

Intertek Testing Services Caleb Brett Egypt Ltd.

Directors' report and financial statements

Registered number 542087

31 December 2008



Intertek Testing Services Caleb Brett Egypt Ltd

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Intertek Testing Services Caleb Brett Egypt Ltd

Directors' report

The Directors of Intertek Testing Services Caleb Brett Egypt Ltd have pleasure in presenting their report and the audited financial statements for the year ended 31 December 2008.

Principal activities

The principal activities of the Company are cargo superintending and inspection services which are conducted through the Company's Egyptian branch.

Business Review

The results for the year and the state of affairs of the Company at 31 December 2008 are shown in the financial statements and notes on pages 5 to 14. The Company has met the requirement in the Companies Act not to present an enhanced business review.

Dividends

Dividends of £580,000 were paid in the year (2007: £50,000).

Directors

The Directors who held office during the year and up to the date of this report were as follows:

J A Gutierrez	(Appointed 16 July 2008)
R Pirie	(Resigned 16 July 2008)
K Wahid	

Political and Charitable Contributions

The Company made political and charitable contributions of £2,972 (2007:£nil).

Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

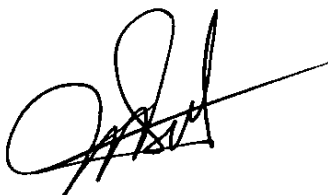
Auditors

Pursuant to a shareholder's resolution, the Company is not obliged to reappoint its auditors annually and KPMG Audit Plc will therefore continue in office.

Policy and practice on payment of suppliers

The Company has no trade creditors.

By order of the board



J A Gutierrez
Director

Registered Office
25 Savile Row
London W1S 2ES

4 SEPTEMBER 2009

Intertek Testing Services Caleb Brett Egypt Ltd

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to 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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

By order of the board



J A Gutierrez
Director

4 SEPTEMBER 2009

Intertek Testing Services Caleb Brett Egypt Ltd

Independent auditor's report to the members of Intertek Testing Services Caleb Brett Egypt Ltd

We have audited the financial statements of Intertek Testing Services Caleb Brett Egypt Ltd for the year ended 31 December 2008 which comprise the Profit and loss account, the Balance sheet, the Statement of total recognised gains and losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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

The Directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). 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 whether in our opinion the information given in the Directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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, in accordance with UK Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.

KPMG Audit Plc
KPMG Audit Plc
Chartered Accountants
Registered Auditor
8 Salisbury Square, London, EC4Y 8BB

4 September 2009

Intertek Testing Services Caleb Brett Egypt Ltd

Profit and loss account
for the year ended 31 December 2008

	<i>Note</i>	2008	2007
		£000	£000
Turnover	2	1,902	1,594
Cost of sales		<u>(960)</u>	<u>(862)</u>
Gross profit		942	732
Administrative expenses		<u>(442)</u>	<u>(313)</u>
Profit on ordinary activities before taxation	3	500	419
Tax on profit on ordinary activities	6	<u>(143)</u>	<u>(70)</u>
Profit for the financial year	13	357	349

The results shown above arise from continuing activities and are presented on an historical cost basis.

Intertek Testing Services Caleb Brett Egypt Ltd

Balance sheet at 31 December 2008

	Note	2008 £000	2008 £000	2007 £000	2007 £000
Fixed assets					
Tangible assets	7		<u>426</u>		<u>328</u>
Current assets					
Debtors	8	<u>1,328</u>		925	
Cash at bank and in hand		<u>593</u>		<u>274</u>	
			1,921		1,199
Creditors: amounts falling due within one year	9		<u>(1,109)</u>		<u>(410)</u>
Net current assets			<u>812</u>		<u>789</u>
Net assets			<u>1,238</u>		<u>1,117</u>
Capital and reserves					
Called up share capital	12		-		-
Profit and loss account	13		1,238		1,117
Shareholders' funds			<u>1,238</u>		<u>1,117</u>

These financial statements were approved by the Board of Directors on ~~4 SEPTEMBER~~ 2009 and were signed on its behalf by:


J A Gutierrez
Director

Intertek Testing Services Caleb Brett Egypt Ltd

Statement of total recognised gains and losses
for the year ended 31 December 2008

	2008	2007
	£000	£000
Profit for the financial year	<u>357</u>	<u>349</u>
Currency translation differences	<u>344</u>	<u>21</u>
Total gains and losses recognised since last annual report	<u>701</u>	<u>370</u>

Notes to the financial statements

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation

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

Under FRS 1 the Company is exempt from the requirement to prepare a cashflow statement on the grounds that a parent undertaking includes the Company in its published consolidated financial statements.

As the Company is a wholly owned subsidiary of Intertek Group plc, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Intertek Group plc, within which this Company is included, can be obtained from The Secretary, 25 Savile Row, London W1S 2ES.

Foreign currencies

Assets and liabilities in foreign currencies have been expressed in Sterling at the rate of exchange ruling at the close of business on 31 December 2008. Exchange differences arising on the re-translation of the Company's net investment in its Egyptian branch have been taken directly to reserves.

The profit and loss account of the Egyptian branch has been translated at the cumulative average rate (CAR). The difference between the net profit expressed at CAR and year end rates has been transferred to reserves.

Tangible fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over the estimated useful lives of the assets, at the following annual rates:

Plant and machinery	-	10% - 33.3%
Computer hardware	-	33.3%

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

Turnover

Turnover represents the total amount receivable for services provided and goods sold, excluding sales related taxes and intra group transactions. Turnover is recognised when the relevant service is completed or goods delivered.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19. Deferred tax assets in respect of timing differences are only recognised to the extent that it is more likely than not that there will be suitable taxable profits to offset the future reversal of these timing differences.

Intertek Testing Services Caleb Brett Egypt Ltd

Notes to the financial statements (continued)

1. Accounting policies (continued)

Dividends

In accordance with FRS 21, dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2. Segmental analysis

	2008 Turnover £000	2007 Turnover £000
<i>By geographic market</i>		
Africa	1,604	1,255
Other	298	339
	<u>1,902</u>	<u>1,594</u>

3. Notes to the profit and loss account

	2008 £000	2007 £000
<i>Profit on ordinary activities before tax is stated after charging:</i>		
Depreciation of owned fixed assets	67	55
Hire of other assets – operating leases	46	12
Management fees	-	47
Auditors' remuneration:		
Audit of these financial statements	<u>3</u>	<u>1</u>

Amounts receivable by the Company's auditor in respect of services to the Company, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's ultimate parent, Intertek Group plc.

Intertek Testing Services Caleb Brett Egypt Ltd

Notes to the financial statements (continued)

4. Remuneration of Directors

	2008 £000	2007 £000
Directors' emoluments	<u>56</u>	<u>43</u>

No retirement benefits are accruing for any of the Directors under a money purchase or defined benefit scheme. No Directors exercised share options or received shares in respect of services under long-term incentive schemes in 2008 (2007: £nil).

5. Staff numbers and costs

The average number of persons employed by the Company (including Directors) during the year, analysed by category, was as follows:

	Number of employees	
	2008	2007
Inspection	<u>54</u>	<u>54</u>

The aggregate payroll costs of these persons were as follows:

	2008 £000	2007 £000
Wages and salaries	470	314
Social security costs	<u>19</u>	<u>16</u>
	<u>489</u>	<u>330</u>

6. Taxation

a) Analysis of charge in year

	2008 £000	2008 £000	2007 £000	2007 £000
<i>UK corporation tax</i>				
Current tax on income for the year	188		145	
Adjustment in respect of prior years	<u>17</u>		<u>-</u>	
		205		145
Double taxation relief		(102)		(145)
<i>Foreign tax</i>				
Current tax on income for the year		102		84
Total current tax		<u>205</u>		<u>84</u>
<i>Deferred tax (see note 8)</i>				
Origination/ reversal of timing difference	(43)		(15)	
Effect of decreased tax rate on opening liability	-		1	
Adjustments in respect of prior years	<u>(19)</u>		<u>-</u>	
Total deferred tax		<u>(62)</u>		<u>(14)</u>
Tax on profit on ordinary activities		<u>143</u>		<u>70</u>

Intertek Testing Services Caleb Brett Egypt Ltd

Notes to the financial statements (continued)

6. Taxation (continued)

b) Factors affecting the tax charge for the current year

The current tax charge for the year is higher (2007: lower) than the standard rate of corporation tax in the UK of 28.5% (2007: 30.0%). The differences are explained below.

	2008 £000	2007 £000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	500	419
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28.5% (2007: 30.0%)	143	126
<i>Effects of:</i>		
Difference between depreciation and capital allowances for the year	19	(6)
Other short term timing differences	25	21
Higher tax rates on overseas earnings	-	(61)
Expenses not deductible for tax purposes	1	4
Adjustments in respect of prior years	17	-
Total current tax charge (see above)	205	84

The rate shown for 2008 (28.5%) represents the weighted average annual corporation tax rate for the full year following the reduction in the standard rate of UK corporation tax from 30.0% to 28.0% from 1 April 2008.

7. Tangible fixed assets

	Motor vehicles £000	Equipment £000	Total £000
Cost			
At beginning of year	36	619	655
Additions	-	49	49
Disposals	-	-	-
Exchange differences	11	244	255
At end of year	47	912	959
Depreciation			
At beginning of year	9	318	327
Charge for the year	8	59	67
Disposals	-	-	-
Exchange differences	7	132	139
At end of year	24	509	533
Net book value			
At 31 December 2008	23	403	426
At 31 December 2007	27	301	328

Intertek Testing Services Caleb Brett Egypt Ltd

Notes to the financial statements (continued)

8. Debtors

	2008 £000	2007 £000
Trade debtors	480	257
Amounts owed by Group undertakings	576	541
Prepayments and accrued income	116	76
Other debtors	80	37
Deferred tax asset	76	14
	<u>1,328</u>	<u>925</u>

Deferred Tax

	2008 £000	2007 £000
Asset at beginning of year	14	-
Credit to the profit and loss account	62	14
Asset at end of year	<u>76</u>	<u>14</u>

The elements of deferred taxation are:

Difference between accumulated depreciation and capital allowances	10	(29)
Other short term timing differences	66	42
Foreign tax credits	-	1
Deferred tax asset	<u>76</u>	<u>14</u>

9. Creditors: amounts falling due within one year

	2008 £000	2007 £000
Amounts owed to Group undertakings	442	120
Other taxation and social security	42	31
Accruals and deferred income	286	96
Corporation tax	339	159
Other creditors	-	4
	<u>1,109</u>	<u>410</u>

Intertek Testing Services Caleb Brett Egypt Ltd

Notes to the financial statements (continued)

10. Commitments

Annual commitments under non-cancellable operating leases are as follows:

	2008 Land and buildings £000	2008 Vehicles and equipment £000	2007 Land and buildings £000	2007 Vehicles and equipment £000
Operating leases which expire:				
Within one year	-	5	12	12
In the second to fifth year inclusive	33	-	44	-
	<u>33</u>	<u>5</u>	<u>56</u>	<u>12</u>

11. Dividends

	2008 £000	2007 £000
The aggregate amount of dividends comprises:		
Dividends paid in respect of the current year	580	50
Aggregate amount of dividends paid in the financial year	<u>580</u>	<u>50</u>

The aggregate amount of dividends proposed and recognised as liabilities as at the year end is £nil (2007: £nil).

12. Called up share capital

	2008 £	2007 £
Authorised		
100 (2007: 100) Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Issued and fully paid:		
2 (2007: 2) Ordinary shares of £1 each	<u>2</u>	<u>2</u>

13. Reconciliation of movements in equity shareholders' funds

	Share capital £000	Profit and loss account £000	2008 Total shareholders' funds £000
At beginning of year	-	1,117	1,117
Profit for the year	-	357	357
Dividend	-	(580)	(580)
Exchange differences	-	344	344
At end of year	<u>-</u>	<u>1,238</u>	<u>1,238</u>

Intertek Testing Services Caleb Brett Egypt Ltd

Notes to the financial statements (continued)

14. Related party transactions

Kassem Wahid, a director of Intertek Testing Services Caleb Brett Egypt Ltd, is a shareholder of the Egyptian Company for Special Services and Al- Borak Company for Industrial and Commercial investments. Both these companies, which are incorporated in Egypt, lease assets including a laboratory, an office and motor vehicles to Intertek Testing Services Caleb Brett Egypt Ltd. The rental costs for the twelve months ended 31 December were as follows:

	2008 £000	2007 £000
Office	17	12
Laboratory	25	19
Motor vehicles	16	12
	<u>58</u>	<u>43</u>

15. Parent company and ultimate controlling party

The Company is a subsidiary undertaking of Intertek Overseas Holdings Limited which is incorporated in the United Kingdom. The Company's ultimate parent company is Intertek Group plc, which is incorporated in the United Kingdom.

The largest and smallest group in which the results of the Company are consolidated is that headed by Intertek Group plc, incorporated in the United Kingdom. No other group financial statements include the results of the Company. The consolidated financial statements of this Group are available to the public and may be obtained from The Secretary, 25 Savile Row, London W1S 2ES.