

British Safety Council Services

Trustees' Report and Financial
Statements

For the year ended

31 December 2004



Charity no 1097271
Company no 04618713

British Safety Council Services

Trustees' Report and Financial Statements

For the year ended 31 December 2004

Charity registration number: 1097271
Company registration number: 04618713

Principal address: 70 Chancellors Road
Hammersmith
London
W6 9RS

The Trustees: The Board of Trustees
Chairman
Sir Frank Davies CBE OstJ

Members
R J Cox LLB
S Radford LLB (Hons) Solicitor CTA TEP MICSP
T Kelly MBA BA FMIDM
C Watchman FCA

Principal officer: The Director General
David E Ballard LLB, MSc, CEng, FICE, FCI Arb, Barrister

Bankers: Barclays Bank plc
75 King Street
London
W6 9HY

Solicitors: Bates, Wells & Braithwaite
Cheapside House
138 Cheapside
London
EC2V 6BB

Auditors: Grant Thornton UK LLP
Registered Auditors
Chartered Accountants
Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP

British Safety Council Services

Trustees' Report and Financial Statements

For the year ended 31 December 2004

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British Safety Council Services

Trustees' Report and Financial Statements

For the year ended 31 December 2004

The 'Trustees' (who are directors for Companies Act purposes) present their report together with the financial statements of the British Safety Council Services for the period ended 31 December 2004. The financial statements have been prepared on the accounting policies set out on page 6 of the financial statements and comply with current statutory requirements, applicable law and the Statement of Recommended Practice 'Accounting and Reporting by Charities issued in October 2000'.

The Object

The primary object for which British Safety Council Services is established is the promotion of safety through dissemination to the public in the UK and overseas of useful knowledge, measure, methods, precautions and best practice for ensuring safety of life and limb, prevention of accidents, injury and disease and in the promotion of health.

Organisation and Policy

British Safety Council Services (BSC Services) is a charity whose charitable status was conferred on 28 April 2003. It is a private company limited by guarantee and governed by a Board of Trustees. BSC Services was registered with Companies House on 12 December 2002 (Company Number: 4618713) and these financial statements cover the year to 31 December 2004.

Under the terms of the Articles of Association BSC Services, members of the Board are elected for a period of three years, after which they must retire but can offer themselves for re-election for a further three year period. Trustees can serve no more than three, three-year terms of office, a maximum of nine years, and then stand down. On reaching 70 years of age, Trustees are required to resign and offer themselves for re-election. The re-election needs to be supported by a business case made on each occasion by another Trustee and re-election is on an annual basis up to the age of 75 when Trustees are required to retire.

BSC Services is headed by a Board of Trustees (Company Directors), supported by the Director General and the Executive management team. The Board of Trustees provides strategic direction and financial control for the organisation; as such it carries out the functions of the senior committee of BSC Services. The Board meets six times a year to review progress and performance of the organisation on the basis of reports and periodic presentations provided by senior staff.

The principal policy of the Charity is to recruit organisations into membership to enable them to participate in and benefit from a monthly accident prevention campaign, supported by posters and information material. Members also have access by telephone, fax, e-mail and the internet to a library and computerised safety information service.

We organise and conduct an extensive range of public and in-company training courses, covering occupational health, safety and environmental management. Our Diploma in Safety Management provides the underpinning domain knowledge for the National Vocational Qualification in Occupational Health and Safety Practice levels 3 and 4. We are also an approved centre for the National Vocational Qualification. Candidates progress through the various stages to approval by the awards body, City and Guilds.

Our Diploma in Environmental management automatically entitles successful candidates to Associate membership of the Institute of Environmental Management and Assessment (IEMA), as well as providing them with two points towards Environmental Auditor Registration.

We produce monthly publications such as *Safety Management* magazine and the *Health and Safety at Work Act Newsletter*, plus an extensive range of British Safety Council Guides.

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We offer a wide range of audit and advisory services to organisations, including a Safety Advisory Service, Five Star Health and Safety Management Systems Audit, Risk Assessment and Workplace Hearing Assessment Services and Five Star Environmental Management Systems Audits. The portfolio includes an OHSAS 18001 Compliance Audit and a Safety Health Check.

Awards schemes are organised to encourage and reward organisations that have demonstrated a sustained, improved or outstanding safety record.

Health and safety campaigns run throughout the year and we secure coverage in the news media on a wide range of issues relating to occupational health, safety and environmental management.

Review of the Development, Activities and Achievements during the Period

Operating conditions in certain areas were very difficult during the period. Terrorist activities prevented us from sending trainers and auditors to several countries, with a consequent loss of business. For their personal safety, we always follow Foreign and Commonwealth Office guidance before members of staff are allowed to travel abroad.

The introduction of a fully computerised management system has continued during this reporting period. Although costly, it is expected to provide rewards in the near future in the form of much greater efficiency. Similarly, updating our courses and procedures has taken a heavy toll on our resources, but has completely transformed the quality of our operation.

Development of the Council's website (www.britishsafetycouncil.org) has continued throughout the year and the redesigned site has been well received. **SafetyNetwork** has continued to be a successful addition to the membership package.

A formal continuing professional development policy is being rolled out within Professional Services, with the aim of increasing the number and level of formal teaching and health, safety and environmental technical qualifications held by our staff. Participation in this programme is mandatory for all customer-facing staff, setting us apart from many of our competitors. Our two premier annual events, the National Safety Awards banquet and Sword of Honour ceremony, were again held at the Grosvenor House Hotel and Goldsmiths' Hall respectively. Both were extremely successful, with Members from all parts of the United Kingdom and abroad attending. Other Awards Ceremonies are being held increasingly regularly where individuals and companies are presented with their certificates of achievement.

A Review of the Transactions and Financial Position

This should be read in conjunction with the financial statements on pages 7 to 14.

Investment Policy

British Safety Council Services does not hold any investments.

Risk

As British Safety Council Services only took form from 1 July 2003, Trustee and Executive examination of risk management has been conducted as a group. A specific British Safety Council Services risk analysis is planned but as at 31 December 2004, British Safety Council Services shares the same risk plan as the group.

British Safety Council Services

Trustees' Report and Financial Statements

For the year ended 31 December 2004

Reserves

The Board of Trustees have considered the reserves held by British Safety Council Services as at 31 December 2004.

As a member of the British Safety Council group (Company limited by guarantee and a Charity), the only reserves held by British Safety Council Services are the working capital trading funds.

This risk assessment is part of the Council's regular procedures that the Trustees and Executive examine for reviewing the major risks to which the Council is exposed. An impact analysis has been undertaken, responsibilities defined and actions taken to mitigate, wherever possible, those risks. The Trustees are satisfied that those major risks as identified have been adequately mitigated, where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed. To this end the risk analysis schedules are tabled regularly at Board meetings.

Trustees' responsibilities for the financial statements

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial period which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standard and statements of recommended practice 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 charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Appointment of Auditors

On 1 July 2004, the Grant Thornton partnership transferred its business to a limited liability partnership, Grant Thornton UK LLP. Under section 26(5) of the Companies Act 1989, the directors consented to extend the audit appointment to Grant Thornton UK LLP from 1 July 2004.

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

By Order of the Board



26 April 2005

British Safety Council Services

Trustees' Report and Financial Statements

For the year ended 31 December 2004

Report of the Independent Auditors to the Trustees of

British Safety Council Services

We have audited the financial statements of British Safety Council Services for the year ended 31 December 2004 which comprise the principal accounting policies, the statement of financial activities, the balance sheet and notes 1 to 17. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees are also the directors of the British Safety Council Services for the purposes of company law. Their responsibilities for preparing the trustees' report and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of trustees' responsibilities.

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 trustees' 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 regarding trustees' remuneration and transactions with the charitable company is not disclosed.

We are not required to consider whether the statement in the trustees' report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read other information contained in the trustees' report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

British Safety Council Services

Report of the Independent Auditors

For the year ended 31 December 2004

Report of the Independent Auditors to the Trustees of

British Safety Council Services

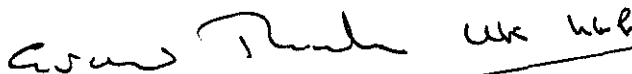
Basis of opinion

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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable 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 charitable company's affairs as at 31 December 2004 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Grant Thornton UK LLP
Registered Auditors
Chartered Accountants

London

26 April 2005

British Safety Council Services

Principal Accounting Policies

Basis of Preparation

The financial statements are prepared in accordance with applicable accounting standards and the Statement of Recommended Practice 'Accounting by Charities' (SORP 2000). The particular accounting policies adopted by the Trustees are described below:

The charity is exempt from the requirement to prepare consolidated accounts on the basis that it is a subsidiary of the British Safety Council who prepare full consolidated accounts.

Cash Flow Statement

The company has taken advantage of the exemption from preparing a cash flow statement attached by section 247 of the Companies Act 1985 being the small companies exemption. A consolidated cash flow statement of the group is disclosed in the British Safety Council Financial Statements.

Accounting Convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of freehold property and investments.

Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources Expended

All resources expended are accounted for on an accruals basis and are allotted directly to the activity to which they relate. The allocation of costs has been reviewed and upgraded to ensure comparative figures have been adjusted to the same basis.

Stock

Stock is valued at the lower of cost and net realisable value.

British Safety Council Services

Statement of Financial Activities

For the year ended 31 December 2004

	Note	Total funds for the year ended 31 December 2004 £	Total funds for the 6 months ended 31 December 2003 £
Incoming resources			
Gift income	1	340,813	489,614
Training courses and other services		5,481,367	2,851,944
Membership services		1,917,924	998,978
Publications		629,323	220,280
Interest receivable		79,114	22,548
Total incoming resources		8,448,541	4,583,364
Resources expended			
Membership Services		607,210	360,421
Publications		861,451	327,766
Training courses and other services		6,354,310	3,438,481
Other expenditure			
Press and information		386,487	221,998
Information systems development		0	98,164
Restructuring		0	44,519
Management and administration		69,119	14,309
Total resources expended	3	8,278,577	4,505,658
Net movement in funds		169,964	77,706
Balances brought forward at 1 January 2004		77,706	-
Balances carried forward at 31 December 2004		247,670	77,706

The accompanying accounting policies and notes form an integral part of these financial statements.

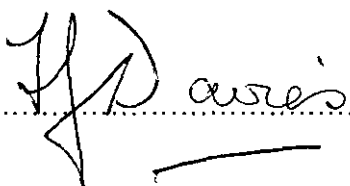
British Safety Council Services

Balance Sheet at 31 December 2004

	Note	2004 £	2003 £
Fixed assets			
Investments	5	<u>0</u>	<u>100</u>
		0	100
Current assets			
Stock		13,961	0
Debtors	6	3,847,050	5,123,823
Cash at bank and in hand		986,503	(157,381)
		<u>4,847,514</u>	<u>4,966,442</u>
Creditors: amounts falling due within one year	7	<u>(4,599,844)</u>	<u>(4,888,836)</u>
Net current assets		<u>247,670</u>	<u>77,606</u>
Total assets less current liabilities		<u>247,670</u>	<u>77,706</u>
General fund		<u>247,670</u>	<u>77,706</u>
	8	<u>247,670</u>	<u>77,706</u>

The financial statements were approved by the Trustees on

26 April 2005

[] Chairman

The accompanying accounting policies and notes form an integral part of these financial statements.

British Safety Council Services

Notes to the Financial Statements

For the year ended 31 December 2004

1 Gifts

	For the year ended ended 31 December 2004 £	For the 6 months ended ended 31 December 2003 £
Gift from British Safety Council	300,000	200,000
Gift from British Safety Council Sales Limited	40,813	0
Gift from predecessor charity	0	289,614
Total	340,813	489,614

A gift of £300,000 has been made by British Safety Council to British Safety Council Services.

2 Net Outgoing Resources For The Year

Net movement in resources in the year is after charging:

	For the year ended 31 December 2004 £	For the 6 months ended ended 31 December 2003 £
Auditor's remuneration	11,000	10,000

3 Analysis of Resources Used

	2004 Staff costs £	2004 Overheads and adminis- tration £	2004 Other direct expenses £	For the year ended 31 December 2004 Total £	For the 6 months ended 31 December 2003 Total £
Charitable expenditure					
Membership services	295,458	68,666	243,086	607,210	237,559
Publications	348,738	54,429	458,284	861,451	450,628
Training courses and other services	3,172,717	566,253	2,615,340	6,354,310	3,438,481
Press and information	179,913	83,728	122,846	386,487	221,998
Information systems development	0	0	0	0	98,164
Restructuring costs	0	0	0	0	44,519
Management and administration	32,490	36,629	0	69,119	14,309
	<u>4,029,316</u>	<u>809,705</u>	<u>3,439,556</u>	<u>8,278,577</u>	<u>4,505,658</u>

British Safety Council Services

Notes to the Financial Statements

For the year ended 31 December 2004

4 Staff Costs

Staff costs during the year were as follows:

	For the year ended 31 December 2004 £	For the 6 months ended 31 December 2003 £
Wages and salaries	3,431,939	1,920,038
Redundancy costs	43,782	29,076
Social security costs	399,557	173,979
Other pension costs	154,038	68,621
	<u>4,029,316</u>	<u>2,191,714</u>

The number of staff employed during the period was:

	For the year ended 31 December 2004 Number	For the 6 months ended 31 December 2003 Number
	<u>118</u>	<u>118</u>

At 31 December 2004 the number of staff employed was 101.

The number of employees whose annualised emoluments exceeded £50,000 were as follows:

	For the year ended 31 December 2004 Number	For the 6 months ended 31 December 2003 Number
£50,001 - £60,000	4	7
£60,001 - £70,000	2	2
£80,001 - £90,000	1	0
£90,001 - £100,000	0	1
£100,001 - £110,000	1	0
	<u>8</u>	<u>10</u>

The Trustees received no remuneration for their services during the period.

Travelling expenses reimbursed to Trustees amounted to £8,253.

British Safety Council Services

Notes to the Financial Statements

For the year ended 31 December 2004

5 Investments

The charitable company has a 100% wholly owned subsidiary, British Safety Council Sales Limited, a company registered in the United Kingdom, and its results and capital reserves are as follows:

	12 months to 31 December 2004 £	18 months to 31 December 2003 £
Turnover	0	186,029
Cost of sales	0	128,943
Gross profit	0	57,086
Administration expenses	(309)	16,273
Net income from trading before interest	309	40,813
Interest payable	0	-
Operating profit	309	40,813
Balance sheet		
	31 December 2004 £	31 December 2003 £
Stocks	0	11,336
Debtors	0	3,516
Cash	639	18,313
Creditors: amounts falling due in less than one year	(639)	(34,129)
	0	(964)

6 Debtors

	2004 £	2003 £
Trade debtors	1,989,098	2,377,108
Due from parent undertaking	1,695,618	2,214,769
Due from British Safety Council Awards	0	367,599
Due from subsidiary undertakings	639	15,091
Other debtors	63,921	93,369
Prepayments and accrued income	97,774	55,887
	3,847,050	5,123,823

British Safety Council Services

Notes to the Financial Statements

For the year ended 31 December 2004

7 Creditors: Amounts Falling Due Within One Year

	2004 £	2003 £
Trade creditors	135,770	458,927
Due to British Safety Council Awards	47,429	415,025
Taxation and social security	363,555	304,546
Accruals	369,455	440,342
Deferred income (i)	3,568,634	3,269,996
Other Creditors	115,001	0
	<u>4,599,844</u>	<u>4,888,836</u>

(i) Deferred income

31 December 2003 £	Release of deferred income from 2003 £	Deferred incoming resources in year £	31 December 2004 £
<u>3,269,996</u>	<u>(3,201,397)</u>	<u>3,500,035</u>	<u>3,568,634</u>

8 Summary of Movement in Funds

	At 1 January 2004 £	Incoming resources £	Resources expended £	At 31 December 2004 £
General fund	<u>77,706</u>	<u>8,448,541</u>	<u>8,278,577</u>	<u>247,670</u>

9 Charitable Status

The British Safety Council Services is a registered charity No. 1097271. Its activities are exempt from corporation tax.

10 Capital Commitments

At the period end, British Safety Council Services had entered into commitments amounting to £nil.

11 Contingent Liabilities

There were no contingent liabilities at 31 December 2004.

12 Retirement Benefit Schemes

The old British Safety Council charity operated a defined benefit scheme for all qualified employees. The assets of the scheme are held in a separately administered fund.

On 1 July 2003, the liabilities in respect of this scheme were transferred to British Safety Council Services.

The comparatives from the old British Safety Council have been maintained for the purpose of clarity and transparency.

British Safety Council Services

Notes to the Financial Statements

For the year ended 31 December 2004

Retirement Benefit Schemes (continued)

The total cost of retirement benefit for the group was £83,000.

The scheme is subject to a triennial valuation by independent actuaries, the last valuation being carried out as at 1 October 2003, using the projected unit method, in which the actuarial liability makes allowances for projected earnings. The following actuarial assumptions were applied.

Investment returns	6.00%
Salary growth	4.30%
Pension increase	3.00%

At the last actuarial valuation date, the market value of the assets of the scheme was £2,307,000 and this actuarial value was sufficient to cover 71% of the benefits which had accrued to members, after allowing for expected future increases in earnings. The employers' contribution rate over the average remaining service lives of the members takes account of the deficit disclosed by valuation.

SSAP 24 and Financial Reporting Standard No 17 (FRS 17)

The financial statements have, as last year, been prepared in accordance with SSAP 24. However, following the introduction of FRS 17 this note now also includes the additional disclosures required in respect of defined benefit schemes under the transitional arrangements established by FRS 17.

Whereas the asset valuation under SSAP 24 is at actuarial values based upon estimated future returns, the FRS 17 asset values reflect market value at the balance sheet date. In valuing liabilities, SSAP 24 discounts the estimated liabilities to present values using a long-term actuarial estimate of scheme investment returns, whereas FRS 17 uses the yield on AA rated corporate bonds.

At 31 December 2004 the market value of the assets of the scheme, the expected long-term rate of return from them and the present value of the scheme liabilities, all as defined in accordance with FRS 17 and valued by the scheme actuary were as follows:

	31 December 2004 %	31 December 2003 %	30 June 2003 %
Discount rate	5.20	5.40	5.40
Inflation assumption	2.80	2.50	2.25
Pension escalation in payment	3.00	3.00	3.00
Pensionable salary growth	4.30	4.00	3.75

The assets of the scheme are held with Norwich Union.

The assets and liabilities of the scheme at 31 December 2004, together with the expected rates of return on scheme assets are as follows:

	Expected return 31 December 2004 %	31 December 2004 £	Expected return 31 December 2003 %	31 December 2003 £	Expected return 30 June 2003 %	30 June 2003 £
Total market value of scheme assets	6.0	2,244,000	6.0	2,354,000	6.5	2,300,000
Present value of scheme liabilities		(3,369,000)		(3,357,000)		(3,184,000)

British Safety Council Services

Notes to the Financial Statements

For the year ended 31 December 2004

Retirement Benefit Schemes (continued)

Net pension scheme liabilities	<u>(1,125,000)</u>	<u>(1,003,000)</u>	<u>(884,000)</u>
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As a result of the actuarial valuation as at 1 October 2003, the British Safety Council is contributing to the scheme at the rate of £100,000 per annum.

The analysis of the amount which would be charged to net incoming resources, is as follows:

	31 December 2004 £	31 December 2003 £
Current service cost	(113,000)	(64,000)
Past service cost	<u>(113,000)</u>	<u>(64,000)</u>

The projected unit valuation method has been used to arrive at the above service cost. To produce a stable future contribution rate this valuation method assumes that the average age of the scheme membership will remain broadly constant in future due to the entry of new entrants to the scheme.

The analysis of the amount which would be credited to other finance income, is as follows:

	31 December 2004 £	31 December 2003 £
Expected return on pension scheme assets	134,000	75,000
Interest on pension scheme liabilities	<u>(175,000)</u>	<u>(85,000)</u>
Net return	<u>(41,000)</u>	<u>(10,000)</u>

The analysis of the amount which would be recognised in the statement of total recognized gains and losses, is as follows:

	31 December 2004 £	31 December 2003 £
Actual return less expected return on pension scheme assets	7,000	(60,000)
Experience gains and losses arising on the scheme liabilities	245,000	7,000
Changes in assumptions underlying the present value of the scheme liabilities	<u>(303,000)</u>	<u>(36,000)</u>
Actuarial loss	<u>(51,000)</u>	<u>(89,000)</u>

The history of experience gains and losses has been:

	12 months to 31 December 2004 £	6 months to 31 December 2003 £	12 months to 30 June 2003 £
Difference between expected and actual return on scheme assets			
Amount (£)	7,000	(60,000)	286,000
Percentage of scheme assets	<1%	- 3%	12%

British Safety Council Services

Notes to the Financial Statements

For the year ended 31 December 2004

Retirement Benefit Schemes (continued)

Experience gains and losses on scheme liabilities

Amount (£)	245,000	7,000	25,000
Percentage of present value of scheme liabilities	7%	1%	1%
Total actuarial gains and losses			
Amount (£)	(51,000)	(89,000)	(227,000)
Percentage of present value of scheme liabilities	-2%	-3%	-7%

The movement in deficit in the period was:

	12 months to 31 December 2004 £	6 months to 31 December 2003 £
Deficit in the scheme at the beginning of the period	(1,003,000)	(884,000)
<i>Movement in the period:</i>		
Current service cost	(113,000)	(64,000)
Contributions paid by employer	83,000	44,000
Past service costs	Nil	Nil
Other finance income	(41,000)	(10,000)
Actuarial gain or (loss)	(51,000)	(89,000)
Deficit in the scheme at the end of the period	<u>(1,125,000)</u>	<u>(1,003,000)</u>

13 Net Assets

	As at 31 December 2004 £	As at 31 December 2003 £
Investments	0	100
Net current assets	<u>247,670</u>	<u>77,606</u>
	<u>247,670</u>	<u>77,706</u>

14 Leasing Commitments

Operating lease payments amounting to £19,038 are due within one year. The leases to which these amounts relate expire as follows:

	2004 £	2003 £
Between one and five years	<u>19,038</u>	<u>25,200</u>

British Safety Council Services

Notes to the Financial Statements

For the year ended 31 December 2004

15 Transactions with Directors and Other Related Parties

The company has taken advantage of the exemption in Financial Reporting Standard No 8 "Related party disclosures" and has not disclosed transactions with group undertakings.

There are no other related party transactions.

16 Ultimate Parent Undertaking

The immediate and ultimate parent undertaking is the British Safety Council, a charitable company registered in the United Kingdom. The consolidated financial statements of the British Safety Council can be obtained from the British Safety Council, 70 Chancellors Road, Hammersmith, London, W6 9RS

17 Warranties

As the British Safety Council pension scheme has followed the transfer of staff to British Safety Council Services and as the main assets of the British safety Council group are held in the new British Safety Council, the new British Safety Council has agreed to provide Services with an indemnity in respect of current and future liabilities arising from the pension scheme.

To ensure that the British Safety Council has acted properly and reasonably in judging that the transfer is in the best interests of the British Safety Council, British Safety Council Services warrants to the British Safety Council that the assets shall be applied in the pursuit of the charitable objectives of each entity.