Velosi Certification Bureau Limited

Annual report and financial statements for the year ended 31 December 2019

Registered number: 03696143

Velosi Certification Bureau Limited

Contents

Officers and professional advisers

DIRECTORS

R Fernandez Armas
P Aguilo Barcelo

COMPANY SECRETARY
P Aguilo Barcelo

REGISTERED OFFICE

Unit 18 Dawkins Road
Hamworthy
Poole
BH15 4JY

BANKERS

Citibank
Canada Square
London

SOLICITORS

Field Seymour Parkes LLP
1 London Street
Reading
RG1 4QW

AUDITOR

Deloitte LLP
Statutory Auditor
110 Queen Street
Glasgow
G1 3BX

Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2019.

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 Velosi Certification Bureau Limited during the year were that of supplying technical, engineering and industrial services.

Results and divudends

The loss for the year, after taxation, amounted to £20,881 (2018: loss £155,576). No dividends have been paid or declared (2018: £nil).

Future Developments

On 1 January 2018 the Company ceased trading. All employees and trading assets were transferred to Applus RTD UK Limited at this date. From 1 January 2018 Velosi Certification Bureau Limited is no longer trading and will effectively become a dormant company.

PRINCIPAL RISKS AND UNCERTAINTIES

The Applus S.A (the Applus Group) operates in a highly competitive market which is a continuing risk to the company. The group manages this risk by providing value added services to its customers and delivering high quality products to its customers.

Velosi Certification Bureau Limited (the Company) sources services worldwide whether through its group connections or externally and is therefore exposed to movements across multiple currencies to pound sterling exchange rate risk (especially the Euro and US Dollar). Risk of fluctuations is minimised by the Applus Group entering into foreign currency contracts and consolidation of banking arrangements to maximise the advantages of the Applus Group facilities.

The current political and economic uncertainty over Brexit creates a risk to our customers and therefore our level of business. We have a structure where we match customers and suppliers in the countries that we operate to minimise cross border trading and therefore the impact of trade and/or economic issues. Other than continued focus on close relationships with clients, there are no more effective steps we can take to reduce risk until the future trade relationships become clearer.

Going concern

On 1 January 2018, the Company's trade, operating assets and employees were transferred to another Applus Group company, Applus UK Ltd (formerly known as Applus RTD UK Ltd). Intangible assets and Investments remained with the Company and 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 were as follows:

R Fernandez Armas
P Aguilo Barcelo

Directors' report (continued)

Post balance sheet events

COVID-19

The appearance of the Coronavirus (COVID-19) in China in January 2020 and its global expansion to a large number of countries caused the viral outbreak to be classified as a pandemic by the World Health Organisation on 11 March 2020. Owing to the fact that the Company is non-trading and has no external funding facilities, no impact has been observed on the financial statements as a direct result of COVID-19.

Brexit

Based on current available information management do not foresee Brexit having a significant impact on the business given the fact that the company has ceased trading. However, management continue to take into consideration the new developments related to the Brexit process and consider the potential impact on the company.

Disclosure of information to 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:

P Aguilo Barcelo
Director

Date: 31 March 2021

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 2019 and of its Loss 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 13.

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.

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
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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.

David Crawford CA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Glasgow, United Kingdom

12 April 2021

Velosi Certification Bureau Limited

Income Statement
For the year ended 31 December 2019

	Note	2019 £	2018 £
Turnover	2	-	38,870
Cost of sales		-	(5,112)
Gross profit		-	33,758
Administrative expenses		(17,528)	(203,719)
Operating loss		(17,528)	(169,961)
Interest payable	4	(3,938)	-
Loss before tax	3	(21,446)	(169,961)
Tax on loss	5	585	14,385
Loss for the financial year		(20,881)	(155,576)

Turnover and operating loss are all derived from discontinued operations.

There were no other recognised gains or losses for 2019 and 2018 other than those included in the income statement. Accordingly, a statement of other comprehensive income has not been presented.

The notes on pages 11 to 19 form part of these financial statements.

Velosi Certification Bureau Limited

Balance sheet
as at 31 December 2019

	Note	2019 £	2018 £
Current assets			
Intangible assets	6	-	3,439
Investments in subsidiaries and associates	7	-	-
Debtors	8	-	223
Cash at bank and in hand		14,401	133,319
Total Assets		14,401	136,981
Current liabilities	9	(312,396)	(414,095)
Net current liabilities		(297,995)	(277,114)
Total assets less current liabilities		(297,995)	(277,114)
Net liabilities		(297,995)	(277,114)
Capital and reserves			
Called-up share capital	10	100	100
Profit and loss account deficit		(298,095)	(277,214)
Shareholders' deficit		(297,995)	(277,114)

The financial statements of Velosi Certification Bureau Limited (registered number 03696143) were approved by the board of directors and authorised for issue on 31 March 2021.

P Aguilo Barcelo
Director

Statement of Changes in Equity
For the year ended 31 December 2019

	Called-up Share Capital £	Profit and loss account deficit £	Total £
At 1 January 2018	100	(121,638)	(121,538)
Loss for the year and total comprehensive loss	-	(155,576)	(155,576)
At 1 January 2019	100	(277,214)	(277,114)
Loss for the year and total comprehensive loss	-	(20,881)	(20,881)
At 31 December 2019	100	(298,095)	(297,995)

Notes to the financial statements
For the year ended 31 December 2019

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

These financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council. The Company meets the definition of a qualifying entity under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to:

- the requirements of IFRS 7 Financial instruments: Disclosures;
- the requirements of paragraph 10(d), 10(f), 16, 38A to 38D, 40A to 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirement of IAS 7 Statement of Cash Flows;
- the requirements of IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which a party to the transaction is wholly owned by such a member;

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 and amended IFRS standards that are effective for the current year

Impact of initial application of IFRS 16 Leases

IFRS 16 is effective for annual periods that begin on or after 1 Janaury 2019.

IFRS 16 introduced new or amended requirements with respect to lease accounting. It introduces significant changes to lease accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. There is no impact of the adoption of IFRS 16 on the Company's financial statements due to the Company not holding any leases.

Impact of initial application of other amendments to IFRS Standards and Interpretations

In the current year, the Company has applied a number of amendments to IFRS Standards and Interpretations issued by the International Accounting Standards Board (IASB) that are effective for an annual period that begins on or after 1 January 2019. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Notes to the financial statements (continued)
For the year ended 31 December 2019

1. Accounting policies (continued)

New and amended IFRS standards that are effective for the current year (continued)

Amendments to IFRS 9 *Prepayments Features with Negative Compensation*

The Company has adopted the amendments to IFRS 9 for the first time in the current year. The amendments to IFRS 9 clarify that for the purpose of assessing whether a prepayment feature meets the 'solely payments of principal and interest' (SPPI) condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. In other words, financial assets with prepayment features with negative compensation do not automatically fail SPPI.

Annual Improvements to IFRS Standards 2015–2017 Cycle *IAS 12 Income Taxes and IAS 23 Borrowing Costs*

The Company has adopted the amendments included in the Annual Improvements to IFRS Standards 2015–2017 Cycle for the first time in the current year. The Annual Improvements include amendments to four Standards, two of which in respect of IFRS 3 and IFRS 11 are not applicable to the Company.

IAS 12 Income Taxes

The amendments clarify that the Company should recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the Company originally recognised the transactions that generated the distributable profits. This is the case irrespective of whether different tax rates apply to distributed and undistributed profits.

IAS 23 Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

IFRIC 23 Uncertainty over Income Tax Treatments

The Company has adopted IFRIC 23 for the first time in the current year. IFRIC 23 sets out how to determine the accounting tax position when there is uncertainty over income tax treatments. The Interpretation requires the Company to:

- determine whether uncertain tax positions are assessed separately or as a group; and
- assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings:
  - If yes, the Company should determine its accounting tax position consistently with the tax treatment used or planned to be used in its income tax filings.

If no, the Company should reflect the effect of uncertainty in determining its accounting tax position using either the most likely amount or the expected value method.

Going concern

On 1 January 2018, the Company's trade, operating assets and employees were transferred to another Applus group company, Applus UK Ltd (formerly known as Applus RTD UK Ltd). Intangible assets and Investments remained with the Company and 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.

Notes to the financial statements (continued)
For the year ended 31 December 2019

1. Accounting policies (continued)

Intangible assets

Intangible assets representing software are stated at cost less amortisation and any recognised impairment loss. Amortisation is provided at rates calculated to write off the cost of asset over their expected useful lives on the following bases:

Software	-	25% straight-line

Impairment of intangible assets

At each balance sheet date, the Company reviews the carrying amounts of its 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.

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.

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 balance sheet 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.

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.

Notes to the financial statements (continued)
For the year ended 31 December 2019

1. Accounting policies (continued)

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 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 loss.

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.

Revenue recognition

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.

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

In the opinion of the directors there are no critical judgements made in applying the Company's accounting policies that require disclosure in the financial statement.

Critical accounting judgements and key sources of estimation uncertainty (continued)

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 £nil as the investment was fully impaired in the prior year.

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:

	2019	2018
	£	£
United Kingdom	-	38,870
	-	38,870

3. Loss on taxation

Loss on taxation is stated after charging:

	2019	2018
	£	£
Net foreign exchange (gains)/losses	(10,429)	130,483
Amortisation of intangible assets (note 6)	3,439	5,160
Depreciation of owned tangible fixed assets	-	1,488
Impairment of fixed asset investments (note 7)	-	1,467
Gain on disposal of fixed assets	-	(1,150)
Auditor remuneration	12,000	12,000

There are no non-audit fees in the year (2018: nil).

4. Interest Payable

	2019	2018
	£	£
Interest payable to group companies	3,938	-

Notes to the financial statements (continued)
For the year ended 31 December 2019

5. Tax on Loss

The tax credit comprises:

	2019	2018
	£	£
Current tax		
UK corporation tax		
Adjustments in respect of prior periods	-	(14,970)
Total current tax credit	-	(14,970)
Deferred Tax		
Origination and referral of temporary differences	(585)	585
Tax on loss	(585)	(14,385)

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:

	2019	2018
	£	£
Loss before tax	(21,446)	(169,961)
Loss at standard UK corporation tax rate of 19% (2018: 19 %)	(4,075)	(32,293)
Effects of:		
Expenses not deductible for tax purposes	-	1,188
Other tax adjustments, reliefs and transfer	-	98,009
Adjustments to tax charge in respect of previous periods	-	(14,970)
Movement in short term timing differences	618	(9,575)
Deferred tax not recognised	4,371	(80,802)
Group relief surrendered	(1,499)	24,058
Total tax for the year	(585)	(14,385)

The Company has tax losses carried forward of £185,866 (2018: £475,304) on which a deferred tax asset has not been recognised because no tax benefit is expected from these losses in the foreseeable future.

Finance Act 2016 included a reduction in the main rate of UK corporation tax from 19% to 17% from 1 April 2020. However, in the UK budget on 11 March 2020, it was announced that the cut in the tax rate to 17% will now not occur and the UK Corporation Tax Rate will instead remain at 19%. As this was not substantively enacted by the balance sheet date, deferred tax balances as at 31 December 2019 continue to be measured at 17%. The rate of change to 19% and will affect the size of the Company's deferred tax assets and liabilities in the future.

Notes to the financial statements (continued)
For the year ended 31 December 2019

6. Intangible assets

	Software £	Total £
Cost		
At 1 January 2019	25,795	25,795
At 31 December 2019	25,795	25,795
Amortisation		
At 1 January 2019	22,356	22,356
Charge for the year (note 3)	3,439	3,439
At 31 December 2019	25,795	25,795
Net book value		
At 31 December 2019		
At 31 December 2018	3,439	3,439

7. Fixed asset investments

	2019 £
Cost	
As at 1 January and 31 December 2019	24,458
Provisions for impairment	
As at 1 January and 31 December 2019	(24,458)
Carrying amount	-

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

Notes to the financial statements (continued)
For the year ended 31 December 2019

8. Debtors

	2019	2018
	£	£
Other debtors	-	223
	-	223

9. Creditors: amounts falling due within one year

	2019	2018
	£	£
Amounts owed to fellow subsidiary	277,925	398,690
Corporation Tax	-	585
Accruals	34,471	14,820
	312,396	414,095

Amounts owed to group undertakings represent a combination of trading balances which are non-interest bearing, and interest-bearing loans at an interest rate of 3%. Both are unsecured and repayable on demand.

10. Called-up share capital

	2019	2018
	£	£
Allotted, Called-up and fully paid		
100 ordinary shares of £1 each	100	100

All shares have votong rights attached.

The Company's other reserves are as follows:

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

11. Ultimate parent undertaking

The Company's immediate parent Company is Velosi Europe Limited. The directors regard Applus Services SA, a Company registered in Spain, as the controlling party and ultimate parent Company. This is both the smallest and largest Company within which the results of the Company are consolidated. The accounts of Applus Services SA are available from their registered office at Parque Empresarial Las Mercedes, Calle Campezo nº1, Edificio 3, Madrid 28022, Spain

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

12. Related party transactions

As permitted by FRS101 the Company has not disclosed transactions with related parties who are fellow group companies, which are 100% owned within the group.

Notes to the financial statements (continued)
For the year ended 31 December 2019

13. Post Balance Sheet events

COVID-19

The appearance of the Coronavirus (COVID-19) in China in January 2020 and its global expansion to a large number of countries caused the viral outbreak to be classified as a pandemic by the World Health Organisation on 11 March 2020. Owing to the fact that the Company is non-trading and has no external funding facilities, no impact has been observed on the financial statements as a direct result of COVID-19.

Brexit

Based on current available information management do not foresee Brexit having a significant impact on the business given the fact that the company has ceased trading. However, management continue to take into consideration the new developments related to the Brexit process and consider the potential impact on the company.

Velosi Certification Bureau Limited

Notes to the financial statements (continued)

For the year ended 31 December 2019

13. Post Balance Sheet events

COVID-19

The appearance of the Coronavirus (COVID-19) in China in January 2020 and its global expansion to a large number of countries caused the viral outbreak to be classified as a pandemic by the World Health Organisation on 11 March 2020. Owing to the fact that the Company is non-trading and has no external funding facilities, no impact has been observed on the financial statements as a direct result of COVID-19.

Brexit

Based on current available information management do not foresee Brexit having a significant impact on the business given the fact that the company has ceased trading. However, management continue to take into consideration the new developments related to the Brexit process and consider the potential impact on the company.