

Company registration number: 3166320

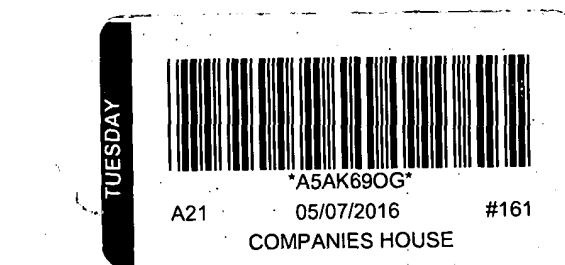
Charity registration number: 1055651

Kingshill House Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2016




burtonsweet
chartered accountants & business advisers

Bristol · Thornbury · Shepton Mallet · Dursley · Wotton-under-Edge · Weston-super-Mare · Gloucester

www.burton-sweet.co.uk

Kingshill House Limited

Contents

Reference and Administrative Details	1
Management committee' Report	2 to 4
Independent Examiner's Report	5 to 6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 to 18

Kingshill House Limited

Reference and Administrative Details

Management Committee	Dr A R R Telford, Chairman Mrs C M Darlaston Mr D Andrewartha Mr S G Hale Mr M D Slater Mr D Bush (appointed 1 April 2015) Mr T A Cother (appointed 1 April 2015) Mrs Lewis (appointed 1 April 2015)
Secretary	Dr A R R Telford, Chairman
Company Registration Number	3166320
Charity Registration Number	1055651
Solicitors	Phoenix Legal Group Hollis House May Lane Dursley Gloucestershire GL11 4JN
Bankers	Lloyds TSB Bank plc 12 Rowcroft Stroud Gloucestershire GL5 3BD CCLA Investment Management Ltd 80 Cheapside London EC2V 6DZ
Independent examiner	N M Kingston FCA Burton Sweet Prospect House 5 May Lane Dursley Glos GL11 4EX

Kingshill House Limited

Management committee' Report

The management committee who are also directors for the purposes of company law, present their annual report together with the unaudited financial statements of the charitable company for the year ended 31 March 2016.

Structure, governance and management

Nature of governing document

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. No new trustees have been appointed during the year.

Major events and policy decisions are taken by the trustees while decisions concerning the day to day running of the charity in terms of the utilisation of Kingshill House are taken by the administrative staff.

Major risks and management of those risks

In the light of Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015), the Management Committee has carried out a review of the major strategic, business and operational risks to which the company is exposed. Systems have been established to mitigate those risks and procedures have been implemented to minimise any potential impact on the company, should they materialise.

Objectives and activities

Objectives, strategies and activities

Main objectives for the year

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, arts community activities are minimised and eventually removed.

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 and Cam area.

Usage of the house is increasing since it's refurbishment over the last two year; art classes and workshops are well supported.

Kingshill House Limited

Management committee' Report

Public benefit

Activities undertaken to further public benefit

The Trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

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. Following the resignation of Mr Whatling, three new directors have recently been appointed bringing wide expertise to the board of directors. The company is also grateful for the work of other volunteers particularly in relation to the management of the property and the organisation of events. The Community Payback team has attended on a regular basis each week and without their help a lot of the work now completed would have been costly and on-going.

Financial Review

Principal funding sources

The core funding agreement with Stroud District Council remains in place. This provides the House with a degree of stability, making a substantial contribution to the administrative costs and allowing fund raising efforts to be directed towards improvements to facilities.

A net deficit of £5,528 was revealed for the year under review. However, a detailed analysis of the repairs and maintenance expenditure reveals £10,000 spent on upgrading the lighting to LEDs which will result in a significant reduction in electricity bills in the future. This work was funded by grants from the Gloucestershire Environmental Trust and Awards for All. Of the rest of these costs about £6,500 are one-off so that the final position for the year is one where we have a building in good order to move onto the next phase of business. The underlying trend is one of profitability.

Expenditure on Kingshill House has now reverted to a basic maintenance level with the exception of grant-funded work.

Plans for future periods

Activities planned to achieve aims

Building work in the main house is now focussed on maintenance and repair.

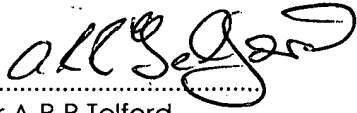
A review of room usage by long term hirers is being undertaken with a view to optimising the use of space in order to generate further income. The board is actively investigating the possibility of licensing the venue for weddings.

It is recognised that improvements to the cottage in the grounds of Kingshill House would allow it to be let at a commercial rent but the possibility of incorporating the cottage into the Arts Centre is also being investigated.

Kingshill House Limited

Management committee' Report

The annual report was approved by the management committee of the Charity on
27/6/16 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Dr A R R Telford', written over a dotted line.

Dr A R R Telford
Company Secretary and Trustee

Kingshill House Limited

Independent Examiner's Report to the trustees of Kingshill House Limited

I report on the accounts of the company for the year ended 31 March 2016 which are set out on pages 7 to 18.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me a reasonable cause to believe that in any material respect the requirements:

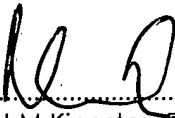
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Kingshill House Limited

Independent Examiner's Report to the trustees of Kingshill House Limited


.....
N M Kingston FCA

Burton Sweet
Prospect House
5 May Lane
Dursley
Glos
GL11 4EX

Date: 27.6.16
.....

Kingshill House Limited

Statement of Financial Activities for the Year Ended 31 March 2016 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Unrestricted funds			
	Note	General £	Restricted funds £	Total 2016 £	Total 2015 £
Income					
Grants and donations	2	21,350	12,625	33,975	30,760
Charitable activities	3	33,942	-	33,942	35,910
Investments	4	38,229	-	38,229	31,043
		<u>93,521</u>	<u>12,625</u>	<u>106,146</u>	<u>97,713</u>
Expenditure on:					
Charitable activities	5	(98,224)	(13,450)	(111,674)	(111,519)
		<u>(98,224)</u>	<u>(13,450)</u>	<u>(111,674)</u>	<u>(111,519)</u>
Other recognised gains and losses					
Net movement in funds		(4,703)	(825)	(5,528)	(13,806)
Reconciliation of funds					
Total funds brought forward		<u>22,888</u>	<u>1,125</u>	<u>24,013</u>	<u>37,819</u>
Total funds carried forward		<u>18,185</u>	<u>300</u>	<u>18,485</u>	<u>24,013</u>

All of the Charity's activities derive from continuing operations during the above two periods.
A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

Kingshill House Limited

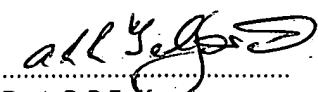
(Registration number: 3166320)
Balance Sheet as at 31 March 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	11	1,087	878
Current assets			
Stocks	12	1,709	1,283
Debtors	13	13,686	2,882
Cash at bank and in hand		<u>25,501</u>	<u>39,451</u>
		40,896	43,616
Creditors: Amounts falling due within one year	14	<u>(23,498)</u>	<u>(20,481)</u>
Net current assets		<u>17,398</u>	<u>23,135</u>
Net assets		<u>18,485</u>	<u>24,013</u>
Funds of the Charity:			
Restricted income funds		300	1,125
Unrestricted income funds			
Unrestricted income funds	16	<u>18,185</u>	<u>22,888</u>
Total funds		<u>18,485</u>	<u>24,013</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. In the opinion of the management committee, the company is entitled to exemption from audit under section 477 of the Companies Act 2006. There has been no notice from members requiring an audit under that Act.

The management committee acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the year end and of its income and expenditure for the financial year, in accordance with section 394 of the Act, and which otherwise comply with the applicable requirements of the Act relating to the accounts of the company.

The financial statements on pages 7 to 18 were approved by the management committee, and authorised for issue on 27/6/16 and signed on their behalf by:


.....
Dr A R R Telford
Company Secretary and Trustee

Kingshill House Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Accounting and Reporting by Charities' Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015), and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Incoming resources

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Grants receivable

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other 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.

Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Kingshill House Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including book keeping, independent examination, and other expenses.

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. They include central functions and have not been allocated to different activities.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures and equipment	20% straight line

Fund accounting

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Hire purchase and finance leases

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

Pension benefits

The company operates a defined contribution pension scheme. Contributions are recognised in the statement of financial activities in the period in which they become payable in accordance with the rules of the scheme.

Kingshill House Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

2 Grants and donations

	Unrestricted funds	Restricted funds	Total 2016	Total 2015
	General £	£	£	£
Donations and legacies;				
Donations	400	925	1,325	410
Grants, including capital grants;				
Local Authority Grants	20,950	-	20,950	20,000
Other Grants	-	11,700	11,700	10,350
	<u>21,350</u>	<u>12,625</u>	<u>33,975</u>	<u>30,760</u>

3 Charitable activities

	Unrestricted funds	Total 2016	Total 2015
	General £	£	£
Trading income;			
Bar takings	11,302	11,302	10,287
Other income	122	122	229
Events income;			
Art events	22,518	22,518	25,394
	<u>33,942</u>	<u>33,942</u>	<u>35,910</u>

4 Investments

	Unrestricted funds	Total 2016	Total 2015
	General £	£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	93	93	89
Rental income	38,136	38,136	30,954
	<u>38,229</u>	<u>38,229</u>	<u>31,043</u>

Kingshill House Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

5 Charitable activities

	Unrestricted funds		Total 2016	Total 2015
	General	Restricted funds		
	£	£	£	£
Art event costs	12,911	-	12,911	13,686
Room rental costs	184	-	184	100
Entertainers	703	-	703	922
Bar purchases	5,943	-	5,943	5,757
Staff costs	42,609	-	42,609	42,486
Allocated support costs	30,760	13,450	44,210	44,279
Governance costs	5,114	-	5,114	4,289
	<u>98,224</u>	<u>13,450</u>	<u>111,674</u>	<u>111,519</u>
Allocated support costs	Unrestricted funds	Restricted funds	Total 2016	Total 2015
	General	£	£	£
	£	£	£	£
Rent	5	-	5	5
Rates	1,754	-	1,754	878
Water rates	611	-	611	301
Light, heat and power	6,806	-	6,806	6,786
Insurance	4,365	-	4,365	4,509
Repairs and maintenance	10,940	-	10,940	14,914
Repairs and maintenance	-	13,450	13,450	10,350
Telephone and postage	1,146	-	1,146	644
Computer software and maintenance costs	819	-	819	896
Printing and stationery	636	-	636	400
Hire of other assets (Operating leases)	1,787	-	1,787	2,182
Sundry expenses	1,891	-	1,891	2,414
	<u>30,760</u>	<u>13,450</u>	<u>44,210</u>	<u>44,279</u>

Kingshill House Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

6 Governance costs

	Unrestricted funds		
	General	Total	Total
	£	2016	2015
		£	£
Independent Examiner's remuneration	1,050	1,050	950
Management accounts and payroll	3,070	3,070	2,400
Depreciation, amortisation and other similar costs	468	468	397
Other governance costs	526	526	542
	<u>5,114</u>	<u>5,114</u>	<u>4,289</u>

7 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2016	2015
	£	£
Depreciation of fixed assets	<u>468</u>	<u>397</u>

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

Kingshill House Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

9 Staff costs

The aggregate payroll costs were as follows:

	2016 £	2015 £
Staff costs during the year were:		
Wages and salaries	42,518	42,486
Pension costs	91	-
	<u>42,609</u>	<u>42,486</u>

The average number of persons (including senior management team) employed by the Charity during the year expressed as full time equivalents was as follows:

	2016 No	2015 No
Administrative/direct charitable staff costs	<u>3</u>	<u>3</u>

No employee received emoluments of more than £60,000 during the year

10 Taxation

The company is a registered charity and is, therefore, exempt from taxation.

Kingshill House Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

11 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 April 2015	8,049	8,049
Additions	677	677
At 31 March 2016	8,726	8,726
Depreciation		
At 1 April 2015	7,171	7,171
Charge for the year	468	468
At 31 March 2016	7,639	7,639
Net book value		
At 31 March 2016	1,087	1,087
At 31 March 2015	878	878

12 Stock

	2016 £	2015 £
Stocks	1,709	1,283

13 Debtors

	2016 £	2015 £
Trade debtors	7,032	2,291
Prepayments	654	591
Accrued income	6,000	-
	13,686	2,882

Debtors includes Nil (2015: Nil) receivable after more than one year.

Kingshill House Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

	2016 £	
14 Creditors: amounts falling due within one year		
	2016 £	2015 £
Trade creditors	6,900	6,922
Other taxation and social security	2,866	411
Other creditors	3,000	3,600
Accruals	10,732	9,548
	<u>23,498</u>	<u>20,481</u>

15 Charity status

The Charity is a Charity limited by guarantee and consequently does not have share capital. Each of the management committee is liable to contribute an amount not exceeding Nil towards the assets of the Charity in the event of liquidation.

Kingshill House Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

16 Funds

	Balance at 1 April 2015 £	Incoming resources £	Resources expended £	Balance at 31 March 2016 £
Unrestricted funds				
<i>Unrestricted general funds</i>				
General funds	22,888	93,521	(98,224)	18,185
Restricted funds				
Awdry room	1,125	-	(1,125)	-
LED lighting	-	10,000	(10,000)	-
CCTV	-	1,000	(1,000)	-
Curtains	-	625	(625)	-
Stained glass window	-	700	(700)	-
Littleford room flooring	-	300	-	300
Total restricted funds	<u>1,125</u>	<u>12,625</u>	<u>(13,450)</u>	<u>300</u>
Total funds	<u>24,013</u>	<u>106,146</u>	<u>(111,674)</u>	<u>18,485</u>

The specific purposes for which the funds are to be applied are as follows:

The restricted fund for flooring relates to monies held for replacement of the flooring in the Littleford room.

Kingshill House Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

17 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	General funds £	funds £	£
Tangible fixed assets	1,087	-	1,087
Current assets	40,596	300	40,896
Current liabilities	(23,498)	-	(23,498)
Total net assets	<u>18,185</u>	<u>300</u>	<u>18,485</u>

18 Pension and other schemes

Defined contribution pension scheme

The Charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Charity to the scheme and amounted to £91 (2015 - £0)

19 Related party transactions

During the year the Charity made the following related party transactions:

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.