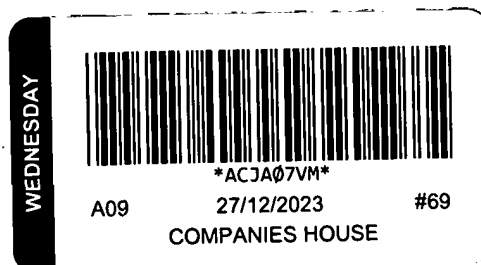


Company registration number: 04966988 (England and Wales)

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



# **BUREAU VERITAS COMMODITIES UK LIMITED**

## **CONTENTS**

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	<b>Page</b>
Company information	1
Strategic report for the year ended 31 December 2022	2
Directors' report for the year ended 31 December 2022	4
Independent auditor's report to the directors for the year ended 31 December 2022	7
Statement of comprehensive income for the year ended 31 December 2022	10
Statement of financial position as at 31 December 2022	11
Statement of changes in equity for the year ended 31 December 2022	12
Notes to the financial statements for the year ended 31 December 2022	13

# BUREAU VERITAS COMMODITIES UK LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	D. Jarris D. Davies D. Ainsworth (resigned 26 April 2022)
<b>Company number</b>	04966988
<b>Registered office</b>	Suite 206 Fort Dunlop Fort Parkway Birmingham England CF3 0LT
<b>Independent auditors</b>	Mazars LLP Two Chamberlain Square Birmingham B3 3AX
<b>Bankers</b>	HSBC Reading Berkshire RG1 2BU

# BUREAU VERITAS COMMODITIES 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 are inspection and testing services over a range of commodities as follows:

- Metals and minerals - Sampling, quality and quantity control of bulk materials and assaying of precious metals and base metals.
- Oil and petrochemicals - Quality and quantity control of crude oil and related products.

### Review of the business

The company's profit after tax for the financial year is £2,858k (2021: £1,402k).

The company's net assets at 31 December 2022 were £37,487k (2021: £34,663k).

On 1<sup>st</sup> October 2022, the UK element of Inspectorate International Limited was carved out and transferred over to Bureau Veritas Commodities UK Limited. The assets and liabilities were transferred at net book value at this date and prior to this date there was no income or expense incurred by Bureau Veritas Commodities UK Limited.

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.

### 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	23,161	4,136
Gross profit	16,766	2,747
Operating profit	3,959	1,402
Average headcount (Number)	229	213

### 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.

# BUREAU VERITAS COMMODITIES UK LIMITED

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

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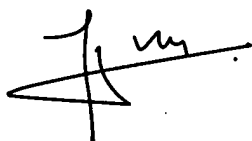
All the company's debt is inter-company and the interest rate risk, liquidity risk and cash-flow risk is managed by the Bureau Veritas SA board.

### Future developments

Growth within our traded metal submitted sample testing business was generally as expected, driven by the continued global growth in demand for base and precious metals used to service global market sectors including electronics, building infrastructure and technology. The Oil and Petrochemical markets remained subdued reflecting the UK's slow recovery of the downturn in demand for fuels due to the Covid emergency.

The outlook for both markets remain positive driven by growing demand for Metals and Oil & Petrochemical products both in the UK and Globally, as market prices and growth continue to return to pre-pandemic levels. Budgeted investment in staffing and infrastructure supports our ability to react to market growth.

On behalf of the board  
D. Jarris  
Director



D. Davies  
Director

Date: 15<sup>th</sup> December 2023

# **BUREAU VERITAS COMMODITIES 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.

### **Directors**

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

- D. Jarris (appointed 22 April 2021)
- D. Davies (appointed 22 April 2021)
- D. Ainsworth (resigned 26 April 2022)

### **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.

### **Dividends**

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

### **Financial risk management**

Financial risk management is described in the Strategic Report on page 3.

### **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.

# **BUREAU VERITAS COMMODITIES UK LIMITED**

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

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### **Going concern**

Bureau Veritas Commodities UK Limited have continued to utilise a cash pooling arrangement with other Bureau Veritas group companies and have obtained letter of support from the ultimate parent company Bureau Veritas SA that confirms access to group funds to enable the business to meet its liabilities as they fall for a period of at least 12 months from the date of approval of the accounts due. On this basis, the directors have formed a judgement that it is appropriate to prepare the financial statements on a going concern basis.

### **Post balance sheet events**

The only post balance sheet event worth noting post 31 December 2022 is the conflict between Ukraine and Russia which is ongoing as at the date of signing, in the Directors' view, there is no impact of this conflict on the entity.

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, 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 prepared 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;
- 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 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.

### **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
- 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.

# BUREAU VERITAS COMMODITIES UK LIMITED

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

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### Independent auditors

Mazars 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

D. Jarris  
Director



D. Davies  
Director

Date: 15<sup>th</sup> December 2023



# **BUREAU VERITAS COMMODITIES UK LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BUREAU VERITAS COMMODITIES UK LIMITED (FORMERLY TENPLETH LIMITED)**

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### **Opinion**

We have audited the financial statements of Bureau Veritas Commodities UK Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Change in Equity, and notes to the financial statements, 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, including 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 state 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 of at least twelve months from when the financial statements are authorised for issue.

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

### **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 our report, we do not express any form of assurance conclusion thereon.

# **BUREAU VERITAS COMMODITIES UK LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BUREAU VERITAS COMMODITIES UK LIMITED (FORMERLY TENPLETH LIMITED)**

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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 this gives rise to 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

### **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 the directors' report have been prepared in accordance with applicable legal requirements.

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

In 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 the 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 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 the financial statements.

# **BUREAU VERITAS COMMODITIES UK LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BUREAU VERITAS COMMODITIES UK LIMITED (FORMERLY TENPLETH LIMITED)**

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The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: anti-money laundering regulation, bribery regulation, and others.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as: tax legislation, and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

# BUREAU VERITAS COMMODITIES UK LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BUREAU VERITAS COMMODITIES UK LIMITED (FORMERLY TENPLETH LIMITED)

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### Use of the audit 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.

Elisa Howe  
Elisa Howe (Dec 21, 2023 15:18 GMT)

Elisa Howe (Senior Statutory Auditor)  
for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
21st December 2023

# BUREAU VERITAS COMMODITIES UK LIMITED

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

	Note	2022 £'000	2021 £'000
Turnover	3	23,161	4,136
Cost of sales		(6,395)	(1,389)
<b>Gross profit</b>		<b>16,766</b>	<b>2,747</b>
Administrative expenses		(12,807)	(1,345)
<b>Operating profit</b>	4	<b>3,959</b>	<b>1,402</b>
Interest payable and similar charges		(27)	-
<b>Profit on ordinary activities before taxation</b>		<b>3,932</b>	<b>1,402</b>
Tax on profit on ordinary activities	7	(1,113)	-
<b>Profit for the financial year</b>		<b>2,819</b>	<b>1,402</b>
<b>Total comprehensive income</b>		<b>2,819</b>	<b>1,402</b>

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 14 to 26 form part of these financial statements.

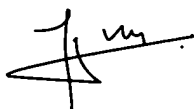
All operations relate to continuing activities.

# BUREAU VERITAS COMMODITIES UK LIMITED

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
<b>Fixed assets</b>			
Intangible assets	8	25,598	28,524
Tangible assets	9	4,635	4,611
Investments	10	3,058	3,058
		<b>33,291</b>	<b>36,193</b>
<b>Current assets</b>			
Stock	11	550	334
Debtors	12	6,538	3,349
Cash at bank and in hand		46	54
		<b>7,134</b>	<b>3,737</b>
<b>Creditors: amounts falling due within one year</b>	13	<b>(2,599)</b>	<b>(4,893)</b>
<b>Net current assets</b>		<b>4,535</b>	<b>(1,156)</b>
<b>Total assets less current liabilities</b>		<b>37,826</b>	<b>35,037</b>
Deferred Tax	14	(39)	(41)
Provisions for liabilities	16	(300)	(333)
<b>Net assets</b>		<b>37,487</b>	<b>34,663</b>
<b>Capital and reserves</b>			
Called-up share capital	17	33,240	33,240
Share based payment reserve	17	26	21
Profit and loss account	17	4,221	1,402
<b>Total shareholders' funds</b>		<b>37,487</b>	<b>34,663</b>

These financial statements on pages 11 to 26 were approved by the board of directors and authorised for issue on 15<sup>th</sup> December 2023 and were signed on its behalf by:



D. Jarris  
Director



D. Davies  
Director

# BUREAU VERITAS COMMODITIES UK LIMITED

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

	Note	Share capital £'000	Share based payment reserve £'000	Profit and loss account £'000	Total £'000
<b>Balance at 1 January 2021</b>		-	-	-	-
Profit for the year		-	-	1,402	1,402
Share based payments		-	21	-	21
Issuance of share capital		33,240	-	-	33,240
<b>Balance at 31 December 2021</b>		<b>33,240</b>	<b>21</b>	<b>1,402</b>	<b>34,663</b>
Profit for the year		-	-	2,819	2,819
Share based payments		-	5	-	5
Issuance of share capital		-	-	-	-
<b>Balance at 31 December 2022</b>		<b>33,240</b>	<b>26</b>	<b>4,221</b>	<b>37,487</b>

# BUREAU VERITAS COMMODITIES UK LIMITED

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

---

### 1. General information

#### General information

Bureau Veritas Commodities UK Ltd (Formerly Tenpleth Ltd) ("the Company") is a limited company incorporated in England. The address of the Company's registered office and principal place of business is Suite 206 Fort Dunlop, Fort Parkway, Birmingham, England, 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.

#### Basis of preparation

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 under the historical cost convention. The financial statements of Bureau Veritas Commodities UK Ltd (Formerly Tenpleth Ltd) for the period ended 31 December 2022 were also prepared in accordance with FRS102.

The financial statements have been prepared in Sterling, which is the functional currency of the group. The accounts are rounded to £'000.

### 2. Summary of significant accounting policies

#### Leased assets

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

#### Turnover

Turnover, which excludes value added tax, represents the value of services supplied. Turnover arising from inspections and analysis is recognised when the inspection and/or analysis is complete.

#### Taxation

Corporation tax payable is provided on taxable profits based on the tax rates and laws enacted or substantively 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.



# BUREAU VERITAS COMMODITIES UK LIMITED

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

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### 2. Accounting policies (continued)

#### Going concern

Bureau Veritas Commodities UK Limited have continued to utilise a cash pooling arrangement with other Bureau Veritas group companies and have obtained letter of support from the ultimate parent company Bureau Veritas SA that confirms access to group funds to enable the business to meet its liabilities as they fall for a period of at least 12 months from the date of approval of the accounts due. On this basis, the directors have formed a judgement that it is appropriate to prepare the financial statements on a going concern basis.

#### Reduced disclosures

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

- Section 7 'Statement of Cash Flows' – Due to the entity being a wholly owned member of a group in which publicly available consolidated financial statements are prepared.
- 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 33 'Related Party Disclosures' paragraph 33.7.
- Section 9 'requirement to present consolidated financial statements'. Details of the parent and consolidated financial statements can be found in note 23.

#### Critical accounting estimates and assumptions

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

#### Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities, and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

#### Business Combinations

Business combinations are accounted for using the purchase method.

The cost of a business combination is measured as the aggregate of the fair values, at the acquisition date, of assets given, liabilities incurred or assumed, and equity instruments issued plus any costs directly attributable to the business combination.

# BUREAU VERITAS COMMODITIES UK LIMITED

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

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Where control is achieved in stages, the cost of the business combination is the aggregate of the fair values of the assets given, liabilities incurred or assumed, and equity instruments issued at the date of each transaction in the series.

Where the business combination requires an adjustment to the cost contingent on future events, the estimated amount of that adjustment is included in the cost of the combination at the acquisition date providing it is probable and can be measured reliably. Where it is not recognised at the acquisition date but subsequently becomes probable and can be measured reliably, the additional consideration is treated as an adjustment to the cost of the combination.

### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on a straight-line basis in order to write off the cost of fixed assets evenly over their estimated useful economic lives as follows:

Buildings	term of the lease
Plant and Equipment	10% to 33% per annum

### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the balance sheet and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are adjusted for in the profit and loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in the profit and loss in the period it arises.

### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

### **Financial instruments**

#### **Financial assets**

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

# BUREAU VERITAS COMMODITIES UK LIMITED

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

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If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled; or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party; or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

### **Financial Liabilities**

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

### **Defined contribution plans**

For defined contribution schemes the amount charged to Statement of Comprehensive Income is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

### **Dividends**

Dividends are recognised as liabilities once they are no longer at the discretion of the Company.

### **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.

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 COMMODITIES UK LIMITED**

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

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### **Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

### **Useful Economic Life of Intangible Assets**

The charge in respect of amortisation is derived after determining an estimate of the useful life of the goodwill. This estimate is based on a variety of factors to which the company evaluates the carrying value in each financial year to determine if there has been an impairment in value, which would result in the inability to recover the carrying amount.

### **Tangible Fixed Assets**

Property, plant, and equipment are depreciated over their useful life taking into account, where appropriate, residual values. Assessment of useful lives and residual values are performed annually, considering factors such as technological innovation, maintenance programmes, market information and management considerations. In assessing the residual values, the remaining life of the asset, its projected disposal value and future market conditions are considered. Details on property, plant and equipment can be found in note 9.

### **Stock Provision**

A provision is made against stocks that have become obsolete, or the cost is above net realisable value.

### **Dilapidations Provision**

A provision is made against future dilapidations cost based on the best estimates of the Directors.

### **Recoverability of debtors**

The recoverability of debtors is considered by management and an estimate is made with regards to the amounts which may not be recoverable and are therefore provided against. In making this estimate management consider knowledge of the debtors, past experience and the ageing of the debt owed, as well as all relevant correspondence with the individual debtors.

### **Impairment of investments**

Investments in subsidiary undertakings are recorded at cost less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

# BUREAU VERITAS COMMODITIES UK LIMITED

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

### 3. Turnover

A geographical analysis of turnover has not been given because the Directors consider that such disclosures would be prejudicial to the interests of the Company."

### 4. Profit on ordinary activities before taxation

	2022 £'000	2021 £'000
<b>Operating profit is stated after charging:</b>		
Auditors' remuneration - audit of the financial statements	19	18
Amortisation	2,926	731
Depreciation	805	169
Operating lease rentals	82	51
Directors remuneration	135	36
Stocks recognised as an expense	1,260	507

### 5. Employee information

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

	2022 Number	2021 Number
<b>By activity</b>		
Administration	60	-
Technical and Production	169	213
	229	213

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

	2022 £'000	2021 £'000
Wages and salaries	7,524	1,538
Social security costs	777	159
Other pension costs	291	70
	8,592	1,767

### 6. Directors' emoluments

The remuneration of the directors of the company was as follows:

	2022 £'000	2021 £'000
Aggregate emoluments for qualifying services	129	31
Employer contribution to national insurance	20	4
Company contributions to defined contribution pension scheme	6	1
	155	36

# BUREAU VERITAS COMMODITIES UK LIMITED

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

The above information relates to emoluments paid to one director (2021: nil). No directors exercised share options in 2022 (2021: nil).

The remaining directors do not receive any remuneration as their services to the company are inconsequential to their other group roles. There were no additional senior management team remunerations other than the directors which were disclosed in the note above. Retirement benefits are being accrued by 1 director (2021:1).

### 7. Tax on profit on ordinary activities

	2022 £'000	2021 £'000
Current Tax:		
UK Corporation tax on profits for the year	750	-
Adjustment in respect of prior years	321	-
Total current tax	1,071	-
Overseas tax	44	-
Deferred tax:		
Origination and reversal of timing differences	(2)	(41)
Total deferred tax	(2)	(41)
Tax on profit on ordinary activities	1,113	(41)

The tax for the year is lower 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>3,932</b>	<b>1,401</b>
Profit on ordinary activities multiplied by standard rate of UK corporation tax of 19% (2021: 19%)	747	266
Effects of:		
Net disallowable income	3	(31)
Expenditure only deductible for tax purposes	-	-
Origination and reversal of timing differences	(2)	(41)
Overseas tax	44	-
Group relief surrendered free of charge	-	(194)
Adjustment in respect of prior years	321	-
<b>Total tax charge for the year</b>	<b>1,113</b>	<b>(41)</b>

### Factors which affect tax charges

Deferred tax has been calculated using this rate based on this being the most up to date legislation available at the balance sheet date. Within the budget 2022, the government announced that the corporation tax main rate for the years starting 1 April 2022 and 2022 would remain at 19% but increase to 25% starting 1 April 2023.

# BUREAU VERITAS COMMODITIES UK LIMITED

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

### 8. Intangible assets

	Purchased Goodwill
	£'000
<b>Cost:</b>	
1 January 2022	29,255
<b>At 31 December 2022</b>	<b>29,255</b>
<b>Accumulated depreciation</b>	
1 January 2022	731
Charge for year	2,926
Disposals	-
<b>At 31 December 2022</b>	<b>3,657</b>
<b>Net book value</b>	
<b>At 31 December 2022</b>	<b>25,598</b>
At 31 December 2021	28,524

The entity is unable to make a reliable estimate of the useful life of goodwill and therefore, under FRS102, para 19.23(a), the asset life should not exceed 10 years. The Directors have therefore agreed to amortise the goodwill over 10 years.

### 9. Tangible fixed assets

	Land and Buildings	Plant and Equipment	Total
	£'000	£'000	£'000
<b>Cost:</b>			
1 January 2022	1,155	3,625	4,780
Additions	-	829	829
<b>At 31 December 2022</b>	<b>1,155</b>	<b>4,454</b>	<b>5,609</b>
<b>Accumulated depreciation</b>			
1 January 2022	36	133	169
Charge for year	133	672	805
<b>At 31 December 2022</b>	<b>169</b>	<b>805</b>	<b>974</b>
<b>Net book value</b>			
<b>At 31 December 2022</b>	<b>986</b>	<b>3,649</b>	<b>4,635</b>
At 31 December 2021	1,119	3,492	4,611

# BUREAU VERITAS COMMODITIES UK LIMITED

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

### 10. Fixed assets investments

	Subsidiary Undertakings £'000
Cost	
At 1 January 2022	3,058
Additions	-
<b>31 December 2022</b>	<b>3,058</b>
<b>Net Book Value</b>	
<b>At 31 December 2022</b>	<b>3,058</b>
At 31 December 2021	3,058

The Company's investments in the ordinary share capital of unlisted companies at 31 December 2022 comprised the following:

Country	Name	Industry	Share holding
Malta	Inspectorate Malta Ltd	Engineering inspection and consultancy services	100% ordinary shares

### 11. Stock

	2022 £	2021 £
Raw materials	550	334
	<b>550</b>	<b>334</b>

Due to the nature of the business, all stock held are raw materials and there is no WIP or finished goods at year-end. There is no stock provision in place and the cost of stock for the year totalled £1,260k.

### 12. Debtors

	2022 £	2021 £
Trade debtors	3,415	2,918
Amounts owed by group undertakings	2,384	293
Prepayments	258	23
Other debtors	68	115
Corporation Tax	413	-
	<b>6,538</b>	<b>3,349</b>

No provision is deemed to be required over trade debtors (2021: £nil). Included in amounts due from group undertakings is an unsecured loan of £744,035 (2021: £Nil) owed by Bureau Veritas SA interest free and repayable on demand.

The remaining balances owed from group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.



# BUREAU VERITAS COMMODITIES UK LIMITED

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

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

	2022	2021
	£'000	£'000
Trade creditors	634	783
Amounts owed to group undertakings	805	2,705
Other taxes and social security costs	344	385
Other creditors and accruals	816	1,020
	<b>2,599</b>	<b>4,893</b>

Included in amounts due to group undertakings is an unsecured loan of £Nil (2021: £2,483,412) owed to Bureau Veritas SA which is subject to interest based on LIBOR plus an applicable margin and is repayable on demand. The remaining balances owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 14. Deferred taxation

	2022	2021
	£	£
Deferred tax liability	39	41
	<b>39</b>	<b>41</b>
1 January	41	-
Deferred tax charge in profit and loss account	(2)	41
31 December	<b>39</b>	<b>41</b>

### 15. 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.

	2022	2021
	£'000	£'000
Contributions payable by the Company for the year	<b>291</b>	<b>70</b>

Included within other creditors as at 31 December 2022 were contributions payable of £139,425 (2021: £143,572)

# BUREAU VERITAS COMMODITIES UK LIMITED

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

### 16. Provisions for liabilities

	Legal provision	Property dilapidations provisions	Total
	£'000	£'000	£'000
1 January 2022	33	300	333
Utilisation of provision	(33)	-	(33)
31 December 2022	-	300	300

The dilapidation provisions relate to the likely cost of refurbishment of leased properties in line with the requirement of the individual leases. The provision is based on assumptions of cost per square foot and the condition of the property at the balance sheet date which was last reviewed at the end of 2019.

### 17. Called up share capital

	2022 £'000	2021 £'000
Allotted, called up and fully paid:		
33,240,001 (2021: 100) ordinary shares of £1 each	33,240	33,240

### Share based payment reserve

The cost of shares which will be awarded under the Free Share and Stock Option Plans is measured at fair value. Fair value for the Free Share Plan is calculated based on the anticipated number of shares to be issued and the share price on grant date. The free share plan is a group wide plan, and it is equity settled. There is a three-year vesting period for every scheme. The reserve comprises of amounts charged and credited in relation to share based payments.

### Profit and loss account

This reserve records the cumulative profit and loss net of distribution to owners.

### 18. Commitments under operating leases

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

	Property	
	2022 £'000	2021 £'000
Expiring within one year	82	82
Expiring between two and five years	113	195
Expiring over five years	4	4
	199	281

# BUREAU VERITAS COMMODITIES UK LIMITED

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

### 19. Capital commitments

There were no capital commitments in place at the year-end (2021: none).

### 20. Post balance sheet events

The only post balance sheet event worth noting post 31 December 2022 is the conflict between Ukraine and Russia which is ongoing as at the date of signing, in the Directors' view, there is no impact of this conflict on the entity.

### 21. Related party transactions

The Company has taken advantage of the exemption in section 33.1A Financial Reporting Standard 102 "Related Party Disclosures" and has not disclosed details of transactions with fellow wholly owned undertakings within the Bureau Veritas SA group of companies.

During the year, the Company had the following related party transactions with other group companies not wholly owned within the Bureau Veritas SA group:

Name of related party	Sales		Purchases		Amounts outstanding (to)/from related party	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Inspectorate (Shanghai) Limited	523	-	7	-	275	59
Inspectorate International Saudi Arabia Co Ltd	2	1	-	-	2	-
Inspectorate Malaysia SDN BHD	-	-	3	6	(1)	(4)
BV Inspectorate Laboratories (Pty) Ltd	1	-	2	-	(1)	-
Inspectorate (Thailand) Co Ltd	1	-	2	-	-	2
Inspectorate Philippines Corp.	-	-	-	1	-	1
BV sa – South Korea branch	2	-	-	2	-	2

### 22. Dividends

Dividends paid during the year are disclosed as part of the Directors report.

### 23. Immediate and Ultimate parent undertaking

The immediate parent company is Bureau Veritas UK Holdings Limited which owns 100% of the ordinary share capital of Bureau Veritas Commodities UK Limited. The parent of Bureau Veritas UK Holdings Limited is Bureau Veritas International SAS. The parent company of Bureau Veritas International SAS is Bureau Veritas SA, a company registered in France.

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 at 67/71 Boulevard du Chateau, 92200 Neuilly-sur-Seine, France. ([www.bureauveritas.com](http://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.

## **BUREAU VERITAS COMMODITIES UK LIMITED**

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

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The largest group of undertakings of which the company is a member that produces consolidated financial statements is Wendel SA, 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))