

KINGSHILL HOUSE LIMITED

ANNUAL REPORT AND ACCOUNTS

31ST MARCH 1999

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 (resigned 16 February 1999)

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)

Mr P Rummer (Associate Principal, Bristol Old Vic Theatre School)(appointed 12 April 1999)

Board of Directors

Mr K A Hitchings (Chairman)

Dr A R R Telford (Finance Director)

Mr D H Batchelor (Project Director)(resigned 8 January 1999)

Mrs C M Darlaston

Mr H Atkinson

Councillor Mr A G Pierce (Dursley Town Council)(appointed 12 April 1999)

Mr A Guy (appointed 12 April 1999)

Company Secretary/Arts Co-ordinator:

Miss K J Edmonds

Registered Office:

Kingshill House

Kingshill Lane

Dursley

Glos. GL11 4BZ

Bankers:

Lloyds Bank plc Girobank plc

5 Long Street Bootle

Dursley Glos Merseyside

GL11 4HN GIR OAA

Solicitors:

Goldinghams

10 Long Street

Wotton-u-Edge

Glos.GL12 7ER

Accountants:

Tomlinson Harris

Prospect House

5 May Lane

Dursley

Glos.GL11 4JH

KINGSHILL HOUSE LIMITED

SIGNIFICANT INFORMATION

Registered No. 3166320

Charity No. 1055651

VAT No. 666 5671 93

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.

Organisational Structure

The day to day administration of the company is delegated by the Directors to the Company Secretary, who is the only employee. The Directors meet monthly, the Trustees quarterly, or as often as the needs of the Company require.

KINGSHILL HOUSE LIMITED**TRUSTEES' REPORT**

The Members present their report and their accounts for the period ended 31 March 1999.

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 to the whole community, such that any prevailing barriers to enjoyment of and participation in education and arts community activities are minimised and eventually removed. The Arts Centre is to be the stimulus for the rejuvenation of the community providing a lively environment for a wide range of artistic facilities including workshops, performances, rehearsals, exhibitions, classes, seminars and meetings.

Developments, Activities and Achievements during the period

Advised by the Arts Council to submit a second lottery bid this was duly done in May 1998. After eight months of processing and independent assessment the application was again rejected, this time due to lack of funds. However, contingency plans made by the Directors have ensured the continuation of the conversion of Kingshill House with a further grant of £60,000 from Stroud District Council to enable electrical work, toilet suites and the kitchen to be completed. The results of applications to other organisations for assistance with the bar installation and decoration are awaited. A successful application to the ICI Community Project in 1998 resulted in the issue of paint from Dulux to decorate two first floor rooms, which has been utilised with the continued support of volunteers. To date a total of £112,844 has been spent on the house conversion.

Kingshill House has continued to be used in a limited fashion in the interim, through room hire, fund-raising activities and regular use by DODS and CVTN. A one-off performing licence was granted by Stroud District Council to enable the first performances by a professional touring theatre company to take place in March 1999. The virtually sold-out performances were very well received. The Kingshill House Art Club Exhibition in association with the Society of Amateur Artists during August 1998 resulted in over 500 visitors and the first professional artists' exhibition in February 1999 provoked much interest, particularly the site-specific installation by Paul Verity Smith. Collaboration continues with the Adult Education Consortium in Gloucestershire with projects which have produced a Kingshill House wall hanging, plus arts-related courses.

Financial Activities and Affairs

Funding continues to be sought from other sources, particularly towards equipment and staffing. Revenue funding is also being sourced for specific projects.

KINGSHILL HOUSE LIMITED

TRUSTEES' REPORT (cont'd)

Auditors

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

Approved by the trustees on 13 July '99 and signed on their behalf by:

K. A. Hitchings
Chairman

A handwritten signature in black ink, appearing to be 'K. A. Hitchings', written over a horizontal line.

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 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Date 13th July 1999

Tomlinson Harris

Tomlinson Harris
Registered Auditors
Prospect House
5 May Lane
Dursley
Glos
GL11 4JH

KINGSHILL HOUSE LIMITED**STATEMENT OF FINANCIAL ACTIVITIES****for the year ended 31st March 1999**

	<u>Notes</u>	<u>General Fund</u>	<u>1998</u>
		£	£
INCOME AND EXPENDITURE			
Income Resources			
Donations	3	1,571	28,184
Grants	4	17,753	38,000
Gifts		990	2,800
Fundraising		9,340	4,723
Covenants		-	200
Room Hire		2,247	600
Other Income	5	740	2,899
Bank Interest	6	248	446
Total Income		32,889	77,852
Resources Expended			
Direct Charitable Expenditure	7	10,753	84,344
Management and administration	8	20,386	17,193
Total Expenditure		31,139	101,537
Net Income Resources for the Year		1,750	(23,685)
OTHER RECOGNISED GAINS AND LOSSES			
Net Movements in Funds		1,750	(23,685)
<i>Total funds brought forward</i>		<i>(1,486)</i>	<i>22,199</i>
TOTAL FUNDS CARRIED FORWARD		264	(1,486)

The notes on page 9 to 14 form an integral part of these accounts

KINGSHILL HOUSE LIMITED**INCOME AND EXPENDITURE ACCOUNT****for the year ended 31st March 1999**

	<u>Notes</u>	<u>General Fund</u>	<u>1998</u>
		<u>£</u>	<u>£</u>
INCOME			
Donations & Grants	3 & 4	19,324	66,184
Fundraising		9,340	4,723
Covenants		-	200
Room Hire		2,247	600
Gifts		990	2,800
Other Income	5	740	2,899
Interest Receivable	6	248	446
Total Income		<u>32,889</u>	<u>77,852</u>
EXPENDITURE			
	7 & 8	<u>31,139</u>	<u>101,537</u>
Net Income/(Deficit) for the Year		<u>1,750</u>	<u>(23,685)</u>

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.

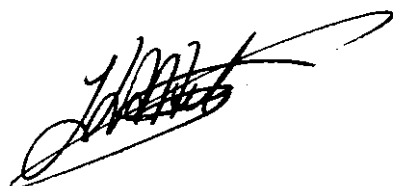
The notes on page 9 to 14 form an integral part of these accounts

KINGSHLL HOUSE LIMITED**BALANCE SHEET AS AT 31ST MARCH 1999**

	<u>Notes</u>	£	£	<u>1998</u> £	£
FIXED ASSETS					
Tangible Assets	9		1,649		2,407
CURRENT ASSETS					
Stock		560		580	
Debtors	10	488		10,314	
Cash at Bank and in Hand		<u>3,808</u>		<u>17,482</u>	
		4,856		28,376	
CREDITORS: Amounts falling due within one year	11	<u>3,151</u>		<u>28,069</u>	
NET CURRENT ASSETS			<u>1,705</u>		<u>307</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,354		2,714
CREDITORS: Amounts falling due after more than one year	12		3,090		4,200
PROVISION FOR LIABILITIES AND CHARGES			<u>-</u>		<u>-</u>
			264		(1,486)
FUNDS					
General Funds	13		<u>264</u>		<u>(1,486)</u>

Approved by the directors and trustees on 13 July '99 and signed on their behalf:

K. A. Hitchings
Chairman



The notes on pages 9 to 14 form an integral part of these accounts

KINGSHILL HOUSE LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1999****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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Voluntary Income

The company receives the benefit of work carried out by volunteers. No monetary value is placed on this although the benefit to the company has been considerable.

2. Staff Costs

The only employee of the Company during the period under review was Miss K.J. Edmonds, the Company Secretary. No remuneration is paid to the Trustees. The project director and project manager have continued to provide services free of charge.

KINGSHILL HOUSE LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1999**

	General Fund £	1998 £
3. Donations		
General Donations	1,571	9,215
The Rotary Club	-	1,000
Dursley Male Voice Choir and Cotswold Chorus	-	1,138
Dursley Lions	-	5,000
Dursley Operatic & Dramatic Society	-	10,000
Dursley Operatic & Dramatic Society - 500 Club	-	1,831
	<u>1,571</u>	<u>28,184</u>
4. Grants		
Stroud District Council	15,000	35,000
Stroud College	1,753	-
Dursley Town Council	-	3,000
Cam Parish Council	1,000	-
	<u>17,753</u>	<u>38,000</u>
5. Other Income		
Rent 'CVTN'	500	1,000
Collection	-	231
Sundry Income	240	1,668
	<u>740</u>	<u>2,899</u>
6. Investment Income		
Interest Receivable	<u>248</u>	<u>446</u>

KINGSHILL HOUSE LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1999**

	General	
	Fund	1998
	£	£
7. Direct charitable expenditure		
Property Repairs	346	72
General Repairs	263	90
Insurance	4,328	5,428
Building Works	(803)	65,665
Architect's Fees	1,514	7,784
Engineering Consultant	-	1,234
Function Costs	5,105	2,522
Professional Fees	-	1,549
	<u>10,753</u>	<u>84,344</u>
8. Management and administration		
Administrators Salary & National Insurance	11,161	10,691
Security Costs	339	358
Water	579	281
Heat and Light	3,998	1,867
Telephone and Postage	1,020	862
Stationery and Adverts	618	513
Accountancy & Audit Charges	1,500	1,650
Bank Charges	25	29
Sundry Expenses	388	184
Depreciation	758	758
	<u>20,386</u>	<u>17,193</u>

The average number of employees was one (1998: one).

KINGSHILL HOUSE LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1999****9. Tangible fixed assets****Cost**

Balance brought forward 1st April 1998	3,785
Additions	-
Disposals	-
At 31st March 1999	<u>3,785</u>

Depreciation

Balance brought forward 1st April 1998	1,378
Charge for the period	758
Eliminated on disposal	-
At 31st March 1999	<u>2,136</u>

Written down amount as at 31st March 1998	<u>2,407</u>
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Written down amount as at 31st March 1999	<u>1,649</u>
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10. Debtors

	<u>£</u>	<u>1998</u> <u>£</u>
Trade Debtors	70	600
H M Customs & Excise	418	2,728
Stroud District Council - balance of grant	-	3,486
Insurance Claim - theft of lead	-	3,000
Donation	-	500
	<u>488</u>	<u>10,314</u>

11. Creditors: Amounts falling due within one year

	<u>£</u>	<u>1998</u> <u>£</u>
Other Creditors & Social Security costs	851	225
Building Work	-	19,540
Architects Fees	-	471
Work re: theft of lead	-	3,000
Accruals & Deferred Income	2,300	4,833
	<u>3,151</u>	<u>28,069</u>

KINGSHILL HOUSE LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1999****12. Creditors: Amounts falling due after more than one year**

	<u>£</u>	<u>£</u>
<u>Loans from Friends of Kingshill House</u>		
Amounts falling due between 1-2 years	340	420
Amounts falling due between 2-5 years	1,020	1,260
Amounts falling after 5 years	1,730	2,520
	<u>3,090</u>	<u>4,200</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.

13. Funds

	<u>General Funds</u> <u>£</u>	<u>1998</u> <u>£</u>
Balance brought forward 1st April 1998	(1,486)	22,199
Incoming resources for the period	32,889	77,852
Outgoing resources for the period	(31,139)	(101,537)
	<u>264</u>	<u>(1,486)</u>
At 31st March 1999		

Represented by:

Tangible fixed assets	1,649	2,407
Net current assets	1,705	307
Loans Friends	(3,090)	(4,200)
	<u>264</u>	<u>(1,486)</u>

KINGSHILL HOUSE LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1999****14. Kingshill House**

Kingshill House is occupied by the Company under a supplemental agreement with Stroud District Council dated 12 February 1998. It is intended that a formal lease will be entered into shortly. The contractual term will be for 25 years, the initial rent is £5 per annum and will be reviewed after 5 years and every 5 years thereafter. The lease will require that the company be responsible for the repair and maintenance of Kingshill House.

The total projected building works are expected to amount to approximately £380,000. As noted in the Trustees Report £112,844 has been incurred to date. The balance of the work will be authorised as and when funding is available.