

Co no 245322

- 16

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1995

FOR

QUALITEC (ST. HELENS) LIMITED



QUALITEC (ST. HELENS) LIMITED

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QUALITEC (ST. HELENS) LIMITED

COMPANY INFORMATION

DIRECTORS:

M.J.Doyle
Mrs.C.A.Hudson
J.M.Mackinnon
Mrs.B.Myddelton-Jones
R.Tully
J.West
C.Burley
D.J.Fillingham
W.Guest
P.Hulmes
A.S.McKendrick
F.Maycock
L.F.Rigby
G.Ashworth

CO-OPTED DIRECTORS

F.Corless
J.Munnery
A.Pilkington

SECRETARY:

P.Hey

REGISTERED OFFICE:

7 Waterside Court,
Technology Campus,
St. Helens,
Merseyside WA9 1UE.

REGISTERED NUMBER:

2453212

AUDITORS:

Abrams Ashton
Registered Auditor
Chartered Accountants
Central Buildings
77 Corporation Street
St. Helens
WA10 1SX

REPORT OF THE DIRECTORS

The directors present their report with the financial statements of the company for the year ended 31 March 1995.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of providing and promoting vocational education and training and retraining of the public, to improve the skills of the workforce and to promote the development of industry, commerce and enterprise of all forms for the benefit of the community in and around St. Helens.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS AND TRANSFERS TO RESERVES

The deficit transferred to reserves will be £130,746.

FIXED ASSETS

Changes in fixed assets are shown in the notes to the accounts.

DIRECTORS

The directors of the company in office during the year were as follows:

M.J.Doyle	
J.McA.Gracie	(Resigned 30.9.94)
Mrs.C.A.Hudson	
A.Kay	(Deceased 20.10.94)
J.M.Mackinnon	
S.Molloy	(Resigned 21.7.95)
Mrs.B.Myddelton-Jones	
J.G.Spencer	(Resigned 22.8.94)
R.Tully	
A.S.McKendrick	
F.Maycock	(Appointed 20.10.95)
J.West	
C.Burley	(Appointed 22.8.94)
D.J.Fillingham	(Appointed 22.8.94)
W.Guest	(Appointed 22.8.94)
P.Hulmes	(Appointed 20.10.94)
L.Rigby	(Appointed 22.8.94)
G.Ashworth	(Appointed 16.2.95)

CO-OPTED MEMBERS

F.Corless	(Appointed 22.8.94)
J.Munnery	(Appointed 22.8.94)
A.Pilkington	(Appointed 22.8.94)

The directors appointed during the year together with Mrs.C.A.Hudson and Mrs.B.Myddelton-Jones who retire by rotation are all eligible for re-election at the Annual General Meeting.

REPORT OF THE DIRECTORS
(continued)

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 judgments 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 auditors, Abrams Ashton, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

Director P. Mulvaney

Dated: 20.7.1995

QUALITEC (ST. HELENS) LIMITED

**REPORT OF THE AUDITORS TO THE MEMBERS OF
QUALITEC (ST. HELENS) LIMITED**

We have audited the financial statements on pages five to thirteen which have been prepared under the historical cost convention and the accounting policies set out on page nine.

Respective responsibilities of directors and auditors

As described on page three the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

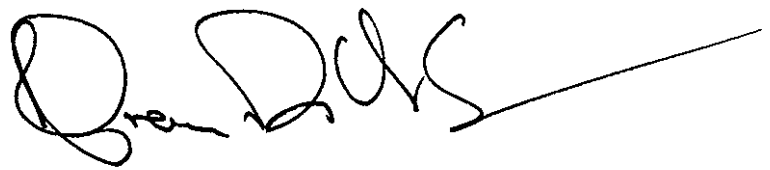
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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 March 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Abrams Ashton
Registered Auditor
Chartered Accountants
Central Buildings
77 Corporation Street
St. Helens
WA10 1SX



Dated: 27/7/95

QUALITEC (ST. HELENS) LIMITED

**PROFIT AND LOSS ACCOUNT
for the Year Ended 31 March 1995**

31. 3.94			31. 3.95
-----			-----
£		Notes	£
8,537,334	TURNOVER	2	8,221,842
7,423,350	Cost of Sales		7,386,715
-----			-----
1,113,984	GROSS PROFIT		835,127
952,332	Administrative Expenses		990,569
-----			-----
161,652	OPERATING (LOSS)/PROFIT	4	(155,442)
52,863	Interest Receivable	5	33,330
-----			-----
214,515			(122,112)
	Interest Payable and Similar Charges	6	301
36			-----

214,479	(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(122,413)
	Tax on (Loss)/Profit on Ordinary Activities	7	8,333
13,216			-----

201,263	(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		(130,746)
1,055,297	Retained Profit brought forward		1,256,560
-----			-----
£1,256,560	RETAINED PROFIT CARRIED FORWARD		£1,125,814
=====			=====

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year.

QUALITEC (ST. HELENS) LIMITED

BALANCE SHEET
As at 31 March 1995

31. 3.94			31. 3.95	
£	£	Notes	£	£
FIXED ASSETS:				
92,466		8		83,718
-		9		25,000
92,466				108,718
CURRENT ASSETS:				
	713,703	10	2,151,452	
	1,230,441		19,865	
	1,944,144		2,171,317	
	744,058	11	1,129,823	
1,200,086				1,041,494
NET CURRENT ASSETS:				
1,292,552				1,150,212
TOTAL ASSETS LESS CURRENT LIABILITIES:				
				24,398
35,992				£1,125,814
£1,256,560				
CAPITAL AND RESERVES:				
1,256,560		15	1,125,814	
£1,256,560			£1,125,814	

ON BEHALF OF THE BOARD:

Pauline E. P M Hughes
DIRECTOR

Approved by the Board on20.7.1995.....

QUALITEC (ST. HELENS) LIMITED

CASH FLOW STATEMENT
for the Year Ended 31 March 1995

31. 3.94		31. 3.95	
£	£	£	£
349,943	Net Cash (Outflow)/Inflow from Operating Activities		(1,161,976)
	Returns on Investments and Servicing of Finance		
52,863	Interest Received	33,330	
(36)	Interest Paid	(301)	
	Net Cash Inflow from Returns on Investments and Servicing of Finance		33,029
52,827			
	Taxation		
(16,378)	Corporation Tax Paid	(13,216)	
	Tax Paid		(13,216)
(16,378)			
	Investing Activities		
(71,760)	Purchase of Tangible Fixed Assets	(45,224)	
	- Purchase of Investment	(25,000)	
	- Sale of Tangible Fixed Assets	1,811	
	Net Cash Outflow from Investing Activities		(68,413)
(71,760)			
	Net Cash (Outflow)/Inflow before Financing		(1,210,576)
314,632			
	- Financing		
	Net Cash Inflow from Financing		
£314,632	(Decrease)/Increase in Cash and Cash Equivalents		(1,210,576)
=====			=====

The notes form part of these financial statements

QUALITEC (ST. HELENS) LIMITED

**NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 March 1995**

1. RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES			
	31. 3.95	31. 3.94	
	£	£	
Operating (Loss)/Profit	(155,442)	161,652	
Depreciation Charges	53,972	26,252	
Profit on Sale of Fixed Asset	(1,811)	-	
Increase/(Decrease) in Debtors	(1,437,749)	19,008	
(Increase)/Decrease in Creditors	388,782	134,832	
(Increase)/Decrease in Deferred Grant	(1,936)	47,000	
Movement on Working Capital Loan	(7,792)	(38,801)	
	-----	-----	
Net Cash (Outflow)/Inflow from Operating Activities	(1,161,976)	349,943	
	=====	=====	
2. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR			
Year Ended 31 March 1995			
		£	
Balance at 1 April 1994		1,230,441	
Net Cash Outflow		(1,210,576)	

Balance at 31 March 1995		19,865	
		=====	
Year Ended 31 March 1994			
		£	
Balance at 1 April 1993		915,809	
Net Cash Inflow		314,632	

Balance at 31 March 1994		1,230,441	
		=====	
3. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET			
Year Ended 31 March 1995			
	31. 3.95	1. 4.94	Change in
			Year
	£	£	£
Cash at Bank and In Hand	19,865	1,230,441	(1,210,576)
	=====	=====	=====
Year Ended 31 March 1994			
	31. 3.94	1. 4.93	Change in
			Year
	£	£	£
Cash at Bank and In Hand	1,230,441	915,809	314,632
	=====	=====	=====

The notes form part of these financial statements

QUALITEC (ST. HELENS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 1995**

1. ACCOUNTING POLICIES

Accounting Convention

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

Turnover

Turnover represents amounts receivable for services provided in the U.K net of V.A.T.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures & Fittings	- 20% straight line
Motor Vehicles	- 25% straight line
Computer Equipment	- 50% straight line

Pensions

The Company operates a Defined Contribution Pension Scheme for the benefit of its employees. Contributions are charged to revenue in the period in which they are paid.

2. TURNOVER

The turnover and loss (1994 - profit) before taxation are attributable to the one principal activity of the company.

3. STAFF COSTS

	31. 3.95	31. 3.94
	£	£
Wages and Salaries	811,822	664,211
Seconded staff	-	128,319
Other Pension Costs	51,519	53,126
	-----	-----
	863,341	845,656
	=====	=====

The average weekly number of employees during the year was as follows:

	31. 3.95	31. 3.94
Administration - Own Staff	56	41
- Seconded	-	6
	--	--
	56	47
	==	==

During the year nine additional staff were appointed being two Training Advisors, a European Development Officer, an Objective One Secretariat Officer, a Special Needs Advisor, an E.I.I.P. Officer, a N.W. T.E.C. European Unit Officer, a Personnel Officer and an Options Centre Advisor.

QUALITEC (ST. HELENS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 1995**

4. OPERATING (LOSS)/PROFIT

The operating loss (1994 - operating profit) is stated after charging/(crediting):

	31. 3.95	31. 3.94
	£	£
Hire of Plant and Machinery	86	4,350
Depreciation - Owned Assets	34,914	26,252
Profit on Disposal of Fixed Assets	(1,811)	-
Auditors' - Fees	7,000	7,000
Auditors' - Other Remuneration	8,820	-
	=====	=====
Directors' Emoluments	59,162	52,863
	=====	=====

5. INTEREST RECEIVABLE

	31. 3.95	31. 3.94
	£	£
Deposit Account Interest	26,490	52,863
Loan Interest	6,840	-
	-----	-----
	33,330	52,863
	=====	=====

6. INTEREST PAYABLE AND SIMILAR CHARGES

	31. 3.95	31. 3.94
	£	£
Bank Loans, Overdrafts and Other Loans repayable within five years: otherwise than by instalments	301	36
	=====	=====

7. TAXATION

The tax charge on the loss on ordinary activities for the year was as follows:

	31. 3.95	31. 3.94
	£	£
Based on the adjusted results of the year:		
UK Corporation Tax	8,333	13,216
	=====	=====

UK Corporation Tax has been charged at 25% (1994 - 25%).

The company is only liable to tax on interest received.

QUALITEC (ST. HELENS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 1995**

8. TANGIBLE FIXED ASSETS

	Totals	Fixtures & Fittings	Motor Vehicles	Computer Equipment
	£	£	£	£
COST:				
As at 1 April 1994	179,561	92,025	25,380	62,156
Additions	45,224	3,179	-	42,045
Disposals	(5,555)	(50)	-	(5,505)
As at 31 March 1995	219,230	95,154	25,380	98,696
DEPRECIATION:				
As at 1 April 1994	87,095	45,840	5,076	36,179
Charge for Year	53,972	18,276	5,076	30,620
Eliminated on Disposals	(5,555)	(50)	-	(5,505)
As at 31 March 1995	135,512	64,066	10,152	61,294
NET BOOK VALUE:				
As at 31 March 1995	£83,718	£31,088	£15,228	£37,402
As at 31 March 1994	£92,466	£46,185	£20,304	£25,977

Assets of £47,000 acquired in 1994 and £9,330 acquired in 1995 have been purchased from Coal Plan Funds. These funds are credited to deferred income and are written off to revenue over the useful life of the asset by crediting the depreciation charge in the Profit and Loss Account.

9. FIXED ASSET INVESTMENTS

	£	
COST:		
Additions		25,000
As at 31 March 1995		25,000
NET BOOK VALUE:		
As at 31 March 1995		£25,000
	31. 3.95	31. 3.94
	£	£
Unlisted investment	25,000	-

The investment represents a 50% shareholding in St. Helens Careers Guidance Limited. The Company was incorporated in England and has remained dormant throughout the year.

QUALITEC (ST. HELENS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 1995**

10. DEBTORS

	31. 3.95	31. 3.94
	£	£
Amounts falling due within one year:		
V.A.T.	42,195	46,893
Trade Debtors	1,792,935	614,810
Other Debtors	50,000	52,000
Prepayments & Accrued Income	16,322	-
	-----	-----
	1,901,452	713,703
	=====	=====
Amounts falling due after more than one year:		
Working Capital Loans	250,000	-
	=====	=====
Aggregate amounts	2,151,452	713,703
	=====	=====

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31. 3.95	31. 3.94
	£	£
Trade Creditors	940,328	495,268
Fixed Asset Loan	7,792	7,792
Other Creditors	12,790	-
Other Taxes & PAYE	27,402	21,877
Taxation	8,333	13,216
Accruals and Deferred Income	133,178	205,905
	-----	-----
	1,129,823	744,058
	=====	=====

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31. 3.95	31. 3.94
	£	£
Fixed Asset Loan		
(See Note 17)	-	7,792
Deferred Credit	24,398	28,200
	-----	-----
	24,398	35,992
	=====	=====

QUALITEC (ST. HELENS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 1995**

13. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. Amounts are charged to the accounts as they are paid. The charge for 1995 was £51,519.

14. DIRECTORS MATERIAL INTERESTS IN CONTRACTS

A register of Directors' interests is kept at the Company's registered office containing training agreements between this Company and Companies in which some of the Directors have an interest.

15. RECONCILIATION OF MOVEMENTS IN RESERVES

	31. 3.95	31. 3.94
	£	£
(Loss)/Profit for the Financial Year	(130,746)	201,263
	-----	-----
NET (REDUCTION)/ADDITION TO RESERVES	(130,746)	201,263
Opening Reserves	1,256,560	1,055,297
	-----	-----
CLOSING RESERVES	1,125,814	1,256,560
	=====	=====

16. SHARE CAPITAL

The Company is limited by guarantee and therefore has no share capital. Each members liability is limited to £1.

17. FIXED ASSET LOAN

The fixed asset loan is interest free, is secured upon the fixed assets acquired and will be reduced by one-fifth on each anniversary of such advance.