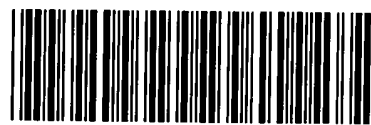


Company Registration No. 02759083 (England and Wales)

SCANDIASTEEL LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016
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SCANDIASTEEL LIMITED

COMPANY INFORMATION

Directors	Giancarlo Codoni Vincent Mills	(Appointed 21 November 2016)
Secretary	Kingsley Secretaries Limited	
Company number	02759083	
Registered office	Office 1 35 Princess Street Rochdale Greater Manchester United Kingdom OL12 0HA	

SCANDIASTEEL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 €	€	2015 €	€
Fixed assets					
Investments	2		2,624,500		2,624,500
Current assets					
Debtors	6	121,842		100,000	
Investments	7	950,356		936,855	
Cash at bank and in hand		25,986		259,202	
		<u>1,098,184</u>		<u>1,296,057</u>	
Creditors: amounts falling due within one year	8	<u>(11,233)</u>		<u>(36,295)</u>	
Net current assets			<u>1,086,951</u>		<u>1,259,762</u>
Total assets less current liabilities			<u><u>3,711,451</u></u>		<u><u>3,884,262</u></u>
Capital and reserves					
Called up share capital	9		1,534		1,534
Profit and loss reserves			3,709,917		3,882,728
Total equity			<u><u>3,711,451</u></u>		<u><u>3,884,262</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 12 June 2017 and are signed on its behalf by:


Giancarlo Codoni
Director

Company Registration No. 02759083

SCANDIASTEEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Scandiasteel Limited is a private company limited by shares incorporated in England and Wales. The registered office is Office 1, 35 Princess Street, Rochdale, Greater Manchester, United Kingdom, OL12 0HA.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in euros, 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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2016 are the first financial statements of Scandiasteel Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 11.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

1.3 Cash and cash equivalents

Cash and cash equivalents 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.

SCANDIASTEEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.4 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.

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 receipts 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.

1.5 Equity instruments

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

1.6 Taxation

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

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.

SCANDIASTEEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.7 Foreign exchange

Transactions in currencies other than euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Fixed asset investments

	2016 €	2015 €
Investments	<u>2,624,500</u>	<u>2,624,500</u>

Included in Fixed Asset Investments are the following:

An investment in a subsidiary which is a 100% shareholding of Intrasteel SA and is a holding company registered in Luxembourg.

A participating interest of 35.7% in Euronord SPA which trades in Iron and steel and is registered in Italy.

Intrasteel SA also has a participating interest in Euronord SPA of 34.3% and as such Scandiasteel Limited has effective control of the company as the combined shareholdings held amount to 70%.

SCANDIASTEEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

2 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings and participating interests €
Cost or valuation	
At 1 January 2016 & 31 December 2016	2,624,500
Carrying amount	
At 31 December 2016	2,624,500
At 31 December 2015	2,624,500

3 Subsidiaries

Details of the company's subsidiaries at 31 December 2016 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Intrasteel SA	Luxembourg	Holding Company	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	€	€
Intrasteel SA	(25,697)	521,800

4 Associates

Details of the company's associates at 31 December 2016 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Euronord SPA	Italy	Trading in iron and steel	Ordinary	35.70	34.30

5 Financial instruments

	2016 €	2015 €
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	950,356	936,855

SCANDIASTEEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

6 Debtors	2016	2015
	€	€
Amounts falling due within one year:		
Corporation tax recoverable	18,769	-
Amounts due from subsidiary undertakings	100,000	100,000
Other debtors	3,073	-
	<u>121,842</u>	<u>100,000</u>
7 Current asset investments	2016	2015
	€	€
Other investments	<u>950,356</u>	<u>936,855</u>
8 Creditors: amounts falling due within one year	2016	2015
	€	€
Trade creditors	2,081	9,621
Corporation tax	-	20,590
Other creditors	9,152	6,084
	<u>11,233</u>	<u>36,295</u>
9 Called up share capital	2016	2015
	€	€
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary shares of £1 each	<u>1,534</u>	<u>1,534</u>
10 Related party transactions		

Included within debtors is an amount due of €100,000 (2015: €100,000) from Intrasteel SA, a company registered in Luxembourg of which Scandiasteel Limited owns 100% of the shares. This loan is interest free and repayable on demand.

Included within other creditors is a balance of €4,046 (2015: €4,046) due to the shareholder. This loan is interest free and is repayable on demand.

SCANDIASTEEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

11 Reconciliations on adoption of FRS 102

Reconciliation of equity

	1 January 2015 €	31 December 2015 €
Equity as reported under previous UK GAAP and under FRS 102	<u>3,983,350</u>	<u>3,884,262</u>

Reconciliation of profit for the financial period

	2015 €
Profit as reported under previous UK GAAP and under FRS 102	<u>100,912</u>

Notes to reconciliations on adoption of FRS 102

There are no transitional adjustments as a result of moving from the previous UKGAAP to FRS102