6480	(1360)
	<hr/>	<hr/>

At 30th September 2004 the company had total assets of £130765 and liabilities of £126267, giving a balance of capital and reserves of £4498 (2003:£(1982)).

5. Tangible Fixed Assets
Group

	Freehold property	Long leasehold property	Fixtures and fittings	Total
	£	£	£	£
Cost:				
As at 1st October 2003	150951	2610758	316550	3078259
Additions	-	-	2665	2665
	<hr/>	<hr/>	<hr/>	<hr/>
As at 30th September 2004	150951	2610758	319215	3080924
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation:				
As at 1st October 2003	37366	116082	156718	310166
Charge for the year	-	52669	51550	104219
	<hr/>	<hr/>	<hr/>	<hr/>
As at 30th September 2004	37366	168751	208268	414385
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value:				
As at 30th September 2004	113585	2442007	110947	2666539
	<hr/>	<hr/>	<hr/>	<hr/>
As at 30th September 2003	113585	2494676	159832	2768093
	<hr/>	<hr/>	<hr/>	<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30th September 2004

5. Tangible Fixed Assets (continued)
Trust

Fixed assets for the Trust's use

	Freehold property £	Long leasehold property £	Fixtures and fittings £	Total £
Cost:				
As at 1st October 2003	150951	2597278	290541	3038770
Additions	-	-	2440	2440
	<hr/>	<hr/>	<hr/>	<hr/>
As at 30th September 2004	150951	2597278	292981	3041210
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation:				
As at 1st October 2003	37366	111110	139945	288421
Charge for the year	-	51321	47188	98509
	<hr/>	<hr/>	<hr/>	<hr/>
As at 30th September 2004	37366	162431	187133	386930
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value:				
As at 30th September 2004	113585	2434847	105848	2654280
	<hr/>	<hr/>	<hr/>	<hr/>
As at 30th September 2003	113585	2486168	150596	2750349
	<hr/>	<hr/>	<hr/>	<hr/>

Assets Subject to Charge:

The Millennium Commission hold a charge over all of the assets of the Trust.

Wolverhampton and Dudley Breweries PLC hold a charge over the leasehold property of the Trust.

Nottinghamshire Enterprises Limited hold a charge against the freehold property to the value of £20000.

Nottinghamshire County Council hold a fixed and floating charge over the whole of the assets of the group.

HSBC Bank PLC hold a fixed and floating charge over all the property and assets of the Trust together with a second legal mortgage limited to £200000 plus interest over the freehold and leasehold property of the Trust.

The total of the potential liabilities owed to all the above parties at 30th September 2004 amounted to £472524 which represents 17.72% of the net book value of the groups tangible fixed assets at that date.

6. Investment in Group Undertaking

Shares in Making It! Enterprises Limited, (company registration number 3442956) are wholly owned by the Trust and are stated at cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30th September 2004

7. Debtors

	Group £	2004 Trust £	Group £	2003 Trust £
Trade debtors	24365	-	23502	-
Amounts owed by group undertakings:				
Loan accounts	-	32850	-	46703
Prepayments and accrued income	10234	1293	35262	6852
	<hr/>	<hr/>	<hr/>	<hr/>
	34599	34143	58764	53555
	<hr/>	<hr/>	<hr/>	<hr/>

The terms attached to the three loans made by the Trust to its trading subsidiary to provide working capital are as follows:

	2004 £	2003 £
Repayable within one year	6000	10853
Repayable between one and two years	6000	12000
Repayable between two to five years	15710	14140
Repayable after five years	5140	9710
	<hr/>	<hr/>
	32850	46703
	<hr/>	<hr/>

The loans are unsecured and interest free.

8. Creditors

a. Creditors: amounts falling due within one year

	Group £	2004 Trust £	Group £	2003 Trust £
Loans (secured)	9190	9190	13246	13246
Trade creditors	15860	-	19465	-
Taxation and social security	3773	-	7055	-
Other creditors	16804	-	10830	-
Accruals and deferred income	11038	4056	13760	3000
Amounts owed to group undertaking:				
Current account	-	26088	-	27050
	<hr/>	<hr/>	<hr/>	<hr/>
	56665	39334	64356	43296
	<hr/>	<hr/>	<hr/>	<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30th September 2004

8. Creditors (continued)

b. Creditors: amounts falling due after more than one year

	Group £	2004 Trust £	Group £	2003 Trust £
Loans:				
Secured	503116	503116	511361	511361
Unsecured	60000	10000	60000	10000
	<hr/>	<hr/>	<hr/>	<hr/>
	563116	513116	571361	521361
	<hr/>	<hr/>	<hr/>	<hr/>

c. Loans included in creditors are repayable by instalments as follows:

	Group £	2004 Trust £	Group £	2003 Trust £
Within one year	9190	9190	13246	13246
Between one and two years	61751	61751	91736	81736
Between two and five years	169527	164527	231120	201120
After five years	331838	286838	248505	238505
	<hr/>	<hr/>	<hr/>	<hr/>
	572306	522306	584607	534607
	<hr/>	<hr/>	<hr/>	<hr/>

9. Operating Leases

At 30th September 2004 the group and Trust had annual commitments under non-cancellable operating leases for equipment as set out below:

	Group £	Trust £
Operating leases which expire between two to five years	769	-
	<hr/>	<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30th September 2004

10. Funds

a. Restricted Funds for the Group and the Trust:

The restricted fund was initially represented by specific grants from the European Regional Development Fund and Mansfield District Council to purchase leasehold property and fixtures and fittings, in connection with Phase I of the Trust's objectives.

The restricted fund has been further enhanced by grants from various sources to fund Phase II of the Trust's objectives. Freehold property has been purchased together with the services of professional firms in connection with surveying, architectural, project management, research and marketing skills. Construction work on the development of the leasehold property for Phase II of the project commenced in March 2001 and was completed during March 2003.

Restricted funds also include a balance of £3774 representing donations received for the purpose of subsidising educational party bookings not yet utilised.

b. Analysis of Fund Balances between the Net Assets

Group

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	715238	1951301	2666539
Current assets	116312	3774	120086
Current liabilities	(56665)	-	(56665)
Long term liabilities	(563116)	-	(563116)
	<hr/>	<hr/>	<hr/>
	211769	1955075	2166844
	<hr/>	<hr/>	<hr/>

Trust

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	702979	1951301	2654280
Investment in group undertaking	1	-	1
Current assets	56744	3774	60518
Current liabilities	(39334)	-	(39334)
Long term liabilities	(513116)	-	(513116)
	<hr/>	<hr/>	<hr/>
	207274	1955075	2162349
	<hr/>	<hr/>	<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30th September 2004

10. Funds (continued)

Restricted funds comprise the following:
Group and Trust

	Balance 1st October 2003 £	Movement in Resources		Balance 30th September 2004 £
		Incoming £	Outgoing £	
Phase I	122809	-	(2558)	120251
Phase II	1901495	1652	(72097)	1831050
Educational visits fund	12253	12365	(20844)	3774
New Opportunities Fund	-	21256	(21256)	-
Adapt	-	3000	(3000)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	2036557	38273	(119755)	1955075
	<hr/>	<hr/>	<hr/>	<hr/>

The educational visits fund consists of current assets. All other restricted funds represent fixed assets.

11. The Trust is a company limited by guarantee having no authorised or issued capital.

The amounts guaranteed in the nature of reserve capital are £5 (2003 £5).

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
(A company limited by guarantee)

For the information of the trustees only
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DETAILED INCOME AND EXPENDITURE ACCOUNT
For the year ended 30th September 2004

	2004		2003	
	£	£	£	£
Income:				
Grants receivable		34017		112033
Sponsorship and donations		-		5000
Management charge		30000		11500
Admission fees and educational party bookings		76738		66936
Bank interest receivable		94		115
Sale of brewery exhibits		22160		-
		<hr/>		<hr/>
		163009		195584
Expenditure:				
Educational visit costs	20844		21033	
Repairs and renewals	3999		4998	
Rates	2871		4239	
Insurance	6138		6545	
Light and heat	6394		5743	
Wages and salaries	52184		60499	
Marketing and advertising	5004		6851	
Telephone and postage	1848		2305	
Audit and accountancy	6025		3813	
Professional charges	3833		7834	
Sundry expenses	1773		2060	
Depreciation leasehold property	51321		51322	
Depreciation, fixtures and fittings	47188		49555	
Bank charges	816		1478	
Exhibition materials	11192		6625	
Donation	12000	233430	-	234900
	<hr/>	<hr/>	<hr/>	<hr/>
Loan interest payable		(70421)		(39316)
		10810		10476
		<hr/>		<hr/>
Deficit for the year		(81231)		(49792)
		<hr/>		<hr/>

This income and expenditure account was approved
by the directors and trustees on *9th May 2005*

Signed on behalf of the directors and trustees

J. Fearon
Chairman

[Signature]

X

X