

COMPANIES HOUSE
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14 MAR 2019

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Velosi Certification Bureau Limited
Annual report and financial statements
for the year ended 31 December 2017

Registered number: 03696143

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COMPANIES HOUSE

Velosi Certification Bureau Limited

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Velosi Certification Bureau Limited

Officers and professional advisers

DIRECTORS

R Fernandez Armas
P Aguilo Barcelo

REGISTERED OFFICE

Unit 1, Woodside Business Park
Whitley Wood Lane
Reading
Berkshire
RG2 8LW

BANKERS

Citibank
Canada Square
London

SOLICITORS

Field Seymour Parkes LLP
1 London Street
Reading
RG1 4QW

AUDITOR

Deloitte LLP
Statutory Auditor
Glasgow
United Kingdom

Velosi Certification Bureau Limited

Directors' report

The directors present their report and the financial statements for the year ended 31 December 2017.

The Directors' report has been prepared in accordance with the provisions applicable to Companies entitled to the small companies exemption. Accordingly, the directors have elected to take advantage of the exemption from preparing a Strategic report.

Principal activities

The principal activities of the company during the year were that of supplying technical, engineering and industrial services.

Going concern

On 1 January 2018, the company's trade and employees were transferred to Applus RTD UK Ltd. As a result of this transaction, the company has ceased to trade. Accordingly, the financial statements have been prepared on a basis other than going concern.

Directors

The directors, who served throughout the year and to the date of signing except as noted, were as follows:

R Fernandez Armas
P Aguilo Barcelo

Auditor

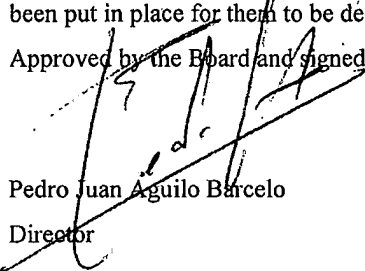
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board and signed on its behalf by:


Pedro Juan Aguilo Barcelo
Director

Date: 13 March 2019

Velosi Certification Bureau Limited

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". 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 judgments and accounting estimates that are reasonable and prudent;
- 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.

Independent auditor's report to the members of Velosi Certification Bureau Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Velosi Certification Bureau Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 15.

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" (United Kingdom Generally Accepted Accounting Practice).

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 Financial Reporting Council's (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.

Emphasis of matter – Financial statements prepared other than on a going concern basis

We draw attention to note 1 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Independent auditor's report to the members of Velosi Certification Bureau Limited (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

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

Report on other legal and regulatory requirements

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

~~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 any material misstatements in the directors' report.~~

Independent auditor's report to the members of Velosi Certification Bureau Limited (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

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.



David Crawford CA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Glasgow, United Kingdom

13 March 2019

Velosi Certification Bureau Limited

Income Statement For the year ended 31 December 2017

	Note	2017 £	2016 £
Turnover	2	915,120	1,858,206
Cost of sales		(430,490)	(984,277)
Gross profit		484,630	873,929
Administrative expenses		(607,439)	(941,329)
Operating loss		(122,809)	(67,400)
Interest receivable/(payable)	5	10,389	(15,042)
Funding Reorganisation	6	626,501	-
Profit/(Loss) on ordinary activities before taxation	3	514,081	(82,442)
Tax on (loss) / profit on ordinary activities	7	(14,970)	-
Profit/(Loss) for the financial year attributable to owners of the Company		499,111	(82,442)

Turnover and operating profit / (loss) are all derived from discontinued operations.

There were no other recognised gains or losses for 2017 and 2016 other than those included in the income statement. Accordingly, a statement of other comprehensive income has not been presented.

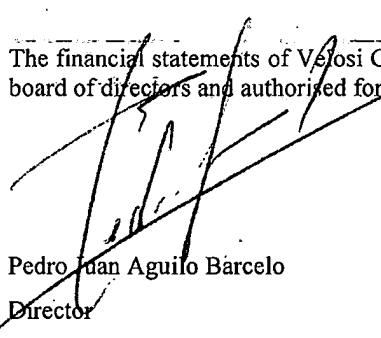
The notes on pages 10 to 19 form part of these financial statements.

Velosi Certification Bureau Limited

Balance sheet as at 31 December 2017

	Note	2017 £	2016 £
Current assets			
Intangible assets	8	8,599	13,758
Tangible assets	9	2,349	5,432
Investments in subsidiaries and associates	10	1,462	1,462
Debtors	11	261,368	413,903
Cash at bank and in hand		283,963	226,257
		<u>557,741</u>	<u>660,812</u>
Creditors: amounts falling due within one year	12	<u>(679,279)</u>	<u>(1,281,461)</u>
Net current liabilities		<u>(121,538)</u>	<u>(620,649)</u>
Total assets less current liabilities		<u>(121,538)</u>	<u>(620,649)</u>
Net liabilities		<u>(121,538)</u>	<u>(620,649)</u>
Capital and reserves			
Called-up share capital	13	100	100
Profit and loss account deficit		<u>(121,638)</u>	<u>(620,749)</u>
Shareholders' deficit		<u>(121,538)</u>	<u>(620,649)</u>

The financial statements of Velosi Certification Bureau Limited (registered number 03696143) were approved by the board of directors and authorised for issue on March 2019.


Pedro Juan Aguilo Barcelo
Director

Velosi Certification Bureau Limited

Statement of Changes in Equity as at 31 December 2017

	Share Capital	Profit and loss account deficit	Total
	£	£	£
At 1 January 2016	100	(538,307)	(538,207)
Loss for the financial year	-	(82,442)	(82,442)
At 1 January 2017	<u>100</u>	<u>(620,749)</u>	<u>(620,649)</u>
Profit for the financial year	-	499,111	499,111
At 31 December 2017	<u>100</u>	<u>(121,638)</u>	<u>(121,538)</u>

Velosi Certification Bureau Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

1. Accounting policies

Velosi certification Bureau Limited is a private company limited by shares which is incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The address of the company's registered office is given on page 1.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the company operates.

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Basis of accounting

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. The financial statements have therefore been prepared in accordance with FRS 101. As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of a cash-flow statement and certain related party transactions.

Where relevant, equivalent disclosures have been given in the group accounts of Applus Services S.A.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

New standards and interpretations not yet applied

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

- IFRS 7 Financial Instruments: Disclosures (effective 1 January 2018)
- IFRS 9 Financial Instruments (effective 1 January 2018)
- IFRS 15 Revenue from Contracts with Customers (effective 1 January 2018)
- Amendments to IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation
- IFRS 16 Leases (effective 1 January 2019)
- Disclosure Initiative: Amendments to IAS 7 (effective 1 January 2017)
- Annual improvements to IFRSs

At the date of authorisation of these financial statements, the directors have considered the standards and interpretations which have not been applied in these financial statements, were in issue but not yet effective (and in some cases had not yet been adopted by the EU) and only IFRS 15 "Revenue from Contracts with Customers" and IFRS 16 'Leases' were considered to be relevant. The directors are still assessing whether the application of both standards, once effective, will have a material impact on the results of the company. Adoption of the other standards and interpretations referred to above is not expected to have a material impact on the results of the company. Application of these standards may result in some changes in presentation of information within the company's financial statements.

Velosi Certification Bureau Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

1. Accounting policies (continued)

Going concern

On 1 January 2018, the company's trade and employees were transferred to Applus RTD UK Ltd. As a result of this transaction, the company has ceased to trade. Accordingly, the financial statements have been prepared on a basis other than going concern.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	-	25% straight-line
Motor vehicles	-	25% straight-line
Fixtures & fittings and equipment	-	15% straight-line

Intangible assets

Intangible assets representing software are stated at cost less amortization and any recognised impairment loss. Amortization is provided at rates calculated to write off the cost of asset.

Software	-	25% straight-line
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Impairment of property, plant and equipment and intangible assets

At each balance sheet date, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

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

Velosi Certification Bureau Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

1. Accounting policies (continued)

Financial Instruments

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Investments

Investments held as fixed assets are shown at cost less provision for impairment.

Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the Company at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss.

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets

Velosi Certification Bureau Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

1. Accounting policies (continued)

Taxation (continued)

are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse.

Foreign currency

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Applus Services S.A., a company incorporated in Spain, and is included in the consolidated accounts of that company that are publically available.

Critical accounting judgements and key sources of estimation uncertainty

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

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

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Turnover

Turnover is stated net of VAT and trade discounts. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where a contract has only been partially completed at the balance sheet date turnover represents the value of the service provided to date based on a proportion of the total contract value. Where payments are received from customers in advance of services provided, the amounts are recorded as Deferred Income and included as part of Creditors due within one year.

Key sources of estimation uncertainty

Impairment of investments in subsidiaries

Determining whether the Company's investments in subsidiaries have been impaired requires estimations of the investments' values in use. The value in use calculations require the entity to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present values. The carrying amount of investments in subsidiaries at the balance sheet date was £1,462.

Velosi Certification Bureau Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

2. Turnover

The whole of turnover is attributable to that of supplying technical, engineering and industrial services.

A geographical analysis of turnover is as follows:

	2017	2016
	£	£
United Kingdom	915,120	1,581,333
Saudi Arabia	-	276,873
	<u>915,120</u>	<u>1,858,206</u>

3. Profit / (loss) on ordinary activities before taxation

Profit / (loss) on ordinary activities before taxation is stated after charging:

	2017	2016
	£	£
Net foreign exchange losses / (gains)	23,520	26,703
Amortization of intangible assets	5,159	5,159
Depreciation of owned tangible fixed assets	3,083	13,992
Depreciation of leased tangible fixed assets	-	5,797
Staff costs (note 4)	534,593	635,296
Funding reorganisation (note 6)	<u>(626,501)</u>	<u>-</u>

During the year, no director received any emoluments (2016: £nil).

Auditor's remuneration

Fees payable to Deloitte LLP for the audit of the Company's annual accounts were £4,460 (2016: £11,045).

Fees payable to Deloitte LLP and their associates for non-audit services to the Company are not required to be disclosed because the consolidated financial statements of the parent Company are required to disclose such fees on a consolidated basis.

Velosi Certification Bureau Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

4. Staff costs

The average monthly number of employees (including executive directors) was:

	2017 Number	2016 Number
Administration	13	16
	<u>13</u>	<u>16</u>

Their aggregate remuneration comprised:

	Year ended 2017 £	Year ended 2016 £
Wages and salaries	478,279	572,370
Social security costs	50,822	61,034
Other pension costs (see note 14)	5,492	1,892
	<u>534,593</u>	<u>635,296</u>

5. Interest (receivable)/payable

	2017 £	2016 £
Interest (receivable)/payable to group companies	(10,389)	14,418
Interest on obligations under finance leases		623
	<u>(10,389)</u>	<u>15,041</u>

There was a review of the financial structure was completed and interest payable adjusted accordingly.

6. Other Income

As part of a review of the structure of group an inter company loan due to a parent totalling £626,501 was forgiven in the year (2016: £nil). This is to position the organisation to gain maximum benefit from future developments.

Velosi Certification Bureau Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

7. Tax on profit / (loss) on ordinary activities

The tax -charge comprises:

	2017	2016
	£	£
Current tax		
UK corporation tax	14,970	-
	<u>14,970</u>	<u>-</u>
Total tax on profit on ordinary activities	<u>14,970</u>	<u>-</u>

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2017	2016
	£	£
Profit / (loss) on ordinary activities before tax	<u>514,081</u>	<u>(82,442)</u>
Profit / (loss) on ordinary activities at standard UK corporation tax rate of 19.25% (2016: 20 %)	98,944	16,488
Effects of:		
Expenses not deductible for tax purposes	550	(279)
Capital allowances in excess of depreciation	-	(2,349)
Movement in short term timing differences	(463)	-
Unrelieved tax losses carried forward	(84,061)	(13,860)
Total tax for the year	<u>14,970</u>	<u>-</u>

The company has tax losses carried forward of £38,624 (2016: £505,981) on which a deferred tax asset has not been recognised because no tax benefit is expected from these losses in the foreseeable future.

Velosi Certification Bureau Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

8. Intangible assets

	Software £	Total £
Cost		
At 1 January 2017 and 31 December 2017	25,795	25,795
Depreciation		
At 1 January 2017	12,037	12,037
Charge for the year	5,159	5,159
At 31 December 2017	17,196	17,196
Net book value		
At 31 December 2017	8,599	8,599
At 31 December 2016	13,758	13,758

9. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Furniture, fitting and equipment £	Total £
Cost				
As at 1 January 2017 and 31 December 2017	138,297	57,442	7,927	203,666
Depreciation				
At 1 January 2017	133,898	57,442	6,894	198,234
Charge for the year	2,050	-	1,033	3,083
At 31 December 2017	135,948	57,442	7,927	201,317
Net book value				
At 31 December 2017	2,349	-	-	2,349
At 31 December 2016	4,401	-	1,031	5,432

The Company's obligations under finance leases are £nil (2016: £nil).

Velosi Certification Bureau Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

10. Fixed asset investments

	2017	2016
	£	£
Cost		
As at 1 January 2017 and 31 December 2017	24,458	24,458
Provisions for impairment		
As at 1 January 2017 and 31 December 2017	(22,996)	(22,996)
Carrying amount at 1 January 2017 and 31 December 2017	1,462	1,462

Investments constitute holdings in the following unlisted entities direct and indirect:

Velosi Quality Management International L.L.C

Country of Incorporation – United Arab Emirates

Registered office – 205, Block B Abu Dhabi Business Hub, ICAD-1, Mussafah, P.O. Box 114182, Abu Dhabi, U.A.E

Nature of business – Provision of certification, engineering and inspection services

Ordinary shares – 49% holding

Velosi CBL (M) SDN, BHD

Country of Incorporation – Malaysia

Registered office – No. 2119, 1st Floor, Jalan Yakin, 98000 Miri, Sarawak

Nature of business – Provision of equipment inspection services

Ordinary shares – 100% holding

11. Debtors

	2017	2016
	£	£
Trade debtors	249,133	384,590
Amounts owed by group undertakings	6,932	5,133
Other debtors	-	7,930
Accrued income	5,303	16,250
	261,368	413,903

Velosi Certification Bureau Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

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12. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	23,272	67,271
Amounts owed to group undertakings	619,815	1,081,419
Other taxation and social security	18,775	48,469
Corporation Tax	14,970	-
Accruals and deferred income	2,000	15,820
Other creditors	447	68,481
	<u>679,279</u>	<u>1,281,461</u>

Amounts owed to group undertakings are unsecured and repayable on demand.

13. Called up share capital

	2017	2016
	£	£
Allotted, called up and fully paid 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

14. Pension commitments

The company operates a defined contributions 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 by the company to the fund and the amounts outstanding at the year end amounted to £248 (2016: £145).

Defined contribution

	2017	2016
	£	£
Contributions by the company for the year	<u>5,492</u>	<u>1,892</u>

15. Ultimate parent undertaking

The company's immediate parent company is Velosi Europe Limited. The ultimate controlling party is Applus Services S.A., a company incorporated in Spain.

The group of which Applus Services S.A. is the parent organisation forms the largest and smallest group preparing consolidated accounts which include Velosi Certification Bureau Limited.

Copies of these consolidated financial statements can be downloaded from the corporate website <https://www.applus.com>.