

**CORGI - The Council for Registered Gas  
Installers**

Report and Financial Statements

Year Ended

31 March 2004



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**CORGI - The Council for Registered Gas Installers**

## Annual report and financial statements for the year ended 31 March 2004

## Company Information

## Chairman

D C F Latham OBE Non-Executive

## Directors

M A Thompson	Chief Executive (appointed 1 January 2004)
R D Henry	Chief Executive (resigned 31 December 2003)
I G Powney	Finance Director
B Adams	Service Operations Director
S Bratt	Commercial Director
J K Lillicrapp	Non-Executive Deputy Chairman
S Gutteridge	Non-Executive
L C Purser	Non-Executive
K Howard	Non-Executive
E V Jenner	Non-Executive (appointed 1 August 2003)
R C A Slater	Non-Executive (appointed 1 August 2003)
R R Prettie	Non-Executive (resigned 23 July 2003)
A Cook OBE	Non-Executive (retired 18 September 2003)

All Non-Executive Directors are members of the audit, remuneration and appointment committees.

## **Secretary and registered office**

P T Caine ACIS, 1 Elmwood, Chineham Business Park, Crockford Lane, Basingstoke, Hampshire, RG24 8WG

## Company number

2565014

## Auditors

BDO Stoy Hayward LLP, Connaught House, Alexandra Terrace  
Guildford, Surrey, GU1 3DA

## Bankers

NatWest, PO Box 6451, 3 London Street, Basingstoke, Hampshire, RG21 7FP

## Solicitors

Stringer Saul, 17 Hanover Square, London, W15 1AV

Bates, Wells & Braithwaite, Cheapside House, 138 Cheapside, London, EC2V 6BB

## Risk & Insurance Advisors

Aon Limited, Richmond House, College Street, Southampton, SO14 3PS

The directors present their report together with the audited financial statements for the year ended 31 March 2004.

## **Results**

The income and expenditure account is set out on page 8 and shows the surplus for the year.

### **Principal activities**

The principal activities of the company continue to be the administration of registration schemes for gas installers and their operatives. Its objective is to ensure quality, safety and competency amongst gas installers and operatives.

The wholly owned subsidiary company, CORGI Services Limited has principal activities of incident investigations, seminars and consultancy services, printing and the sale of merchandise.

CORGI Certification Limited, a wholly owned subsidiary, has remained dormant throughout the year.

### **Review of business and future developments**

Under the Gas Safety (Installation and Use) Regulations 1999, issued under the Health and Safety at Work Act, all businesses (whether employers or self employed persons) which undertake work on fittings supplied by natural gas or liquefied petroleum gas are required to be registered with a body approved by the Health and Safety Executive.

CORGI's remit is:

- To maintain an up-to-date register of gas installation businesses.
- To ensure that gas installers are aware of the requirement to register.
- To ensure that gas installers on the register are competent.
- To provide gas installers with information, advice and guidance on safe working practices.
- To encourage gas consumers to employ registered installers.
- To inform the public about CORGI's activities and raise awareness of the importance of gas safety.
- To investigate gas safety complaints made against registered and non-registered installers.

CORGI Services Limited is a subsidiary company providing commercially based services to the gas industry and other organisations. Services include direct merchandising, consultancy, training, incident investigation and specialised card printing.

During the year, the group made a surplus before tax of £1,063,752. The results are in line with expectations, and the directors view the future with confidence.

**Charitable and political contributions**

During the year the group made charitable contributions of £1,039 (2003 - £3,251). There were no political contributions.

**Employment of disabled persons**

The company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Management actively pursues both the employment of disabled persons whenever a suitable vacancy arises and the continued employment and retraining of employees who become disabled whilst employed by the company. Particular attention is given to the training, career development and promotion of disabled employees with a view to encouraging them to play an active role in the development of the company.

**Employee involvement**

The flow of information to staff has been maintained by staff meetings. Members of the management team regularly discuss matters of current interest and concern to the business with members of staff.

**Directors**

The names of the directors during the year appear on the company information sheet on page 2.

**Corporate governance**

The Board of Directors consists of four executive directors and seven non-executive directors, including the Chairman. In addition the Board has formally constituted audit, remuneration and appointment committees. These committees have been established with clear terms of reference. These terms are reviewed annually by the Board and at least once a year the Board receives reports and considers recommendations from these committees.

**Business risk**

The directors have overall responsibility for managing business risk which includes business systems and internal controls. Risk analysis is carried out regularly and reviewed by the audit committee. Any such system can provide only reasonable and not absolute assurance against material risk or loss. The key features of the risk assessment process covers long term planning and operational activities.

**Directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and company and of the surplus or deficit of the group for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

**Auditors**

BDO Stoy Hayward LLP have been appointed as auditors for the year and have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

**By order of the board**

P T Caine ACIS

**Secretary**

Date: 20 July 2004

**Report of the independent auditors**

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**To the members of CORGI - The Council for Registered Gas Installers**

We have audited the financial statements of CORGI - The Council for Registered Gas Installers for the year ended 31 March 2004 on pages 8 to 21 which have been prepared under the accounting policies set out on pages 12 to 13.

*Respective responsibilities of directors and auditors*

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

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 Directors' Report is not consistent with the financial statements, if the group 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 directors' remuneration and transactions with the company and other members of the group is not disclosed.

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

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

*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 by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group'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 affairs of the group and the company as at 31 March 2004 and of the surplus of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**BDO STOY HAYWARD LLP**

*Chartered Accountants  
and Registered Auditors  
Guildford*

Date: 3 August 2004

**CORGI - The Council for Registered Gas Installers**

**Consolidated income and expenditure account for the year ended 31 March 2004**

	Note	2004 £	2003 £
<b>Turnover</b>	2	<b>17,734,968</b>	15,791,976
Cost of sales		<b>2,007,175</b>	2,150,484
		<hr/>	<hr/>
<b>Gross surplus</b>		<b>15,727,793</b>	13,641,492
Administrative expenses		<b>14,970,396</b>	13,429,160
		<hr/>	<hr/>
<b>Group operating surplus</b>	3	<b>757,397</b>	212,332
Interest receivable and similar income		<b>306,355</b>	318,855
		<hr/>	<hr/>
<b>Surplus on ordinary activities before taxation</b>		<b>1,063,752</b>	531,187
Taxation on surplus on ordinary activities	6	<b>356,600</b>	167,697
		<hr/>	<hr/>
<b>Surplus on ordinary activities after taxation</b>		<b>707,152</b>	363,490
		<hr/>	<hr/>

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the income and expenditure account.

There are no movements in members' funds in the current and prior year apart from the surplus for the year.

The notes on pages 12 to 21 form part of these financial statements.

**CORGI - The Council for Registered Gas Installers**

**Consolidated balance sheet at 31 March 2004**

	Note	2004 £	2004 £	2003 £	2003 £
<b>Fixed assets</b>					
Tangible assets	8		<b>526,366</b>		629,177
<b>Current assets</b>					
Stocks	10	<b>230,122</b>		152,213	
Debtors	11	<b>1,160,696</b>		1,096,925	
Investments	12	<b>11,000,000</b>		10,700,000	
Cash at bank and in hand	12	<b>3,392,004</b>		1,736,972	
		—————		—————	
		<b>15,782,822</b>		13,686,110	
<b>Creditors: amounts falling due within one year</b>	13	<b>11,843,196</b>		10,556,447	
		—————		—————	
<b>Net current assets</b>			<b>3,939,626</b>		3,129,663
		—————		—————	
<b>Total assets less current liabilities</b>			<b>4,465,992</b>		3,758,840
		—————		—————	
<b>Capital and reserves</b>					
Retained surplus			<b>4,465,992</b>		3,758,840
		—————		—————	
<b>Equity shareholders' funds</b>			<b>4,465,992</b>		3,758,840
		—————		—————	

The financial statements were approved by the Board on 20 July 2004.

D C F Latham OBE  
**Chairman**

The notes on pages 12 to 21 form part of these financial statements.

	Note	2004 £	2004 £	2003 £	2003 £
<b>Fixed assets</b>					
Tangible assets	8		<b>425,663</b>		532,811
Investment in subsidiary undertakings	9		<b>4</b>		4
			<hr/>		<hr/>
			<b>425,667</b>		532,815
<b>Current assets</b>					
Debtors	11	<b>479,214</b>		646,818	
Investments	12	<b>11,000,000</b>		10,700,000	
Cash at bank and in hand	12	<b>3,201,410</b>		1,676,376	
		<hr/>		<hr/>	
		<b>14,680,624</b>		13,023,194	
<b>Creditors: amounts falling due within one year</b>	13	<b>12,451,410</b>		11,322,939	
		<hr/>		<hr/>	
<b>Net current assets</b>			<b>2,229,214</b>		1,700,255
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			<b>2,654,881</b>		2,233,070
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Retained surplus			<b>2,654,881</b>		2,233,070
			<hr/>		<hr/>
<b>Equity shareholders' funds</b>			<b>2,654,881</b>		2,233,070
			<hr/>		<hr/>

The financial statements were approved by the Board on 20 July 2004.

D C F Latham OBE  
Chairman

The notes on pages 12 to 21 form part of these financial statements.

	Note	2004 £	2003 £
<b>Net cash inflow from operating activities</b>	16	<b>1,959,553</b>	1,248,088
<b>Returns on investments and servicing of finance</b>			
Interest received		<b>306,355</b>	318,855
<b>Taxation</b>			
Corporation tax paid		(163,357)	(245,048)
<b>Capital expenditure and financial investment</b>			
Payments to acquire tangible fixed assets		(147,519)	(464,954)
<b>Cash inflow before liquid resources</b>		<b>1,955,032</b>	856,941
<b>Management of liquid resources</b>			
Payments into fixed term deposits		(300,000)	(300,000)
<b>Increase in cash</b>	17	<b>1,655,032</b>	556,941

The notes on pages 12 to 21 form part of these financial statements.

## **1 Accounting policies**

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

The following principal accounting policies have been applied:

### *Basis of consolidation*

The consolidated financial statements incorporate the results of CORGI - The Council for Registered Gas Installers and all of its subsidiary undertakings as at 31 March 2004 using the acquisition method of accounting. The results of subsidiary undertakings are included from the date of acquisition.

### *Development costs*

Costs incurred for the development of the process of the registration of accredited gas operatives were capitalised and have been amortised on a straight line basis over 5 years.

All other development costs are written off in the year of expenditure.

### *Turnover*

Turnover represents fees receivable from the registration scheme and sales less value added tax.

### *Pension costs*

The company operates a defined contribution (money purchase) pension scheme. The assets of the scheme are held separately from those of the company. The pension cost charge represents the contribution payable by the company under the rules of the scheme.

### *Depreciation*

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets evenly over their expected useful lives. It is calculated at the following rates:

Leasehold property	- over the initial term of the lease of 15 years
Plant and equipment	- 20% on a straight line basis per annum
Fixtures and fittings	- 20% on a straight line basis per annum
Computer equipment	- 33 1/3% on a straight line basis per annum

Tangible fixed assets costing less than £5,000 per individual item are written off to the income and expenditure account in the period of acquisition. All other tangible fixed assets are stated at cost less depreciation.

### *Leased assets*

Rental costs under operating leases are charged to the income and expenditure account when incurred.

### *Stocks*

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

**1 Accounting policies (continued)**

*Deferred taxation*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the group anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted to take account of the time value of money.

*Current asset investments*

Current asset investments represent term deposits with bankers.

**2 Turnover**

	<b>2004</b>	<b>2003</b>
	£	£
Analysis by class of business:		
Application and registration fees	<b>13,108,064</b>	11,364,630
Sales and other income	<b>4,626,904</b>	4,427,346
	<hr/>	<hr/>
	<b>17,734,968</b>	15,791,976
	<hr/>	<hr/>

Turnover arises solely within the United Kingdom.

**3 Operating surplus**

	<b>2004</b>	<b>2003</b>
	£	£
This is arrived at after charging:		
Depreciation of tangible fixed assets	<b>249,133</b>	224,130
Amortisation of other intangible fixed assets	-	19,067
Hire of plant and machinery - operating leases	<b>495,404</b>	470,487
Hire of other assets - operating leases	<b>267,300</b>	267,300
Group - audit services	<b>14,950</b>	13,530
	<hr/>	<hr/>

Included in the group audit fee is an amount of £11,450 (2003 - £10,030) in respect of the company.

**4 Employees**

Staff costs (including directors) consist of:

	<b>2004</b>	<b>2003</b>
	£	£
Wages and salaries	<b>8,042,129</b>	6,981,367
Social security costs	<b>890,756</b>	669,055
Other pension costs	<b>748,354</b>	668,600
	<hr/>	<hr/>
	<b>9,681,239</b>	8,319,022
	<hr/>	<hr/>

The average number of employees (excluding directors) during the year was 273 (2003 - 247).

**5 Directors' remuneration**

	<b>2004</b>	<b>2003</b>
	£	£
Directors' emoluments	<b>480,510</b>	395,465
Company contributions to money purchase pension schemes	<b>37,093</b>	30,078
Compensation for loss of office	-	30,000
	<hr/>	<hr/>

The total amount payable to the highest paid director in respect of emoluments was £112,958 (2003 - £103,632). Company pension contributions of £9,166 (2003 - £10,587) were made to a money purchase scheme on his behalf.

Retirement benefits are accruing to 4 (2003 - 4) directors under money purchase pension schemes.

Directors emoluments, excluding pension contributions, were within the following ranges:

	<b>2004</b>	<b>2003</b>
	No:	No:
£0 - £5,000	1	1
£5,001 - £10,000	3	-
£10,001 - £15,000	4	6
£25,001 - £30,000	2	1
£40,001 - £45,000	-	1
£70,001 - £75,000	1	1
£75,001 - £80,000	1	1
£80,001 - £85,000	1	-
£100,001 - £105,000	-	1
£110,001 - £115,000	1	-

**6 Taxation on surplus on ordinary activities**

	<b>2004</b> £	<b>2003</b> £
<i>UK Corporation tax</i>		
Current tax on surplus for the year	<b>355,000</b>	169,598
Adjustment in respect of previous periods	<b>1,600</b>	(1,901)
	<hr/>	<hr/>
Total current tax	<b>356,600</b>	167,697
	<hr/>	<hr/>

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The differences are explained below:

	<b>2004</b> £	<b>2003</b> £
Surplus on ordinary activities before tax		
	<hr/>	<hr/>
Surplus on ordinary activities at the standard rate of corporation tax in the UK of 30% (2003 - 30%)	<b>319,126</b>	159,356
Effect of:		
Expenses not deductible for tax purposes	<b>35,930</b>	68,944
Depreciation for period in excess of capital allowances	<b>10,239</b>	(37,838)
Adjustment to tax charge in respect of previous periods	<b>1,600</b>	(1,901)
Lower rate relief	<b>(10,295)</b>	(20,864)
	<hr/>	<hr/>
Current tax charge for period	<b>356,600</b>	167,697
	<hr/>	<hr/>

*Factors that may affect future tax charges*

The group had a deferred tax asset of £140,400 (2002 - £120,000) in respect of deferred capital allowances and the company an asset of £120,000 (2002 - £94,000).

These have not been recognised as they are not expected to crystallise in the foreseeable future.

**7 Surplus for the financial year**

The company has taken advantage of the exemption allowed under section 230 of the Companies Act 1985 and has not presented its own income and expenditure account in these financial statements. The group surplus for the year includes a surplus after tax and before dividends of £421,811 (2003 - £81,416) which is dealt with in the financial statements of the parent company.

**8 Tangible fixed assets**

<b>Group</b>	<b>Leasehold land and buildings</b>	<b>Plant and equipment</b>	<b>Fixtures and fittings</b>	<b>Computer equipment</b>	<b>Total</b>
	£	£	£	£	£
<i>Cost</i>					
At 1 April 2003	58,973	816,557	384,337	1,198,819	2,458,686
Additions	-	41,301	1,208	105,010	147,519
Disposals	-	-	-	(364,754)	(364,754)
	_____	_____	_____	_____	_____
At 31 March 2004	<b>58,973</b>	<b>857,858</b>	<b>385,545</b>	<b>939,075</b>	<b>2,241,451</b>
<i>Depreciation</i>					
At 1 April 2003	26,538	727,493	302,265	773,213	1,829,509
Provided for the year	3,932	35,466	25,286	184,449	249,133
Disposals	-	-	-	(363,557)	(363,557)
	_____	_____	_____	_____	_____
At 31 March 2004	<b>30,470</b>	<b>762,959</b>	<b>327,551</b>	<b>594,105</b>	<b>1,715,085</b>
<i>Net book value</i>					
At 31 March 2004	<b>28,503</b>	<b>94,899</b>	<b>57,994</b>	<b>344,970</b>	<b>526,366</b>
	_____	_____	_____	_____	_____
At 31 March 2003	32,435	89,064	82,072	425,606	629,177
	_____	_____	_____	_____	_____

Company	Leasehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computer equipment £	Total £
<i>Cost</i>					
At 1 April 2003	58,973	327,221	362,475	1,177,925	1,926,594
Additions	-	925	1,208	105,010	107,143
Disposals	-	-	-	(364,754)	(364,754)
At 31 March 2004	<b>58,973</b>	<b>328,146</b>	<b>363,683</b>	<b>918,181</b>	<b>1,668,983</b>
<i>Depreciation</i>					
At 1 April 2003	26,538	314,700	290,415	762,130	1,393,783
Provided for the year	3,932	9,477	20,915	178,770	213,094
Disposals	-	-	-	(363,557)	(363,557)
At 31 March 2004	<b>30,470</b>	<b>324,177</b>	<b>311,330</b>	<b>577,343</b>	<b>1,243,320</b>
<i>Net book value</i>					
At 31 March 2004	<b>28,503</b>	<b>3,969</b>	<b>52,353</b>	<b>340,838</b>	<b>425,663</b>
At 31 March 2003	32,435	12,521	72,060	415,795	532,811

**9 Investment in subsidiary undertakings**

<b>Company</b>	<b>Group undertakings</b>	<b>£</b>
<i>Cost</i>		
At 1 April 2003 and 31 March 2004	4	—

*Subsidiary undertakings*

The principal undertakings in which the company's interest at the year end is 20% or more are as follows:

	<b>Class of share capital held</b>	<b>Proportion of share capital held</b>	<b>Nature of business</b>
CORGI Services Limited	Ordinary	100%	Incident investigations, seminars, consultancy services, printing, and the sale of merchandise
CORGI Certification Limited	Ordinary	100%	Dormant

**10 Stocks**

	<b>Group 2004</b>	<b>Group 2003</b>	<b>Company 2004</b>	<b>Company 2003</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Work in progress	<b>8,990</b>	6,062	-	-
Goods for resale	<b>221,132</b>	146,151	-	-
	—	—	—	—
	<b>230,122</b>	152,213	-	-
	—	—	—	—

There is no material difference between the replacement cost of stocks and the amounts stated above.

**11 Debtors**

	<b>Group 2004</b> £	<b>Group 2003</b> £	<b>Company 2004</b> £	<b>Company 2003</b> £
Trade debtors	<b>598,141</b>	468,089	<b>30,670</b>	119,035
Other debtors	<b>188,753</b>	369,242	<b>124,898</b>	317,918
Prepayments and accrued income	<b>373,802</b>	259,594	<b>323,646</b>	209,865
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>1,160,696</b>	1,096,925	<b>479,214</b>	646,818
	<hr/>	<hr/>	<hr/>	<hr/>

All amounts shown under debtors fall due for payment within one year.

**12 Current asset investments and cash at bank**

	<b>Group and Company 2004</b> £	<b>2003</b> £
Term deposits with bankers	<b>11,000,000</b>	10,700,000
	<hr/>	<hr/>

Included within cash at bank at 31 March 2004 is a bond with a value of £2,000,000 which matured on 29 March 2004 and was subsequently reinvested in early April as soon as the funds became available.

**13 Creditors: amounts falling due within one year**

	<b>Group 2004</b> £	<b>Group 2003</b> £	<b>Company 2004</b> £	<b>Company 2003</b> £
Trade creditors	<b>739,831</b>	1,028,898	<b>430,648</b>	717,832
Amounts owed to group undertakings	-	-	<b>1,182,619</b>	1,299,840
Corporation tax	<b>362,841</b>	169,598	<b>257,841</b>	38,900
Other taxation and social security	<b>255,471</b>	224,594	<b>255,471</b>	224,594
Registration fees received in advance	<b>10,132,487</b>	8,720,058	<b>10,132,487</b>	8,720,058
Accruals and deferred income	<b>352,566</b>	413,299	<b>192,344</b>	321,715
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>11,843,196</b>	10,556,447	<b>12,451,410</b>	11,322,939
	<hr/>	<hr/>	<hr/>	<hr/>

## 14 Pensions

The group operates a defined contribution (money purchase) pension scheme. The fund is under the control of trustees who have invested it with a UK insurance company. The pension charge amounted to £748,354 (2003 - £668,600). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

## 15 Commitments under operating leases

The group and company had annual commitments under non-cancellable operating leases as set out below:

	2004 Land and buildings £	2004 Other £	2003 Land and buildings £	2003 Other £
Operating leases which expire:				
Within one year	-	<b>263,594</b>	-	12,769
In two to five years	-	<b>144,082</b>	-	436,765
After five years	<b>267,300</b>	-	267,300	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>267,300</b>	<b>407,676</b>	267,300	449,534
	<hr/>	<hr/>	<hr/>	<hr/>

## 16 Reconciliation of operating surplus to net cash inflow from operating activities

	2004 £	2003 £
Operating surplus	<b>757,397</b>	212,332
Amortisation of intangible fixed assets	-	19,067
Depreciation of tangible fixed assets	<b>249,133</b>	224,130
Loss on sale of tangible fixed assets	<b>1,197</b>	-
Increase in stocks	(77,909)	(28,884)
(Increase)/decrease in debtors	(63,771)	27,219
Increase in creditors	<b>1,093,506</b>	794,224
	<hr/>	<hr/>
Net cash inflow from operating activities	<b>1,959,553</b>	1,248,088
	<hr/>	<hr/>

**17 Reconciliation of net cash flow to movement in net funds**

	<b>2004</b> £	<b>2003</b> £
Increase in cash	<b>1,655,032</b>	556,941
Increase in current asset investments	<b>300,000</b>	300,000
	<hr/>	<hr/>
Movement in net funds	<b>1,955,032</b>	856,941
Opening net funds	<b>12,436,972</b>	11,580,031
	<hr/>	<hr/>
Closing net funds	<b>14,392,004</b>	12,436,972
	<hr/>	<hr/>

**18 Analysis of net funds**

	<b>At 1 April</b> <b>2003</b> £	<b>Cash flow</b> £	<b>At 31 March</b> <b>2004</b> £
Cash at bank and in hand	1,736,972	1,655,032	<b>3,392,004</b>
Current asset investments	10,700,000	300,000	<b>11,000,000</b>
Total	<hr/>	<hr/>	<hr/>
	12,436,972	1,955,032	<b>14,392,004</b>
	<hr/>	<hr/>	<hr/>

**19 Organisation and Control**

The Council is a company incorporated in Great Britain and limited by guarantee, the liability of each member being limited to £100.

There is no ultimate controlling party.