

**BUREAU VERITAS CERTIFICATION UK LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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# BUREAU VERITAS CERTIFICATION UK LIMITED

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# BUREAU VERITAS CERTIFICATION UK LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	K. Smith K. Lachi Kolarova (resigned 24 February 2023) S. Gorman
<b>Company number</b>	02244967
<b>Registered office</b>	Suite 206 Fort Dunlop Fort Parkway Birmingham West Midlands B24 9FD
<b>Independent auditors</b>	Ernst & Young LLP 2 St. Peter's Square Manchester M2 3EY
<b>Bankers</b>	NatWest Bank 10 Southwark Street London SE1 1TJ

# BUREAU VERITAS CERTIFICATION UK LIMITED

## STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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The directors present their strategic report on the company for the year ended 31 December 2022.

### Principal activities

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

### Review of the business

The company's profit for the financial year is £384,000 (2021: £622,000).

The company's net liabilities at 31 December 2022 were (£151,000) (2021: net liabilities (£190,000)).

The company considers the principal risk and uncertainty affecting the business is recruitment and retention of key staff. This risk is managed through structured and focussed recruitment campaigns along with staff training, development programmes and incentive schemes designed to promote staff retention.

### Financial risk management

The company's operations expose it to a variety of financial risks that include the effect of changes in 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 inter-company and the interest rate risk, liquidity risk and cash-flow risk is managed by the Bureau Veritas SA board.

### Future developments

Whilst the current economic climate can be described as challenging, the directors consider that the company is well placed to perform satisfactorily in the future.

### Key performance indicators ("KPI's")

The company's directors consider various KPI's on a frequent basis. These include turnover, gross profit, operating profit and average number of employees.

	2022	2021
	£'000	£'000
Turnover	£8,135	£7,855
Gross profit	£4,233	£4,265
Operating profit	£445	£720
Average headcount*	58	52

\*average headcount is not in £'000's

# BUREAU VERITAS CERTIFICATION UK LIMITED

## STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (Continued)

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### Risks and opportunities looking ahead

The growth within the UK business continues in line with the Strategic Plan 2025 (SP25). This plan sets out a clear focus on market sectors and diversification of service portfolio underpinned by our people and client centricity. The key client centricity has enabled continued growth in these accounts through our client growth and through broadening the services we offer enabling our clients to manage their QHSE and sustainability risks effectively.



On behalf of the board

S Gorman

**Director**

29 September 2023

# **BUREAU VERITAS CERTIFICATION UK LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

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The directors present their report and the audited financial statements of the company for the year ended 31 December 2022.

### **Future developments**

An indication of the likely future developments of the business is included in the Strategic Report on page 2.

### **Going concern**

The company has net current assets of £419,000 (2021: net current liabilities (£14,000)) at the balance sheet date.

The directors have considered the future results for a period from when the financial statements are authorised for issue to the end of 30 September 2024 and expect the company to be profitable and cash generative under their best estimate of future performance and a reasonable downturn in trading results. The company participates in a cash pooling arrangement with other group companies and does not maintain a significant cash balance, consequently it is dependent upon access to the pooled funds to manage its working capital.

The directors of Bureau Veritas SA, the ultimate parent undertaking, have confirmed that they will provide financial support to enable the company to meet its financial liabilities as they fall due for the period to 30 September 2024. On this basis, the directors have formed a judgement that it is appropriate to prepare the financial statements on a going concern basis.

### **Dividends**

The Directors do not recommend the payment of a dividend (2021: £nil).

### **Financial risk management**

Financial risk management is described in the Strategic Report on page 2.

### **Directors**

The following directors have held office since 1 January 2022 and up until the date of signing these financial statements:

K. Smith  
K. Lachi Kolarova (resigned 24 February 2023)  
S. Gorman

### **Directors' indemnities**

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. This is purchased by Bureau Veritas SA on behalf of the Directors. The indemnity was in force throughout the last financial year and is currently in force.

### **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.

# BUREAU VERITAS CERTIFICATION UK LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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### 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.

### Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom 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 Financial Reporting Standard FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102"). 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 in accordance with Section 10 of FRS 102 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 102 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company financial position and financial performance;
- in respect of the financial statements, state whether UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- in respect of the parent company financial statements, state whether applicable UK Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping 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 company 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.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report, directors' report, that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

### Statement of disclosure of information to auditors

In the case of each of the persons who are directors at the time when the report is approved under section 418 of the Companies Act 2006 the following applies:

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

# BUREAU VERITAS CERTIFICATION UK LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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

### **Independent auditors**

Ernst and Young LLP has indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

On behalf of the board



S Gorman  
Director  
29 September 2023

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BUREAU VERITAS CERTIFICATION UK LIMITED

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## **Opinion**

We have audited the financial statements of Bureau Veritas Certification UK Limited for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 17 including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2022 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.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

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.

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 from when the financial statements are authorised for issue to the end of 30 September 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BUREAU VERITAS CERTIFICATION UK LIMITED (CONTINUED)**

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## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

## **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement as set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

## **Auditor's 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 auditor's 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.

## ***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102 and Companies Act 2006) and the relevant direct and indirect tax compliance regulations in the United Kingdom. In addition, the Company has to comply with laws and regulations relating to its

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BUREAU VERITAS CERTIFICATION UK LIMITED (CONTINUED)

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operations, including Health and Safety at Work Act 2015, The UK Bribery Act, Money Laundering Regulations 2021, General Data Protection Regulations.

- We understood how Bureau Veritas Certification UK Limited is complying with those frameworks by making enquiries with management and those responsible for legal and compliance procedures to understand how the Company maintains and communicates its policies and procedures in these areas. We corroborated our enquiries by reviewing supporting documents, including board meeting minutes
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We considered the risk of management override and assumed revenue to be a fraud risk, specifically as a result of manual journals posted at the year end. We incorporated data analytics into our audit approach to assist in our targeted review of manual journals, including segregation of duties, and our testing of revenue recognition. We tested specific transactions back to source documentation.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved testing journal entries identified by specific risk criteria which could indicate any non-compliance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
Ernst & Young LLP  
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Anne Schmitt (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Manchester

# BUREAU VERITAS CERTIFICATION UK LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
Turnover	2	8,135	7,855
Cost of sales		(3,902)	(3,590)
<b>Gross profit</b>		<b>4,233</b>	<b>4,265</b>
Administrative expenses		(3,788)	(3,544)
<b>Operating profit</b>	3	<b>445</b>	<b>721</b>
Interest payable and similar charges	6	(42)	(14)
Other finance expenses	11	(3)	(8)
<b>Profit on ordinary activities before taxation</b>		<b>400</b>	<b>699</b>
Tax on profit on ordinary activities	7	(16)	(76)
<b>Profit on ordinary activities after taxation</b>		<b>384</b>	<b>623</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Actual (loss)/gain return on pension scheme assets	11	(479)	297
Deferred tax associated with actuarial (loss)/gain on pension fund	10	134	(39)
<b>Other comprehensive (expense)/income</b>		<b>(345)</b>	<b>258</b>
<b>Total comprehensive income</b>		<b>39</b>	<b>881</b>

# BUREAU VERITAS CERTIFICATION UK LIMITED

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
<b>Current assets</b>			
Debtors	8	3,816	3,680
Cash at bank		43	7
		<b>3,859</b>	<b>3,687</b>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	9	(3,440)	(3,701)
<b>Net current assets/(liabilities)</b>		<b>419</b>	<b>(14)</b>
<b>Net current assets/(liabilities) excluding pension deficit</b>		<b>419</b>	<b>(14)</b>
Pension deficit	11	(570)	(176)
<b>Net liabilities including pension deficit</b>		<b>(151)</b>	<b>(190)</b>
<b>Capital and reserves</b>			
Called-up share capital	12	100	100
Profit and loss account		(251)	(290)
<b>Total deficit</b>		<b>(151)</b>	<b>(190)</b>

The financial statements were approved by the board of directors and authorised for issue on 29 September 2023 and are signed on its behalf by:



S. Gorman  
Director

Bureau Veritas Certification UK Limited

Registered number: 02244967

# BUREAU VERITAS CERTIFICATION UK LIMITED

## STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2022

	Share capital £'000	Profit and loss account £'000	Total £'000
<b>Balance at 1 January 2021</b>	<b>100</b>	<b>(1,171)</b>	<b>(1,071)</b>
Profit for the year	-	623	623
Other comprehensive expense net of tax:-		258	258
Actuarial losses on defined benefit plan	-		
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>881</b>	<b>881</b>
<b>Balance at 31 December 2021</b>	<b>100</b>	<b>(290)</b>	<b>(190)</b>
Profit for the year	-	384	384
Other comprehensive expense net of tax:-		(345)	(345)
Actuarial losses on defined benefit plan	-		
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>39</b>	<b>39</b>
<b>Balance at 31 December 2022</b>	<b>100</b>	<b>(251)</b>	<b>(151)</b>

# BUREAU VERITAS CERTIFICATION UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1. Accounting policies

#### General information

Bureau Veritas Certification UK Limited ("the Company") is a limited company domiciled and incorporated in England.

The address of the Company's registered office and place of business is Suite 206 Fort Dunlop, Fort Parkway, Birmingham, West Midlands, B24 9FD.

The company's principal activity and the nature of the Company's operations are disclosed as part of the strategic report on page 2. The financial statements are prepared in sterling which is the functional currency of the Company and rounded to the nearest £'000

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following is the Company's key source of estimation uncertainty:

The recoverability of assets such as trade debtors is based on a review by senior management with considerable knowledge of the industry and client.

Amounts recoverable on contracts are largely calculated using a percentage of completion method, and as such, prudent judgement is exercised around sensitive areas affecting the calculations, such as budgeted fees and budgeted hours.

Pension and other post-employment benefits are based on the cost of defined benefit pension plans and other post-employment medical benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates for the respective country.

Taxation provisions are based on reasonable estimates, for possible consequences of audits by the tax authorities of the consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

#### Basis of accounting

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention.

# BUREAU VERITAS CERTIFICATION UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1. Accounting policies (continued)

#### Going concern

The company has net current assets of £419,000 (2021: net current liabilities (£14,000)) at the balance sheet date.

The directors have considered the future results for a period from when the financial statements are authorised for issue to the end of 30 September 2024 and expect the company to be profitable and cash generative under their best estimate of future performance and a reasonable downturn in trading results. The company participates in a cash pooling arrangement with other group companies and does not maintain a significant cash balance, consequently it is dependent upon access to the pooled funds to manage its working capital.

The directors of Bureau Veritas SA, the ultimate parent undertaking, have confirmed that they will provide financial support to enable the company to meet its financial liabilities as they fall due for the period to 30 September 2024. On this basis, the directors have formed a judgement that it is appropriate to prepare the financial statements on a going concern basis.

#### 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.

#### 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

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.

#### 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 2022 (CONTINUED)

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### 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.

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 section 28 of FRS 102, 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 comprehensive income.

#### 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.

#### Financial Instruments

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

# BUREAU VERITAS CERTIFICATION UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

### Reduced disclosures

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares.
- Section 7 'Statement of Cash Flows'.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements.
- Section 33 'Related Party Disclosures' paragraph 33.7.

### 2. Turnover

An analysis of turnover by geographical market is given below:

	2022	2021
	£'000	£'000
United Kingdom	4,452	4,571
Rest of Europe	1,315	1,189
Rest of World	2,368	2,095
	8,135	7,855

### 3. Profit on ordinary activities before taxation

Operating profit is stated after charging/(crediting):

	2022	2021
	£'000	£'000
Foreign exchange (gains)/losses	(171)	178
Operating lease rentals:		
- Plant and machinery	134	55
Auditors' remuneration - audit services	7	6
Franchise fees paid to Bureau Veritas SA	462	406

### 4. Directors' emoluments

No directors received remuneration for the year-ended 31 December 2022 (2021: none) as their services are inconsequential to their other roles.

No directors had a loan with the company at the year-end (2021: none).

The number of directors for whom retirement benefits are accruing under a defined contribution scheme is none (2021: none). No directors are accruing benefits under a defined benefit pension scheme (2021: none).

No directors exercised share options in 2022 (2021: none).

There were no additional senior management team remunerations other than the directors which were disclosed in the note above.

# BUREAU VERITAS CERTIFICATION UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

### 5. Employee information

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

	2022 Number	2021 Number
<b>By activity</b>		
Technical	38	32
Administration	20	20
	<b>58</b>	<b>52</b>

### Employment costs (including directors' emoluments):

	2022 £'000	2021 £'000
Wages and salaries	2,568	2,254
Social security costs	335	285
Other pension costs (note 11)	163	133
	<b>3,066</b>	<b>2,672</b>

### 6. Interest payable and similar charges

	2022 £'000	2021 £'000
Interest payable on loan with group undertakings	42	14
	<b>42</b>	<b>14</b>

### 7. Tax on profit on ordinary activities

	2022 £'000	2021 £'000
<b>Current tax:</b>		
UK Corporation tax on profits for the year	(56)	-
Overseas tax	37	52
<b>Total current tax (credit)/charge</b>	<b>(19)</b>	<b>52</b>
<b>Deferred tax:</b>		
Origination and reversal of timing differences (note 10)	-	2
Pension contribution / actuarial gain in excess of pension charge (note 10)	35	22
<b>Total deferred tax (note 10)</b>	<b>35</b>	<b>24</b>
<b>Tax on ordinary activities</b>	<b>16</b>	<b>76</b>

# BUREAU VERITAS CERTIFICATION UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

### 7. Tax on profit on ordinary activities (Continued)

The tax for the year is higher (2021: higher) than the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £'000	2021 £'000
<b>Profit on ordinary activities before tax</b>	<b>400</b>	<b>699</b>
Profit on ordinary activities multiplied by standard rate of UK corporation tax of 19% (2021: 19%)	76	133
Effects of:		
Pension contributions in excess of pension charge	(17)	(17)
Net disallowable expenditure	1	2
Other timing differences	35	25
Overseas taxation	37	51
Group relief surrendered free of charge	(116)	(118)
<b>Total tax charge for the year</b>	<b>16</b>	<b>76</b>

### Factors which affect tax charges

Following the Budget on the 3 March 2021 the Chancellor announced that the main rate of Corporation Tax will increase from 19% to 25% with effect from 1 April 2023.

Under FRS102 it is the rate enacted at the balance sheet date that determines the amount of deferred tax to be recognised. As the 25% rate has been enacted at the balance sheet date, to the extent the deferred tax assets and liabilities are expected to crystallise after 1 April 2023, they should be valued using the 25% instead of the current corporation tax rate of 19%. While a minority of assets and liabilities are forecast to unwind between the balance sheet date and 1 April 2023, it is expected that this is immaterial to the overall deferred tax balance and therefore a flat rate of 25% has been applied.

### 8. Debtors

	2022 £'000	2021 £'000
<b>Amounts falling due within one year:</b>		
Trade debtors	1,927	1,940
Amounts owed by group undertakings	1,586	1,661
Deferred tax (note 10)	143	44
Prepayments and accrued income	105	8
VAT debtor	55	27
	<b>3,816</b>	<b>3,680</b>

The amounts owed by group undertakings are unsecured, interest-free, has no fixed date of repayment and is repayable on demand.

# BUREAU VERITAS CERTIFICATION UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

### 9. Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	187	62
Amounts owed to group undertakings	2,727	3,177
Taxation and social security	264	298
Accruals and deferred income	262	164
	<b>3,440</b>	<b>3,701</b>

Included in amounts due to group undertakings is an unsecured loan of £2,219,000 (2021: £1,980,000) owed to Bureau Veritas SA which is subject to interest based on SONIA plus an applicable margin and is repayable on demand. In the prior year the interest rates were based on LIBOR plus a fixed margin. LIBOR ceased to be published from 1 January 2022 therefore on 1 January 2022 the loan agreements were revised to base the interest rate on SONIA (the sterling overnight index average rate) plus a fixed margin. The remaining £508,000 (2021: £1,197,000) owed to group undertakings are unsecured, interest-free, have no fixed date of repayment and are repayable on demand.

### 10. Deferred taxation

1 January	-	2
Deferred tax credit in profit and loss account (note 7)	-	(2)
31 December	-	-

	2022 £'000	2021 £'000
<b>Deferred tax asset relating to pension deficit</b>		
1 January	44	105
Deferred tax charge in profit and loss account (note 7)	(35)	(22)
Deferred tax (charged)/credited to the statement of comprehensive income	134	(39)
31 December	<b>143</b>	<b>44</b>

### 11. Pension deficit

#### 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.

	2022 £'000	2021 £'000
Contributions payable by the Company for the year	<b>163</b>	<b>133</b>

Included within other taxation and social security as at 31 December 2022 were contributions payable of £27,000 (2021: £22,000).

# BUREAU VERITAS CERTIFICATION UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

### 11. Pension deficit (continued)

#### 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 31 December 2022. The total deficit for the scheme was valued at £2,637,000. The fair value of assets was £9,868,000 and the present value of scheme liabilities was £12,505,000.

The portion of the gross liability relating to this company is £570,000 as at 31 December 2022 (2021: £176,000). The difference arises from adjustments to the assumptions, additional contributions and movements in asset values.

	2022 %	2021 %
<b>The major actuarial assumptions used were:</b>		
Rate of increase in pensions in payment	3.40	3.70
Rate of increase for deferred pensions	3.05	3.30
Discount rate	4.90	2.00
Inflation assumption (RPI)	3.40	3.70
Inflation assumption (CPI)	3.05	3.30

The average life expectancy for a pensioner retiring at 65 on the reporting date is:

	2022	2021
Male	21.8	22.1
Female	23.6	24.1

The average life expectancy for an employee that is aged 45 on the reporting date is:

	2022	2021
Male	23.2	23.6
Female	25.1	25.6

The pension fund deficit is calculated as follows:

	2022 £'000	2021 £'000
<b>Valuation of assets in the scheme:</b>		
Equities	1,145	2,017
Diversified growth assets	633	894
Other assets	356	834
Total market value of assets	2,134	3,745
Present value of scheme liabilities	(2,704)	(3,921)
Deficit in the scheme	(570)	(176)
Related deferred tax asset (note 10)	143	44
Net pension deficit	(427)	(132)

# BUREAU VERITAS CERTIFICATION UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

### 11. Pension deficit (continued)

The amounts recognised in profit or losses are as follows:

	2022	2021
	£'000	£
<b>Analysis of amount charged to other finance expenses</b>		
Interest on pension scheme liabilities	(3)	(8)
	<b>(3)</b>	<b>(8)</b>

	2022	2021
	£'000	£'000
<b>Analysis of amount recognised in the statement of comprehensive income</b>		
Actual (loss)/gain return on pension scheme assets	(479)	297
Changes in assumptions underlying the present value of the scheme liabilities	-	-
	<b>(479)</b>	<b>297</b>

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

	2022	2021
	£'000	£'000
<b>Movement in gross deficit during the year</b>		
Gross deficit in scheme at beginning of year	(176)	(553)
Other finance expense	(3)	(8)
Company contributions paid	88	88
Actuarial (loss)/gain	(479)	297
Gross deficit in scheme at end of year	<b>(570)</b>	<b>(176)</b>

	2022	2021
	£'000	£'000
<b>Reconciliation of present value of scheme liabilities</b>		
1 January	3,921	4,066
Interest cost	76	60
Benefits paid	(199)	(116)
Actuarial gain	(1,094)	(89)
31 December	<b>2,704</b>	<b>3,921</b>

	2022	2021
	£'000	£'000
<b>Reconciliation of fair value of scheme assets</b>		
1 January	3,745	3,513
Interest income	73	52
Company contributions paid	88	88
Benefits paid	(199)	(116)
Actuarial (loss)/gain	(1,573)	208
31 December	<b>2,134</b>	<b>3,745</b>

# BUREAU VERITAS CERTIFICATION UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

### 12. Called up share capital

	2022 £'000	2021 £'000
<b>Allotted, called up and fully paid:</b>		
100,000 (2021: 100,000) ordinary shares of £1 each	100	100

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

### 13. Commitments under operating leases

The total future minimum lease payments under non-cancellable operating leases for plant and machinery are as follows:

	<b>Plant and Machinery</b>	
	2022 £'000	2021 £'000
Expiring within one year	53	30
Expiring between two and five years	80	24
	133	54

### 14. Contingent liabilities

The company participates in a group arrangement with other members of the Bureau Veritas UK Group. At 31 December 2022, the company had guaranteed bank borrowings of other Bureau Veritas UK Group companies amounting to £nil (2021: £nil).

### 15. 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 financial statements is Bureau Veritas SA, a company registered in France. Its group financial statements are available from the Company's registered office 40-52 Boulevard Du Parc, Immeuble, 92200 Neuilly-sur-Seine, France. ([www.bureauveritas.com](http://www.bureauveritas.com))

The directors regard the Wendel-Participations SE, 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 financial statements is Wendel-Participations SE, a company registered in France. Its group financial statements are available from the company's registered office at 89 rue Taitbout, 75009, Paris, France ([www.wendelgroup.com](http://www.wendelgroup.com)).

# BUREAU VERITAS CERTIFICATION UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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### 16. Post balance sheet events

There were no post balance sheet events.

### 17. Capital commitments

There were no capital commitments in place at the year end.