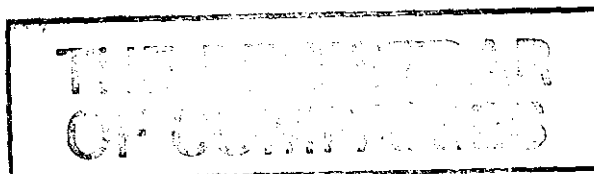


COMPANY REGISTRATION NUMBER 4182567

**CONNEXIONS CUMBRIA LIMITED
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
31ST MARCH 2004**



ARMSTRONG WATSON
Chartered Accountants & Registered Auditors
Fairview House
Victoria Place
Carlisle
Cumbria
CA1 1HP

**CONNEXIONS CUMBRIA LIMITED
COMPANY LIMITED BY GUARANTEE**

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	<p>Chief Constable M Baxter Mr J F Bowyer Ms B Cannon Mr M R Carey Professor C J Carr MA BCL (Chair) Mr V J Dodd Mr M Farley Mrs Y Lake Ms C I'Anson Mr M Maiden Mr M Murphy Miss S A Rees Mr J Robson Mr G Sear Mr G Wilkinson</p>
Company secretary	<p>Mr M Bowman</p>
Registered office	<p>Partnership Office The South Range Hackthorpe Hall Business Centre Penrith CA10 2HX</p>
Auditors	<p>Armstrong Watson Chartered Accountants & Registered Auditors Fairview House Victoria Place Carlisle Cumbria CA1 1HP</p>
Bankers	<p>HSBC Plc PO Box 5 29 English Street Carlisle Cumbria CA3 8JT</p>
Solicitors	<p>Burnetts Solicitors 6 Victoria Place Carlisle Cumbria CA1 1ES</p>

CONNEXIONS CUMBRIA LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT

YEAR ENDED 31ST MARCH 2004

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st March 2004.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the company during the period was advising young people and adults in Cumbria.

RESULTS

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

DIRECTORS

The directors who served the company during the year were as follows:

Chief Constable M Baxter
Mr J F Bowyer
Ms B Cannon
Mr M R Carey
Professor C J Carr MA BCL
(Chair)
Mr V J Dodd
Mr M Farley
Mrs Y Lake
Ms C I'Anson
Mr M Maiden
Mr M Murphy
Miss S A Rees
Mr J Robson
Mr G Sear
Mr G Wilkinson
Mr P Kohn
Mr J Nellist

(Retired 12th August 2003)
(Retired 15th February 2004)

RETIREMENT OF DIRECTORS

The following directors are to retire from the board in accordance with the Articles of Association and, being eligible, offer themselves for re-appointment:

Chief Constable M Baxter
Professor C J Carr MA BCL (Chair)
Miss S A Rees
Mr J Robson
Mr G Sear

CONNEXIONS CUMBRIA LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST MARCH 2004

CORPORATE GOVERNANCE

The company is committed to high standards of corporate governance. The board is responsible for good governance and this statement summarises how the relevant principles are applied to the company.

The board currently comprises the non-executive chairman, the chief executive and 13 non-executive directors. They demonstrate a range of experience which is crucial to the successful direction of the company. All of the non-executives are independent of management.

All directors are equally accountable in law for the proper stewardship of the company's affairs. The non-executives have a particular responsibility to ensure that strategies proposed by the management team are fully discussed and critically appraised to ensure that they not only meet the company's objectives, but also take into account the interests of employees and the community in which the company operates.

The non-executive directors regularly monitor the performance of the company.

To enable directors to meet their responsibilities the full board meets at least four times a year, all directors have full and timely access to all relevant information and there is frequent communication between meetings. The Ofsted report (March 2004) stated that 'the Board and senior management provide clear and strategic direction'.

INTERNAL CONTROL STATEMENT

The Board is responsible for the company's systems of internal control and for reviewing their effectiveness during the year. These systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable not absolute assurance against material misstatement or loss.

The key features of the control system which has been established include the following:

- Audit Committee, made up of the chief-executive and four non-executive directors review the internal control system.
- The Board has identified strategic risks to the business and the processes to manage these risks.
- Strict procedures are in place to control expenditure that can be incurred on behalf of the company by directors or staff,
- The Ofsted report (March 2004) stated 'that the financial management is strong',
- The Government Office for the North West concluded that 'the financial control environment currently operating at the Partnership is satisfactory' (March 2004),
- The internal auditors report for the year concluded 'the Company has maintained an adequate, effective and reliable framework of internal control which provides reasonable assurance regarding the effective and efficient achievement of the Company's objectives'.

BOARD COMMITTEES

The board has three committees with the following membership.

CONNEXIONS CUMBRIA LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST MARCH 2004

The audit committee is made up of the chief executive, three non-executive directors and one co-opted member as follows:

M Farley (Chair)
C l'Anson
J Robson
S Rees (Chief Executive)
W Swarbrick (Co-opted)

The staffing committee is made up of the chief executive and four non-executive directors as follows:

C J Carr (Chair)
M Farley
M Murphy
B Cannon
S Rees (Chief Executive)

The performance management committee is made up of the chief executive, six non-executive directors and one co-opted member as follows:

Y Lake (Chair)
M R Carey
C J Carr
M Maiden
G Sear
G Wilkinson
S Rees (Chief Executive)
J Stocker (Co-opted)

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 at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on page 11, 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 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. The directors 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.

**CONNEXIONS CUMBRIA LIMITED
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST MARCH 2004

AUDITORS

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

Registered office:
Partnership Office
The South Range
Hackthorpe Hall Business Centre
Penrith
CA10 2HX

Signed on behalf of the directors



Miss S REES
Director

Approved by the directors on 20th September 2004

**CONNEXIONS CUMBRIA LIMITED
COMPANY LIMITED BY GUARANTEE****INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CONNEXIONS CUMBRIA LIMITED****YEAR ENDED 31ST MARCH 2004**

We have audited the financial statements which comprise the Profit and Loss Account, Balance Sheet, Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention and on the basis of the accounting policies set out therein. This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities 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 31st March 2004 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

ARMSTRONG WATSON
Carlisle


Chartered Accountants
& Registered Auditors

20th September 2004

**CONNEXIONS CUMBRIA LIMITED
COMPANY LIMITED BY GUARANTEE**

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST MARCH 2004

	Note	2004 £	2003 £
TURNOVER	2	7,001,216	6,030,164
Administrative expenses		6,975,466	5,836,769
Other operating income		(1,613)	—
OPERATING PROFIT	3	27,363	193,395
Income from shares in group undertakings	6	13,548	—
Interest receivable		15,012	4,597
Interest payable	7	(3,343)	(31)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		52,580	197,961
Tax on profit on ordinary activities	8	1,168	553
RETAINED PROFIT FOR THE FINANCIAL YEAR		51,412	197,408
Balance brought forward		930,672	733,264
Balance carried forward		<u>982,084</u>	<u>930,672</u>

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

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

**CONNEXIONS CUMBRIA LIMITED
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

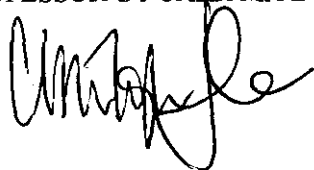
31ST MARCH 2004

	Note	2004 £	£	2003 £	£
FIXED ASSETS					
Tangible assets	9		381,096		462,586
Investments	10		2		2
			<u>381,098</u>		<u>462,588</u>
CURRENT ASSETS					
Debtors	11	959,562		1,619,645	
Cash at bank		750,000		263,613	
		<u>1,709,562</u>		<u>1,883,258</u>	
CREDITORS: Amounts falling due within one year	12	<u>844,026</u>		<u>1,132,287</u>	
NET CURRENT ASSETS			<u>865,536</u>		<u>750,971</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,246,634</u>		<u>1,213,559</u>
CREDITORS: Amounts falling due after more than one year	13		<u>264,550</u>		<u>282,887</u>
			<u>982,084</u>		<u>930,672</u>
RESERVES	17				
Profit and loss account			<u>982,084</u>		<u>930,672</u>
MEMBERS' FUNDS			<u>982,084</u>		<u>930,672</u>

These financial statements were approved by the directors on the 20th September 2004 and are signed on their behalf by:

PROFESSOR C J CARR MA BCL (CHAIR)

MISS S A REES




**CONNEXIONS CUMBRIA LIMITED
COMPANY LIMITED BY GUARANTEE**

CASH FLOW STATEMENT

YEAR ENDED 31ST MARCH 2004

	2004	2003
	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	591,105	207,270
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Income from group undertakings	13,548	-
Interest received	15,012	4,597
Interest paid	<u>(3,343)</u>	<u>(31)</u>
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	25,217	4,566
TAXATION	(553)	-
CAPITAL EXPENDITURE		
Payments to acquire tangible fixed assets	(149,785)	(223,122)
Receipts from sale of fixed assets	<u>2,000</u>	<u>-</u>
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(147,785)	(223,122)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING	467,984	(11,286)
FINANCING		
Net (outflow)/inflow from other long-term creditors	(13,548)	1,062
Net outflow from long-term accruals	<u>(4,789)</u>	<u>(30,105)</u>
NET CASH OUTFLOW FROM FINANCING	(18,337)	(29,043)
INCREASE/(DECREASE) IN CASH	<u>449,647</u>	<u>(40,329)</u>

**CONNEXIONS CUMBRIA LIMITED
COMPANY LIMITED BY GUARANTEE**

CASH FLOW STATEMENT *(continued)*

YEAR ENDED 31ST MARCH 2004

**RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM
OPERATING ACTIVITIES**

	2004	2003
	£	£
Operating profit	27,363	193,395
Depreciation	230,888	189,732
Profit on disposal of fixed assets	(1,613)	—
Decrease/(increase) in debtors	660,083	(220,355)
(Decrease)/increase in creditors	(325,616)	44,498
Net cash inflow from operating activities	591,105	207,270

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2004	2003
	£	£
Increase/(decrease) in cash in the period	449,647	(40,329)
Net cash outflow from/(inflow) from other long-term creditors	13,548	(1,062)
Net cash outflow from long-term accruals	4,789	30,105
	<u>467,984</u>	<u>(11,286)</u>
Change in net funds	467,984	(11,286)
Net debt at 1 April 2003	(19,274)	(7,988)
Net funds at 31 March 2004	448,710	(19,274)

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Apr 2003 £	Cash flows £	At 31 Mar 2004 £
Net cash:			
Cash in hand and at bank	263,613	486,387	750,000
Overdrafts	—	(36,740)	(36,740)
	<u>263,613</u>	<u>449,647</u>	<u>713,260</u>
Debt:			
Debt due after 1 year	(282,887)	18,337	(264,550)
Net funds	(19,274)	467,984	448,710

CONNEXIONS CUMBRIA LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

Leasehold Property	-	Straight Line over the term of the lease
Plant & Machinery	-	33 1/3% Straight Line
Fixtures & Fittings	-	33 1/3% Straight Line
Motor Vehicles	-	33 1/3% Straight Line
Equipment	-	33 1/3% Straight Line

Operating lease agreements

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

Pension costs

The company operates a defined benefit pension scheme for employees. The assets of the scheme are held separately from those of the company. The contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over the service lives of employees. Variations from the regular costs are spread over the average expected remaining working lives of current members in the scheme.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company. An analysis of turnover is given below:

	2004 £	2003 £
United Kingdom	<u>7,001,216</u>	<u>6,030,164</u>

**CONNEXIONS CUMBRIA LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2004	2003
	£	£
Depreciation of owned fixed assets	230,888	189,732
Profit on disposal of fixed assets	(1,613)	—
Auditors' remuneration		
- as auditors	4,500	4,000
Operating lease costs:		
Land and buildings	247,381	207,305
Vehicles	<u>105,035</u>	<u>65,507</u>

4. PARTICULARS OF EMPLOYEES

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

	2004	2003
	No	No
Average number of staff employed	<u>214</u>	<u>199</u>

The aggregate payroll costs of the above were:

	2004	2003
	£	£
Wages and salaries	3,683,519	3,367,923
Social security costs	270,703	217,204
Other pension costs	359,477	320,693
	<u>4,313,699</u>	<u>3,905,820</u>

5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2004	2003
	£	£
Emoluments receivable	<u>64,389</u>	<u>63,035</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2004	2003
	No	No
Defined benefit schemes	<u>1</u>	<u>1</u>

6. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	2004	2003
	£	£
Dividend from Cumbria Careers Limited	<u>13,548</u>	<u>—</u>

**CONNEXIONS CUMBRIA LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2004 £	2003 £
Interest payable on bank borrowing	<u>3,343</u>	<u>31</u>

8. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2004 £	2003 £
Current tax:		
UK Corporation tax based on the results for the year at 19% (2003 - 19%)	<u>1,168</u>	<u>553</u>
Total current tax	<u>1,168</u>	<u>553</u>

The company is not liable to tax on any profits arising from its principal activity. Any interest received is taxable.

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19% (2003 - 19%).

	2004 £	2003 £
Profit on ordinary activities before taxation	<u>52,580</u>	<u>197,961</u>
Profit/(loss) on ordinary activities by rate of tax	9,990	37,613
Adjustment for non-taxable items	(9,056)	(37,060)
Taxation at marginal rates	234	—
Total current tax (note 8(a))	<u>1,168</u>	<u>553</u>

**CONNEXIONS CUMBRIA LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

9. TANGIBLE FIXED ASSETS

	Leasehold Improv'ts £	Computer £	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
COST						
At 1 Apr 2003	79,297	307,486	221,978	6,958	116,365	732,084
Additions	87,843	3,443	—	49,994	8,505	149,785
Disposals	—	—	—	(6,958)	—	(6,958)
At 31 Mar 2004	<u>167,140</u>	<u>310,929</u>	<u>221,978</u>	<u>49,994</u>	<u>124,870</u>	<u>874,911</u>
DEPRECIATION						
At 1 Apr 2003	—	140,707	77,833	4,638	46,320	269,498
Charge for the year	9,696	103,643	73,993	1,933	41,623	230,888
On disposals	—	—	—	(6,571)	—	(6,571)
At 31 Mar 2004	<u>9,696</u>	<u>244,350</u>	<u>151,826</u>	<u>—</u>	<u>87,943</u>	<u>493,815</u>
NET BOOK VALUE						
At 31 Mar 2004	<u>157,444</u>	<u>66,579</u>	<u>70,152</u>	<u>49,994</u>	<u>36,927</u>	<u>381,096</u>
At 31 Mar 2003	<u>79,297</u>	<u>166,779</u>	<u>144,145</u>	<u>2,320</u>	<u>70,045</u>	<u>462,586</u>

10. INVESTMENTS

Shares in Subsidiary undertakings

	£
COST	
At 1st April 2003 and 31st March 2004	<u>2</u>
NET BOOK VALUE	
At 31st March 2004	<u>2</u>
At 31st March 2003	<u>2</u>

The company owns 100% of the issued share capital of the company listed below,

Aggregate capital and reserves

Cumbria Careers Limited	100,000	105,422
Profit and (loss) for the year		
Cumbria Careers Limited	(5,422)	(1,671)

**CONNEXIONS CUMBRIA LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

11. DEBTORS

	2004	2003
	£	£
Trade debtors	639,531	1,512,721
Other debtors	186,095	6,654
Prepayments and accrued income	133,936	100,270
	<u>959,562</u>	<u>1,619,645</u>

12. CREDITORS: Amounts falling due within one year

	2004	2003
	£	£
Bank loans and overdrafts	36,740	—
Trade creditors	1,482	297,435
Other creditors including taxation and social security:		
Corporation tax	1,168	553
PAYE and social security	98,879	74,240
VAT	5,251	236,677
Other creditors	<u>51,869</u>	<u>60,252</u>
	157,167	371,722
Accruals and deferred income	648,637	463,130
	<u>844,026</u>	<u>1,132,287</u>

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

	2004	2003
	£	£
Other creditors:		
Other creditors	81,504	95,052
Accruals and deferred income	183,046	187,835
	<u>264,550</u>	<u>282,887</u>

**CONNEXIONS CUMBRIA LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

14. PENSIONS

The company contributes to the Greater Manchester Pension Fund (a Local Government Pension Scheme) on behalf of its employees to provide benefits based on final pensionable pay. Contributions are charged to the income and expenditure account so as to spread the cost of pensions over employee's working lives with the company. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation was at 31st March 2001.

The final assumptions used by the actuary were:

	31 March 2004	31 March 2003
	% per annum	% per annum
Price increases	2.9%	2.5%
Salary increases	4.4%	4.0%
Pension increases	2.9%	2.5%
Discount rate	5.5%	5.4%

The assets of the whole of the Greater Manchester Pension Fund as at 31st March 2004, estimated where necessary, and their expected rate of return were as follows:

	Fund Value at 31 March 2004	Asset Distribution	Long-term Expected Rate of Return
	£'000		
Equities	4,134,200	67.7%	7.7%
Bonds	970,600	15.9%	5.1%
Property	626,600	10.2%	6.5%
Cash	378,600	6.2%	4.0%
	<hr/>	<hr/>	
	6,110,000	100.0%	
	<hr/>	<hr/>	

On the basis of the calculations of Hymans Robertson, Consultants and Actuaries, the value of the asset share in respect of Connexions Cumbria Limited was £5,488,000 (2003 £3,976,000). They also estimated that the present value of the Scheme liabilities in respect of the Company was £6,902,000 (2003 £5,506,000), resulting in a net pension liability as at 31st March 2004 of £1,414,000 (2003 £1,530,000- liability) which is not provided for in these financial statements.

**CONNEXIONS CUMBRIA LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

15. COMMITMENTS UNDER OPERATING LEASES

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

	2004		2003	
	Land & Buildings £	Other Items £	Land & Buildings £	Other Items £
Operating leases which expire:				
Within 1 year	—	4,091	—	—
Within 2 to 5 years	23,250	2,916	—	14,493
After more than 5 years	175,352	—	137,269	—
	<u>198,602</u>	<u>7,007</u>	<u>137,269</u>	<u>14,493</u>

16. RELATED PARTY TRANSACTIONS

At 31st March 2004, Connexions Cumbria Limited owed Cumbria Careers Limited £81,504 (2003 £95,052), in respect of the transfer of assets, this is included in creditors due in more than one year, see note 12 to the accounts.

The company received a dividend of £13,548 (2003- £nil) from Cumbria Careers Limited during the year.

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

17. COMPANY LIMITED BY GUARANTEE

Every member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets if it should be wound up while he is a member or within one year after he ceases to be a member, for payment of the Company's debts and liabilities contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.