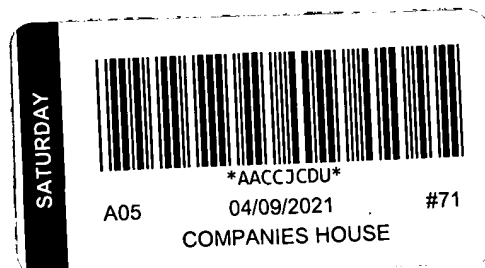


Company Registration No. 05386948 (England and Wales)

**METALS & ALLOYS INTERNATIONAL LIMITED**

**UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2020**

**PAGES FOR FILING WITH REGISTRAR**



**METALS & ALLOYS INTERNATIONAL LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2020**

		2020		2019 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		32,992		46,074
<b>Current assets</b>					
Stocks		1,472,974		1,073,249	
Debtors	7	1,489,434		1,494,587	
Cash at bank and in hand		696,083		513,941	
		<u>3,658,491</u>		<u>3,081,777</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(1,759,260)</u>		<u>(1,557,644)</u>	
<b>Net current assets</b>			<u>1,899,231</u>		<u>1,524,133</u>
<b>Total assets less current liabilities</b>			<u>1,932,223</u>		<u>1,570,207</u>
<b>Creditors: amounts falling due after more than one year</b>	9		(208,333)		-
<b>Provisions for liabilities</b>	10		<u>(5,942)</u>		<u>(4,097)</u>
<b>Net assets</b>			<u><u>1,717,948</u></u>		<u><u>1,566,110</u></u>
<b>Capital and reserves</b>					
Called up share capital			75		75
Capital redemption reserve	11		25		25
Profit and loss reserves	11		<u>1,717,848</u>		<u>1,566,010</u>
<b>Total equity</b>			<u><u>1,717,948</u></u>		<u><u>1,566,110</u></u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

**METALS & ALLOYS INTERNATIONAL LIMITED**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**

**AS AT 31 DECEMBER 2020**

The financial statements were approved by the board of directors and authorised for issue on 12/08/2021  
and are signed on its behalf by:

  
.....  
Mr G Mac  
Director

  
.....  
Mr R Dajczak  
Director

# METALS & ALLOYS INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Company information

Metals & Alloys International Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Ennerdale Suite, Paragon House, Paragon Business Park, Chorley New Road, Bolton, Lancashire, BL6 6HG.

#### 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

The financial statements have been prepared with application of the FRS 102 Triennial Review 2017 amendments in full. The amendments have not impacted these financial statements.

#### Going concern

The Directors have reviewed in detail the company's financial position and have considered the appropriate basis on which to prepare the financial statements. Despite the significant impact of COVID-19, the company has made a profit for the year and was in a strong financial position at the end of the year with current assets exceeding current liabilities by £1,899,231 (2019: £1,524,133). Careful planning and cost cutting measures have been implemented where necessary and this has minimised the effect of the pandemic on the company. The current order book now and moving forward is looking healthy. Turnover for Q4 of 2020 and Q1 and Q2 of 2021 has returned towards normal levels and it is anticipated by the directors that the underlying profit for 2021 will return to pre-pandemic levels. The Directors have therefore formed a judgment, at the time of approving the financial statements, that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Turnover

The turnover in the profit and loss account represents the value of all goods sold during the period, less returns received, at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the products, such as obsolescence, have been transferred to the customer.

#### Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Plant and machinery	33.3% straight line
Fixtures & fittings	33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# METALS & ALLOYS INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies (Continued)

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, those overheads that have been incurred in bringing the stocks to their present location and condition.

Cost is calculated using the first-in first-out method and is defined as the amounts incurred in bringing the stock to its present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### **Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

#### **Financial instruments**

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

Financial instruments are recognised 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 trade and other 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.

#### **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 trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction.

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

#### **Equity instruments**

Equity instruments issued by the company are recorded at the fair value of 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.

# **METALS & ALLOYS INTERNATIONAL LIMITED**

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

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **1 Accounting policies (Continued)**

##### **Taxation**

The tax expense represents the sum of the current tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity. Current tax assets and current tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

##### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

##### **Retirement benefits**

The company operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the company. Contributions payable are charged to the profit and loss account in the year they are payable.

##### **Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

##### **Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

# METALS & ALLOYS INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies (Continued)

#### Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

### 2 Prior period adjustment

Subsequent to the approval of the prior year financial statements, certain purchase invoices came to light for which an accrual had not been made. Accordingly, as there was a material impact on the current year financial statements, the comparative amounts presented have been restated to correctly reflect the cost incurred in each year and the liabilities outstanding at the end of the comparative and pre-comparative year, in respect of these invoices.

The impact on the comparative and pre-comparative amounts presented is given below.

#### Changes to the statement of financial position

	As previously reported	Adjustment at 1 Jan 2019	Adjustment at 31 Dec 2019	As restated at 31 Dec 2019
	£	£	£	£
<b>Creditors due within one year</b>				
Taxation	(83,589)	17,274	41,844	(24,471)
Accruals and deferred income	(39,417)	(90,914)	(220,234)	(350,565)
<b>Net assets</b>	<u>1,818,140</u>	<u>(73,640)</u>	<u>(178,390)</u>	<u>1,566,110</u>
<b>Capital and reserves</b>				
Profit and loss	<u>1,818,040</u>	<u>(73,640)</u>	<u>(178,390)</u>	<u>1,566,010</u>

In the comparative period ended 31 December 2019, cost of sales increased by £220,234, taxation decreased by £41,844 and profit for the financial period reduced by £178,390 as a result of the prior period adjustment.

### 3 Operating profit before other operating income and non-recurring administrative expenses

During the prior year, the company incurred certain regulatory costs totalling £103,450. The directors consider these costs to be one-off in nature and as such have chosen to disclose these costs on the statement of comprehensive income. Included within other operating income was government grant income totalling £59,239 during the current year, however no such income was recognised in the prior year. The directors have disclosed operating profit before other operating income and non-recurring administrative expenses on the statement of comprehensive income in order to present a more comparable measure of performance against the prior year.

# METALS & ALLOYS INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 4 Employees

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

	2020 Number	2019 Number
Total	9	13

### 5 Directors' remuneration

	2020 £	2019 £
Remuneration paid to directors	284,158	224,432

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2019 - 3).

### 6 Tangible fixed assets

	Plant and machinery £	Fixtures & fittings £	Total £
<b>Cost</b>			
At 1 January 2020	66,767	33,880	100,647
Additions	19,307	-	19,307
At 31 December 2020	86,074	33,880	119,954
<b>Depreciation and impairment</b>			
At 1 January 2020	28,614	25,959	54,573
Depreciation charged in the year	26,758	5,631	32,389
At 31 December 2020	55,372	31,590	86,962
<b>Carrying amount</b>			
At 31 December 2020	30,702	2,290	32,992
At 31 December 2019	38,153	7,921	46,074



# METALS & ALLOYS INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 7 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	796,908	748,141
Other debtors	664,638	597,094
Prepayments and accrued income	27,888	149,352
	<u>1,489,434</u>	<u>1,494,587</u>

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

	2020 £	2019 as restated £
Bank loans	41,667	-
Trade creditors	1,307,999	980,986
Corporation tax	38,919	2,870
Other taxation and social security	13,826	21,601
Other creditors	98,717	201,622
Accruals and deferred income	258,132	350,565
	<u>1,759,260</u>	<u>1,557,644</u>

Included within other creditors at the year end was £nil (2019: £11,874) relating to outstanding pension contributions.

The bank loan is secured by a fixed charge.

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

	2020 £	2019 £
Bank loans	<u>208,333</u>	<u>-</u>

The bank loan is secured by a fixed charge.

### 10 Provisions for liabilities

	2020 £	2019 £
Deferred tax liabilities	<u>5,942</u>	<u>4,097</u>

# METALS & ALLOYS INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 11 Reserves

##### Capital redemption reserve

The capital redemption reserve represents the nominal value of shares repurchased and still held at the end of the reporting period.

##### Profit and loss reserves

The profit and loss reserve represents earnings of the company net of distributions to its owners.

#### 12 Operating lease commitments

##### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	14,213	20,786
Between one and five years	11,844	26,057
	<u>26,057</u>	<u>46,843</u>

#### 13 Related party transactions

Included within other debtors is an amount of £420,000 (2019: £420,000) owed by Metals & Alloys Purchase Co Limited, a company related by common ownership.