

BUREAU VERITAS CERTIFICATION UK LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

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BUREAU VERITAS CERTIFICATION UK LIMITED

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BUREAU VERITAS CERTIFICATION UK LIMITED

COMPANY INFORMATION

Directors	P Barry P Crompton
Company secretary	P Crompton
Company number	2244967
Registered office	Great Guildford House 30 Great Guildford Street London SE1 0ES
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants & Statutory Auditors 101 Barbirolli Square Lower Mosley Street Manchester M2 3PW
Bankers	National Westminster Bank London Bridge Branch PO Box 35 10 Southwalk Street London SE1 1TT

BUREAU VERITAS CERTIFICATION UK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

The directors present their report and the audited financial statements of the company for the year ended 31 December 2010

Principal activities and review of the business

The principal activities of the company are the provision of certification for quality management systems, environmental certification and CE marking of medical devices and gas appliances

The directors expect the current level of business activity to continue for the foreseeable future

Results and dividends

The company's profit for the financial year is £51,146 (2009 £214,457) The Directors do not recommend the payment of a dividend (2009 £214,000) On 28 September 2010, the directors approved the payment of a dividend of £214,000 in respect of prior year This amount is recognised as an expense in 2010 because the payment was approved during 2010

Key performance indicators ("KPI"s)

The key KPI's that the company directors monitor on a regular basis are utilisation rate and man day rates Other KPI's considered are value of contracts won, operating margin, average complaint resolution time and attrition rates

Principal risks and uncertainties

The company considers the following to be the principle risks and uncertainties affecting the business

- Recruitment and retention of key staff

Directors

The following directors have held office since 1 January 2010

V Bowen	(resigned 19 May 2011)
L Bermejo	(resigned 1 January 2010)
M Jenkins	(resigned 1 January 2010)
P Wirotius	(resigned 1 January 2010)
P Barry	(appointed 1 January 2010)
P Crompton	(appointed 1 January 2010)

BUREAU VERITAS CERTIFICATION UK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

Employee involvement and health and safety at work

The company is committed to the development of employees and thereby, to employees' greater involvement in its operations. The company holds periodic meetings between local management and employees to discuss matters likely to affect employees' interests and to allow a free flow of information. During the period the company has provided training for employees at all levels through a structured programme of courses, seminars and workshops.

The policy of the company is to ensure, as far as it is able to do so, the health, safety and welfare of everyone engaged in or affected by its business.

The company endorses the active application of equal opportunities policies and programmes to provide fair and equitable conditions for employees regardless of sex, family status, religion, creed, colour, ethnic origin, age or disability.

Employment of disabled persons

It is the policy of the company to give full and fair consideration to applications for employment received from disabled persons. Within the limitations of their abilities, they are given the same opportunities for training, career development and promotion as are available to other employees and if necessary, retraining is given to an employee who becomes disabled whilst in the Company's employment.

Financial risk management

The Company's operations expose it to a variety of financial risks that include the effect of changes in debt market prices, credit risk, liquidity risk and interest rate risk. The Company is not exposed to any significant commodity price risk.

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure of any individual counterparty is subject to a limit which is assessed regularly by the board. All the company's debt is intercompany and the interest rate risk, liquidity risk and the interest rate cashflow risk is managed by the Bureau Veritas S A board.

Statement of directors' responsibilities

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 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.

BUREAU VERITAS CERTIFICATION UK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

The directors are 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. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

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

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the Board



P Crompton

Director

27 September 2011

BUREAU VERITAS CERTIFICATION UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BUREAU VERITAS CERTIFICATION UK LIMITED

We have audited the financial statements of Bureau Veritas Certification UK Limited for the year ended 31 December 2010 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the statement of Directors' Responsibilities set out on pages 3 and 4 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BUREAU VERITAS CERTIFICATION UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BUREAU VERITAS CERTIFICATION UK LIMITED (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

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



Ian Marsden (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

27 September 2011

BUREAU VERITAS CERTIFICATION UK LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 £	2009 £
Turnover	2	4,896,987	4,998,925
Administrative expenses		(4,799,256)	(4,515,749)
Operating profit	3	97,731	483,176
Interest receivable and similar income	6	1,990	3,120
Interest payable and similar charges	7	(821)	-
Other finance expense	14	(35,636)	(43,270)
Profit on ordinary activities before taxation		63,264	443,026
Tax on profit on ordinary activities	8	(12,118)	(228,569)
Profit for the financial year		51,146	214,457

The profit and loss account has been prepared on the basis that all operations are continuing

There are no differences between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historic cost equivalents

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 £	2009 £
Profit for the financial year		51,146	214,457
Actuarial gain/(loss) relating to the pension fund	14	257,295	(718,027)
Deferred tax associated with actuarial gain/(loss) on pension fund	13	(66,897)	201,048
Total recognised gains and losses relating to the year		241,544	(302,522)

The accompanying notes form an integral part of these financial statements

BUREAU VERITAS CERTIFICATION UK LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2010

	Note	2010 £	2009 £
Current assets			
Debtors	10	2,388,287	2,974,638
Cash at bank and in hand		8,566	-
		2,396,853	2,974,638
Creditors amounts falling due within one year	11	(573,882)	(968,423)
Net current assets		1,822,971	2,006,215
Provisions for liabilities	12	(50,771)	(69,506)
Net assets excluding pension deficit		1,772,200	1,936,709
Pension deficit	14	(559,885)	(794,727)
Net assets		1,212,315	1,141,982
Capital and reserves			
Called-up share capital	15	100,000	100,000
Profit and loss account	16	1,112,315	1,041,982
Total shareholders' funds	17	1,212,315	1,141,982

The financial statements on pages 7 to 21 were approved by the board of directors on 27 September 2011 and were signed on its behalf by



P. Crompton
Director

The accompanying notes form an integral part of these financial statements

Bureau Veritas Certification UK Limited

Registered number 2244967

BUREAU VERITAS CERTIFICATION UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

1. Accounting policies

Accounting convention

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom

Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

Turnover

Turnover represents the amount receivable by the company in respect of services provided during the period and is recognised on provision of the service. Accrued income is recognised where the service has been provided but not yet billed to the customer

Turnover excludes sales related taxes

Cash flow statement

The company is a wholly owned subsidiary of Bureau Veritas S A and its cash flows are included in the publicly available consolidated cash flow statement of that company. Consequently the company is exempt under the terms of Financial Reporting Standard Number 1 from publishing a cash flow statement

Related party transactions

The company has taken advantage of the exemption in paragraph 3c of Financial Reporting Standard Number 8 "Related Party Transactions" and has not disclosed details of transactions with fellow wholly owned undertakings within the Bureau Veritas SA group of companies whose financial statements are publicly available

Taxation

Corporation tax payable is provided on taxable profits based on the tax rates and laws enacted or substantially enacted at the balance sheet date

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more or less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis

Any deferred tax relief relating to the defined benefit pension liability is offset against the defined benefit pension liability and not included with other deferred tax asset or liabilities

BUREAU VERITAS CERTIFICATION UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

1 Accounting policies (continued)

Pensions

The company participates in a group personal pension scheme operated by Bureau Veritas UK Limited. The cost of the company's group personal pension arrangements are charged to the profit and loss account on the basis of contributions payable in respect of the accounting period.

Certain employees of the company are deferred members of the Bureau Veritas Pension and Assurance Scheme, which is a defined benefit scheme for the group, based on final pensionable pay and which is closed to new entrants. The scheme requires contributions to be made to a separately administered fund. This has been accounted for under the full requirements of FRS17 "Retirement Benefits".

The company has recognised an allocation of the liability in the scheme and related profit and loss and reserve movements, based on the proportion of pensionable members employed by the company compared to the full pensionable members of the scheme.

Under FRS17, assets held by defined benefit schemes are measured using market values. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. Any increase in the present market value of liabilities of the company's defined benefit scheme expected to arise from employee service in the period is charged against operating profit. The expected return on the scheme assets and the increase during the period in the present value of the schemes liabilities arising from the passage of time are included in other finance income. Actuarial gains and losses are recognised in the Statement of Total Recognised Gains and Losses.

Provisions

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

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling on the date of the transaction. All exchange differences are accounted for through the profit and loss account.

BUREAU VERITAS CERTIFICATION UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

1 Accounting policies (continued)

Share based payments

The cost of shares which will be awarded under the Share Options Plans and the Free Share Plans is measured at fair value. For all schemes, Bureau Veritas SA will bear the cost at the maturity or exercise date. The fair value of shares in each scheme is accrued over the vesting period and reported in the wages and salaries expense and reserves.

Bureau Veritas Certification UK Limited will bear the cost of employers' national insurance at the maturity or exercise date. The liability is calculated by reference to the market value of the shares at the balance sheet date. The liability is accrued between the grant date and the maturity date for the free share plan and between the grant date and the end of the vesting period for the share option plans. This liability is reported in accruals.

At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the profit and loss account, with a corresponding adjustment to reserves.

The national insurance cost and option gain will be allowable corporation tax deductions in the period that the options are exercised and the free shares are awarded. A deferred tax asset has been provided in respect of this timing difference.

2 Segmental reporting

An analysis of turnover by geographical market is given below.

	2010	2009
	£	£
United Kingdom	3,986,855	4,279,228
Rest of Europe	605,794	512,633
Rest of World	304,338	207,064
	4,896,987	4,998,925

Full disclosure of the segmented results is given in the financial statements of the company's intermediate parent company, Bureau Veritas SA.

BUREAU VERITAS CERTIFICATION UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

3 Operating profit

Operating profit is stated after charging / (crediting):

	2010 £	2009 £
Depreciation of tangible fixed assets		
- owned assets	-	515
Foreign exchange gains	7,861	(3,139)
Operating lease rentals		
- Plant and machinery	71,757	75,124
Auditors' remuneration - audit services	5,500	7,500
Franchise fees paid to Bureau Veritas SA	282,896	267,523

4. Directors' emoluments

The remuneration of the directors of the company was as follows

	2010 £	2009 £
Aggregate emoluments for qualifying services	88,728	97,989
Company contributions to defined contribution pension scheme	7,000	6,896
	95,728	104,885

The above information relates to emoluments paid to one director. The director had a loan with the company of £1,760 (2009 £1,760). The balance outstanding at the end of the year was £733 (2009 £733) and was repaid in May 2011.

The number of directors for whom retirement benefits are accruing under a defined contribution scheme amounted to 1 (2009 1).

No directors exercised share options in the year (2009 none).

5. Employee information

The average monthly number of employees (including directors) during the year was

By activity	2010 Number	2009 Number
Technical	26	24
Administration	18	18
	44	42

BUREAU VERITAS CERTIFICATION UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

5. Employee information (continued)

Employment costs (including directors' emoluments).

	2010 £	2009 £
Wages and salaries	1,586,437	1,551,553
Social security costs	190,920	176,953
Share based payments	42,790	38,040
Other pension costs (note 14)	87,126	77,730
	1,907,273	1,844,276

During the years ending 31 December 2006 and 2007, one employee was granted options over the share capital of the Company's intermediate parent, Bureau Veritas SA. The option values are €15,165 and €17,304 respectively and the vesting periods are five years. The exercise period for the 2006 scheme is 1st February 2011 to 1st February 2014. The exercise period for the 2007 scheme is 31st January 2012 to 31st January 2015. The market value of the shares was €35.72 at the balance sheet date. The liability for the issue of shares is recorded in the statutory accounts of Bureau Veritas SA who will bear the cost in future years.

During the current year and the years ending 31 December 2008 and 2009, one employee was granted options to receive free shares in 2014, 2012 and 2013 respectively. The market value of the shares was €56.72 (2009: €35.72) at the balance sheet date. The liability for the issue of shares is recorded in the statutory accounts of Bureau Veritas SA who will bear the cost in future years.

The company recognised a share based payment charge of £42,790 (2009: £38,040) in respect of the above share option plans.

Full disclosures of the Share Option Plans are given in the financial statements of Bureau Veritas SA.

6. Interest receivable and similar income

	2010 £	2009 £
Interest receivable from group undertaking	1,990	3,120

7. Interest payable and similar charges

	2010 £	2009 £
Interest payable on underpaid corporation tax in prior years	821	-

BUREAU VERITAS CERTIFICATION UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

8. Tax on profit on ordinary activities

	2010 £	2009 £
Current tax		
UK Corporation tax on profits for the year	-	141,013
Adjustment to prior period	(21,217)	89,337
Foreign tax	-	8,547
Total current tax	(21,217)	238,897
Deferred tax		
Origination and reversal of timing differences (note 13)	(7,715)	(32,706)
Impact of tax rate change	(4,398)	-
Pension contribution in excess of pension charge (note 13)	25,169	23,032
Impact of tax rate change on pension contribution in excess of pension charge (note 13)	20,279	-
Adjustment to prior period	-	(654)
Total deferred tax (note 13)	33,335	(10,328)
Tax on loss on ordinary activities	12,118	228,569

The current tax charge is based on the standard rate of corporation tax in the UK of 28% (2009 28%) as explained below

	2010 £	2009 £
Profit on ordinary activities before tax	63,264	443,026
Profit on ordinary activities multiplied by standard rate of UK corporation tax of 28% (2009 28%)	17,714	124,047
Effects of		
Foreign tax	-	8,547
Expenses not deductible for tax purposes	33,688	42,352
Other short term timing differences	6,572	-
Capital allowances in excess of depreciation	(1,999)	(2,354)
Group relief received free of charge	(30,806)	-
Pension contribution in excess of pension charge (note 13)	(25,169)	(23,032)
Adjustment to prior period	(21,217)	89,337
Current tax charge for the year	(21,217)	238,897

Factors which may affect future tax charges

In his budget of 23 March 2011, the Chancellor of the Exchequer announced Budget tax changes, which, if enacted in the proposed manner, will have an effect on the Company's future tax position. From 1 April 2011, the corporation tax rate in the UK will reduce to 26% with further reductions of 1% each year until 2014/15 (stabilising at a rate of 23%).

The effect of the reduction in the tax rate to 26% on the deferred tax asset has been to reduce the deferred tax asset by £20,279. The rate change will also impact the amount of the future cash tax payments to be made by the Company. The effect of further reductions to the corporation tax rates will be reflected in the Company's financial statements in future years, as appropriate, once the proposals have been substantively enacted.

BUREAU VERITAS CERTIFICATION UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

9. Dividends

	2010 £	2009 £
Equity - ordinary		
Final paid (2009) 214p per £1 share	214,000	-

The directors authorised a final dividend for the year ended 31 December 2009 of 214p per share that is a total of £214,000

10 Debtors

	2010 £	2009 £
Amounts falling due within one year.		
Trade debtors	1,495,300	1,859,179
Amounts owed by group undertakings	780,862	1,033,476
Other debtors	7,798	14,375
Prepayments and accrued income	45,859	22,557
Corporation tax	1,304	-
Deferred tax (note 13)	57,164	45,051
	2,388,287	2,974,638

Included in amounts owed to group undertakings is an unsecured loan of £385,564 (2009 £877,295) owed by Bureau Veritas SA which is subject to interest based on LIBOR plus an applicable margin and is payable on demand. The remaining £395,298 (2009 £156,181) due by group undertakings is unsecured, interest-free, has no fixed date of repayment and is repayable on demand.

11 Creditors: amounts falling due within one year

	2010 £	2009 £
Bank overdraft	-	64,306
Trade creditors	48,188	50,903
Amounts due to group undertakings	175,727	249,617
Corporation tax	-	230,350
Other taxation and social security	202,364	158,662
Accruals and other creditors	147,603	214,585
	573,882	968,423

The amounts due to group undertakings are unsecured, interest-free, have no fixed date of repayment and are repayable on demand.

BUREAU VERITAS CERTIFICATION UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

12 Provisions for liabilities

	2010 £
At 1 January 2010	69,506
Utilised during the year	(15,272)
Released without utilisation during the year	(3,463)
At 31 December 2010	50,771

The Company has provided for the following obligations in line with the requirements of FRS12

	2010 £	2009 £
Provision for onerous lease	50,771	69,506

The onerous lease provision is in respect of a property for which the company has an onerous lease expiring in 2014. The company has sublet this property and the provision represents the difference between the rentals payable and the rental income receivable.

13. Deferred taxation

	2010 £	2009 £
Deferred tax asset		
Share option and free share plans	49,740	35,060
Accelerated capital allowances	7,424	9,991
	57,164	45,051

1 January	45,051	11,691
Deferred tax charge in profit and loss account (note 8)	12,113	33,360
31 December (note 10)	57,164	45,051

	2010 £	2009 £
Deferred tax asset relating to pension deficit		
1 January	309,060	131,044
Deferred tax charge in profit and loss account (note 8)	(45,448)	(23,032)
Deferred tax charged to the statement of total recognised gains and losses	(66,897)	201,048
31 December	196,715	309,060

The deferred tax charge in the profit and loss account includes £20,279 arising from the reduction in corporation tax rate from 28% to 26% which was enacted on 23 March 2011.

The deferred tax asset in respect of the pension liability of £196,715 (2009: £309,060) has been deducted in arriving at the net pension deficit on the balance sheet (see note 13).

BUREAU VERITAS CERTIFICATION UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

14 Pension costs

Defined contribution

The company participates in a group personal pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable to the fund by the company.

	2010 £	2009 £
Contributions payable by the Company for the year	87,126	77,730

Included within other taxation and social security as at 31 December 2010 were contributions payable of £11,890 (2009 £11,880)

Defined benefit

The company participates in a group scheme, The Bureau Veritas Pension and Assurance Scheme, which is a defined benefit scheme and is closed to new entrants. The assets of the scheme are held separately from those of the company. All employees within the scheme are deferred members.

The latest actuarial valuation was at 31st July 2009. The total deficit for the scheme was valued at £4,195,000. The market value of assets was £5,596,000 and the present value of scheme liabilities was £9,791,000. The portion of this liability relating to Employees of this Company is £1,342,400.

The liability is £756,600 as at 31st December 2010. The difference arises from adjustments to the assumptions, additional contributions and movements in asset values. The assumptions used in the last actuarial valuation were 3.0% for rate of increase in pensions in payment, deferred pensions and inflation. These assumptions were adjusted to 3.4%, 2.9% and 3.4% respectively at 31st December 2010, to reflect the investment market's expectation of long term future inflation. A discount rate of 6.25% was used for the period before retirement and 4.50% for the period after retirement. These rates reflect the expected return on assets held.

	2010 %	2009 %	2008 %	2007 %
The major actuarial assumptions used were				
Rate of increase in salaries	-	-	-	-
Rate of increase in pensions in payment	3.40	3.70	2.70	3.40
Rate of increase for deferred pensions	2.90	3.70	2.70	3.40
Discount rate	5.50	5.70	6.50	5.80
Inflation assumption	3.40	3.70	2.70	3.40
The long term expected rates of return are:				
Equities	7.00	7.50	6.70	7.55
Bonds	5.50	5.70	3.40	4.55
Cash	3.90	4.20	6.50	5.55
Property	6.00	6.50	5.70	6.55

BUREAU VERITAS CERTIFICATION UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

14 Pension costs (continued)

The pension fund deficit is calculated as follows:

	2010	2009	2008	2007
	£	£	£	£
Valuation of assets in the scheme.				
Equities	1,741,565	1,503,546	1,161,687	1,137,911
Bonds	603,843	559,149	510,173	337,810
Other assets	221,987	132,216	115,846	72,715
Total market value of assets	2,567,395	2,194,911	1,787,706	1,548,436
Present value of scheme liabilities	(3,323,995)	(3,298,698)	(2,255,721)	(2,139,485)
Deficit in the scheme	(756,600)	(1,103,787)	(468,015)	(591,049)
Related deferred tax asset	196,715	309,060	131,044	165,493
Net pension deficit	(559,885)	(794,727)	(336,971)	(425,556)

The amounts recognised in profit or loss are as follows

	2010	2009
	£	£
Analysis of amount charged to other finance expenses		
Expected return on pension scheme assets	152,023	101,918
Interest on pension scheme liabilities	(187,659)	(145,188)
	(35,636)	(43,270)

	2010	2009
	£	£
Analysis of amount recognised in the statement of total recognised gains and losses		
Actual return less expected return on pension scheme assets	123,580	206,266
Changes in assumptions underlying the present value of the scheme liabilities	133,715	(925,920)
Net experience gain	-	1,627
	257,295	(718,027)

Changes in the present value of the defined benefit obligation are as follows

	2010	2009
	£	£
Movement in gross deficit during the year		
Gross deficit in scheme at beginning of period	(1,103,786)	(468,015)
Other finance expense	(35,636)	(43,270)
Company contributions paid	125,527	125,526
Actuarial gains / (losses)	257,295	(718,027)
Gross deficit in scheme at end of period	(756,600)	(1,103,786)

BUREAU VERITAS CERTIFICATION UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

14. Pension costs (continued)

	2010 £	2009 £	2008 £	2007 £	2006 £
History of experience gains and losses					
Difference between expected and actual return on scheme assets					
Amount	123,580	206,266	(541,408)	(102,030)	46,722
Percentage of scheme assets at end of period	4.8%	9.4%	30.3%	6.6%	3.2%
Experience gains and losses on scheme liabilities					
Amount	-	1,627	646	(243,328)	-
Percentage of scheme assets at end of period	-	0.07%	0.04%	15.7%	-
Total gross amount recognised in Statement of Total Recognised Gains and Losses					
Amount	257,295	(718,027)	18,480	(86,259)	43,974
Percentage of scheme liabilities at end of period	7.7%	21.8%	0.8%	4.0%	2.1%

15 Called up share capital

	2010 £	2009 £
Authorised.		
350,000 (2009 350,000) ordinary shares of £1 each	350,000	350,000
Allotted, called up and fully paid		
100,000 (2009 100,000) ordinary shares of £1 each	100,000	100,000

16 Profit and loss account

	£
Balance at 1 January 2010	1,041,982
Profit for the financial year	51,146
Dividend paid	(214,000)
Share based payments	42,790
Actuarial loss relating to the pension fund (net of deferred tax)	190,397
At 31 December 2010	1,112,315

BUREAU VERITAS CERTIFICATION UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

17 Reconciliation of movement in shareholders' funds

	2010 £	2009 £
Profit for the financial year	51,146	214,457
Dividend paid	(214,000)	-
Share based payments	42,790	38,040
Actuarial gain/(loss) relating to the pension fund (net of deferred tax)	190,397	(516,979)
Net (deduction from)/addition to shareholders' funds	70,333	(264,482)
Opening shareholders' funds	1,141,982	1,406,464
Closing shareholders' funds	1,212,315	1,141,982

18. Commitments under operating leases

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as follows

	Land and Buildings		Other	
	2010 £	2009 £	2010 £	2009 £
Expiring within one year	-	-	5,311	7,169
Expiring between two and five years	17,790	17,790	54,116	55,446
Expiring over five years	-	-	-	-
	17,790	17,790	59,427	62,615

19. Contingent liabilities

The company participates in a group arrangement with other members of the Bureau Veritas UK Group. At 31 December 2010, the company had guaranteed bank borrowings of other Bureau Veritas UK Group companies amounting to £nil (2009 £nil)

20 Related party transactions

The company has taken advantage of the exemption in paragraph 3c of Financial Reporting Standard Number 8 "Related Party Transactions" and has not disclosed details of transactions with fellow wholly owned undertakings within the Bureau Veritas SA group of companies

During the year no other related parties were involved in transactions with the company

BUREAU VERITAS CERTIFICATION UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

21. Ultimate parent undertaking

The immediate parent company is Bureau Veritas Certification Holdings SAS, a company incorporated in France. The parent company of Bureau Veritas Certification Holdings SAS is Bureau Veritas SA.

The smallest group of undertakings of which the company is a member that produces consolidated accounts is Bureau Veritas SA, a company registered in France. Its group accounts are available from the Company's registered office at 67/71 Boulevard du Chateau, 92200 Neuilly-sur-Seine, France (www.bureauveritas.com).

The directors regard Wendel SA, a Company incorporated in France, as the company's ultimate parent and ultimate controlling party by virtue of its majority interest in the equity capital of Bureau Veritas SA.

The largest group of undertakings of which the company is a member that produces consolidated accounts is Wendel Investissement SA, a company registered in France. Its group accounts are available from the company's registered office at 89 rue Taitbout, 75009, Paris, France (www.wendel-investissement.com).