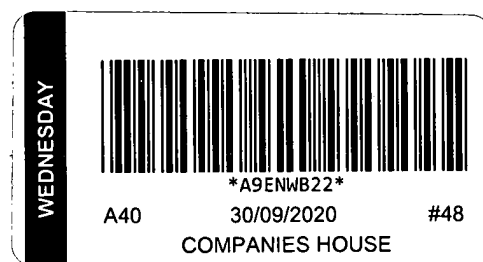


Registered number: 07467003

AMARI COPPER ALLOYS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019



AMARI COPPER ALLOYS LIMITED

COMPANY INFORMATION

Directors	N Murdoch A Roberts
Company secretary	M Hale
Registered number	07467003
Registered office	Parkway House Unit 6 Parkway Industrial Estate Pacific Avenue Wednesbury West Midlands WS10 7WP
Independent auditor	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG

AMARI COPPER ALLOYS LIMITED

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AMARI COPPER ALLOYS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

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

Directors' responsibilities statement

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;
- 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.

Results and dividends

The profit for the year, after taxation, amounted to £121,215 (2018 - £9,628).

Directors

The directors who served during the year were:

N Murdoch
A Roberts

Qualifying third party indemnity provisions

The Company has maintained directors' and officers' liability insurance in respect of its directors.

Disclosure of information to auditor

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.

AMARI COPPER ALLOYS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

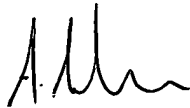
Post balance sheet events

As a result of the spread of COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the financial position, results of operations, and cash flows of the Company. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 19th August 2020 and signed on its behalf.



A Roberts
Director

AMARI COPPER ALLOYS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Introduction

The directors present their strategic report for the year ended 31 December 2019.

The principal activity of the Company during the year was that of stockholders, processors and distributors of copper alloys to industry.

Business review and future developments

The profit for the year, after taxation, amounted to £121,215 (2018: £9,628). The directors have not recommended a dividend (2018: £Nil).

Various key performance indicators are used by the directors to monitor and compare the performance of the Company. They regard the following as the key financial performance indicators, all of which can be observed within the attached financial statements.

- Turnover £2,697,095 (2018: £2,777,382)
- Profit before tax £121,279 (2018: £9,833)
- Net assets £411,739 (2018: £290,524)
- Average number of employees 15 (2018: 16).

The directors of the Company are not satisfied with the results for the year. Whilst gross profit increased compared to 2018, in a broadly flat market, operating expenses have been subject to inflationary pressures, with some investment for future growth.

To provide a platform for sustainable growth and to negate the impact of the specific risks and uncertainties highlighted below, the Company will continue to implement operational efficiency improvements, thereby enhancing productivity and reducing operating expenses.

AMARI COPPER ALLOYS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Principal risks and uncertainties

The principal risks and uncertainties of the Company are fluctuations in raw material prices, movements in exchange rates, credit risk arising from trade debtors, continuing political instability including the effect of Brexit on the economy, changes in government legislation and the cost of complying with excessive and burdensome government regulation.

Whilst the Company takes action to mitigate the principal risks, where possible, there are specific risks and uncertainties outside of its control that could impact on the future financial performance of the Company. Specific examples of such risks relate to government imposed levies, which could result in a significant increase in the operating costs of the Company and a subsequent reduction in profitability and capital available for future reinvestment with no net benefit to the Company or the nation.

The impact of COVID-19 on the Company can be found in the Going Concern section of this report.

The ultimate parent company is privately held, as is the Company, and the directors are of the opinion that the requirement to publish private accounts is a violation of both the spirit and law under European Union right to privacy legislation.

Going Concern

As a result of the spread of COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the financial position, results of operations, and cash flows of the Company. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Notwithstanding this, the directors of the parent undertaking, Amari Metals Limited, having carefully considered all pertinent matters including the cash reserves of the group, are satisfied that the Company and group is a going concern and that sufficient funds are available for a period of at least twelve months from the date of signing these financial statements. The Company participates in a group treasury function available to the parent and all companies in the group; the directors of this Company accordingly continue to prepare the financial statements on the going concern basis.

This report was approved by the board on 19th August 2020 and signed on its behalf.



A Roberts
Director

AMARI COPPER ALLOYS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF AMARI COPPER ALLOYS LIMITED

Opinion

We have audited the financial statements of Amari Copper Alloys Limited (the 'Company') for the year ended 31 December 2019, which comprise the Statement of income and retained earnings, the Balance sheet and the related notes, 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 Financial Reporting Standard 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 state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 United Kingdom, including the Financial Reporting Council'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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

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

AMARI COPPER ALLOYS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF AMARI COPPER ALLOYS LIMITED (CONTINUED)

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 this regard.

Opinion 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.

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 the 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 on page 1, 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.

AMARI COPPER ALLOYS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF AMARI COPPER ALLOYS LIMITED
(CONTINUED)**

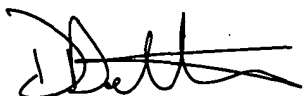
Auditor's responsibilities for the audit of the financial statements

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 Financial Reporting Council's website at: 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 member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.



Dave Darlaston (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 25/08/2020

AMARI COPPER ALLOYS LIMITED

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

	Note	2019 £	2018 £
Turnover	4	2,697,095	2,777,382
Change in stocks of finished goods and work in progress		(189,368)	279,979
Raw materials and consumables		(1,610,869)	(2,190,880)
Other external charges		(261,689)	(347,320)
Staff costs		(500,700)	(457,054)
Depreciation and amortisation		(12,286)	(11,398)
Operating profit	5	122,183	50,709
Interest expense and similar charges	9	(904)	(40,876)
Profit before tax		121,279	9,833
Tax on profit	10	(64)	(205)
Profit after tax		121,215	9,628
Retained earnings at the beginning of the year		90,524	80,896
		90,524	80,896
Profit for the year		121,215	9,628
Retained earnings at the end of the year		211,739	90,524

The notes on pages 10 to 22 form part of these financial statements.

AMARI COPPER ALLOYS LIMITED
REGISTERED NUMBER: 07467003

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	11	30,313	27,909
Investments	12	1,228,140	1,228,140
		<u>1,258,453</u>	<u>1,256,049</u>
Current assets			
Stocks	13	298,774	488,142
Debtors: amounts falling due within one year	14	457,397	1,000,837
Cash at bank and in hand	15	220,068	500
		<u>976,239</u>	<u>1,489,479</u>
Creditors: amounts falling due within one year	16	(1,794,215)	(2,428,543)
Net current liabilities		<u>(817,976)</u>	<u>(939,064)</u>
Total assets less current liabilities		<u>440,477</u>	<u>316,985</u>
Provisions for liabilities			
Other provisions	18	(28,738)	(26,461)
		<u>(28,738)</u>	<u>(26,461)</u>
Net assets		<u><u>411,739</u></u>	<u><u>290,524</u></u>
Capital and reserves			
Called up share capital		200,000	200,000
Profit and loss account	19	211,739	90,524
		<u><u>411,739</u></u>	<u><u>290,524</u></u>

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



19th August 2020

A Roberts
Director

The notes on pages 10 to 22 form part of these financial statements.

AMARI COPPER ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

The Company is a private company limited by shares incorporated and registered in England and Wales, registration number 07467003.

The registered office is Parkway House, Unit 6 Parkway Industrial Estate, Pacific Avenue, Wednesbury, West Midlands, WS10 7WP.

The principal activity of the Company during the year was that of stockholders, processors and distributors of copper alloys to industry.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared 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 (see note 3).

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 disclosures exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland"

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.13(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41 (c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(ii), 11.48(a)(iv), 11.48(b) and 11.48 (c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Amari Metals Limited as at 31 December 2019 and these financial statements may be obtained from Companies House.

2.3 Consolidation

The Company was, at the end of the year, a wholly-owned subsidiary of another Company incorporated in the UK and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts. The information contained within these accounts represents the financial position and performance of the individual Company only for the year ended 31 December 2019, and not that of the group.

AMARI COPPER ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.4 Going concern

As a result of the spread of COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the financial position, results of operations, and cash flows of the Company. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Notwithstanding this, the directors of the parent undertaking, Amari Metals Limited, having carefully considered all pertinent matters including the cash reserves of the group, are satisfied that the Company and group is a going concern and that sufficient funds are available for a period of at least twelve months from the date of signing these financial statements. The Company participates in a group treasury function available to the parent and all companies in the group; the directors of this Company accordingly continue to prepare the financial statements on the going concern basis.

2.5 Turnover

Turnover shown in the income statement represents the total invoice value of goods and services supplied during the year, exclusive of Value Added Tax

Turnover is recognised when the risks and rewards of ownership have been transferred after all of the following criteria are met:

- persuasive evidence of an arrangement exists;
- delivery has occurred or services have been rendered;
- the seller's price to buyer is fixed and determinable; and
- collectability is reasonably assured.

2.6 Operating leases

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

2.7 Pensions

The Company operates a defined contribution plan for its employees. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Taxation

Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current and deferred tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

AMARI COPPER ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to spread the cost of the assets less their residual values over the lives of the assets on a straight line basis.

Depreciation is provided on the following basis:

Leasehold Property	- 12.5%
Improvements	
Plant, Equipment and Motor Vehicles	- 10% to 50%

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.11 Stocks

Stocks are valued at the lower of either cost or net realisable value after making due allowance for obsolete and slow moving stocks. Cost is based on the cost of purchase on a weighted average basis.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.14 Creditors

Short term creditors are measured at the transaction price.

2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

AMARI COPPER ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.16 Property dilapidations

Under the operating lease for land and buildings, the Company is obligated to make repairs of dilapidations to the leased property upon expiry of the lease. The Company charges amounts to the income statement so that, by the end of the lease, a total provision is accrued that is estimated to be equal to the future costs of those dilapidation obligations. Where repairs are made part way through the lease that will reduce the estimated costs of dilapidation obligations at the expiry of the lease, the costs of those repairs are charged against the dilapidation provision.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

3.1 Critical judgements in applying the group's accounting policies

Trade debtors

Management applies judgement in evaluating the recoverability of debtors. After taking into account the insurance policy in effect of these debtors full provision is made for all debts that the Company, acting prudently, feel that the probability of recovery is low, subject to a line-by-line review on an ongoing basis. To the extent that the directors believe debtors not to be recoverable they have been provided for in the financial statements.

Stocks

Management applies judgement in evaluating stock for obsolescence. This judgement is based principally on stock age and management's knowledge of the stocks customers demand. At each statement of financial position date, stocks are assessed for impairment and written down where appropriate.

Valuation of fixed asset investments

The Company considers whether investments held in subsidiaries are impaired. Where indicators of impairment are identified the carrying value of the investment is compared to the underlying net assets of the subsidiary and provisions reflected where required.

3.2 Key accounting estimates and assumptions

Pension and other post-employment benefits

The Company participated in a defined benefit pension scheme however, being part of a multi-employer scheme, the Company is unable to identify its individual share of the underlying assets and liabilities. The directors consider that there is no other contractual agreement or stated policy for charging the net defined benefit costs between the group companies. The Company has therefore accounted for the contributions to the multi-employer group defined benefit scheme as if it was a standalone defined contribution scheme.

AMARI COPPER ALLOYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

4. Turnover

The whole of the turnover is attributable to the principal activity of the Company. A geographical analysis of turnover is as follows:

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	2,259,893	1,897,098
Rest of Europe	128,739	69,761
Rest of the world	308,463	810,523
	<u>2,697,095</u>	<u>2,777,382</u>

5. Operating profit

The operating profit is stated after charging:

	2019 £	2018 £
Depreciation on fixed assets	12,286	11,398
Impairment of fixed asset investments	-	59,388
Exchange differences	182	2,354
Lease rentals - land and buildings	<u>44,684</u>	<u>35,614</u>

6. Auditor's remuneration

	2019 £	2018 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	<u>10,750</u>	<u>12,200</u>

AMARI COPPER ALLOYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

7. Employees

Staff costs, excluding directors' remuneration, were as follows:

	2019 £	2018 £
Wages and salaries	390,807	362,576
Social security costs	51,079	51,170
Pension costs	58,814	43,308
	<u>500,700</u>	<u>457,054</u>

The average monthly number of employees, excluding directors, during the year was as follows:

	2019 No.	2018 No.
	<u>15</u>	<u>16</u>

8. Directors' remuneration

	2019 £	2018 £
Directors' remuneration	18,676	11,934
Pension costs	526	576
	<u>19,202</u>	<u>12,510</u>

During the year retirement benefits were accruing to 2 directors (2018: 2) in respect of defined contribution pension schemes.

9. Interest payable and similar expenses

	2019 £	2018 £
Interest on loans from group undertakings	904	40,876
	<u>904</u>	<u>40,876</u>

AMARI COPPER ALLOYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. Taxation

	2019 £	2018 £
Deferred tax		
Origination and reversal of timing differences	64	205
Total deferred tax	<u>64</u>	<u>205</u>
Taxation on profit	<u>64</u>	<u>205</u>

The tax assessed for the year is lower than (2018 - *lower than*) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>121,279</u>	<u>9,833</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	23,043	1,868
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	106	1,436
Fixed asset timing differences	51	94
Differences in tax rates - opening deferred tax	-	(788)
Differences in tax rates - closing deferred tax	-	764
Group relief	(23,136)	(3,169)
Total tax charge for the year	<u>64</u>	<u>205</u>

Factors that may affect future tax charges

In March 2020 the UK Government set future Corporation tax rates at 19%. This does not have a material effect on the Company.

AMARI COPPER ALLOYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

11. Tangible fixed assets

	Leasehold Property Improvements £	Plant, Equipment and Motor Vehicles £	Total £
Cost or valuation			
At 1 January 2019	58,858	213,564	272,422
Additions	6,003	8,687	14,690
Disposals	-	(30,903)	(30,903)
At 31 December 2019	<u>64,861</u>	<u>191,348</u>	<u>256,209</u>
Depreciation			
At 1 January 2019	47,596	196,917	244,513
Charge for the year	6,288	5,998	12,286
Disposals	-	(30,903)	(30,903)
At 31 December 2019	<u>53,884</u>	<u>172,012</u>	<u>225,896</u>
Net book value			
At 31 December 2019	<u><u>10,977</u></u>	<u><u>19,336</u></u>	<u><u>30,313</u></u>
At 31 December 2018	<u><u>11,262</u></u>	<u><u>16,647</u></u>	<u><u>27,909</u></u>

AMARI COPPER ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

12. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2019	2,228,143
At 31 December 2019	<u>2,228,143</u>
Impairment	
At 1 January 2019	1,000,003
At 31 December 2019	<u>1,000,003</u>
Net book value	
At 31 December 2019	<u>1,228,140</u>
At 31 December 2018	<u>1,228,140</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Cole and Swallow Materials Limited	Dormant	Ordinary	100%
Amari Precision Tubes Limited	Metal manufacturing	Ordinary	100%
S.S.E Pipefittings Limited	Metal manufacturing	Ordinary	100%
Enfield Tubes Limited	Metal manufacturing	Ordinary	100%

All of the above companies are incorporated in England and Wales. The registered addresses are the same as the Company which is disclosed in note 1 of these financial statements.

AMARI COPPER ALLOYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

13. Stocks

	2019 £	2018 £
Goods held for resale	298,774	488,142
	<u>298,774</u>	<u>488,142</u>

14. Debtors

	2019 £	2018 £
Trade debtors	399,844	950,178
Amounts owed by group undertakings	15,327	14,495
Other debtors	4,723	-
Prepayments and accrued income	31,075	29,672
Deferred taxation (see note 17)	6,428	6,492
	<u>457,397</u>	<u>1,000,837</u>

15. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	220,068	500
Less: bank overdrafts	-	(25,452)
	<u>220,068</u>	<u>(24,952)</u>

AMARI COPPER ALLOYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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16. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank overdrafts	-	25,452
Trade creditors	141,427	499,161
Amounts owed to group undertakings	1,523,914	1,649,119
Other taxation and social security	83,113	67,486
Other creditors	10,431	2,533
Accruals and deferred income	35,330	184,792
	<u>1,794,215</u>	<u>2,428,543</u>

17. Deferred taxation

	2019 £
At beginning of year	6,492
Charged to profit or loss	(64)
At end of year	<u><u>6,428</u></u>

The deferred tax asset is made up as follows:

	2019 £	2018 £
Fixed asset timing differences	6,428	6,492
	<u>6,428</u>	<u>6,492</u>

AMARI COPPER ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

18. Provisions

	Dilapidation provision £
At 1 January 2019	26,461
Charged to profit or loss	2,277
At 31 December 2019	28,738

The dilapidation provision represents obligations under a tenancy lease and is expected to be utilised over the remaining lease term.

19. Reserves

Profit and loss account

Includes all current and prior period retained profits and losses.

Called up share capital

Represents the nominal value of shares that have been issued which includes 200,000 shares at £1 each.

20. Contingent liabilities

The Company is party to a group banking facility, including a cross guarantee, which has been advanced to the group of Companies headed by Amari Metals Limited. Neither the group nor the Company have pledged assets as security for this facility.

The contingent liability under this arrangement, being the aggregate bank borrowings of the group, at 31 December 2019 and 31 December 2018 was £Nil.

21. Pension commitments

Defined contribution scheme

The amount outstanding at the year end was £Nil (2018 -£Nil). The amount payable to the scheme during the year was £31,193.

Defined benefit scheme

The Company participated in a defined benefit scheme operated by the group of undertakings headed by Amari Metals Limited, for the benefit of all enrolled UK employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. The contributions payable by the Company to the scheme during the year were £27,621.

Information relating to the defined benefit scheme is disclosed in the financial statements of the parent Company, Amari Metals Limited.

AMARI COPPER ALLOYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

22. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	76,170	76,170
Later than 1 year and not later than 5 years	304,680	304,680
Later than 5 years	217,450	291,985
	<u>598,300</u>	<u>672,835</u>
	2019 £	2018 £
Not later than 1 year	4,437	4,437
Later than 1 year and not later than 5 years	4,807	9,244
	<u>9,244</u>	<u>13,681</u>

23. Related party transactions

The Company has taken advantage under the exemption under section 33A of FRS102 not to disclose related party transactions between wholly owned members of the same group.

24. Post balance sheet events

As a result of the spread of COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the financial position, results of operations, and cash flows of the Company. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

25. Controlling party

The ultimate parent company is Britannia Metals Holdings, Ltd., a Company registered in the USA. The largest and smallest group of which the Company is a member and for which group consolidated financial statements are drawn up is headed by Amari Metals Limited, the immediate parent company. Copies of these financial statements are available from Companies House.

The registered office of the immediate parent company is the same as the address of the Company as disclosed in note 1 of the accounts.