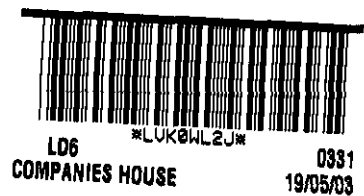


Registered Number : 3804633

Quality Service Standards Limited

REPORT AND ACCOUNTS

31 December 2002



Quality Service Standards Limited

DIRECTORS' REPORT

31 December 2002

The directors present their report and the audited accounts for the year ended 31 December 2002.

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 4.

DIRECTORS

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

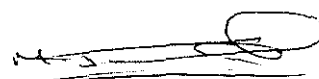
D J Trenchard - Chairman
J Luxford
J T Thompson

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

AUDITORS

Baker Tilly (formerly HLB Kidsons) have agreed to offer themselves for appointment as auditors of the company.

By order of the board



M J Harlow

Secretary

Spectrum House
20-26 Cursitor Street
London EC4A 1HY

30 April 2003

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 period.

In preparing these accounts we are required to:

- a) select suitable accounting policies and apply them 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.

On behalf of the board



~~D. J. Trenchard~~
J. Loxford
Director

30 April 2003

Quality Service Standards Limited

INDEPENDENT AUDITORS' REPORT

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

We have audited the financial statements 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 financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 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 with the company 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 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 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 as at 31 December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

B. C. Tilly
BAKER TILLY
Registered Auditors
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

30 April 2003

Quality Service Standards Limited

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2002

	<i>Note</i>	2002 £	2001 £
TURNOVER	1	32,859	30,124
Cost of sales		<u>(639)</u>	<u>(950)</u>
GROSS PROFIT		32,220	29,174
Administrative expenses		<u>(29,192)</u>	<u>(27,746)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	3,028	1,428
Taxation	4	<u>50</u>	<u>(300)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		3,078	1,128
Transfer from designated reserve	8	<u>1,611</u>	<u>3,000</u>
RETAINED PROFIT FOR THE YEAR	9	<u>4,689</u>	<u>4,128</u>

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

All activities are classed as continuing. There were no acquisitions during the year.

Quality Service Standards Limited

BALANCE SHEET

at 31 December 2002

	Note	£	2002 £	£	2001 £
CURRENT ASSETS					
Stocks		650		605	
Debtors	5	6,521		7,108	
Cash at bank and in hand		<u>22,691</u>		<u>13,872</u>	
		29,862		21,585	
CREDITORS: amounts falling due within one year	6	<u>(13,195)</u>		<u>(7,996)</u>	
NET CURRENT ASSETS			<u>16,667</u>		<u>13,589</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>16,667</u>		<u>13,589</u>
CAPITAL AND RESERVES					
Called up share capital	7		2		2
Designated reserve	8		7,389		9,000
Profit and loss account	9		<u>9,276</u>		<u>4,587</u>
EQUITY SHAREHOLDERS' FUNDS	10		<u>16,667</u>		<u>13,589</u>

Approved by the
Board of Directors on 30 April 2003



D.J. Trenchard - Director

J. Luxford

Quality Service Standards Limited

NOTES TO THE ACCOUNTS

31 December 2002

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

Stock is 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 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.

2	OPERATING PROFIT	2002	2001
		£	£

Operating profit is stated after charging:

Auditors' remuneration	<u>1,975</u>	<u>1,000</u>
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3 DIRECTORS

Directors received total remuneration of £Nil during the period.

4	TAXATION (CREDIT)/CHARGE	2002	2001
		£	£

Current tax

United Kingdom corporation tax on profits for the year	100	150
Adjustment in respect of previous years	<u>(150)</u>	<u>150</u>
	<u>(50)</u>	<u>300</u>

Factors affecting tax charge for the year

Profit on ordinary activities before tax	<u>3,028</u>	<u>1,428</u>
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Profit in ordinary activities multiplied by the standard rate of corporation tax in the UK of 10%

303	143
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Effects of:

Marginal relief	(107)	-
Deferred tax not recognised	(161)	-
Roundings	<u>65</u>	<u>7</u>
Current tax charge for year	<u>100</u>	<u>150</u>

5	DEBTORS: amounts falling due within one year	2002	2001
		£	£

Trade debtors	<u>6,521</u>	<u>7,108</u>
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Quality Service Standards Limited

NOTES TO THE ACCOUNTS

31 December 2002

6	CREDITORS: amounts falling due within one year	2002 £	2001 £
	Trade creditors	30	944
	Corporation tax	100	150
	Other taxation and social security	1,087	(652)
	Amounts owed to parent undertaking	8,346	4,624
	Amounts owed to fellow subsidiary undertakings	558	-
	Accruals and deferred income	<u>3,074</u>	<u>2,930</u>
		<u>13,195</u>	<u>7,996</u>
7	CALLED UP SHARE CAPITAL	2002 and 2001	
		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 (Equity)	<u>2</u>	<u>2</u>
8	DESIGNATED RESERVE	2002 £	2001 £
	Balance brought forward	9,000	12,000
	Movement in year	<u>(1,611)</u>	<u>(3,000)</u>
	Balance carried forward	<u>7,389</u>	<u>9,000</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	2002 £	2001 £
	At beginning of year	4,587	459
	Profit for the year	<u>4,689</u>	<u>4,128</u>
	At end of year	<u>9,276</u>	<u>4,587</u>
10	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2002 £	2001 £
	Profit for the financial year before transfers	3,078	1,128
	Opening shareholders' funds	<u>13,589</u>	<u>12,461</u>
	Closing shareholders' funds	<u>16,667</u>	<u>13,589</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.

Quality Service Standards Limited

NOTES TO THE ACCOUNTS

31 December 2002

12 RELATED PARTIES

As the company is a wholly owned subsidiary undertaking of British Association of Removers Ltd its controlling and ultimate controlling party which publishes consolidated financial statements including this company, it is exempted by Financial Reporting Standard No.8 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. The names of the directors of British Association of Removers Limited are set out in the report and accounts of that company.

In 2002, 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.