

Leeds Castle Foundation
Report and financial statements
for the year ended 31 March 2001

Company Registered Number 1172263
Charity Registered Number 268354



Leeds Castle Foundation
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for the year ended 31 March 2001
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Leeds Castle Foundation

Chairman's Statement

It was anticipated that 2000/01 would be a difficult year, and so it proved. We foresaw the intense competition among visitor attractions in the millennium year, and the discouraging effect of a strong pound on overseas visitors. What we did not predict was the appalling weather, which had an impact on so many of our activities. Finally we could not foresee the national disaster of the inexorable spread of Foot and Mouth Disease and the huge disruption and uncertainty which came in its wake. There has been a significant financial penalty, with visitor numbers down by 8%, the golf course unusable for long periods and waterlogged car parks leading to the cancellation of our Fireworks Spectacular for the first time in twenty years. The final cost for Leeds Castle of the Foot and Mouth outbreak, with its impact on visitor numbers particularly from abroad, has yet to become apparent.

Not all is gloom and doom, however. The new financial year has started in encouraging fashion, with visitor numbers beginning to rise as the sun shines. Leeds Castle remains the venue of choice for many kinds of catered functions, with weddings an increasingly important facet of our commercial activities. Our maintenance is well up to date and the new Castle heating system – essential for the preservation of the fabric and the contents – is now complete. There may be a necessity to strengthen some of our medieval earthworks following the torrential rains of the autumn, but first indications are that damage is limited. It does, however, serve to remind us of the risks attached to the ownership of an ancient property.

This is my last statement as Chairman of the Foundation. I have obtained a lot of pleasure and much satisfaction from my seven years' tenure. Leeds Castle is a complex and challenging place, with constant demands on resources to maintain and improve its assets and the daunting requirement to preserve the place in perpetuity. I would like to pay a particular tribute to the dedication and loyalty of our staff, who have never failed to meet the demands imposed on them by the pressure of our programme of special events for our visitors. Two developments have given me particular pleasure: the construction of the Terrace Room to accommodate our growing catering business and the creation of the Lady Baillie Garden on the derelict site of the Old Aviary, to enhance the attractiveness of the place for our visitors. I like to think that both have succeeded beyond expectations.

Sadly, I have to record the loss in the last year of two people to whom Leeds Castle was particularly precious. Lord Aldington was a tenacious and forceful Chairman for ten years and did much to keep the undertaking on an even keel through a period of initial expansion and then some years of recession and retrenchment. Secondly, with the death, after a long illness, of Mrs Remington-Hobbs, a direct link with our founder has been broken. They will both be remembered at Leeds Castle with affection and respect.

Amidst these changes the permanence and loveliness of Leeds Castle are a lasting confirmation of the value of what we do as Trustees of the Foundation. As I hand over the chairmanship into the capable hands of Lord Armstrong I wish him every good fortune and extend my thanks to my fellow Trustees and all those who have worked so hard over the years for the preservation of this beautiful place.

THE RIGHT HON LORD THOMSON OF MONIFIETH, KT
CHAIRMAN

Leeds Castle Foundation

Directors' and Trustees' annual report

The directors, who are also the trustees of the charity, present their report and the financial statements for the year ended 31 March 2001.

Full name of the Charity:	Leeds Castle Foundation
Governing document:	Memorandum and Articles of Association. The Foundation is a company limited by guarantee with a dispensation to omit the word "Limited" from its title.
Charity registration number:	268354
Company registration number:	1172263

Trustees and Directors

The present Trustees and Directors, and those who served during the year are listed below:

The Rt Hon Lord Thomson of Monifieth, KT, Chairman *	(retired 30 June 2001)
The Lord Armstrong of Ilminster, GCB, CVO*, Chairman	(appointed as Chairman 1 July 2001)
The Hon. Edward Adeane, CVO*	
Sir Roger Bannister, CBE, DM, FRCP	
The Lord Boston of Faversham, QC	
Dame Elizabeth Esteve-Coll, DBE	
Gerald van der Kemp, Membre de l'Institut	
The Rt Hon Lord Kingsdown, KG *	
Mr P H T Mimpriess, CVO*	
The Rt Hon Sir Angus Ogilvy, KCVO*	
The Earl of Scarbrough *	
Dr. J F Stokes, MD, FRCP	
Mr James Teacher	(resigned 26 October 2000)
Sir John Ure, KCMG, LVO	

An asterisk by the name of a Trustee indicates a member of the General Management Committee.

Registered office:	9 Cheapside, London, EC2V 6AD
Bankers:	Lloyds Bank plc, 8 – 10 Waterloo Place, London, SW1Y 4BS
Solicitors:	Allen & Overy, One New Change, London, EC4M 9QQ
Auditors:	PricewaterhouseCoopers, 1 Embankment Place, London, WC2N 6RH
Investment advisers:	Cazenove Fund Management, 3 Copthall Avenue, London, EC2R 7HH

Leeds Castle Foundation

Principal activities and objectives of the charity

The principal activities of the Charity are the preservation for the public benefit of Leeds Castle and the land comprised in a gift bequeathed by the late Hon. O C Lady Baillie and the use of the Castle and park land for charitable purposes.

In order to achieve the objectives of the Charity, the Trustees regard the following as being of particular importance:

- a well managed and adequately staffed operating subsidiary which can take advantage of the commercial opportunities offered by the Castle and grounds;
- an emphasis on high standards of maintenance in the Castle and grounds;
- the use of expert professional advisers on matters of finance, investment, ancient structures, fine art and health and safety;
- strategic investment to ensure that the facilities offered to visitors are of a high quality; and
- a close attention to all matters affecting health and safety of visitors and employees.

Organisation

The full Board of Trustees meets four times per annum to discuss policy, review the progress of the Charity and plan for the future. The Trustees have delegated to the General Management Committee, chaired by Lord Armstrong (Lord Thomson until his retirement on 30 June 2001) the authority to manage the business of the Charity.

The Charity continues to make full use of its wholly owned operating subsidiary in the furtherance of its charitable objectives. The Board of the subsidiary reports formally to the Board of the Charity at each of its quarterly meetings and to the General Management Committee three times per annum.

Development, activities and achievements of the year

The main activity of the Charity continues to be the admission of visitors to the Castle and grounds.

2000/2001 saw 439,000 visitors (down from 476,000 in the previous year), and all the commercial activities of the subsidiary continued to make a useful contribution, although competitive pressures were apparent. The weather also had a significant impact on day visitors and golf rounds played, and caused the cancellation of the Fireworks Spectacular. However, the Charity continued to spend heavily on the essential maintenance of the Castle and other buildings and the various amenities available to visitors in the grounds.

The Charity does not place reliance on donations of any kind, its only sources of income being the trading subsidiary and the dividends and realised gains generated by its investment portfolio.

Leeds Castle Foundation

The financial performance during the year of the Charity and its subsidiary is considered to have been reasonably satisfactory in the more difficult trading conditions encountered. To pay for the costs of the Charity and its subsidiary and carry out the essential maintenance programme, required a contribution from the Foundation's reserves, but it remains the policy of the trustees to seek to finance such expenditure from current surpluses. The capital investment programme was comparatively limited: details are given in note 10 to the financial statements. The Charity does not rely upon the realisation of gains on investments to meet day to day expenditures, and given that it was established in perpetuity and it relies on the income of its trading subsidiary, it is essential that such gains are largely reinvested to ensure that the activities of the Charity may continue despite any possible downturn in commercial activity or other unforeseen events.

The financial position of the Charity and its subsidiary at the balance sheet date is considered to be satisfactory. Early indications in the new financial year are that the subsidiary company will continue to trade satisfactorily, that obligations will be met as they arise and that the maintenance programme will continue to be financed largely from the subsidiary's income and the dividend income of the investment portfolio.

All the investments held by the Charity have been acquired in accordance with the powers available to the Trustees.

Reserves

The Trustees have formulated a policy on reserves. This is to secure:

(a) that the Foundation's Total Reserves (being the realisable assets available to meet the Foundation's charitable purposes) should be kept at not less than a floor level of £7.6 million as at 1st January 2001, such floor level to be adjusted thereafter in line with subsequent increases in the Retail Price Index.

(b) that in the long term the value of the Foundation's Total Reserves should be no less than the value of the original endowment given by Lady Baillie when the Foundation was established on her death in 1974 as adjusted by subsequent increases in the Retail Price Index (the 'Adjusted Endowment Value'). The Adjusted Endowment Value is currently just in excess of £12 million.

As a consequence of formulating this policy, the Trustees have decided that since Leeds Castle, its parkland and the other real property and chattels that were given by Lady Baillie are in effect inalienable, all that property, and the amounts spent by the Foundation since its inception on that property, should not be taken into account in determining the Foundation's Total Reserves.

As a result the accounts of the Foundation for this year and subsequent years will show a new combined fund being the Heritage and Development Fund, being the real property and chattels given to the Foundation by Lady Baillie and the monies spent on that property by the Foundation subsequent to Lady Baillie's death, but the Heritage and Development Fund will not be treated as part of the Foundation's Total Reserves with the result that the latter will comprise the Endowment Fund and the General Fund.

Donations

During the year the Charity made donations to UK charities totalling £2,315 (2000: £17,065).

Leeds Castle Foundation

Employment involvement and disabled persons

Throughout the group there is a close consultation between management and other employees on matters of concern with a view to keeping employees well informed about the progress and position of the group's activities. It is group policy to give full and fair consideration to the employment of applicants who are disabled persons with suitable aptitudes and abilities.

Statement of Directors' and Trustees' responsibilities

The Directors and Trustees are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Charity and the group as at the end of the financial year and of the incoming resources and application of resources and cash flows of the group for that year.

The Directors and Trustees confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 March 2001. The Directors and Trustees also confirm that applicable accounting standards and statements of recommended practice have been followed and that it is appropriate for the financial statements to be prepared on the going concern basis.

The Directors and Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 1985, for safeguarding the assets of the Charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and breaches of law and regulations.

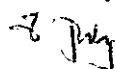
Auditors

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office and a proposal concerning their reappointment will be put to the Annual General Meeting.

By order of the Board



H P Ashbee
Secretary



2001

Leeds Castle Foundation

Auditors' report to the Trustees of Leeds Castle Foundation

We have audited the financial statements on pages 6 to 27.

Respective responsibilities of trustees, directors and auditors

The trustees who are also directors of Leeds Castle Foundation are responsible for preparing the Annual Report. As described on page 4, this includes responsibility for preparing the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the charitable company 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit 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 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 charitable 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 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 the charitable company's and group's affairs as at 31 March 2001 and of the net outgoing resources, including its income and expenditure, and cash flows of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers

PricewaterhouseCoopers

Chartered Accountants and Registered Auditors

London

8 July 2001

Leeds Castle Foundation

Consolidated statement of financial activities for the year ended 31 March 2001 (including an income and expenditure account)

Income and expenditure	Notes	Unrestricted funds £	Permanent endowment fund £	Total funds 2001 £	Total funds 2000 £
Incoming resources					
Income from fixed asset investments	3	124,883		124,883	169,259
Bank interest receivable	3	34,774		34,774	72,933
Rental income	3	65,084		65,084	75,782
		224,741		224,741	317,974
Income of trading subsidiary supporting charitable activities of Leeds Castle Foundation					
Admission fees	2	2,509,953		2,509,953	2,696,683
Special events	2	592,571		592,571	510,231
		3,102,524		3,102,524	3,206,914
Other income of trading subsidiary		4,064,934		4,064,934	4,365,592
Total income of trading subsidiary	2	7,167,458		7,167,458	7,572,506
Expenditure of trading subsidiary	2	(6,970,338)		(6,970,338)	(7,148,206)
		197,120		197,120	424,300
Total incoming resources		421,861		421,861	742,274
Resources expended					
Direct charitable expenditure:					
- Property maintenance expenditure	4	(378,880)		(378,880)	(349,246)
- Management and administration of charity	4	(775,180)		(775,180)	(309,990)
Taxation	7	(29,693)		(29,693)	(1,319)
Total resources expended		(1,183,753)		(1,183,753)	(660,555)
Net outgoing resources		(761,892)		(761,892)	81,719
(Losses)/gains on investments:					
- Realised	18	(69,214)		(69,214)	(29,535)
- Unrealised	18	(1,210,899)		(1,210,899)	1,165,473
Profit on sale of fixed assets	18	-		-	246,327
Net movement in funds		(2,042,005)		(2,042,005)	1,463,984
Total funds brought forward		17,018,906	1,563,906	18,582,812	17,118,828
Reclassification	18	(6,671,973)	6,671,973	-	-
Total funds carried forward		8,304,928	8,235,879	16,540,807	18,582,812

The notes on pages 10 to 27 form part of these financial statements.

The Charity has no recognised gains and losses other than those included in the results above and therefore, no separate statement of total recognised gains and losses has been presented.

There is no difference between the net movement in funds and its historical cost equivalents.

Leeds Castle Foundation

Consolidated balance sheet as at 31 March 2001

	Notes	2001 £	2000 £
Fixed assets			
Tangible assets	9	11,144,267	10,805,451
Investments	12	5,334,916	7,288,775
		16,479,183	18,094,226
Current assets			
Stocks	13	720,711	581,107
Debtors	14	476,922	620,636
Cash at bank and in hand	15	101,651	630,816
		1,299,284	1,832,559
Creditors: amounts falling due within one year	16	(1,026,802)	(1,247,847)
Net current assets		272,482	584,712
Total assets less current liabilities		16,751,665	18,678,938
Creditors: amounts falling due after more than one year	17	(210,858)	(96,126)
Net assets		16,540,807	18,582,812
Funds			
Permanent endowment			
- Heritage and development	18	8,235,879	1,563,906
Unrestricted			
- Endowment	18	8,090,549	10,030,662
- Development	18	-	6,425,162
- Property maintenance		-	268,000
- General		214,379	295,082
	18	16,540,807	18,582,812

The financial statements on pages 6 to 27 were approved by the board of trustees and directors on 8 July 2001 and were signed on its behalf by:

)
) Trustees and Directors
)

Anthony of Minster
secretary

Leeds Castle Foundation

Balance sheet as at 31 March 2001

	Notes	2001 £	2000 £
Fixed assets			
Tangible assets	9	10,633,642	10,372,957
Investments:			
- Subsidiary company	11	366,100	366,100
- Other	12	5,334,916	7,288,775
		16,334,658	18,027,832
Current assets			
Debtors	14	78,087	219,579
Cash at bank and in hand	15	88,021	497,606
		166,108	717,185
Creditors: amounts falling due within one year	16	(65,201)	(184,042)
Net current assets		100,907	533,143
Total assets less current liabilities		16,435,565	18,560,975
Funds			
Permanent endowment			
- Heritage and development	18	8,235,879	1,563,906
Unrestricted			
- Endowment	18	8,090,549	10,030,662
- Development	18	-	6,425,162
- Property maintenance		-	268,000
- General		109,137	273,245
		16,435,565	18,560,975

Leeds Castle Foundation

Consolidated cash flow statement for the year ended 31 March 2001

	Notes	2001 £	2000 £
Operating activities			
Cash received from customers	26	7,311,172	7,486,858
Cash payments to suppliers	27	(1,780,733)	(1,885,947)
Staff costs	5	(3,643,628)	(3,432,388)
Other cash payments		(2,386,119)	(1,628,100)
Property maintenance expenditure		(378,880)	(349,246)
Net cash (outflow)/inflow from operating activities	23	(878,188)	191,177
Returns on investments and servicing of finance			
Dividends received	3	124,883	169,259
Interest received	3	34,774	72,933
Sundry income	3	65,084	75,782
Interest element of finance lease rentals	8	(16,834)	(12,755)
Net cash inflow from returns on investment and servicing of finance		207,907	305,219
Taxation paid		(1,319)	(1,704)
Capital expenditure and financial investment			
Development projects	10	(246,811)	(304,611)
Purchase of other fixed assets		(85,668)	(190,136)
Proceeds from sale of fixed assets		6,064	336,017
Purchases of fixed asset investments	12	(1,612,870)	(1,503,852)
Proceeds from sales of fixed asset investments		1,784,584	1,782,908
Net cash (outflow)/inflow from capital expenditure and financial investment		(154,701)	120,326
Net cash (outflow)/inflow before financing		(826,301)	615,018
Financing			
Repayments of principal under finance leases	29	(61,881)	(52,576)
(Decrease)/increase in cash	24	(888,182)	562,442

Leeds Castle Foundation

Notes to the financial statements for the year ended 31 March 2001

1 Accounting policies

Basis of accounting

The financial statements are prepared on the historical cost basis of accounting as modified by the revaluation of investments and in accordance with applicable Accounting Standards in the United Kingdom and the 1995 Statement of Recommended Practice – 'Accounting by Charities'. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary for the year ended 31 March 2001.

Form of financial statements

The reserves comprise two distinct categories, which are:

(a) Permanent endowment

Heritage and development

This relates to:

- (i) the land, buildings and chattels bequeathed to the Foundation for preservation, and
- (ii) expenditure incurred on new buildings, the restoration of existing buildings and changes to the infrastructure of the estate carried out to improve the facilities available to support public access. Such assets are for all practical purposes integral with the bequeathed estate and are therefore also regarded as being inalienable.

(b) Unrestricted funds

Endowment Fund

The Fund was created from a pecuniary legacy bequeathed by the late Olive, Lady Baillie together, with additional funds realised from the authorised sale of certain items included in the original transfer of the property.

The capital and income of the fund are available for expenditure by the Trustees on the Foundation's charitable objectives.

Leeds Castle Foundation

General Fund

This fund provides the working capital requirements of the Foundation after specific allocations for development expenditure (Note 10) and reserve increases have been made.

Turnover

Turnover represents total income receivable, excluding value added tax, from admission fees, the sale of goods, services supplied and sundry income.

Investment Income

Dividends and interest on listed investments are accounted for on an accruals basis. The amount shown includes the related tax credits.

Interest on bank deposits is accounted for on an accruals basis.

Pension Scheme arrangements

Leeds Castle Enterprises Limited operates a defined benefit pension scheme. The fund is valued every three years by a professionally qualified independent actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates. Pension costs are accounted for on the basis of charging the expected cost of providing pensions over the period during which the company benefits from the employees' services. The effects of variations from regular cost are spread over the expected average remaining service lives of members of the scheme.

Fixed assets and depreciation

(a) Castle grounds, freehold land, buildings and castle contents

No depreciation is provided on the value attributable to the assets acquired through the original gift, on other land and buildings held by the holding company, or on assets subsequently added by development expenditure. It is the policy of the company to carry out annually a full repairs and maintenance programme such that, the residual values of these assets based on prices prevailing at the date of acquisition or 1974 valuation, as applicable, are at least equal to their carrying value. Accordingly any depreciation would not be material. Carrying values are reviewed annually and provision is made, if necessary, for any impairment in value.

(b) Owned equipment and motor vehicles

The cost of owned equipment and motor vehicles is written off in equal instalments over a period of four years.

(c) Assets held under finance leases

Assets held under finance leases are depreciated over the shorter of the term of the lease and their expected useful economic lives.

Leeds Castle Foundation

Finance and operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Leasing agreements which transfer to the company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit or resources expended in proportion to the reducing capital element outstanding.

Investments

Listed investments are included in the balance sheet at market valuation. Appreciation or depreciation arising on the disposal or revaluation of investments is credited to the Endowment Fund. The fees charged for the purchase and sale of investments in the portfolio are included within the Foundation's operating expenses.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Leeds Castle Foundation

2 Net income from trading activities of subsidiary

The Charity has one wholly owned trading subsidiary, Leeds Castle Enterprises Limited, which is registered in England and Wales. A summary of the company's trading results is shown below:

Profit and loss account

	2001	2000
	£	£
Turnover		
Admission fees	2,509,953	2,696,683
Special events:		
- Open air concerts	592,571	510,231
- Other special events	51,521	369,654
Catering	2,203,918	2,133,755
Conferences	495,901	536,864
Shop trading	1,064,802	1,072,535
Golf	166,721	201,285
Plants and garden products	79,206	45,544
Sundry revenues	2,865	5,955
	7,167,458	7,572,506
Net operating expenses	(6,970,338)	(7,148,206)
Gross profit	197,120	424,300
Interest receivable	13,228	24,092
Interest payable to Leeds Castle Foundation on long term loan	(29,280)	(29,280)
Net profit	181,068	419,112
Gift Aid donation/amount covenanted to Leeds Castle Foundation	(48,185)	(314,305)
	132,883	104,807
Taxation	(29,693)	(20,954)
	103,190	83,853
Retained profit brought forward	2,052	11,699
	105,242	95,552
Dividend paid to Leeds Castle Foundation	-	(93,500)
Profit retained in subsidiary	105,242	2,052

Leeds Castle Foundation

3 Investment income

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Income from fixed asset investments	124,883	169,259	124,883	282,394
Bank interest receivable	34,774	72,933	21,546	48,841
Loan interest receivable from subsidiary	-	-	29,280	29,280
Rental income	65,084	75,782	65,084	75,782
	224,741	317,974	240,793	436,297

4 Analysis of total resources expended

	Staff costs	Other costs	Total	2000
	£	£	£	£
Direct charitable expenditure				
Property maintenance	-	378,880	378,880	349,246
Management and administration of the Charity (Note 5)	485,760	289,420	775,180	309,990
	485,760	668,300	1,154,060	659,236

5 Net operating expenses

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Net operating expenses				
Change in stock for resale	(139,604)	120,466	-	-
Purchases	1,920,337	1,765,481	-	-
Staff costs	3,643,628	3,432,388	485,760	172,842
Depreciation	207,306	183,352	-	-
Other operating expenses	2,113,851	1,956,509	289,420	137,148
	7,745,518	7,458,196	775,180	309,990

Leeds Castle Foundation

6 Employees

Staff costs during the year were:

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Permanent staff costs	2,622,692	2,376,573	395,377	122,438
Casual staff costs	644,262	692,201	-	-
Social security costs	234,832	223,850	39,288	12,777
Other pension costs	141,842	139,764	51,095	37,627
	3,643,628	3,432,388	485,760	172,842

The average weekly number of persons (including directors) employed by the group and the company during the year was:

	Group		Company	
	2001	2000	2001	2000
Full time	120	119	25	5
Part time	239	227	1	-
	359	346	26	5

The number of employees earning in excess of £40,000 was as follows:

	Group		Company	
	2001	2000	2001	2000
£40,001 to £50,000	1	-	-	-
£50,001 to £60,000	1	1	-	-
£60,001 to £70,000	2	2	1	1
£100,001 to £110,000	1	1	-	-
	5	4	1	1

Leeds Castle Foundation

Trustees and Directors of the Charity

Remuneration

No remuneration was paid to the Trustees and Directors of the Charity during this period or the previous period.

Expenses reimbursed

Travel, subsistence and entertainment costs amounting to £1,172 (2000: £2,970) were reimbursed to two Trustees.

Transactions with connected parties

Fees totalling £3,000 (2000: £14,050) for legal services were paid to Allen & Overy of which firm Mr P H T Mimpriess, a trustee, is a partner.

7 Taxation

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Corporation tax payable at 20% (2000: 20%)	29,693	1,319	-	-

8 Net incoming resources

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Net incoming resources are stated after crediting:				
Rent receivable	65,084	75,782	65,084	75,782
Profit on sale of fixed assets	1,490	253,865	-	246,327
and after charging:				
Depreciation on owned assets	141,120	127,195	-	-
Depreciation on assets held under finance leases	66,186	56,157	-	-
Charges paid on finance leases	16,834	12,755	-	-
Hire of plant and equipment – operating leases	22,317	21,488	-	-
Auditors' remuneration	29,500	26,000	10,416	8,320
Auditors' remuneration for non-audit services	12,330	22,075	2,200	12,425

Leeds Castle Foundation

9 Tangible fixed assets

Group

	Castle grounds & buildings £	Castle contents £	Freehold land and buildings £	Equipment and motor vehicles £	Total £
Cost or valuation					
At Estate Duty Valuation 1974	500,000	867,586	-	-	1,367,586
At cost	6,394,235	542,324	2,068,812	1,956,726	10,962,097
At 27 March 2000	6,894,235	1,409,910	2,068,812	1,956,726	12,329,683
Additions	246,811	13,874	-	290,006	550,691
Disposals	-	-	-	(16,565)	(16,565)
At 31 March 2001	7,141,046	1,423,784	2,068,812	2,230,167	12,863,809
Depreciation					
At 27 March 2000	-	-	-	1,524,232	1,524,232
Charge for year	-	-	-	207,306	207,306
Eliminated in respect of disposals	-	-	-	(11,996)	(11,996)
At 31 March 2001	-	-	-	1,719,542	1,719,542
Net book value					
At 31 March 2001	7,141,046	1,423,784	2,068,812	510,625	11,144,267
At 26 March 2000	6,894,235	1,409,910	2,068,812	432,494	10,805,451

Equipment and motor vehicles £510,625 (2000: £432,494), shown above, are wholly owned by Leeds Castle Enterprises Limited and includes an amount of £555,232 (2000: £137,962) in respect of assets held under finance leases. All other assets shown above are wholly owned by Leeds Castle Foundation.

Comprised within the assets owned by the Foundation are the Castle grounds, the ancient Castle buildings and their contents, and more recent structures now used for the purposes of the subsidiary's trading activities and the administration of the Charity. These more recent buildings are incidental to the main buildings and the primary charitable purposes. In the opinion of the directors, the value attributable to those buildings which are used for the administrative and trading purposes cannot readily be determined and, in the opinion of the directors, is not significant in the context of the buildings taken as a whole.

Leeds Castle Foundation

Company

	Castle grounds & buildings £	Castle contents £	Freehold land and buildings £	Total £
Cost or valuation				
At Estate Duty Valuation 1974	500,000	867,586	-	1,367,586
At cost	6,394,235	542,324	2,068,812	9,005,371
At 27 March 2000	6,894,235	1,409,910	2,068,812	10,372,957
Additions	246,811	13,874	-	260,685
Disposals	-	-	-	-
At 31 March 2001	7,141,046	1,423,784	2,068,812	10,633,642
Depreciation				
At 27 March 2000	-	-	-	-
Charge for year	-	-	-	-
Eliminated in respect of disposals	-	-	-	-
At 31 March 2001	-	-	-	-
Net book value				
At 31 March 2001	7,141,046	1,423,784	2,068,812	10,633,642
At 26 March 2000	6,894,235	1,409,910	2,068,812	10,372,957

Leeds Castle Foundation

10 Development expenditure on Castle, grounds and buildings

	2001	2000
	£	£
Park shop extension/plant centre	97,622	94,089
Castle floodlighting	32,008	-
Castle interior improvements	31,545	31,104
Computer network cabling	21,249	-
Landscaping of the grounds	21,867	24,857
Aviary shop/information point	9,120	21,373
Golf course improvements	8,997	17,038
Nursery and propagation area	7,986	-
Estate office kitchen extension	6,876	74,037
Culpeper paths	-	10,954
Wykeham Martin Centre completion	-	10,847
Grotto enhancement	-	4,327
Other minor projects	9,541	15,985
	246,811	304,611

11 Investment in subsidiary company

	2001	2000
	£	£
Ordinary shares of £1 each at cost	100	100
8% unsecured loan stock 2005	366,000	366,000
	366,100	366,100

The subsidiary's accounts have been consolidated with the Foundation's accounts.

Leeds Castle Enterprises Limited

Notes to the financial statements for the year ended 31 March 2001

1 Accounting policies

Basis of accounting

The financial statements are prepared on the historical cost basis of accounting and in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Turnover

Turnover represents total income receivable, excluding value added tax, from admission fees and the sale of goods and services supplied.

Fixed assets

Fixed assets are stated in the balance sheet at cost less depreciation.

Owned assets are depreciated on a straight-line basis at the following rates:

Equipment	25% per annum
Motor vehicles	25% per annum

Assets held under finance leases are depreciated over the shorter of the term of the lease and their expected useful economic lives.

Finance and operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Leasing agreements which transfer to the company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding.

Pension scheme arrangements

Leeds Castle Enterprises Limited operates a defined benefit pension scheme. The fund is valued every three years by a professionally qualified independent actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates. Pension costs are accounted for on the basis of charging the expected cost of providing pensions over the period during which the company benefits from the employees' services. The effects of variations from regular cost are spread over the expected average remaining service lives of members of the scheme.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Leeds Castle Enterprises Limited

Cash flow statement

The company is a wholly owned subsidiary of Leeds Castle Foundation and the cash flows of the company are included in the consolidated group cash flow statement of Leeds Castle Foundation.

Consequently, the company is exempt under the terms of Financial Reporting Standard No. 1 from publishing a cash flow statement.

Related party disclosures

The company is a wholly owned subsidiary of Leeds Castle Foundation, a company limited by guarantee, and has taken the exemption available under Financial Reporting Standard No. 8 from disclosing transactions with related parties that eliminate on consolidation. Other related party disclosures relating to the group are given in the accounts of the parent company. There are no other related party transactions in this company.

2 Turnover

	2001	2000
	£	£
Admission fees	2,509,953	2,696,683
Special events	644,092	879,885
Catering	2,203,918	2,133,755
Conferences	495,901	536,864
Shop trading	1,015,391	1,072,535
Golf	216,132	201,285
Plants and garden products	79,206	45,501
Sundry income	2,865	5,998
	7,167,458	7,572,506

3 Net operating expenses

	2001	2000
	£	£
Changes in stocks of consumables and goods for resale	(226,419)	120,466
Purchases	1,920,337	1,765,481
Staff costs	3,157,966	3,259,546
Depreciation	207,306	183,352
Other operating charges	1,911,148	1,819,361
	6,970,338	7,148,206

Leeds Castle Enterprises Limited

4 Profit on ordinary activities before donation and taxation

Profit on ordinary activities before donation and taxation is stated:

	2001 £	2000 £
After charging:		
- Depreciation on owned assets	141,120	127,195
- Depreciation on assets held under finance leases	66,186	56,157
- Charges paid on finance leases	16,834	12,755
- Hire of plant and equipment – operating leases	22,317	21,488
- Auditors' remuneration	19,084	17,680
- Auditors' remuneration for non-audit services	10,130	9,650
After crediting:		
- Profit on disposal of fixed assets	1,490	7,538

5 Employees

	2001 £	2000 £
Staff costs during the year:		
Permanent staff costs	2,227,413	2,254,135
Casual staff costs	644,262	692,201
Social security costs	195,544	211,073
Other pension costs	90,747	102,137
	3,157,966	3,259,546

The average weekly number of persons employed by the company during the year was:

	2001	2000
Full time	95	114
Part time	238	227
	333	341

Leeds Castle Enterprises Limited

6 Directors' remuneration

	2001	2000
	£	£
Staff costs include the following remuneration paid to directors:		
- Aggregate emoluments	316,089	312,981
- Company pension contributions to final salary schemes	9,927	8,708
- Company pension contributions to money purchase schemes	4,379	4,171
	330,395	325,860

Retirement benefits accrued to one director under a money purchase pension scheme and to three directors under a defined benefit scheme.

	2001	2000
	£	£
Highest paid director		
Aggregate emoluments	103,346	101,771

7 Taxation

	2001	2000
	£	£
Corporation tax payable at 20% (2000: 20%)	29,693	20,954

8 Dividend

The directors do not recommend the payment of a dividend in respect of the year ended 31 March 2001 (2000: £935 per share).

Leeds Castle Enterprises Limited

9 Tangible fixed assets

	Equipment	Motor vehicles	Total
	£	£	£
Cost			
At 27 March 2000	1,635,119	321,607	1,956,726
Additions	187,972	102,034	290,006
Disposals	-	(16,565)	(16,565)
At 31 March 2001	1,823,091	407,076	2,230,167
Depreciation			
At 27 March 2000	1,286,775	237,457	1,524,232
Charge for the year	166,763	40,543	207,306
Eliminated in respect of disposals	-	(11,996)	(11,996)
At 31 March 2001	1,453,538	266,004	1,719,542
Net book value			
At 31 March 2001	369,553	141,072	510,625
At 26 March 2000	348,344	84,150	432,494

The net book value of equipment and motor vehicles of £510,625 (2000: £432,494) includes an amount of £555,232 (2000: £137,962) in respect of assets held under finance leases.

10 Stocks

	2001	2000
	£	£
Goods for resale	680,193	540,154
Consumables	40,518	40,953
	720,711	581,107

Leeds Castle Enterprises Limited

11 Debtors

	2001 £	2000 £
Amounts receivable within one year:		
- Trade debtors	195,498	186,376
- Amounts due from parent company	-	18,529
- Other debtors	102,762	108,478
- Prepayments and accrued income	126,406	106,203
	424,666	419,586

12 Creditors

	2001 £	2000 £
Amounts falling due within one year:		
- Amounts due to parent company	25,831	-
- Bank overdraft	13,365	156,380
- Trade creditors	244,497	176,135
- Obligations under finance leases	87,960	46,357
- Provisions for corporation tax	29,693	20,954
- Other taxation and social security payable	81,210	76,668
- Amount due to Inland Revenue deducted from donation	-	71,835
- Other creditors	90,432	240,686
- Accruals and deposits received in advance	414,444	313,104
	987,432	1,102,119

Other taxation and social security payable comprises:

	2001 £	2000 £
National Insurance contribution	39,947	39,229
PAYE	41,263	37,439
	81,210	76,668

Leeds Castle Enterprises Limited

	2001	2000
	£	£
Amounts falling due after more than one year:		
Obligations under finance leases:		
- Falling due in second to fifth years inclusive	210,858	96,126
- Falling due after five years	-	-
8% unsecured loan stock 2005 issued to Leeds Castle Foundation	366,000	366,000
	576,858	462,126

The loan stock is redeemable at par on 31 December 2005.

13 Share capital

	2001	2000
	£	£
Authorised		
500,000 ordinary shares of £1 each	500,000	500,000
Allotted, called-up and fully paid		
100 ordinary shares of £1 each	100	100

14 Profit and loss account

	£
At 27 March 2000	2,052
Retained profit for the financial year	103,190
At 31 March 2001	105,242

Leeds Castle Enterprises Limited

15 Reconciliation of movements in shareholders' funds

	2001 £	2000 £
Profit for the financial year	103,190	83,853
Dividends	-	(93,500)
Net movement in equity shareholders' funds	103,190	(9,647)
Opening equity shareholders' funds	2,152	11,799
Closing equity shareholders' funds	105,342	2,152

16 Financial commitments

At 31 March 2001 the company had annual commitments on non-cancellable operating leases of plant and equipment as follows:

	2001 £	2000 £
Leases expiring:		
- Within one year	15,994	7,744
- In the second to fifth years inclusive	12,619	12,951
- After more than five years	-	-
	28,613	20,695

Leeds Castle Enterprises Limited

17 Pension scheme

Leeds Castle Enterprises Limited operates a defined benefit scheme providing benefits based on final pensionable salaries for employees of Leeds Castle Enterprises Limited. The assets of the scheme are held separately from those of Leeds Castle Enterprises Limited in independent funds.

The main scheme, the Leeds Castle Retirement Benefits Scheme is valued every three years by an independent qualified actuary. The latest actuarial valuation carried out prior to the year end was as at 1 April 1998. The next valuation is due as at 1 April 2001 and will be available later during 2001. The 1998 valuation used the projected unit method and showed that the actuarial value of the scheme's assets represented 111% of the benefits that had accrued to members at that date after allowing for future increases in earnings and pensions in payment. The market value of the scheme's assets at that time was £1,243,000.

The principal assumptions were that, over the long term, the rate of return on investments would exceed the rate of increase in salaries by 2% and that there would be no increase in the rate of pensions.

Pension costs are charged to the profit and loss account so as to spread the costs of pensions over employees' working lives with the company. The pension cost for the year was £82,389 (2000: £93,645).

Other pension costs represent ex-gratia payments and personal pension plans for certain individual employees, which in aggregate amounted to £8,358 (2000: £8,492).

18 Parent company

The company is a wholly owned subsidiary of Leeds Castle Foundation, a company limited by guarantee and registered in England and Wales. The directors consider Leeds Castle Foundation as the ultimate parent company. Copies of the Leeds Castle Foundation consolidated financial statements can be obtained from the Company Secretary at Leeds Castle, Maidstone, Kent, ME17 1PL.

Leeds Castle Foundation

12 Fixed asset investments (Group and Company)

These are listed investments including Certificates of Deposit and other investment portfolio cash balances and are held on account of the unrestricted Endowment Fund.

	2001 £	2000 £
Market value of listed investments at 1 April	6,638,904	5,782,022
Less: Disposals at opening book value	(1,853,798)	(1,812,443)
Add: Acquisitions at cost	1,612,870	1,503,852
Net (losses)/gains on revaluation	(1,210,899)	1,165,473
Market value at 31 March	5,187,077	6,638,904
Cash holdings at 31 March	147,839	649,871
Total value of fixed asset investments	5,334,916	7,288,775
Historical cost value of assets	4,561,472	4,967,346

At 31 March 2001 the market value of the investments split between UK investment assets and overseas assets was as follows:

	2001 £	2000 £
UK investments	4,139,683	4,743,093
Overseas investments	1,047,394	1,895,811
	5,187,077	6,638,904
Cash	147,839	649,871
Total value of investments at 31 March 2001	5,334,916	7,288,775

The portfolio contains a broad spectrum of quoted investments. No single investment exceeds 5% by value of the total portfolio, except for:

	2001		2000	
	£	%	£	%
BP Amoco	279,360	5.4	237,035	3.7
C.I.A.M. Sterling Bond Fund	506,985	9.8	470,525	7.4
C.U.T.M. European Portfolio Fund	512,839	9.9	858,901	13.5
GlaxoSmithkline	263,263	5.1	267,128	4.2
Vodafone Airtouch	300,132	5.8	572,520	9.0

Leeds Castle Foundation

13 Stocks

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Goods for resale	680,193	540,154	-	-
Consumables	40,518	40,953	-	-
	720,711	581,107	-	-

14 Debtors

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	195,498	186,376	-	-
Other debtors	151,168	182,546	48,406	74,068
Amounts owed by subsidiary	-	-	25,831	-
Prepayments and accrued income	126,406	106,203	-	-
Tax recoverable on dividends	3,850	44,368	3,850	44,368
Tax recoverable, deducted from donation	-	101,143	-	101,143
	476,922	620,636	78,087	219,579

15 Cash at bank and in hand

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Cash at bank and in hand	100,132	385,758	86,502	370,935
Deposits	1,519	245,058	1,519	126,671
	101,651	630,816	88,021	497,606

In addition to the cash at bank and in hand and deposits above, included within the investment portfolio were cash holdings of £147,839 (2000: £649,871) (note 12).

Leeds Castle Foundation

16 Creditors: amounts falling due within one year

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Bank overdrafts	13,365	156,380	-	-
Trade creditors	250,623	206,791	6,126	30,656
Amounts owed to subsidiary	-	-	-	18,529
Other taxation and social security payable	81,210	76,668	-	-
Other creditors	90,706	248,188	275	7,502
Accruals and deposits received in advance	473,245	440,309	58,800	127,355
Provision for corporation tax payable	29,693	1,319	-	-
Taxation due to Inland Revenue	-	71,835	-	-
Obligations under finance leases	87,960	46,357	-	-
	1,026,802	1,247,847	65,201	184,042

17 Creditors: amounts falling due after more than one year

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Obligations under finance leases:				
- Due in the second to fifth years inclusive	210,858	96,126	-	-
- Due after five years	-	-	-	-
	210,858	96,126	-	-

Leeds Castle Foundation

18 Funds

	Unrestricted endowment fund	Unrestricted development fund	Other unrestricted funds	Total unrestricted funds	Permanent endowment/ heritage and development fund	Total funds
	£	£	£	£	£	£
Fund balances at 31 March 2001 are represented by:						
Tangible fixed assets	2,625,010	-	510,625	3,135,635	8,008,632	11,144,267
Investments	5,334,916	-	-	5,334,916	-	5,334,916
Current assets	130,623	-	941,414	1,072,037	227,247	1,299,284
Liabilities	-	-	(1,237,660)	(1,237,660)	-	(1,237,660)
At 31 March 2001	8,090,549	-	214,379	8,304,928	8,235,879	16,540,807
Movement of funds during the year:						
Balance of funds at 27 March 2000	10,030,662	6,425,162	563,082	17,018,906	1,563,906	18,582,812
Reclassification at 31 March 2001	-	(6,425,162)	-	(6,425,162)	6,425,162	-
Net outgoing resources	-	-	(761,892)	(761,892)	-	(761,892)
Realised loss on investments	(69,214)	-	-	(69,214)	-	(69,214)
Unrealised loss on investments	(1,210,899)	-	-	(1,210,899)	-	(1,210,899)
Transfers	(660,000)	-	660,000	-	-	-
Development expenditure (note 9)	-	-	(246,811)	(246,811)	246,811	-
Balance of funds at 31 March 2001	8,090,549	-	214,379	8,304,928	8,235,879	16,540,807

Change in classification of funds

At the end of the year, the Foundation reclassified the Development Fund, which relates to expenditure incurred on new buildings, the restoration of existing buildings, and changes to infrastructure of the estate. These assets are considered integral to the bequeathed estate and therefore also regarded as inalienable. Accordingly a new combined fund has been set up, being the Heritage and Development fund.

19 Capital

The company is limited by guarantee and does not have a share capital. The liability of each member is limited to £1.

Leeds Castle Foundation

20 Financial commitments

At 31 March 2001 the group had annual commitments on non-cancellable operating leases of plant and equipment as follows:

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Leases expiring:				
- Within one year	15,994	7,744	-	-
- Within the second to fifth years inclusive	12,619	12,951	-	-
- After more than five years	-	-	-	-
	28,613	20,695	-	-

21 Pension scheme

Leeds Castle Enterprises Limited operates a defined benefit scheme providing benefits based on final pensionable pay for employees of Leeds Castle Foundation and its subsidiary, Leeds Castle Enterprises Limited. The assets of the scheme are held separately from those of Leeds Castle Foundation in independent funds.

The main scheme, the Leeds Castle Retirement Benefit Scheme, is valued every three years by an independent qualified actuary. The latest actuarial valuation prior to the year end was carried out as at 1 April 1998. The next valuation is due as at 1 April 2001 and will be available later during 2001. The 1998 valuation used the projected unit method and showed that the actuarial value of the scheme's assets represented 111% of the benefits that had accrued to members at that date after allowing for future increases in earnings and pensions in payment. The market value of the scheme's assets at that time was £47,600 for the company (£1,243,000 for the group).

The principal assumptions were that, over the long term, the rate of return on investments would exceed the rate of increase in salaries by 2% and that there would be no increase in the rate of pensions.

Pension costs are charged to the revenue account so as to spread the cost of pensions over employees' expected working lives with the group. The pension cost for the year was £25,156 (2000: £8,290) for the company, and £107,495 (2000: £101,935) for the group. Other pension costs represent ex-gratia payments and personal pension plans for certain individual employees, which in aggregate amounted to £25,939 (2000: £29,337) for the company and £34,347 (2000: £37,829) for the group.

Leeds Castle Foundation

22 Capital commitments and contingent liability

At 31 March 2001 the company and the group had no contractual commitments for development expenditure (2000: none).

Provided the company continues to preserve for the public benefit both Leeds Castle and the grounds comprised in the gift by the late Olive, Lady Baillie in pursuance of the undertakings given to H M Treasury the contingent liability to Estate Duty in respect of the gift will not arise.

Reconciliation of operating profit to net cash inflow from operating activities

	2001	2000
	£	£
Total income of trading subsidiary	7,167,458	7,572,506
Expenditure of trading subsidiary and direct charitable net operating expenses	(7,745,518)	(7,458,196)
Operating (loss)/profit	(578,060)	114,310
Finance lease charges	16,833	12,755
Depreciation charges on fixed assets	207,306	183,352
Profit on sale of fixed assets included in operating profit above	(1,490)	(7,538)
Other cash movements:		
- (Increase)/decrease in stocks	(139,604)	120,466
- Decrease/(increase) in debtors	143,714	(85,648)
- (Decrease)/increase in creditors	(148,007)	202,726
- Property maintenance expenditure	(378,880)	(349,246)
Net cash (outflow)/inflow from operating activities	(878,188)	191,177

23 Reconciliation of net cash flow to movement in net (debt)/funds

	2001	2000
	£	£
(Decrease)/increase in cash in the period	(888,182)	562,442
Cash outflow from reduction in lease financing	61,881	52,576
	(826,301)	615,018
New finance leases	(218,216)	(39,819)
	(1,044,517)	575,199
Net funds at beginning of year	981,824	406,625
Net (debt)/funds at the end of year	(62,693)	981,824

Leeds Castle Foundation

24 Analysis of changes in net funds

	At 26 March 2000 £	Cash flow £	Other non-cash charges £	At 31 March 2001 £
Cash at bank and in hand	630,816	(529,165)	-	101,651
Overdraft	(156,380)	143,015	-	(13,365)
	474,436	(386,150)	-	88,286
Finance leases	(142,483)	61,881	(218,216)	(298,818)
Cash investments	649,871	(502,032)	-	147,839
	981,824	(826,301)	(218,216)	(62,693)

25 Cash received from customers

	2001 £	2000 £
Opening debtors	620,636	534,988
Add: Turnover	7,167,458	7,572,506
Less: Closing debtors	(476,922)	(620,636)
Cash received from customers	7,311,172	7,486,858

26 Cash payments to suppliers

	2001 £	2000 £
Opening stock	581,107	701,573
Add: Purchases	1,920,337	1,765,481
Less: Closing stock	(720,711)	(581,107)
Cash payments to suppliers	1,780,733	1,885,947

Leeds Castle Foundation

27 Creditors

	In/Out flow 2001 £	In/Out flow 2000 £
(Decrease)/increase in creditors	(221,045)	186,254
Movement in:		
- Overdraft	143,015	20,188
- Provision for corporation tax	(28,374)	385
- Obligations under finance leases	(41,603)	(4,101)
(Decrease)/increase in creditors	(148,007)	202,726

28 Obligations under finance leases

	2001 £	2000 £
Balance at beginning of period	142,483	155,240
New leases during the period	218,216	39,819
Repayment of principal	(61,881)	(52,576)
Balance at end of period	298,818	142,483

29 Related party transactions

There were no material related party transactions.

30 Net income for the financial year

As permitted by Section 230 of the Companies Act 1985, the parent company's statement of financial activities has not been included in these financial statements. The parent company's net loss for the financial year was £2,145,201 (2000: net income of £1,473,631).