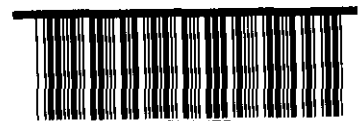


Registered Number : 3804633

Quality Service Standards Limited

REPORT AND ACCOUNTS

31 December 2003



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Quality Service Standards Limited

DIRECTORS' REPORT

31 December 2003

The directors present their report and the audited accounts for the year ended 31 December 2003.

PRINCIPAL ACTIVITIES

The principal activities of the company is 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 3.

DIRECTORS

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

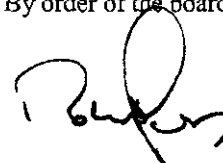
D J Trenchard	(Chairman)
J Luxford	
J T Thompson	
S Lane	(Appointed 23 May 2003)

None of the directors had 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

2 Bloomsbury Street
London WC1B 3ST

30 March 2004

Quality Service Standards Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare accounts 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 year.

In preparing these accounts we are required to:

- a) select suitable accounting policies and apply these consistently
- b) make reasonable and prudent judgements and estimates
- c) state whether applicable accounting standards have been followed, and give details of any departures
- d) prepare the accounts on a going concern basis unless in our view the company will be unable to continue in business.

We are also responsible for:

- a) keeping proper accounting records
- b) safeguarding the company's assets
- c) taking reasonable steps for the prevention and detection of fraud.

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

We have audited the accounts on pages 3 to 7.

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.

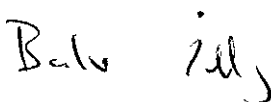
BASIS OF AUDIT OPINION

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 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


BAKER TILLY
Registered Auditor
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

30 March 2004

Quality Service Standards Limited

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2003

	<i>Note</i>	2003 £	2002 £
TURNOVER	1	33,427	32,859
Cost of sales		(1,400)	(639)
GROSS PROFIT		32,027	32,220
Administrative expenses		(32,427)	(29,192)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(400)	3,028
Taxation	4	100	50
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(300)	3,078
Transfer from designated reserve	8	-	1,611
(LOSS)/RETAINED PROFIT FOR THE YEAR	9	(300)	4,689

A separate statement of recognised gains and losses has not been prepared, as the company has no recognised gains and losses other than loss for the year.

All activities are classed as continuing.

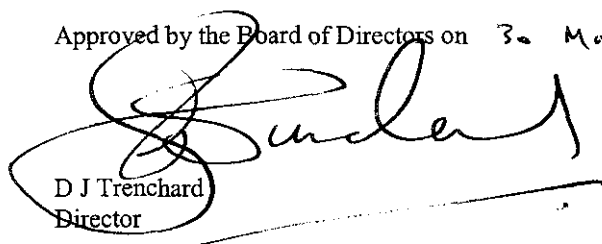
Quality Service Standards Limited

BALANCE SHEET

at 31 December 2003

	Note	£	2003 £	£	2002 £
CURRENT ASSETS					
Stocks		-		650	
Debtors	5	5,288		6,521	
Cash at bank and in hand		18,115		22,691	
		<u>23,403</u>		<u>29,862</u>	
CREDITORS: amounts falling due within one year	6	(7,036)		(13,195)	
NET CURRENT ASSETS			16,367		16,667
NET ASSETS			<u>16,367</u>		<u>16,667</u>
CAPITAL AND RESERVES					
Called up share capital	7		2		2
Designated reserve	8		7,389		7,389
Profit and loss account	9		8,976		9,276
EQUITY SHAREHOLDERS' FUNDS	10		<u>16,367</u>		<u>16,667</u>

Approved by the Board of Directors on 30 March 2004.


D J Trenchard
Director

Quality Service Standards Limited

NOTES TO THE ACCOUNTS

31 December 2003

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.

Stocks

Stocks are valued at the lower of cost and net realisable value

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	2003	2002
		£	£
	Operating profit is stated after charging:		
	Auditors' remuneration	2,250	1,975
		<u> </u>	<u> </u>

3 DIRECTORS

No directors received remuneration during 2003 (2002: £Nil).

Quality Service Standards Limited

NOTES TO THE ACCOUNTS

31 December 2003

4	TAXATION	2003 £	2002 £
	Current tax		
	United Kingdom corporation tax on profits for the year	-	100
	Adjustment in respect of previous years	(100)	(150)
		<u>(100)</u>	<u>(50)</u>
	Factors affecting tax charge for the year		
	(Loss)/profit on ordinary activities before tax	<u>(400)</u>	<u>3,028</u>
	(Loss)/profit in ordinary activities multiplied by the standard rate of corporation tax in the UK of 10%	(40)	303
	Effects of:		
	Group Relief	40	-
	Marginal relief	-	(107)
	Deferred tax not recognised	-	(161)
	Roundings	-	65
		<u>-</u>	<u>100</u>

A deferred tax asset in the amount of £740 (2002: £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	2003 £	2002 £
	Trade debtors	<u>5,288</u>	<u>6,521</u>

6	CREDITORS: amounts falling due within one year	2003 £	2002 £
	Trade creditors	1,036	30
	Corporation tax	-	100
	Other taxation and social security	232	1,087
	Amounts owed to parent undertaking	2,668	8,346
	Amounts owed to fellow subsidiary undertakings	-	558
	Accruals and deferred income	<u>3,100</u>	<u>3,074</u>
		<u>7,036</u>	<u>13,195</u>

7	CALLED UP SHARE CAPITAL	2003 and 2002	
		Number of shares	£
	Authorised		
	Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	Allotted, called up and fully paid		
	Ordinary shares of £1 each	<u>2</u>	<u>2</u>

Quality Service Standards Limited

NOTES TO THE ACCOUNTS

31 December 2003

8	DESIGNATED RESERVE	2003 £	2002 £
	At 1 January 2003	7,389	9,000
	Movement in year	-	(1,611)
	At 31 December 2003	<u>7,389</u>	<u>7,389</u>

The designated reserve relates to costs to be incurred in obtaining the United Kingdom Assessment Services (UKAS) certification and to meet the costs of future publicity.

9	PROFIT AND LOSS ACCOUNT	2003 £	2002 £
	At 1 January 2003	9,276	4,587
	(Loss)/profit for the year	<u>(300)</u>	<u>4,689</u>
	At 31 December 2003	<u>8,976</u>	<u>9,276</u>

10	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2003 £	2002 £
	(Loss)/profit for the financial year	(300)	3,078
	Opening shareholders' funds	<u>16,667</u>	<u>13,589</u>
	Closing shareholders' funds	<u>16,367</u>	<u>16,667</u>

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 2003, 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.