

Registered number
07871618

Eurotestconsult UK Limited
Registered number: 07871618

Annual Report and Financial Statements

for the year end
31 December 2021

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Eurotestconsult UK Limited
Strategic Report

The directors present their report and financial statements for the year ended 31 December 2021.

Principal activities

The Company has not traded during the year.

Results for the year

The trading results for the year and the Company financial position at the end of the year are shown in the financial statements on pages 7 to 16. The profit for the year after taxation was £1,014 (2020: loss of £6,450).

Key performance indicators

The Company utilises a number of different measures in order to monitor its performance, including turnover, margins and cash flow. Further measures employed by the Company include return on capital employed, health and safety and employee turnover.

Risks and uncertainties

The main risks facing the Company are market conditions and the exposure to foreign currencies.

Going concern

The Company is not currently expected to continue trading in future periods as all contracts which were entered by the company are now considered to be operationally and financially complete. The directors intend to begin the process of wind up of the company during 2022. The Company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. James Fisher and Sons PLC have indicated that they would financially support the Company if necessary until the point of formal wind up.

This report was approved by the board on 23 November and signed on its behalf by



Robert Stopford
Director

Eurotestconsult UK Limited
Registered number: 07871618
Directors' Report

Directors

The following persons served as directors during the year:

L B B Vega
R Stopford
S Kilpatrick

(resigned 29 April 2021)

Auditors

Saffery Champness LLP
Mitre House
North Park Road
Harrogate
HG1 5RX

Bankers

Santander UK Plc

Registered office

Fisher House
PO Box 4
Barrow in Furness
Cumbria
LA14 1HR

Statement of Compliance

To comply with the Companies Act 2006, the Company has detailed in the Strategic report, a review of the development and performance of the business during the year including key financial performance indicators, and a description of the principal risks and uncertainties facing the Company.

Treasury policies

The company's treasury management operates under approved treasury policies and guidelines covering funding and management of foreign currency exposure and interest rate risk. Its purpose is to manage the financial risks of the business effectively and to secure finance at a minimum cost. Activities are covered by guidelines, exposure limits, controls and a system of authority authorised by the board of the company's ultimate holding company, James Fisher and Sons plc.

The company manages its cash to ensure maximum benefit is gained whilst ensuring security of investment sources. Any surplus funds are placed with institutions with strong credit ratings.

Political contributions

The company made no political contributions in the year (2020: £nil).

Auditor

Saffery Champness LLP have expressed their willingness to continue in office and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be reappointed will be put at a general meeting.

Post balance sheet event

There were no significant post balance sheet events.

Eurotestconsult UK Limited
Registered number: 07871618
Directors' Report

Dividends

The dividends paid during the year amounted to £nil (2020: £nil).

Disclosure of information to the auditor

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

Directors' Indemnity

The Directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 101 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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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.

This report was approved by the board on 23 November 2022 and signed on its behalf by



Robert Stopford

Director

Eurotestconsult UK Limited
Independent auditor's report
to the members of Eurotestconsult UK Limited

Opinion

We have audited the financial statements of Eurotestconsult UK Limited for the year ended 31 December 2021 which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, the Statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101, 'Reduced Disclosure Framework'.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 101; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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.

Eurotestconsult UK Limited
Independent auditor's report
to the members of Eurotestconsult UK Limited

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 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; or

We have nothing to report in these respects.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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.

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006, and UK Tax legislation.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

Eurotestconsult UK Limited
Independent auditor's report
to the members of Eurotestconsult UK Limited

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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.



Jonathan Davis
(Senior Statutory Auditor)
for and on behalf of
Saffery Champness LLP
Accountants and Statutory Auditors

29 November 2022

Mitre House
North Park Road
Harrogate
HG1 5RX

Eurotestconsult UK Limited
Profit and Loss Account and Other Comprehensive Income
for the year ended 31 December 2021

| | Notes | 2021 £ | 2020 £ |
|--|-------|--------------|----------------|
| Turnover | 3 | - | 58,447 |
| Cost of sales | | - | (39,795) |
| Gross profit | | <u>-</u> | <u>18,652</u> |
| Administrative expenses | | 1,014 | (6,258) |
| Operating profit | 4 | <u>1,014</u> | <u>12,394</u> |
| Interest receivable | | - | 169 |
| Profit on ordinary activities before taxation | | <u>1,014</u> | <u>12,563</u> |
| Tax on profit on ordinary activities | 6 | - | (19,013) |
| Profit/(loss) for the financial year | | <u>1,014</u> | <u>(6,450)</u> |

The notes on pages 10 to 16 form part of these financial

The results for the period are derived from continuing operations

There was no other comprehensive income for the period other than the profit for the financial year
(2020: £nil)

Eurotestconsult UK Limited
Balance Sheet
as at 31 December 2021

| | Notes | 2021 £ | 2020 £ |
|---|-------|---------------|----------------|
| Current assets | | | |
| Debtors | 9 | 500 | 500 |
| Cash at bank and in hand | | <u>94,188</u> | <u>131,524</u> |
| | | 94,688 | 132,024 |
| Creditors: amounts falling due within one year | 10 | (2,170) | (40,520) |
| Net current assets | | <u>92,518</u> | <u>91,504</u> |
| Net assets | | <u>92,518</u> | <u>91,504</u> |
| Capital and reserves | | | |
| Called up share capital | 12 | 1,000 | 1,000 |
| Profit and loss account | 13 | 91,518 | 90,504 |
| Total equity | | <u>92,518</u> | <u>91,504</u> |

The notes on pages 10 to 16 form part of these financial statements.

These financial statements were authorised for issue by the Board of Directors on 23 November 2022 and signed on the Board's behalf by:



Robert Stopford
Director

Company Registered Number 07871618

Eurotestconsult UK Limited
Statement of Changes in Equity
for the year ended 31 December 2021

| | Share capital | Profit and loss account | Total |
|-------------------------------|------------------|-------------------------------|---------------|
| | £ | £ | £ |
| At 1 January 2020 | 1,000 | 96,954 | 97,954 |
| Loss for the financial year | - | (6,450) | (6,450) |
| At 31 December 2020 | 1,000 | 90,504 | 91,504 |
| At 1 January 2021 | 1,000 | 90,504 | 91,504 |
| Profit for the financial year | - | 1,014 | 1,014 |
| At 31 December 2021 | 1,000 | 91,518 | 92,518 |

Eurotestconsult UK Limited
Notes to the Accounts
for the year ended 31 December 2021

1 Summary of significant accounting policies

Eurotestconsult UK Limited (the "Company") is a company incorporated and domiciled in the UK.

Basis of Preparation

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRS"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, James Fisher and Sons plc includes the Company in its consolidated financial statements. The consolidated financial statements of James Fisher and Sons plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Fisher House, PO Box 4, Barrow in Furness, Cumbria, LA14 1HR.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
 - Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
 - Disclosures in respect of transactions with wholly owned subsidiaries;
 - Disclosures in respect of capital management;
 - The effects of new but not yet effective IFRSs; and
 - Disclosures in respect of the compensation of Key Management Personnel.
- As the consolidated financial statements of James Fisher and Sons plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures.
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The principle accounting policies, which have been applied consistently throughout the year and the preceding year, are set out below.

Going Concern

The company is not currently expected to continue trading in future periods as all contracts which were entered by the company are now considered to be operationally and financially complete. The directors intend to begin the process of wind up of the company during 2022. The Company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. James Fisher and Sons PLC have indicated that they would financially support the company if necessary until the point of formal wind up.

Revenue

IFRS 15 'Revenue from contracts with customer' became effective on 1 January 2018.

Revenue, after excluding trade discounts and value added tax, represents the provision of goods and services by the Company in the normal course of business. Revenue is recognised as control of the goods and services is transferred to the customer, the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of the transfer of control will vary depending on the terms of the sales agreement, the evaluation of the specific risks associated with the performance of the contract (for example design, construction and testing) or generally accepted practice where there are no specific arrangements in the contract.

Performance obligations

Upon approval by the parties to a contract, the contract is assessed to identify each promise to transfer either a distinct good or service or a series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer. Goods and services are distinct and accounted for as separate performance obligations in the contract if the customer can benefit from them either on their own or together with other resources that are readily available to the customer and they are separately identifiable in the contract.

Transaction price

At the start of the contract, the total transaction price is estimated as the amount of consideration to which the company expects to be entitled in exchange for transferring the promised goods and services to the customer, excluding sales taxes. Variable consideration, such as price escalation, is included based on the expected value or most likely amount only to the extent that it is highly probable that there will not be a reversal in the amount of cumulative revenue recognised. The transaction price does not include estimates of consideration resulting from contract modifications, such as change orders, until they have been approved by the parties to the contract. The total transaction price is allocated to the performance obligations identified in the contract in proportion to their relative stand-alone selling prices where appropriate. Given the bespoke nature of many of the Company's products and services, which are designed and/or manufactured under contract to the customer's individual specifications, there are typically no observable stand-alone selling prices. In such cases, stand-alone selling prices are typically estimated based on expected costs plus contract margin consistent with the Company's pricing principles.

Eurotestconsult UK Limited
Notes to the Accounts
for the year ended 31 December 2021

Revenue and profit recognition

Revenue is recognised as performance obligations are satisfied as control of the goods and services is transferred to the customer. For each performance obligation within a contract, the company determines whether it is satisfied over time or at a point in time. Performance obligations are satisfied over time if one of the following criteria is satisfied:

- the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs;
- the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Company's performance does not create an asset with an alternative use to the Company and it has an enforceable right to payment for performance completed to date.

Contracts that satisfy the over time criteria primarily occur either because the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs (typically services or support contracts) or the Company's performance does not create an asset with an alternative use and it has an enforceable right to payment for performance completed to date (typically production contracts).

For each performance obligation to be recognised over time, the company typically recognises revenue using an input method, based on costs incurred in the period. Revenue and attributable margin are calculated by reference to reliable estimates of transaction price and total expected costs, after making suitable allowances for technical and other risks. Revenue and associated margin are therefore recognised progressively as costs are incurred. If the over time criteria for revenue recognition are not met, revenue is recognised at the point in time that control is transferred to the customer, which is usually when legal title passes to the customer and the business has the right to payment, for example, on delivery. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately as an expense.

Bid costs

All pre-contract bidding costs which are incurred irrespective of whether the contract is awarded relating to the design, manufacture or operation of assets or the provision of services are expensed when incurred.

Warranty costs

Provision is made for warranties offered with products where it is probable that an obligation to transfer economic benefits to the customer in future will arise. This provision is based on management's assessment of the previous history of claims and probability of future obligations arising on a product by product basis.

Operating lease rental income

Revenue is measured at the fair value of consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised in the income statement on a straight line basis over the period of the hire.

Financial Instruments

Financial assets

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument. A financial asset, other than a trade receivable without a significant financing component, or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or 'Fair Value through the Profit and Loss' (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses, and any gain or loss on de-recognition are recognised in profit or loss.

Company investments in subsidiaries and joint ventures

The Company recognises its investments in subsidiaries and joint ventures at cost. Income is recognised from these investments when its right to receive the dividend is established.

Foreign currency

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Exchange differences arising on settlement of monetary items or on the retranslation of monetary items at rates different from those at which they were initially recognised are taken to the profit & loss account.

Intangible fixed assets

Intangible assets are stated at cost or fair value less any provision for impairment.

Intangible assets assessed as having finite lives are amortised over their estimated useful economic life and are assessed for impairment whenever there is an indication that they are impaired. Amortisation charges are on a straight line basis and recognised in the profit & loss account. Estimated useful lives are as follows:

| | |
|----------------------|---|
| Development costs | 5 years or over the expected period of product sales, if less |
| Patents and licences | 5 years or over the period of the licence, if less |
| Goodwill | Not amortised, but tested annually for impairment |

Eurotestconsult UK Limited
Notes to the Accounts
for the year ended 31 December 2021

Property, plant and equipment

Property, plant and equipment is stated at cost, less accumulated depreciation and any provision for impairment losses

Depreciation is provided to write-off the cost of property, plant and equipment to their residual value in equal annual instalments over their estimated useful lives, as follows:

| | |
|---------------------|-------------|
| Plant and Machinery | 25% on Cost |
|---------------------|-------------|

No depreciation is charged on assets under construction

Impairment of tangible and intangible assets

At each reporting date the company assesses whether there are any indications that an asset has been impaired. If any indication exists, an estimate of the recoverable amount of the asset is made which is determined as the higher of its fair value less costs to sell and its value in use. These calculations are determined for an individual asset unless that asset does not generate cash inflows independently from other assets, in which case its value is determined as part of that group of assets. To assess the value in use, estimated future cash flows relating to the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the asset. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered to be impaired and is written down to its recoverable amount. Impairment losses are recognised in the profit & loss account.

Research and development costs

Research expenditure is expensed in the profit & loss account as incurred. Expenditure on development which represents the application of research to the development of new products or processes is capitalised provided that specific projects are identifiable, technically feasible, and the company has sufficient resources to complete development. The useful life of projects meeting the criteria for capitalisation is determined on a project by project basis. Capitalised development expenditure is measured at cost and amortised over its expected useful life on a straight line basis. Other development costs are recognised in the profit & loss account as incurred.

If an event occurs after the recognition of an impairment that leads to a decrease in the amount of the impairment loss previously recognised the impairment loss is reversed. The reversal is recognised in the profit & loss account to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

Stock

Inventories are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition. Raw materials, consumables stores and finished goods for sale are stated at purchase cost on a first in first out basis. Work in progress and finished goods are stated at the cost of direct materials and labour plus attributable overheads allocated on a systematic basis based on a normal level of activity. Net realisable value is based on estimated selling price less the estimated costs of completion and sale or disposal.

Taxation

Corporation tax is provided on taxable profits from activities not qualifying for tonnage tax relief and is recognised in the profit & loss account except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected corporation tax payable or receivable in respect of the taxable profit for the year using tax rates enacted or substantively enacted at the balance sheet date, less any adjustments to tax payable or receivable in respect of previous years

Deferred tax is recognised in respect of all temporary differences between the carrying amounts of assets and liabilities included in the financial statements and the amounts used for tax purposes, that will result in an obligation to pay more, a right to pay less or to receive more tax, with the following exceptions:

- No provision is made where a deferred tax liability arises from the initial recognition of an asset or liability in a transaction that at the time of the transaction affect neither accounting nor taxable profit; and
- No provision is made for deferred tax that would arise on all taxable temporary differences associated with investments in subsidiaries and interests in joint ventures where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets are recognised only to the extent that the Directors consider that it is probable that there will be suitable taxable profits from which the future reversal of the underlying temporary differences and unused tax losses and credits can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the asset is expected to be realised or liability settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Leases

The Company has applied IFRS 16 using the modified retrospective approach and therefore comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4. The details of accounting policies under IAS 17 and IFRIC 4 are disclosed separately where they are different from those under IFRS 16.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

This policy is applied to contracts entered into, or changed, on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Company allocated the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Eurotestconsult UK Limited
Notes to the Accounts
for the year ended 31 December 2021

As a lessee

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rates as the discount rate.

Short-term leases and leases of low-value assets

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

Policy applicable before 1 January 2019

A lease arrangement under which substantially all the risks and rewards of ownership rest with the lessee are classified as finance leases and capitalised at the inception of the lease at the lower of the fair value of the related item or the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are expensed to the profit & loss account. Capitalised leased assets are depreciated over the shorter of the lease term and the estimated useful life of the asset. All other leases are classified as operating leases and rentals payable are charged to the profit & loss account on a straight line basis over the lease term.

Pension plans

The company recognises a liability and an expense for short term employee benefits, including bonuses, only when contractually or constructively obliged.

Share capital and reserves

Ordinary shares are classified as equity. Costs attributable to the issue of new shares are deducted from equity from the proceeds.

2 Critical accounting estimates and judgements

Financial and business risks

The company's activities expose it to a variety of financial and business risks. Where possible the company seeks to minimise these risks through its risk management policies.

Revenue

Revenue is recognised as control of the goods and services is transferred to the customer, the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of the transfer of control will vary depending on the terms of the sales agreement, the evaluation of the specific risks associated with the performance of the contract (for example design, construction and testing) or generally accepted practice where there are no specific arrangements in the contract.

Income taxes

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax risk issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

| | | |
|--|-------------|---------------|
| 3 Revenue | 2021 | 2020 |
| | £ | £ |
| Services rendered | - | 58,447 |
| | <u>-</u> | <u>58,447</u> |
| By geographical market: | | |
| United Kingdom and Republic of Ireland | - | 58,447 |
| 4 Expenses and auditor's remuneration | 2021 | 2020 |
| | £ | £ |
| Operating profit is stated after charging: | | |
| Auditors' remuneration for audit services | 2,400 | 6,000 |

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| 5 Staff costs | 2021 | 2020 |
|---|-------------|-------------|
| The aggregate payroll costs of these persons were as follows: | £ | £ |
| Wages and salaries | - | - |
| Social security costs | - | - |
| Other pension costs | - | - |
| | <u>-</u> | <u>-</u> |

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

| Average number of employees during the year | 2021 | 2020 |
|--|-------------|-------------|
| | <u>-</u> | <u>-</u> |

| 6 Taxation on profit | 2021 | 2020 |
|--|-------------|---------------|
| | £ | £ |
| Analysis of charge in period | | |
| Deferred tax: | | |
| Origination and reversal of timing differences | - | 19,013 |
| | <u>-</u> | <u>19,013</u> |

| | | |
|--------------------------------------|----------|---------------|
| Tax on profit on ordinary activities | <u>-</u> | <u>19,013</u> |
|--------------------------------------|----------|---------------|

| | 2021 | 2020 |
|--|--------------|---------------|
| | £ | £ |
| Profit on ordinary activities before tax | <u>1,014</u> | <u>12,563</u> |

| | | |
|--|--------|--------|
| Standard rate of corporation tax in the UK | 19.00% | 19.00% |
|--|--------|--------|

| | £ | £ |
|--|----------|----------|
| Profit on ordinary activities multiplied by the standard rate of corporation tax | 193 | 2,387 |

| | | |
|--|----------|---------------|
| Effects of: | | |
| Expenses not deductible for tax purposes | - | - |
| Ineligible depreciation | - | - |
| Non-taxable income | - | - |
| Deferred tax not provided | - | - |
| Other | - | - |
| Overseas tax | - | - |
| Effect of rate change | - | (2,237) |
| Losses brought forward utilised | (193) | - |
| Losses not recognised | - | 18,863 |
| Current tax charge for period | <u>-</u> | <u>19,013</u> |

| 9 Debtors | 2021 | 2020 |
|--|-------------|-------------|
| | £ | £ |
| Amounts owed by joint venture undertakings | <u>500</u> | <u>500</u> |
| | <u>500</u> | <u>500</u> |

| | | |
|--------------------------------------|------------|------------|
| Amounts due after more than one year | - | - |
| Due within one year | <u>500</u> | <u>500</u> |
| | <u>500</u> | <u>500</u> |

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10 Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|---|--------------|---------------|
| Amounts owed to group undertakings and undertakings in which the company has a participating interest | - | 24,266 |
| Corporation tax | - | - |
| Other taxes and social security costs | (230) | 4,254 |
| Accruals and contract liabilities | 2,400 | 12,000 |
| | <u>2,170</u> | <u>40,520</u> |

11 Deferred taxation

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Accelerated capital allowances | - | - |
| | <u>-</u> | <u>-</u> |
| | 2021 £ | 2020 £ |
| At 1 January | - | 19,013 |
| Credited to the profit and loss account | - | (19,013) |
| At 31 December | <u>-</u> | <u>-</u> |

Deferred tax liabilities are attributable to accelerated capital allowances.

12 Share capital

| | Nominal value | 2021 Number | 2021 £ | 2020 £ |
|-------------------------------------|------------------|----------------|--------------|--------------|
| Allotted, called up and fully paid: | | | | |
| Ordinary shares | £1 each | 1,000 | 1,000 | 1,000 |
| | | | <u>1,000</u> | <u>1,000</u> |

13 Profit and loss account

| | 2021 £ | 2020 £ |
|--------------------------------------|---------------|---------------|
| At 1 January | 90,504 | 96,954 |
| Profit/(loss) for the financial year | 1,014 | (6,450) |
| At 31 December | <u>91,518</u> | <u>90,504</u> |

14 Related party transactions

During the year the Company entered into transactions in the ordinary course of business with fellow group members who were not wholly owned. Transactions entered into and trading balances outstanding at 31 December were as follows:

| | Sales to | | Purchases from | |
|-------------------------------|-------------|-----------|----------------|---------------|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| James Fisher Testing Services | - | - | - | - 47,996 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>47,996</u> |
| | Receivables | | Creditors | |
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| James Fisher Testing Services | - | - | - | 24,266 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>24,266</u> |

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15 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of James Fisher and Sons plc which is the ultimate parent company incorporated in United Kingdom.

The largest group in which the results of the Company are consolidated is that headed by James Fisher and Sons plc incorporated in the United Kingdom. No other group financial statements include the results of the Company. The consolidated financial statements of these groups are available to the public and may be obtained from Fisher House, PO Box 4, Barrow in Fumess, Cumbria, LA14 1HR.

16 Presentation currency

The financial statements are presented in Sterling.

17 Legal form of entity and country of incorporation

Eurotestconsult UK Limited is a private company limited by shares and incorporated in England.

18 Principal place of business

The address of the company's principal place of business is:

Ruby House
40a Hardwick Grange
Woolston
Warrington
Cheshire
WA1 4RF