



SATRA
Quality Assurance Limited

(company number 2941713)

Statutory Report and
Financial Statements for the
year ended
31st December 2006



SATRA Quality Assurance Limited, Satra House,
Rockingham Road, Kettering, Northamptonshire, NN16 9JH,
United Kingdom

SATRA Quality Assurance Limited
SATRA House, Rockingham Road, Kettering, Northants, NN16 9JH

Company Number 2941713

First Formed 22nd June 1994

Directors as at 31st December 2006

Mr I M Kennedy OBE MA (Chairman)
Mr R A R Garfit (Deputy Chairman)
Mrs C F M Armstrong
Mr J Butcher MBE FSCA FInstAM FIMgt JP
Mr S Etheridge
Dr P Harris PhD BSc Hons
Mr W Semple

Executive Directors

Dr R E Whittaker PhD MPhil BSc CPhys FIMgt (Chief Executive)
Mr R H Turner FCFI FSLTC MAPM MIScT MIMgt (Deputy Chief Executive)
Mr R G Morgan BSc FCMA (Finance Director and Secretary)
Mr A C Simmons BA IEng MIIE

Bankers

National Westminster Bank Plc, 16 High Street, Kettering, Northants, NN16 8SZ

Solicitors

Lamb & Holmes, West Street, Kettering, Northants, NN15 0AZ

Auditors

Grant Thornton UK LLP, Elgin House, Billing Road, Northampton, NN1 5AU



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STATUTORY REPORT OF THE BOARD

The Board has pleasure in presenting its Report together with financial statements for the year ended 31st December 2006

PRINCIPAL ACTIVITIES

SATRA Quality Assurance Limited is a private company, the share capital of which is owned by SATRA, a company limited by guarantee. Its principal activity is assessing and certifying companies to various national and international standards and the provision of technical services.

RESULTS

The profit after taxation on the company's activities during the year was £67,491 (2005: £72,531).

BOARD MEMBERS

The activities of the Company are administered by a Board of Directors, no member of which receives any remuneration for his services.

Mrs C F M Armstrong was appointed as Non Executive Director on 13th June 2006 and Mr W Semple was appointed as Non Executive Director on 25th July 2006.

Mr S R Johnson resigned as Non-Executive Director on 8th March 2006 and Mr I J Tilley resigned as Non-Executive Director at the Annual General Meeting held on 13th June 2006.

No directors held any interest in the shares of the company, or the parent undertaking at any point in the financial year ended 31st December 2006.

The operation of the activities of the company is controlled by a Governing Board consisting of nominees of bodies as specified in Article 12 (b) of the company's Articles of Association. The members of the Governing Board as at 31st December 2006 were Mrs M Ingham, Messrs N Campbell, D Casewell, C Cooper, P F Haines, M Mellors, K G S Nokes, R H Turner and Dr R E Whittaker.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 surplus or deficit of the company for that period. In preparing these 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

In so far as the directors are aware

- ☐ there is no relevant audit information of which the company's auditors are unaware, and
- ☐ the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

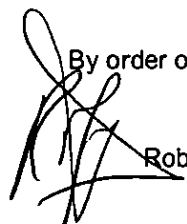
5. AUDITORS

Grant Thornton UK LLP offer themselves for re-appointment as auditors in accordance with Section 385 of the Companies Act 1985.

6. SMALL COMPANY EXEMPTION

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

SATRA House
Rockingham Road
Kettering
Northants
NN16 9JH


By order of the Board
Robert Morgan
Secretary
17th April 2007

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SATRA QUALITY ASSURANCE LIMITED

We have audited the financial statements of SATRA Quality Assurance Limited for the year ended 31st December 2006 which comprise the principal accounting policies, the profit and loss account, the balance sheet and notes 1 to 13. These financial statements have been prepared under 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 auditor's 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

The directors' responsibilities for preparing the Directors' Report and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, whether they are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, 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 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 International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st December 2006 and of the profit for the year then ended,
- ☐ the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- ☐ the information given in the Directors' Report is consistent with the financial statements for the

year ended 31st December 2006

Grant Thornton UK LLP
GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
NORTHAMPTON

1 May 2007

PRINCIPAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2006

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have been prepared on the going concern basis.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is calculated to write down the cost of all tangible fixed assets by equal annual instalments over their expected useful lives.

The periods generally applicable are:

Office and canteen furniture	10 years
Office equipment	5 years

INCOME

Income represents the total amount receivable in respect of work done.

CONTRIBUTIONS TO PENSION FUNDS

DEFINED CONTRIBUTION SCHEME

Pension costs in relation to the defined contribution scheme are the contributions payable in the accounting period.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2006

		2006	2005
	Note	£'000	£'000
INCOME FOR THE YEAR	1		
Members' subscriptions		100	100
Direct repayment work		64	856
Interest receivable		<u>2</u>	<u>-</u>
Gross Profit		166	956
Administrative expenses		<u>(99)</u>	<u>(875)</u>
OPERATING PROFIT		67	81
Interest Payable	3	<u>-</u>	<u>(8)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		67	73
TAX ON PROFIT ON ORDINARY ACTIVITIES	4	-	-
TRANSFER TO RESERVES	9	<u><u>67</u></u>	<u><u>73</u></u>

All activities are classed as continuing

There were no recognised gains or losses other than the profit for the financial year

The accounting policies on page 5 and notes on pages 8 to 10 form part of these financial statements

BALANCE SHEET AS AT 31ST DECEMBER 2006

		2006		2005	
	Note	£'000	£'000	£'000	£'000
CURRENT ASSETS					
Debtors	6	122		63	
Cash in bank and in hand		<u>10</u>		<u>14</u>	
		132		77	
CREDITORS: Amounts falling due within one year					
	7	<u>5</u>		<u>17</u>	
NET CURRENT ASSETS			<u>127</u>		<u>60</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>127</u>		<u>60</u>
CAPITAL AND RESERVES					
Profit and loss account	10		<u>127</u>		<u>60</u>

The financial statements were approved by the Board on 17th April 2007

Signed **Iain Kennedy** (Chairman)



Signed **Robert Morgan** (Secretary)



The accounting policies on page 5 and notes on pages 8 to 10 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2006

1. INCOME AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Income is attributable to the total amount receivable in respect of work carried out for clients

Profit on ordinary activities is stated after	2006 £'000	2005 £'000
Auditors remuneration	1	2
Depreciation	-	-

2. DIRECTORS AND EMPLOYEES

	2006 £'000	2005 £'000
Staff costs during the year were as follows		
Wages and salaries	31	445
Social security costs	3	36
Pension and other staff costs	3	37
	<u>37</u>	<u>518</u>

The average number of employees of the company during the year was 1 (2005 19)

No remuneration was paid to any member of the Board. The directors are remunerated through other group companies. A management charge was levied to SATRA Quality Assurance Limited to cover this expense.

3. NET INTEREST

	2006 £'000	2005 £'000
Other interest payable and similar charges	<u>-</u>	<u>8</u>

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

Factors affecting the tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK of 19% (2005 19%). The differences are explained as follows

	2006 £'000	2005 £'000
Profit on ordinary activities before tax	<u>67</u>	<u>73</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2005 19%)	13	14
Effects of		
Gift Aid	(13)	-
Tax rate adjustment	-	(1)
Capital allowances for the year in excess of depreciation	-	-
Expenses not deductible for tax purposes	-	-
Utilisation of tax losses	-	(2)
Other timing differences	-	-
Group relief claimed	-	(11)
Current tax charge for the year	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2006

5. TANGIBLE FIXED ASSETS

Cost	TOTAL £	Office Equipment £	Office Furniture £
At 1st January 2006	1413	425	988
Disposals	1413	425	988
31st December 2006	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation			
At 1st January 2006	1,413	425	988
Eliminated on disposal	1,413	425	988
31st December 2006	<u>-</u>	<u>-</u>	<u>-</u>
Net book amount			
At 1st January 2006 and at 31st December 2006	<u>-</u>	<u>-</u>	<u>-</u>

6. DEBTORS

	2006 £'000	2005 £'000
Trade debtors	27	23
Amount owed by Group undertakings	95	40
	<u>122</u>	<u>63</u>

7. CREDITORS

AMOUNTS FALLING DUE WITHIN ONE YEAR	2006 £'000	2005 £'000
Social Security and other taxes	2	1
Accruals and deferred income	3	3
Amount owed to Group undertakings	-	13
	<u>5</u>	<u>17</u>

8. SHARE CAPITAL

	2006 and 2005 £
Authorised, allotted, called up and fully paid Ordinary share of £1	<u>1</u>

9. RESERVES

	2006 £'000	2005 £'000
At 1st January	60	(13)
Profit for the year	67	73
At 31st December	<u>127</u>	<u>60</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2006

10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2006 £'000	2005 £'000
Profit for the financial year	67	73
Shareholders' funds at 1st January	<u>60</u>	<u>(13)</u>
Shareholders' funds at 31st December	<u><u>127</u></u>	<u><u>60</u></u>

11. CAPITAL COMMITMENTS

There were no capital commitments at 31st December 2006 or 31st December 2005

12. CONTINGENT LIABILITIES

There were no contingent liabilities at 31st December 2006 or 31st December 2005

13. PENSION

Defined Contribution Scheme

The company operates a defined contribution pension scheme for the benefit of certain employees. The assets of the scheme are administered by trustees in a fund independent from those of the company.

14. ULTIMATE PARENT UNDERTAKING

The directors consider that the ultimate parent undertaking and the company's controlling party is SATRA.

The consolidated accounts of SATRA are those of the largest and smallest group of which the company is a member and for which group accounts are prepared.

As a wholly owned subsidiary of SATRA, the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the Group.