

ST AUSTELL CHINA CLAY MUSEUM LIMITED**REPORT OF THE COUNCIL OF TRUSTEES**

The Trustees have pleasure in presenting their report together with the audited Financial Statements for the year ended 31st December 2004.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are required by UK Company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for that period.

The trustees confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31st December 2004. The trustees also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The trustees are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the Company, and to prevent and detect fraud and other irregularities.

Major risks identified by the trustees have been reviewed and trustees have taken appropriate steps to mitigate those risks.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The company is principally engaged in the management of the China Clay Museum at Wheal Martyn, St Austell, an industrial museum which interprets the history of the local china clay industry.

The company commenced a major development project in November 2004, consisting of a new exhibition area, shop and restaurant, and a new entrance hall and expanded car park. This is being funded by the Heritage Lottery Fund and by the European Regional Development Fund (objective 1), and adds substantially to the range of the Museum's attractions. Considerable financial and other assistance has also been provided by Restormel Borough Council, Cornwall County Council, Imerys Minerals Ltd, and Goonvean Ltd, and other sponsors, all of which are gratefully acknowledged by Trustees.

During the year Ms Caroline Dudley and Dr. Peter Hackett resigned as Directors.



REPORT OF THE COUNCIL OF TRUSTEES (continued)

INCOME AND EXPENDITURE

	£.
Surplus for the year	85,390
Add Balance brought forward from previous year	133,338
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Balance carried forward to next year	218,728
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DONATIONS

During the year Imerys donated £35,000 to the Museum.

TRUSTEES

The Trustees who served during the year are listed below:

R D Preston (Chairman)	T D B Giles	C S Thurlow
Dr C W Gronow	P Reseigh	B M Grime
C P Dart	Miss C E A Dudley	I R Bowditch
	(resigned 21st October 2004)	
I Lamond	Dr P Hackett	A McGowan
	(resigned 16th December 2004)	

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

COMPANY NO. 1160460
CHARITY NO. 1001838

BY ORDER OF THE COUNCIL

T.D.B. Giles

Secretary

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE ST AUSTELL CHINA CLAY MUSEUM LIMITED**

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

Responsibilities of Trustees and Auditors

As described on page 1, the company's trustees are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom accounting standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts 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 Trustees' Report is not consistent with the accounts, 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 Trustees' remuneration and transactions with the Company is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

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 trustees 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.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Company's affairs at 31st December 2004 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In our opinion, the company is entitled for the year ended 31st December 2004 to the exemption conferred by S.248 of the Companies Act 1985, from the requirement to prepare group accounts.



Barry Smeath & Co
Registered Auditors
CHARTERED ACCOUNTANTS
St Austell

15 Jan 2005

ST AUSTELL CHINA CLAY MUSEUM LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2004

	<u>Note</u>	<u>2004</u> £.	<u>2003</u> £.
Turnover	3	59,273	69,379
Direct Expenditure		(107,347)	(118,448)
Administrative Expenses		(32,486)	(46,771)
Other Operating Income		164,095	57,949
Interest Receivable		1,855	2,178
Surplus/(Deficit) on Ordinary Activities before and after Taxation	4	<u>85,390</u>	<u>(35,713)</u>
Surplus/(Deficit) for the Financial Year		85,390	(35,713)
Balance brought forward		<u>133,338</u>	<u>169,051</u>
Balance carried forward		<u>218,728</u>	<u>133,338</u>

The notes on pages 6 to 8 form part of these Financial Statements.

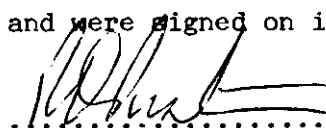
ST AUSTELL CHINA CLAY MUSEUM LIMITED

BALANCE SHEET AT 31ST DECEMBER 2004

	<u>Note</u>	<u>2004</u>	<u>2003</u>
		£.	£.
Fixed Assets			
Tangible Assets	5	173,870	79,987
Loan	6	10,000	10,000
Investment	7	100	100
Current Assets			
Debtors	8	18,911	1,567
Cash at Bank and in Hand		63,570	58,800
		<u>82,481</u>	<u>60,367</u>
Creditors			
Amounts falling due within one year	9	<u>35,723</u>	<u>5,116</u>
Net Current Assets		46,758	55,251
Total Assets Less Current Liabilities		<u>230,728</u>	<u>145,338</u>
Capital and Reserves			
Unrestricted Funds	10	127,444	145,338
Restricted Funds	11	103,284	-
		<u>230,728</u>	<u>145,338</u>

The accounts 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 Council on 14 June 2005 and were signed on its behalf by

..... TRUSTEE

ST AUSTELL CHINA CLAY MUSEUM LIMITED**NOTES TO THE FINANCIAL STATEMENTS****1. MEMBERS**

The Company is limited by guarantee and does not have a Share Capital. Each member is liable to contribute a sum not exceeding £1.

2. PRINCIPAL ACCOUNTING POLICIES

The Company's accounting policies are in accordance with generally accepted accounting principles, and are applied consistently with previous years.

(a) Basis of Accounting

The accounts have been prepared under the historical cost accounting rules and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

(b) Depreciation and Amortisation

- (i) Depreciation of plant, machinery and equipment is calculated on the cost on the straight line basis in accordance with the useful life of the asset concerned as detailed below:-

Motor Vehicles	4 years
Other Plant, Machinery & Equipment	10 years

- (ii) Leasehold property is amortised over the life of the lease.

3. TURNOVER

Turnover represents income derived from the operation of an industrial museum.

4. SURPLUS

The Surplus before and after taxation is stated:

After Charging	<u>2004</u> £.	<u>2003</u> £.
Depreciation of tangible fixed assets	8,405	11,133
Auditor's Remuneration and Expenses	490	490
Operating Lease Rentals: Property	1,040	1,275
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After Crediting:	<u>2004</u> £.	<u>2003</u> £.
Donations/Gift Aid/Grants	163,284	56,448
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ST AUSTELL CHINA CLAY MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. TANGIBLE FIXED ASSETS	Short Leasehold Property £.	Plant, Machinery & Equipment £.	Development Project £.	Total £.
Cost less Grants				
At 1st January 2004	154,808	89,725	-	244,533
Expenditure to date	-	-	102,288	102,288
	<u>154,808</u>	<u>89,725</u>	<u>102,288</u>	<u>346,821</u>
Depreciation and Amortisation				
At 1st January 2004	78,873	85,673	-	164,546
Charged in Year	4,353	4,052	-	8,405
At 31st December 2004	<u>83,226</u>	<u>89,725</u>	<u>-</u>	<u>172,951</u>
Net Book Value				
At 31st December 2004	<u>71,582</u>	<u>-</u>	<u>102,288</u>	<u>173,870</u>
At 31st December 2003	<u>75,935</u>	<u>4,052</u>	<u>-</u>	<u>79,987</u>

6. LOAN

To Wheal Martyn Enterprises Ltd, redeemable 31st December 2021.

7. INVESTMENT

<u>2004</u> £.	<u>2003</u> £.
100	100
<u>100</u>	<u>100</u>

This represents the cost of the Company's investment in 100 Ordinary £1 Shares (100 in issue) of Wheal Martyn Enterprises Limited which is incorporated in England.

8. DEBTORS

	<u>2004</u> £.	<u>2003</u> £.
Trade and Other Debtors	<u>18,911</u>	<u>1,567</u>

ST AUSTELL CHINA CLAY MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. CREDITORS: Amounts falling due within
one year

	<u>2004</u>	<u>2003</u>
	£.	£.
Taxation and Social Security	5,978	-
Other Creditors	29,745	4,617
Bank Overdraft	-	499
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	35,723	5,116
	<hr/>	<hr/>

10. UNRESTRICTED FUNDS

General Reserve	12,000
Profit & Loss Account	115,444
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	127,444
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11. RESTRICTED FUNDS

Surplus for the year	103,284
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Represented by:-	
Fixed Assets	102,288
Current Assets	996
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	103,284
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12. COUNCIL OF TRUSTEES EMOLUMENTS

The Council of Trustees constitutes directors of the Company for Companies Act purposes.

No emoluments were paid to the Trustees during the year (2003 Nil).

13. TAXATION

The Company is a registered Charity and is accordingly not subject to Corporation Tax.

14. COMMITMENTS

At December 31st 2004 the company had embarked on a major development project costing approximately £1.1 million, due for completion in June 2005. This project is fully funded by grant aid.

The Company has commitments under operating leases to make payments of £207 in the year to 31st December 2005 as follows:

	<u>Property</u>
Between two and five years	-
After five years	207
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ST AUSTELL CHINA CLAY MUSEUM LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2004

INCOME	Unrestricted Funds	Restricted Funds	Total Funds 2004	Total Funds 2003
	£.	£.	£.	£.
Admissions	59,273	-	59,273	69,379
Donations/Gift Aid/Grants	60,000	103,284	163,284	56,448
Activities to Generate Funds				
Bank Deposit - interest	1,205	-	1,205	1,628
Loan Interest	650	-	650	550
Sundry	811	-	811	1,501
	<u>121,939</u>	<u>103,284</u>	<u>225,223</u>	<u>129,506</u>
EXPENDITURE				
Direct Charitable				
Salaries	80,690	-	80,690	73,967
Rent and Rates	2,321	-	2,321	6,813
Light, Heat & Insurance	10,026	-	10,026	9,210
Repairs and Renewals	5,506	-	5,506	6,144
Development Costs	-	-	-	10,721
Hire of Equipment	290	-	290	132
Depreciation and Amortisation	8,405	-	8,405	11,133
Curatorial Expenses	109	-	109	328
	<u>107,347</u>	<u>-</u>	<u>107,347</u>	<u>118,448</u>
Advertising & Promotion	<u>14,646</u>	<u>-</u>	<u>14,646</u>	<u>33,254</u>
ADMINISTRATION				
Bank interest and charges	1,657	-	1,657	1,709
Telephone & Postage	1,798	-	1,798	1,900
Printing and Stationery	1,636	-	1,636	2,650
Audit and Accountancy	950	-	950	950
Professional Fees	9,284	-	9,284	283
Donations and Subscriptions	317	-	317	631
Travelling and Entertaining	1,208	-	1,208	4,391
Sundry	990	-	990	1,003
	<u>17,840</u>	<u>-</u>	<u>17,840</u>	<u>13,517</u>
Operating (Deficit)/Surplus	<u>(17,894)</u>	<u>103,284</u>	<u>85,390</u>	<u>(35,713)</u>
Balance brought forward	133,338	-	133,338	169,051
Balance carried forward	<u>115,444</u>	<u>103,284</u>	<u>218,728</u>	<u>133,338</u>
General Reserve	<u>12,000</u>	<u>-</u>	<u>12,000</u>	<u>12,000</u>
Total Reserves	<u>127,444</u>	<u>103,284</u>	<u>230,728</u>	<u>145,338</u>