

Company Registration No. 3043714 (England and Wales)

KINGSWOOD (NORFOLK) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001



KINGSWOOD (NORFOLK) LIMITED

COMPANY INFORMATION

Directors

S Wiley
C Wiley

Secretary

D J Ridler

Company number

3043714

Registered office

2nd Floor 11 Prince of Wales Road
Norwich
Norfolk
NR1 1BD

Auditors

Elman Wall
1 Bickenhall Mansions
Bickenhall Street
London
W1U 6BP

KINGSWOOD (NORFOLK) LIMITED

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KINGSWOOD (NORFOLK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2001

The directors present their report and financial statements for the year ended 31 December 2001.

Principal activities

The company remained dormant during the year.

Directors

The following directors have held office since 1 January 2001:

S Wiley
C Wiley
J Cowley

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 December 2001	1 January 2001
S Wiley	-	-
C Wiley	-	-
J Cowley	-	-

Auditors

Elman Wall were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

Directors' responsibilities

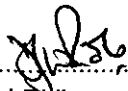
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

By order of the board


.....
D J Ridler
Secretary
18.07.02
.....

KINGSWOOD (NORFOLK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KINGSWOOD (NORFOLK) LIMITED

We have audited the financial statements of KINGSWOOD (NORFOLK) LIMITED on pages 3 to 6 for the year ended 31 December 2001. These financial statements have been prepared under the historical cost convention and the accounting policies set out herein.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 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 with the company 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.

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 company's circumstances, consistently applied and adequately disclosed.

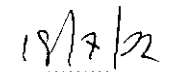
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 company's affairs as at 31 December 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Elman Wall

Chartered Accountants
Registered Auditor


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1 Bickenhall Mansions
Bickenhall Street
London
W1U 6BP

KINGSWOOD (NORFOLK) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	2001 £	2000 £
Loss on ordinary activities before taxation		-	-
Tax on loss on ordinary activities	2	-	-
Loss on ordinary activities after taxation	6	-	-

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

KINGSWOOD (NORFOLK) LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2001

	Notes	2001 £	£	2000 £	£
Current assets					
Debtors	3	823,237		823,237	
Creditors: amounts falling due within one year	4	<u>(1,102,924)</u>		<u>(1,102,924)</u>	
Total assets less current liabilities			<u>(279,687)</u>		<u>(279,687)</u>
Capital and reserves					
Called up share capital	5		2		2
Profit and loss account	6		<u>(279,689)</u>		<u>(279,689)</u>
Shareholders' funds - equity interests	7		<u>(279,687)</u>		<u>(279,687)</u>

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

The financial statements were approved by the Board on 18.07.02

S Wiley
Director

KINGSWOOD (NORFOLK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Taxation

On the basis of these financial statements no provision has been made for corporation tax.

3 Debtors	2001 £	2000 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>823,237</u>	<u>823,237</u>

4 Creditors: amounts falling due within one year	2001 £	2000 £
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>1,102,924</u>	<u>1,102,924</u>

5 Share capital	2001 £	2000 £
Authorised		
100 Ordinary shares of £ 1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
2 Ordinary shares of £ 1 each	<u>2</u>	<u>2</u>

6 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2001	<u>(279,689)</u>
Balance at 31 December 2001	<u>(279,689)</u>

KINGSWOOD (NORFOLK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

7	Reconciliation of movements in shareholders' funds	2001 £	2000 £
	Loss for the financial year	-	-
	Opening shareholders' funds	(279,687)	(279,687)
	Closing shareholders' funds	(279,687)	(279,687)

8 Control

At 31 December 2001 and 31 December 2000, the company was a wholly owned subsidiary of Kingswood Learning and Leisure Group Limited, a company incorporated in England and Wales. Copies of its group accounts are available from The Secretary, Overstrand Hall, Overstrand, Norfolk NR27 0JJ. The company's ultimate joint controlling parties during both years were S Wiley and C Wiley, both directors of Kingswood (Norfolk) Limited.

9 Related party transactions

At the year end, £797,421 (2000: £797,421) was due from the company's parent undertaking, and £25,816 (2000: £25,816) was due from fellow subsidiary undertakings.

In addition, £1,102,924 (2000: £1,102,924) was due to fellow subsidiary undertakings at the year end.

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.