

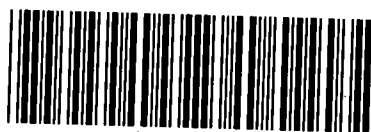
Company Registration No. 00542087 (England and Wales)

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

WEDNESDAY



ABJBC64I

A36

21/12/2022

#1

COMPANIES HOUSE



INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

COMPANY INFORMATION

Directors

I Galloway
S Harrington
L Abdin (Appointed 31 March 2022)

Secretary

Intertek Secretaries Limited

Company number

00542087

Registered office

Academy Place
1-9 Brook Street
Brentwood
Essex
CM14 5NQ

Independent Auditors

PricewaterhouseCoopers LLP
Savannah House
3 Ocean Way
Southampton
SO14 3TJ

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

CONTENTS

	Page(s)
Strategic Report	1 - 3
Directors' Report	4 - 6
Independent auditors' report	7 - 10
Income statement	11
Statement of comprehensive income	12
Statement of financial position	13
Statement of changes in equity	14
Notes to the financial statements	15 - 30

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors of Intertek Testing Services Caleb Brett Egypt Limited (the "Company") present the Strategic Report and audited financial statements for the year ended 31 December 2021.

Review of the business

The principal activity of the Company continued to be that of 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 2021 are shown in the financial statements on pages 11 to 30. The loss for the financial year was £886,000 (2020: £264,000). Revenue has decreased by £274,000 to £2,466,000 and gross profit has decreased by £347,000 to £243,000. Operating profit has decreased from £104,000 to £20,000.

The Company has net current liabilities of £813,000 (2020: £135,000).

Key performance indicators

The Company's management use certain financial Key Performance Indicators (KPIs) to assess how well the Company has performed during the year, which are shown below. The Company also currently uses non-financial KPIs to measure employee productivity and management are developing metrics specific to the Company to measure energy usage.

	2021	2020	Variance
	£'000	£'000	%
Revenue	2,466	2,740	(10.0)%
Operating profit	20	104	(80.8)%
Operating margin	0.8%	3.8%	(300)bps

The Company also currently uses non-financial KPIs to measure employee productivity and management are developing metrics specific to the Company to measure energy usage. Employee output is measured in volume per head and is used to assess the productivity of the workforce per direct heads and per total heads.

Further non financial information including employee, social, human rights etc has been included within the parent entity Intertek Group plc, these can be found by visiting www.Intertek.com.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Section 172 statement

In line with our section 172 duty under the Companies Act 2006, we, the Directors, run the Company for the benefit of its shareholders as a whole and in doing so take into account the long-term impact of any decision, maintaining stakeholder relationships, the external impact of its activities and maintaining a reputation for high standards of business conduct, whilst carefully and duly considering our duties, and acting in a way we consider, in good faith, is most likely to promote the success of the Company. Throughout decision making processes, we have concern for all stakeholders potentially affected, directly or indirectly, by the decision at hand, as well as the long-term impact of the decision on the success of the Company. The Company, and the Group as a whole, are committed to the successful delivery of long-term sustainable growth and shareholder value, underpinned by the highest standard of corporate governance. We, the Directors, uphold the utmost standard of conduct and integrity in our decision-making, an expectation held at every level of the Intertek Group.

Customers

Customers are at the heart of everything we do, and we aim to always deliver a superior and continuously improving customer service. Further information regarding the engagement, and consideration, of our customers can be found on page 58 of the Intertek Group plc Annual Report and Accounts for the year ended 31 December 2021 ("Group ARA").

Employees

Our passionate employees are customer-centric and deliver sustainable value through unmatched expertise and quality of work for our customers globally on a daily basis. We exercise our consideration of our people when considering and approving large transactions and dividends. The Company is a participating member of, and has employees in, the Intertek Pension Scheme (the "Scheme"); by virtue of which, we consider the funding of the Scheme before approving transactions that could be deemed to affect the Scheme. Further information regarding the engagement, and consideration, of our people can be found on page 58 of the Group ARA, with further information on our people on pages 73-79, and pages 114-120.

The Company employed 72 people on average in 2021 (2020: 77). The Company's policy is to consult employees and discuss with them matters which are likely to affect their interests. Information on matters of concern to employees is given through regular briefings that seek to achieve a common awareness of the financial and economic factors affecting the Company's performance.

The Company is sensitive to the employment and career development needs of disabled persons, taking into account their particular abilities. In the event that an employee becomes disabled, every effort is made to offer suitable employment within the Group.

The Company encourages staff to participate in the Company's performance through share schemes, bonus and commission arrangements.

Suppliers

We recognise the importance of our supply chains and invest in our relationships with them. The 2020 Modern Slavery Act Statement updated the controls, policies and the assurance programmes in place, which in turn ensure the right behaviours are being driven by the Company, the suppliers it contracts with, as well as across the Group as a whole. The statement can be found on our website at www.intertek.com. Further information regarding the engagement, and consideration, of our suppliers can be found on page 59 of the Group ARA.

The Company does not follow a single standard on payment practice but has a variety of payment terms with its suppliers. The Company aims to develop relationships that are based upon mutual trust. The Company is aware of the importance of prompt payment, especially to small businesses, and it undertakes to pay suppliers on time and according to terms of trade. The Company has a wide range of suppliers and no individual supplier is of crucial importance. At 31 December 2021, the period of credit taken from the Company's suppliers amounted to 12 days (2020: 9 days). There were no financial risks in relation to this and all invoices have now been processed.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Principal risks and uncertainties

The principal risks and uncertainties affecting the Company are closely aligned with those discussed in the Group's annual report, which is publicly available from the Group Company Secretary, Intertek Group plc, 33 Cavendish Square, London, W1G 0PS or on the website www.intertek.com. Risks relating specifically to the Company are as follows:

Market risk

The trading activity of the Company and its financial position may be adversely impacted by downturns in general economic conditions or any future periods of economic recession.

Financial risk

Foreign exchange risk

The amounts payable to and receivable from Group undertakings include amounts denominated in currencies other than sterling; therefore, fluctuations in currency exchange rates will impact the results and financial position of the Company.

Liquidity risk

The management of operational liquidity risk is aimed primarily at ensuring that the Company always has a liquidity buffer that is able, in the short term, to absorb both the net effects of transactions made and expected changes in liquidity under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Business outlook

The Quality Assurance market is expected to grow faster post Covid-19 as the demand for Quality Assurance solutions expands, given growing stakeholder expectations about quality, safety and sustainability. Moving forward, we expect the structural growth drivers in our industry to be augmented by our increase in ATIC customers, a stronger focus by corporations on safer supply chains, greater corporate investments in innovation, and a step change in sustainability management and disclosures.

Going concern

On the basis of their assessment of the Company's financial position, and of the enquiries made of the Directors of Intertek Group plc, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future; thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements. Refer to Note 1.2 for more details.

Environment

The Company is committed to complying with relevant environmental legislation and preventing any adverse impact on the environment as a result of its operations. Where an adverse environmental impact is identified, a practicable, timely and environmentally sympathetic solution will be implemented. If a serious risk to the environment is identified, that activity will be halted and appropriate remedial action taken to eliminate the risk.

The financial statements on pages 11 to 30 were approved by the board of Directors and authorised for issue on 19 December 22, and are signed on its behalf by:



I Galloway
Director

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their annual report and audited financial statements for the year ended 31 December 2021.

Results and dividends

The results for the year are set out on page 11.

No ordinary dividends were paid (2020: £Nil). The Directors do not recommend payment of a final dividend.

Directors

The Directors who held office during the year and up to the date of signature of the financial statements are as follows:

I Galloway

S Harrington

H El Hussein

(Resigned 31 March 2022)

L Abdin

(Appointed 31 March 2022)

Qualifying third party indemnity provisions

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the reporting date and at the date of approval of the financial statements.

Directors' insurance

The Company maintains insurance policies on behalf of all the Directors against liability arising from negligence, breach of duty and breach of trust in relation to the Company.

Independent Auditors

The independent auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Directors' responsibilities statement

The Directors are responsible for preparing the annual 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, the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, the Directors must not approve the financial statements unless they are satisfied that they 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 financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, 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 safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's financial statements published on the ultimate parent company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Strategic report

The Company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the Company's Strategic Report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' Report. It has done so in respect of:

- principal risks and uncertainties;
- financial key performance indicators; and
- business outlook.

Statement of disclosure to independent auditors

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information of which the Company's independent auditors are unaware. Additionally, the Directors individually have taken all the necessary steps that they ought to have taken as Directors in order to make themselves aware of all relevant audit information and to establish that the Company's independent auditors are aware of that information.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

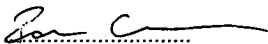
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Statement on engagement with suppliers, customers and others in a business relationship with the company

The directors have taken regard to foster relationships with its suppliers, customers, employees and any other stakeholders and this has been reflected in the Section 172 Statement on page 2.

The financial statements on pages 11 to 30 were approved by the board of Directors and authorised for issue on ~~19 December 22~~ and are signed on its behalf by:



I Galloway
Director

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Intertek Testing Services Caleb Brett Egypt Limited 's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: Statement of financial position as at 31 December 2021; Income statement, Statement of comprehensive income, Statement of changes in equity for the year then end; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to fraud, anti-bribery and corruption laws, and indirect and direct tax laws, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate or fictitious journal entries to manipulate the financial performance or financial position of the group and management bias in accounting estimates to achieve management incentive schemes and targets. Audit procedures performed by the engagement team included:

- Enquiry of management around actual and potential fraud and non-compliance with laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, testing accounting estimates (because of the risk of management bias), and evaluating the business rationale of significant transactions outside the normal course of business.
- Enquiry of staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Obtaining and understanding the results of whistleblowing procedures and assessing any related investigations.
- Reviewing internal audit reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Christopher Solomides (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Southampton

20 December 2022

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £'000	2020 £'000
Revenue	3	2,466	2,740
Cost of sales		(2,223)	(2,150)
Gross profit		<u>243</u>	<u>590</u>
Administrative expenses		(223)	(486)
Operating profit	4	<u>20</u>	<u>104</u>
Other income	6	-	17
Finance costs	7	(6)	(2)
Profit before taxation		<u>14</u>	<u>119</u>
Tax on profit	8	(900)	(383)
Loss for the financial year		<u>(886)</u>	<u>(264)</u>

The income statement has been prepared on the basis that all operations are continuing operations.

The notes to the financial statements on pages 15 - 30 form an integral part of these financial statements.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £'000	2020 £'000
Loss for the financial year	(886) <u> </u>	(264) <u> </u>
Other comprehensive income/(expense)		
Items that will be reclassified to profit or loss		
Currency translation differences	13 <u> </u>	(8) <u> </u>
Total comprehensive expense for the financial year	(873) <u> </u>	(272) <u> </u>

The notes to the financial statements on pages 15 - 30 form an integral part of these financial statements.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

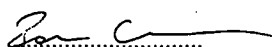
STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Note	2021 £'000	2020 £'000
Non-current assets			
Property, plant and equipment	9	446	530
Current assets			
Trade and other receivables	10	838	738
Cash and cash equivalents		393	343
		1,231	1,081
Current liabilities			
Trade and other payables	11	(2,044)	(1,175)
Lease liabilities	12	-	(41)
		(2,044)	(1,216)
Net current liabilities		(813)	(135)
Total assets less current liabilities		(367)	395
Provisions for liabilities			
Deferred tax liabilities	14	-	(1)
Other provisions	13	(224)	(112)
		(224)	(113)
Net (liabilities)/assets		(591)	282
Equity			
Called up share capital	15	-	-
Retained earnings		(591)	282
Total equity		(591)	282

The notes to the financial statements on pages 15 - 30 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 19 December 22 and are signed on its behalf by:



I Galloway
Director

Company Registration No. 00542087

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Retained earnings	Total equity
	£'000	£'000	£'000
Balance at 1 January 2020	-	554	554
Year ended 31 December 2020:			
Loss for the financial year	-	(264)	(264)
Total other comprehensive expense:			
Currency translation differences	-	(8)	(8)
Total comprehensive expense for the financial year	-	(272)	(272)
Balance at 31 December 2020	-	282	282
Year ended 31 December 2021:			
Loss for the financial year	-	(886)	(886)
Total other comprehensive income:			
Currency translation differences	-	13	13
Total comprehensive expense for the financial year	-	(873)	(873)
Balance at 31 December 2021	-	(591)	(591)

The notes to the financial statements on pages 15 - 30 form an integral part of these financial statements.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Intertek Testing Services Caleb Brett Egypt Limited (the "Company") is a private company limited by shares incorporated and domiciled in the United Kingdom. The registered office is Academy Place, 1-9 Brook Street, Brentwood, Essex, CM14 5NQ.

1.1 Accounting convention

The Company has chosen to early adopt UK IFRS. The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. In preparing these financial statements, the Company applied the recognition, measurement and disclosure requirements of the International Financial Reporting Standards as adopted by the UK ("Adopted IFRS"), but makes amendments where necessary in order to comply with Companies Act 2006.

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are prepared in 'Pounds Sterling' (£), which is different to the Company's functional currency of the Egyptian Pound. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below and have been applied consistently, other than where new policies have been adopted.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64 (o)(ii), B64 (p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations. Equivalent disclosures are included in the consolidated financial statements of Intertek Group plc in which the entity is consolidated;
- the requirements of paragraph 33 (c) of IFRS 5 Non current Assets Held for Sale and Discontinued Operations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property and (v) paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member,
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets,
- the requirements of second sentence of paragraph 110 and from paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15; and
- the requirements of paragraph 52, 58, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases.

Where required, equivalent disclosures are given in the Group financial statements of Intertek Group plc. The Group financial statements of Intertek Group plc are available to the public and can be obtained as set out in note 18.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.2 Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Business Review section of the Strategic Report on pages 1 - 3. The Company generated a loss of £886,000 (2020: £264,000) in the year and has net current liabilities of £813,000 (2020: £135,000) as at 31 December 2021. The Company participates in the Intertek Group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

The Company has appropriate financial resources together with contracts with a number of customers and suppliers. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The Directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company Intertek Group plc which will be limited to £1,000,000.

1.3 Revenue

Revenue represents the total amount receivable for services rendered when there is transfer of control to the customer, excluding sales related taxes and intra-group transactions.

Revenue from services rendered on short-term projects is generally recognised in the income statement when the relevant service is completed, usually when the report of findings or test/inspection certificate is issued. Short-term projects are generally considered to be those of less than two months' duration.

On long-term projects revenue is recognised using the five steps for revenue recognition. The majority of contracts are for less than one year. The Company records transactions as sales on the basis of value of work done, with the corresponding amount being included in trade receivables if the customer has been invoiced, or in contract assets (accrued income), if billing has yet to be completed. Performance obligations vary across business lines and regions, and on a contract-by-contract basis and there may be more than one performance obligation per contract.

Long-term projects consist of two main types:

- time incurred is billed at agreed rates on a periodic basis, such as monthly; or
- staged payment invoicing occurs, requiring an assessment of percentage completion, based on services provided and revenue accrued accordingly.

Expenses are recharged to clients where permitted by the contract. Payments received in advance from customers are recognised in contract liabilities (deferred income) where services have not yet been rendered.

The Company does not expect to have any contracts where the period between the transfer of promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

The Company has applied practical expedients in i) recognising assets from the costs incurred to obtain or fulfil a contract; and ii) in disclosing unsatisfied performance obligations in contracts as contracts have an expected duration of less than a year.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.4 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Over the term of the lease
Plant and equipment	3-10 years
Motor vehicles	3-5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of comprehensive income.

1.5 Impairment of tangible and intangible assets

At each reporting end date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The Company is exempt under FRS 101 from the disclosure requirements of IFRS 13. There was no impact on the Company from the adoption of IFRS 13.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.8 Financial assets

Financial assets are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss (FVTPL), which are measured at fair value.

Financial assets held at amortised cost

Trade receivables are recognised initially at the value of the invoice sent to the customer and subsequently at the amounts considered recoverable (amortised cost). Estimates are used in determining the level of receivables that will not, in the opinion of the Directors, be collected. The Company applies the simplified approach permitted by IFRS 9, which requires the use of the lifetime expected loss provision for all receivables, including contract assets. The provision calculations are based on historic credit losses and specific country-risk classifications with higher default rates applied to older balances. This approach is followed for all receivables unless there are specific circumstances, such as the bankruptcy of a customer or emerging market risks, which would render the receivable irrecoverable and therefore require a specific provision. A provision is made against trade receivables and contract assets until such time as the Company believes the amount to be irrecoverable, after which the trade receivable or contract assets balance is written off.

Other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'other receivables'. Other receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Financial liabilities

The Company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Company's obligations are discharged, cancelled, or they expire.

1.10 Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.12 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event and it is probable that the company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property. Normally the lease term is the contractual start to end date, except when a break or extension option are reasonably certain to be taken, which are considered on a lease-by-lease basis.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

In the previous year, leases were classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases were classified as operating leases.

Rentals payable under operating leases, less any lease incentives received, were charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis was more representative of the time pattern in which economic benefits from the lease asset were consumed.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the statement of comprehensive income for the year.

1.16 Group recharges

Intertek Testing Management Ltd, in the UK is a provider of Group-wide management support services to group operating companies. These costs include:

- Regional costs – Regional geographic management and functional support expenses;
- Business line costs – Global business line management and dedicated support expenses and Strategic Business Unit support costs; and
- Global costs – Corporate management and group support functions.

These costs are allocated with reference to the entity's proportion of Global, Regional, Business Line or Business Line Regional third-party revenue.

Any income that is received from intercompany management recharges is recognized within Other operating income in the Income Statement.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Key sources of estimation uncertainty

(a) End of service provision

The Company has an obligation to pay post-retirement benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the statement of financial position. The assumptions reflect historical experience and current trends.

3 Revenue

	2021	2020
	£'000	£'000
Revenue analysed by class of business		
Cargo superintending and inspection services	2,466	2,740
	<u>2,466</u>	<u>2,740</u>
	2021	2020
	£'000	£'000
Revenue analysed by geographical market		
Africa	2,466	2,711
Other	-	29
	<u>2,466</u>	<u>2,740</u>

4 Operating profit

	2021	2020
	£'000	£'000
Operating profit for the year is stated after charging:		
Fees payable to the Company's independent auditors for the audit of the Company's financial statements	27	27
Depreciation of property, plant and equipment	157	120
	<u>184</u>	<u>147</u>

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Employees

The average monthly number of persons (including directors) employed by the Company during the year was:

	2021 Number	2020 Number
Testing and inspection	69	72
Sales and administration	3	5
	<u>72</u>	<u>77</u>

Their aggregate remuneration comprised:

	2021 £'000	2020 £'000
Wages and salaries	608	801
Social security costs	40	45
	<u>648</u>	<u>846</u>

6 Other income

	2021 £'000	2020 £'000
Interest income		
Interest on bank deposits	-	2
Other investment income		
Foreign exchange gains	-	15
	<u>-</u>	<u>15</u>
Total income	<u>-</u>	<u>17</u>

Total interest income for financial assets that are not held at fair value through profit or loss is Enil (2020 - £2,000).

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Finance costs

	2021 £'000	2020 £'000
Interest on financial liabilities measured at amortised cost:		
Interest on finance leases and hire purchase contracts	1	2
Other finance costs:		
Foreign exchange losses	5	-
Total finance costs	6	2

8 Tax on profit

	2021 £'000	2020 £'000
Current tax		
UK corporation tax on profits for the current year	-	297
Adjustments in respect of prior periods	(50)	-
Total UK current tax	(50)	297
Foreign taxes and reliefs	76	56
Adjustments in respect of prior periods	876	-
Taxation charge	902	353
Deferred tax		
Origination and reversal of temporary differences	-	30
Adjustment in respect of prior periods	(2)	-
	(2)	30
Total tax charge	900	383

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. This new law was substantively enacted on 24 May 2021. The deferred tax balances have been remeasured using a rate of 25% as at 31 December 2021.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Tax on profit

(Continued)

The charge for the year can be reconciled to the profit per the statement of comprehensive income as follows:

	2021 £'000	2020 £'000
Profit before taxation	14	119
	==	==
Expected tax charge based on a corporation tax rate of 19.00% (2020:19.00%)	3	23
Effect of expenses not deductible in determining taxable profit	53	-
Adjustment in respect of prior periods	(52)	-
Effect of overseas tax rates	896	360
	---	---
Taxation charge for the year	900	383
	==	==

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Property, plant and equipment

	Leasehold land and buildings £'000	Plant and equipment £'000	Motor vehicles £'000	Total £'000
Cost				
At 1 January 2021	108	1,089	17	1,214
Additions	43	28	-	71
Disposals	(148)	-	-	(148)
Foreign currency adjustments	(3)	3	-	-
	<u>-</u>	<u>1,120</u>	<u>17</u>	<u>1,137</u>
At 31 December 2021	-	1,120	17	1,137
Accumulated depreciation				
At 1 January 2021	71	596	17	684
Charge for the year	78	79	-	157
Foreign currency adjustments	(1)	-	-	(1)
Eliminated on disposal	(148)	-	-	(148)
	<u>-</u>	<u>675</u>	<u>17</u>	<u>692</u>
At 31 December 2021	-	675	17	692
Carrying amount				
At 31 December 2021	-	445	-	445
	<u>37</u>	<u>493</u>	<u>-</u>	<u>530</u>
At 31 December 2020	37	493	-	530

Property, plant and equipment includes right-of-use assets, as follows.

	Leasehold land and buildings £'000	Total £'000
Opening right-of-use asset on transition at 1 January 2021	37	37
Additions	43	43
Foreign currency adjustments	(2)	(2)
Depreciation movement in year	(78)	(78)
	<u>-</u>	<u>-</u>
Net book value at 31 December 2021	-	-

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Trade and other receivables

	2021 £'000	2020 £'000
Trade receivables	323	438
Other receivables	93	155
Amounts owed by fellow group undertakings	320	125
Prepayments	42	20
Contract assets	60	-
	<u>838</u>	<u>738</u>

Amounts receivable from Group undertakings are unsecured, have no fixed date of repayment, repayable on demand and are interest free.

Trade receivables are stated after provisions for impairment of £102,000 (2020: £243,000).

11 Trade and other payables

	2021 £'000	2020 £'000
Trade payables	54	42
Amounts owed to fellow group undertakings	976	885
Accruals	109	81
Taxation and social security	879	50
Other payables	26	117
	<u>2,044</u>	<u>1,175</u>

Amounts payable to Group undertakings are unsecured, have no fixed date of repayment, repayable on demand and are interest free.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Lease liabilities

	2021 £'000	2020 £'000
Maturity analysis		
Within one year	-	41
	<u> </u>	<u> </u>

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2021 £'000	2020 £'000
Current liabilities	-	41
	<u> </u>	<u> </u>

Amounts recognised in profit or loss include the following:

	2021 £'000	2020 £'000
Interest on lease liabilities	1	2
	<u> </u>	<u> </u>

The total cash outflow for lease liabilities during the year was £83,000 (2020: £36,000).

Other leasing information is included in note 17.

13 Other provisions

	2021 £'000	2020 £'000
End of service provision	224	112
	<u> </u>	<u> </u>

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the Company and movements thereon during the current and prior reporting period.

	Short term timing differences £'000
Deferred tax asset at 1 January 2020	28
Deferred tax movements in prior year	
Credit to profit or loss	(29)
	<u> </u>
Deferred tax movements in current year	
Credit to profit or loss	1
	<u> </u>

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2021 £'000	2020 £'000
Deferred tax liabilities	-	(1)
	<u> </u>	<u> </u>

Amounts expected to be payable in periods after 12 months amounted to £nil (2020 £1,000).

15 Called up share capital	2021	2020
	£'000	£'000
Ordinary share capital		
<i>Issued and fully paid</i>		
2 (2020: 2) Ordinary shares of £1 each	-	-
	<u> </u>	<u> </u>
16 Events after the reporting date		

Following the year end, the impacts of the higher than expected inflation, and the ongoing conflict in Ukraine have been considered and no adjustments to these financial statements would be required.

INTERTEK TESTING SERVICES CALEB BRETT EGYPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

17 Operating leases

Lessee

Amounts recognised in profit or loss as an expense during the year in respect of lease arrangements are as follows:

	2021 £'000	2020 £'000
Asset hire and other charges	-	33
	<u> </u>	<u> </u>

18 Controlling party

The immediate parent undertakings are Intertek Overseas Holdings Limited and Intertek International Limited, both owning 50% of the issued share capital.

The ultimate parent undertaking and controlling party is Intertek Group plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Intertek Group plc's consolidated financial statements can be obtained from the Group Company Secretary at 33 Cavendish Square, London, W1G 0PS or on the website www.intertek.com.

19 Related party transactions

Under FRS 101.8 (k), "Related Party Disclosures", the Company has taken advantage of the exemption from disclosing transactions with entities that are wholly owned by the group.

20 Directors' transactions

Kassem Wahid, who was a Director of the Company until 30 June 2019, is a shareholder of the Egyptian Company for Special Services and Al-Borak Company for Industrial and Commercial Investments. Both of these companies, which are incorporated in Egypt, lease assets, including a laboratory and an office, to the Company. The rental costs for this year were as follows:

	2021 £'000	2020 £'000
Office	15	15
Laboratory	28	28
	<u> </u>	<u> </u>
	43	43
	<u> </u>	<u> </u>