Company Registration No: 04386308

Metal One UK Limited

Annual report and financial statements

for the year ended 31 March 2020

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Company registration No. 04386308

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Metal One UK Limited
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Officers and professional advisers

Directors

T Ishihama
Y Amakawa
H Kitagaki
J Utagawa

Secretary

T Ishihama

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Metal One UK Limited
Company registration No. 04386308

Strategic report

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

Principal activities and financial review

The company's principal activities are the wholesale of steel products. With a view to increasing global steel demand over the long-term, we are working towards expanding our business in various steel products, focusing on piping goods, flat products, titanium, stainless steel, and high-performance alloys.

As shown in the company's profit and loss account on page 14, the company's turnover decreased by 30% (2019: decreased by 8%). This was due to the restructuring of the company at the end of the year ended 2017-18, which resulted in three of the company's sales departments ceasing to trade.

The gross profit for the year decreased by 40% to £2,157,323 (2019: £3,603,976), driven by the restructuring of the company, which also resulted in a reduction of administrative expenses by 20% to £1,900,673 (2019: 2,391,272). Operating profit only decreased by 10% to £1,771,922 (2019: £1,977,485) due to one-off income arising from the recovery of a doubtful receivable which had been provided for after a customer became insolvent in the year ended 31 March 2017.

Foreign exchange losses of £128,117 (2019: gains of £52,554) have been realised for the year. All of the gains and losses relate to trading transactions. The borrowing interest costs of £8,566 (2019: £21,492) were significantly lower than the previous year, which is due to fewer trading transactions where financing was required.

Profit after tax has decreased by 52% to £1,514,042 (2019: £3,144,365) due to 2019's result benefitting from a one-off gain arising from recognition of a deferred tax asset in respect of historical losses. Net assets has increased by £1,514,042 due to the retention of the net profit for the year.

The company uses gross profit margin as its key performance indicator. The basis of calculation is dividing the gross profit by turnover as shown on page 14 of these financial statements. The result this year is 4.77% (2019: 5.54%).

The High Performance Materials department represent 99.9% (2019:78%) of the total turnover and 98% (2019:62%) of gross profit. This department has a significantly lower gross profit margin than the company's traditional energy business, however gross profit margin is expected to remain in line with current levels in future as the High-Performance Materials department has become, and is expected to remain, the main part of Metal One UK Limited's business.

Principal risks and uncertainties and financial risk management

Risks and uncertainties arising from the COVID-19 pandemic

The directors have made a thorough assessment of the impact of the COVID-19 pandemic on the company's ability to continue operating as a going concern. In the assessment consideration has been given to the company's current financial situation, obligations, expected cashflow, legal proceedings and relationships with key customers and vendors.

The company's staff are working remotely and through to the date of this report, there have been no significant adverse incidents or disruption to the operations or financial position of the Company as a direct result of the COVID-19 pandemic. None of the company's customers have reported any financial difficulties.

The company is in a sound financial position with access to significant liquidity. At the date of approval of this report the company has £3.1 million of cash at bank, £14 million of bank borrowing facilities guaranteed by MOC and a further £19 million of borrowing facilities provided directly by MOC itself. This gives the directors confidence that the company will be able to meet its obligations as they fall due for at least the next 12 months from the date of approval of this report.

Strategic report (continued)

Risks and uncertainties arising from competitive pressures

Due to the nature of the steel trade business, the company faces competitive pressures, which could result in losing sales to its key competitors. The company manages this risk by giving fast responses and services to customers, not only in supplying products but also in handling all customer requests, and by maintaining strong relationships with customers.

Credit risk

Owing to the trading nature of the company, the directors consider credit risk is relevant to this company. This risk is mitigated by credit insurance, periodic credit reviews on existing customers and suppliers as well as stringent business analysis and credit checks on new customers. Short-term bank loans have significantly decreased and the directors consider the interest rate risk is low. The company manages this risk by integrating interest costs into pricing and by timely accounts receivable collection.

Foreign exchange risk

Foreign exchange risk represents a challenging issue for the company as a majority of trading transactions are denominated in foreign currencies, particularly USD, EUR and JPY. Management monitors the variations in exchange rates very closely. Where material, the company mitigates this risk by using derivative instruments such as forward contracts and currency swaps.

Business developments and future prospects

The impact of the COVID-19 pandemic on the company has been set out in the Principal risks and uncertainties section above. The company is currently in a stable financial condition. We are focusing on increasing our sales in the growing High Performance Materials department and we are continuing our efforts to seize business opportunities again within the energy sector (including renewable energy such as offshore wind farms), which has traditionally been the main focus of Metal One UK Limited.

We are also reviewing our function, competitive advantage and key value drivers in today's steel market while considering our business possibilities within Europe and some of our other regions where we see growth potential in the future.

Section 172 statement and stakeholder engagement

Introduction

The board of directors (the "Board") are fully aware of their duty under Section 172 of the Companies Act 2006 to act in good faith to promote the success of the Company for the benefit of its shareholder but having regard amongst other matters to the following:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with clients, investors, regulators and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

The Company is a subsidiary of Metal One Corporation ("MOC"), the immediate parent company and Mitsubishi Corporation ("MC"), the ultimate parent company. Ownership is detailed in note 19.

The Company's strategy is aligned to Regional and Corporate strategies of MOC and MC and the day-to-day execution is monitored and tracked by the Board via the Seconded Director (CEO/MD) and senior management team. The Board believes governance of the Company is best achieved by delegation of its authority to the CEO/MD and the senior management team subject to defined limits and monitoring by the Board.

Strategic report (continued)

Section 172 statement and stakeholder engagement (continued)

Introduction (continued)

The Company comprises of two business departments and one administrative department, all of which have extensive engagement with their own unique stakeholders as well as other businesses within the MOC and MC Group. The governance framework delegates authority for local decision-making at business department level (up to defined levels of cost). This allows the individual departments to enter into open and transparent dialogue with key stakeholders to develop a clear understanding of their needs which are taken into account in our decision-making. As part of that decision making process, the individual business and administrative departments are able to consider the potential impact of decisions on relevant stakeholders with the CEO/MD taking into consideration a longer-term view and holding themselves to the highest standards of conduct in line with the Company's Corporate Code of Conduct.

Regular communication between senior management and the Board about strategy, performance and key decisions taken, provides the Board with assurance that proper consideration is given to stakeholder interests in decision making by the senior management and allows the Board to develop a clear understanding of stakeholder needs, assess their perspectives and monitor their impact on the Company's strategic ambition and culture.

During the year the Board has considered its duties under section 172 and how it fulfils its obligations thereof in respect to the following key stakeholder groups:

Shareholder

As a wholly owned subsidiary of Metal One Corporation, we benefit from the support of our shareholder and its opinions are important to us. We have an open dialogue with our shareholder through our Seconded Director and group and one to one meetings with the senior management team, and the interests of our shareholder are regularly heard in the boardroom. Discussions with our shareholder cover a wide range of topics including financial performance, strategy, vision, governance and ethical practices.

We work directly with our shareholder to maximise opportunities presented by them. Business departments are organised in a way to best enhance business development capabilities. In 2018, the directors of the company decided to undertake a major restructuring of the Company's departments. Information services provided to MOC have also been increased, hence utilising the knowledge and experience of staff within the group.

Employees

The Company is aware that our people are our most important asset and are essential for the success of the company. By managing talent, strengthening employee engagement and enabling employees to build their skills and capabilities, the Company promotes a high performance culture. The Company is committed to providing a working environment in which all employees are treated fairly. The Company focuses on respect, the highest standards of professional behaviour and rejects all forms of discrimination. The Company promotes effective employee communications and undertakes employee engagement surveys to get feedback on matters of importance to employees. The Company, in cooperation with Mitsubishi Corporation International (Europe) plc ("MCIE"), has engaged with employees during the year with the following initiatives:

- Working in partnership with our employees – the Company held regular employee feedback surveys, where employees are encouraged to give feedback on how well the Company performs in a number of areas. Listening to employees is an important part of how we can maintain employee engagement and tailor our future plans.
- Training & Development –the Company reviewed the training needs of employees and updated its development programmes to cater for standard training requirements and professional qualifications.
- Employee driven social educational activities to promote and support team working happen through organised events on a regular basis.
- From the week commencing 16 March 2020 The group made the decision to require that the Company's employees work from home in order to reduce their risk of exposure to the coronavirus (COVID-19) pandemic. Most staff have company laptop PCs and they were able to access the company's IT systems from their home.

Strategic report (continued)

Section 172 statement and stakeholder engagement (continued)

Employees (continued)

- The Company creates employee communications via e-mail updates and web update meetings. This has been used heavily with the proactive approach the Board has taken through the COVID-19 pandemic, with daily news updates, health and safety advice and an employee survey to gather insight into employees' situations and concerns. This will be taken into account when the Board considers the next phase.

Suppliers, Customers and Business Contacts

The Company is a subsidiary of Metal One Corporation, a general trading company headquartered in Japan. Trading companies operate by facilitating trade between suppliers and customers utilising their worldwide network of subsidiaries. The Company trades in a variety of steel and metal products and works with companies across a range of business sectors. The Company recognises the importance of building strong relationships with its suppliers, customers and business contacts to develop mutually beneficial and lasting partnerships. The Board, through the CRO/CEO, ensures it has visibility over these key relationships and takes these into account when making decisions.

The company is committed to maintaining a reputation for high standards of business conduct, respecting human rights and striving to ensure that our business activities do not cause or contribute to adverse human rights impacts, including modern slavery. We share our commitments with key third-party partners to ensure that the goods and services we benefit from do not cause or contribute to modern slavery. During the year the Board updated the Slavery and Human Trafficking Statement setting out the steps the Company has taken to mitigate the risks of modern slavery in our operations and supply chains. During the year we provided modern slavery and human rights training via an MCIE event to various employee groups at the board, management and operational levels to refresh and further refine their knowledge. Further details are contained in the Slavery and Human Trafficking Statement on the Company's website.

Community and the environment

The Company is aligned to MOC's Three Corporate Principles - "Global Citizen," "Honesty and Virtue," and "Aspirations and Creativity". As the basis for all our group's activities, we go about our daily work, seeking to contribute to society, earn its trust, and become a sustainable and superior company. Building upon the foundation of these three principles, MOC's Code of Conduct establishes the group's expectations with regard to how business should be conducted, and provides guidance to all officers and employees within the group to comply with all applicable laws, rules and regulations, international standards, and to act in a socially responsible manner by complying with the highest ethical standards in the conduct of their business. The company provides regular Compliance seminars and e-learning courses covering these expectations.

Tax authorities and Regulators

The Company aims to establish and maintain transparent, collaborative and professional relationships with tax authorities and regulators. The Company expects the highest standards of integrity from our officers and employees and seeks to comply with relevant tax legislation and regulations in the countries in which we operate. Further details are contained in the Tax Strategy for Mitsubishi Corporation Group's UK Companies on MCIE's website, which is also adopted by the Company.

The MOC group has a number of policies in place which are under regular review and consideration. These include legal and compliance-related policies on: Anti-Money Laundering, Cartel Prevention, Improper Payments, Legal Risk Management, Data Protection and Hotline Rules. In addition to publishing these policies for employees, the Company holds annual e-learning sessions for the code of conduct and seminars where required for staff which include training on the policies.

Metal One UK Limited
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Strategic report (continued)

Approval

Approved by the Board of Directors
and signed on behalf of the Board

Takashi Ishihama
Managing Director

22 February 2021

Metal One UK Limited
Company Registration No. 04386308

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2020.

Information presented in other sections

Information relating to the company's financial risks and future developments has been included in the Strategic Report.

Streamlined energy and carbon report

Organisational Structure

Metal One UK is classified as a large unquoted company due to its turnover and balance sheet.

Reporting Period

The Company is reporting for the fiscal year 2019. This is the first year that this reporting is required.

Measurement Methodology

The energy and carbon footprint covers Scope 1, 2 and 3 emissions from 1 April - 31 March for the reporting year

The footprint is calculated in accordance with Greenhouse Gas (GHG) Protocol. Outputs are in KWh and CO2e using the most up to date conversion factors from the UK Government GHG Conversion Factors for Company Reporting.

Energy Performance Results

Energy Use (kWh)	**2019-20**
Transport Energy Company Purchased Fuel	12
Electricity	33,532
Total	**33,544**

Carbon Performance Results

Carbon Dioxide Equivalent Emissions (t CO_2e)	**2019-20**
Scope 1 emissions	-
Scope 2 emissions	8.57
Total	**8.57**

Intensity Ratio

	2019-20
Reporting Boundary kg CO_2e/m^2	**45.13**

Directors' report (continued)

Going concern

The company is in a sound financial position with access to significant liquidity. At the date of approval of this report the company has £3.1 million of cash at bank, £14 million of bank borrowing facilities guaranteed by MOC and a further £19 million of borrowing facilities provided directly by MOC itself. This gives the directors confidence that the company will be able to meet its obligations as they fall due for at least the next 12 months from the date of approval of this report. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence a period of at least 12 months from the date of approval of this report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements.

Dividends

No dividends were declared and paid during the financial year ending 31 March 2020 and post year end (2019: Nil).

Directors

The current directors are shown on page 2. The directors who served throughout the year and up to the date of this report except as noted were:

T Ishihama (appointed 1 April 2020)
R Saito (resigned on 31 March 2020)
Y Amakawa
M Mitsui (resigned on 31 March 2020)
H Kitagaki (appointed on 1 April 2020)
J Utagawa (appointed on 1 April 2020)

Post balance sheet event

There were no post balance sheet events to be reported.

Political contributions and charitable donations

The Company made no political contributions or charitable donations during the year (2019: £nil).

Auditor

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

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

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

Approved by the Board of Directors and signed on behalf of the Board

Takashi Ishihama
Managing Director
22 February 2021

Metal One UK Limited
Company registration No. 04386308

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether Financial Reporting Standard 101 Reduced Disclosure Framework has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Independent auditor's report to the members of Metal One UK Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Metal One UK Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework" and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

Independent auditor's report to the members of Metal One UK Limited

Other information

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

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

We have nothing to report in respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Independent auditor's report to the members of Metal One UK Limited

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Lowes

Andrew Lowes (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
22 February 2021

Metal One UK Limited
Company registration No. 04386308

Profit and loss account
For the year ended 31 March 2020

	Note	2020 £	2019 £
Turnover	4	45,258,692	65,004,531
Cost of sales		(43,101,369)	(61,400,555)
Gross profit		2,157,323	3,603,976
Administrative expenses		(1,900,673)	(2,391,272)
Foreign exchange (losses)/gains		(128,117)	52,554
Other operating income	5	958,022	711,032
Reversal of provision for doubtful receivables	14	685,367	1,195
Operating profit	6	1,771,922	1,977,485
Interest receivable and similar income	8	16,066	6,656
Interest payable and similar charges	9	(24,890)	(21,492)
Profit before taxation		1,763,098	1,962,649
Tax	10	(249,056)	1,181,716
Profit for the financial year and total comprehensive income for the period attributable to the owners of the Company		1,514,042	3,144,365

Turnover and operating profit are all derived from continuing operations.

Metal One UK Limited
Company registration No. 04386308

Balance sheet
As at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	34,802	23,073
Right of use assets	12	793,756	-
Deferred tax assets	11	937,766	1,183,769
		1,766,324	1,206,842
Current assets			
Stocks	13	-	62,147
Debtors	14		
- due within one year		16,593,576	15,129,434
- due after one year		-	2,362
Cash equivalent short term time deposits		3,440,000	2,859,000
Cash at bank and in hand		791,061	183,891
		20,824,637	18,236,834
Creditors: amounts falling due within one year	15	(16,537,572)	(15,576,324)
Net current assets		4,287,065	2,660,510
Total assets less current liabilities		6,053,389	3,867,352
Creditors: amounts falling due after one year	15	(671,995)	-
Net assets		5,381,394	3,867,352
Capital and reserves			
Called up share capital	16	10,000,000	10,000,000
Profit and loss account		(4,618,606)	(6,132,648)
Equity shareholders' funds		5,381,394	3,867,352

The financial statements of Metal One UK Limited (registered number 04386308) were approved by the board of directors and authorised for issue on 22 February 2021. They were signed on its behalf by:

T. I.

Takashi Ishihama
Managing Director

Metal One UK Limited
Company registration No. 04386308

Statement of changes in equity
For the year ended 31 March 2020

	Called up share capital £	Profit and loss account £	Total £
Balance at 1 April 2018	10,000,000	(9,277,013)	722,987
Profit for the year and total comprehensive income for the year	-	3,144,365	3,144,365
Balance at 31 March 2019	10,000,000	(6,132,648)	3,867,352
Profit for the year and total comprehensive income for the year	-	1,514,042	1,514,042
Balance at 31 March 2020	10,000,000	(4,618,606)	5,381,394

Notes to the financial statements

For the year ended 31 March 2020

1. General information

Metal One UK Limited (the company) is a private company limited by shares incorporated in England and Wales and domiciled in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 2. The nature of the company's operations and its principal activities are set out in the strategic report on pages 3 to 4.

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

The company has applied Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) issued by the Financial Reporting Council (FRC).

The financial statements are prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The particular accounting policies adopted are described below and have been applied consistently throughout the current and preceding year.

2. Significant accounting policies

Basis of accounting

These financial statements have been prepared in accordance with FRS 101.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, fair value, capital management, the presentation of a cash flow statement, standards not yet effective, revenue, leases and related party transactions.

Where relevant, equivalent disclosures have been given in the group Financial Statements of Mitsubishi Corporation or Metal One Corporation. The group financial statements of Mitsubishi Corporation and Metal One Corporation are available to the public and can be obtained as set out in note 19.

The financial statements have been prepared under the historical cost convention, except for the revaluation of certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

Adoption of new and revised Standards

Amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Group has applied a number of new IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2019, including IFRS 16 Leases. Adoption of these new standards has had no material impact on the equity or total comprehensive income reported in these financial statements.

Notes to the financial statements (continued)

For the year ended 31 March 2020

2. Significant accounting policies (continued)

Going concern basis

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the business review, which forms part of the strategic report. The strategic report and the directors' report also describe the financial position of the company, including its cash flows and liquidity position; its financial risk management objectives; details of its financial instruments; and its exposure to credit risk and liquidity risk.

The company is profitable, has net assets and net current assets, and meets its day to day working capital requirements through cash generated from its operating activities and retained earnings. The company is in a sound financial position with access to significant liquidity. At the date of approval of this report the company has £3.1 million of cash at bank, £14 million of bank borrowing facilities guaranteed by MOC and a further £19 million of borrowing facilities provided directly by MOC itself.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of not less than 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairment. Depreciation is provided against cost in equal annual instalments over the estimated useful life of the assets.

Plant and machinery	3 years
Furniture, fixtures and fittings	4 years

Stocks

Stocks consist of goods for resale stated at the lower of cost and net realisable value. Cost includes all the expenditure incurred in bringing stocks to their present location and condition. The stock is held at Moving Average (MA) price, wherein after each goods acquisition, the average unit cost of the item is recomputed. This is done by adding the cost of the newly-acquired goods or units to the cost of the units already in the inventory.

No stock was held by the company at the year end.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- a performance obligation is satisfied by transferring a promised good or service to a customer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2. Significant accounting policies (continued)

Foreign currencies

Transactions in currencies other than the company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period.

Leases

The Company has applied IFRS 16 using the cumulative catch-up approach and therefore comparative information has not been restated and is presented under IAS 17. The details of accounting policies under both IAS 17 and IFRS 16 are presented separately below.

Policies applicable prior to 1 April 2019.

The Company as lessee

Rentals payable under operating leases were charged to profit or loss on a straight-line basis over the term of the relevant lease.

Policies applicable from 1 April 2019

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line within Creditors in the balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Notes to the financial statements (continued)

For the year ended 31 March 2020

2. Significant accounting policies (continued)

Leases (continued)

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented within the tangible fixed assets line in the balance sheet.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'impairment of tangible and intangible assets' policy.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For a contracts that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis in profit and loss using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

2. Significant accounting policies (continued)

Retirement benefit costs

For defined contribution schemes the amount charged to profit and loss in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Taxation

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

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

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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 based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Financial instruments

Financial assets and financial liabilities are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument. The classification depends on the nature and purpose of the financial assets or liability determined at the time of initial recognition.

Cash and cash equivalents

Cash and cash equivalents comprise cash and current account balances with financial institutions, with less than three months' maturity from the date of acquisition.

Financial assets

Financial assets that have cash flows which are solely payments of principal and interest are measured initially at fair value plus transaction cost and subsequently at amortised cost, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial in comparison with carrying value.

2. Significant accounting policies (continued)

Financial instruments (continued)

Impairment of financial assets

For financial assets recognised at amortised cost allowance is made for expected credit losses at each reporting date. The Directors have determined with the assistance of the parent company a methodology of assessing the credit risk applicable to each counterparty of each financial instrument. The Directors have then used these credit risk assessments to determine a financial value attributable to each risk. The Directors have also put in place an annual review to see if there has been any significant change in the risk profile of each counterparty and assess the adequacy of any impairment in line with the principles included in IFRS 9.

Financial liabilities and equity

Debt and equity instruments are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities are recognised initially at fair value plus transaction cost and subsequently at amortised cost. Equity instruments issued by the Company are recorded when the proceeds are received, net of direct issue costs.

Derivative financial instruments

The company uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The company does not hold or issue derivative financial instruments for speculative purposes or apply hedge accounting.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

Notes to the financial statements (continued)

For the year ended 31 March 2020

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying the company's accounting policies

The following are the critical judgements that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Provision for doubtful receivables

In accordance with IFRS 9, expected credit losses on financial assets are estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

The directors of Metal One UK Limited have applied this policy for amounts due from two of the company's suppliers who breached their contractual obligations, defaulted on the delivery of the ordered materials and did not return amounts which the company had prepaid for those materials. As the operation by the supplier's mills had completely ceased by 31 March 2017, the directors deemed it highly probable that these amounts had become uncollectible and therefore a full provision for these amounts was recognised in the year ended 31 March 2017 (see note 14).

Part of this provision has been reversed during the year, recognised as income in profit and loss, as the company received partial repayment through a court supervised insolvency process. Further recoveries may be received under this process in the future; however no benefit will be recognised for any such recoveries until they are virtually certain.

Recognition of deferred tax asset

Metal One UK Limited carries a significant amount of trading losses forward to be utilised for future periods. In the year ended 31 March 2019 a deferred tax asset was recognised for the full amount of these losses, as the company's income had steadied and it is now highly probable that the company can produce profits to the extent of the loss asset recognised. Part of the deferred tax asset has been utilised in FY 2019 to offset current year tax expense (see note 11).

Key sources of estimation uncertainty

The directors of Metal One UK Limited have not identified any key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes to the financial statements (continued)

For the year ended 31 March 2020

4. Turnover

Turnover comprises a single class of business, being the amount received or receivable from the sale of metal products, excluding any value-added tax.

An analysis of the Company's turnover by geographical market is set out below:

	2020 £	2019 £
From customers located in Europe	34,323,097	46,727,993
From customers located in Africa	-	1,685,886
From customers located in Asia	8,379,096	6,291,464
From customers located in North America	2,556,499	10,299,188
	45,258,692	65,004,531

5. Other operating income

Other operating income includes management recharges to other group companies for services provided.

6. Operating profit

Operating profit has been arrived at after (charging)/crediting:

	2020 £	2019 £
Depreciation of tangible fixed assets – owned assets	(19,619)	(16,874)
Foreign exchange (losses) / gains	(128,117)	52,554
Reversal of provision for doubtful receivables	685,367	1,195

The analysis of auditor's remuneration is as follows:

Fees payable to the company's auditor for the audit of the company's annual financial statements

	2020 £	2019 £
Total audit fee (Auditing the financial statements)	28,000	25,200
- Tax compliance services	16,000	15,000
- Tax advisory services	25,000	-
Total non-audit fee	41,000	15,000

Notes to the financial statements (continued)

For the year ended 31 March 2020

7. Staff costs

	2020 £	2019 £
Directors' emoluments	107,489	62,274

The aggregate emoluments paid to the highest paid director during the period were: 107,489 in 2020 and £62,274 in 2019.

This does not include the emoluments of two of the directors who are remunerated directly from the ultimate parent company in Japan. These directors are also directors of a number of Group companies and do not receive any remuneration for their services to this company.

No pension contributions were made on behalf of the directors.

	2020	2019
Average number of persons employed (excluding directors)		
Trading and administration	10	13

	£	£
Employee costs (including directors' emoluments)		
Wages and salaries	755,955	750,914
Social security costs	207,241	173,676
Other pension costs (see note 18)	38,322	43,919
	1,001,518	968,509

8. Interest receivable and similar income

	2020 £	2019 £
Bank interest	16,066	6,310
Other interest receivable and similar income	-	346
	16,066	6,656

Notes to the financial statements (continued)

For the year ended 31 March 2020

9. Interest payable and similar charges

	2020 £	2019 £
Interest on bank loans	8,566	21,492
Interest on office lease	16,324	-
Total interest payable	24,890	21,492

10. Tax on profit

(i) Analysis of tax (charge)/credit

	2020 £	2019 £
Current tax		
United Kingdom corporation tax at 19% (2019: 19%)	(3,053)	(1,199)
Adjustment in respect of prior years	-	(854)
Deferred tax (see note 11)		
Deferred tax arising during the year	12,665	7,913
Deferred tax assets arising from previous periods	-	1,175,856
Effect of increase in tax rate on opening asset	81,381	-
Utilisation of deferred tax asset	(340,049)	-
Total tax on profit	(249,056)	1,181,716

(ii) Factors affecting tax for the year

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

	2020 £	2019 £
Profit before tax	1,763,098	1,962,649
Tax at 19% (2019 19%) thereon:	(334,989)	(372,903)
Factors affecting the charge for the period:		
Expenses not deductible for tax purposes	(8,113)	(9,518)
Adjustment in respect of prior years	81,381	(854)
Change in unrecognised deferred tax assets	12,665	1,564,992
Total tax on profit	(249,056)	1,181,716

The Finance Act 2016, which was substantively enacted on 15 September 2016, provided for a reduction in the main rate of corporation tax to 17% from 1 April 2020. However, in March 2020 legislation was enacted in the Finance Act 2020 to maintain the corporation tax at 19% for the financial years 2020 and 2021.Consequently, deferred tax has been calculated at the year end using a tax rate of 19%.

This will increase the company's future current tax charge accordingly.

Notes to the financial statements (continued)

For the year ended 31 March 2020

11. Deferred tax assets

The movements on deferred tax are as follows:

	2020	2019
	£	**£**
At 1 April	1,183,769	-
(Charged)/credited to profit and loss	(246,003)	1,183,769
At 31 March	937,766	1,183,769

Deferred taxation provided and unprovided in the financial statements are as follows:

	Amount provided		Amount unprovided	
	2020	**2019**	**2020**	**2019**
	£	**£**	**£**	**£**
Capital allowances in arrears of depreciation	12,665	7,913	-	-
Losses carried forward	925,101	1,175,856		-
Asset	937,766	1,183,769	-	-

Deferred tax asset has been recognised due to the losses made in FY15 and FY16. These losses arose due to specific one-off factors which the directors believe are unlikely to recur.

Deferred tax assets and liabilities are offset only where the company has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority.

There is no expiry date on timing differences, unused tax losses or tax credits.

Notes to the financial statements (continued)

For the year ended 31 March 2020

12. Tangible fixed assets

	Plant and machinery £	Furniture, fixtures and fittings £	Total £
Cost			
At 1 April 2019	189,023	46,412	235,435
Additions	31,348	-	31,348
Disposal	(32,427)	-	(32,427)
At 31 March 2020	187,944	46,412	234,356
Accumulated depreciation			
At 1 April 2019	167,759	44,603	212,362
Additions	18,581	1,038	19,619
Less charges to disposal	(32,427)	-	(32,427)
At 31 March 2020	153,913	45,641	199,554
Net book value			
At 31 March 2020	34,031	771	34,802
At 31 March 2019	21,264	1,809	23,073

Right of use assets

The company has right of use assets for leased office space.

Leased assets:

	£
Cost	
At 31 March 2019	-
Transition to IFRS 16	915,872
Additions	-
At 31 March 2020	915,872
Accumulated depreciation	
At 31 March 2019	-
Depreciation	(122,116)
At 31 March 2020	(122,116)
Net book value	793,756

The weighted average lessee's incremental borrowing rate of 1.825% applied to lease liabilities recognised in the statement of financial position at the date of initial application.

Low value lease excluded from IFRS16

Leases for certain items of plant and machinery have been excluded from the above summary since the total value of the lease contracts are immaterial. Refer to Note 18 on details of these lease contracts.

Notes to the financial statements (continued)

For the year ended 31 March 2020

13. Stocks

	2020 £	2019 £
Finished goods	-	62,147

Inventory recognised as expense during 2020 was £43,101,369 (2019: £61,400,555)

14. Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors and contract assets (trade)	19,150,748	18,476,431
Less: allowance for doubtful receivables	(3,116,269)	(3,645,148)
Amounts owed by group undertakings	270,259	155,500
Prepayments	78,038	90,246
VAT	203,075	40,490
Other debtors	7,725	11,915
	16,593,576	15,129,434

	2020 £	2019 £
Amounts falling due after more than one year:		
Other debtors	-	2,362
Deferred tax asset	937,766	1,183,769
	937,766	1,186,131

Intercompany amounts owed by group undertakings are non-interest bearing, receivable under normal credit terms and unsecured.

Below is the table showing the movement in the provision against doubtful receivables. Specific provisions are made against receivables where the prospect of collection is foreseen as unlikely. The provision also includes expected credit losses under IFRS 9.

Movement in the allowance for doubtful receivables

	2020 £	2019 £
Balance at the beginning of the year	3,645,148	3,388,872
Provision reversed during the year	(685,367)	(1,195)
Reversal of prior year change due to foreign currency revaluation	147,323	404,796
Change due to foreign currency revaluation	63,731	(147,323)
Change due to foreign currency translation at settlement	(54,566)	-
Balance as at end of the year	3,116,269	3,645,148

Notes to the financial statements (continued)

For the year ended 31 March 2020

15. Creditors

Amounts falling due within one year	2020 £	2019 £
Bank loans and overdrafts	585,823	733,655
Trade creditors	115,679	692,233
Amounts owed to group undertakings	15,412,574	13,816,687
Taxation and social security	3,053	1,199
Accruals and contract liabilities	288,033	324,809
Current portion of lease creditor	129,578	-
Other creditors	2,832	7,741
	16,537,572	15,576,324

Intercompany amounts owed to group undertakings are non-interest bearing, payable under normal credit terms and unsecured.

At 31 March 2020 the company had £14 million of bank borrowing facilities guaranteed by MOC (2019: £14 million). At the date of approval of the financial statements these facilities and the guarantee by MOC remained in place. A further £19 million of borrowing facilities provided directly by MOC itself were put in place from August 2020.

Amounts falling due after one year	2020 £	2019 £
Non-current portion of lease creditor	671,995	-
	671,995	-

16. Called up share capital

	2020 £	2019 £
Authorised:		
1,000,000,000 ordinary shares of £0.01 each	10,000,000	10,000,000
Called up, allotted and fully paid:		
1,000,000,000 ordinary shares of £0.01 each	10,000,000	10,000,000

17. Retirement benefit schemes

The company operates a defined contribution scheme. The cost for the accounting period was £38,322 (2019: £43,919). There were no outstanding contributions (2019: £nil) as at the balance sheet date.

Notes to the financial statements (continued)

For the year ended 31 March 2020

18. Operating lease commitments

At 31 March 2020, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which were excluded from the lease liability recognised under IFRS 16 (disclosed in note 15) due to the low value of the assets. These commitments fall due as follows:

Plant and machinery

	2020 £	2019 £
Within one year	3,131	141,768
In the second to fifth years inclusive	3,914	560,071
After five years	-	349,419
	7,045	1,051,257

19. Controlling party

In the opinion of the directors, the company's ultimate parent company and ultimate controlling party is Mitsubishi Corporation, a company incorporated in Japan. This is the largest group in which the company is consolidated. The immediate parent company is Metal One Corporation, a company incorporated in Japan. This is the smallest group in which the company is consolidated.

Copies of the group consolidated financial statements of the ultimate parent company can be obtained from its registered office: Mitsubishi Corporation, Department AA-F, 6-3 Marunouchi 2-Chome, Chiyoda-ku, Tokyo 100-8086, Japan.

Copies of the group consolidated financial statements of the immediate parent company can be obtained from its registered office: Metal One Corporation, JP Tower, 7-2, Marunouchi 2-Chome, Chiyoda-ku, Tokyo 100-7032, Japan.

Notes to the financial statements (continued)
For the year ended 31 March 2020

20. Related party transactions

The company has taken advantage of the exemption from related party disclosures available in FRS101 paragraph 8.k, as the transactions are entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Related party transactions which do not satisfy disclosure exemption criteria above are as follows:

	Sales to related party		Amounts owed to Metal One UK Ltd	
	2020	**2019**	**2020**	**2019**
	£	**£**	**£**	**£**
Metal One America Inc. (Metal One Corporation owns 80% of Metal One Holdings America, which owns 100% of Metal One America Inc.)	-	-	1,048	88,114

Sales to related parties were made at the company's usual list prices. Purchases were made at market price to reflect the quantity of goods purchased and the relationships between the parties.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.