

AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2020

Company Registration no: 11740090



AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

THE DIRECTORS' REPORT FOR THE YEAR 31 DECEMBER 2020

The Directors present their report and the financial statements for the year ended 31st December 2020.

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 (2019 - £nil).

No interim dividend was paid in 2020 (2019 - £nil). No final dividend in respect of 2020 is recommended by the Directors.

The shareholders' funds were £100 at the end of the year (2019 - £100).

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.

The Coronavirus pandemic has resulted in 2020 in a downturn in the global economy. The Directors believe that whilst the Company's investments may be negatively impacted by this continuing development in 2021, the long term prospects of the investments are not regarded as having been significantly altered by it.

DIRECTORS

The following Directors served during the period:

Mr D S Sher
Mr H Michie

AUDITORS

In accordance with Section 485 of the Companies Act 2006, a resolution proposing that RSM UK Audit LLP be reappointed will be put to the members at the upcoming Annual General Meeting.

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

There were no events after the reporting period which require disclosure.

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: 26th May 2021

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 year ended 31 December 2020 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 2020 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

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.

AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, and evaluating advice received from internal tax advisors.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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 Street
London
EC4A 4AB

Date 27 May 2021

AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	<u>2020</u> £	<u>2019</u> £
<u>FIXED ASSETS</u>			
Investments	5	<u>750,101</u>	<u>250,100</u>
		<u>750,101</u>	<u>250,100</u>
<u>CAPITAL AND RESERVES</u>			
Share capital	6	100	100
Shareholders' funds		<u>100</u>	<u>100</u>
<u>CREDITORS</u>			
	7	750,001	250,000
		<u>750,101</u>	<u>250,100</u>

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

Company Registration no: 11740090

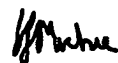
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

26th May 2021



D S Sher



H MICHIE

DIRECTORS

AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR 31 DECEMBER 2020

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.

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 continue to have negative consequences for the Company's subsidiaries in 2021 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 subsidiary of another body corporate incorporated in England and Wales (note 9) which the Company's financial statements are consolidated in.

3. SIGNIFICANT JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In preparing these financial statements, the Directors have had to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historic experiences and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities and are not readily apparent from other sources. Actual results may differ from these estimates. The judgements, estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are:

Investments

The company holds £750,101 in investments in subsidiaries at the balance sheet date (2019 - £250,100). The key judgement made relates to the carrying value and impairment of investments (note 5). The directors estimate that the net assets of the subsidiary are the carrying value of the investment, and any negative difference would represent impairment in the investment. In the year, there was no impairment calculated.

AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

4. 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).

5. INVESTMENTS IN SUBSIDIARIES

	2020 £	2019 £
Cost brought forward at 1 January	250,100	-
- Investment in Brookside Metal Trading Limited	500,000	250,000
- Investment in McKenzies (Global Trading Limited)	1	-
- Investment in Milver Metal Trading Limited	-	100
Cost at 31 December	<u>750,101</u>	<u>250,100</u>

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

The Directors have considered the recoverable amount of all the fixed asset investments as at 31 December 2020 and are satisfied that their aggregate value was not less than £750,101.

Company	Registered Office	Main Activities	Type of Shares	Percentage of equity shares held %
Brookside Metal Trading Limited	7th floor, 55 Bishopsgate, London, United Kingdom, EC2N 3AH	Trade of scrap and recycled non-ferrous metals	Ordinary	100
McKenzies (Global Trading) Limited	76-86 Duncrue Street, Belfast, Northern Ireland, BT3 9AR	Trade of scrap and recycled non-ferrous metals	Ordinary	50
Milver Metal Trading Limited	7th floor, 55 Bishopsgate, London, United Kingdom, EC2N 3AH	Trade of scrap and recycled non-ferrous metals	Ordinary	100

AMALGAMATED METAL RECYCLING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	<u>31 December</u> <u>2020</u> <u>£</u>	<u>31 December</u> <u>2019</u> <u>£</u>
6. <u>CALLED UP SHARE CAPITAL</u>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
All shares were issued on incorporation of the Company at par value.		
7. <u>CREDITORS</u>		
Amount owed to parent company	<u>750,001</u>	<u>250,000</u>

8. SUBSEQUENT EVENTS

There were no events after the reporting period which require disclosure.

9. 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.