

Registered number: 06682547

CELSA STEEL SERVICE (UK) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



CELSA STEEL SERVICE (UK) LIMITED

COMPANY INFORMATION

Directors	L Sanz Villares F Mesegue A Fort M McKillop C Rovira Caroz (appointed 1 January 2022)
Company secretary	H Arnold
Registered number	06682547
Registered office	Building 58 East Moors Road Cardiff South Glamorgan CF24 5NN
Independent auditor	Ernst & Young LLP Statutory Auditor The Paragon Counterslip Bristol BS1 6BX

CELSA STEEL SERVICE (UK) LIMITED

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CELSA STEEL SERVICE (UK) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present this strategic report for the year ended 31 December 2021.

Business review

The company's key financial indicator is profit after taxation which for 2021 was a loss of £2,150 thousand (2020 – loss of £1,811 thousand). The directors do not recommend a dividend (2020 – £nil).

Principal risks and uncertainties

Coronavirus pandemic (COVID-19)

The global coronavirus pandemic involving the spread of COVID-19 presented a number of different risks and impacts to the business including safety, operational, financial and liquidity risk. The main priority for the company is the Health & Safety of all employees and the company continues to follow Government advice. The company responded rapidly and dynamically to the changing situation which allowed the production operations to continue to operate throughout.

The group's strategy remains the same but key financial indicators were significantly impacted as a direct result of the pandemic during 2020. The pandemic saw minimal impact on the financial indicators during 2021. The group continues to manage risks and financial indicators.

As a direct result of COVID-19, the company amended its current lending facility in 2020 with its lenders and introduced a new lender with all facilities being committed to 2023. This financial support provides the company with a financial platform to enable it to continue executing its existing business strategy.

Withdrawal of UK from European Union (BREXIT)

On the 31 December 2020 the transition period between the UK and the EU ended and new rules on exports, imports, tariffs, data and hiring were introduced. For the company a significant proportion of turnover and the supply chain is UK domestic, which reduces the impact of Brexit.

Financial risk management objectives and policies

Foreign currency risk

The company's currency risk is controlled by a natural hedge wherever possible and where there is an excess, the company may take out foreign currency contracts accordingly.

This report was approved by the board and signed on its behalf.



F Mesegue
Director

Date: 29 March 2022

CELSA STEEL SERVICE (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Going concern

The financial statements have been prepared on a going concern basis. In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the company can continue in operational existence for the period through to 30 June 2023.

In December 2018, Celsa (UK) Holdings Limited (the Parent Company) renewed its Term Loan and Asset Based Lending (ABL) facilities. As a result, both facilities are committed until December 2023. During 2020, as a direct result of the COVID-19 pandemic, the parent introduced a new lender with an additional facility committed to June 2023. The company is part of the guaranteeing group for these facilities and therefore the directors have considered going concern from a group-wide perspective. The financial covenants linked to debt facilities are managed at the parent level.

The directors have assessed the funding requirements of Celsa (UK) Holdings Limited and its subsidiaries (the group). The assessment included a detailed review of financial forecasts, covenants and cash flow projections over the period through to June 2023. Having undertaken this work, the directors are of the opinion that the parent has access to adequate resources to continue in operational existence for the period through to 30 June 2023. The company benefits from a letter of support from Celsa (UK) Holdings Ltd being provided from the date of signing the financial statements through to June 2023. Accordingly, the company continues to adopt the going concern basis in preparing the annual report.

Principal activity

The principal activity of the company during the year was as a holding company for investments.

The company will continue to hold investments for the group.

Results and dividends

The loss for the year, after taxation, amounted to £2,150 thousand (2020 - loss of £1,811 thousand).

The directors do not recommend a dividend (2020 – £nil).

Directors

The directors who served during the year were:

L Sanz Villares
F Mesegue
A Fort
M McKillop

Directors' qualifying third party indemnity provisions

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

CELSA STEEL SERVICE (UK) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Disclosure of information to auditors

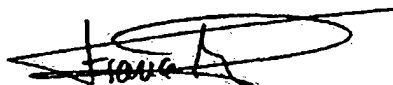
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- 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 ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Ernst & Young LLP, will be proposed for reappointment at the Annual General Meeting in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



F Mesegue
Director

Date: 29 March 2022

CELSA STEEL SERVICE (UK) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the company's financial statements 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;
- 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 to 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' Reports may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CELSA STEEL SERVICE (UK) LIMITED

Opinion

We have audited the financial statements of CELSA STEEL SERVICE (UK) LIMITED for the year ended 31 December 2021 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 12 including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of up until 30 June 2023.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CELSA STEEL SERVICE (UK) LIMITED (CONTINUED)

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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102 and Companies Act 2006) and compliance with the relevant direct and indirect tax regulation in the United Kingdom. In addition, the Company has to comply with laws and regulations to its operations, including health and safety and GDPR.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CELSA STEEL SERVICE (UK) LIMITED
(CONTINUED)**

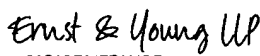
- We understood how the Company is complying with those frameworks by making enquiries of management and those charged with governance to understand how the Company maintains and communicates its policies and procedures in these areas. We understood any controls put in place by management to reduce the opportunities for fraudulent transactions.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur through internal team conversations and inquiry of management and those charged with governance. Through these procedures we determined there to be a risk of management override associated with manipulation of accounts to meet Celsa UK group loan covenants. To mitigate this risk, we performed detailed journal entry testing, identifying specific transactions based on a set criteria.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures included verifying that material transactions are recorded in compliance with FRS 102 and where appropriate Companies Act 2006. Compliance with other operational laws and regulations was covered through our inquiry with no indication of non-compliance identified.

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

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.

DocuSigned by:


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John Howarth (Senior statutory auditor)
for and on behalf of Ernst & Young LLP Statutory Auditor

Bristol, UK
30 March 2022

CELSA STEEL SERVICE (UK) LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £000	2020 £000
Other operating and external charges		(3,267)	(2,170)
Operating loss		(3,267)	(2,170)
Income from shares in group undertakings		607	577
Interest payable and similar expenses		(137)	(218)
Loss on ordinary activities before taxation		(2,797)	(1,811)
Tax credit on loss	5	647	-
Loss for the financial year		(2,150)	(1,811)

There were no recognised gains and losses for 2021 or 2020 other than those included in the profit and loss account.

The notes on pages 11 to 17 form part of these financial statements.


CELSA STEEL SERVICE (UK) LIMITED
REGISTERED NUMBER:06682547

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £000	2020 £000
Fixed assets			
Investments	6	61,001	61,001
Current assets			
Debtors	7	1,479	832
Cash at bank and in hand		136	90
		<u>1,615</u>	<u>922</u>
Creditors: amounts falling due within one year	8	<u>(29,776)</u>	<u>(26,933)</u>
Net current liabilities		(28,161)	(26,011)
Total assets less current liabilities		32,840	34,990
Creditors: amounts falling due after more than one year	9	<u>(11,022)</u>	<u>(11,022)</u>
Net assets		21,818	23,968
Capital and reserves			
Called up share capital	10	29,000	29,000
Profit and loss account		<u>(7,182)</u>	<u>(5,032)</u>
		21,818	23,968

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 March 2022.


L Sanz Villares
 Director


F Mesegue
 Director


A Fort
 Director


M McKillop
 Director

CELSA STEEL SERVICE (UK) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Share capital £000	Profit and loss account £000	Total £000
At 1 January 2020	29,000	(3,221)	25,779
Loss for the year	-	(1,811)	(1,811)
At 1 January 2021	29,000	(5,032)	23,968
Loss for the year	-	(2,150)	(2,150)
At 31 December 2021	29,000	(7,182)	21,818

The notes on pages 11 to 17 form part of these financial statements.

CELSA STEEL SERVICE (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Celsa Steel Service (UK) Limited ('the company') is a private company limited by shares and is incorporated and domiciled in Wales. The address of its registered office is Building 58 East Moors Road, Cardiff, South Glamorgan, CF24 5NN.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Celsa (UK) Holdings Limited as at 31 December 2021 and these financial statements may be obtained from Building 58, East Moors Road, Cardiff, CF24 5NN.

2.3 Going concern

The financial statements have been prepared on a going concern basis. In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the company can continue in operational existence for the period through to 30 June 2023.

In December 2018, Celsa (UK) Holdings Limited (the Parent Company) renewed its Term Loan and Asset Based Lending (ABL) facilities. As a result, both facilities are committed until December 2023. During 2020, as a direct result of the COVID-19 pandemic, the parent introduced a new lender with an additional facility committed to June 2023. The company is part of the guaranteeing group for these facilities and therefore the directors have considered going concern from a group-wide perspective. The financial covenants linked to debt facilities are managed at the parent level.

The directors have assessed the funding requirements of Celsa (UK) Holdings Limited and its subsidiaries (the group). The assessment included a detailed review of financial forecasts, covenants and cash flow projections over the period through to June 2023. Having undertaken this work, the directors are of the opinion that the parent has access to adequate resources to continue in operational existence for the period through to 30 June 2023. The company benefits from a letter of support from Celsa (UK) Holdings Ltd being provided from the date of signing the financial statements through to June 2023. Accordingly, the company continues to adopt the going concern basis in preparing the annual report.

CELSA STEEL SERVICE (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.5 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate.

2.6 Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exception;

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

CELSA STEEL SERVICE (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.7 Basic Financial instruments

(i) Financial assets

Financial assets, including amounts due from group companies and cash and bank balances, are initially recognised at transaction price.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled.

(ii) Financial liabilities

Financial liabilities, including loans and amounts due to group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3. Auditor's remuneration

Audit fees are borne by another group company, Celsa Manufacturing (UK) Limited.

4. Directors' remuneration

The directors of this company have not received any payment from it directly. The holding company of the Group, (Celsa (UK) Holdings Ltd) has paid the remuneration to all the directors of the Group (Holdings and fellow subsidiaries).

The amount apportioned for the directors giving service to this company add up to £56,373 (2020 - £65,531).

CELSA STEEL SERVICE (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Taxation

	2021	2020
	£000	£000
Current tax		
Group relief	(647)	-
Tax credit on loss on ordinary activities	(647)	-

Factors affecting tax charge for the year

The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021	2020
	£000	£000
Loss on ordinary activities before tax	(2,797)	(1,811)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(531)	(344)
Effects of:		
Changes in tax rates	-	(55)
Deferred tax not provided	-	509
Non-taxable income	(116)	(110)
Total tax credit for the year	(647)	-

Factors that may affect future tax charges

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID- 19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023.

CELSA STEEL SERVICE (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

6. Investments

Shares in group undertakings:

	Subsidiaries £000	Associates £000	Total £000
At 1 January 2021	54,355	6,646	61,001
At 31 December 2021	54,355	6,646	61,001

Analysed as:

	Subsidiaries £000	Associates £000	Total £000
BRC Limited	15,326	-	15,326
Express Reinforcements Limited	9,213	-	9,213
Rom Group Limited	29,816	-	29,816
B.R.C. McMahon Reinforcements Ltd	-	6,646	6,646
	54,355	6,646	61,001

Details of the investments in which the company holds 15% or more of the nominal value of any class of share capital are as follows:

Subsidiaries

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
BRC Limited	Ordinary	71.3%
Express Reinforcements Limited	Ordinary	71.3%
Rom Group Limited	Ordinary	71.3%

The principal activity of the subsidiaries is the manufacture and sale of steel products.

CELSA STEEL SERVICE (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

6. Investments (continued)

Associates

The following was an associate of the company:

Name	Class of shares	Holding
B.R.C. McMahon Reinforcements Ltd	Ordinary	35.65%

BRC McMahon Limited is incorporated in the Republic of Ireland and the principal activity is the manufacture and sale of steel products.

7. Debtors

	2021 £000	2020 £000
Amounts owed by group undertakings	1,479	832
	<u>1,479</u>	<u>832</u>

8. Creditors: Amounts falling due within one year

	2021 £000	2020 £000
Amounts owed to group undertakings	29,746	26,901
Other taxation and social security	30	32
	<u>29,776</u>	<u>26,933</u>

Amounts owed to group undertakings are non-interest bearing and payable on standard payment terms.

9. Creditors: Amounts falling due after more than one year

	2021 £000	2020 £000
Amounts owed to group undertakings	11,022	11,022
	<u>11,022</u>	<u>11,022</u>

Amounts owed to group undertakings bear interest at LIBOR/SONIA +1% and are repayable by 31 December 2023.

CELSA STEEL SERVICE (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. Share capital

	2021	2020
	£000	£000
Allotted, called up and fully paid		
29,000,000 (2020 - 29,000,000) Ordinary Shares shares of £1 each	29,000	29,000

11. Related party transactions

The company is exempt from disclosing related party transactions as they are with companies that are wholly owned within the Group.

The company has outstanding balances with related parties which are disclosed separately in notes 7,8 and 9.

12. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Celsa (UK) Holdings Limited, a company incorporated in England & Wales. The ultimate parent undertaking and controlling party is Catalunya Steel SL, which is a company incorporated in Spain.

The smallest and largest group in which the results of the company are consolidated is that headed by Celsa (UK) Holdings Limited, whose financial statements are available from Building 58, East Moors Road, Cardiff CF24 5NN.