

European Metal Recycling (USA) Limited

Annual report and financial statements

Registered number 5721603

31 December 2016

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Strategic Report

The directors present their strategic report together with the audited financial statements of European Metal Recycling (USA) Limited for the year ended 31 December 2016.

Principal activities

The principal activity of the Company was that of intermediate holding company.

Business review and results

Profit after tax for the year amounted to £837,000 (2015: loss £3,604,000).

During the year the Company increased its reserves by £340,211,000 as a result of a capital contribution from its parent company, European Metal Recycling Limited.

Key performance indicators

The directors' key goal is to achieve a profit after tax for the Company and the wider group. The key performance indicators ('KPIs') used by the company are shown below:

	2016	2015
Profit/(loss) after tax	837	(3,604)

The above KPI has been set as it is considered key to the Company's future success.

Principal risks and uncertainties

- *Currency risk* - The Company has been exposed to translational foreign currency risk with the loan from its parent company. During the year the loan was repaid reducing the foreign currency exposure.
- *Liquidity risk* - The Company has access to liquid funds through the central treasury function of its holding company European Metal Recycling Limited ("EMR"). The EMR Group has access to short term flexibility in its borrowing via overdraft and bank revolver facilities and access to longer term borrowing through multi-currency credit facilities with a group of international banks.

Going concern

The directors believe that the Company is well placed to manage its business risk successfully despite the continued uncertain economic outlook. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

By order of the board



Christopher Sheppard
Director

Sirius House
Delta Crescent
Westbrook
Warrington
WA5 7NS
28 June 2017

Directors' Report

Dividend

The directors recommend the payment of a £nil dividend (2015: £nil).

Directors

The members of the Board are set out below. All directors served throughout the year.

Christopher Sheppard
Neil Stinson

During the financial year, a qualifying third party indemnity provision for the benefit of all of the directors was in force.

Disclosure of information to auditor

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and will therefore continue in office.

By order of the board



Christopher Sheppard
Director

Sirius House
Delta Crescent
Westbrook
Warrington
WA5 7NS
28 June 2017

Statement of directors' responsibilities in respect of the annual report and the financial statements

The directors are responsible for preparing the strategic report, the directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 applicable UK Accounting Standards have 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



Independent auditor's report to the members of European Metal Recycling (USA) Limited

We have audited the financial statements of European Metal Recycling (USA) Limited for the year ended 31 December 2016 set out on pages 5 to 18. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion 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. Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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.

Stuart Burdass (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE
28 June 2017

Profit and Loss Account and Other Comprehensive Income
for the year ended 31 December 2016

	<i>Note</i>	2016 £000	2015 £000
Operating profit		-	-
Interest payable and similar charges	4	-	(4,137)
Loss on ordinary activities before taxation		-	(4,137)
Tax on profit/(loss) on ordinary activities	5	837	533
Profit/(loss) for the financial year		837	(3,604)
Other comprehensive income			
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive profit/(loss) for the year		837	(3,604)

The notes on pages 8 to 18 form part of the financial statements.

Balance Sheet
at 31 December 2016

	Note	2016 £000	2015 £000
Fixed assets			
Investments	6	531,522	191,311
Current assets			
Debtors	7	10,570	9,733
Creditors: amounts falling due within one year	8	10,570 (9)	9,733 (9)
Net current assets		10,561	9,724
Total assets less current liabilities		542,083	201,035
Net assets		542,083	201,035
Capital and reserves			
Called up share capital	9	-	-
Other reserves		535,253	195,042
Profit and loss account		6,830	5,993
Shareholders' funds		542,083	201,035

These financial statements were approved by the board of directors on 28 June 2017 and were signed on its behalf by:



Christopher Sheppard
Director

Company registered number: 05721603

Sirius House
Delta Crescent
Westbrook
Warrington
Cheshire
WA5 7NS

The notes on pages 8 to 18 form part of the financial statements.

Statement of Changes in Equity

	Called up Share Capital £000	Other Reserves £000	Profit and Loss Account £000	Total Equity £000
Balance at 1 January 2015	-	106,890	9,597	116,487
Total comprehensive loss for the period				
Profit or loss	-	-	(3,604)	(3,604)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	-	-	(3,604)	(3,604)
Transactions with owners, recorded directly in equity				
Dividends	-	88,152	-	88,152
Total contributions by and distributions to owners		88,152		88,152
Balance at 31 December 2015	-	195,042	5,993	201,035

	Called up Share capital £000	Other Reserves £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2016	-	195,042	5,993	201,035
Total comprehensive loss for the period				
Profit or loss	-	-	837	837
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	-	-	837	837
Transactions with owners, recorded directly in equity				
Capital reserve increase	-	340,211	-	340,211
Total contributions by and distributions to owners	-	340,211	-	340,211
Balance at 31 December 2016	-	535,253	6,830	542,083

The notes on pages 8 to 18 form part of the financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

European Metal Recycling (USA) Limited (the “Company”) is a private company limited by shares and incorporated and domiciled in the UK. The registered office is Sirius House, Delta Crescent, Westbrook, Warrington, WA5 7NS

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (“FRS 102”) as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £’000.

The Company’s ultimate parent undertaking, Ausurus Group Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Ausurus Group Limited are available to the public and may be obtained from Companies House. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group. The Company has applied the exemption to prepare consolidated financial statements on the basis that the results of the Company and all of its subsidiary undertakings are included in the consolidated financial statements of Ausurus Group Ltd.

The Company proposes to continue to adopt the reduced disclosure framework of FRS102 in its next financial statements.

Judgements made by the directors in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are provided in note 11.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Measurement convention

The financial statements are prepared on the historical cost basis.

Going concern

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in the preparation of these financial statements.

Functional currency

The functional currency of the Company is sterling.

Transactions in foreign currencies are translated to the Company’s functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the

Notes (continued)

1 Accounting policies (continued)

Functional currency (continued)

exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- (b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Investments in ordinary shares

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognition in profit or loss. Other investments are measured at cost less impairment in profit or loss.

Turnover

Turnover is measured at the fair value of consideration receivable by the Company for goods supplied and a service produced, excluding VAT and trade discounts less attributable transaction costs.

Notes (continued)

1 Accounting policies (continued)

Expenses

Interest receivable and interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account.

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the Company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Notes (continued)

1 Accounting policies (continued)

Impairment excluding stocks and deferred tax assets (continued)

Non-financial assets

The carrying amounts of the Company's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire entity into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2 Auditors' remuneration

The fee in respect of the audit of the financial statements is borne by another group company.

3 Directors' remuneration

None of the directors received any remuneration from the Company. The directors are remunerated by the parent company, and their remuneration is disclosed in the financial statements of the parent company, Ausurus Group Limited, and their remuneration is disclosed in the financial statements of the parent company. It is not possible to apportion the remuneration between subsidiary companies.

4 Interest payable and similar charges

	2016	2015
	£000	£000
Net exchange differences on amounts due to/from group undertakings	-	4,137
	<hr/>	<hr/>
Total interest payable and similar charges	-	4,137
	<hr/>	<hr/>

Notes (continued)

5 Taxation

Total tax credit recognised in the profit and loss account, other comprehensive income and equity:

	2016 £000	2015 £000
<i>Current tax</i>		
Current tax on income for the period	-	(536)
Adjustments in respect of prior periods	(837)	3
	<hr/>	<hr/>
Total current tax	(837)	(533)
	<hr/>	<hr/>
Total tax credit	(837)	(533)
	<hr/>	<hr/>

Analysis of current tax recognised in profit and loss:

	2016 £000	2015 £000
UK corporation tax	(837)	(533)
	<hr/>	<hr/>

Reconciliation of effective tax rate:

	2016 £000	2015 £000
Profit/(loss) for the year	837	(3,604)
Total tax credit/(expense)	837	(533)
	<hr/>	<hr/>
Loss excluding taxation	-	(4,137)
	<hr/>	<hr/>
Tax using the UK corporation tax rate of 20% (2015: 20.25%)	-	(838)
Permanent tax differences	-	302
Under provided in prior years	837	3
	<hr/>	<hr/>
Total tax credit included in profit or loss	(837)	(533)
	<hr/>	<hr/>

The tax credit arises as a result of the Company group reliving an imputed interest charge generated on UK intra-group loans as a result of the UK-USA transfer pricing legislation.

Reductions in the UK corporation tax rate from 21% to 20% (effective 1 April 2015) and further phased reductions to 19% (effective 1 April 2017) and 17% (effective 1 April 2020) have been substantively enacted. This will reduce the Company's future current tax charge accordingly.

Notes (continued)

6 Fixed asset investments

	Interests in group undertakings and participating interests £000
<i>Cost and net book value</i>	
At 1 January 2016	191,311
Additions	340,211
	<hr/>
At 31 December 2016	531,522
	<hr/>

The investments in which the Company held an interest at the year end are detailed in note 12.

7 Debtors

	2016 £000	2015 £000
Corporation tax	10,570	9,733
	<hr/>	<hr/>

8 Creditors: amounts falling due within one year

	2016 £000	2015 £000
Amounts owed to group undertakings and undertakings in which the Company has a participating interest	9	9
	<hr/>	<hr/>

Amounts owed to group undertakings are repayable on demand and carry no interest.

9 Called up share capital

	2016 £000	2015 £000
<i>Allotted, called up and fully paid</i>		
100 (2015: 100) "A" Ordinary shares of £1 each	-	-
	<hr/>	<hr/>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Notes (*continued*)

10 Related parties

There were no further balances with related parties other than those disclosed in notes 7 and 8.

11 Key accounting estimates and judgements

The Company makes estimates and assumptions concerning the future. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Investments and loans to group undertakings

The most critical estimates, assumptions and judgements relate to the determination of the carrying value of the investments and loans that the Company has made to group undertakings. The nature, facts and circumstances of the investments and loans are taken into account in assessing whether there are any indications of impairment.

Notes (continued)

12 Group entities

The undertakings in which the Group and Company held an interest at the year-end are as follows.

	Class of shares held	Percentage of shares held	
		2016	2015
<u>Subsidiary undertakings</u>			
American Iron & Steel Company	Ordinary	100%	100%
American Steel & Industrial Supply Co LLC	Ordinary	87%	87%
Auto Shred Recycling LLC	Ordinary	100%	100%
Automobile Recycling Services LLC	Ordinary	90.8%	80.8%
EMR (USA Holdings) Inc	Ordinary	100%	100%
EMR Advanced Recycling LLC	Ordinary	100%	100%
EMR Eastern LLC	Ordinary	100%	100%
EMR Energy LLC	Ordinary	100%	100%
EMR Financing LLC	Ordinary	100%	100%
EMR Gold Export Services Inc	Ordinary	90.8%	80.8%
EMR Gold Recycling LLC	Ordinary	90.8%	80.8%
EMR Management Services LLC	Ordinary	100%	100%
EMR Marine Terminals LLC	Ordinary	100%	100%
EMR Polymers LLC	Ordinary	100%	100%
EMR Trading LLC	Ordinary	100%	100%
Evinco Terminals LLC	Ordinary	100%	100%
Gainesville Homestead Properties LLC	Ordinary	90.8%	80.8%
GMFW Real Property LLC	Ordinary	90.8%	80.8%
GMR Recycling Inc	Ordinary	90.8%	80.8%
GMV Enterprises LLC	Ordinary	90.8%	80.8%
GMV Ltd	Ordinary	90.8%	80.8%
GNR Operations Inc	Ordinary	90.8%	80.8%
GNR Recycling LP	Ordinary	90.8%	80.8%
Gold Metal Recyclers Fort Worth LLC	Ordinary	90.8%	80.8%
Gold Metal Recyclers Gainesville LLC	Ordinary	90.8%	80.8%
Gold Metal Recyclers Ltd	Ordinary	90.8%	80.8%
Gold Metal Recyclers Management LLC	Ordinary	90.8%	80.8%
Gold Metal Recyclers Oklahoma LLC	Ordinary	90.8%	80.8%
Goldberg Industries Inc	Ordinary	90.8%	80.8%
Great Western Recycling Inc	Ordinary	100%	100%
GW Acquisition Corp	Ordinary	100%	100%
International Shipbreaking Limited LLC	Ordinary	100%	100%
Metals Reduction Company, LLC	Ordinary	100%	100%
Northern Metals LLC	Ordinary	100%	100%
Northern Metals Recovery LLC	Ordinary	100%	100%
Phillips Recycling Systems LLC	Ordinary	100%	100%
Reource Recycling LLC	Ordinary	100%	100%
Southern Recycling Sales LLC	Ordinary	100%	100%
Southern Scrap Material Co LLC	Ordinary	100%	100%
Southern Scrap Recycling Morgan City LLC	Ordinary	100%	100%
SSX LLC	Ordinary	100%	100%
The Auto Store LLC	Ordinary	100%	100%
Toy Eau Claire Properties LLC	Ordinary	100%	100%
Toy Properties LLC	Ordinary	100%	100%
Toy's Custom Shearing LLC	Ordinary	100%	100%
Toy's Scrap and Salvage Corp	Ordinary	100%	100%
Toy's Transport LLC	Ordinary	100%	100%
Viking Land Holdings LLC	Ordinary	100%	100%

Notes (continued)

12 Group entities (continued)

The undertakings in which the Group and Company held an interest at the year-end are as follows.

	Class of shares held	Class and percentage of shares held	
		2016	2015
<u>Joint Ventures</u>			
1751 Kenilworth Land, LLC	Ordinary	50%	50%
Allegany Scrap, Inc.	Ordinary	50%	50%
Atlas Traders, LLC	Ordinary	50%	50%
Auto Recycling Real Estate, LLC	Ordinary	50%	50%
Baltimore Western Marine Terminal LLC	Ordinary	25%	25%
Beaver Heights Associates, LLC	Ordinary	50%	50%
Camden Iron & Metal Inc	Ordinary	50%	50%
Camden Iron & Metal, LLC	Ordinary	50%	50%
Camden Metal Company, Inc	Ordinary	50%	50%
Capitol Heights Metal Recycling Inc	Ordinary	50%	50%
Caroline Lands LLC	Ordinary	50%	50%
Caroline Scrap Metal Inc	Ordinary	50%	50%
Carroll Land LLC	Ordinary	50%	50%
Carroll Scrap Metal Inc	Ordinary	50%	50%
Cohen Recycling, Inc.	Ordinary	25%	25%
CRI Property Co., LLC	Ordinary	25%	25%
Cumberland Land, LLC	Ordinary	50%	50%
David Paul Inv., LLC	Ordinary	50%	50%
Day Road Land LLC	Ordinary	50%	50%
Deenah, LLC	Ordinary	25%	25%
Delco Metals Inc	Ordinary	50%	50%
Delmar Industries, LLC	Ordinary	50%	50%
Dover Scrap Metal Inc	Ordinary	50%	50%
Eastern Metal Recycling Inc	Ordinary	50%	50%
Eastern Metal Recycling LLC	Ordinary	50%	50%
Eastern Metal Recycling Terminal, LLC	Ordinary	50%	50%
EMR / Smith Industries LLC	Ordinary	50%	50%
F&K, Inc.	Ordinary	50%	50%
FDR, LLC	Ordinary	50%	50%
Frederick Motor Company, Inc.	Ordinary	50%	50%
Frederick Scrap Inc	Ordinary	50%	50%
Fredericksburg Land LLC	Ordinary	50%	50%
General Auto Parts, Inc.	Ordinary	50%	50%
Girard Point Corp	Ordinary	50%	50%
Gunston Cove Land, LLC	Ordinary	50%	50%
Halethorpe Farms Land Inc.	Ordinary	50%	50%
Harbor Auto Associates LLC	Ordinary	50%	50%
Harrisonburg Land, LLC	Ordinary	50%	50%
Hartly Land, LLC	Ordinary	50%	50%
Hayden Auto Service Inc	Ordinary	50%	50%
Henderson Land, LLC	Ordinary	50%	50%
Henderson Scrap Metal Inc	Ordinary	50%	50%
Hercules Auto Salvage, Inc.	Ordinary	50%	50%
Innovative Recovery Products, LLC	Ordinary	50%	50%
Johnstown Lands LLC	Ordinary	50%	50%
Johnstown Scrap Metal, Inc	Ordinary	50%	50%
Joppa 420, LLC	Ordinary	50%	50%
Joppa 500, LLC	Ordinary	50%	50%
Joppa Auto Salvage, Inc.	Ordinary	50%	50%
Joseph Smith & Sons, Inc.	Ordinary	50%	50%
JS Trucking, Inc.	Ordinary	50%	50%

Notes (continued)

13 Group entities (continued)

Class of shares held	Percentage of shares held		
	Company	Group	
<i><u>Joint Ventures (continued)</u></i>			
Kenilworth Recovery Systems, LLC	Ordinary	50%	50%
Kent Land, LLC	Ordinary	50%	50%
Kent Scrap Metal, Inc.	Ordinary	50%	50%
L&L Acquisition Company	Ordinary	50%	50%
L&L Waste Disposal & Metal Recycling Inc.	Ordinary	50%	50%
Lands of Shenandoah LLC	Ordinary	50%	50%
Lands of Somerset, LLC	Ordinary	50%	50%
Lands of Westover, LLC	Ordinary	50%	50%
Lands of Woodbridge LLC	Ordinary	50%	50%
Manassas Land, LLC	Ordinary	50%	50%
Metal Properties, Inc.	Ordinary	50%	50%
Olive Street Property, LLC	Ordinary	50%	50%
Preston Terminals Inc	Ordinary	50%	50%
Prince Georges Scrap, Inc.	Ordinary	50%	50%
Prince William Metal Recycling, Inc	Ordinary	50%	50%
R. Kelly Freedman Holding Group, LLC	Ordinary	50%	50%
R.P. Smith Properties, LLC	Ordinary	50%	50%
Recovermat Mid-Atlantic LLC	Ordinary	50%	50%
Recovermat Technologies, Inc.	Ordinary	50%	50%
Recycling Properties LLC	Ordinary	50%	50%
Rhino Recycling Inc	Ordinary	50%	50%
Ritchie Road Land, LLC	Ordinary	50%	50%
RPM Realty LLC	Ordinary	45%	45%
RPS Land, LLC	Ordinary	50%	50%
RPS Marine, LLC	Ordinary	50%	50%
RPS Mid-Atlantic Marine Terminal, LLC	Ordinary	50%	50%
RPS Realty Holdings LLC	Ordinary	50%	50%
S Street Land, LLC	Ordinary	50%	50%
Salisbury Scrap Metal Inc	Ordinary	50%	50%
Satellite Services Inc	Ordinary	50%	50%
Service Bays, LLC	Ordinary	50%	50%
Shenandoah Scrap Metal Inc	Ordinary	50%	50%
Smith Camden Disc Inc	Ordinary	50%	50%
Smith CRI, LLC	Ordinary	50%	50%
Smith Export Terminal, Inc.	Ordinary	50%	50%
Smith Industries, Inc.	Ordinary	50%	50%
Smith Payroll Services, Inc.	Ordinary	50%	50%
Smith Railroad Company Inc	Ordinary	50%	50%
Somerset Scrap Metal, Inc	Ordinary	50%	50%
SPC Corporation	Ordinary	50%	50%
Springfield Scrap Metal Inc	Ordinary	50%	50%
Sussex Scrap Metal, Inc.	Ordinary	50%	50%
Tioga Real Estate, LLC	Ordinary	50%	50%
United Compressed Steel Company	Ordinary	50%	50%
US Electronics Land LLC	Ordinary	25%	25%
US Electronics, LLC	Ordinary	25%	25%
Vineland Processing Inc	Ordinary	50%	50%
Westernport Land, LLC	Ordinary	50%	50%
Westernport Salvage, Inc.	Ordinary	50%	50%
Westover Scrap Metal Inc	Ordinary	50%	50%
Wicomico Land LLC	Ordinary	50%	50%
Wilmington Metal Recycling Inc	Ordinary	50%	50%
Winchester Land, LLC	Ordinary	50%	50%
Winchester Scrap, Inc	Ordinary	50%	50%
Woodbridge Metal Recycling Inc	Ordinary	50%	50%

Notes *(continued)*

13 Ultimate parent company and parent undertaking of larger group

At the year end, the Company was a subsidiary undertaking of European Metal Recycling Limited. The ultimate controlling party is Ausurus Group Limited.

The largest group in which the results of the Company are consolidated is that headed by Ausurus Group Limited incorporated in England. The registered office is Sirius House, Delta Crescent, Westbrok, Warrington, WA5 7NS. The smallest group in which they are consolidated is that headed by European Metal Recycling Limited incorporated in England.

The consolidated financial statements of these groups are available to the public and may be obtained from Companies House.