

AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD

FROM 24 DECEMBER 2018 TO 31 DECEMBER 2019

Company Registration no: 11740090



AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

THE DIRECTORS' REPORT FOR THE PERIOD FROM 24 DECEMBER 2018 TO 31 DECEMBER 2019

The Directors present their report and the financial statements for the period from 24 December 2018 to 31 December 2019. The Company was incorporated on 24 December 2018.

PRINCIPAL ACTIVITIES

The principal activity of the Company is an investment holding company.

In preparing this Directors' report, advantage has been taken of the small companies exemptions provided by section 415A of the Companies Act 2006.

RESULTS AND DIVIDENDS

The profit for the year after taxation was £nil.

No interim dividend was paid in 2019. No final dividend in respect of 2019 is recommended by the Directors.

The shareholders' funds were £100 at the end of the period.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company is an investment holding company, and its main risks relate to the trading risks of its subsidiaries. These comprise (but are not restricted to) the demand and supply and price fluctuations of the commodities and products they sell.

DIRECTORS

The following Directors served during the period:

Mr D S Sher (appointed on 24 December 2018)
Mr H Michie (appointed on 24 December 2018)

AUDITORS

The auditors, RSM UK Audit LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The Directors have taken all reasonable steps to acquaint themselves with any relevant audit information and have ensured that the auditors RSM UK Audit LLP have received such information. The Directors are not aware of any relevant audit information that has not been passed to the auditors.

POST BALANCE SHEET EVENTS

The Company acquired 1 ordinary share at par in Mckenzie's (Global Trading) Limited on 12 February 2020. This is equivalent to 50% of the share capital of the subsidiary.

The Coronavirus pandemic has resulted in a downturn in the global economy. The Directors believe that whilst the Company's investments may be negatively impacted by this development in 2020, the long term prospects of the investments are not regarded as having been significantly altered by it.

GOING CONCERN

The Directors' going concern assessment has been disclosed in note 2, page 7.

DIRECTORS' LIABILITY INSURANCE AND INDEMNITY

The Company has arranged insurance cover in respect of legal action against its Directors. To the extent permitted by UK law, the Company also indemnifies the Directors. These provisions were in force throughout the year and in force at the date of this report.

SMALL COMPANIES

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

BY ORDER OF THE BOARD



H MICHIE
DIRECTOR

Date: 6th August 2020

AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

We have audited the financial statements of Amalgamated Metal Recycling Holdings Limited for the period from 24 December 2018 to 31 December 2019 which comprise the Balance Sheet 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 31 December 2019 and of its nil result for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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

- 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 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. 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.

AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMALGAMATED METAL RECYCLING HOLDINGS 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has 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 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; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the Directors' report.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 2, 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.

AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMALGAMATED METAL RECYCLING HOLDINGS 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 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.

RSM UK Audit LLP

Paul Watts (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon St
London

Date *17 August 2020*

AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2019

| | Notes | <u>31</u> <u>December</u> <u>2019</u> <u>£</u> |
|------------------------------------|-------|---|
| <u>FIXED ASSETS</u> | | |
| Investments | 4 | <u>250,100</u> |
| | | <u>250,100</u> |
| <u>CAPITAL AND RESERVES</u> | | |
| Share capital | 5 | 100 |
| Shareholders' funds | | <u>100</u> |
| <u>CREDITORS</u> | | |
| | 6 | 250,000 |
| | | <u>250,100</u> |

The notes on pages 7 to 9 form part of these financial statements.

Company Registration no: 11740090

The Company did not trade during the period from 24 December 2018 to 31 December 2019. Therefore, no statement of comprehensive income has been prepared.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on

[6th August 2020]


D S Sher


H MICHIE

DIRECTORS

AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 24 DECEMBER 2018 TO 31 DECEMBER 2019

1. COMPANY INFORMATION

Amalgamated Metal Recycling Holdings Limited is a private company, incorporated in the UK, registered in England and Wales, registration number 11740090 and is limited by shares. The registered office is 55 Bishopsgate, London EC2N 3AH.

The financial statements are prepared for the period from the date of incorporation on 24 December 2018 to 31 December 2019.

2. ACCOUNTING POLICIES

The financial statements have been prepared in compliance with FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime, and under the historical cost convention. The disclosure requirements of Section 1A and FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The Company's business activities and performance are set out in the Directors' Report. The Company participates in the group centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. As explained further in the Directors' Report on page 1, the outbreak of Coronavirus may have negative consequences for the Company's subsidiaries in 2020 however, on the basis of their assessment of the Company's financial position and of the enquiries made of Amalgamated Metal Corporation PLC ("AMC PLC"), the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for more than twelve months following the date of signing the financial statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Valuation of investments

Investments relate to investments in subsidiaries and are stated at cost less provision of any impairment in value. At each balance sheet date the carrying value of each investment is reviewed for any indication of impairment.

Consolidation

Consolidated financial statements are not submitted as the Company is a wholly owned subsidiary of another body corporate incorporated in England and Wales (note 8) which the Company's financial statements are consolidated in.

3. DIRECTORS' AND EMPLOYEES

The average number of employees (including Directors), during the period was two.

The key management personnel are considered to be the Directors of the Company.

The Directors did not receive any remuneration in respect of their services to the Company during the period.

The Directors of the Company are not remunerated by the Company but received remuneration for services provided to a number of group undertakings, paid by AMC PLC, and whose remuneration cannot be reasonably apportioned across the group (refer to note 6 in the consolidated financial statements).

AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 24 DECEMBER 2018 TO 31 DECEMBER 2019

4. INVESTMENTS IN SUBSIDIARIES

| | Investments in Subsidiaries £ | TOTAL £ |
|---|-------------------------------------|----------------|
| Additions | | |
| - Investment in Brookside Metal Trading Limited | 250,000 | 250,000 |
| - Investment in Milver Metal Trading Limited | 100 | 100 |
| Cost at 31 December 2019 | <u>250,100</u> | <u>250,100</u> |

The Directors have considered the recoverable amount of all the fixed asset investments as at 31 December 2019 and are satisfied that their aggregate value was not less than £250,100.

| <u>Company</u> | <u>Registered Office</u> | <u>Main Activities</u> | <u>Type of Shares</u> | <u>Percentage of equity shares held %</u> |
|------------------------------------|---|---|-----------------------|---|
| Milver Metal Trading Limited | 7th floor, 55 Bishopsgate, London, United Kingdom, EC2N 3AH | Dormant | Ordinary | 100 |
| Brookside Metal Trading Limited | 7th floor, 55 Bishopsgate, London, United Kingdom, EC2N 3AH | Trade of scrap and recycled non-ferrous metals | Ordinary | 100 |

5. CALLED UP SHARE CAPITAL

100 ordinary shares of £1 each

All shares were issued on incorporation of the Company at par value.

**31 December
2019
£**

100

6. CREDITORS

Amount owed to Group undertakings

**31 December
2019
£**

250,000

AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 24 DECEMBER 2018 TO 31 DECEMBER 2019

7. SUBSEQUENT EVENTS

The Company acquired 1 ordinary share at par in Mckenzie's (Global Trading) Limited on 12 February 2020. This is equivalent to 50% of the share capital of the subsidiary.

The Coronavirus pandemic has resulted in a downturn in the global economy. The Directors believe that whilst the Company's investments may be negatively impacted by this development in 2020, the long term prospects of the investments are not regarded as having been significantly altered by it.

8. ULTIMATE AND CONTROLLING HOLDING COMPANY

The Company is a subsidiary of Sansing Limited, which is incorporated in Hong Kong.

The Company's ultimate parent undertaking is AMCO Investments Limited (AMCO), a company incorporated in England and Wales. AMCO is the parent of the largest group of undertakings for which consolidated financial statements are drawn up and of which the Company is a member. Copies of the consolidated financial statements of AMCO are available from Companies House.

Amalgamated Metal Corporation ("AMC") is the parent of the smallest group of undertakings for which consolidated financial statements are drawn up and of which the Company is a member. Copies of the consolidated financial statements are available at AMC's registered office: 55 Bishopsgate, London EC2N 3AH.