

**QA Limited**  
**(formerly Acuma Holdings Limited)**

**Directors' report and financial statements**

**Year ended 30 November 2000**

**Registered number: 2887505**



## **Directors' report and financial statements**

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## Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 November 2000.

### Principal activities and business review

In the prior year, on 26 November 1999, the trade and assets of the company were transferred to another group company. For the financial year, the company operated as a holding company.

During the year, the company's ultimate holding company, Skillsgroup plc, agreed to dispose of GA Information Services Limited and the business and substantially all of the assets of QA Learning Solutions Limited (formerly known as Acuma Solutions Limited) for a combined effective consideration of £4,500,000. The disposal was completed on 22 December 2000 having been approved by shareholders at an extraordinary general meeting. At the year end both GA Information Services Limited and QA Learning Solutions Limited were investments held by QA Limited.

The company changed its name to QA Limited from Acuma Holdings Limited on 5 January 2001.

The profit and loss account for the year is set out on page 6.

### Proposed dividend

The directors do not recommend the payment of a dividend for the year (1999: £4,000,000).

### Directors and directors' interests

The directors who held office during the period were as follows:

K Burgess	(appointed 15 November 2000)
CJ Gibson	
PS Rossington	(resigned 22 December 2000)
DR Southworth	(resigned 30 November 2000)

All directors were remunerated by other group companies. No director held any interest in the shares of the company. The interests of K Burgess and CJ Gibson in the shares of the holding company, Skillsgroup plc, are disclosed in the financial statements of that company.

At 30 November 2000 PS Rossington held 10,369 ordinary shares of 10p each in Skillsgroup plc (1999: 10,369 ordinary shares of 10p each).

The interests of PS Rossington in the share option schemes of Skillsgroup plc at 30 November 2000 were:

Scheme	1 December 1999	Granted	Lapsed	30 November 2000	Option price per share (pence)	Date from which exercisable
1988	20,000	-	-	20,000	80.5	26.08.97
1992	20,000	-	-	20,000	145.0	03.10.00
1999A	4,337	-	-	4,337	320.5	01.04.02
1999U	25,663	-	-	25,663	320.5	01.04.02
SAYE	18,132	-	-	18,132	201.5	18.03.02

## **Directors' report (continued)**

### **Auditors**

Pursuant to section 386(1) of the Companies Act 1985 the members have passed a resolution electing to dispense with the obligation to appoint auditors annually. PricewaterhouseCoopers are deemed to be reappointed each year.

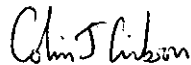
### **Statement of directors' responsibilities**

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 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;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By order of the board



**Colin J Gibson**  
*Secretary*

13 February 2001

Bridgford House  
Heyes Lane  
Alderley Edge  
Cheshire  
SK9 7 JP

## **Report of the auditors to the member of QA Limited (formerly Acuma Holdings Limited)**

We have audited the financial statements on pages 6 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

### **Respective responsibilities of directors and auditors**

The directors 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 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 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 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 at 30 November 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers**  
Chartered Accountants and Registered Auditors  
Manchester

13 February 2001

# **Profit and loss account**

*For the year ended 30 November 2000*

		<b>Year ended 30 November 2000 £000</b>	<b>11 months ended 30 November 1999 £000</b>
	<i>Note</i>		
<i>Discontinued operations</i>			
<b>Turnover</b>	<i>1</i>	-	2,467
<b>Cost of sales</b>		-	(866)
Gross profit		-	1,601
Net operating expenses		-	(1,563)
<b>Operating profit</b>	<i>2</i>	-	38
Provision for loss on sale and diminution in value of fixed asset investments	<i>4</i>	(17,608)	-
Loss on sale of discontinued operations	<i>5</i>	(999)	-
Dividend receivable	<i>6</i>	-	4,000
<b>(Loss)/ profit on ordinary activities before taxation</b>		(18,607)	4,038
Tax on (loss)/ profit on ordinary activities	<i>7</i>	-	(44)
<b>(Loss)/profit for the financial year</b>		(18,607)	3,994
Dividend	<i>8</i>	-	(4,000)
<b>Retained loss for the financial year</b>		(18,607)	(6)

There are no recognised gains or losses other than the loss above and therefore no separate statement of total recognised gains and losses has been presented.

## Balance sheet

At 30 November 2000

	Note	2000 £000	1999 £000
<b>Fixed assets</b>			
Investments	9	8,031	25,639
<b>Current assets</b>			
Debtors	10	4,100	4,100
<b>Creditors: amounts falling due within one year</b>	11	(4,999)	(4,000)
<b>Net current assets</b>		(899)	100
<b>Total assets less current liabilities</b>		7,132	25,739
<b>Net assets</b>		7,132	25,739
<b>Capital and reserves</b>			
Called up share capital	12	4	4
Share premium account	13	25,639	25,639
Profit and loss account	13	(18,511)	96
<b>Equity shareholder's funds</b>		7,132	25,739

These financial statements were approved by the board of directors on 13 February 2001 and were signed on its behalf by:



**Colin J Gibson**  
 Director  
 13 February 2001

## Notes

*(forming part of the financial statements)*

### 1 Principal accounting policies

The accounts have been prepared under the historical cost convention and in accordance with applicable UK accounting standards.

#### Basis of preparation

The company has taken advantage of its exemption, as a wholly owned subsidiary of a European Union company, not to prepare or deliver group accounts.

The company has taken advantage of its exemption, as a wholly subsidiary of a European Union company, not to prepare a cash flow statement in accordance with FRS1 (revised). The ultimate holding company, Skillsgroup plc, has prepared a consolidated cash flow statement.

#### Turnover

Turnover represents net sales of goods and services to third party customers, excluding sales related taxes, and is predominantly attributed to activities carried out in the UK.

#### Leased assets

Costs in respect of operating leases are charged to the profit and loss account as incurred.

#### Investments in subsidiary companies

Investments in subsidiary companies are recorded at cost, which includes incidental costs of acquisition, less any provisions for permanent diminution in value.

### 2 Operating profit

	Year ended 30 November 2000 £000	11 months ended 30 November 1999 £000
Operating profit is stated after charging:		
Auditor's remuneration	-	4
Loss on sale of fixed assets	-	1
Operating lease rentals:		
Plant and machinery	-	50
Other	-	113
	<hr/>	<hr/>



## Notes (continued)

### 3 Employee information

	Year ended 30 November 2000 £000	11 months ended 30 November 1999 £000
The average number of persons employed by the company during the period (including directors) is analysed below:		
Technical	-	17
Sales and marketing	-	8
Administration	-	4
	<u>-</u>	<u>29</u>

	Year ended 30 November 2000 £000	11 months ended 30 November 1999 £000
Employment costs of all employees included above:		
Wages and salaries	-	1,206
Social security costs	-	126
	<u>-</u>	<u>1,332</u>

### 4 Provision for loss on sale and diminution in value of fixed asset investments

The provision against investments of £17,608,000 writes down the value of the investments in GA Information Services Limited and QA Learning Solutions Limited (formerly known as Acuma Solutions Limited) to their estimated market value. During the year, the company's ultimate holding company, Skillsgroup plc, agreed to dispose of GA Information Services Limited and the business and substantially all of the assets of QA Learning Solutions Limited for a combined effective consideration of £4,500,000. The disposal was completed on 22 December 2000 having been approved by shareholders at an extraordinary general meeting. At the year end both GA Information Services Limited and QA Learning Solutions Limited were investments held by QA Limited.

### 5 Loss on sale of discontinued operations

The exceptional loss of £999,000 shown in the profit and loss account represents the provision against direct costs incurred on the disposal referred to in Note 4 above.

**Notes (continued)**

**6 Dividend receivable**

	<b>Year ended 30 November 2000</b>	<b>11 months ended 30 November 1999</b>
	<b>£000</b>	<b>£000</b>
Dividend receivable	<u>-</u>	<u>4,000</u>

**7 Taxation**

	<b>Year ended 30 November 2000</b>	<b>11 months ended 30 November 1999</b>
	<b>£000</b>	<b>£000</b>
UK Corporation tax at 30.00 % (30 November 1999: 30.33%) - current charge	-	44
	<u>-</u>	<u>44</u>

**8 Dividend proposed**

	<b>Year ended 30 November 2000</b>	<b>11 months ended 30 November 1999</b>
	<b>£000</b>	<b>£000</b>
'Final' dividend	<u>-</u>	<u>4,000</u>

## Notes (continued)

### 9 Investments in subsidiaries

	£000
<b>Cost</b>	
At 1 December 1999 and 30 November 2000	<u>25,639</u>
<b>Provision for permanent diminution in value</b>	
At 1 December 1999	-
Provision made in year	<u>(17,608)</u>
At 30 November 2000	<u>(17,608)</u>
<b>Net book value</b>	
At 30 November 1999	<u>25,639</u>
At 30 November 2000	<u><b>8,031</b></u>

### 10 Debtors

	2000 £000	1999 £000
Amounts due from group undertakings	4,100	4,100
	<u>4,100</u>	<u>4,100</u>

### 11 Creditors: amounts falling due within one year

	2000 £000	1999 £000
Amounts due to group undertakings	4,999	4,000
	<u>4,999</u>	<u>4,000</u>

**Notes (continued)**

**12 Called up share capital**

	2000		1999	
	No.	£	No.	£
<b>Authorised</b>				
Class 'A' ordinary shares of £1 each	4,500	4,500	4,500	4,500
Class 'B' ordinary shares of £1 each	1,000	1,000	1,000	1,000
	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>
<b>Allotted, called up and fully paid</b>				
Class 'A' ordinary shares of £1 each	3,002	3,002	3,002	3,002
Class 'B' ordinary shares of £1 each	600	600	600	600
	<b>3,602</b>	<b>3,602</b>	<b>3,602</b>	<b>3,602</b>

**13 Reserves**

	Share premium account £000	Profit and loss account £000
At 1 December 1999	25,639	96
Retained loss for the period	-	(18,607)
<b>At 30 November 2000</b>	<b>25,639</b>	<b>(18,511)</b>

**14 Reconciliation of movements in shareholder's funds**

	2000 £000	1999 £000
Opening shareholder's funds	25,739	106
Total recognised gains and losses in the year	(18,607)	3,994
Dividends	-	(4,000)
Premium on shares issued	-	25,639
<b>Closing shareholder's funds</b>	<b>7,132</b>	<b>25,739</b>

## **Notes (continued)**

### **15 Related party transactions**

As a wholly owned subsidiary of Skillsgroup plc, the company has taken advantage of the exemption contained in FRS 8 and has not therefore disclosed transactions or balances with entities which form part of the group.

### **16 Ultimate parent company**

The company's ultimate parent company is Skillsgroup plc, which is incorporated in the United Kingdom.

The consolidated group accounts are available to the public and may be obtained from Bridgford House, Heyes Lane, Alderley Edge, Cheshire SK9 7JP.