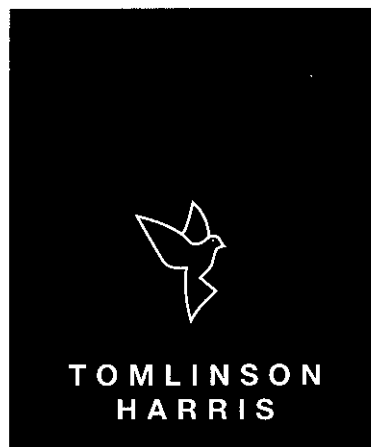


**KINGSHILL HOUSE LIMITED
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2004**

Charity Number 1055651



**CHARTERED ACCOUNTANTS
& BUSINESS ADVISERS**

PROSPECT HOUSE
5 MAY LANE
DURSELY
GLOUCESTERSHIRE
GL11 4JH

TEL: 01453 542483
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**KINGSHILL HOUSE LIMITED
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

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**KINGSHILL HOUSE LIMITED
COMPANY LIMITED BY GUARANTEE**

LEGAL AND ADMINISTRATION INFORMATION

The members of the committee	Dr A R R Telford	(Secretary & Chairman)
	Mrs C M Darlaston	
	Mr J A Guy	
	Mr M W Harris	
	Mr J C Drury	(Finance)
	Mr D Andrewartha	(Stroud District Council)
	Dr C Staddon	
	Mr A Cheshire	
Project manager	Mr R Littleford	
Company secretary	Dr. A R R Telford	
Registered office	Kingshill House Kingshill Lane Dursley Glos. GL11 4BZ	
Auditors	Tomlinson Harris Chartered Accountants & Registered Auditors Prospect House 5 May Lane Dursley Gloucestershire GL11 4JH	
Bankers	Lloyds TSB Bank plc. Rowcroft Stroud Glos. GL5 3BG	
	CCLA Investment Management Ltd 80 Cheapside London EC2V 6DZ	
Solicitors	Goldinghams 10 Long Street Wotton-under-Edge Glos GL12 7ER	

KINGSHILL HOUSE LIMITED COMPANY LIMITED BY GUARANTEE

REPORT OF THE MANAGEMENT COMMITTEE

YEAR ENDED 31 MARCH 2004

The Management Committee, who are also Directors for the purposes of the Companies Act, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2004.

SIGNIFICANT INFORMATION

The company is 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.

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 YEAR

The company exists to advance the education of the public in the arts and other leisure and recreational activities, through the provision of a centre known as Kingshill House. The directors intend that the centre should be the leading cultural provider and promoter in the Dursley area.

This has been a year that has seen the development of a programme of events at the House. The events have proved largely successful and the programme is ongoing and will be expanded. No major building works have been undertaken but, following completion of the boundary fence required as a condition of insurance, the outbuildings damaged by fire have now been repaired. (This work was finally completed in August 2004.) Following the agreement of Stroud District Council to provide a capital grant in 2004/05, a considerable amount of planning work has been undertaken to enable Phase II of the building project to be started. This will see the installation of a disabled access lift, completion of the bar/lounge area and conversion of the Oldridge Room into an art studio. We are investigating the options for conversion of the recently-repaired Coach-house into a studio/workshop.

KINGSHILL HOUSE LIMITED COMPANY LIMITED BY GUARANTEE

REPORT OF THE MANAGEMENT COMMITTEE *(continued)*

YEAR ENDED 31 MARCH 2004

FINANCIAL ACTIVITIES AND AFFAIRS

A net surplus of £2,308 was revealed for the year under review.

The Management Committee has signed a three year funding agreement with Stroud District Council which will provide stable core funding over the next three years and are developing a business plan which seeks to develop income streams for the business. The plan focuses on the core business of providing for the artistic and cultural needs of the community, but also takes account of the need to undertake commercial activities which will help to underwrite the artistic programmes. The business plan will provide a foundation for growth of the business by identifying the key needs and will provide a basis on which to make grant applications to funding bodies to support the artistic programme.

RESULTS

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

The company benefits from services provided, on a voluntary basis, by members of the board of directors in addition to their duties as directors. No monetary value is placed upon these services, but without them the operation of the company would be difficult. The company is also grateful to the work of other volunteers, particularly in relation to the management of the property, and in the organisation of certain events.

RISK MANAGEMENT

In the light of the Charities Statement of Recommended Practice, issued in October 2000, the Management Committee has carried out a review of the major strategic, business and operational risks to which the company is exposed. Systems are being established to mitigate those risks and procedures are being implemented to minimise any potential impact on the company, should they materialise.

THE MANAGEMENT COMMITTEE

The Management Committee who served the charity during the period were as follows:

Mrs C M Darlaston	
Mr J A Guy	
Mr M W Harris	
Mr J C Drury	(Finance)
Mr D Andrewartha	(Stroud District Council)
Dr A R R Telford	(Secretary & Chairman) (Appointed 1 January 2004)
Dr C Staddon	(Appointed 1 January 2004)
Mr A Cheshire	(Appointed 1 January 2004)
Mr K A Hitchings	(Chairman) (Retired 31 December 2003)
Mr H Atkinson	(Retired 30 November 2003)

**KINGSHILL HOUSE LIMITED
COMPANY LIMITED BY GUARANTEE**

REPORT OF THE MANAGEMENT COMMITTEE *(continued)*

YEAR ENDED 31 MARCH 2004

RESPONSIBILITIES OF THE MANAGEMENT COMMITTEE

Company law requires the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the year and of the incoming and outgoing resources for the year then ended.

In preparing those financial statements, the Management Committee are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The Management Committee must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Management Committee 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. The Management Committee 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.

AUDITORS

A resolution to re-appoint Tomlinson Harris as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
Kingshill House
Kingshill Lane
Dursley
Glos.
GL11 4BZ

Signed on behalf of the Management Committee


DR A R R TELFORD

Secretary

Approved by the Management Committee on 13 October 2004

**KINGSHILL HOUSE LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
KINGSHILL HOUSE LIMITED**

YEAR ENDED 31 MARCH 2004

We have audited the financial statements on pages 7 to 18 which have been prepared under the historical cost convention and the accounting policies set out on pages 10 to 11.

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT COMMITTEE AND THE AUDITORS

The responsibilities of the Management Committee (who also act as Directors for the charitable activities of the company) of the charity for preparing the Report of the Management Committee and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Management Committee' responsibilities on pages 3 to 4.

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 Report of the Management Committee is not consistent with the financial statements, if the charity 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 Management Committee' remuneration and transactions with the charity is not disclosed.

We read the Report of the Management Committee and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

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 in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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.

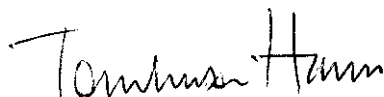
**KINGSHILL HOUSE LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
KINGSHILL HOUSE LIMITED *(continued)***

YEAR ENDED 31 MARCH 2004

OPINION

In our opinion the financial statements give a true and fair view of the charity's state of affairs as at 31 March 2004 and of its 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.



.....
TOMLINSON HARRIS
Chartered Accountants
& Registered Auditors

Prospect House
5 May Lane
Dursley
Gloucestershire
GL11 4JH
13.12.04
.....

**KINGSHILL HOUSE LIMITED
COMPANY LIMITED BY GUARANTEE**

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2004

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2004 £	Total Funds 2003 £
INCOMING RESOURCES					
Donations	2	263	128	391	336
Gifts	3	250	—	250	1,276
Grants receivable	4	21,000	—	21,000	26,000
Charitable trading income	5	26,964	—	26,964	23,152
UK interest receivable	6	565	—	565	385
TOTAL INCOMING RESOURCES		<u>49,042</u>	<u>128</u>	<u>49,170</u>	<u>51,149</u>
RESOURCES EXPENDED					
Charitable expenditure:					
Costs in furtherance of charitable objects	7	15,950	128	16,078	11,253
Management and administration	8	30,784	—	30,784	31,496
TOTAL RESOURCES EXPENDED	9	<u>46,734</u>	<u>128</u>	<u>46,862</u>	<u>42,749</u>
NET INCOMING RESOURCES FOR THE YEAR	10	2,308	—	2,308	8,400
Balances brought forward		<u>23,222</u>	—	<u>23,222</u>	<u>14,822</u>
Balances carried forward		<u>25,530</u>	—	<u>25,530</u>	<u>23,222</u>

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on page 7 form part of these financial statements.

KINGSHILL HOUSE LIMITED
COMPANY LIMITED BY GUARANTEE
INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2004

	Note	2004 £	2003 £
INCOME		48,605	50,764
TOTAL EXPENDITURE	9	46,862	42,749
OPERATING SURPLUS	10	1,743	8,015
Interest receivable and similar income	6	565	385
NET RETAINED SURPLUS FOR THE FINANCIAL YEAR		2,308	8,400

All of the activities of the charity are classed as continuing.

The notes on page 8 form part of these financial statements.

**KINGSHILL HOUSE LIMITED
COMPANY LIMITED BY GUARANTEE**

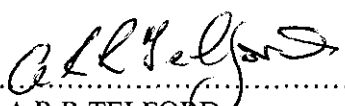
BALANCE SHEET

31 MARCH 2004

	Note	2004 £	£	2003 £	£
FIXED ASSETS					
Tangible assets	11		6,455		4,292
Investments	12		1		1
			<u>6,456</u>		<u>4,293</u>
CURRENT ASSETS					
Debtors	13	5,153		7,517	
Cash at bank and in hand		20,696		18,592	
		<u>25,849</u>		<u>26,109</u>	
CREDITORS: Amounts falling due within one year	14	<u>(5,595)</u>		<u>(5,700)</u>	
NET CURRENT ASSETS			<u>20,254</u>		<u>20,409</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>26,710</u>		<u>24,702</u>
CREDITORS: Amounts falling due after more than one year	15		<u>(1,180)</u>		<u>(1,480)</u>
NET ASSETS			<u>25,530</u>		<u>23,222</u>
FUNDS					
Restricted	18		—		—
Unrestricted	19		25,530		23,222
TOTAL FUNDS			<u>25,530</u>		<u>23,222</u>

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

These financial statements were approved by the members of the committee on the 13.10.04 and are signed on their behalf by:


.....
DR A R R TELFORD
Chairman

The notes on page 9 form part of these financial statements.

KINGSHILL HOUSE LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2000) and the Companies Act 1985.

Consolidation

In the opinion of the members of the committee, the charity and its subsidiary undertakings comprise a small group. The charity has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

The directors do not consider the cost of preparing consolidated accounts justifiable and note 9 provides adequate details relating to the nature of the trading subsidiary.

Cash flow statement

The Management Committee have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Grants

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

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 20% straight line
-----------------------	---------------------

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

KINGSHILL HOUSE LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

1. ACCOUNTING POLICIES *(continued)*

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

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.

Voluntary income

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

Statement of financial activities

In preparing the statement of financial activities, the management committee has attributed the costs between direct charitable expenditure and management and administration.

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.

2. DONATIONS

	Unrestricted Funds	Restricted Funds	Total Funds 2004	Total Funds 2003
	£	£	£	£
General Donations	<u>263</u>	<u>128</u>	<u>391</u>	<u>336</u>

3. GIFTS

	Unrestricted Funds	Restricted Funds	Total Funds 2004	Total Funds 2003
	£	£	£	£
Gifts	<u>250</u>	<u>-</u>	<u>250</u>	<u>1,276</u>

**KINGSHILL HOUSE LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

4. GRANTS RECEIVABLE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2004 £	Total Funds 2003 £
Stroud District Council - Administration	20,000	-	20,000	25,000
Cam Parish Council	1,000	-	1,000	1,000
	<u>21,000</u>	<u>-</u>	<u>21,000</u>	<u>26,000</u>

5. CHARITABLE TRADING INCOME

	2004 £	2003 £
Room hire	19,755	20,123
Cottage rent	3,515	2,161
Fundraising and other income	3,694	868
	<u>26,964</u>	<u>23,152</u>

6. UK INTEREST RECEIVABLE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2004 £	Total Funds 2003 £
Bank interest receivable	565	-	565	385

7. COSTS IN FURTHERANCE OF CHARITABLE OBJECTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2004 £	Total Funds 2003 £
Provision of charitable services:				
Wages and salaries	12,329	-	12,329	8,850
General repairs	520	128	648	1,120
Function costs	3,101	-	3,101	1,283
	<u>15,950</u>	<u>128</u>	<u>16,078</u>	<u>11,253</u>

Analysis of provision of charitable services:

	Staff costs £	Other costs £	Total 2004 £	Total 2003 £
Wages and salaries	12,329	-	12,329	8,850
General repairs	-	648	648	1,120
Function costs	-	3,101	3,101	1,283
	<u>12,329</u>	<u>3,749</u>	<u>16,078</u>	<u>11,253</u>

**KINGSHILL HOUSE LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

8. MANAGEMENT AND ADMINISTRATION

	Unrestricted Funds £	Restricted Funds £	Total Funds 2004 £	Total Funds 2003 £
Salaries	4,725	-	4,725	3,558
Office costs	24,391	-	24,391	26,202
Audit fees	1,200	-	1,200	1,200
Professional fees	468	-	468	536
	<u>30,784</u>	<u>-</u>	<u>30,784</u>	<u>31,496</u>

9. TOTAL RESOURCES EXPENDED

	Staff costs £	Depreciation £	Other costs £	Total Funds 2004 £	Total Funds 2003 £
Direct charitable expenditure	12,329	-	3,749	16,078	11,253
Management and administration	4,725	2,600	23,459	30,784	31,496
	<u>17,054</u>	<u>2,600</u>	<u>27,208</u>	<u>46,862</u>	<u>42,749</u>

The aggregate payroll costs were:

	2004 £	2003 £
Wages and salaries	16,814	12,174
Social security costs	240	234
	<u>17,054</u>	<u>12,408</u>

No remuneration is paid to the Management Committee. The project director and project manager have continued to provide services free of charge

Particulars of employees:

The average number of staff employed by the charity during the financial year amounted to:

	2004 No	2003 No
Administrative/direct charitable staff costs	<u>2</u>	<u>2</u>

(Five members of staff calculated as two full time equivalents.)

**KINGSHILL HOUSE LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

9. TOTAL RESOURCES EXPENDED *(continued)*

	2004 £	2003 £
Other costs:		
Premises	20,915	24,169
Legal and professional	1,668	1,736
Other	4,625	2,702
	<u>27,208</u>	<u>28,607</u>

10. OPERATING SURPLUS

Operating surplus is stated after charging:

	2004 £	2003 £
Depreciation	2,600	1,734
Auditors' fees	<u>1,200</u>	<u>1,200</u>

11. TANGIBLE FIXED ASSETS

	Plant and machinery etc. £
COST	
At 1 April 2003	12,017
Additions	4,762
At 31 March 2004	<u>16,779</u>
DEPRECIATION	
At 1 April 2003	7,724
Charge for the year	2,600
At 31 March 2004	<u>10,324</u>
NET BOOK VALUE	
At 31 March 2004	<u>6,455</u>
At 31 March 2003	<u>4,293</u>

YEAR ENDED 31 MARCH 2004

	2004	2003
	£	£
Trade debtors	2,620	3,120
Amounts owed by group undertakings	1,404	1,120
Other debtors	571	2,319
Prepayments	558	958
	<u>5,153</u>	<u>7,517</u>

KINGSHILL HOUSE LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

14. CREDITORS: Amounts falling due within one year

	2004	2003
	£	£
PAYE and social security	72	—
Other creditors	5,523	5,700
	<u>5,595</u>	<u>5,700</u>

15. CREDITORS: Amounts falling due after more than one year

	2004	2003
	£	£
Other creditors	<u>1,180</u>	<u>1,480</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.

16. CREDITORS - CAPITAL INSTRUMENTS

Creditors include finance capital which is due for repayment as follows:

	2004	2003
	£	£
Amounts repayable:		
In one year or less or on demand	300	300
In more than one year but not more than two years	300	300
In more than two years but not more than five years	880	900
In more than five years	—	280
	<u>1,480</u>	<u>1,780</u>

The above liabilities comprise of loans from Friends of Kingshill House.

17. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2004 the charity had annual commitments under non-cancellable operating leases as set out below.

	Assets other than land and buildings	
	2004	2003
	£	£
Operating leases which expire:		
Within 1 year	491	491
Within 2 to 5 years	—	491
	<u>491</u>	<u>982</u>

**KINGSHILL HOUSE LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

18. RESTRICTED FUNDS

	Incoming	Movement in resources: Outgoing & Transfers	Balance at 31 Mar 2004
	(128)	128	
Chair restoration			-

The chair restoration fund is specifically to restore chairs originally donated by Stroud District Council. Individuals have donated £100 per chair under the Gift Aid Scheme.

19. ANALYSIS OF NET ASSETS IN UNRESTRICTED FUNDS

	Tangible fixed assets	Investments	Other net assets	Total
	£	£	£	£
Unrestricted funds	<u>6,455</u>	<u>1</u>	<u>19,074</u>	<u>25,530</u>

20. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee. Every member of the company undertakes to contribute to the assets of the company, in the event of the same being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the company contracted before he ceases to be a member, and of costs and charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound.

21. KINGSHILL HOUSE

Kingshill House is occupied by the company under a lease from Stroud District Council dated 18 October 1999. The term is 25 years, the initial rent is £5 per annum and will be reviewed after 5 years and every 5 years thereafter. The lease requires that the company be responsible for the repair and maintenance of Kingshill House, and to carry out work as outlined in Capital Commitments.

22. CAPITAL COMMITMENTS

The lease from Stroud District Council requires the company to carry out specific works to the property with an estimated cost of approximately £100,000.

The total cost of projected building works are expected to amount to approximately £340,000. To date expenditure in excess of £200,000 has been incurred. The balance of the required work and other projected works will be authorised as and when funding becomes available.

As at 31 March 2004 the company was committed to the replacement of a wooden fire escape with a steel one at a cost of approximately £1,600 (2003: £1,600).

**KINGSHILL HOUSE LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

23. RELATED PARTY

There were no commercial transactions during the year under review with the subsidiary Kingshill House Leisure Limited.

At March 2004 debtors of £1,404 (2003: £1,120), and no creditors (2003: nil), were included in the accounts in respect of the subsidiary company.