

BLYTH METALS LIMITED
STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2023

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FOR THE YEAR ENDED 31 MARCH 2023**

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BLYTH METALS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2023

DIRECTORS: Dr N Blyth
Ms D L Pears
Ms P A Shepherd

SECRETARY: Ms P A Shepherd

REGISTERED OFFICE: Todwick Road
Dinnington
Sheffield
South Yorkshire
S25 3SE

REGISTERED NUMBER: 01588420 (England and Wales)

AUDITORS: Xeinadin Audit Limited
Sidings House
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

BANKERS: Barclays

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

The directors present their strategic report for the year ended 31 March 2023.

REVIEW OF BUSINESS

As reported in the profit and loss account the company revenue has shown an decrease this year from £11,764,198 in 2022 to £11,042,320 in the current year, an decrease of 6.54%. The gross profit margin was 12.33% this year against 11.31% in 2022. The gross profit contribution was £1,361,773 this year against £1,330,767 in 2022. Profit after tax has increased from £1,246,587 to £1,272,291 in the current period. The balance sheet shows that the company's net assets at the year end has increased from £9,155,654 to £10,150,945 at the 31 March 2023.

PRINCIPAL RISKS AND UNCERTAINTIES

Management continually monitor the key risks facing the company together with assessing the controls used for monitoring these risks. The company has always had a stable financial background so the directors continue to hold the opinion that the company will still be able to meet its commitment to the future.

The principal risks and uncertainties facing the company are therefore as follows:

Credit risk - the company has a policy that requires appropriate credit checks to be made on its customers. Stringent and regular reviews of customer accounts are made to ensure that payments are received within prearranged credit periods.

Economic risk - the company provides materials for the iron and steel manufacturing industries. It maintains close relationships with its key customers in order to be able to identify the early signs of potential financial difficulties and declines in local business. Sales trends in its major markets are constantly reviewed to enable early action to be taken in the event of sales declining in any sector. The company has a close working relationship with its customers and therefore knows their needs. The company sources appropriate materials for its customers. The directors are aware of the uncertainty of trade in the steel industry and consider that their substantive experience using the world wide steel market will carry them through the short term future.

Competitor risk - the market in which the company operates is considered to be competitive and therefore competitor pressure can result in losing sales. The company manages this risk by providing quality products and maintaining strong relations with its key customers because of its supplier contacts throughout the world.

Reliance on key suppliers - the company purchases products from all over the world but is currently reliant on certain suppliers giving rise to potential inflationary pricing pressure. The company manages this risk by monitoring its existing suppliers against other material suppliers and by seeking alternative suppliers that may be used. The company realises its risk in currency fluctuations and manages its transactions to take advantage of any substantive movements by holding funds in certain currencies where substantial volumes of business are coordinated.

Loss of key personnel - the directors acknowledge that loss of key personnel would present some operational difficulties for the company. Management seeks to ensure that key personnel are encouraged to ensure that good performance is recognised and also to encourage its existing employees to gain senior positions.

Key performance indicators - management regularly monitor the performance of the company. The key performance indicators used by management are turnover, profitability and cash flow. Management also review stock holding levels to assess both profitability and liquidity

ON BEHALF OF THE BOARD:

Ms P A Shepherd - Director

12 September 2023

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2023**

The directors present their report with the financial statements of the company for the year ended 31 March 2023.

DIVIDENDS

No interim dividend was paid during the year. The directors recommend a final dividend of 25.18 per share.

The total distribution of dividends for the year ended 31 March 2023 will be £ 277,000 .

FUTURE DEVELOPMENTS

The directors will continue to search for new products and markets within its industry to sustain/increase its level of business.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

Dr N Blyth
Ms D L Pears
Ms P A Shepherd

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 these 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that she ought to have taken as a director in order to make herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2023**

AUDITORS

The auditors, Xeinadin Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Ms P A Shepherd - Director

12 September 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BLYTH METALS LIMITED

Opinion

We have audited the financial statements of Blyth Metals Limited (the 'company') for the year ended 31 March 2023 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 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 March 2023 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 Auditors' 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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BLYTH METALS LIMITED**

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 Report of the Directors.

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 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 Statement of Directors' Responsibilities set out on page three, 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 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BLYTH METALS LIMITED

Auditors' 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the company, we identified that the principal risks of non-compliance with the laws and regulations specific to the industry and corporation tax legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. As part of this assessment we considered both quantitative and qualitative factors. We also considered those laws and regulations that have a direct impact on the preparation on the financial statements, such as the Companies Act 2006 and FRS 102.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements which included the risk of management override of controls. We determined that the principal risks were related to posting inappropriate journal entries, omitting, advancing or delaying recognition of events and transactions that have occurred during or after the reporting period, and potential management bias in the determination of accounting estimates or judgements to manipulate results.

Audit procedures performed by the engagement team include:

- Enquiring of and obtaining written representation from management in relation to known or suspected instances of non-compliance with laws and regulations and fraud;
- Enquiring of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Evaluation of management's controls designed to prevent and detect irregularities;
- Identifying and, where relevant, testing journal entries posted by senior management or with unusual combinations;
- Assessing and evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Incorporating elements of unpredictability into the nature, timing and/or extent of audit procedures performed.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through collusion.

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 Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BLYTH METALS LIMITED**

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 a Report of the Auditors 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.

Andrew Cribb FCA (Senior Statutory Auditor)
for and on behalf of Xeinadin Audit Limited
Sidings House
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

25 September 2023

BLYTH METALS LIMITED (REGISTERED NUMBER: 01588420)

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

		2023		2022	
	Notes	£	£	£	£
TURNOVER	3	11,042,320		11,764,198	
Cost of sales		<u>9,680,547</u>		<u>10,433,431</u>	
GROSS PROFIT		1,361,773		1,330,767	
Administrative expenses		<u>61,746</u>		<u>236,774</u>	
		1,300,027		1,093,993	
Other operating income	4	<u>14,000</u>		<u>12,115</u>	
OPERATING PROFIT	7	1,314,027		1,106,108	
Income from participating interests	8	186,312		434,734	
Interest receivable and similar income	9	<u>62,593</u>		<u>1,723</u>	
		248,905		436,457	
PROFIT BEFORE TAXATION		1,562,932		1,542,565	
Tax on profit	10	<u>368,861</u>		<u>295,978</u>	
PROFIT FOR THE FINANCIAL YEAR		<u>1,194,071</u>		<u>1,246,587</u>	

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
PROFIT FOR THE YEAR		1,194,071	1,246,587
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,194,071</u>	<u>1,246,587</u>

The notes form part of these financial statements

BLYTH METALS LIMITED (REGISTERED NUMBER: 01588420)

**BALANCE SHEET
31 MARCH 2023**

		2023		2022	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	12		-		-
Tangible assets	13		69,986		32,860
Investments	14		<u>739,453</u>		<u>650,718</u>
			809,439		683,578
CURRENT ASSETS					
Stocks	15	5,538,191		3,676,034	
Debtors	16	2,357,842		2,627,323	
Cash at bank and in hand		<u>4,589,246</u>		<u>6,472,857</u>	
		12,485,279		12,776,214	
CREDITORS					
Amounts falling due within one year	17	<u>3,205,283</u>		<u>4,295,670</u>	
NET CURRENT ASSETS			9,279,996		8,480,544
TOTAL ASSETS LESS CURRENT LIABILITIES			10,089,435		9,164,122
PROVISIONS FOR LIABILITIES	18		<u>16,710</u>		<u>8,468</u>
NET ASSETS			10,072,725		9,155,654
CAPITAL AND RESERVES					
Called up share capital	19	11,000		11,000	
Retained earnings	20	<u>10,061,725</u>		<u>9,144,654</u>	
SHAREHOLDERS' FUNDS			10,072,725		9,155,654

The financial statements were approved by the Board of Directors and authorised for issue on 12 September 2023 and were signed on its behalf by:

Ms P A Shepherd - Director

The notes form part of these financial statements

BLYTH METALS LIMITED (REGISTERED NUMBER: 01588420)**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2021	11,000	8,150,067	8,161,067
Changes in equity			
Dividends	-	(252,000)	(252,000)
Total comprehensive income	-	1,246,587	1,246,587
Balance at 31 March 2022	11,000	9,144,654	9,155,654
Changes in equity			
Dividends	-	(277,000)	(277,000)
Total comprehensive income	-	1,194,071	1,194,071
Balance at 31 March 2023	11,000	10,061,725	10,072,725

The notes form part of these financial statements

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

		2023	2022
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	(1,685,538)	748,754
Tax paid		(249,260)	(204,719)
Net cash from operating activities		(1,934,798)	544,035
Cash flows from investing activities			
Purchase of tangible fixed assets		(58,983)	(23,843)
Sale of tangible fixed assets		-	4,000
Interest received		62,593	1,723
Dividends received		186,312	434,734
Net cash from investing activities		189,922	416,614
Cash flows from financing activities			
Intercompany loan		227,000	202,000
Increase in investment		(88,735)	(168,864)
Equity dividends paid		(277,000)	(252,000)
Net cash from financing activities		(138,735)	(218,864)
(Decrease)/increase in cash and cash equivalents		(1,883,611)	741,785
Cash and cash equivalents at beginning of year	2	6,472,857	5,731,072
Cash and cash equivalents at end of year	2	4,589,246	6,472,857

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2023	2022
	£	£
Profit before taxation	1,562,932	1,542,565
Depreciation charges	21,857	15,209
Profit on disposal of fixed assets	-	(4,000)
Government grants	-	(115)
Finance income	(248,905)	(436,457)
	1,335,884	1,117,202
Increase in stocks	(1,862,157)	(1,304,511)
Decrease/(increase) in trade and other debtors	269,481	(1,343,272)
(Decrease)/increase in trade and other creditors	(1,428,746)	2,279,335
Cash generated from operations	(1,685,538)	748,754

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2023

	31.3.23	1.4.22
	£	£
Cash and cash equivalents	4,589,246	6,472,857

Year ended 31 March 2022

	31.3.22	1.4.21
	£	£
Cash and cash equivalents	6,472,857	5,731,072

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	6,472,857	(1,883,611)	4,589,246
	6,472,857	(1,883,611)	4,589,246
Total	6,472,857	(1,883,611)	4,589,246

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. STATUTORY INFORMATION

Blyth Metals Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Interest income is recognised as interest accrues.

Dividend income is recognised when the right to receive the income has been established.

Grant income relating to revenue is recognised on an accruals basis. Income is recognised on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. A grant becomes receivable as compensation for expenses or losses already incurred or for the purposes of giving immediate financial support with no future related costs is recognised in income in the period in which it becomes receivable.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of nil years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - 25% on cost

Investments in associates

Investments in associate undertakings are recognised at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Leases

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of the 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.

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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and liabilities are recognised when the company becomes party to the contractual provisions of the financial instrument. The company holds both basic and non-basic financial instruments, which comprise cash and cash equivalents, trade and other debtors, trade and other creditors, derivative financial instruments and equity investments.

The company has chosen to apply the measurement and recognition provisions of Section 11 Basic Financial Instruments and Section 12 Other Financial Instruments in full.

Financial assets - classified as basic financial instruments

Cash and cash equivalents - comprise cash in hand, deposits held with banks and other short-term highly liquid investments with original maturities of three months or less.

Trade and other debtors - are recognised at the transaction price. Amounts that are receivable within one year are measured at the undiscovered amount expected to be receivable, net of any impairment.

At the end of each reporting year, the company assesses whether there is objective evidence that any financial asset amount may be impaired. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the financial assets. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows. The amount of the provision is recognised immediately in profit or loss.

Equity investments are recognised at the transaction price.

Financial liabilities - classified as basic financial instruments

Trade and other creditors - are measured at the transaction price. Amounts that are payable within one year are measured at the undiscovered amount expected to be payable.

Derivative financial instrument - classified as non-basic financial instruments

Derivative financial instruments are initially recognised at fair value at the date the derivative contract is entered into.

Impairment of assets

At each reporting end date, the company reviews the carrying value of its assets and liabilities to determine whether there is any indication that those assets or liabilities have suffered an impairment loss. If any such indication exist, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

The recoverable amount of an asset is the higher fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset, or cash generating unit. The present value calculations involves estimating the future cash inflows and outflows to be derived from continuing use of the asset, and from its ultimate disposal, applying an appropriate discount rate to those future cash flows.

Where the recoverable amount of an asset is less than the carrying amount, an impairment loss is recognised immediately in profit and loss. An impairment loss recognised for all assets is reversed in a subsequent period if, and only if, the reasons for the impairment loss have ceased to apply. Impairment losses are charged to profit or loss in administration expenses.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2023	2022
	£	£
Sales of metal alloys	10,914,102	11,650,397
Admin services provided	128,218	113,801
	<u>11,042,320</u>	<u>11,764,198</u>

An analysis of turnover by geographical market is given below:

	2023	2022
	£	£
United Kingdom	6,126,865	5,159,961
Europe	3,704,742	5,253,639
Other global sales	1,082,495	1,236,797
Management charges received	128,218	113,801
	<u>11,042,320</u>	<u>11,764,198</u>

4. OTHER OPERATING INCOME

	2023	2022
	£	£
Management fees	14,000	12,000
Government grants	-	115
	<u>14,000</u>	<u>12,115</u>
	<u>2023</u>	<u>2022</u>
	£	£
Government grants CJRS income	<u>-</u>	<u>115</u>

During the year the company has received grant income under the HM Government Coronavirus Job Retention Scheme totalling £nil (2022: £115). Amounts recognised are included in Other Operating Income

5. EMPLOYEES AND DIRECTORS

	2023	2022
	£	£
Wages and salaries	452,151	393,967
Social security costs	44,951	37,766
Other pension costs	5,879	6,501
	<u>502,981</u>	<u>438,234</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

5. EMPLOYEES AND DIRECTORS - continued

The average number of employees during the year was as follows:

	2023	2022
Material processing	11	12
Administration	3	3
Directors	3	3
	<u>17</u>	<u>18</u>

6. DIRECTORS' EMOLUMENTS

	2023	2022
	£	£
Directors' remuneration	95,702	102,341
Directors' pension contributions to money purchase schemes	<u>1,001</u>	<u>1,979</u>

7. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2023	2022
	£	£
Rent of processing yard	15,000	15,000
Depreciation - owned assets	21,857	15,209
Profit on disposal of fixed assets	-	(4,000)
Auditors' remuneration	<u>5,200</u>	<u>4,500</u>

8. INCOME FROM PARTICIPATING INTERESTS

	2023	2022
	£	£
Interest in associate undertakings	<u>186,312</u>	<u>434,734</u>

9. INTEREST RECEIVABLE AND SIMILAR INCOME

	2023	2022
	£	£
Deposit account interest	58,552	1,723
HMRC interest	<u>4,041</u>	-
	<u>62,593</u>	<u>1,723</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

10. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2023 £	2022 £
Current tax:		
UK corporation tax	360,619	290,464
Deferred tax	8,242	5,514
Tax on profit	<u>368,861</u>	<u>295,978</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2023 £	2022 £
Profit before tax	<u>1,562,932</u>	<u>1,542,565</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	296,957	293,087
Effects of:		
Expenses not deductible for tax purposes	-	327
Super deductions	(3,494)	(328)
Change in rate	75,398	2,892
Total tax charge	<u>368,861</u>	<u>295,978</u>

11. DIVIDENDS

	2023 £	2022 £
Ordinary shares of 1 each		
Final	<u>277,000</u>	<u>252,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

12. INTANGIBLE FIXED ASSETS

**Computer
software
£**

COST

At 1 April 2022
and 31 March 2023

2,400

AMORTISATION

At 1 April 2022
and 31 March 2023

2,400

NET BOOK VALUE

At 31 March 2023
At 31 March 2022

-

-

13. TANGIBLE FIXED ASSETS

**Plant and
machinery
£**

COST

At 1 April 2022
Additions
At 31 March 2023

598,215

58,983

657,198

DEPRECIATION

At 1 April 2022
Charge for year
At 31 March 2023

565,355

21,857

587,212

NET BOOK VALUE

At 31 March 2023
At 31 March 2022

69,986

32,860

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

14. FIXED ASSET INVESTMENTS

	Interest in associate £
COST	
At 1 April 2022	650,718
Share of profit/(loss)	88,735
At 31 March 2023	<u>739,453</u>
NET BOOK VALUE	
At 31 March 2023	<u>739,453</u>
At 31 March 2022	<u>650,718</u>

15. STOCKS

	2023	2022
	£	£
Stocks	<u>5,538,191</u>	<u>3,676,034</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	2,228,606	2,215,374
VAT	111,011	395,664
Prepayments and accrued income	18,225	16,285
	<u>2,357,842</u>	<u>2,627,323</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	1,062,648	2,586,626
Amounts owed to group undertakings	1,881,984	1,654,984
Tax	126,409	15,050
Social security and other taxes	26,027	27,266
Other creditors	1,684	3,132
Accruals and deferred income	106,531	8,612
	<u>3,205,283</u>	<u>4,295,670</u>

18. PROVISIONS FOR LIABILITIES

	2023	2022
	£	£
Deferred tax	<u>16,710</u>	<u>8,468</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

18. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 April 2022	8,468
Charge to Income Statement during year	<u>8,242</u>
Balance at 31 March 2023	<u><u>16,710</u></u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal	2023	2022
Number:	Class:	value:	£	£
11,000	Ordinary	1	<u><u>11,000</u></u>	<u><u>11,000</u></u>

20. RESERVES

	Retained earnings £
At 1 April 2022	9,144,654
Profit for the year	1,194,071
Dividends	<u>(277,000)</u>
At 31 March 2023	<u><u>10,061,725</u></u>

21. ULTIMATE PARENT COMPANY

E E Blyth & Co Limited is regarded by the directors as being the company's ultimate parent company.

The parent company is 99.1% owned by Mr P E Blyth. E E Blyth & Co Limited owns 100% of the voting shares of Blyth Metals Limited.

22. CONTINGENT LIABILITIES

As at the 31 March 2023 there were the following contingent liabilities.

An indemnity has been given to its bankers in respect of outstanding credits, forward currency contracts and acceptances.

The company has given its bankers a fixed and floating charge over certain of its assets. A contingent charge could arise if the bankers foreclose on its charges. The directors are not aware of any circumstances that could arise which would give its bankers cause to foreclose.

Apart from the above item and normal trade warranties the directors know of no other significant contingent liabilities as at the 31 March 2023.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

23. RELATED PARTY DISCLOSURES

E E Blyth & Co Limited

EE Blyth & Co Limited, Carlton Industrial Estate, Carlton in Lindrick, Worksop, Nottinghamshire, S81 9LB is the ultimate parent undertaking and controlling party. The parent company prepares consolidated accounts. During the year the following transactions were made:-

		2023	2022
	£		
Rent paid to E E Blyth & Co Limited		25,000	25,000
Management services provided by the company to E E blyth & Co Limited		14,000	12,000
Amount due by the company to E E Blyth & Co Limited on loan account		1,881,984	1,654,984

Blyth Marble Limited

Blyth Marble is a related company for group and tax purposes 89.1% of the voting share capital of this company was owned by E E Blyth & Co Limited at 31 March 2023. There is no trading between Blyth Marble Limited and Blyth Metals Limited. Some expenses are shared and recharged as appropriate. There was nothing material involved.

Blyth & Co (Japan) Limited

In the year, Blyth & Co (Japan) Limited became a related company for group and tax purposes via Blyth Metals Limited's 60% share holding of the voting share capital. In the prior year, the company held 40% of the voting power of Blyth & Co (Japan) Limited however this was increased in the year following a share restructuring. There is trading between Blyth & Co (Japan) Limited and Blyth Metals Limited. These transactions are eliminated upon consolidation in the financial statements of the ultimate parent entity, E.E Blyth & Co Limited.

Tophet-Blyth LLC

Tophet-Blyth LLC is a 50/50 partnership between Blyth Metals Limited and Tophet Corporation Inc (registered in USA). Blyth Metals Limited can not exercise control over the company. The company is not associated for tax purposes.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.