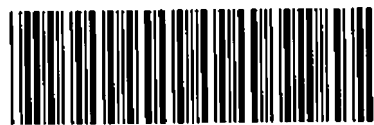


HARSCO METALS HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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HARSCO METALS HOLDINGS LIMITED

COMPANY INFORMATION

Directors	C C L Whistler J J Sweeney S Cooper
Company number	00569823
Registered office	Harsco House Regent Park 299 Kingston Road Leatherhead Surrey United Kingdom KT22 7SG
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors The Portland Building 25 High Street Crawley West Sussex RH10 1BG
Bankers	National Westminster Bank plc St James' and Piccadilly Branch PO Box 2DG Piccadilly London W1A 2DG
Solicitors	Freeth Cartwright LLP Churchill House Regent Road Stoke on Trent Staffordshire ST1 3RQ

HARSCO METALS HOLDINGS LIMITED

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HARSCO METALS HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

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

Fair review of the business

The results for the year and the financial position at the year end were considered satisfactory by the directors.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to competition from national and international competitors and key customer activity levels.

The principal risks and uncertainties to which the company is exposed are managed globally by Harsco Corporation group and are not managed separately. Harsco Corporation's strategy to overcome this competition includes enterprise business optimization programs, international customer expansion, particularly in emerging economies, and the diversification, streamlining and consolidation of operations.

Going concern

The going concern position of the company is dependent upon the overall going concern status of the Harsco Group. Having considered the future operating profits, cash flows and facilities available to Harsco Investment Limited together with the letter of support received from Harsco Corporation, the directors are satisfied that the company will have sufficient funds to repay its liabilities as they fall due. A letter of support from Harsco Corporation, a company registered in the United States of America, has been received stating they will provide sufficient resources to enable the company to meet its liabilities as they fall due for a period of at least a year from the date of approval of these financial statements.

Key performance indicators

The directors manage the business operations on a divisional basis and therefore using key performance indicators of the company is not necessary or appropriate for an understanding of the development, performance or position of the company.

On behalf of the board



S Cooper
Director

26 November 2020

HARSCO METALS HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report together with the audited financial statements of the company for the year ended 31 December 2019.

Principal activities

The principal activity of the company is that of obtaining royalty income from fellow group subsidiaries on their contracts to the United Kingdom steel services industry.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

C C L Whistler

J J Sweeney

S Cooper

W Mullen

(Resigned 29 April 2020)

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Financial instruments

Treasury operations and financial instruments

The company's operations expose it to a variety of financial risks that include liquidity risk, interest rate risk and credit risk.

Liquidity risk

The company has access to a mixture of long-term and short-term debt facilities that ensure that the company has sufficient available funds for operations and planned expansions.

Interest rate risk

The company has interest bearing assets, of which interest is charged on cash balances at the bank base rate + 1% and on intercompany loans at a 3 month LIBOR rate.

Post reporting date events

Subsequent to the year end, the rapid spread of the Covid-19 disease around the world has led to a global pandemic. As a result governments around the world have introduced measures that have had significant and far reaching effects on many parts of their respective economies to continue functioning and for businesses within those countries to operate.

While the company itself has not been directly affected, a number of other companies within the ultimate Harsco group, of which the company is a subsidiary, have been affected. Similarly the Harsco group's customers and suppliers have been affected. Due to the significant unknowns arising from when the countermeasures to pandemic will end and how adversely the Harsco group's customers and suppliers have been affected it is not possible to quantify the effect. That said the bulk of the Harsco group operations have continued throughout the pandemic and management therefore believe that the group will continue to operate as a going concern.

Future developments

The company expects to continue obtaining royalty income from subcontracting services to fellow group subsidiaries on its contracts to the United Kingdom steel services industry.

HARSCO METALS HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

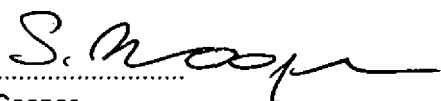
Independent Auditors

The independent auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution that they be reappointed will be proposed at the annual general meeting.

Statement of disclosure to independent auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's independent auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's independent auditors are aware of that information.

On behalf of the board



S Cooper

Director

Date: 26 November 2020

HARSCO METALS HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

HARSCO METALS HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HARSCO METALS HOLDINGS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Harsco Metals Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2019 and the statement of income and retained earnings for the year then ended and notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

HARSCO METALS HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF HARSCO METALS HOLDINGS LIMITED

Reporting on other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Opinions on other matters prescribed by the Companies Act 2006

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of our audit the information given in the Strategic Report and the directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements and have been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify material misstatements in the strategic report and the directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of directors for the financial statements

As explained more fully in the directors' Responsibilities Statement set out on page 4., the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

HARSCO METALS HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF HARSCO METALS HOLDINGS LIMITED

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

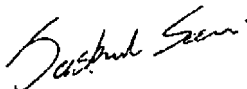
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Jaskamal Sarai (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP

26 November 2020

Chartered Accountants and Statutory Auditors
Gatwick

HARSCO METALS HOLDINGS LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	2018 £
Turnover	3	2,806,364	2,719,516
Administrative expenses		(4)	(6)
Operating profit		2,806,360	2,719,510
Interest receivable from group undertakings	6	584,122	489,206
Other interest receivable and similar income	6	2	5
Interest payable and similar expenses	7	-	(7,787)
Profit before taxation		3,390,484	3,200,934
Tax on profit	8	(644,157)	(608,034)
Profit for the financial year		2,746,327	2,592,900
Retained earnings brought forward		39,879,455	37,286,555
Retained earnings carried forward		42,625,782	39,879,455

The statement of income and retained earnings has been prepared on the basis that all operations are continuing operations.

HARSCO METALS HOLDINGS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Current assets					
Debtors	9	78,222,218		75,481,731	
Cash at bank and in hand		47,756		5,901	
		<u>78,269,974</u>		<u>75,487,632</u>	
Creditors: amounts falling due within one year	10	(644,192)		(608,177)	
Net current assets		<u>77,625,782</u>		<u>74,879,455</u>	
Capital and reserves					
Called up share capital	11	35,000,000		35,000,000	
Profit and loss account		42,625,782		39,879,455	
Total equity		<u>77,625,782</u>		<u>74,879,455</u>	

The financial statements were approved by the board of directors and authorised for issue on and are signed on its behalf by:



S Cooper

Director

26 November 2020

Company Registration No. 00569823

25 November
2020

HARSCO METALS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Harsco Metals Holdings Limited is a private company limited by shares incorporated in England and Wales. The registered office is Harsco House, Regent Park, 299 Kingston Road, Leatherhead, Surrey, United Kingdom, KT22 7SG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;

1.2 Going concern

The going concern position of the company is dependent upon the overall going concern status of the Harsco Group. Having considered the future operating profits, cash flows and facilities available to Harsco Investment Limited together with the letter of support received from Harsco Corporation, the directors are satisfied that the company will have sufficient funds to repay its liabilities as they fall due. A letter of support from Harsco Corporation, a company registered in the United States of America, has been received stating they will provide sufficient resources to enable the company to meet its liabilities as they fall due for a period of at least a year from the date of approval of these financial statements. As a result the financial statements have been prepared on a going concern basis.

1.3 Turnover

Turnover represents the amounts (excluding value added tax) derived from the royalty income from fellow group companies during the year. Royalty income is derived on contracts held by the company, which have been subcontracted to fellow group companies.

1.4 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

HARSCO METALS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

HARSCO METALS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

HARSCO METALS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

1.8 Intercompany debtors and creditors

When an intercompany debtor or creditor is recognised, the company measures it at historic cost. Intercompany debtors and creditors in relation to operating activities or transactions with dormant entities do not incur interest and are unsecured and repayable on demand. Intercompany balances in relation to financing with trading entities are unsecured but bear interest that is accrued on a compound basis. These loans are repayable at the discretion of the loan recipient or within 5 years' notice by the lender.

2 Judgements and key sources of estimation uncertainty

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

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

The directors do not consider there are any sources of significant judgement or estimation.

HARSCO METALS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

3 Turnover

An analysis of the company's turnover is as follows:

	2019 £	2018 £
Turnover		
Royalty income	2,806,364	2,719,516

All turnover is derived within the United Kingdom

4 Auditors' remuneration

	2019 £	2018 £
Fees payable to the company's independent auditors and associates:		
For audit services		
Audit of the financial statements of the company	1,000	1,000

Auditors' remuneration of £1,000 (2018: £1,000) for audit services has been borne entirely by Harsco Metals Group Limited, a fellow group undertaking. No non-audit services were provided to the company by the auditors during the current or prior year.

5 Employees

There were no (2018: no) employees during the year other than the directors.

None (2018: None) of the directors have received any remuneration for their services to the company during the year, nor are they accruing any benefits under retirement benefit schemes operated by the company (2018: £nil). The directors received remuneration from Harsco Metals Group Limited, a fellow Harsco Corporation subsidiary, and details of the costs incurred are included within the salary information presented there.

6 Interest receivable and similar income

	2019 £	2018 £
Interest income		
Interest on bank deposits	2	5
Interest receivable from group undertakings	584,122	489,206
Total income	584,124	489,211

Disclosed on the profit and loss account as follows:

Interest receivable from group undertakings	584,122	489,206
Other interest receivable and similar income	2	5

HARSCO METALS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

7 Interest payable and similar expenses

	2019	2018
	£	£
Interest on bank overdrafts and loans	-	7,532
Other interest	-	255
	<u>-</u>	<u>7,787</u>

8 Tax on profit

	2019	2018
	£	£
Current tax		
UK corporation tax on profits for the current year	644,192	608,177
Adjustments in respect of prior periods	(35)	(143)
	<u>644,157</u>	<u>608,034</u>

The CT main rate for financial year commencing 1 April 2020 was set to reduce to 17% from 19% enacted in the Finance Act 2016. The reduction in the tax rate has been removed in Finance Bill 2020 released in March 2020 and the current rate of 19% will be retained for both 2020 and 2021 financial year.

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss before tax and the standard rate of tax as follows:

	2019	2018
	£	£
Profit before taxation	<u>3,390,484</u>	<u>3,200,934</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	644,192	608,177
Adjustments in respect of prior years	(35)	(143)
	<u>644,157</u>	<u>608,034</u>

The company has no recognised or unrecognised deferred tax balances as at 31 December 2019 (2018: £nil).

9 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Amounts owed by group undertakings	<u>78,222,218</u>	<u>75,481,731</u>

HARSCO METALS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

9 Debtors

(Continued)

All amounts owed by group undertakings are unsecured and are repayable on demand. Interest is received at 0.77% (2018: 0.80%) on £71,566,959 (2018: £70,982,838). No interest is earned on the remaining balance.

10 Creditors: amounts falling due within one year

	2019 £	2018 £
Corporation tax	644,192	608,177

11 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued, called up and fully paid		
35,000,000 (2018: 35,000,000) Ordinary shares of £1 each	35,000,000	35,000,000
	35,000,000	35,000,000

12 Financial commitments, guarantees and contingent liabilities

The company is party to an unlimited cross guarantee in favour of other Harsco Corporation group companies as part of a cash pooling arrangement. This arrangement is underwritten by Harsco Corporation. At 31 December 2019, the contingent liability under this guarantee was £nil (2018: £15,493).

13 Events after the reporting date

Subsequent to the year end, the rapid spread of the Covid-19 disease around the world has led to a global pandemic. As a result governments around the world have introduced measures that have had significant and far reaching effects on many parts of their respective economies to continue functioning and for businesses within those countries to operate.

While the company itself has not been directly affected, a number of other companies within the ultimate Harsco group, of which the company is a subsidiary, have been affected. Similarly the Harsco group's customers and suppliers have been affected. Due to the significant unknowns arising from when the countermeasures to pandemic will end and how adversely the Harsco group's customers and suppliers have been affected it is not possible to quantify the effect. That said the bulk of the Harsco group operations have continued throughout the pandemic and management therefore believe that the group will continue to operate as a going concern.

14 Related party transactions

The company has taken advantage of the exemption in FRS 102 from the requirement to disclose transactions with wholly owned subsidiaries of Harsco Corporation. There were no other transactions with other related parties.

HARSCO METALS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

15 Controlling party

The company's immediate parent company is Harsco Infrastructure Group Limited, a company registered in England and Wales.

Harsco Corporation, a company incorporated in the United States of America, is the company's ultimate parent company and controlling party.

The financial statements of Harsco Corporation are the largest and smallest group into which the company is consolidated. Copies of the group financial statements of Harsco Corporation may be obtained from Harsco Corporation, 350 Poplar Church Road, Camp Hill, PA 17011, USA.