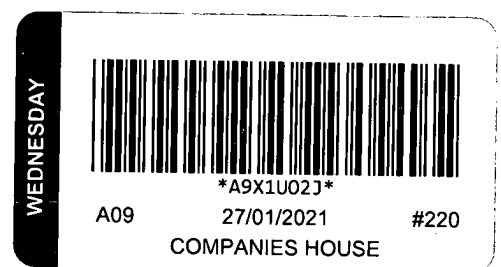


Company Registration No. 10932936 (England and Wales)

**LIBERTY ONESTEEL (MDR) UK LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**



# **LIBERTY ONESTEEL (MDR) UK LTD**

## **CONTENTS**

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	<b>Page</b>
Strategic report	2
Director's report	3
Director's responsibilities statement	4
Independent auditor's report	5 - 7
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Notes to the financial statements	11 - 19

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# **LIBERTY ONESTEEL (MDR) UK LTD**

## **COMPANY INFORMATION**

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<b>Director</b>	Mr S K Gupta
<b>Company number</b>	10932936
<b>Registered office</b>	40 Grosvenor Place 2nd Floor London SW1X 7GG
<b>Auditor</b>	King & King Chartered Accountants & Statutory Auditors First Floor Roxburghe House 273 - 287 Regent Street London W1B 2HA

# LIBERTY ONESTEEL (MDR) UK LTD

## STRATEGIC REPORT

**FOR THE YEAR ENDED 30 JUNE 2020**

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The director presents the strategic report for the year ended 30 June 2020.

### **Fair review of the business**

The principal activity of the company is that of a holding company.

At the year end, the ultimate parent company was Liberty Steel Group Holdings Pte Ltd, a company registered in Singapore wholly owned by Mr Sanjeev Gupta.

The company's statement of comprehensive income is set out on page 8 and shows a loss for the financial year of AU \$6,770,294 (2019: profit of AU \$614,027,062) primarily due to interest payable.

No interim dividend was paid during the year and the director does not recommend a final dividend for the period.

The statement of financial position as at 30 June 2020 shows net assets and members funds of AU \$607,246,085 (2019: AU \$614,016,383).

The company is reliant on the ultimate parent, Liberty Steel Group Holdings Pte Ltd which has confirmed that it will provide the necessary financial support should the company require it in the foreseeable future.

### **Principal risks and uncertainties**

Investment risk – The company holds investments in subsidiary companies. The value of these investments is dependent on the future financial performance and profitability of these subsidiaries. The management regularly monitor and mitigate this risk by review of the management accounts of these companies.

Interest/Credit risk – The company has loans payable to related companies. Change in borrowing interest rates could impact the profitability of the company.

Overall, the companies are reliant on the ultimate parent, Liberty Steel Group Holdings Pte Ltd, who have confirmed that it will provide the necessary financial support should the need arise in the foreseeable future.

### **Other performance indicators**

Financial key performance indicators include profit or loss for the year. This has been evaluated within the strategic report, review of the business.

On behalf of the board



Mr S K Gupta  
Director

Date: 20 January 2021

# **LIBERTY ONESTEEL (MDR) UK LTD**

## **DIRECTOR'S REPORT**

***FOR THE YEAR ENDED 30 JUNE 2020***

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The director presents his annual report and financial statements for the year ended 30 June 2020.

### **Principal activities**

The principal activity of the company was that of a holding company.

### **Results and dividends**

The results for the year are set out on page 8.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

### **Director**

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Mr S K Gupta

### **Auditor**

The auditor, King & King, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Mr S K Gupta  
**Director**

Date: 20 January 2021

# **LIBERTY ONESTEEL (MDR) UK LTD**

## **DIRECTOR'S RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 30 JUNE 2020***

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. He is 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.

# LIBERTY ONESTEEL (MDR) UK LTD

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF LIBERTY ONESTEEL (MDR) UK LTD

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#### Opinion

We have audited the financial statements of Liberty Onesteel (MDR) UK Ltd (the 'company') for the year ended 30 June 2020 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, 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 state of the company's affairs as at 30 June 2020 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

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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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.

However, because not all future events or conditions can be predicted, the statement is not a guarantee as to the company's ability to continue as 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 director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

# **LIBERTY ONESTEEL (MDR) UK LTD**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF LIBERTY ONESTEEL (MDR) UK LTD**

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#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's 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 and the director's report.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of director**

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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



# LIBERTY ONESTEEL (MDR) UK LTD

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF LIBERTY ONESTEEL (MDR) UK LTD

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#### 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 him 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.



**Milankumar Patel (Senior Statutory Auditor)**  
for and on behalf of King & King

Chartered Accountants & Statutory Auditor  
First Floor Roxburghe House  
273 - 287 Regent Street  
London  
W1B 2HA

Date: 20/01/21

# LIBERTY ONESTEEL (MDR) UK LTD

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

		Year ended 30 June 2020 AU \$	Year ended 30 June 2019 AU \$
	Notes		
Administrative expenses		-	10,680
<b>Operating profit</b>		-	10,680
Interest receivable and similar income	5	-	789,985,129
Interest payable and similar expenses	6	(6,770,294)	(6,510,195)
Amounts written off investments	7	(4)	(169,458,552)
<b>(Loss)/profit before taxation</b>		(6,770,298)	614,027,062
Tax on (loss)/profit	8	-	-
<b>(Loss)/profit for the financial year</b>		(6,770,298)	614,027,062
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		(6,770,298)	614,027,062

The income statement has been prepared on the basis that all operations are continuing operations.

# LIBERTY ONESTEEL (MDR) UK LTD

## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

		2020		2019	
	Notes	AU \$	AU \$	AU \$	AU \$
<b>Fixed assets</b>					
Investments	9		783,474,936		783,474,941
<b>Current assets</b>					
Debtors	11	1		-	
<b>Creditors: amounts falling due within one year</b>	12	(5)		(5)	
<b>Net current liabilities</b>			(4)		(5)
<b>Total assets less current liabilities</b>			783,474,932		783,474,936
<b>Creditors: amounts falling due after more than one year</b>	13		(176,228,847)		(169,458,553)
<b>Net assets</b>			607,246,085		614,016,383
<b>Capital and reserves</b>					
Called up share capital	15		1		1
Profit and loss reserves			607,246,084		614,016,382
<b>Total equity</b>			607,246,085		614,016,383

The financial statements were approved and signed by the director and authorised for issue on 20 January 2021



Mr S K Gupta  
Director

Company Registration No. 10932936

# LIBERTY ONESTEEL (MDR) UK LTD

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

	Share capital	Profit and loss reserves	Total
	AU \$	AU \$	AU \$
Balance at 1 July 2018	1	(10,680)	(10,679)
Period ended 30 June 2019:			
Profit and total comprehensive income for the period	-	614,027,062	614,027,062
Balance at 30 June 2019	1	614,016,382	614,016,383
Period ended 30 June 2020:			
Loss and total comprehensive income for the period	-	(6,770,298)	(6,770,298)
Balance at 30 June 2020	1	607,246,084	607,246,085

# LIBERTY ONESTEEL (MDR) UK LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

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### 1 Accounting policies

#### Company information

Liberty Onesteel (MDR) UK Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 40 Grosvenor Place, 2nd Floor, London, SW1X 7GG.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in Australian dollars, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest AU \$.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

The immediate parent company is Liberty Onesteel Ltd, a company registered in British Virgin Islands. At the year end, the ultimate holding company was Liberty Steel Group Holdings Pte Ltd, a company registered in Singapore.

The smallest group in which the results of the company are consolidated is headed by Liberty Onesteel Pte Ltd. The largest group in which the results of the company are consolidated is headed by Liberty Steel Group Holdings Pte Ltd. The financial statements for both, Liberty Onesteel Pte Ltd and Liberty Steel Group Holdings Pte Ltd, are publicly available by writing to the Company Secretary at 8 Marina View, #40—06 Asia Square Tower I, Singapore 018960.

#### 1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future on the understanding that the company has on-going financial support of the group entities and the ultimate parent company, Liberty Steel Group Holdings Pte Ltd. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

# LIBERTY ONESTEEL (MDR) UK LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

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### 1 Accounting policies

(Continued)

#### 1.3 Fixed asset investments

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

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

#### 1.4 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

# LIBERTY ONESTEEL (MDR) UK LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

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### 1 Accounting policies

(Continued)

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans and loans from fellow group, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.6 Equity instruments

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

### 1.7 Taxation

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

# LIBERTY ONESTEEL (MDR) UK LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

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### 1 Accounting policies

(Continued)

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

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

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

### 1.8 Foreign exchange

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

### 2 Judgements and key sources of estimation uncertainty

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

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

#### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### **Fixed asset investments**

The carrying value of the fixed asset investments have been assessed for impairment at the reporting date. Calculation of the impairment requires judgement to be made which includes reviewing the financial statements of the subsidiaries, at the reporting date, to assess their financial health.



# LIBERTY ONESTEEL (MDR) UK LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

### 3 Auditor's remuneration

	2020	2019
	AU \$	AU \$
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	12,924	15,120

The audit fees for current and prior years have been borne by a fellow group company.

### 4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

2020	2019
Number	Number
1	1

### 5 Interest receivable and similar income

	2020	2019
	AU \$	AU \$
<b>Interest income</b>		
Interest receivable from group companies	-	6,510,195
<b>Other income from investments</b>		
Dividends received	-	783,474,934
Total income	-	789,985,129

### 6 Interest payable and similar expenses

	2020	2019
	AU \$	AU \$
Interest payable to group undertakings	6,770,294	6,510,195

### 7 Amounts written off investments

	2020	2019
	AU \$	AU \$
Amounts written back to/(written off) non-current loans	-	(11,760,552)
Other gains and losses	(4)	(157,698,000)
	(4)	(169,458,552)

# LIBERTY ONESTEEL (MDR) UK LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

### 8 Taxation

The actual charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2020 AU \$	2019 AU \$
(Loss)/profit before taxation	(6,770,298)	614,027,062
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(1,286,357)	116,665,142
Tax effect of expenses that are not deductible in determining taxable profit	1,286,357	1,234,907
Tax effect of income not taxable in determining taxable profit	-	30,960,188
Dividend income	-	(148,860,237)
Taxation charge for the period	-	-

### 9 Fixed asset investments

	Notes	2020 AU \$	2019 AU \$
Investments in subsidiaries	10	783,474,936	783,474,941

#### Movements in fixed asset investments

	Shares in group undertakings AU \$
<b>Cost or valuation</b>	
At 1 July 2019	783,474,941
Disposals	(1)
At 30 June 2020	783,474,940
<b>Impairment</b>	
At 1 July 2019	-
Impairment losses	4
At 30 June 2020	4
<b>Carrying amount</b>	
At 30 June 2020	783,474,936
At 30 June 2019	783,474,941

# LIBERTY ONESTEEL (MDR) UK LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

### 10 Subsidiaries

Details of the company's subsidiaries at 30 June 2020 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Liberty (Austube Mills) UK Ltd***	United Kingdom	Ordinary	100.00
Liberty Onesteel (Distribution) UK Ltd***	United Kingdom	Ordinary	100.00
Liberty Onesteel (Manufacturing) UK Ltd***	United Kingdom	Ordinary	100.00
Liberty Onesteel (Recycling) UK Ltd***	United Kingdom	Ordinary	100.00
Liberty Holdings Australia Ltd	Australia	Ordinary	100.00
Liberty Greenpower Pty Ltd	Australia	Ordinary	100.00

\*\*\* Post year end, process has been initiated to strike off these companies at Companies House.

### 11 Debtors

	2020 AU \$	2019 AU \$
Amounts falling due within one year:		
Amounts owed by group undertakings	1	-

### 12 Creditors: amounts falling due within one year

	2020 AU \$	2019 AU \$
Amounts owed to group undertakings	5	5

### 13 Creditors: amounts falling due after more than one year

	Notes	2020 AU \$	2019 AU \$
Other borrowings	14	176,228,847	169,458,553

The long term loans are secured by fixed and floating charges over the company's assets.

Interest has been charged at the effective interest rate of 4% and the loan is repayable in full within 15 years.

Amounts included above which fall due after five years are as follows:

Payable other than by instalments	(176,228,847)	(169,458,553)
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# LIBERTY ONESTEEL (MDR) UK LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

### 14 Loans and overdrafts

	2020 AU \$	2019 AU \$
Loans from group undertakings	176,228,847	169,458,553
Payable after one year	176,228,847	169,458,553

The long term loans are secured by fixed and floating charges over the company's assets.

Interest has been charged at the effective interest rate of 4% and the loan is repayable in full within 15 years.

### 15 Share capital

	2020 AU \$	2019 AU \$
Ordinary share capital Issued and fully paid 1 Ordinary share of GBP £1 each	1	1

### 16 Events after the reporting date

#### Impact of COVID-19

On 11 March 2020, the World Health Organization declared the Corona-Virus (COVID-19) outbreak to be a pandemic in recognition of its rapid spread across the globe, with over 200 countries now affected. Many governments are taking increasingly stringent steps to help contain or delay the spread of the virus. Currently, there is significant increase in economic uncertainty which is, for example, evidenced by more volatile asset prices and currency exchange rates.

Due to the uncertainty of the outcome of the current events, the company cannot reasonably estimate the impact these events will have on the company's financial position, results of operations or cash flows in the future.

### 17 Related party transactions

The company has taken advantage of the exemption not to disclose balances or transactions with wholly owned members of the Liberty Steel Group Holdings Pte Ltd Group.

# **LIBERTY ONESTEEL (MDR) UK LTD**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 30 JUNE 2020***

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### **18 Ultimate controlling party**

The immediate parent company is Liberty Onesteel Ltd, a company registered in British Virgin Islands. At the year end, the ultimate holding company was Liberty Steel Group Holdings Pte Ltd, a company registered in Singapore.

The smallest group in which the results of the company are consolidated is headed by Liberty Onesteel Pte Ltd. The largest group in which the results of the company are consolidated is headed by Liberty Steel Group Holdings Pte Ltd. The financial statements for both, Liberty Onesteel Pte Ltd and Liberty Steel Group Holdings Pte Ltd, are publicly available by writing to the Company Secretary at 8 Marina View, #40 —06 Asia Square Tower I, Singapore 018960.

The ultimate beneficial owner is S K Gupta.