

Company Number 2269505

National Quality Assurance Limited

Warwick House  
Houghton Hall Park  
Houghton Regis  
Dunstable  
LU5 5ZX

Annual Accounts 2001/2002



A07	*A0WALGAR*	0261
COMPANIES HOUSE		28/11/02
A31	*A011000000*	0333
COMPANIES HOUSE		20/11/02

## **DIRECTORS' REPORT**

### **1. Introduction**

The Directors of National Quality Assurance Limited have pleasure in presenting their report and audited financial statements for the year ended 31 March 2002.

Throughout the report comparative 2000/2001 figures are shown in brackets where appropriate.

### **2. Directors and their Interests**

Mr D W M Latimer resigned as a Director of the Company at the end of March 2001 on completing his two years as Chairman of the National Inspection Council for Electrical Installation Contracting (NICEIC), the parent Company. Mr T Lane, the new NICEIC Chairman, becomes a Director from 1 April 2001 and the NQA Chairman with effect from 14 June 2001. With effect from April 2001 Mr D L Johnston retires from his position as Director General of NICEIC and is succeeded by Mr J Speirs. Mr J Speirs remains on the Board as a non-executive Director. Mr T J Nash became Managing Director of NQA with effect from 5 March 2001 when Mr D I Wood fulfilled the role of acting Operations Director.

D L Johnston	(resigned 23 May 2001)
J S Frame	
D W M Latimer	(resigned 31 March 2001)
T Lane	(appointed 01 April 2001)
J Speirs	
D Bell	
S A Burgess	
T J Nash	
S J Clark	
D I Wood	

None of the directors has a beneficial interest in the issued share capital.

### **3. Company Activity**

The principal activity of the Company is the assessment of management systems of applicant companies, and the on-going surveillance of the systems of registered companies, against the requirements of national and international standards, and related training. NQA's fourteenth year of trading ended on 31 March 2002. NQA continues to be one of the worlds leading certification bodies with clients in 45 countries.

### **4. Share Capital**

The authorised share capital was increased to £260,000 on 31 July 2001. 250,000 ordinary shares of £1 were issued at par. The additional issue was used to fund the acquisition of Zurich Certification Limited on 23 August 2001.

## 5. Gift Aid

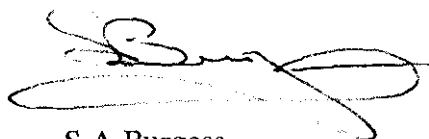
In March 2002, an interim Gift Aid payment of £1,100,000 was made to the NICEIC, the Company's Shareholder. A final payment of £250,000 will be made in July 2002, calculated to leave sufficient funds with the Company to meet its working capital requirement.

## 6. Company's Finances

The Company's produced a pre-tax profit of £1,328,459. The years profit is ahead of the previous year by around 18%, on an increase in turnover of around 4%. NQA's overseas activities are increasingly important to the Company's financial results. The Directors are of the opinion that from a financial viewpoint that the year was successful and in June 2002 the Board authorised the transfer, by Gift Aid payments, of £1,350,000 to the parent company, The National Inspection Council for Electrical Installation Contracting.

The Auditors' report, together with financial statements for the year ended 31 March 2002, is at Annex A.

By order of the Board



S A Burgess  
Company Secretary

20 June 2002

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**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 as at the end of the financial year and of the profit or loss of the company for that period. In preparing those 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business;
- state whether the financial statements have been prepared in accordance with applicable accounting standards.

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 Companies Act 1985
- safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities
- ensuring that the Directors' Report and other information included in the Annual Report is prepared in accordance with Company law in the United Kingdom.

## **Independent Auditors' Report to the Shareholders of National Quality Assurance Limited**

We have audited the financial statements of National Quality Assurance Limited for the year ended 31 March 2002 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards 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 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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report and the Shareholder's Statement. 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.

### **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 judgments 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 March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

LONDON, UK

20 June 2002



**PKF**

Registered Auditors

**Profit and Loss Account**
**Year Ended 31 March 2002**

	Notes	2002 £	2001 £
<b>Income</b>	2	8,409,407	8,093,181
<b>Direct Costs</b>	3	3,033,723	2,932,250
		<u>5,375,684</u>	<u>5,160,931</u>
<b>Administrative Expenses</b>	3	4,159,171	4,185,763
		<u>1,216,513</u>	<u>975,168</u>
<b>Operating Profit</b>			
<b>Bank Interest receivable</b>		111,946	151,626
		<u>1,328,459</u>	<u>1,126,794</u>
<b>Profit on ordinary activities before taxation</b>			
<b>Tax on profit on ordinary activities</b>	5	28,545	21,057
		<u>1,299,914</u>	<u>1,105,737</u>
<b>Profit on ordinary activities after taxation</b>			
<b>Gift Aid</b>	6	1,350,000	1,050,000
		<u>(50,086)</u>	<u>55,737</u>
<b>Retained (loss)/profit for the financial year</b>			

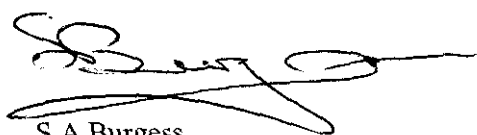
The movement on reserves is shown in note 13.

All amounts relate to continuing operations.

The company had no recognised gains and losses other than the profit/(loss) for the year.

	Notes	2002		2001	
		£	£	£	£
<b>Fixed Assets</b>					
Intangible Assets	7		232,000		-
Tangible Assets	8		484,438		580,080
Investments	9		207,332		207,332
			<u>923,770</u>		<u>787,412</u>
<b>Current Assets</b>					
Debtors & Accrued Income	10	976,213		949,935	
Cash at bank and in hand		1,124,723		1,176,840	
		<u>2,100,936</u>		<u>2,126,775</u>	
<b>Creditors</b>					
Amounts falling due within one year	11	2,720,495		2,809,890	
		<u>(619,559)</u>		<u>(683,115)</u>	
<b>Net Current Liabilities</b>					
<b>Total Assets Less Current Liabilities</b>			304,211		104,297
			<u>260,000</u>		<u>10,000</u>
<b>Called Up Share Capital</b>	12				
<b>Profit &amp; Loss Account</b>	13		44,211		94,297
			<u>304,211</u>		<u>104,297</u>
<b>Equity Shareholders' Funds</b>	14				

Approved by the Board of Directors on 20 June 2002



S A Burgess  
Finance Director

## Cash Flow Statement

Year Ended 31 March 2002

	Notes	2002 £	2001 £
<b>Net cash flow from operating activities</b>	15	1,157,232	1,096,016
<b>Returns on Investments and Servicing of Finance</b>	15	111,946	151,626
<b>Taxation</b>	15	(19,196)	(295,079)
<b>Capital Expenditure and Financial Investment</b>	15	(302,099)	(508,352)
		<u>(947,883)</u>	<u>444,211</u>
Payment under Gift Aid		(1,250,000)	(900,000)
		<u>(302,117)</u>	<u>(455,789)</u>
<b>Issue of Shares</b>	12	250,000	-
		<u>(52,117)</u>	<u>(455,789)</u>
<b>(Decrease in cash)</b>			
<b>Reconciliation of net cash flow to movement in net funds</b>	16		
(Decrease) in the year - being change in net funds		(52,117)	(455,789)
Net funds at 1 April 2001		<u>1,176,840</u>	<u>1,632,629</u>
Net funds at 31 March 2002		<u>1,124,723</u>	<u>1,176,840</u>

1.

**Accounting Policies****a. Accounting convention**

The financial statements are prepared under the historical cost convention and have been prepared in accordance with applicable accounting standards. Group accounts have not been prepared as the company is entitled to take advantage of the exemption from the requirement to prepare group accounts for the year ended 31 March 2002 under section 248 of the Companies Act 1985 on the grounds that the group is medium sized. The financial statements therefore present information about the company as an individual undertaking and not about its group.

**b. Income**

Fees and other income are accounted for on the provision of the service, and are exclusive of VAT.

**c. Depreciation**

Intangible and tangible fixed assets are depreciated by equal annual instalments over their expected useful life: -

Goodwill - over 8 years

Freehold Premises - land not depreciated - building over 25 years

Leasehold Improvements - over the term of the lease

Computer equipment 33% on cost

Office equipment 20% on cost/25% on cost

Fixtures and Fittings 20% on cost/50% on cost

**d. Operating Leases**

Rental charges arising under operating lease agreements have been charged to the profit and loss account as incurred.

**e. Deferred Taxation**

Provision is made for deferred tax, using the liability method, in respect of all material timing differences.

**f. Pension Costs**

The company participates in a contracted out defined benefit scheme operated by the National Inspection Council for Electrical Installation Contracting providing benefits for employees additional to those from the State. The pension costs are charged to the Profit and Loss Account over the average service lives of employee members.

**g. Foreign Currencies**

Transactions in foreign currencies are translated into sterling at the average rates of exchange for the year. Monetary assets and liabilities are translated into sterling at rates ruling at the balance sheet date. Exchange gains and losses are credited or charged to the profit and loss account in the period in which they arise.

**h. Rental Income**

Rental income arising under operating leases from premises has been included in the profit and loss account when receivable.

2.	Income	2002	2001
		£	£
	Application, Assessment & Surveillance Fees	7,397,713	7,262,733
	Sundry Charges	877,000	756,019
	Rent Receivable	56,991	13,750
	Sundry Sales	77,703	60,679
		<u>8,409,407</u>	<u>8,093,181</u>

3.	Expenditure	2002	2001
		£	£
	Direct costs and administrative expenses include the following items:		
	Auditors remuneration:		
	- Audit	16,000	14,350
	- Non Audit	31,908	8,480
	Operating Lease Charges:		
	- Land & Buildings and others	338,498	259,005
	- Plant and equipment	268,597	255,586
	Depreciation	139,757	180,850
	Loss on sale of fixed assets	7,984	19,366
	Amortisation of Goodwill	18,000	-
		<u>          </u>	<u>          </u>
4.	Staff		
	Average number of technical and administrative staff employed during the period was 112 (2001: 119)		
	Aggregate amounts charged in respect of:		
	Wages and Salaries	3,148,277	3,053,850
	Agency Salaries	72,987	98,378
	Social Security Costs	276,959	289,729
	Pension Administration Costs	34,034	44,224
	Pension Scheme	413,178	394,423
	Healthcare Plan	41,774	37,792
		<u>3,987,209</u>	<u>3,918,396</u>

4.	Staff (cont)	2002 £	2001 £
	<b>Directors Emoluments:</b>		
	Total emoluments including benefits	326,075	359,361
	Compensation for loss of office.	55,400	-
	Number of Directors accruing retirement benefit under a defined benefits scheme were	7	6
	Emoluments of the highest paid Director	71,284	75,887
	Accrued annual pension of highest paid Director as at 31 March 2002	25,693	7,298

Any lump sum entitlement under the pension scheme is by commutation of the annual pension entitlement.

5a.	Taxation	2002 £	2001 £
	UK Corporation Tax at 20% (2001 21%) on the profit for the year.	29,260	19,911
	Prior Year adjustments	(715)	1,146
	Tax charge for the year	28,545	21,057

5b. The tax assessed for the period is different from the standard rate of corporation tax in the UK. The differences are explained below.

#### Factors Affecting the Tax Charge for the Year

Profit on ordinary activities before tax  
Less Gift Aid

(Loss)/profit for the year after Gift Aid

(Loss)/profit for the year multiplied by the standard rate of Corporation Tax of 30% in the UK

Effects of:

Taxation of profits at marginal rate of tax

Depreciation of non-qualifying assets

Expenses not deductible for tax purposes (principally professional fees)

Deferred tax credit/(charge) not provided

Prior year adjustments

2002 £	2001 £
1,328,459	1,126,794
1,350,000	1,050,000
(21,541)	76,794
(6,462)	23,038
2,154	(7,679)
5,718	2,115
27,122	7,466
728	(5,029)
(715)	1,146
28,545	21,705

A deferred tax asset of £15,158 (2000 - £14,430) (arising as a result of decelerated capital allowance) has not been included on the basis that it is not material to the position of the Company.

#### 6. Gift Aid

A Gift Aid payment to the parent undertaking (NICEIC) of £1,100,000 (2001: £1,050,000) was made in the year. It is intended that a further Gift Aid payment is made based on the accounts of £250,000. The payment will be made in July 2002.

On 23 August 2001, the company acquired the business and goodwill of Zurich Certification Limited. Under the terms of the contract, the total consideration is calculated based on client retention after one year from the completion date, with a minimum additional consideration payable of £50,000.

The Directors are of the opinion that, given current market factors, this investment should be amortised straight line over an eight year period.

£

**Cost**

At 31 March 2001

-

Additions

250,000

At 31 March 2002

250,000

£

**Amortisation**

At 31 March 2001

-

Provided during the year

18,000

At 31 March 2002

18,000

£

**Net Book Value**

At 31 March 2002

232,000

At 31 March 2001

-

8.

**Fixed Assets – Tangible**

	<b>Freehold Land and Buildings</b>	<b>Short Leasehold - Improvements</b>	<b>Office Equipment</b>	<b>Total c/f</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 31 March 2001	228,502	211,200	520,110	959,812
Additions	-	9,014	10,074	19,088
Disposals	-	-	(391,685)	(391,685)
At 31 March 2002	228,502	220,214	138,499	587,215
<b>Depreciation</b>				
At 31 March 2001	30,912	130,272	400,678	561,862
Provided during the year	10,592	16,724	27,285	54,601
Disposals	-	-	(380,684)	(380,684)
At 31 March 2002	41,504	146,996	47,279	235,779
<b>Net Book Value</b>				
At 31 March 2002	186,998	73,218	91,220	351,436
At 31 March 2001	197,590	80,928	119,432	397,950
	<b>Total b/f £</b>	<b>Fixtures and Fittings £</b>	<b>Computer Equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 31 March 2001	959,812	261,541	382,804	1,604,157
Additions	19,088	8,620	31,074	58,782
Disposals	(391,685)	(134,979)	(216,422)	(743,086)
At 31 March 2002	587,215	135,182	197,456	919,853
<b>Depreciation</b>				
At 31 March 2001	561,862	164,582	297,633	1,024,077
Provided during the year	54,601	26,222	58,934	139,757
Disposals	(380,684)	(134,905)	(212,830)	(728,419)
At 31 March 2002	235,779	55,899	143,737	435,415
<b>Net Book Value</b>				
At 31 March 2002	351,436	79,283	53,719	484,438
At 31 March 2001	397,950	96,959	85,171	580,080

Freehold land and buildings includes land at a cost of £70,000 which is not subject to depreciation.

9.

**Investments**

The Company has the following interest in dormant subsidiary undertakings:

**NQA Limited**

(a company incorporated in England and Wales)

% Equity held

£1 ordinary shares

Cost at 31 March 2002

**National Inspection Council Quality Assurance Limited**

(a company incorporated in Northern Ireland)

% Equity held

£1 ordinary shares

Cost at 31 March 2002

**National Quality Assurance (Scotland) Limited**

(a company incorporated in Scotland)

% Equity held

£1 ordinary shares

Cost at 31 March 2002

**NQA Training and Development Limited**

(a company incorporated in Great Britain)

% Equity held

£1 Ordinary shares

Cost at 31 March 2002

2002

100%

£ 2

100%

£ 2

100%

£ 2

100%

£ 2

2001

100%

£ 2

100%

£ 2

100%

£ 2

100%

£ 2

**Joint Venture****NQA Inc**

(a Company incorporated in the United States of America)

% Equity held

\$1 ordinary shares

Cost at 31 March 2002

2002

50%

£207,324

2001

50%

£207,324

The company owns 50% of the share capital of NQA Inc.

NQA Inc owns the entire issued share capital of NQA, USA Inc, NQA Training and Development Inc and NQA Laboratory Services Inc. The joint venture group carry out certification services, training and laboratory services. The company is entitled to 49.5% of any profits arising from the joint venture.

The company further increased its investment by \$US 275,000 in early April 2002.

9.

**Investments (continued)**

The Company's share of the turnover, assets and liabilities of NQA Inc was as follows:

	2002 £	2001 £
Share of turnover	1,834,866	1,876,787
Share of profit	18,881	15,284
	<hr/>	<hr/>
Share of fixed assets	115,846	146,018
Share of current assets	843,653	596,254
	<hr/>	<hr/>
	959,499	742,272
	<hr/>	<hr/>
Share of current liabilities	726,207	519,755
	<hr/>	<hr/>
Share of net assets	233,292	222,517
	<hr/>	<hr/>

10.

**Debtors and Accrued Income**

	2002 £	2001 £
Trade Debtors	543,727	527,623
Prepayments & Accrued Income	206,299	240,437
Taxation recoverable	790	2,952
Balance due from Joint Venture		
NQA, USA Inc – trading balance	225,397	178,923
	<hr/>	<hr/>
	976,213	949,935
	<hr/>	<hr/>

11.

**Creditors****Amounts falling due within one year:**

	2002 £	2001 £
Trade Creditors	146,851	191,658
Other Taxation & Social Security	261,688	261,671
Accruals & Deferred Income	2,188,792	2,305,648
NICEIC - trading balance	93,904	31,002
Corporation Tax	29,260	19,911
	<hr/>	<hr/>
	2,720,495	2,809,890
	<hr/>	<hr/>

12.	Share Capital
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	2002		2001	
	Authorised	Issued £	Authorised	Issued £
At 31 March 2001	100,000	10,000	100,000	10,000
Change in the year	160,000	250,000	-	-
At 31 March 2002	260,000	260,000	100,000	10,000

The authorised share capital was increased to £260,000 on 31 July 2001. 250,000 ordinary shares of £1 were issued at par.

The company is a wholly owned subsidiary of The National Inspection Council for Electrical Installation Contracting and the issued shares are held in trust for the parent undertaking.

Published accounts for the group and charity are available to the public. Requests in writing to the Company Secretary, NICEIC, Vintage House, Albert Embankment, London SE1 7UJ.

13.	Profit and Loss Account
-----	-------------------------

Balance at 31 March 2001  
Retained profit/(loss) for the year  
  
Balance at 31 March 2002

2002  
£

94,297  
(50,086)  
  
44,211

2001  
£

38,560  
55,737  
  
94,297

14.	Reconciliation of Movement of Equity Shareholders Funds
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Balance at 31 March 2001  
Share Issue  
Retained (Loss) profit for the year  
  
Balance at 31 March 2002

2002  
£

104,297  
250,000  
(50,086)  
  
304,211

2001  
£

48,560  
-  
55,737  
  
104,297

15.	Notes to the Cash Flow Statement
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**Reconciliation of operating profit to net cash inflow from operating activities**

Operating Profit  
Depreciation on tangible fixed assets  
Loss on sale of fixed assets  
Depreciation on intangible fixed assets  
Increase in Debtors  
(Decrease)/Increase in Creditors  
(Decrease)/Increase in intra - group debt

Net cash inflow from operating activities

2002  
£

1,216,513  
139,757  
7,984  
18,000  
(26,278)  
(261,646)  
62,902

1,157,232

2001  
£

975,168  
180,850  
19,366  
-  
(163,282)  
296,405  
(212,491)

1,096,016

15.

## Notes to the Cash Flow Statement (cont)

	2002		2001	
	£	£	£	£
<b>Gross cash flow</b>				
<b>Taxation</b>				
Income Tax paid on Gift Aid	-		(272,550)	
Corporation tax	(19,196)		(22,529)	
Income tax recovered	-	(19,196)	-	(295,079)
<b>Returns on investment and servicing of finance</b>				
Interest received		111,946		151,626
<b>Capital expenditure</b>				
Payments to acquire tangible fixed assets	(58,782)		(315,752)	
Payment to acquire intangible fixed assets	(250,000)			
Receipt from sales of tangible fixed assets	6,683		14,654	
Increase in joint venture NQA Inc	-	(302,099)	(207,254)	(508,352)

16.

## Analysis of changes in net funds

	As 1 April 2001 £	Cash Flows £	As 31 March 2002 £
Cash at bank and in hand	1,176,840	(52,117)	1,124,723

The above includes only those short term deposits which are available for immediate draw down. Longer term deposits are included in management of liquid resources.

17.

## Operating Lease Commitments

The Company has financial commitments in respect of operating leases. The annual rentals payable under these leases are analysed below:

	2002		2001	
	Land and Buildings £	Other £	Land and Buildings £	Other £
Expiry within one year	6,440	27,609	8,452	15,243
Expiry within two to five years inclusive	283,747	129,648	295,767	136,041
	290,187	157,257	304,219	151,284

**18. Status of Company**

The company is registered in England and Wales and has the registration number 2269505.

**19. Pension Scheme**

The company participates in a contracted out defined benefit pension scheme operated by the National Inspection Council for Electrical Installation Contracting providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company, being invested by Phillips & Drew Ltd. The pension costs charge represents the contributions payable by the company to the scheme. The contributions are determined by a qualified actuary on the basis of triennial valuation.

A full actuarial valuation of the Pension Scheme will be undertaken in March 2002. This will be considered by the NICEIC and NQA Board and adjustments made to the contribution levels to ensure the continuing excellent benefits of the scheme. From 1 April 1999 the total contribution was 20.6% of pensionable salary costs. For the year to 31 March 2002 this was split 6% for employees and 14.6% from the employer.

The pension charge for the period was £447,212 (£438,647).

National Quality Assurance Limited is unable to identify its share of the underlying assets and liabilities in the defined benefits scheme on a consistent and reasonable basis. In accordance with Financial Reporting Standard 17 (FRS 17) the company has accounted for the contributions to the scheme as if it were a defined contribution scheme. The last formal valuation of the scheme has, however, been updated by the actuary for the purpose of FRS 17 and indicates that there is a surplus in the scheme of £1,600,000 (this is stated before any deferred tax provision as NICEIC is a charity). This surplus may be taken into account by the trustees of the scheme in setting future benefits and contribution levels.

**20. Related Party Transactions**

National Quality Assurance Ltd provides to NQA, USA Inc certification oversight and advice, and processes and issues ISO registration certificates. NQA charges that company an agreed fee for each certificate in place at the beginning of the year and issued during the year, together with the appropriate UKAS levy. Certification fees for the year were £134,312 (£203,962). During the year NQA paid to NQA, USA Inc £4,600 (£4,764) for assessors services, travel expenses, and other miscellaneous expenses. In the year to 31 March 2002 NQA, USA Inc paid £31,567 (£22,536) to NQA in respect of 'reimbursable expenditure' for items such as travel expenses, assessor services, training fees and other miscellaneous expenses.

As a wholly owned subsidiary, the company is exempt under Financial Reporting Standard No 8 from disclosing transactions and balances with its parent undertaking and controlling party, NICEIC.