

KINGSHILL HOUSE LIMITED

ANNUAL REPORT AND ACCOUNTS

31ST MARCH 1997

Charity Commission Reference Number: 1055651

Company Registered Number: 3166320



KINGSHILL HOUSE LIMITED**SIGNIFICANT INFORMATION**

The Company is established as a Company limited by guarantee and is registered as a charity with the Charity Commission. The affairs of the Company are governed by its memorandum and articles of association. The liability of the Members in the event of the Company being wound up is limited to a sum not exceeding £1 .

Members

Mr K A Hitchings
 Dr A R R Telford
 Mr D H Batchelor
 Mr H Atkinson
 Mr R J Littleford
 Mrs D E Lewis
 Mrs C M Darlaston
 Councillor B E Allen (Dursley Town Council)
 Councillor Mrs H A Fowles (Stroud District Council)
 Councillor W J Thompson (Stroud District Council)
 Councillor Ms M Clifton (Cam Parish Council & Stroud District Council)

Board of Directors

Mr K A Hitchings (Chairman)
 Dr A R R Telford (finance Director)
 Mr D H Batchelor (Project Director)
 Mr H Atkinson

Company Secretary/Arts Co-ordinator: Miss K J Edmonds

Registered Office:	Bank:	Solicitors:	Accountants:
Kingshill House	Lloyds Bank	Goldinghams	Tomlinson Harris & Co.,
Kingshill Lane	12 Rowcroft	10 Long Street	Prospect House,
Dursley	Stroud	Wotton-U-Edge	5 May Lane,
Glos. GL11 4BZ	Glos. GL5 3BT	Glos	Dursley,
		GL12 7ER	Glos
			GL11 4JH

KINGSHILL HOUSE LIMITED

SIGNIFICANT INFORMATION

Trustees Responsibilities For The Financial Statements

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the charity for that period. In preparing those financial statements, the trustees are required to :

- a) select suitable accounting policies and apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

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

KINGSHILL HOUSE LIMITED

TRUSTEES' REPORT

The Members present their report and the accounts for the period ended 31st March 1997.

General

Kingshill House Limited has an agreement with Stroud District Council to convert the property, Kingshill House for use as a Community Arts Centre. The objective is to provide a centre accessible by the whole community, such that any prevailing barriers to enjoyment of and participation in education, arts community activities are minimised and eventually removed

Developments, Activities and Achievements during the period

The Company was incorporated on 29 February 1996. It commenced activity on 1 April 1996 with the appointment of a full-time fund-raiser/arts co-ordinator. Confirmation of charitable status was notified on 30 May 1996. Architects Verity & Beverley of Tetbury, with several years' experience of working on similar projects, were appointed to draw up conversion and refurbishment plans, in liaison with the charity's project director, who is giving his professional services as a quantity surveyor voluntarily, saving £20,000 in fees thus far.

Volunteers carried out preparatory work on building prior to the placement of a tender later in the year, thus saving more than £10,000 in labour costs, and volunteer work continues. One wing of the building was made ready for occupancy in October 1996. One room in this wing is rented by a local charity, the Cotswold Vale Talking Newspapers, who set up a recording studio to prepare tapes of the local weekly newspaper for some 70 clients with impaired vision. Two other rooms are occupied by Dursley Operatic & Dramatic Society's Wardrobe Department. The refurbishment contract was put out to tender in November 1996. Chappell & Dix were Successful tenderers and commenced work in January 1997.

Amongst the fund-raising activities throughout the year an exhibition of Local Arts was held over tens days at Kingshill House in November 1996. Over 500 visitors attended to view artwork in all media, recycled art, work by the members of the Embroiderers' Guild, sculpture and costume. Kingshill House Limited joined the Adult Education Consortium for Gloucestershire and is working with other members to produce an education programme for the centre. An alliance has been formed with a new music initiative providing educational and performance opportunities for young musicians. Other projects are being formulated to produce a cross-community programme.

KINGSHILL HOUSE LIMITED

TRUSTEES' REPORT (cont'd)

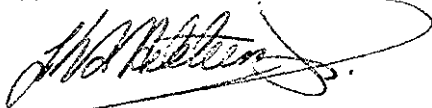
Financial Activities and Affairs

Financial support in respect of refurbishment and maintenance has been received in the form of grants by local authorities. In addition, fund-raising activities have raised a total of £32,438 (including £8,090 loans from friends of Kingshill house). The fund-raising programme will continue to complete the refurbishment work. To date the expenditure on the first portion of the contract work totals £50,000. A new phase of contract work is about to commence to enable partial occupancy of the building by September 1997. Upon receipt of an arts council grant financed by the National Lottery completion of outstanding work will be quickly finished when Kingshill House will be fully open to the public.

Auditors

A resolution to re-appoint Messrs. Tomlinson Harris & Co will be proposed at the Annual General meeting.

Approved by the trustees on 7th July 1997 and signed on their behalf by:



Mr K. A. Hitchings
Chairman

AUDITORS' REPORT

to the members of Kingshill House Limited

We have audited the financial statements on page 6 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

Respective Responsibilities of Trustees and Auditors

As described on page 2 the Company's trustees are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those 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 disclosure 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 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 misstatements, whether caused by fraud or other irregularity or error. In forming an 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 March 1997 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Date 31st July 1997

Tomlinson Harris & Co.

Tomlinson Harris & Co.
Registered Auditors
Prospect House,
5 May Lane,
Dursley,
Glos,
GL11 4JH.

KINGSHILL HOUSE LIMITED**STATEMENT OF FINANCIAL ACTIVITIES****for the period ended 31st March 1997**

	<u>Notes</u>	General Fund
		£
INCOME AND EXPENDITURE		
Income Resources		
Donations	3	23,900
Grants	4	72,000
Gifts		900
Covenants		100
Other Income	5	1,534
Bank Interest	6	517
Total Income		98,951
Resources Expended		
Initial Costs	7	1,546
Direct Charitable Expenditure	8	53,006
Management and administration	9	22,200
Total Expenditure		76,752
Net Income Resources for the period		22,199
OTHER RECOGNISED GAINS AND LOSSES		
Net Movements in Funds		22,199
Total funds brought forward		-
TOTAL FUNDS CARRIED FORWARD		22,199

The notes on page 6 to 14 form an integral part of these accounts

KINGSHILL HOUSE LIMITED**INCOME AND EXPENDITURE ACCOUNT****for the period ended 31st March 1997**

	<u>Notes</u>	<u>General Fund</u>
		£
INCOME		
Donations & Grants	3 & 4	95,900
Covenants		100
Gifts		900
Other Income	5	1,534
Interest Receivable	6	517
Total Income		98,951
EXPENDITURE	7 8 & 9	76,752
Net Income for the Period		22,199

All of the activities undertaken by the charity were continuing activities. The gains for the period not included in the income and expenditure account are shown in the statements of financial activities.

The notes on page 6 to 14 form an integral part of these accounts

KINGSHLL HOUSE LIMITED**BALANCE SHEET AS AT 31ST MARCH 1997**

	<u>Notes</u>	<u>£</u>	<u>£</u>
FIXED ASSETS			
Tangible Assets	10		2,479
CURRENT ASSETS			
Stock		600	
Debtors	11	2,516	
Cash at Bank and in Hand		<u>43,470</u>	
		46,586	
CREDITORS: Amounts falling due within one year	12	<u>18,776</u>	
NET CURRENT ASSETS			<u>27,810</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			30,289
CREDITORS: Amounts falling due after more than one year	13		8,090
PROVISION FOR LIABILITIES AND CHARGES			<u>-</u>
			<u>22,199</u>
FUNDS			
General Funds	14		<u>22,199</u>

Approved by the directors and trustees on 7th July 1997 and signed on their behalf:


Mr K. A. Hitchings
Chairman

The notes on pages 6 to 14 form an integral part of these accounts

KINGSHILL HOUSE LIMITED**NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST MARCH 1997****1. Accounting Policies****Basis of Accounting**

The statement of accounts have been prepared in accordance with the provisions in the Companies Act 1985, the Statement of Recommended Practice Accounting by Charities and applicable accounting standards. Where necessary the headings laid down in the Companies Act have been adapted to meet the special activities of the Company. The Company qualifies as a small company under the Companies Act 1985, the trustees have elected to take advantage of the exemptions under FRS1 not to prepare a cash flow statement.

Income

Donations are accounted for when received by the Company. Other income is accounted for on an accruals basis as far as it is prudent to do so.

Grants

Revenue grants are credited to the income and expenditure account as received.

Taxation

As a registered charity, the Company benefits from Rates relief and is generally exempt from Income Tax and Capital Gains Tax, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Depreciation

Depreciation of tangible fixed assets is provided at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures, Fittings and Equipment	20% straight line
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2. Staff Costs

The only employee of the Company during the period under review was Miss K.J. Edmonds the Company Secretary.

KINGSHILL HOUSE LIMITED**NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST MARCH 1997**

	General Fund £
3. Donations	
Fund Raising Donations	8,900
Dursley Operatic & Dramatic Society	<u>15,000</u>
	<u>23,900</u>
4. Grants	
Stroud District Council	60,000
Dursley Town Council	6,000
Cam Parish Council	<u>6,000</u>
	<u>72,000</u>
5. Other Income	
Rent 'CVTN'	1,000
Collection	448
Sundry Income	<u>86</u>
	<u>1,534</u>
6. Investment Income	
Interest Receivable	<u>517</u>
7. Initial Costs	
Professional Services	1375
Telephone Connection	99
MEB - Cottage	<u>72</u>
	<u>1546</u>

KINGSHILL HOUSE LIMITED**NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST MARCH 1997**

	General Fund
	£
8. Direct charitable expenditure	
Property Repairs	3,916
General Repairs	1,179
Insurance	4,138
Building Works	21,920
Architect's Fees	16,764
Engineering Consultant	1,975
Lighting Consultant	1,264
Property Repairs - Cottage	1,850
	53,006
9. Management and administration	
Administrators Salary	12,598
Computer Software	96
Security Costs	309
Water	500
Heat and Light	1,725
Telephone and Postage	562
Stationery and Adverts	479
Accountancy & Audit Charges	1,500
Sundry Expenses	1,481
Loss on Disposal of Fixed Assets	2,330
Depreciation	620
	22,200

The average number of employees from the commencement of activity until 31st March 1997 was one. No remuneration is paid to Trustees.

KINGSHILL HOUSE LIMITED**NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST MARCH 1997****10. Tangible fixed assets**

	<u>Equipment</u>
	<u>£</u>
Cost	
Additions	3,099
At 31st March 1997	<u>3,099</u>
Depreciation	
Charge for the period	620
At 31st March 1997	<u>620</u>
Written down amount as at 31st March 1997	<u><u>2,479</u></u>

Kingshill House is leased from Stroud District Council, the contractual term is for 50 years. The initial rent is £5 per annum and will be reviewed in 10 years and every 5 years thereafter. The lease requires that the company be responsible for the repair and maintenance of Kingshill House.

At 31st March 1997 commitments for capital expenditure were as follows:

As at 31st March 1997 capital expenditure to the value of £134,000 has been authorised by the Directors. The first phase of the contract totalling some £50,000 commenced in January 1997 and the remaining part will be undertaken as funds allow.

11. Debtors

	<u>£</u>
VAT Recoverable	2,516
Prepayments	<u>-</u>
	<u><u>2,516</u></u>

KINGSHILL HOUSE LIMITED**NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST MARCH 1997****12. Creditors: Amounts falling due within one year**

	£
Accrued Expenses	18,776
	<u> </u>

13. Creditors: Amounts falling due after more than one year

	£
Loans from Friends of Kingshill House	
Amounts falling due between 1-2 years	809
Amounts falling due between 2-5 years	2,427
Amounts falling after 5 years	<u>4,854</u>
	<u>8,090</u>

The loans from Friends of Kingshill House bear no interest charges and are repayable by annual instalments over 10 years. In return for the interest free loan "Friends" will receive free membership of Kingshill House and all the benefits that are attached to this.

KINGSHILL HOUSE LIMITED**NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST MARCH 1997****14. Funds**

	<u>General Funds</u>
	£
Incoming resources for the period	98,951
Outgoing resources for the period	76,752
At 31st March 1997	22,199
Represented by:	
Tangible fixed assets	2,479
Net current assets	27,810
Loans Friends	8,090
	22,199