Veritas Petroleum Services B.V.

Consolidated Financial statements

31 December 2015

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Directors' report

Under the stipulations of Article 2:394 sub 4 of the Civil Code of the Netherlands, the director's report is not filed with this Annual report. The director's report is available at the Company's office in Barendrecht, The Netherlands.

Consolidated statement of financial position

(After proposed result appropriation)

In thousands of USD	Note	31 December 2015	31 December 2014
Assets			
Property, plant and equipment	13	13,351	14,178
Intangible assets and goodwill	14	111,107	113,559
Trade and other receivables	15	155	309
Deffered tax assets	12	135	310
Non-current assets		124,748	128,356
Loans and receivable		13	-
Trade and other receivables	15	8,660	11,384
Current tax receivables		410	321
Prepayments	16	623	653
Cash and equivalents	17	12,614	11,548
Current assets		22,320	23,906
Total assets		147,068	152,262
Equity			
Share capital	18	6,300	6,300
Share premium	18	56,700	56,700
Legal Reserves	18	40	40
Retained earnings	18	(11,248)	(11,664)
Total equity		51,792	51,376
Liabilities			
Loans and borrowings	19	73,516	76,440
Employee benefits	20	397	823
Deferred tax liabilities	12	12,188	12,751
Non-current liabilities		86,101	90,014
Loans and borrowings	19	1,171	1,220
Employee benefits	20	2,369	2,991
Trade and other payables	21	3,193	4,080
Current tax liabilities		1,239	1,373
Deferred income/ revenue	22	1,203	1,208
Current liabilities		9,175	10,872
Total liabilities		95,276	100,886
Total equity and liabilities		147,068	152,262

The accompanying notes are integral part of these consolidated financial statements.

Consolidated statement of profit or loss and other comprehensive income

In thousands of USD	*Note*	2015	2014
		For the year ended 31 December	
Revenue	7	52,107	52,049
Other income	8 (A)	56	48
Selling and distribution expenses	8 (C)	(7,290)	(6,849)
Employee benefit expenses	9	(18,653)	(19,315)
Administrative expenses	8 (C)	(13,689)	(15,140)
Other income / (expenses)	8 (B)	566	(742)
EBITDA		**13,097**	**10,050**
Depreciation and amortisation expenses	10	(5,721)	(5,323)
Operating Profit		**7,376**	**4,728**
Finance income	11	357	180
Finance costs	11	(6,872)	(7,026)
Net finance costs		**(6,515)**	**(6,846)**
Profit / (Loss) before tax		**861**	**(2,118)**
Income taxes	12	(457)	(58)
Net Profit / (Loss)		**404**	**(2,176)**
Other comprehensive income / (loss)			
Items that never be reclassified to profit or loss			
Remeasurements of defined benefit liability (assets), net of tax	12	12	(309)
Other comprehensive income / (loss), net of tax		**12**	**(309)**
Total comprehensive profit / (loss)		**416**	**(2,485)**
Total comprehensive profit / (loss) attributable to:			
Owners of the Company		416	(2,485)

The accompanying notes are integral part of these consolidated financial statements.

Consolidated statement of changes in equity

	Attributable to owners of the Company				
In thousands of USD	Share capital	Share Premium	Legal Reserves	Retained earnings	Total equity
Balance at 1 January 2015	**6,300**	**56,700**	**40**	**(11,664)**	**51,376**
Net result	-	-	-	**404**	**404**
Other comprehensive income	-	-	-	**12**	**12**
Total comprehensive income	-	-	-	**416**	**416**
Balance at 31 December 2015	**6,300**	**56,700**	**40**	**(11,248)**	**51,792**

	Attributable to owners of the Company				
	Share capital	Share Premium	Legal Reserves	Retained earnings	Total equity
Balance at 1 January 2014	6,300	56,700	40	(9,179)	53,861
Net loss	-	-	-	(2,176)	(2,176)
Other comprehensive loss	-	-	-	(309)	(309)
Total comprehensive loss	-	-	-	(2,485)	(2,485)
Balance at 31 December 2014	6,300	56,700	40	(11,664)	51,376

The accompanying notes are integral part of these consolidated financial statements.

Consolidated statement of cash flows

In thousands of USD	Note	2015	2014
Cash flows from operating activities			
Net Profit / (Loss)		404	(2,176)
Adjustment for:			
- Depreciation	10	1,945	2,220
- Amortisation	10	3,714	3,103
- Impairment loss on intangible assets	10	62	-
- (Reversal of) impairment loss on trade receivable	24	(566)	742
- Net finance costs	11	6,515	6,846
- Tax expense	12	457	58
		12,531	10,793
Changes in working capital			
- Trade and other receivables		3,430	(1,378)
- Prepayments		30	(8)
- Trade and other payables		(1,193)	(2,873)
- Employee benefits payable		(1,034)	2,694
- Deferred income / revenue		(5)	(308)
Cash generated from operating activities		13,759	8,920
Interest Paid		(5,040)	(2,452)
Foreign exchange result on internal cash transfers		(454)	(255)
Taxes paid		(1,067)	(849)
Net cash from operating activities		7,198	5,364
Cash flows from investing activities			
Interest received		56	86
Proceeds from sale of property, plant and equipement		34	91
Acquisition of property, plant and equipement	13	(1,119)	(712)
Acquisition of intangible assets	14	(1,352)	(3,389)
Net cash used in investing activities		(2,381)	(3,924)
Cash flows from financing activities			
Proceeds from loans and borrowings	19	-	70,000
Transaction costs related to loans and borrowings	19	-	(1,676)
Repayment of borrowings	19	-	(70,000)
Buy-back of bonds	19	(3,686)	-
Net cash used in financing activities		(3,686)	(1,676)
Increase / (decrease) in cash and cash equivalents		1,131	(236)
Cash and cash equivalents at 1 January	17	11,548	12,042
Effect of movements in exchange rates on cash held		(66)	(258)
Cash and cash equivalents at 31 December		12,614	11,548

The accompanying notes are integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1. Reporting entity

Veritas Petroleum Services B.V. (hereafter "the Company") is a private limited liability company domiciled in the Netherlands. The Company's registered office is at Zwolseweg 1, 2994 LB, Barendrecht and has its legal seat in Rotterdam. These consolidated financial statements comprise the Company and its subsidiaries (collectively the 'Group' and individually 'Group companies') together operating as Veritas Petroleum Service Group. The Group primarily provides testing and survey services to the Maritime industry.

Veritas Petroleum Services Holding B.V. is the head of the Veritas Petroleum Services group. The parents of the group are VPS International S.a.r.l. (50%), DET Norske Veritas Holding AS (47%) and VPS Management Holding B.V. (3%). The ultimate parent of VPS International S.a.r.l. is IK VII Limited.

The operations of Veritas Petroleum Services B.V. and its group companies are mainly comprised of participating in, financing and managing of other companies, as well as serving the Maritime industry since launching their commercial Fuel Quality Testing (FQT) services in 1981. The Group offers a wide range of fuel management services to assist ship operators, power plant operators and other industry operators with total fuel management solutions, delivering measurable improvements to risk management, cost and operational efficiency and compliance with regulatory requirements.

2. Basis of accounting and measurement

These consolidated statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU) and the statutory provisions of Part 9, Book 2 of the Dutch Civil Code. The consolidated financial statements have been prepared at the historical cost convention, except for the net defined benefit (asset) liability, which has been accounted for at fair value or the plan assets less the present value of the defined benefit obligation.

These consolidated financial statements reflect all of the assets, liabilities, revenues, expenses and cash flows of the Group (See note 27 for an overview of the Group legal entities) and disclose all matters relevant to Veritas Petroleum Services B.V.'s ability to continue as a going concern. Veritas Petroleum Services has the intent and ability to undertake necessary precautions to continue on a going concern basis.

These consolidated financial statements were authorised for issue by the Company's board of directors on 19 April 2016.

Details of the Group's accounting policies are included in Notes 5 and 6.

Functional and presentation currency
These consolidated financial statements are presented in thousands of United States Dollars (USD), which is the Company's functional currency.

3. Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities income and expenses. Actual results may differ from these estimates.

Estimated and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Notes to the consolidated financial statements (continued)

Critical estimates, judgements and errors
The areas involving significant estimates or judgements are related to

- Note 14 – impairment test: key assumptions underlying recoverable amount

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Measurement of fair values
A number of the Group's disclosures require the measurement of fair value, for both financial and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entire in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in:

- Note 14 – impairment test: key assumptions underlying recoverable amount; and
- Note 20 – employee benefits: based on actuarial calculations.

4. Changes in accounting policies

Except for the changes below, the Group has consistently applied the accounting policies set out in Note 5 to all periods presented in this consolidated financial statements.

The Group has adopted the following new standards, amendments to a standard including any consequential amendments to other standards, and new interpretations with an effective date for annual periods beginning after or on 1 January 2015.

- IFRS 7 Financial Instruments – Disclosures (2005)

The nature and effects of the changes are explained below.

- *IFRS 7 Financial Instruments - Disclosures (2005)*

IFRS 7 (2005) requires disclosure of information about the significance of financial instruments to an entity, and the nature and extent of risks arising from those financial instruments, both in qualitative and quantitative terms. Where relevant, the Group has applied the amendments to IFRS 7 that became effective in 2015. The adoption of these amendments and interpretations did not have a material impact on the Company's financial performance or disclosures.

Notes to the consolidated financial statements (continued)

5. Significant accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements. Certain comparative amounts in these consolidated financial statements have been reclassified and/ or more in detail presented in line with the guidelines of IAS 1.

Basis of consolidation

Business combinations
The Group accounts for business combinations using the acquisition method when control is transferred to the group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity instruments.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Subsidiaries
Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to influence those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Transaction eliminated on consolidation
Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

Foreign currency

Functional and presentation currency
Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in United States dollars which is the group's presentation currency and equals the functional currency.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within finance income or cost.

Notes to the consolidated financial statements (continued)

Group companies
The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
(b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
(c) all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

Revenue

Rendering of services
Main activity of the Group is performing services to the Maritime industry. The Group entered different type of billing arrangement with its customers. Revenue from rendering services as far these are completed at the reporting date are recognised in profit or loss. Received amounts from service arrangements wherefore services are not completed at reporting date are recognised as deferred income.

Sale of goods
Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. Revenue is measured based on net of returns, trade discounts and volume rebates.

Expenses
Expenses arising from the company's business operations are accounted for as operating expenses in the year incurred. Losses are recognised as soon as they are foreseen.

Employee benefits
The group operates various post-employment schemes, including both defined benefit and defined contribution pension plans.

Pension obligations
A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. The group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

Notes to the consolidated financial statements (continued)

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in income.

For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Company's branch office in United Arab Emirates provides end of service benefits to its employees. The entitlement of these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accounted for based on the Project Unit Credit Method (PUCM) over the period of employment.

Finance income and finance costs
The group's finance income and finance costs include:

- Interest income;
- Interest expenses;
- Dividend income;
- The net gain or loss on financial assets and financial liabilities;
- Foreign currency translation.

Interest income or expense is recognised using the effective interest method. Dividend income is recognised in profit or loss and the date on which the Group's right to receive payment is established.

Income tax
Income tax expenses comprises current and deferred tax. Tax is recognised in profit or loss for except to the extent that it relates to a business combination, or items recognised directly in equity or in Other Comprehensive Income.

Current tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are only offset if certain criteria are met.

Notes to the consolidated financial statements (continued)

Deferred tax
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and the affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the group expects, at reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this resumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Property, plant and equipment

Recognition and measurement
Property, plant and equipment are non-current assets used in the operating activities of the Group with a useful life of over one year. An item of property, plant and equipment is initially recognised at its acquisition cost which consists of the purchase price and other expenditures directly related to the acquisition that are necessary for bringing the asset to its operating condition and location.

An item of property, plant and equipment is subsequently stated at cost less any accumulated depreciation and any impairment losses.

Subsequent expenditure
Subsequent expenditure incurred for an item of property, plant and equipment is recognised as a non-current asset when it is probable that the Group will derive future economic benefits from it and its cost can be measured reliably.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other Income & Expense' in the income statement.

Notes to the consolidated financial statements (continued)

Depreciation
Depreciation is calculated to write off the cost items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Land is not depreciated.

The estimated useful lives for the current and comparative years of significant items of Property, Plant and Equipment are as follows:

- Buildings 20 - 35 years
- Equipment, fixtures and fittings 3 - 10 years

Intangible assets and goodwill

Intangibles - Customer relationships
Separately acquired customer relationships are shown at historical cost. Customer relationships in a business combination are recognised at fair value at the acquisition date. Customer relationships have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over their estimated useful lives with a maximum of 17 years.

Intangibles – software
Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives using the straight-line method, which does not exceed five years.

Goodwill
Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over Veritas Petroleum Services B.V. interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Notes to the consolidated financial statements (continued)

Financial Instruments

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

The Group classifies non-derivative financial liabilities into the other financial liabilities category.

Non-derivative financial assets and financial liabilities – Recognition and de-recognition

The Group initially recognises loans and receivables and debt securities issued on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.

The Group derecognises a financial asset when the contractual right to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred, or it neither transfers nor retains substantially all or the risk and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the group has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Non-derivative financial assets - Measurement

Financial asset at fair value through profit or loss	A financial asset is classified at fair value through profit or loss if it is classified as held-for-trading or designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value profit or loss are measured at fair value and changed therein, including any interest and dividend income, are recognised in profit or loss.
Held-to-maturity financial assets	These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised costs using the effective interest method.
Loans and receivables	These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised costs using the effective interest method.
Financial asset available for sale	These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised through other comprehensive income.

Non-derivative financial liabilities – Measurement

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised costs using the effective interest method.

Notes to the consolidated financial statements (continued)

Share capital
Ordinary shares are classified as share capital. Incremental costs directly attributable to the issuance of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Impairment of financial assets
A financial asset is impaired if its carrying amount is greater than its estimated recoverable amount. An assessment is made at each balance sheet date to determine whether there is objective evidence that a specified asset, or a group of similar assets, may be impaired. If such evidence exists any impairment loss is recognised in the income statement. The recoverable amount of an interest-bearing instrument is determined based on the net present value of future cash flows discounted at original effective interest rates. Any impairment loss is recognised in the income statement.

Assets carried at amortised cost
If there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. Any impairment loss is recognised in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. Any subsequent reversal of an impairment loss is recognised in the income statement.
In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the company will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired debtors are derecognised when they are assessed as uncollectible.

Impairment of non-financial assets
Non-financial assets, like property, plant and equipment and intangible assets other than goodwill, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction, whilst value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. The discount rate used for value-in-use calculations is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to that asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement. Reversal of impairment losses recognised in prior years (other than goodwill) is recorded as income when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased.

Notes to the consolidated financial statements (continued)

Trade and other receivables

Trade and other receivables are amounts due from customers for products provided and services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

Borrowings

Borrowings are initially recognised at fair value. Borrowing costs directly attributable to the acquisition of the qualifying borrowing are added to the cost of the borrowing and amortised over the same period of the borrowing. Borrowings are subsequently stated at amortised cost, which is the amount received plus or minus any premium or discount, less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Trade and other payables

Trade and other payables are obligations to pay for products and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Leases

At inception of an arrangement, the Group determines whether the arrangements is or contains a lease.

At interception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that is impracticable to separate the payments reliably, then an asset and liability are recognised at an amount equal to the fair value of underlying assets; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the group's incremental borrowing rate.

Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of lease.

Notes to the consolidated financial statements (continued)

Cash flow statement
The cash flow statement has been prepared using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. Corporate income taxes, issuance of share capital, interest received and dividends received are presented under the cash flow from operating activities. The bond loan, buy-backs of the loan, interest paid and dividends paid are presented under the cash flow from financing activities. Acquisition of assets and the cost of group companies acquired is presented under the cash flow from investment activities, as far as payment has been made with cash and cash equivalents. The cash and cash equivalents of the group companies acquired are deducted from the purchase cost.

6. Standards issued but not yet adopted

A number of new standards and amendments to standards are issued but not yet mandatorily effective (but early adoption is allowed) for annual periods beginning after 1 January 2015; however, the Group has not applied the following new or amended standards in preparing these financial statements.

New or amended standards	Summary of the requirements	Possible impact on consolidated financial statements
IFRS 9 ***Financial Instruments***	IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 *Financials instruments: Recognition and Measurement*. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after January 2018, with early adoption permitted.	The Group is assessing the potential impact on its consolidated financial statements resulting from application of IFRS 9.
IFRS 15 ***Revenue from Contracts with Customers***	IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.	The Group is assessing the potential impact on its consolidated financial statements resulting from application of IFRS 15.

Notes to the consolidated financial statements (continued)

IFRS 16 ***Leases***	IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 will supersede IAS 17 and require almost all leases to be on the balance sheet of lessees and introduces a single income statement model which basically treats all leases as finance leases. IFRS 16 is effective for annual reporting periods beginning on or after 1 January 2019, with early adoption permitted if IFRS 15 *Revenue from Contracts with Customers* has also been applied.	The Group is assessing the potential impact on its consolidated financial statements resulting from application of IFRS 16.

The following new or amended standards are not expected to have a significant impact of the Group's consolidated financial statements.

- Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)
- Accounting for acquisitions of an interest in a joint operation (Amendments to IFRS 11)
- Application of the consolidation exception (Amendments to IFRS 10, IFRS 12, IAS 28)
- IFRS 14 Regulatory Deferral Accounts
- Disclosure initiative ((Amendments to IAS 1)
- Recognition of deferred tax assets for unrealised losses (Amendments to IAS 12)
- Clarification of acceptable methods of depreciation and amortisation (Amendments to IAS 16 and IAS 38)
- Reinstating the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements (Amendments to IAS 27)
- IAS 41 Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41)
- Annual improvements to IFRSs 2012-2014 cycle

Notes to the consolidated financial statements (continued)

7. Revenue

The Group considers its activities as one segment in relation to the disclosure requirements of IFRS 8 Segment reporting.

In thousands of USD	2015	2014
Sales of goods	2,133	2,354
Rendering of services	49,974	49,695
Total of revenue	**52,107**	**52,049**

The laboratories of the group are geographically spread around the world and generates the following geographical revenue streams per region.

In thousands of USD	2015	2014
Europe	32,833	32,662
Africa, Middle East and Asia	13,302	12,914
Americas	5,972	6,473
Total of revenue	**52,107**	**52,049**

The Group decided to improve the alignment between the business per marketing region and the geographical revenues. Such alignment allows management to obtain more detailed management information. Due to the limitations of last year's data, the Group is not able to provide proper comparable figures in a way that allows a reclassification for comparison purposes.

8. Income and Expenses

A. Other income

In thousands in USD	*Note*	2015	2014
Gain on sale of property, plant and equipment		34	26
Rental income from property sub-lease	25	22	22
Total of other income		**56**	**48**

B. Other income / (expenses)

In thousands in USD	*Note*	2015	2014
Reversal of impairment loss on trade receivable	24	846	(742)
Written off irrecoverable debts	24	(280)	-
Total of other income and (expenses)		**566**	**(742)**

Notes to the consolidated financial statements (continued)

C. Expenses by nature

In thousands in USD	*Note*	2015	2014
Subcontracted work operations		(4,244)	(3,275)
Advertising and marketing		(404)	(392)
Freight		(2,642)	(3,182)
Total of selling and distribution expenses		**(7,290)**	**(6,849)**
Leases of property, plant and equipment	25	(1,506)	(1,748)
Office and real estate expenses		(1,499)	(1,211)
ICT and communication expenses		(1,904)	(1,598)
Operational equipment and related maintenance		(536)	(970)
Laboratory consumables		(3,109)	(3,054)
Travel and lodging		(1,536)	(1,560)
Professional fees - legal and tax		(295)	(1,564)
Professional fees - audit and accounting		(470)	(404)
Professional fees - other		(2,420)	(2,534)
Office supplies and support		(263)	(355)
Local and property taxes		(151)	(142)
Total of administrative expenses		(13,689)	(15,140)
Total of selling and distribution and administrative expenses		(20,979)	(21,989)

9. Employee benefit expenses

In thousands in USD	2015	2014
Wages and salaries	(15,018)	(14,544)
Social security contributions	(2,078)	(2,276)
Contributions to defined contributions plans	(349)	(433)
Expenses related to post-employment defined benefit plans	176	(62)
Contribution to foreign governmental retirement arrangements	(472)	(665)
Travel and work related expense allowances	(475)	(602)
Employee re-location allowances	(178)	(599)
Other employee benefits	(259)	(134)
Total of employee benefit expenses	(18,653)	(19,315)

Average number of employees

During financial year 2015, the average number of employees expressed as on a full-time-equivalent (fte) basis amounts to 266 (2014: 255). Of these employees 165 (2014: 182) were employed at the Company's foreign subsidiaries.

Notes to the consolidated financial statements (continued)

10. Depreciation and amortisation expenses

In thousands in USD	*Note*	2015	2014
Depreciation of Property, plant and equipment	13	(1,945)	(2,220)
Amortisation of intangible assets	14	(3,714)	(3,103)
Impairment of intangible assets	14	(62)	-
Total of depreciation and amortisation		**(5,721)**	**(5,323)**

11. Net finance costs

In thousands in USD	2015	2014
Interest income on loans and receivables	79	86
Gain on reassessment cashflows bond loan	242	62
Gain on repurchased bonds	36	-
Other financial income	-	32
Finance income	357	180
Other financial expenses	(561)	(507)
Interest expenses on financial liabilities	(5,720)	(6,066)
Net foreign exchange loss	(591)	(453)
Finance costs	(6,872)	(7,026)
Total of net finance costs recognised in profit or loss	(6,515)	(6,846)

12. Income taxes

Amounts recognised in profit or loss

In thousands in USD	2015	2014
Current tax expense		
Current year tax on profits for the year	(1,047)	(893)
Adjustments to prior years	165	181
Total of current tax	**(882)**	**(712)**
Deferred tax		
Origination and reversal of temporary differences	-	20
Reductions in tax rate foreign countries	-	1
Change in recognised deductible temporary differences	425	633
Total of deferred tax	425	654
Total of income taxes	(457)	(58)

The group considers its accruals for tax liabilities to be adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience.

Notes to the consolidated financial statements (continued)

Amounts recognised in OCI

	2015			2014		
In thousands in USD	Before tax	Tax benefit	Net of tax	Before tax	Tax (expense)	Net of tax
Remeasurements of defined benefit liability (assets)	(18)	6	(12)	81	(34)	47
	(18)	6	(12)	81	(34)	47

Reconciliation of effective tax rate

In thousands in USD	2015	2015	2014	2014
Profit / (loss) before tax		861		(2,118)
Tax using the Company's domestic tax rate	25.0%	(215)	25.0%	529
Effect of tax rates in foreign jurisdictions	-12.6%	109	-5.4%	(114)
Reduction in tax rate	0.0%	-	0.0%	1
Tax effect of:				
Non-deductible or non-taxable items	47.5%	(409)	-9.8%	(207)
Current year losses for which no deferred tax asset is recognised	14.4%	(124)	-21.1%	(448)
Utilisation deferred tax assets on current tax losses	-2.0%	17	0.0%	-
Changes in estimates related to prior years	-19.2%	165	8.5%	181
	53.1%	(457)	-2.7%	(58)

The comparative figures have been reclassified in conformity with the current period's financial statement presentation. The Group has operations in various countries that have different tax laws and rates. The effect on the effective tax rate for the 2015 and 2014 reconciliations above is the corporate income tax rate on taxable profits under tax law in that jurisdiction.

Notes to the consolidated financial statements (continued)

Movement in deferred tax balances

In thousands in USD						Balance 31 December	
2015	Net balance at 1 January	Recognised in Profit or loss	Recognised in OCI	Recognised directly in equity	Net	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	(1,179)	(197)	-	-	(1,376)	14	(1,390)
Intangible assets	(11,526)	728	-	-	(10,798)	-	(10,798)
Employee benefits	50	(74)	(6)	32	2	2	-
Carry forward tax loss	215	(32)	-	(64)	119	119	-
Tax assets (liabilities) before set-off	(12,440)	425	(6)	(32)	(12,053)	135	(12,188)
Set-off tax	-	-	-	-	-	-	-
Net tax asset (liabilities)	**(12,440)**	**425**	**(6)**	**(32)**	**(12,053)**	**135**	**(12,188)**
Non-current						135	(11,404)
Current						-	(784)
Net tax asset (liabilities)						**135**	**(12,188)**

In thousands in USD						Balance 31 December	
2014	Net balance at 1 January	Recognised in Profit or loss	Recognised in OCI	Recognised directly in equity	Net	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	(1,349)	169	-	-	(1,180)	46	(1,226)
Intangible assets	(12,254)	728	-	-	(11,526)	-	(11,526)
Employee benefits	83	-	(34)	-	49	49	-
Carry forward tax loss	459	(244)	-	-	215	215	-
Tax assets (liabilities)	(13,061)	654	(34)	-	(12,441)	310	(12,751)
Set-off tax	-	-	-	-	-	-	-
Net tax asset (liabilities)	(13,061)	654	(34)	-	(12,441)	310	(12,751)
Non-current						310	(11,967)
Current						-	(784)
Net tax asset (liabilities)						310	(12,751)

The deferred tax asset includes the carry-forward losses for Norway. The utilisation of the deferred tax asset is dependent on future taxable profits.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which those deductible temporary differences can be utilised by the Group.

In thousands in USD	2015	2014
Tax losses of the Dutch fiscal unity	2,325	2,202
	2,325	**2,202**

The comparative figures have been re-presented in conformity with the current period's financial statement presentation. The unrecognised deferred tax asset regards tax losses completely attributable to the Company. See Note 42 for expiration of tax losses.

Notes to the consolidated financial statements (continued)

13. Property, plant and equipment

Reconciliation of net book value

In thousands in USD	*Note*	Land and buildings	Equipment, fixtures and fittings	Assets under construction	Total
Cost					
Balance at 1 January 2014		14,877	18,820	-	33,697
Additions		76	635	-	711
FX effect from 2013 FS		38	48	-	86
Disposals		-	(66)	-	(66)
Balance at 31 December 2014		14,991	19,437	-	34,428
Balance at 1 January 2015		**14,991**	**19,437**	-	**34,428**
Additions		153	**811**	**155**	**1,119**
Disposals		-	(157)	-	(157)
Balance at 31 December 2015		**15,144**	**20,091**	**155**	**35,390**
Accumulated depreciation and impairment losses					
Balance at 1 January 2014		(3,339)	(14,757)	-	(18,096)
Depreciation	10	(711)	(1,509)	-	(2,220)
Disposal		-	66	-	66
Balance at 31 December 2014		(4,050)	(16,200)	-	(20,250)
Balance at 1 January 2015		(4,050)	(16,200)	-	(20,250)
Depreciation	10	(702)	(1,243)	-	(1,945)
Disposals		-	156	-	156
Balance at 31 December 2015		(4,752)	(17,287)	-	(22,039)
Net book value					
Balance at 1 January 2014		11,538	4,063	-	15,601
At 31 December 2014		10,941	3,237	-	14,178
At 31 December 2015		**10,392**	**2,804**	**155**	**13,351**

Notes to the consolidated financial statements (continued)

14. Intangible assets and goodwill

A. Reconciliation of net book value

In thousands in USD	Note	Goodwill	Customer relationships	Software	Software development costs in progress	Other	Total
Cost							
Balance at 1 January 2014		64,258	49,500	-	-	-	113,758
Additions		-	-	2,702	687	-	3,389
Balance at 31 December 2014		64,258	49,500	2,702	687	-	117,147
Balance at 1 January 2015		**64,258**	**49,500**	**2,702**	**687**	**-**	**117,147**
Additions		**-**	**-**	**1,204**	**-**	**148**	**1,352**
Disposals		**-**	**-**	**(28)**	**-**	**-**	**(28)**
Reclassification of assets under construction to other fixed asset classes		**-**	**-**	**687**	**(687)**	**-**	**-**
Balance at 31 December 2015		**64,258**	**49,500**	**4,565**	**-**	**148**	**118,471**
Accumulated amortisation and impairment losses							
Balance at 1 January 2014		-	(485)	-	-	-	(485)
Amortisation	10	-	(2,912)	(191)	-	-	(3,103)
Balance at 31 December 2014		-	(3,397)	(191)	-	-	(3,588)
Balance at 1 January 2015		**-**	**(3,397)**	**(191)**	**-**		**(3,588)**
Amortisation	**10**	**-**	**(2,912)**	**(753)**	**-**	**(49)**	**(3,714)**
Impairment	**10**	**-**	**-**	**-**	**-**	**(62)**	**(62)**
Balance at 31 December 2015		**-**	**(6,309)**	**(944)**	**-**	**(111)**	**(7,364)**
Net book value							
At 1 January 2014		64,258	49,015	-	-	-	113,272
At 31 December 2014		64,258	46,103	2,511	687	-	113,559
At 31 December 2015		**64,258**	**43,191**	**3,621**	**-**	**37**	**111,107**

B. Impairment of goodwill

For the purpose of impairment testing, the total amount of goodwill is allocated to its cash generating unit Veritas Petroleum Services Group. The recoverable amount of this CGU was based on fair value less costs of disposal, estimated using discounted cash flows. The fair value measurement was categorised as a Level 3 value based on the inputs in the valuation technique used.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represents management's assessment of future trends in the marine fuel market and have been based on historical data from both and internal resources.

In percent	2015	2014
Discount rate	**8.0**	8.0
Terminal value growth	**2.0**	2.0
Budgeted EBITDA growth rate (over a period of four years)	**5.0**	8.1

Notes to the consolidated financial statements (continued)

The discount rate was a post-tax measure estimated based on the observable Maritime industry weighted-average cost of capital

The cash flow projections included specific estimated for four years and a terminal value growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumption that a market participant would make.

Budgeted EBITDA was estimated taking into account past experience, adjusted as follows.

- Revenue growth was projected taking into account the average growth levels experienced since the Company acquired the Petroleum Service business.
- Significant one-off (post) acquisition, refinance and organisational restructuring costs are excluded from budgeted EBITDA.
- Estimated cash flows related to remaining post-acquisition optimisation projects that is expected to be carried out in 2016 ware reflected in the budgeted EBITDA.

The recoverable amount of CGU being USD 155 million exceeded its carrying amount of USD 118 million by USD 37 million (headroom). Management has identified that a reasonably possible change in three key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the impact on the headroom based on the movements of these assumptions.

	Impact on Headroom			
	31 December 2015		31 December 2014	
In thousands in USD	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(22)	30	(23)	34
Long term growth rate (1% movement)	25	(18)	26	(18)
EBITDA (5% movement)	9	(9)	10	(9)

15. Trade and other receivables

In thousands in USD	2015	2014
Trade receivables	5,212	7,562
Receivables from related parties	-	715
Loans to employees	15	20
Deposits in connection to lease contracts	123	167
Other receivables	14	128
	5,364	8,592
Services to be invoiced	3,451	3,101
Total of trade and other receivables	**8,815**	**11,693**
Non-current	155	309
Current	8,660	11,384
Total of trade and other receivables	**8,815**	**11,693**

Services to be invoiced

At 31 December 2015, the services to be invoiced reflect the services to clients provided by the Group during the month of December 2015. These services will be invoiced in January 2016 following the arrangements with these clients.

Notes to the consolidated financial statements (continued)

Credit and market risk, and impairment losses

Information about the Group's exposure to credit and market risks, impairment losses for trade and other receivables, excluding services to be invoiced, is included in Note 24.

16. Prepayments

In thousands in USD	**2015**	2014
Software licenses and (IT) maintenance contracts	**190**	180
Employee benefits	**99**	122
Trading supplies to be received	**115**	102
Rent of buildings and equipment	**41**	80
Insurance premiums	**39**	29
Membership fees	**24**	29
Other	**115**	111
Total of prepayments	**623**	653

17. Cash and cash equivalents

In thousands in USD	**2015**	2014
Petty cash	2	13
Bank balances	12,612	11,535
Total of cash and cash equivalents	**12,614**	11,548

The total amount of cash and cash equivalents are at free disposal to the company.

18. Equity

Reference is made to note 38 for details.

Notes to the consolidated financial statements (continued)

19. Loans and borrowings

In thousands in USD	Unsecured bond loan	Unsecured shareholders loan	Total
Non-current Loans and borrowings			
Balance at 1 January 2015	**68,514**	**7,926**	**76,440**
Amortization	**247**	**-**	**247**
Bonds buy back	**(3,686)**	**-**	**(3,686)**
Gain on repurchased bonds	**(36)**		
Gain on reassessment cashflows bond loan	**(242)**	**-**	**(242)**
Interest	**-**	**793**	**793**
Balance 31 December 2015	**64,797**	**8,719**	**73,516**
Balance at 1 January 2014	-	75,562	75,562
Issue bond	70,000	(70,000)	-
Capitalized commission	(1,676)	-	(1,676)
Amortization	251	-	251
Interest	-	2,364	2,364
Finance income	(61)	-	(61)
Balance 31 December 2014	68,514	7,926	76,440

Current Loans and borrowings	2015	2014
Accrued interest Unsecured bond	1,171	1,220
Total of current Loans and borrowings	1,171	1,220

The term and conditions of the outstanding loans are as follows.

Terms and repayment schedule

				31 December 2015		31 December 2014	
In thousands in USD	Currency	interest rate	Year of maturity	**Face value**	**Carrying amount**	Face value	Carrying amount
Unsecured bond loan	USD	7%	2019	66,200	64,797	70,000	68,514
Unsecured shareholders loan	USD	10%	2023	8,719	8,719	7,926	7,926
Total of interest bearing liabilities				**74,919**	**73,516**	77,926	76,440

Unsecured bond loan

The Group issued on 1 April 2014 an unsecured bond loan for in total USD 70 million of which the proceeds have been used for a repayment on the shareholders loan of USD 75 million. The total unsecured bond loan amount is divided in 350 coupons with a face value of USD 200,000 each, which ranks *pari passu* between themselves. By issuing the bond loan, the Group entered into a bond agreement with its bond holders which stipulates certain (financial) requirements to be met (See also Note 24). The issued unsecured bond loan on the Oslo Stock Exchange has been listed per 4 February 2015. A compliance certificate is submitted on a quarterly basis starting per 31 March 2015.

Notes to the consolidated financial statements (continued)

In 2015 the Group bought back bonds for the amount of USD 3.8 million (nominal value) as part of ordinary liquidity management. The difference between the settlement price and the amortised cost using the effective interest method is recognised in the statement of profit or loss.

Unsecured Shareholders loan
The Group borrowed an initial loan of USD 75 million of its shareholder which has been partly repaid in 2014. The loan bears an annual interest of 10% which are capitalized to the outstanding amount on an annual basis. The remainder of the loan will be repaid in financial year 2023 or earlier upon a partly disposal of the shareholders interest.

Information about the Group's exposure to fair values, interest rate, foreign currency and liquidity risk is included in Note 24.

20. Employee benefits

In thousands in USD	2015	2014
Net defined benefit liability (Plan B)	9	372
Liability for social security contributions and retirement arrangements premiums	447	367
Liability for salaries, holiday allowances and incentives to be paid	1,636	1,338
Liability for resignation fee foreign regulations (Plan C)	388	451
Liability for other employee benefits	286	1,286
Total of employee benefit liabilities	**2,766**	**3,814**
Non-current	397	823
Current	2,369	2,991
Total of employee benefit liabilities	**2,766**	**3,814**

The Group contributes to the following post-employment defined benefit plans.

- Plan A is a defined benefit plan which entitles a retired employee to receive an annual pension payment. The plan is beneficiary for in total 13 employees (2014: 13) in The Netherlands which are still in active duty. Plan has been closed for new participants. As of 31 December 2015 the contract for the post-employment defined benefit plan has been terminated and the post-employment defined benefit rights have been transferred to the participants. All participants have been moved from the post-employment defined benefit plan to the post-employment defined contribution plan. Any risk associated to the post-employment defined benefit plans is limited.
- Plan B is a defined benefit plan which entitles a retired employee to receive an annual pension payment based on the employee's salary level at the time of retirement and on the number of years of provided service. The retirement age is 67 years. In total, the plan is beneficiary for 2 people (2014: 2) in Norway. The plan has been closed for new participants.
- Plan C is a defined benefit plan which entitles an employee an end of service benefit. The plan is beneficiary for in total 35 employees (2014: 34) in United Arab Emirates which are still in active duty. The benefit is settled when the employee is not employed at the Company.

The defined benefits plans are administered by a single pension fund that is legally separated from the Group except for plan C.

The following tables analyse plan assets, present value of defined benefit obligation, expense recognised in profit or loss, actuarial assumptions and other information for B.

Notes to the consolidated financial statements (continued)

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability (asset) and its components.

In thousands in USD	Defined benefit obligation		Fair value of plan assets		Net defined benefit liability (asset)	
	2015	2014	**2015**	2014	**2015**	2014
Balance at 1 January	**3,420**	3,021	**(3,048)**	(2,535)	**372**	486
Revaluation opening balances	**(376)**	(400)	**341**	321	**(35)**	(79)
Included in profit or loss					-	-
Current service cost	**141**	128	-	-	**141**	128
Past service costs (income)	-	(129)	-	-	-	(129)
Curtailment	**(337)**	-	-	-	**(337)**	-
Interest cost (income)	**70**	101	**(59)**	(87)	**11**	14
	(126)	100	**(59)**	(87)	**(185)**	12
Included in OCI						
Remeasurement loss (gain):						
- Actuarial loss(gain)	-	-	-	-	-	-
Arising from:						
-demographic assumptions	-	(54)	-	-	-	(54)
-financial assumptions	**(73)**	727	**6**	106	**(67)**	833
-experience adjustments	**(21)**	19	**(18)**	-	**(39)**	19
- Return on plan assets excluding interest income	-	-	**88**	(712)	**88**	(712)
	(94)	692	**76**	(606)	**(18)**	85
Other						
Transfer of post-employment defined benefit rights to participants	**(2,441)**	-	**2,441**	-	-	-
Contributions paid by the employer	**(4)**	3	**(120)**	(136)	**(124)**	(133)
Contributions paid by the participants	**11**	8	**(11)**	(8)	-	-
Benefits paid	**(8)**	(4)	**7**	4	**(1)**	-
	(2,442)	7	**2,317**	(140)	**(125)**	(133)
Balance at 31 December	382	3,420	(373)	(3,048)	9	372

As per 31 December 2015 the fair value of the plan assets for plan B consists of debt instruments, solely (2014: 100% debt instruments). The actual return on plan assets is USD -/- 29 thousand (2014: USD 799 thousand). There are no reimbursement rights included in the plan assets.

Defined benefit obligation (plan A & B)

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	2015	2014
Discount rate	2.65%	2.10%
Future salary growth	2.25%	2.00%
Rate of price inflation	2.00%	2.00%
Rate of pension increase	0.00%	0.00%
Increase of social security base amount	2.25%	3.00%

Notes to the consolidated financial statements (continued)

Assumptions regarding future mortality have been based on published statistics and mortality tables (AG2014). The current longevities underlying the values of the defined benefit obligation at the reporting date were as follows.

	2015		2014	
	Plan A	Plan B	Plan A	Plan B
Longevity at age 65 for current pensioners				
Males	22.19	21.00	22.07	20.70
Femals	24.84	24.10	24.74	23.90
Longevity at age 65 for current members aged 40				
Males	24.85	23.20	24.75	23.00
Females	27.20	26.50	27.11	26.30

At 31 December 2015, the weighted-average duration of the defined benefit obligation was 18.5 years (2014: 18.5 years).

Sensitivity analysis (plan A & B)
Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Plan A & B	31 December 2015		31 December 2014	
In thousands in USD	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(108)	79	(707)	960
Future salary growth (1% movement)	13	(15)	132	(120)
Future pension increase (1% movement)	-	-	701	-
Future life expectancy (1% movement)	9	(9)	81	(83)

Since the post-employment defined benefit contract is terminated in Netherlands and the number of participants in Norway is limited, any risk associated with the post-employment defined benefit plans is considered limited. The Group has no further obligation other than the annual contribution to the Norwegian pension provider.

Employees' end-of-service benefits (Plan C)
The Company provides its employees an end-of service benefit (Plan C) for which a provision is provided. Any movement in the provision is recognised in statement of profit or loss. The following were the principal actuarial assumptions at the reporting date used for employees' end-of-service benefit calculation based on the Project Unit Credit Method:

	Plan C
Discount rate	2.55%
Future salary growth	3.50%
Change of turnover within 5 years	30.00%

Sensitivity analysis (plan C)
The sensitivity analysis has been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Notes to the consolidated financial statements (continued)

In thousands in USD	Plan C	
	Increase	Decrease
Discount rate (1% movement)	(17)	19
Future salary growth (1% movement)	18	(16)
Change of turnover (5% movement)	19	(19)

The future cash flows are impacted by the future salary growth and turnover in employees. Assumptions regarding future mortality do not have a material impact on the provision.

Although the Group is confident in the overall reliability of the data used for both sensitivity analysis, the outcome as such can be subject to an element of uncertainty or limitations in the calculations.

21. Trade and other payables

In thousands in USD	*Note*	2015	2014
Trade Payables due to related parties		-	391
Trade Payables		1,668	1,237
Accrued expenses			
- Operational related; freight, subcontractors etc.		324	374
- Advertising and marketing		45	65
- ICT and communication		81	227
- Professional fees		798	927
- Other		277	174
Total of trade payables		3,193	3,396
Tax payable in fiscal unity to parent	*26*	-	684
Total of other payables		-	684
Total of trade and other payables		3,193	4,080
Non-current		-	-
Current		3,193	4,080
Total of trade and other payables		3,193	4,080

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 24.

22. Deferred income / revenue

In thousands in USD	2015	2014
Customer advances	1,203	1,208
Total of deferred income / revenue	1,203	1,208
Non-current	-	-
Current	1,203	1,208
Total of deferred income / revenue	1,203	1,208

Some part of the Group's customers made payments in advance (annually and quarterly) for services to be provided. Such agreements are based on an expected quantity of services to be provided in a specific period.

Notes to the consolidated financial statements (continued)

23. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders over the longer term and to maintain an optimal capital structure to reduce the cost of capital. Reference is made to note 24 regarding management the Company's capital on basis of the gearing ratio covenant.

In order to maintain or adjust the capital structure, the group does currently not pay dividends under its financing agreements and the Group strives to retain sound solvency and liquidity levels.

24. Financial instruments

Risk management framework
The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. In 2015 a risk control framework is developed and a risk assessment has been performed. Based on the identified business and financial risks, internal controls are being identified and documented and will subsequently be tested to evaluate the design and implementation of such internal control. In addition, group's risk management policies will be documented and monitored. The Compliance manager will report regularly to the board of directors on his activities.

The Group's risk management policies are established to identify and analyse risk faced by the Group, to set appropriate risk limits and controls and to monitor risk adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of risk control framework in relation to the risks faced by the Group.

Fair value

Non-current financial instruments
As per 31 December the fair values of non-current financial instruments differs not material from its carrying amount.

Current financial instruments
As per 31 December the carrying amounts of the current financial instruments represents its fair value due to the short-term maturities of these assets and liabilities.

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers. The concentration of credit risk is limited due to a large number of customer contracts which are unrelated. Therefore the Group believes that no additional credit risk provision is required besides the normal provision for bad debt.

The carrying amount of financial assets represents the maximum credit exposure.

Notes to the consolidated financial statements (continued)

Trade and other receivables

The Group established an allowance for impairment that reflects its estimate of incurred losses in respect of the indicated credit risks regarding trade receivables. For the sales occurred during 2015, the credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. Further details of concentration of revenue are included in Note 7.

A credit policy has been established where each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group reviews external ratings, if they are available, and in some cases bank references. For all new customers a creditworthiness check is performed and for existing customers the creditworthiness is reviewed on a yearly basis.

The Group is closely monitoring the world economy as the Group's sales is depending on the developments in marine fuel market.

At 31 December 2015, the maximum exposure to credit risk for trade receivables by geographic region was as follows.

	Carrying amount	
In thousands of USD	**2015**	**2014**
Netherlands, Belgium, Germany, France, Greece	1,925	2,761
Other Eurozone countries	943	691
Norway	328	750
UK	124	245
USA	331	553
Africa, Middle east, Asia	1,145	1,710
Other regions	416	852
Total	**5,212**	**7,562**

At 31 December 2015, the maximum exposure to credit risk for trade receivables by type of counterparty was as follows.

In thousands of USD	**2015**	**2014**
End-user customers	5,212	7,562
Total	**5,212**	**7,562**

At 31 December 2015, the Group's most significant customer, a European container shipping company, accounted for USD 360 thousand of the trade and other receivables carrying amount (2014: USD 377 thousand).

Impairment

At 31 December 2015, the ageing of trade receivables that were not impaired was as follows.

Notes to the consolidated financial statements (continued)

In thousands of USD	2015	2014
Neither past due nor impaired	3,324	4,116
Past due 1 - 30 days	1,063	886
Past due 31 - 60 days	472	538
Past due 61 - 120 days	334	757
Past due >121 days	19	1,265
Total	**5,212**	**7,562**

Management believes that unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customer' credit ratings as far as available.

An analysis of the credit quality of trade receivables that were not impaired is as follows.

In thousands of USD	2015	2014
Lowest Risk (D&B rating)	1,173	1,706
Low Moderate Risk (D&B rating)	1,925	3,264
High Moderate Risk (D&B rating)	1,391	2,104
Highest Risk (D&B rating)	723	488
Total	**5,212**	**7,562**

The Group uses for its analysis a monitoring portfolio management tool of credit agency Dun and Bradstreet. Credit ratings of the Group's trade receivables are determined on available information in Dun and Bradstreet's databases. Trade receivables classified at highest risk includes observed highest risk counter parts as well as unclassified counterparties.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

In thousands of USD	Individual impairments	Collective impairments
Balance 1 January 2014	-	(537)
Impairment loss recognised	-	(742)
Amounts written off	-	15
Reversal of impairment loss recognised in the past	-	2
Balance at 31 December 2014	-	(1,262)
Reversal of impairment loss recognised	-	566
Amounts written off	-	280
Balance at 31 December 2015	-	(416)

In 2015 management focussed on collecting the outstanding balances, especially the overdue balances. As a result the Group managed to reduce the overdue balances outstanding. Consequently the impairment loss for overdue balances is reduced significantly in comparison to prior year. As a result a reversal of the collective impairment amount is recognised of USD 566 thousand (2014: USD 742 thousand impairment loss recognised). The Group believes that its allowance for impairment as per 31 December 2015 is sufficient to absorb expected future write offs on trade and other receivable.

Notes to the consolidated financial statements (continued)

Cash and Cash equivalents

The Group held cash and cash equivalents of USD 12,614 thousand at 31 December 2015 (2014: USD 11,548 thousand). The cash and cash equivalents are held by bank counter parties, which are rated AA-, based on Standard & Poor's ratings.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Group monitors its risk to a shortage of funds using a cash flow forecast model. This model considers the maturity of both its non-current and current assets and liabilities (trade receivables and other financial assets or liabilities) and projected cash flows from operations.

The Group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables over the next 60 days). The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

At 31 December 2015, the expected cash flows from trade and other receivables maturing within two months were USD 4,600 thousand (2014: USD 9,000 thousand).

This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

In thousands of USD			Contractual cash flows				
31 December 2015	Carrying	Total	2 months	2- 12	1-2 years	2-5 years	More than
Non-derivative financial liabilities							
Unsecured bond loan	**64,797**	**(82,419)**	-	**(4,634)**	**(4,634)**	**(73,151)**	-
Unsecured shareholders loan	**8,719**	**(17,805)**	-	-	-	-	**(17,805)**
Trade & other payables	**3,193**	**(3,193)**	**(3,193)**	-	-	-	-
	76,709	**(103,417)**	**(3,193)**	**(4,634)**	**(4,634)**	**(73,151)**	**(17,805)**

In thousands of USD			Contractual cash flows				
31 December 2014	Carrying amount	Total	2 months or less	2- 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Unsecured bond loan	68,514	(92,050)	-	(4,900)	(4,900)	(82,250)	-
Unsecured shareholders loan	7,926	(17,805)	-	-	-	-	(17,805)
Trade & other payables	3,399	(3,399)	(2,784)	(615)	-	-	-
	79,839	(113,254)	(2,784)	(5,515)	(4,900)	(82,250)	(17,805)

Notes to the consolidated financial statements (continued)

The Group has an unsecured bond loan that contains loan covenants. A future breach of covenants may require the Group to repay the loan earlier than indicated in the above table. Under the agreement, the covenants are monitored on a regular basis by the Group finance team and regularly reported to the management to ensure compliance with the agreement.

As a result the Group monitors capital on the basis of the gearing ratio covenant as part of the bond agreement. This ratio is calculated as net interest bearing debt divided by EBITDA. Net interest bearing debt is calculated as total aggregated loans and borrowings less shareholder loans and unrestricted cash and cash equivalents. The EBITDA is calculated as 'earnings before interest, tax, depreciation and amortisation and before exceptional items'. The covenant includes a maximum gearing ratio of 5.5% per end of 2015. Per 31 December 2015, the Group complied with all quarterly and annual covenant requirements.

The interest payments on the shareholders loan and bond issues in the table above are based on fixed interest rates as disclosed in note 19. In addition, the interest rate of the shareholders loan will be accrued for and for that reason a cash outflow at repayment date. It is not expected that cash flows included in the maturity analysis could occur significantly earlier or at significant different amounts.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group companies. The functional currencies of the Group is US dollar. The currencies in which these transactions are primarily denominated are US dollar, Euro, Singapore Dollar and Norwegian Krone.

The group's borrowings are denominated in US dollar that match the cash flow generated by the underlying operations of the Group - primarily in US dollar. In addition, interest on borrowings is denominated in the currency of the borrowing. This provides an economic hedge without derivate being entered into and therefore hedge accounting is not applied in these circumstances.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows per 31 December 2015.

	31 December 2015				31 December 2014			
In thousands	EUR	USD	SGD	NOK	EUR	USD	SGD	NOK
Trade receivables	283	5,189	60	-	445	8,211	133	(2)
Bond loan	-	64,797	-	-	-	68,514	-	-
Shareholder loan	-	8,719	-	-	-	7,926	-	-
Trade payables	693	449	161	98	590	738	526	947
Net statement of financial position exposure	(410)	(68,776)	(101)	(98)	(145)	(68,967)	(393)	(949)

Notes to the consolidated financial statements (continued)

Sensitivity analysis

A reasonably expected possible strengthening (weakening) of the Euro (EUR), Singapore dollar (SGD) or Norwegian Krone (NOK) against the United States Dollar (USD) versus the rates per 31 December 2015 would affect the measurement of financial instruments denominated in a foreign currency and effect profit or loss by the amounts shown below.

	Profit or loss	
in thousands of USD	Strengthening	Weakening
31 December 2015		
EUR (15% movement)	67	(67)
SGD (7% movement)	5	(5)
NOK (7% movement)	1	(1)

	Profit or loss	
in thousands of USD	Strengthening	Weakening
31 December 2014		
EUR (15% movement)	26	(26)
SGD (7% movement)	21	(21)
NOK (7% movement)	9	(9)

Interest rate risk

The Group's interest exposure is nil as all its borrowings are at a fixed rate. In addition, the Group's policy is not to enter borrowing agreements with a floating rate.

25. Operating leases

Leases as lessee

The Group leases a number of offices and laboratories facilities under operating leases. The leases typically run for a period of 5 years, with an option to renew these leases after that date. Lease payments are renegotiated every 5 years to reflect the market rentals. Some leases provide additional rent payments that are based on changes in local price indices. For certain operating leases, the Group is restricted from entering into any sub-lease arrangements. The offices and laboratories lease were entered into pre-acquisition which is many years ago as combined lease of land and buildings. The Group determined that the land and building elements of the offices and laboratories leases are operating leases.

The rent paid to the landlord is adjusted to market rentals at regular intervals, and the Group does not have an interest in the residual value of the land and building elements of the offices and laboratories. As a result, it was determined that substantially all the risks and rewards of the land and building elements of the offices and laboratories are with the landlord.

Furthermore, the Group has liabilities relating to operating leases for cars provided to employees, each lease having a term of up to four years.

Notes to the consolidated financial statements (continued)

Future minimum lease payments

At 31 December 2015, the future minimum lease payments under non-cancellable leases were payable as follows.

In thousands of USD	2015	2014
Less than one year	839	1,170
Between one and five years	1,211	2,152
More than five years	552	2,726
Less: Unearned lease income	(7)	(22)
	2,595	6,026

26. Related parties

Parent and ultimate controlling party

The shares of the Company are for 100% held by Veritas Petroleum Services Holding B.V. of which shares are for 50% held by VPS International S.a.r.l., 47% is held by DET Norske Veritas Holding AS and 3% is held by VPS Management Holding B.V. The ultimate parent of VPS International holding S.a.r.l. is IK VII Limited.

Transactions with key management personnel

The Group's key management personnel consists of executive and managing directors. Their compensation is compromised as follows.

In thousands of USD	2015	2014
Short-term employee benefits	(1,984)	(802)
Post-employee benefits	(154)	(97)
Total of transactions with key management personnel	**(2,138)**	**(899)**

Compensation of the Group's key management personnel includes salaries, non-cash benefits and contributions to a post-employment defined contribution plan.

Other related party transactions

	Transaction values for the year ended 31 December		Trade Receivables as at 31 December	
In thousands of USD	2015	2014	2015	2014
Sale of goods and services				
Ultimate parent DNV GL AS	7	510	2	18
DNV Germany GMBH	-	-	-	3
DNV Dubai AQSC	-	7	-	1
DNV GL Greece SA	-	3	-	9
DNV Netherlands BV	-	11	-	-
Kema Nederland	-	1	-	-
Total of trade of receivables	**7**	**532**	**2**	**32**

Notes to the consolidated financial statements (continued)

	Transaction values for the year ended 31 December		Trade Payables as at 31 December	
In thousands of USD	2015	2014	2015	2014
Purchase of goods and services				
Ultimate parent DNV GL AS	(126)	(1,860)	-	(364)
DNV Netherlands BV	(611)	(1,468)	-	(21)
DNV SA Greece	-	(366)	-	-
DNV ltd UK	(24)	(248)	-	(4)
DNV USA inc	-	(120)	-	(2)
DNV Germany GMBH	(2)	(61)	-	-
Det Norske Veritas Pte. Ltd.	-	(37)	-	-
DNV Dubai AQSC	-	(10)	-	-
DNV Business Assurance Pte. Ltd.	-	(5)	-	-
KEMA Nederland BV	-	(2)	-	-
Det Norske Veritas AS, Fujairah DF	-	(1)	-	-
Total of trade of payables	(763)	(4,177)	-	(392)

All outstanding balances with these related parties are priced on an arm' lengths basis and are to be settled in cash within six months of the reporting date.

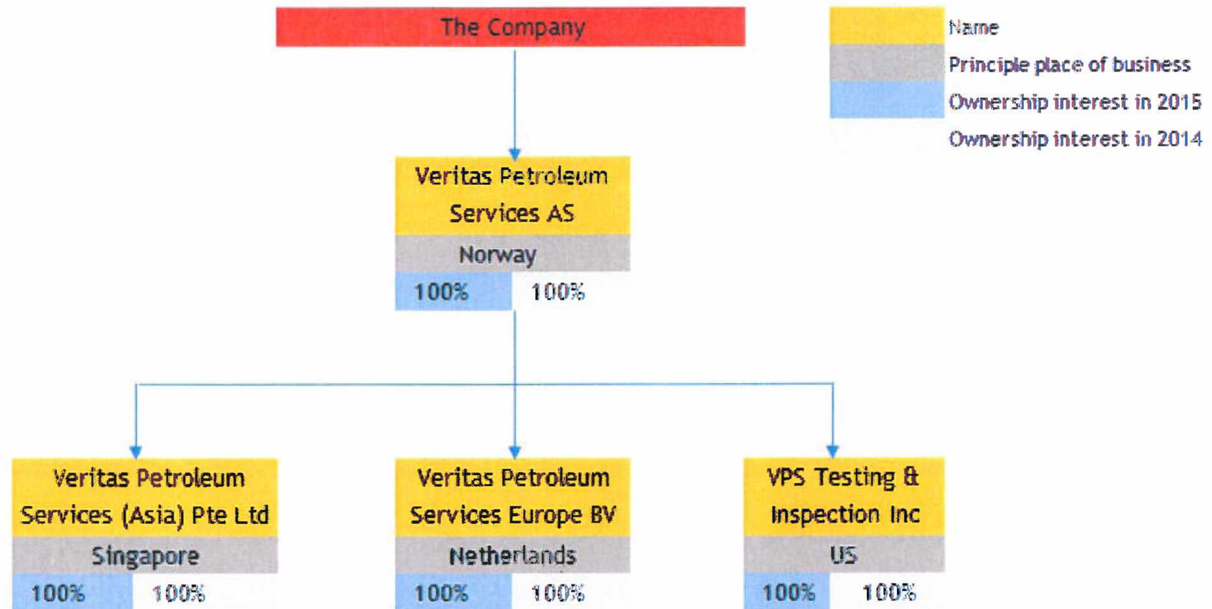
	Transaction values for the year ended 31 December		Other balances as at 31 December	
In thousands of USD	2015	2014	2015	2014
Other				
Parent of the Group - Veritas Petroleum Services Holding B.V.				
- Loan and related interest	(793)	(72,364)	(8,719)	(7,926)
- Receivable in relation to fiscal unity	-	684	-	684
- Payable in relation to fiscal unity	-	(684)	-	(684)
Total of other related party transactions	(793)	(72,364)	(8,719)	(7,926)

None of the balances is secured. No expense has been recognised in the current year or prior year for bad of doubtful debts in respect of amounts owed by related parties.

Notes to the consolidated financial statements (continued)

27. List of subsidiaries

Set out below is a list of material subsidiaries of the Group.



On December 18, 2015 DNV Petroleum Services AS changed the company name into Veritas Petroleum Services AS.

28. Events after balance sheet date

There have been no subsequent events that would materially affect the Company's (consolidated) statement of financial position and (consolidated) statement of profit or loss and other comprehensive income except for the fact that the Company bought back bonds for the total amount of USD 1.2 million in the first two months of 2016, as part of ordinary liquidity management.

Company statement of income

For the year ended 31 December

In thousands in USD	*Note*	2015	2014
Net result from subsidiaries after taxes	34	5,099	4,043
Loss from operations		(4,695)	(6,219)
Net result		404	(2,176)

The accompanying notes are integral part of these company financial statements.

Company statement of financial position

(After proposed result appropriation)

In thousands in USD	*Note*	31 December 2015	31 December 2014
Assets			
Property, plant and equipment	32	55	-
Intangible assets	33	3,279	2,883
Investments in subsidiaries	34	136,386	131,275
Non-current assets		139,720	134,158
Loans receivable	35	13	10,502
Trade and other receivables	36	13,176	15,690
Current tax receivables		108	57
Prepayments		248	196
Cash and equivalents	37	3,813	8,055
Current assets		17,358	34,500
Total assets		157,078	168,658
Equity			
Share capital	38	6,300	6,300
Share premium	38	56,700	56,700
Legal reserve	38	40	40
Retained earnings	38	(11,248)	(11,664)
Total equity		51,792	51,376
Liabilities			
Loans and borrowings	39	73,516	78,045
Non-current liabilities		73,516	78,045
Loans and borrowings	39	1,171	1,225
Employee benefits		383	15
Trade and other payables	40	28,952	36,801
Current tax liabilities		70	-
Deferred income/ revenue	41	1,194	1,196
Current liabilities		31,770	39,237
Total liabilities		105,286	117,282
Total equity and liabilities		157,078	168,658

The accompanying notes are integral part of these company financial statements.

Notes to the Company financial statements

29. General

The Company financial statements are part of the 2015 financial statements of Veritas Petroleum Services B.V. For the company statement of Income of Veritas Petroleum Services B.V., use is made of the exemption to present the company statement of Income in a condensed form pursuant to Section 2:402 of Book 2 of the Netherlands Civil Code. For setting the principles for the recognition and measurement of assets and liabilities and determination of the result for its company financial statements, Veritas Petroleum Services B.V. makes use of the option in Section 2:362 (8) of Part 9 of The Netherlands Civil Code. This means that the principles for recognition and measurement of assets and liabilities and determination of the result for the Company financial statements of Veritas Petroleum Services B.V. are the same as those for the consolidated financial statements. In this context, investments in companies in which significant control is exercised are measured according to the net asset value method.

30. Basis of preparation

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed by the International Accounting Standards Boards (IASB) and endorsed by the European Union and with Part 9, Book 2 of the Netherlands Civil Code. For a description of these accounting principles, reference is made to the accounting principles within the consolidated financial statements (see Note 5). The share in the result of subsidiaries in which the company has holdings comprises the share of Veritas Petroleum Services B.V. in the result of the subsidiaries. Results on transactions in which transfer of assets and liabilities has occurred between Veritas Petroleum Services B.V. and its subsidiaries, and mutually between subsidiaries which each other, are not recognised insofar as these can be considered as not realised.

31. Significant accounting policies

These are the same as for the consolidated financial statements. In addition, the net equity method is applied for the investments in consolidated subsidiaries based on the parent company's accounting policies.

Notes to the Company financial statements (continued)

32. Property, plant and equipment

Reconciliation of net book value

In thousands in USD	Equipment, fixtures and fittings	Other	Total
Cost			
Balance at 1 January 2014	-	-	-
Additions	-	-	-
Balance at 31 December 2014	-	-	-
Balance at 1 January 2015	-	-	-
Additions	40	18	58
Disposals	-	-	
Balance at 31 December 2015	**40**	**18**	**58**
Accumulated amortisation and impairment losses			
Balance at 1 January 2014	-	-	-
Amortisation	-	-	-
Balance at 31 December 2014	-	-	-
Balance at 1 January 2015	-	-	-
Depreciation	(3)	-	(3)
Balance at 31 December 2015	**(3)**	**-**	**(3)**
Net book value			
At 1 January 2014			
At 31 December 2014	-	-	-
At 31 December 2015	**37**	**18**	**55**

Notes to the Company financial statements (continued)

33. Intangible assets

In thousands in USD	Software	Software development costs in progress	Total
Cost			
Balance at 1 January 2014	-	-	-
Additions	2,447	627	3,074
Balance at 31 December 2014	2,447	627	3,074
Balance at 1 January 2015	2,447	627	3,074
Additions	1,046	-	1,046
Reclassification of assets under construction to other fixed asset classes	627	(627)	-
Balance at 31 December 2015	4,120	-	4,120
Accumulated amortisation and impairment losses			
Balance at 1 January 2014	-	-	-
Amortisation	(191)	-	(191)
Balance at 31 December 2014	(191)	-	(191)
Balance at 1 January 2015	(191)	-	(191)
Amortisation	(650)	-	(650)
Balance at 31 December 2015	(841)	-	(841)
Net book value			
At 1 January 2014			
At 31 December 2014	2,256	627	2,883
At 31 December 2015	3,279	-	3,279

34. Investments in subsidiaries

	Opening balance	Acquisitions	Remeasure-ments	Disposals	Share in result	Dividends received	Closing balance
DNVPS AS	131,275	-	12	-	5,099	-	136,386
	131,275	-	12	-	5,099	-	136,386

The Company holds direct and indirect interest in subsidiaries. A list of these subsidiaries, place of incorporation and the Company's share is set out in Note 27.

Notes to the Company financial statements (continued)

35. Loans receivable

In thousands in USD	2015	2014
VPS Management I B.V.	5	-
VPS Management Holding B.V.	5	-
VPS Holding B.V.	3	-
DNV Petroleum Services AS	-	1,002
Veritas Petroleum Services (Asia) Pte Ltd	-	4,500
Veritas Petroleum Services Europe B.V.	-	3,000
VPS Testing & Inspection Inc US	-	2,000
Total of Loans receivable	**13**	**10,502**

The Company's short-term loans are solely related to shareholders (see Note 26). These loans bears an annual interest of LIBOR + 1.5% and have an average maturity of one year.

36. Trade and other receivables

In thousands in USD	2015	2014
Trade receivables	5,211	7,315
Trade receivables from related parties	4,482	4,773
Other receivables	32	501
	9,725	12,589
Services to be invoiced	3,451	3,101
Total of trade and other receivables	**13,176**	**15,690**
Non-current	-	-
Current	13,176	15,690
Total of trade and other receivables	**13,176**	**15,690**

37. Cash and equivalents

In thousands in USD	2015	2014
Bank balances	3,813	8,055
Total of cash and cash equivalents	**3,813**	**8,055**

The total amount of cash and cash equivalents are at free disposal to the company.

Notes to the Company financial statements (continued)

38. Equity

Share capital and share premium

In thousands of USD	Share capital	Share premium	Legal reserve	Retained Earnings	Total Equity
Balance at 1 January 2015	**6,300**	**56,700**	40	(11,664)	**51,376**
Remeasurements	-	-	-	12	12
Net result for the year	-	-	-	**404**	**404**
Balance at 31 December 2015	**6,300**	**56,700**	**40**	**(11,248)**	**51,792**
Balance at 1 January 2014	6,300	56,700	40	(9,179)	53,861
Remeasurements	-	-	-	(309)	(309)
Net result for the year	-	-	-	(2,176)	(2,176)
Balance at 31 December 2014	6,300	56,700	40	(11,664)	51,376

Share capital

The authorised share capital consist of 63,000,000 ordinary shares par value USD 0.10 whereof the issued and paid-in capital amounts to USD 6,300,000.

Share premium

The issued shares, in total 63,000,000 shares were priced against USD 1.00 per share. Additional paid-in capital of USD 56,700,000 has been recognised as share premium which is free distributable.

Retained earnings

The amount in retained earnings is in principle available for profit sharing among the shareholders as far as its balance is positive per end of reporting date. In respect to this, following the bond agreement the Company could restrict the availability of retained earnings for profit sharing as financial covenant stipulations are not met.

Legal reserve

The legal reserve represents a foreign currency translation reserve in a foreign Group's subsidiary which is legally attached to this subsidiary. As the Group accounting policy regarding foreign currency is to recognise foreign currency translation differences in profit or loss, this amount is not accounted for in the foreign currency translation reserve.

Notes to the Company financial statements (continued)

39. Loans and borrowings

In thousands in USD	Unsecured bond loan	Unsecured shareholders loan	Loans from related parties	Total
Non-current Loans and borrowings				
Balance at 1 January 2015	68,514	7,926	1,606	78,046
Amortization	247	-	-	247
Bond buy back	(3,686)	-	-	(3,686)
Gain on repurchased bonds	(36)			
Gain on reassessment cashflows	(242)	-	-	(242)
Interest	-	793	-	793
Redemption of loans from related parties	-	-	(1,606)	(1,606)
Balance 31 December 2015	64,797	8,719	-	73,516
Balance at 1 January 2014	-	75,562	-	75,562
Issue bond	70,000	(70,000)	-	-
Capitalized commission	(1,676)	-	-	(1,676)
Amortization	251	-	-	251
Interest	-	2,364	-	2,364
Finance income	(61)	-	-	(61)
Issued loans from related parties	-	-	1,606	1,606
Balance 31 December 2014	68,514	7,926	1,606	78,046

The terms and conditions of the unsecured bond loan and unsecured shareholder loan are set out in note 19. The other loans concern loans with multiple companies within the group. In 2015 all loans have been settled with the counter party. The accrued interest related to the loans and borrowings can be specified as follows.

Current Loans and borrowings	2015	2014
Accrued interest Unsecured bond	1,171	1,220
Total of current Loans and borrowings	1,171	1,220

Notes to the Company financial statements (continued)

40. Trade payable and other payables

In thousands in USD	2015	2014
Trade payables due to related parties	27,640	35,172
Trade payables	493	544
Other payables	80	42
Accrued expenses		
- Advertising and marketing	-	6
- ICT and communication	18	106
- Professional fees	660	762
- Other	61	169
Total of trade and other payables	28,952	36,801
Non-current	-	-
Current	28,952	36,801
Total of trade and other payables	28,952	36,801

41. Deferred income / revenue

In thousands in USD	2015	2014
Customer advances	1,194	1,196
Total of deferred income / revenue	1,194	1,196
Non-current	-	-
Current	1,194	1,196
Total of deferred income / revenue	1,194	1,196

Some part of the Company's customers made payments in advance for services to be provided. Such agreements are based on an expected quantity of services to be provided in a specific period. The Company expects to recognise deferred income/ revenue in the next 1 months.

42. Contingencies and commitments

Since financial year 2013, Veritas Petroleum Services B.V. joined its parent Veritas Petroleum Services Holding B.V. in Tax unity for corporate income tax and value-added-tax. As per 1 January 2014 an indirect subsidiary, Veritas Petroleum Services Europe B.V., was added to this fiscal unity in relation to corporate income tax. Under the Dutch Tax Collection Act, the members of a fiscal unity are jointly and severally liable for any tax amounts in relation to a relevant tax unity due.

The available carry forward corporate tax losses per 31 December amount to USD 2,325 thousand (2014: USD 2,202 thousand). The Company did not recognise a deferred tax asset as future amount of net income cannot be measured reliable. Unused carry forward tax losses are expiring as follows.

	Year of expiration			
In thousands in USD	2022	2023	2024	Total
Tax losses	1,754	448	123	2,325

The prior period figures have been re-presented in conformity with the current period's financial statement presentation.

Notes to the Company financial statements (continued)

The available carry forward tax losses are measured against the Dutch corporate income tax rate of 25%.

43. Employees

The Company employed during financial year 2015, an average number of employees expressed as on a full-time-equivalent (fte) basis of 11 (2014: 4).

44. Audit fees

Administrative expenses (See Note 8C) in the consolidated financial statements include USD 268 thousand of fees in 2015 (2014: USD 825 thousand) for service provided by PricewaterhouseCoopers Accountants N.V. and its member firms and/ or affiliates. Fees for audit services include the audit of the financial statements of Veritas Petroleum Services B.V. and its subsidiaries. Fees for tax services include tax compliance and tax advice. Fees for other non-audit services include solely advisory services. These fees are included in professional fees as can be found in note 8C.

	PricewaterhouseCoopers Accountants NV		PricewaterhouseCoopers member firms and/ or affiliates		Total	
In thousands of USD	**2015**	2014	**2015**	2014	**2015**	2014
Audit of VPS and its subsidiaries	132	144	66	70	198	214
Other audit services	-	-	-	-	-	-
Tax services	-	242	70	278	70	520
Other non-audit services	-	-	-	92	-	92
Total of audit fees	132	386	136	440	268	825

45. Related parties

Transactions with related parties other than subsidiaries are disclosed in Note 26.

46. Directors remuneration

In thousands of USD	**2015**	2014
Short-term employee benefits	1,185	476
Post-employment benefits	93	67
Total of directors remuneration	1,278	543

Board of directors

Barendrecht, 19 April 2016

Veritas Petroleum Services B.V.

G.H. Rohaan
CEO

C.M.F. Peeters
CFO

Other Information

Audit opinion of an independent auditor

The company's auditor issued an opinion accompanying the Group financial statements which is attached to this annual report.

Statutory principles regarding appropriation of net income

Article 21 of the Company's articles of association stipulates that net income is available without any restriction for appropriation in the General Meeting of Shareholders.

Profit sharing and similar rights

The Company issued in total 63,000,000 ordinary shares which are without any restrictions entitled to share in profit arrangements.

Proposal for net result appropriation

The board of directors proposes to add the current year net profit of USD 404 thousand to the retained earnings.

Events after balance sheet date

There have been no subsequent events that would materially affect the Company's (consolidated) statement of financial position and (consolidated) statement of profit or loss and other comprehensive income except for the fact that the Company bought back bonds for the total amount of USD 1.2 million in the first two months of 2016, as part of ordinary liquidity management.

Branches

The Group has branches in United Arab Emirates, Greece, United Kingdom and Germany that trade under the trade name Veritas Petroleum Services B.V.

Independent auditor's report

To: the general meeting of Veritas Petroleum Services B.V.

Report on the financial statements 2015

Our opinion

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of Veritas Petroleum Services B.V. as at 31 December 2015 and of its result and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code;
- the accompanying company financial statements give a true and fair view of the financial position of Veritas Petroleum Services B.V. as at 31 December 2015 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2015 of Veritas Petroleum Services B.V., Barendrecht ('the company'). The financial statements include the consolidated financial statements of Veritas Petroleum Services B.V. and its subsidiaries (together: 'the Group') and the company financial statements.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2015;
- the following statements for 2015: the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows; and
- the notes to the consolidated financial statements, comprising a summary of significant accounting policies and other explanatory information.

The company financial statements comprise:

- the company statement of financial position as at 31 December 2015;
- the company statement of income for the year then ended; and
- the notes to the company financial statements, comprising a summary of the accounting policies and other explanatory information.

Ref.: e0377938

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The financial reporting framework that has been applied in the preparation of the financial statements is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the section 'Our responsibilities for the audit of the financial statements' of our report.

We are independent of Veritas Petroleum Services B.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA).

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

Our audit approach

Overview and context

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we looked at where management made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. Moreover and apart from the key audit matter included in this report, other areas of focus driven by the operations of Veritas Petroleum Services B.V. as provider of fuel quality testing services and bunker quantity surveys were accounts receivable, accrued revenue, deferred revenue and revenue recognition. As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by management that may represent a risk of material misstatement due to fraud.

We ensured that the audit teams both at group and at component levels included the appropriate skills and competences which are needed for the audit of a provider of fuel quality testing services and bunker quantity surveys. We therefore included specialist in the areas of IT, valuation and employee benefits in our team.

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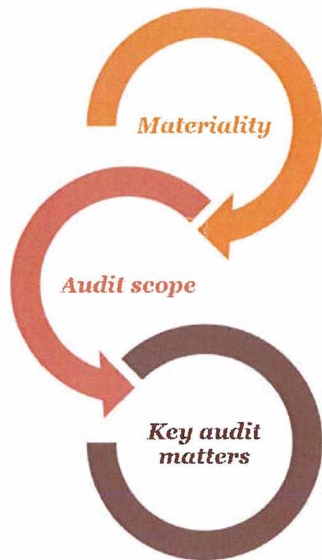

Materiality

- Overall materiality: US$ 521,000 which represents 1% of the consolidated revenue of the group.

Audit scope

- Audit coverage: 100% of consolidated revenue and 99% of consolidated total assets
- We conducted audit work on 5 components.
- Four components were subject to full scope audit and were audited by teams based in the Netherlands and Singapore.
- For the remaining component, specific audit procedures have been performed in order to increase our audit coverage on some financial statements line items.

Key audit matters

- Valuation of goodwill

Materiality

The scope of our audit is influenced by the application of materiality which is further explained in the section 'Our responsibilities for the audit of the financial statements'.

We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements on our opinion.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall group materiality	US$ 521,000 (2014: US$ 520,000)
How we determined it	The company has a relatively fixed cost base up to a certain level of activities given the nature of those activities. The financial performance is therefore mainly reflected through the company's revenue developments. This results in the company's revenue being a significant determining factor for the EBTIDA. Based on the aforementioned and our understanding of the key stakeholders we determined revenue to be the appropriate benchmark. Due to this, materiality is determined as

	1% of total revenue.
Rationale for benchmark applied	We have applied this benchmark, a generally accepted auditing practice, based on our analysis of the value creation drivers of the business and its key performance indicators as defined by management and stakeholders of the company. On this basis, we believe that total revenue is an appropriate benchmark.
Component materiality	To each component in our audit scope, we, based on our judgement, allocate materiality that is less than our overall group materiality. The range of materiality allocated across components was between US$ 328,000 and US$ 483,000.

We also take misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.

We agreed with management that we would report to them misstatements identified during our audit above US$ 26,000 (2014: US$ 26,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons'.

The scope of our group audit

Veritas Petroleum Services B.V. is the parent company of a group of entities. The financial information of this group is included in the consolidated financial statements of Veritas Petroleum Services B.V.

The group's accounting process is structured around a local finance function in each of the three regions ("Europe", "Americas" and "Africa, Middle East & Asia") in which the group operates through four components besides the parent entity. These functions maintain their own accounting records and controls and report to the head office finance team in the Netherlands through an integrated consolidation system.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account: the geographic and management structure of the group, including the nature of operations; the accounting processes and controls; and the markets in which the group operates.

A full scope audit was performed for four components, which includes the parent company, as these are individually significant to the group. The three other components are: Veritas Petroleum Services Asia Pte. Ltd, Veritas Petroleum Services Europe B.V. and VPS Testing & Inspection Inc. We further performed audit procedures of specific account balances and analytical procedures at Veritas Petroleum Services AS in order to obtain sufficient coverage of specific financial statement line items in the consolidated financial statements.

In establishing the overall group audit strategy and plan, we determined the type of work that needed to be performed at the components by the group engagement team and by component auditors. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole. The group engagement team directed the planning, reviewed the results of the work undertaken by component auditors and assessed and discussed the findings with the component auditors during conference calls.

The group consolidation, financial statement disclosures and a number of complex items are audited by the group engagement team at the head office. These include goodwill impairment testing, transfer pricing and the bond loan.

Taken together, and excluding our group analytical procedures, our audit coverage as defined in percentages in the table below is based on the full scope audits performed as well as the audit procedures of specific account balances as described above.

Revenue	100%
Total assets	99%
Profit before tax	94%

None of the remaining components represented more than 1% of total group revenue or total group assets. For those remaining components we performed, amongst others, analytical procedures to corroborate our assessment that there were no significant risks of material misstatements within those components.

By performing the procedures above at components, combined with additional procedures at group level, we have obtained sufficient and appropriate audit evidence regarding the financial information of the group to provide a basis for our opinion on the consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We have communicated the key audit matter to the board of directors, but it is not a comprehensive reflection of all matters that were identified by our audit and that we discussed. We described the key audit matter and included a summary of the audit procedures we performed on that matter.

The key audit matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on this matter or on specific elements of the financial statements. Any comments we make on the results of our procedures should be read in this context.

Key audit matter	***How our audit addressed the matter***
Valuation of goodwill *Note 14b* In 2013 the Company acquired DNV Petroleum Services AS and its subsidiaries. At the acquisition date goodwill was recognized of US$ 64 million (refer to note 14b), which is grouped together with other assets of the group under one cash generating unit. Management performed the required annual goodwill impairment test in accordance with IAS 36, 'Impairment of Assets' and concluded that a headroom of US$ 37 million exists over the carrying amount of the	We reviewed the analysis for the determination of the cash generating unit for the purposes of the impairment test. Further audit procedures included detailed assessment and challenging of the underlying assumptions used in the model. In addition we performed testing procedures over the mathematical accuracy of the calculations performed by management. Our valuation specialists assisted us in evaluating and challenging the assumptions and methodologies

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Key audit matter	*How our audit addressed the matter*
the cash generating unit. The assumptions in the impairment test include the budgeted EBITDA growth rate based on expected developments of prices and quantity of services to be provided, terminal value growth rate as well as the discount rate. The assumptions are further disclosed in note 14b to the financial statements. The impairment test is significant to our audit as it requires significant management judgement, and it is based on assumptions that are affected by expected future market conditions. Furthermore, the outcome of the test is highly sensitive to changes in assumptions.	applied by management in its impairment test, in particular those relating to the budgeted EBITDA growth rate, terminal value growth rate and the discount rate. We assessed these assumptions through gaining a detailed understanding from management of the underlying EBITDA forecast including expected development of prices and quantity of services to be provided and comparing this forecast with historical performance of the Group. In addition, we have performed a peer group analysis to assess the discount rate and verified the terminal value growth rate by using market data obtained from external parties. Moreover, we have challenged the recoverable amount by using a peer group multiple EBITDA analysis. We also focused on the adequacy of the Company's disclosures regarding those assumptions including the sensitivity analyses (as included in note 14b). We found the underlying assumptions to be reasonable.

Responsibilities of the board of directors

The board of directors is responsible for:

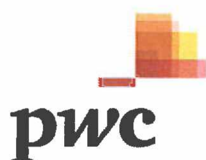
- the preparation and fair presentation of the financial statements in accordance with EU-IFRS and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the directors' report in accordance with Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of directors is responsible for assessing the company's ability to continue as a going-concern. Based on the financial reporting frameworks mentioned, the board of directors should prepare the financial statements using the going-concern basis of accounting unless the board of directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The board of directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going-concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our audit opinion aims to provide reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high but not absolute level of assurance which makes it possible that we may not detect all misstatements. Misstatements may arise due to fraud or error. They are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A more detailed description of our responsibilities is set out in the appendix to our report.



Report on other legal and regulatory requirements

Our report on the directors' report and the other information

Pursuant to the legal requirements of Part 9 of Book 2 of the Dutch Civil Code (concerning our obligation to report about the directors' report and the other information):

- We have no deficiencies to report as a result of our examination whether the directors' report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this code, and whether the information as required by Part 9 of Book 2 of the Dutch Civil Code has been annexed.
- We report that the directors' report, to the extent we can assess, is consistent with the financial statements.

Our appointment

We were reappointed as auditors of Veritas Petroleum Services B.V. by the general meeting of on the 17th of July 2015. We are the auditor of the Company for an uninterrupted period of 3 years.

Utrecht, 19 April 2016
PricewaterhouseCoopers Accountants N.V.

Original signed by W.F.J. Vermeulen RA

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Appendix to our auditor's report on the financial statements 2015 of Veritas Petroleum Services B.V.

In addition to what is included in our auditor's report we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. 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. Our audit consisted, among others of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Concluding on the appropriateness of the board of directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the company's ability to continue as a going-concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the company to cease to continue as a going-concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Considering our ultimate responsibility for the opinion on the company's consolidated financial statements we are responsible for the direction, supervision and performance of the group audit. In this context, we have determined the nature and extent of the audit procedures for components of the group to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole. Determining factors are the geographic structure of the group, the significance and/or risk profile of group entities or activities, the accounting processes and controls, and the industry in which the group operates. On this basis, we selected group entities for which an audit or review of financial information or specific balances was considered necessary.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.