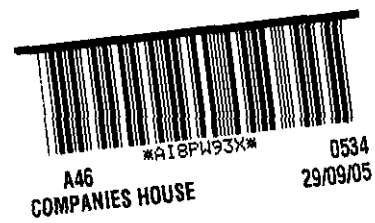


Registered Number : 3804633

Quality Service Standards Limited

REPORT AND ACCOUNTS

31 December 2004



Quality Service Standards Limited

DIRECTORS' REPORT

31 December 2004

The directors present their report and the audited accounts for the year ended 31 December 2004.

PRINCIPAL ACTIVITIES

The principal activities of the company are the provision of quality assessment services to the removals industry.

BUSINESS REVIEW

The company has had a satisfactory year and is looking for further clients for assessment.

RESULTS AND DIVIDENDS

The results for the year are shown in the profit and loss account on page 4.

DIRECTORS

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

D J Trenchard	(Chairman)
J Luxford	
J T Thompson	(resigned 5 November 2004)
S M Lane	(appointed 14 May 2004)

None of the directors has any interest in the share capital of the company.

AUDITORS

Baker Tilly have agreed to offer themselves for appointment as auditors of the company.

By order of the board



R D Syers
Secretary

3 Churchill Court
58 Station Road
North Harrow
Middlesex HA2 7SA

26 April 2005

Quality Service Standards Limited

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 the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. 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 requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF QUALITY SERVICE STANDARDS LIMITED

We have audited the accounts on pages 4 to 8.

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

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts 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 accounts, 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 other information contained in the Annual Report, and consider whether it is consistent with the audited accounts. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

B. W. M.

Registered Auditor
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

26 April 2005

Quality Service Standards Limited

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2004

	<i>Note</i>	2004 £	2003 £
TURNOVER	<i>1</i>	34,823	33,427
Cost of sales		-	(1,400)
GROSS PROFIT		34,823	32,027
Administrative expenses		(33,146)	(32,427)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	<i>2</i>	1,677	(400)
Taxation	<i>4</i>	-	100
PROFIT/(LOSS) RETAINED FOR THE YEAR		1,677	(300)

The operating profit for the year arises from the company's continuing operations.

No separate statement of recognised gains and losses has been prepared as all such gains and losses have been dealt with in the profit and loss account.

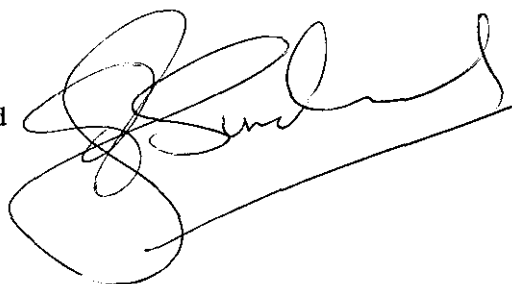
Quality Service Standards Limited

BALANCE SHEET at 31 December 2004

	Note	£	2004 £	£	2003 £
CURRENT ASSETS					
Debtors	5	7,667		5,288	
Cash at bank and in hand		7,848		18,115	
		<u>15,515</u>		<u>23,403</u>	
CREDITORS: amounts falling due within one year	6	(4,860)		(7,036)	
NET CURRENT ASSETS			<u>10,655</u>		<u>16,367</u>
NET ASSETS			<u>10,655</u>		<u>16,367</u>
CAPITAL AND RESERVES					
Called up share capital	7		2		2
Designated reserve	8		-		7,389
Profit and loss account	9		10,653		8,976
EQUITY SHAREHOLDERS' FUNDS	10		<u>10,655</u>		<u>16,367</u>

Approved by the Board of Directors on 26 April 2005

D J Trenchard
Director



Quality Service Standards Limited

NOTES TO THE ACCOUNTS

31 December 2004

1 ACCOUNTING POLICIES

Basis of accounting

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

Turnover

Turnover represents course fees, at the invoiced value excluding value added tax, and income derived from other activities.

Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 *Cash flow statements* on the grounds that it is a wholly owned subsidiary of The British Association of Removers Limited. A cash flow statement is included within that company's consolidated accounts.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the accounts that arise from the inclusion of gains and losses in the accounts. Deferred tax assets are recognised where recovery is more likely than not.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

2	OPERATING PROFIT	2004 £	2003 £
	Operating profit is stated after charging:		
	Auditors' remuneration	1,650	2,250

3 DIRECTORS

No directors received remuneration during 2004 (2003: £Nil).

Quality Service Standards Limited

NOTES TO THE ACCOUNTS

31 December 2004

4	TAXATION	2004 £	2003 £
	Current tax		
	United Kingdom corporation tax on profits for the year	-	-
	Adjustment in respect of previous years	-	(100)
		<u>-</u>	<u>(100)</u>
	Factors affecting tax charge for the year		
	Profit/(loss) on ordinary activities before tax	1,677	(400)
	Profit/(loss) in ordinary activities multiplied by the standard rate of corporation tax in the UK of 10%	168	(40)
	Effects of:		
	Group Relief	-	40
	Tax losses not utilised	571	-
	Other timing differences	(739)	-
		<u>-</u>	<u>-</u>
	Current tax charge for year	<u>-</u>	<u>-</u>

Losses of £5,712 (2003: £Nil) are available to be offset against future profits from the same trade.

A deferred tax asset in the amount of £Nil (2003: £740) has not been recognised on the accounts due to uncertainty over the timing of its future recoverability.

5	DEBTORS: amounts falling due within one year	2004 £	2003 £
	Trade debtors	7,667	5,288
		<u>7,667</u>	<u>5,288</u>
6	CREDITORS: amounts falling due within one year	2004 £	2003 £
	Trade creditors	1,317	1,036
	Other taxation and social security	1,077	232
	Amounts owed to parent undertaking	-	2,668
	Accruals and deferred income	2,466	3,100
		<u>4,860</u>	<u>7,036</u>

7	CALLED UP SHARE CAPITAL	2004 and 2003	
		Number of shares	£
	Authorised		
	Ordinary shares of £1 each	100	100
		<u>100</u>	<u>100</u>
	Allotted, called up and fully paid		
	Ordinary shares of £1 each	2	2
		<u>2</u>	<u>2</u>

Quality Service Standards Limited

NOTES TO THE ACCOUNTS

31 December 2004

8	DESIGNATED RESERVE	2004 £	2003 £
	At 1 January 2004	7,389	7,389
	Movement in year	(7,389)	-
	At 31 December 2004	-	7,389

The designated reserve relates to costs incurred in obtaining the United Kingdom Assessment Services (UKAS) certification. These reserves were fully utilised in the year.

9	PROFIT AND LOSS ACCOUNT	2004 £	2003 £
	At 1 January 2004	8,976	9,276
	Profit/(loss) for the year	1,677	(300)
	At 31 December 2004	10,653	8,976

10	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2004 £	2003 £
	Profit/(loss) for the financial year	1,677	(300)
	Movement in designated reserves	(7,389)	-
	Opening shareholders' funds	16,367	16,667
	Closing shareholders' funds	10,655	16,367

11 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is The British Association of Removers, a company limited by guarantee and a company registered in Great Britain.

12 RELATED PARTIES

As the company is a wholly owned subsidiary undertaking of British Association of Removers Limited its controlling and ultimate controlling party which publishes consolidated accounts including this company, it is exempted by Financial Reporting Standard No.8 *Related parties* from disclosing transactions with entities that are part of the British Association of Removers Limited group.

Transactions with others whom the company considers to be related parties are summarised as follows:

TRANSACTIONS WITH DIRECTORS

The names of the company's directors are set out in the directors' report. These directors are considered to be its key management for the purposes of Financial Reporting Standard No.8 *Related parties*. The names of the directors of British Association of Removers Limited are set out in the report and accounts of that company.

In 2004 the company provided supplies in the normal course of business to companies in which certain directors have a controlling interest. No such transactions are considered to be material.

Quality Service Standards Limited

DETAILED PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2004

	£	2004 £	£	2003 £
Assessment fees		34,623		31,277
Sale of standards		200		200
Other income		-		1,950
		<u>34,823</u>		<u>33,427</u>
Cost of sales	-		1,400	
Consultant fees	21,671		16,047	
Legal and professional	5,709		3,056	
Public relations	-		4,090	
Printing stationery and sundries	178		(120)	
Officers expenses	636		373	
Audit and accountancy	1,650		3,100	
Bad debts	-		881	
Management fees	3,302		5,000	
		<u>(33,146)</u>		<u>(33,827)</u>
NET PROFIT/(LOSS) BEFORE TAXATION		<u>1,677</u>		<u>(400)</u>

This page does not form part of the statutory financial statements.